

# **County of Edgefield, South Carolina**

## ***Report on Financial Statements***

***For the year ended June 30, 2013***

**COUNTY COUNCIL**

DEAN CAMPBELL - CHAIRMAN

GENIA BLACKWELL - VICE CHAIRMAN

NORMAN DORN

RODNEY ASHCRAFT, JR.

BETTY BUTLER

**LEGISLATIVE DELEGATION**

SENATOR SHANE MASSEY

REPRESENTATIVE WILLIAM CLYBURN

REPRESENTATIVE WILLIAM M. HIXON

**COUNTY ADMINISTRATOR**

LYNN STROM

**County of Edgefield, South Carolina**  
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## Independent Auditor's Report

Edgefield County Council  
Edgefield, South Carolina

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Edgefield, South Carolina (the "County") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the basic financial statements of the County's primary government as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

***Basis for Adverse Opinion on the Discretely Presented Component Unit***

The financial statements do not include financial data for the County's legally separate component unit – Edgefield County Hospital. Accounting principles generally accepted in the United States of America require the financial data for this component unit 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 unit. The County has not issued such reporting entity financial statements. The amount by which this departure would affect the assets, liabilities, net position, revenues, and expenses of the reporting unit has not been determined.

***Adverse Opinion***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on the Discretely Presented Component Unit" paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of the County as of June 30, 2013, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Unmodified Opinions***

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

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-10 and 38-43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, schedule of fines and assessments, and schedule of legal debt margin are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of fines and assessments, and schedule of legal debt margin is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2013 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Greenville, South Carolina  
November 25, 2013

## County of Edgefield, South Carolina

### *Management's Discussion and Analysis*

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This section of County of Edgefield's annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2013. Please read it in conjunction with the County's financial statements, which follow this section.

#### FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities at June 30, 2013 by \$24.8 million (net position). Of this amount \$5.1 million (unrestricted net position) may be used to meet the government's ongoing obligations.
- The County repaid \$395 thousand of bond and capital lease obligations during the year.
- The County's total net position decreased over the course of this year's operations. Net position of our business-type activities decreased \$40 thousand, while the net position