

BAMBERG COUNTY, SOUTH CAROLINA

AUDITED BASIC FINANCIAL STATEMENTS
MANAGEMENT'S DISCUSSION AND ANALYSIS AND
OTHER FINANCIAL INFORMATION

YEAR ENDED JUNE 30, 2010

WITH

REPORT OF INDEPENDENT AUDITOR

BAMBERG COUNTY, SOUTH CAROLINA

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YEAR ENDED JUNE 30, 2010

CONTENTS

Report of Independent Auditor	1-2
Basic Financial Statements	
<u>Government-wide</u>	
Statement of Net Assets	3
Statement of Activities.....	4
<u>Governmental Activities</u>	
Balance Sheet	5
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds	6-7
Notes to Financial Statements	8-30
Required Supplementary Information (Other than Management's Discussion and Analysis)	
Budgetary Comparison Schedule	31-34
Notes to Budgetary Comparison Schedule	35
OTHER FINANCIAL INFORMATION	
Combining 'Non-Major' Governmental Financial Statements	
Combining Balance Sheet – Non-Major Governmental Funds	36
Combining Statement of Revenue, Expenditures and Changes in Fund Balance – Non-Major Governmental Funds	37
Individual Fund Financial Statements	
General Fund	
Balance Sheet	38
Schedule of Revenue, Expenditures and Changes in Fund Balances – Budget and Actual	39-40
Agency Fund	
Combining Statement of Changes in Assets and Liabilities	41-44
Victim's Rights Assistance	
Schedule of Court Fines, Assessments and Surcharges	45

BAMBERG COUNTY, SOUTH CAROLINA

REPORT OF INDEPENDENT AUDITOR

BAMBERG COUNTY, SOUTH CAROLINA

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REPORT OF INDEPENDENT AUDITOR

The Honorable Chairman and Members of County Council
Bamberg County, South Carolina

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bamberg County, South Carolina (the "County"), as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year summarized comparative information has been derived from the County's 2009 audited financial statements and, in my report dated February 27, 2010, I expressed an adverse opinion on these financial statements..

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

As discussed in *Note 1*, the financial statements do not include financial data of Bamberg County Memorial Hospital (the "Hospital"), a legally separate entity for which the County is financially accountable. Additionally, the Hospital's financial statements have not been audited and we were not engaged to audit the Hospital financial statements as part of our audit of the County's basic financial statements. Accounting principles generally accepted in the United States of America require the data for component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that includes the financial data for its component units. The County has not issued such reporting entity financial statements. The amount by which this omission would affect the assets, net assets and expenses of the County's 'government-wide' financial statements is not readily determinable.

As discussed in *Note 1*, the County has not recorded certain general capital and infrastructure assets in its financial statements and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those general capital and infrastructure assets be capitalized and depreciated, which would increase the assets, net assets, and expenses of the County's Governmental Activities. The amount by which this omission would affect the assets, net assets and expenses of the County's 'government-wide' financial statements is not readily determinable.

— CONTINUED —

In my opinion, because of the effects of the matters discussed in the two preceding paragraphs, the financial statements referred to previously, do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the governmental activities of Bamberg County, South Carolina, as of June 30, 2010, or the changes in financial position thereof for the year then ended.

Additionally, in my opinion, the fund financial statements (consisting of the County's major funds and the aggregate remaining fund information) present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of Bamberg County, South Carolina, as of June 30, 2010, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Further, the County has not presented a *Management's Discussion and Analysis* that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The accompanying Required Supplementary Information as listed in the table of contents is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the 2010 financial statements that collectively comprise the County's basic financial statements. The accompanying supplementary information listed in the table of contents as Other Financial Information, is presented for the purposes of additional analysis and is not a required part of the basic financial statements of Bamberg County, South Carolina. The Other Financial Information, which consists of combining and individual fund financial statements and other financial schedules, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, based on my audit, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



March 25, 2011
Columbia, South Carolina

BASIC FINANCIAL STATEMENTS

BAMBERG COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS

JUNE 30, 2010

	<u>Primary Government Governmental Activities</u>	<u>Discretely Presented Component Unit County Hospital</u> <i>(see Note 1)</i>
Assets		
Cash and cash equivalents	\$ 1,062,458	
Receivables, net	249,047	
Due from other governments	644,832	
Due from Agency Funds	117,464	
Restricted cash and cash equivalents	1,707,809	
Capital assets:		
Non-depreciable	4,473,364	
Depreciable, net	<u>7,531,922</u>	
Total Assets	<u>\$ 15,786,896</u>	
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 163,934	
Accrued expenses	186,340	
Accrued interest payable	29,422	
Due to other governments	96,333	
Due to Agency Funds	171,676	
Bond deposits and prepayments	102,208	
Bonds and notes payable:		
Due in less than one year	542,016	
Due in more than one year	2,360,600	
Landfill postclosure costs – current portion	17,810	
Landfill closure and postclosure costs	<u>445,690</u>	
Total liabilities	<u>4,116,029</u>	
Net assets:		
Invested in capital assets, net of related debt	9,823,127	
Restricted for:		
Debt and capital projects	1,032,422	
Fire and emergency services	284,858	
Unrestricted	<u>530,460</u>	
Total net assets	<u>11,670,867</u>	
Total Liabilities and Net Assets	<u>\$ 15,786,896</u>	

See accompanying notes to financial statements.

BAMBERG COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2010

Functions and Programs	Primary Government				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Fees for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Governmental activities:</u>					
General government	\$ (3,852,724)	\$ 66,514	\$ —	\$ —	\$ (3,786,210)
Public safety	(2,119,520)	481,848	12,300	—	(1,625,372)
Public works	(1,396,331)	394,036	—	57,611	(944,684)
Health and welfare	(416,826)	—	—	—	(416,826)
Economic development	(297,830)	—	—	—	(297,830)
Contract and non-contract agencies	(418,100)	—	—	—	(418,100)
Interest	(66,512)	—	—	—	(66,512)
Total primary government	<u>\$ (8,567,843)</u>	<u>\$ 942,398</u>	<u>\$ 12,300</u>	<u>\$ 57,611</u>	<u>(7,555,534)</u>

Discretely presented component unit:
County Hospital (see Note 1)

General Revenue and Transfers

General Revenue:	
Property taxes	4,446,660
State shared and unallocated:	
Intergovernmental (unrestricted)	1,209,004
Unrestricted investments earnings	44,140
Miscellaneous	5,391,195
Total general revenue	<u>11,090,999</u>
Changes in net assets	3,535,465
Net Assets – beginning of year	<u>8,135,402</u>
Net Assets – end of year	<u>\$ 11,670,867</u>

See accompanying notes to financial statements.

BAMBERG COUNTY, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2010

	General Fund	Hospital Capital Project Fund	Capital Needs Equipment Replacement Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents:					
Unrestricted	\$ 1,062,458	\$ —	\$ —	\$ —	\$ 1,062,458
Restricted	252,334	580,970	520,698	353,807	1,707,809
Tax receivables, net	95,206	—	—	—	95,206
Other receivables	844	—	—	—	844
Due from other governments	644,832	—	—	—	644,832
Due from other funds	154,598	—	3,051	6,889	164,538
Due from Agency Funds	117,464	—	—	—	117,464
Total assets	\$ 2,327,736	\$ 580,970	\$ 523,749	\$ 360,696	\$ 3,793,151
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 163,934	\$ —	\$ —	\$ —	\$ 163,934
Accrued expenses	177,426	—	—	8,914	186,340
Bond deposits and prepayments	102,208	—	—	—	102,208
Due to other funds	—	—	145,722	18,816	164,538
Due to Agency Funds	171,676	—	—	—	171,676
Due to other governments	96,333	—	—	—	96,333
Total liabilities	711,577	—	145,722	27,730	885,029
Fund balances:					
Unreserved, undesignated reported in:					
Special Revenue Funds	—	—	—	259,541	259,541
Capital Project Funds	—	580,970	378,027	25,687	984,684
Debt Service Fund	—	—	—	47,738	47,738
General Fund	1,616,159	—	—	—	1,616,159
Total fund balances	1,616,159	580,970	378,027	332,966	2,908,122
Total liabilities and fund balances	\$ 2,327,736	\$ 580,970	\$ 523,749	\$ 360,696	

Reconciliation to amounts reported for governmental activities in the Statement of Net Assets (See Note 14):

Capital assets used in governmental activities are not financial resources and therefore, are not reported in these funds.	12,005,286
Certain receivables are not financial resources and therefore, are not reported in these funds.	152,997
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in these funds.	(3,395,538)
Net Assets, end of year – Governmental Activities	\$ 11,670,867

See accompanying notes to financial statements.

BAMBERG COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2010

	General Fund	Hospital Capital Project Fund	Capital Needs Equipment Replacement Fund	Other Governmental Funds	Total Governmental Funds
Revenue					
Property taxes	\$ 3,908,164	\$ —	\$ 204,697	\$ 340,802	\$ 4,453,663
State sources	1,209,004	—	—	—	1,209,004
Federal sources	69,911	—	—	—	69,911
Local sources	756,602	—	—	475,965	1,232,567
Magistrate fines	131,127	—	—	—	131,127
Interest income	10,455	10,984	596	22,105	44,140
Miscellaneous	29,021	3,296,000	—	—	3,325,021
Total revenue	6,114,284	3,306,984	205,293	838,872	10,465,433
Expenditures					
Current:					
General government	3,429,218	—	—	—	3,429,218
Public safety	1,589,879	—	—	447,134	2,037,013
Public works	940,525	—	—	401,766	1,342,291
Health welfare	—	416,826	—	—	416,826
Economic development	297,830	—	—	—	297,830
Contract agencies	327,900	—	—	—	327,900
Non-contract agencies	90,200	—	—	—	90,200
Capital outlay	111,896	1,495,864	—	—	1,607,760
Debt service	—	819,892	—	223,609	1,043,501
Total expenditures	6,787,448	2,732,582	—	1,072,509	10,592,539
Excess (deficiency) of revenue over expenditures	(673,164)	574,402	205,293	(233,637)	(127,106)
Other Financing Sources (Uses)					
Transfers in	—	—	—	170,846	170,846
Transfers (out)	(19,864)	(47,698)	—	(103,284)	(170,846)
Installment purchase contract	25,028	—	—	—	25,028
Tax anticipated note	500,140	—	—	—	500,140
Total other financing sources (uses)	505,304	(47,698)	—	67,562	525,168
Net change in fund balances	(167,860)	526,704	205,293	(166,075)	398,062
Fund balances, beginning of year	1,784,019	54,266	172,734	499,041	2,510,060
Fund balances, end of year	\$ 1,616,159	\$ 580,970	\$ 378,027	\$ 332,966	\$ 2,908,122

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BAMBERG COUNTY, SOUTH CAROLINA
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS

— CONTINUED —

Reconciliation to amounts reported for governmental activities in the Statement of Activities (See Note 14):	
Net change in fund balances – total governmental funds	\$ 398,062
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,263,113
Certain revenues and expenses are not reported as source and uses of current financial resources. This is the amount of such accruals.	1,307,106
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>567,184</u>
Change in Net Assets – Governmental Activities	<u><u>\$ 3,535,465</u></u>

See accompanying notes to financial statements.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2010

1. Summary of Significant Accounting Policies

Bamberg County, South Carolina (the “County”) was founded in 1897, under the laws of the State of South Carolina for the incorporation of municipal governments and as amended by Act 283 of the 1975 Code (Home Rule County Act). The governing body of the County is the County Council (the “Council”), which makes policies for the administration of the County. The Council is comprised of seven members elected from single member districts for terms of four years. Annually the Council elects a chairman from among its members to conduct the public meetings of the Council. The County operates under the ‘Council Form of Government’ and provides the following services as authorized by its charter: public welfare, general government, public safety (police and fire), and streets and maintenance.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments* established new financial reporting requirements for governments and caused to restructure much of the information that the County presented in the past. The GASB statements, interpretations, technical bulletins, implementation guides, along with applicable audit guides, etc., constitutes the hierarchy of Generally Accepted Accounting Principles (GAAP) for state and local governments. The more significant of the government’s accounting policies are described below.

A. Reporting Entity

Using the criteria of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, the basic financial statements of the County present the reporting entity that consists of the primary government and those organizations for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County’s financial statements to be misleading or incomplete.

Financial accountability is defined as appointment of a voting majority of the separate organization’s board and either a) the ability to impose will by the primary government, or b) the possibility that the separate organization will provide a financial benefit to or impose a financial burden on the primary government. “Blended” component units are separate entities that are, substantially, part of the primary government’s operations and are combined with financial data of the primary government. “Discretely presented” component units, on the other hand, are reported in separate columns in the Government-wide financial statements to emphasize that they are legally separate from the operations of the primary government.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

Certain other political subdivisions, including the various school boards, commissions, city governments and other entities, are excluded from the County's reporting entity because County Council does not exert significant influence or control over the usual operations of the separate entities and, accordingly, each entity has sufficient discretion in the management of its own affairs. However, the County Treasurer is responsible for collection of property taxes, intergovernmental and other revenues for the other political subdivisions, and the balances of this fiduciary responsibility have been included herein as Fiduciary (Agency) funds.

Additionally, Bamberg County Council appoints members to various "commissions" and "advisory boards" which are not legally independent from the County. The Bamberg County Library is part of a regional library system known as the Aiken, Bamberg, Barnwell and Edgefield Library System, a separate special-purpose district.

Discretely Presented Component Unit

Using the above criteria, the County has determined that the Bamberg County Memorial Hospital (the "Hospital") is a component unit of the County which requires discrete presentation in these financial statements. However, audited financial information for the most recently completed fiscal year of the Hospital is not available and consequently is not included in the County's basic financial statements, which is a departure from GAAP.

Departures from GAAP

As stated above, the County's 'government-wide' financial statements presented herein do not include the financial statements of the Hospital, a component unit of the County. The financial statements of the Hospital have not been audited and we were not engaged to audit the Hospital financial statements as part of our audit of the County's basic financial statements. Accounting principles generally accepted in the United States of America require the data for component units to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that includes the financial data for its component units. The County has not issued such reporting entity financial statements.

Additionally, the County has excluded certain general capital and infrastructure assets from its Governmental Activities and, has not recorded related depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those assets be capitalized and depreciated, and be included in the 'government-wide' financial statements. The amount by which these departures would affect the assets, net assets and expenses of the County's Governmental Activities is not readily determinable.

Accordingly, the County's 'government-wide' financial statements do not present fairly, in conformity with generally accepted accounting principles (GAAP) the financial position of the County's Governmental Activities, as of June 30, 2010, or the changes in financial position thereof for the year then ended.

BAMBERG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. **Summary of Significant Accounting Policies (continued)**

B. Basis of Presentation

Government-wide Financial Statements

Government-wide financial statements, consisting of a Statement of Net Assets and a Statement of Activities, display information about the primary government except for its fiduciary activities. The effect of interfund activity has been removed from these statements. Separate columns are used to distinguish between the County's governmental and business-type activities and discretely presented component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on user fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The Statement of Net Assets presents the financial condition of the Governmental Activities for the County at year-end. The County had no Business-type Activities at June 30, 2010. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function and are offset by program revenues to reflect "net (expenses) revenue" of the County's individual functions before applying 'general' revenue.

Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues and all taxes are presented as general revenues of the County, with certain limited exceptions.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at a more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column with "combining" statements presented as supplemental information.

For the year ended June 30, 2010, the County reports its General Fund, Hospital Capital Project Fund and its Capital Needs Equipment Replacement Fund as "major" funds.

BAMBERG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. **Summary of Significant Accounting Policies (continued)**

B. Basis of Presentation (continued)

A summary of fund financial statement types follows:

Governmental Fund Types:

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

Special Revenue Funds – Special Revenue Funds are established to account for the proceeds of specific revenue sources and certain special assessments that are legally restricted to expenditures for specified purposes. The County accounts for E-911, Road Maintenance, and Fire Services in these funds.

Debt Service Fund – The Debt Service Funds accounts for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Capital Projects Funds – The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities and equipment. The Hospital Capital Project Fund accounts for all financial resources to be used for the construction and renovation of the County hospital.

Proprietary Fund Types:

Enterprise Funds – These funds are used to account for those operations that are financed and operated in a manner similar to private business. In the Enterprise Funds, fees are generally charged to external users for goods or services where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The County had no Enterprise Funds at June 30, 2010.

Fiduciary Fund Types:

Agency Fund – Agency Funds are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, in a trustee capacity or as agent.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment of the County's financial transactions is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting is a conceptual description of the timing of the accounting measurements made.

The Government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, in accordance with GASB Statement Number 34. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met. Additionally, the effect of interfund activity (i.e. advances or short-term loans) has been eliminated from the Government-wide financial statements.

Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis concept, revenues susceptible to accrual (e.g. property taxes, franchise taxes, state shared and intergovernmental revenues) are recognized when they become measurable (estimable as to the net amount to be collected) and available as current assets. "Measurable" means the amount of the transaction can be identified and "available" means collectible within the current period or soon enough thereafter (generally not to exceed 60 days) to be used to pay liabilities of the current period. Those revenues susceptible to accrual are property taxes, charges for services, and hospitality fees. Revenues from state and federal grants are recorded when expenditures are incurred. Entitlements and shared revenues are recognized at the time of receipt or earlier if the susceptible to accrual criteria is met. Interest revenue is considered available when earned. Major revenues that are determined not to be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable include fees and fines, licenses and permits.

Governmental funds are used to account for general governmental activities focusing on the sources, uses, and balances of current financial resources. The difference between Governmental Fund assets and liabilities is reported as fund balance.

Because of their spending measurement focus, expenditure recognition for Governmental Fund types excludes amounts represented by noncurrent liabilities. Since they do not affect current available financial resources, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets.

BAMBERG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus and Basis of Accounting (continued)

The proceeds of long term debt are recorded as another financing source rather than as a fund liability. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

In the Government-wide financial statements, and in the Governmental Fund types and the proprietary fund types in the fund financial statements, certain assets are recognized in connection with a transaction before the earnings process is complete. These assets are generally offset by a corresponding liability for deferred revenue, commonly referred to as unearned revenue. Deferred revenue in the Government-wide statements and in the fund financial statements, Governmental funds, is represented by various deposits on contracts. In the fund financial statements, Governmental funds report certain assets that are not yet available to finance expenditures for the current fiscal period and are classified as deferred revenue commonly known as unavailable revenue.

All Proprietary Funds are accounted for on a flow of economic resources measurement focus. Under this method, the accrual basis of accounting is utilized, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. All assets and liabilities associated with the operation of these funds are included on the balance sheet. Proprietary Fund Type operating statements present increases (i.e., revenue) and decreases (i.e., expenses) in net assets by distinguishing operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Fiduciary fund reporting focuses on net assets and changes in net assets. This fund accounts for assets held by the entity as an agent on behalf of others. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The County's only fiduciary funds are Agency Funds.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date, and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts, and certain claims and judgment liabilities among other accounts. Actual results could differ from those estimates.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, and Net Assets or Fund Balances

Cash and Cash Equivalents

Cash includes operating accounts and savings or money market accounts with maturities of three months or less. These investments are presented at cost, which reasonably approximate fair value.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions result in loans or advances between individual funds. The lending fund reports amounts 'due from other funds', while the borrowing fund reports amounts 'due to other funds'.

Receivables and Allowance for Doubtful Accounts

Accounts receivable include amounts due from others and is stated net of an allowance for uncollectibles.

Restricted Assets

Restricted accounts include money or other resources, the use of which is restricted by legal or contractual requirements.

Capital Assets

Capital assets include property, building, equipment, and infrastructure assets (e.g., roads, bridges, right-of-ways, stormwater drainage systems, and similar items). Such items are required to be reported in the applicable Governmental or Business-type Activities column in the County's Government-wide financial statements. However, at June 30, 2010, the County has not recorded values of certain of its capital assets and infrastructure.

The County capitalizes assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life is not capitalized. Assets are recorded at historical cost or estimated historical cost of older capital assets for which detailed records of purchase prices were not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

All reported capital assets except land are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Life</u>
Buildings and improvements	15–50
Machinery and equipment	5–15
Vehicles	5–15

BAMBERG COUNTY, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. **Summary of Significant Accounting Policies (continued)**

D. Assets, Liabilities, and Net Assets or Fund Balances (continued)

Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Payments on existing debt are recorded as debt service expenditures in the period in which the payment is made

Accrued Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The County accrues accumulated unpaid vacation leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentations. Accrued sick leave is not payable upon termination. Therefore, no provision for accrued sick leave has been made in these financial statements.

Net Assets and Fund Balances

In the government-wide financial statements net assets represent the difference between assets and liabilities. Net assets for both the governmental and proprietary fund types displays three components – invested in capital assets, net of related debt; restricted (distinguished between major categories of restrictions); and unrestricted. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets, and adding back unspent proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the county or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

In the Fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Reserved for Capital Projects represent funds reserved for County projects.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. **Summary of Significant Accounting Policies (continued)**

D. Assets, Liabilities, and Net Assets or Fund Balances (continued)

Property Taxes

The County assesses and levies property taxes in accordance with applicable laws of the State of South Carolina. Real property and personal property of every description owned and used in the County, except that which is exempt from taxation under the Constitution and Laws of the State, is subject to taxation. An annual ordinance establishing the millage rate associated with the levy is adopted each year as a part of the budget adoption process.

Real property and all personal property other than vehicles are assessed for property tax purposes as of December 31 of each year. The basis for value of taxable property within the County is taken from the records of the County Assessor. Taxes are levied on July 1 with the passage of the fiscal year budget and millage ordinance, billed in October, and are due by January 15 in the year following their levy. A penalty of 3% is added to the tax bill on January 16; with an additional 7% added on February 2; and an additional 5% to the tax bill on March 17.

New vehicle property taxes are assessed and levied within 120 days of the registration date of the vehicle and payment is due upon receipt of the property tax notice. Other vehicle property taxes are assessed and levied in the month the vehicle is scheduled for license renewal with the South Carolina Department of Transportation and payment is due before the end of the month of the scheduled renewal.

For Government-wide financial statements, property taxes are recognized as revenue in the year for which they are levied. For Government Fund financial statements, County property tax revenues are recognized for the budget period to which they apply when they become measurable and available. Delinquent and unpaid property taxes are reported as receivables, less amounts estimated to be uncollectible.

Program and General Revenue

The County charges public fees for building permits and inspections, and other assorted activities. These fees as well as fines for traffic violations and grant revenues are recorded as program revenue in the Statement of Activities. General Revenues reported by the County include property taxes, state-shared taxes and other government imposed non-exchange fees (e.g. franchise fees, which are general revenue fees in lieu of business licenses).

Restatements and Reclassification

Certain items in the prior years have been reclassified to conform to current year presentation.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. **Summary of Significant Accounting Policies (continued)**

E. Stewardship, Compliance and Accountability

The County's budget does not encompass all expenditures which occurred in fiscal year 2010. Governmental Fund expenditures of \$10,592,539 exceeded the appropriated budget of \$7,552,350 by \$3,040,189. Of this deficit, approximately \$2,913,083 was funded by governmental revenue collected during the fiscal year in excess of estimated amounts and the remainder reduced related fund balances.

2. **Deposits and Investments**

As of June 30, 2010, the County had the following cash deposits and investment balances:

Cash on hand	\$ 33,837
Carrying amount of deposits	<u>2,736,430</u>
	<u>\$ 2,770,267</u>

These amounts are reported in the Statement of Net Assets as follows:

Cash and cash equivalents:	
Unrestricted	\$ 1,062,458
Restricted	<u>1,707,809</u>
	<u>\$ 2,770,267</u>

Primary Government and Agency Funds

At June 30, 2010, the carrying amount of the County's deposits was \$2,736,430 for the primary government and \$564,586 for Agency Funds. The bank balances for these funds totaled \$3,491,550. All deposits were insured by federal depositor insurance (FDIC) or collateralized by United States Government securities, Treasury notes held in the financial institution's name, or a bank letter of credit.

Deposits

Custodial credit risk for deposits is the risk, that in the event of a bank failure, the County's deposits may not be returned or that they will not be able to recover collateral securities in the possession of an outside party. Custodial credit risk for deposits is not formally addressed by a policy.

The cash on deposit under the direction of the County Treasurer and other County officials consists of funds held in checking and savings accounts, money market and certificates of deposit. The County does not have a formal policy for deposits, but follows the State investment guidelines.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

2. Deposits and Investments (continued)

Restricted Assets

Restricted cash and cash equivalents for the Governmental Activities totaled \$1,707,809 at June 30, 2010. This amount was restricted to uses as set forth in the respective Special Revenue and Capital Projects Funds as well as various court related activities of the General Fund.

3. Receivables

Receivables, consisting of real and personal property taxes, accounts and other receivables at June 30, 2010, are shown below less an estimated allowance for uncollectible accounts, are as follows:

	Governmental Activities
Property taxes	\$ 579,361
Landfill dumping (tipping) fees	81,283
Interest receivable	844
Total receivables	661,488
Less, allowance for uncollectible accounts	(412,441)
Receivables, net	\$ 249,047

4. Due From Other Governments

The following are due from other governments:

	Governmental Activities
Due from state government:	
State shared revenues	\$ 185,698
Local Option Sales Tax (L.O.S.T.)	95,470
Property tax rollbacks	258,719
Accommodations tax	71,185
Other	33,760
Total due from other governments	\$ 644,832

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

5. Due to/from Other Funds – Internal Balances

The Governmental Funds short-term interfund receivables and payables at June 30, 2010, were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 272,062	\$ 171,676
Special Revenue Funds:		
E-911 Fund	—	175
Fire Service Fund	3,862	—
Road Maintenance fund	—	18,641
Capital Project Funds:		
Capital Need Equipment Replacement Fund	3,051	145,722
Debt Service Fund	3,027	—
Agency Funds	171,676	117,464
	<u>\$ 453,678</u>	<u>\$ 453,678</u>

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

6. Transfers to/from Other Funds

Governmental Funds transfers in (out) for the year ended June 30, 2010 are summarized below:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ —	\$ 19,864
Special Revenue Funds:		
E-911 Fund	123,148	—
Fire Service Fund	—	103,284
Debt Service Fund	47,698	—
Hospital Capital Project Fund	—	47,698
	<u>\$ 170,846</u>	<u>\$ 170,846</u>

Transfers between the funds were primarily to support the operations of the funds.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

7. Capital Assets

A summary of the changes in the County's capital assets during the year ended June 30, 2010, are as follows:

Government Activities:

	Balances			Balances
	June 30, 2009	Additions	Retirements	June 30, 2010
Capital assets not being depreciated:				
Land and land improvements	\$ 86,219	\$ —	\$ —	\$ 86,219
Construction in progress	2,891,281	1,495,864	—	4,387,145
Total capital assets not being depreciated	2,977,500	1,495,864	—	4,473,364
Capital assets being depreciated:				
Buildings and improvements	7,683,582	—	—	7,683,582
Furniture, vehicles, equipment	3,694,145	111,896	—	3,806,041
Totals capital assets being depreciated	11,377,727	111,896	—	11,489,623
Less, accumulated depreciation for:				
Buildings and improvements	(1,821,989)	(165,635)	—	(1,987,624)
Furniture, vehicles, equipment	(1,791,065)	(179,012)	—	(1,970,077)
Total accumulated depreciation	(3,613,054)	(344,647)	—	(3,957,701)
Total capital assets being depreciated, net	7,764,673	(232,751)	—	7,531,922
Net capital assets – Governmental Activities	\$ 10,742,173	\$ 1,263,113	\$ —	\$ 12,005,286

Depreciation expense for the year ended June 30, 2010, was charged to functions/programs of the primary government as follows:

General government	\$ 206,789
Judicial	1,311
Public safety	82,507
Streets and maintenance	54,040
Total depreciation expense	<u>\$ 344,647</u>

At June 30, 2010, the County had not recorded capital assets associated with Bamberg County Memorial Hospital and Nursing Center, nor its general infrastructure capital assets, which would include roads (dirt and paved), bridges, right-of-ways, stormwater drainage systems, etc. (see Note 1).

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Long-Term Debt

Long-term debt of the County at June 30, 2010 consists of the following:

A. Governmental Activities

Bamberg County General Obligation Bonds, Series 2008 (for hospital revitalization) due in annual installments of \$20,000 to \$145,000 through April 1, 2028, interest at 4%	\$ 1,426,000
Tax anticipation note 2009	500,140
Installment purchase contract, (1 sheriff police car) dated April 27, 2010, interest at 3.290% payable in annual installments of \$8,897, due on or before April 27, 2013.	25,028
Installment purchase contract, (E-911) dated May 11, 2007, interest at 3.990% payable in annual installments of \$173,685, due on or before May 11, 2012.	327,633
Installment purchase contract, (two fire pumper trucks) dated November 10, 2008, interest at 3.90% payable in annual installments of \$44,132, due on or before March 7, 2018.	298,361
Installment purchase contract, (motor grader) dated November 10, 2008, interest at 3.380% payable in annual installments of \$34,316, due on or before March 7, 2013.	96,370
Installment purchase contract, (one sheriff police vehicle), dated November 13, 2008, interest at 3.230% payable in annual installments of \$9,034, due on or before March 7, 2011.	8,767
Accrued compensated absences	220,317
	<u>2,902,616</u>
Less, current portions (due within one year):	
General obligation bonds	(40,000)
Tax anticipation note	(250,000)
Installment purchase obligations	(241,000)
Accrued compensated absences	(11,016)
Total current portion	<u>(542,016)</u>
Total long-term debt – Governmental Activities	<u>\$ 2,360,600</u>

All general obligation bonds serviced by the County's General Fund are collateralized by the full faith, credit, and taxing power of the County.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Long-Term Debt (continued)

B. Changes in Long-Term Debt

Changes in the long-term debt of the County during the year ended June 30, 2010, were as follows:

	<u>Outstanding 6/30/09</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding 6/30/10</u>
Governmental Activities:				
General obligation bonds	\$ 2,256,000	\$ 500,140	\$ (830,000)	\$ 1,926,140
Installment purchase obligations	\$ 993,483	\$ 25,028	\$ (262,352)	\$ 756,159
Accrued compensated absences	\$ 220,317	\$ —	\$ —	\$ 220,317

Additions to the County's long term debt during the fiscal year 2010 were as follows:

- On August 3, 2009 the County issued a Tax Anticipation Note in the amount of \$500,140 for general operations. Interest is at 3.32%. The note is due August 3, 2010 with accrued interest in the amount of \$516,975.
- On April 27, 2010, the County entered into an installment purchase contract for a police vehicle in the amount of \$25,028 with interest at 3.290% payable in annual installments of \$8,898, due on or before April 27, 2013.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Long-Term Debt (continued)

C. Annual Requirements for Long-Term Debt

The annual debt service requirements to amortize all of the County's long-term debt, except accrued compensated absences and landfill postclosure costs, are summarized below:

Fiscal years	Installment Purchase Contracts		General Obligation Bonds		Total Long-term Debt	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 241,000	\$ 29,072	\$ 290,140	\$ 74,520	\$ 531,140	\$ 103,592
2012	241,233	19,798	290,000	54,365	531,233	74,163
2013	76,889	10,457	40,000	72,705	116,889	83,162
2014	36,448	7,684	45,000	50,838	81,448	58,522
2015	37,870	6,262	45,000	48,970	82,870	55,232
2016-2020	122,719	9,693	335,000	222,855	457,719	232,548
2021-2025	—	—	585,000	128,857	585,000	128,857
2026-2028	—	—	296,000	16,185	296,000	16,185
	<u>\$ 756,159</u>	<u>\$ 82,966</u>	<u>\$ 1,926,140</u>	<u>\$ 669,295</u>	<u>\$ 2,682,299</u>	<u>\$ 752,261</u>

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

9. Net Assets

Net assets of the Government-wide financial statements represent the difference between assets and liabilities. Reported amounts for invested in capital assets and restricted net assets were as follows:

	<u>Governmental Activities</u>
<u>Invested in Capital Assets, Net of Related Debt</u>	
Net capital assets	\$ 12,005,286
Less, general obligation bonds	(1,426,000)
Less, installment purchase contracts	(756,159)
Total invested in capital assets, net of related debt	<u>\$ 9,823,127</u>
 <u>Restricted</u>	
Debt service	\$ 47,738
Capital projects building maintenance	606,657
Capital projects equipment replacement	378,027
Fire services	180,245
E-911 services	104,613
Total restricted net assets	<u>\$ 1,317,280</u>

10. Landfill Closure and Postclosure Obligation

State and federal laws and regulations require the County to place a final cover on its landfill site when they stop accepting waste, and to perform certain maintenance and monitoring functions for 30 years after closure. While Bamberg County's original landfill was closed and capped in 1994, the County's vertical expansion allowed the stacking of municipal waste above the ground in trenches until September 1998, at which time the County began using a regional landfill.

GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*, applies to all governmental solid waste landfills with the basic objective to recognize all landfill costs by the time a landfill is closed. The costs to be identified for closure and postclosure care include (1) capital assets, (2) final cover and (3) monitoring and maintenance activities.

Because the original landfill is closed, 100% of the liability for the above costs has been recognized as a long-term liability. The estimated liability for postclosure care costs is in excess of \$17,810 annually, or approximately \$270,000 as of June 30, 2010, for the remaining monitoring period of 15 years.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

10. Landfill Closure and Postclosure Obligation (continued)

The County also operates a Construction Demolition and Land Clearing Debris (C & D) landfill, and is in the process of completing the requirements to convert and expand it to a Class II Landfill. This site is estimated to remain open for at least 13 more years.

The Class II landfill of 13.5 acres originally had a capacity of 41,000 tons. At June 30, 2010 the landfill had used approximately 75% of its capacity, or 30,750 tons. At June 30, 2010 the estimated annual groundwater monitoring cost over the remaining life is approximately \$8,000 per year.

Estimated total closure and postclosure care costs as of June 30, 2010, for the County's landfill follows:

	Closed Landfill	C & D Class II Landfill	Total
Closure costs	\$ —	\$ 162,000	\$ 162,000
Postclosure costs	270,000	96,000	366,000
Total	<u>\$ 270,000</u>	<u>\$ 258,000</u>	<u>\$ 528,000</u>

The estimated total current cost of the landfill closure and postclosure care is based on the amount that would be paid if all equipment, facilities and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2010. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Bamberg County has not accumulated or segregated funds to meet this additional liability.

Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. At June 30, 2010, the County reported long-term liabilities equaling \$463,500 (\$270,000 + (\$258,000 x 75%)) with a current liability portion due of \$17,810.

The County will recognize the remaining closure and postclosure care costs of \$64,500 as the remaining estimated capacity of the Class II landfill is used.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

11. Retirement Plan

Generally, all permanent employees of the County are required by law to join the South Carolina Retirement System (SCRS) or the Police Officers Retirement System (PORS) which are cost-sharing multiple-employer defined benefit pension plans administered by the South Carolina Retirement System, a Division of the State Budget and Control Board. Article X, Section 16, of the South Carolina Code of Laws of 1976, as amended, prescribes requirements relating to membership, benefits, and employee/employer contributions for each pension plan. Employee and employer contribution rates for the SCRS and the PORS are actuarially determined. Annual benefits, payable monthly for life, are based on length of service and on average final compensation.

A comprehensive annual financial report containing financial statements and required supplementary information for the SCRS and PORS is issued and publicly available by writing the South Carolina Retirement System, P.O. Box 11960, Columbia, SC 29211-1960.

The majority of employees of the County are covered by the SCRS. Generally all County employees are required to participate in and contribute to the SCRS as a condition of employment unless exempted by law as provided by Section 9-1-480 of the South Carolina Code of Laws. This plan provides retirement annuity benefits as well as disability, cost of living adjustment, death, and group-life insurance benefits to eligible employees and retirees.

The County's actual contributions to the SCRS for the three most recent fiscal years ended June 30, 2010, 2009, and 2008, were \$133,140, \$132,057 and \$133,649, respectively, and equaled the required contribution for each year. Under this system, the County's contributions were 9.09 percent of each covered employee's compensation as of June 30, 2010. Also, the County paid employer group-life insurance contributions of \$2,161 in the current fiscal year at the rate of .15 percent of compensation.

Generally all full-time employees whose principal duties are the preservation of public order or the protection or prevention and control of property destruction by fire are required to participate in and contribute to the PORS as a condition of employment. This plan provides annuity benefits as well as disability and group-life insurance benefits to eligible employees and retirees. In addition, participating employees in the PORS contribute to the accidental death fund which provides annuity benefits to beneficiaries of police officers and firemen killed in the actual performance of their duties. These benefits are independent of any other retirement benefits available to the beneficiary.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

11. Retirement Plan (continued)

Since July 1, 1988, employees participating in PORS have been required to contribute 6.5 percent of all compensation. The County's actual contributions to the PORS for the three most recent fiscal years ended June 30, 2010, 2009, and 2008 were \$98,951, \$99,398, and \$91,429, respectively, and equaled the required contribution for each year. Under the PORS system, the County's contributions were 10.3 percent for each covered employee's compensation as of June 30, 2010. Also, the County paid employer group-life insurance contributions of \$1,858 and accidental death insurance contributions of \$1,858 in the current fiscal year for PORS participants. The rate for each of these insurance benefits is .20 percent of compensation.

The County contributed 100% of the required contribution for each of the plans for the years ending June 30, 2010, 2009, and 2008.

Several optional deferred compensation plans are available to State employees and employers of its political subdivisions. The multiple-employer plans, created under Internal Revenue Code Sections 457, 401(k), and 403(b), are administered by third parties and are not included in the Comprehensive Annual Financial Report of the State of South Carolina. Compensation deferred under the plans is placed in trust for the contributing employee. Neither the County, nor the State of South Carolina, has any liability for losses under the plans. Employees may withdraw the current value of their contributions when they terminate County employment. Employees may also withdraw contributions prior to termination if they meet requirements specified by the applicable plan.

12. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The county participates in the South Carolina Insurance Reserve Fund. Through the Fund, the County maintains property insurance at replacement value and contents coverage at actual value. The County also maintains tort coverage at a rate of \$600,000 per occurrence and inland marine coverage at a rate of \$760,726 per occurrence.

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

13. Contingencies

Litigation

The County is party to legal proceedings that normally occur in governmental operations. County officials believe the legal proceedings are not likely to have a material adverse impact on the affected funds of the County.

Federal and State Assisted Programs

In the normal course of operations, the County receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds.

Such audits could result in the refund of grant monies to the grantor agencies. However, management believes that any required refunds would be immaterial and no provision has been made in the accompanying financial statements for the refund of grant monies.

14. Reconciliation of Government-wide and Fund Financial Statements

A. Explanations of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The Governmental Fund Balance Sheet includes a reconciliation between fund balance amounts and Net Assets-Governmental Activities. The details of the reconciled amounts are as follows:

Capital assets in governmental activities are not financial resources and therefore are not reported in the fund financial statements:

Capital assets	\$ 15,962,987
Less, accumulated depreciation	<u>(3,957,701)</u>
Net amount reported	<u>\$ 12,005,286</u>

Other assets not available to pay for current period expenditures and therefore are not reported in the funds:

Property taxes receivable	<u>\$ 152,997</u>
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the fund financial statements:

Accrued interest expense	\$ 29,422
Bond and installment purchase contracts	2,671,283
Accrued compensated absences	231,333
Liability for landfill postclosure costs	<u>463,500</u>
Net amount reported	<u>\$ 3,395,538</u>

BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

14. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanations of Differences Between the Governmental Fund Statement of Revenue, Expenses and Changes in Fund Balances and the Government-wide Statement of Activities

The Governmental Fund Statement of Revenue, Expenses and Changes in Fund Balances includes a reconciliation between net changes in fund balance and Changes in Net Assets-Governmental Activities. The details of the reconciled amounts are as follows:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

Capital outlay expenditures	\$ 1,607,760
Depreciation expense	(344,647)
Net amount reported	<u>\$ 1,263,113</u>

Revenues in the Statement of Activities that do not provide current financial resources are reported as revenues in these funds:

Property taxes	<u>\$ (7,003)</u>
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in accrued interest expense	14,109
Net amount reported	<u>\$ 14,109</u>

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Principal repayments – general obligation bonds	\$ 830,000
General obligation bond proceeds	(500,140)
Capital lease debt proceeds	(25,028)
Principal repayments – capital lease obligations	262,352
Net amount reported	<u>\$ 567,184</u>

Governmental funds report the receipt of funds as revenues. However, in the Statement of Activities deposits received for sale of assets to be sold are not reported.

Nursing Home Sale Earnest Money	<u>\$ 1,300,000</u>
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BAMBERG COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

15. Multi-county Agreements

Solid Waste Disposal

The County is a member of the Three Rivers Solid Waste Authority (the Authority), a public body and body corporate and politic of the State of South Carolina. Pursuant to the agreement between the County and the Authority, the County is obligated to pay its annual fee and member fee each year for the remainder of a 30 year term expiring in the year 2027. In addition to its annual obligation, the County has agreed to pay its share of closure and postclosure costs assessed. The County has also committed to proportionally fund the operations of the Authority in the event another member defaults on its obligations.

16. Subsequent Events

Subsequent to year end the County negotiated the terms of its Tax Anticipation Note and extended the payback of one half of the balance for one year.

BAMBERG COUNTY, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION

BAMBERG COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE

YEAR ENDED JUNE 30, 2010

	Budget			Variance Positive (Negative)
	Original	Final	Actual	
Revenue				
Property Taxes				
General fund:				
Motor vehicle taxes	\$ 400,000	\$ 400,000	\$ 402,365	\$ 2,365
Current property taxes	3,498,350	3,498,350	1,909,822	(1,588,528)
Delinquent taxes	260,000	260,000	343,535	83,535
Fee in lieu of taxes	—	—	317,694	317,694
Homestead exemption	—	—	268,624	268,624
Local Option Sales Tax Credit Fund	—	—	666,124	666,124
	<u>4,158,350</u>	<u>4,158,350</u>	<u>3,908,164</u>	<u>(250,186)</u>
Fire Service Fund:				
Rural fire taxes	245,000	245,000	246,984	1,984
Debt Service Fund:				
Hospital bond	110,000	110,000	93,818	(16,182)
Capital Needs Equipment Replacement Fund:				
Capital Need and Equipment Replacement	240,000	240,000	204,697	(35,303)
Total property taxes	<u>4,753,350</u>	<u>4,753,350</u>	<u>4,453,663</u>	<u>(299,687)</u>
State Sources				
General Fund:				
Local Options Sales Tax Revenue Fund	230,000	230,000	216,299	(13,701)
Local government fund	960,000	960,000	763,087	(196,913)
Accommodations tax	75,000	75,000	71,185	(3,815)
Motor vehicle payment in lieu	60,000	60,000	35,642	(24,358)
Merchants inventory tax	30,000	30,000	26,475	(3,525)
DSS/Reimbursement service fees	6,000	6,000	8,728	2,728
DSS/Reimbursement rent & utilities	30,000	30,000	27,897	(2,103)
DMV decal income	10,000	10,000	9,336	(664)
Reimbursement Birth/Death Certificates	6,000	6,000	5,725	(275)
Solid waste tire fees	—	—	7,051	7,051
Grants	—	—	—	—
Election Commission	—	—	9,948	9,948
Manufacturers exemption reimbursement	—	—	20,621	20,621
Alcoholic liquor taxes	—	—	7,010	7,010
Total state sources	<u>1,407,000</u>	<u>1,407,000</u>	<u>1,209,004</u>	<u>(197,996)</u>
Federal Sources				
General Fund:				
Grants	—	—	69,911	69,911
Total federal sources	<u>—</u>	<u>—</u>	<u>69,911</u>	<u>69,911</u>

BAMBERG COUNTY, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE

— CONTINUED —

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Revenue (continued)				
Local Sources				
General Fund:				
Landfill fees	—	—	321,286	321,286
Court: General Session & criminal	190,000	190,000	181,401	(8,599)
Monthly probate fees	20,000	20,000	25,477	5,477
Municipal tax collection fees	30,000	30,000	30,849	849
Detention Center fees	—	—	33,936	33,936
Delinquent tax collection costs	30,000	30,000	38,668	8,668
Building permits	50,000	50,000	35,678	(14,322)
Other permits	—	—	2,870	2,870
Franchise fees	—	—	2,320	2,320
Sheriff service fees	4,000	4,000	3,133	(867)
Sexual offender registry fee	—	—	1,150	1,150
Drug seizures	—	—	8,604	8,604
Detention center phone revenue	—	—	14,615	14,615
Proceeds from disposal of assets	—	—	6,980	6,980
Rent County buildings	3,000	3,000	1,950	(1,050)
Tower rental	—	—	18,000	18,000
Civil funds	30,000	30,000	29,685	(315)
	<u>357,000</u>	<u>357,000</u>	<u>756,602</u>	<u>399,602</u>
E-911 Fund:				
E-911 revenue	95,000	95,000	122,265	27,265
Road Maintenance Fund:				
Road user fee	—	—	353,700	353,700
Total local sources	<u>452,000</u>	<u>452,000</u>	<u>1,232,567</u>	<u>780,567</u>
Magistrate fines	<u>150,000</u>	<u>150,000</u>	<u>131,127</u>	<u>(18,873)</u>
Interest				
General Fund	60,000	60,000	10,455	(49,545)
E-911 Fund	—	—	12,396	12,396
Fire Service Fund	—	—	9,490	9,490
Building Maintenance Fund	—	—	38	38
Capital Needs Equipment Replacement Fund	—	—	596	596
Hospital Fund	—	—	11,165	11,165
Total interest	<u>60,000</u>	<u>60,000</u>	<u>44,140</u>	<u>(15,860)</u>
Miscellaneous	<u>730,000</u>	<u>730,000</u>	<u>3,325,021</u>	<u>2,595,021</u>
Total revenue	<u>\$ 7,552,350</u>	<u>\$ 7,552,350</u>	<u>\$ 10,465,433</u>	<u>\$ 2,913,083</u>

BAMBERG COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE

— CONTINUED —

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Expenditures				
<u>General Government:</u>				
General Fund:				
Administration	210,344	210,344	211,129	(785)
Auditor	64,103	64,103	50,489	13,614
Treasurer	61,836	61,836	86,609	(24,773)
Clerk of Court	181,497	181,497	186,372	(4,875)
Probate Judge	69,222	69,222	64,563	4,659
Magistrate	119,941	119,941	125,902	(5,961)
Assessor	169,652	169,652	163,652	6,000
Building inspection	63,091	63,091	47,925	15,166
Voter registration	66,931	66,931	88,275	(21,344)
Delinquent tax collector	54,002	54,002	66,875	(12,873)
Finance & Building	307,492	307,492	242,981	64,511
Legal	10,400	10,400	42,268	(31,868)
County Council	17,500	17,500	7,970	9,530
Contingency	40,000	40,000	16,856	23,144
Utilities	1,178,895	1,178,895	1,014,261	164,634
Debts and benefits	1,069,000	1,069,000	1,013,091	55,909
Total general government	3,683,906	3,683,906	3,429,218	254,688
<u>Public Safety:</u>				
General Fund:				
Sheriff	704,293	704,293	726,113	(21,820)
Detention Center	609,158	609,158	620,830	(11,672)
Coroner	34,417	34,417	32,421	1,996
Dispatching	231,013	231,013	210,515	20,498
	1,578,881	1,578,881	1,589,879	(10,998)
 E-911 Special Revenue Fund:				
Emergency Service E-911	173,340	173,340	156,898	16,442
 Fire Service Fund:				
Rural fire	39,224	39,224	290,236	(251,012)
Total public safety	1,791,445	1,791,445	2,037,013	(245,568)

BAMBERG COUNTY, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE

— CONTINUED —

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Expenditures (continued)				
<u>Public Works:</u>				
General Fund:				
Landfill and solid waste	864,219	864,219	933,996	(69,777)
Mosquito Control	7,000	7,000	6,529	471
	<u>871,219</u>	<u>871,219</u>	<u>940,525</u>	<u>(69,306)</u>
Road Maintenance Fund:				
Road maintenance	418,146	418,146	401,766	16,380
Total public works	<u>1,289,365</u>	<u>1,289,365</u>	<u>1,342,291</u>	<u>(52,926)</u>
<u>Health and Welfare:</u>				
Hospital operations	—	—	416,826	(416,826)
<u>Economic Development</u>	66,000	66,000	297,830	(231,830)
<u>Contract Agencies</u>	431,434	431,434	327,900	103,534
<u>Non-Contract Agencies</u>	90,200	90,200	90,200	—
<u>Debt Service:</u>				
Hospital Debt Service	—	—	916,316	(916,316)
E-911 Fund	—	—	127,185	(127,185)
			<u>1,043,501</u>	<u>(1,043,501)</u>
<u>Capital projects:</u>				
General Fund	200,000	200,000	111,896	88,104
Hospital Capital Project Fund	—	—	1,495,864	(1,495,864)
Total capital projects	<u>200,000</u>	<u>200,000</u>	<u>1,607,760</u>	<u>(1,407,760)</u>
Total expenditures	\$ 7,552,350	\$ 7,552,350	\$ 10,592,539	\$ (3,040,189)

BAMBERG COUNTY, SOUTH CAROLINA
NOTES TO BUDGETARY COMPARISON SCHEDULE

JUNE 30, 2010

Budgets and Budgetary Accounting

The budget is adopted on a departmental basis. Annually the County Administrator receives budget requests from departments and compiles requests for presentation to County Council. The budget specifies, among other things, the legal level of budgetary control is at the departmental level.

The additional detail in the budgetary comparison schedule is provided to provide a link to the governmental fund revenues and expenditures presented in the basic financial statements.

Budget to Actual Deficits

If budgeted expenditures exceeded estimated revenues these deficits were funded (if necessary) by unreserved and applicable reserved fund balances, additional unbudgeted revenue and transfers.

OTHER FINANCIAL INFORMATION

BAMBERG COUNTY, SOUTH CAROLINA

COMBINING 'NON-MAJOR' GOVERNMENTAL
FINANCIAL STATEMENTS

BAMBERG COUNTY, SOUTH CAROLINA

COMBINING BALANCE SHEET

NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

	Special Revenue Funds			Total Special Revenue Funds	Building Maintenance Fund	Debt Service Fund	Total
	E-911 Fund	Road Maintenance Fund	Fire Service Fund				
Assets							
Cash and cash equivalents	\$ 106,838	\$ —	\$ 176,571	\$ 283,409	\$ 25,687	\$ 44,711	\$ 353,807
Due from other funds	—	—	3,862	3,862	—	3,027	6,889
Total assets	<u>\$ 106,838</u>	<u>\$ —</u>	<u>\$ 180,433</u>	<u>\$ 287,271</u>	<u>\$ 25,687</u>	<u>\$ 47,738</u>	<u>\$ 360,696</u>
Liabilities and Fund Balances							
Liabilities:							
Accrued expenses	\$ 2,050	\$ 6,676	\$ 188	\$ 8,914	\$ —	\$ —	\$ 8,914
Due to other funds	175	18,641	—	18,816	—	—	18,816
Total liabilities	<u>2,225</u>	<u>25,317</u>	<u>188</u>	<u>27,730</u>	<u>—</u>	<u>—</u>	<u>27,730</u>
Fund balances:							
Unreserved, undesignated	104,613	(25,317)	180,245	259,541	25,687	47,738	332,966
Total fund balances	<u>104,613</u>	<u>(25,317)</u>	<u>180,245</u>	<u>259,541</u>	<u>25,687</u>	<u>47,738</u>	<u>332,966</u>
Total liabilities and fund balances	<u>\$ 106,838</u>	<u>\$ —</u>	<u>\$ 180,433</u>	<u>\$ 287,271</u>	<u>\$ 25,687</u>	<u>\$ 47,738</u>	<u>\$ 360,696</u>

BAMBERG COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2010

	Special Revenue Funds			Total Special Revenue Funds	Building Maintenance Fund	Debt Service Fund	Total
	E-911 Fund	Road Maintenance Fund	Fire Service Fund				
Revenue							
Property taxes	\$ —	\$ —	\$ 246,984	\$ 246,984	\$ —	\$ 93,818	\$ 340,802
Local sources	122,265	353,700	—	475,965	—	—	475,965
Interest	12,396	—	9,490	21,886	38	181	22,105
Total revenue	134,661	353,700	256,474	744,835	38	93,999	838,872
Expenditures							
Public safety:							
Emergency services E-911	156,898	—	—	156,898	—	—	156,898
Rural fire	—	—	290,236	290,236	—	—	290,236
Public works	—	401,766	—	401,766	—	—	401,766
Debt service	127,185	—	—	127,185	—	96,424	223,609
Total expenditures	284,083	401,766	290,236	976,085	—	96,424	1,072,509
Excess (deficiency) of revenue over expenditures	(149,422)	(48,066)	(33,762)	(231,250)	38	(2,425)	(233,637)
Other Financing Sources (Uses)							
Transfers in (out)	123,148	—	(103,284)	19,864	—	47,698	67,562
	123,148	—	(103,284)	19,864	—	47,698	67,562
Net change in fund balances	(26,274)	(48,066)	(137,046)	(211,386)	38	45,273	(166,075)
Fund balances, beginning of year	130,887	22,749	317,291	470,927	25,649	2,465	499,041
Fund balances, end of year	\$ 104,613	\$ (25,317)	\$ 180,245	\$ 259,541	\$ 25,687	\$ 47,738	\$ 332,966

BAMBERG COUNTY, SOUTH CAROLINA

INDIVIDUAL FUND
FINANCIAL STATEMENTS

BAMBERG COUNTY, SOUTH CAROLINA

GENERAL FUND

BAMBERG COUNTY, SOUTH CAROLINA

GENERAL FUND
BALANCE SHEET

JUNE 30, 2010

	<u>Current Year</u>
Assets	
Cash and cash equivalents	\$ 1,314,792
Property taxes receivable	95,206
Other receivables	844
Due from other funds	154,598
Due from Agency Funds	117,464
Due from other governments	644,832
Total assets	<u>\$ 2,327,736</u>
 Liabilities and Fund Balance	
Liabilities:	
Accounts payable	\$ 163,934
Accrued salaries and wages	177,426
Bond deposits and prepayments	102,208
Due to other funds	—
Due to Agency Funds	171,676
Due to other governments	96,333
Total liabilities	<u>711,577</u>
Fund balance:	
Unreserved, undesignated	<u>1,616,159</u>
Total fund balance	<u>1,616,159</u>
Total liabilities and fund balance	<u>\$ 2,327,736</u>

BAMBERG COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2010

	Final Budget	Actual	Variance Positive (Negative)
Revenue			
Property taxes	\$ 4,158,350	\$ 3,908,164	\$ (250,186)
State sources	1,407,000	1,209,004	(197,996)
Federal sources	—	69,911	69,911
Local sources	357,000	756,602	399,602
Magistrate fines	150,000	131,127	(18,873)
Interest	60,000	10,455	(49,545)
Miscellaneous	730,000	29,021	(700,979)
Total revenue	<u>6,862,350</u>	<u>6,114,284</u>	<u>(748,066)</u>
Expenditures			
General government:			
Administration	210,344	211,129	(785)
Auditor	64,103	50,489	13,614
Treasurer	61,836	86,609	(24,773)
Clerk of Court	181,497	186,372	(4,875)
Probate Judge	69,222	64,563	4,659
Magistrate	119,941	125,902	(5,961)
Assessor	169,652	163,652	6,000
Building inspection	63,091	47,925	15,166
Voter registration	66,931	88,275	(21,344)
Delinquent tax collector	54,002	66,875	(12,873)
Finance & Building	307,492	242,981	64,511
Legal	10,400	42,268	(31,868)
County Council	17,500	7,970	9,530
Contingency	40,000	16,856	23,144
Utilities	1,178,895	1,014,261	164,634
Debts and benefits	1,069,000	1,013,091	55,909
Total general government	<u>3,683,906</u>	<u>3,429,218</u>	<u>254,688</u>
Public Safety:			
Sheriff	704,293	726,113	(21,820)
Detention center	609,158	620,830	(11,672)
Coroner	34,417	32,421	1,996
Dispatching	231,013	210,515	20,498
	<u>1,578,881</u>	<u>1,589,879</u>	<u>(10,998)</u>
Public Works:			
Landfill and solid waste	864,219	933,996	(69,777)
Mosquito control	7,000	6,529	471
	<u>871,219</u>	<u>940,525</u>	<u>(69,306)</u>
Economic development	66,000	297,830	(231,830)
Contract agencies	431,434	327,900	103,534
Non-Contract agencies	90,200	90,200	—
Capital projects	200,000	111,896	88,104
Total expenditures	<u>6,921,640</u>	<u>6,787,448</u>	<u>134,192</u>

BAMBERG COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL

— CONTINUED —

	<u>Final</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Excess (deficiency) of revenue over expenditures	(59,290)	(673,164)	(613,874)
Other Financing Sources (uses)			
Proceeds from tax anticipation note	—	500,140	500,140
Installment purchase contracts	—	25,028	25,028
Transfers out	—	(19,864)	(19,864)
Total other financing sources	—	505,304	505,304
Net change in fund balance	(59,290)	(167,860)	(108,570)
Fund balance, beginning of year	1,784,019	1,784,019	—
Fund balance, end of year	<u>\$ 1,724,729</u>	<u>\$ 1,616,159</u>	<u>\$ (108,570)</u>

AGENCY FUNDS

FIDUCIARY (AGENCY) FUND

The Fiduciary (Agency) Fund accounts for assets held by the County as an agent for other taxing units or other entities. Agency funds are custodial in nature; assets equal liabilities, and do not measure the results of operations. Interest earned on agency fund investments is credited and received by the General Fund unless an agreement provides otherwise.

BAMBERG COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2010

	Balance June 30, 2009	Additions	Deductions	Balance June 30, 2010
Totals-Agency Funds				
Assets:				
Cash and cash equivalents	\$ 558,168	\$ 2,136,257	\$ (2,129,839)	\$ 564,586
Due from General Fund	474,230	7,481,236	(7,783,790)	171,676
Total assets	<u>\$ 1,032,398</u>	<u>\$ 9,617,493</u>	<u>\$ (9,913,629)</u>	<u>\$ 736,262</u>
Liabilities:				
Due to Town of Bamberg	\$ 8,317	\$ 464,837	\$ (467,286)	\$ 5,868
Due to Town of Denmark	3,418	244,548	(244,639)	3,327
Due to Town of Ehrhardt	587	47,480	(47,610)	457
Due to Town of Olar	230	17,339	(17,398)	171
Due to School District 1	407,606	5,496,005	(5,619,829)	283,782
Due to School District 2	266,285	3,138,101	(3,213,846)	190,540
Tax Sale Escrow	293,573	56,390	(272,332)	77,631
Due to General Fund	18,854	98,610	—	117,464
Inmate Trust	230	32,176	(30,689)	1,717
Clerk of Court	33,298	22,007	—	55,305
Total liabilities	<u>\$ 1,032,398</u>	<u>\$ 9,564,052</u>	<u>\$ (9,913,629)</u>	<u>\$ 736,262</u>

— CONTINUED —

BAMBERG COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

— CONTINUED —

	Balance June 30, 2009	Additions	Deductions	Balance June 30, 2010
<u>School District Number 1</u>				
Operating:				
Due from General Fund	\$ 295,723	\$ 4,031,618	\$ (4,229,411)	\$ 97,930
Debt Service:				
Cash and cash equivalents	111,883	1,464,387	(1,390,418)	185,852
	<u>\$ 407,606</u>	<u>\$ 5,496,005</u>	<u>\$ (5,619,829)</u>	<u>\$ 283,782</u>
Liabilities:				
Funds held for other	\$ 407,606	\$ 5,496,005	\$ (5,619,829)	\$ 283,782
Total liabilities	<u>\$ 407,606</u>	<u>\$ 5,496,005</u>	<u>\$ (5,619,829)</u>	<u>\$ 283,782</u>
<u>School District Number 2</u>				
Operating:				
Due from General Fund	\$ 165,955	\$ 2,675,338	\$ (2,777,446)	\$ 63,847
Debt Service:				
Cash and cash equivalents	100,330	462,763	(436,400)	126,693
	<u>\$ 266,285</u>	<u>\$ 3,138,101</u>	<u>\$ (3,213,846)</u>	<u>\$ 190,540</u>
Liabilities:				
Funds held for other	\$ 266,285	\$ 3,138,101	\$ (3,213,846)	\$ 190,540
Total liabilities	<u>\$ 266,285</u>	<u>\$ 3,138,101</u>	<u>\$ (3,213,846)</u>	<u>\$ 190,540</u>

BAMBERG COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

— CONTINUED —

	Balance June 30, 2009	Additions	Deductions	Balance June 30, 2010
<u>Town of Bamberg</u>				
Assets:				
Due from General Fund	\$ 8,317	\$ 464,837	\$ (467,286)	\$ 5,868
Total assets	<u>\$ 8,317</u>	<u>\$ 464,837</u>	<u>\$ (467,286)</u>	<u>\$ 5,868</u>
Liabilities:				
Due to agency	\$ 8,317	\$ 464,837	\$ (467,286)	\$ 5,868
Total liabilities	<u>\$ 8,317</u>	<u>\$ 464,837</u>	<u>\$ (467,286)</u>	<u>\$ 5,868</u>
<u>Town of Denmark</u>				
Assets:				
Due from General Fund	\$ 3,418	\$ 244,548	\$ (244,639)	\$ 3,327
Total assets	<u>\$ 3,418</u>	<u>\$ 244,548</u>	<u>\$ (244,639)</u>	<u>\$ 3,327</u>
Liabilities:				
Due to agency	\$ 3,418	\$ 244,548	\$ (244,639)	\$ 3,327
Total liabilities	<u>\$ 3,418</u>	<u>\$ 244,548</u>	<u>\$ (244,639)</u>	<u>\$ 3,327</u>
<u>Town of Ehrhardt</u>				
Assets:				
Due from General Fund	\$ 587	\$ 47,480	\$ (47,610)	\$ 457
Total assets	<u>\$ 587</u>	<u>\$ 47,480</u>	<u>\$ (47,610)</u>	<u>\$ 457</u>
Liabilities:				
Due to agency	\$ 587	\$ 47,480	\$ (47,610)	\$ 457
Total liabilities	<u>\$ 587</u>	<u>\$ 47,480</u>	<u>\$ (47,610)</u>	<u>\$ 457</u>
<u>Town of Olar</u>				
Assets:				
Due from General Fund	\$ 230	\$ 17,339	\$ (17,398)	\$ 171
Total assets	<u>\$ 230</u>	<u>\$ 17,339</u>	<u>\$ (17,398)</u>	<u>\$ 171</u>
Liabilities:				
Due to agency	\$ 230	\$ 17,339	\$ (17,398)	\$ 171
Total liabilities	<u>\$ 230</u>	<u>\$ 17,339</u>	<u>\$ (17,398)</u>	<u>\$ 171</u>

BAMBERG COUNTY, SOUTH CAROLINA

ALL AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

— CONTINUED —

	Balance June 30, 2009	Additions	Deductions	Balance June 30, 2010
<u>Clerk of Court</u>				
Assets:				
Cash and cash equivalents	\$ 33,298	\$ 22,007	\$ —	\$ 55,305
Total assets	<u>\$ 33,298</u>	<u>\$ 22,007</u>	<u>\$ —</u>	<u>\$ 55,305</u>
Liabilities:				
Due to individuals	\$ 33,298	\$ 22,007	\$ —	\$ 55,305
Total liabilities	<u>\$ 33,298</u>	<u>\$ 22,007</u>	<u>\$ —</u>	<u>\$ 55,305</u>
<u>Tax Sale Escrow</u>				
Assets:				
Cash and cash equivalents	\$ 312,427	\$ 155,000	\$ (272,332)	\$ 195,095
Total assets	<u>\$ 312,427</u>	<u>\$ 155,000</u>	<u>\$ (272,332)</u>	<u>\$ 195,095</u>
Liabilities:				
Due to agency	\$ 293,573	\$ 56,390	\$ (272,332)	\$ 77,631
Due to General Fund	18,854	98,610	—	117,464
Total liabilities	<u>\$ 312,427</u>	<u>\$ 155,000</u>	<u>\$ (272,332)</u>	<u>\$ 195,095</u>
<u>Inmate Trust Escrow</u>				
Assets:				
Cash and cash equivalents	\$ 230	\$ 32,100	\$ (30,689)	\$ 1,641
Due from General Fund	—	76	—	76
Total assets	<u>\$ 230</u>	<u>\$ 32,176</u>	<u>\$ (30,689)</u>	<u>\$ 1,717</u>
Liabilities:				
Due to agency	\$ 230	\$ 32,176	\$ (30,689)	\$ 1,717
Total liabilities	<u>\$ 230</u>	<u>\$ 32,176</u>	<u>\$ (30,689)</u>	<u>\$ 1,717</u>

VICTIM'S RIGHTS ASSISTANCE

BAMBERG COUNTY, SOUTH CAROLINA
 SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES
 YEAR ENDED JUNE 30, 2010

	<u>Clerk of Court</u>	<u>Magistrates</u>	<u>Total</u>
Court Fines			
Court fines, assessments, and surcharges collected	\$ 24,337	\$ 272,425	\$ 296,762
Court fines retained by the County	(5,467)	(107,072)	(112,539)
Total court assessments and surcharges collected	<u>\$ 18,870</u>	<u>\$ 165,353</u>	<u>\$ 184,223</u>
Court Assessments			
Court assessments collected	\$ 15,231	\$ 105,588	\$ 120,819
Court assessments retained by the County	(5,363)	(10,510)	(15,873)
Total court surcharges remitted to State Treasurer	<u>\$ 9,868</u>	<u>\$ 95,078</u>	<u>\$ 104,946</u>
Court Surcharges			
Court surcharges collected	\$ 3,639	\$ 59,765	\$ 63,404
Court surcharges retained by the County	(1,712)	(4,624)	(6,336)
Total court assessments remitted to State Treasurer	<u>\$ 1,927</u>	<u>\$ 55,141</u>	<u>\$ 57,068</u>
Surcharges and Assessments retained for Victims Services			
Total surcharges collected	\$ 1,712	\$ 4,624	\$ 6,336
Total assessments	5,363	10,510	15,873
Total surcharges and assessments retained for victims services	<u>7,075</u>	<u>15,134</u>	<u>\$ 22,2090</u>
Expenditures for victims services			<u>\$ 35,500</u>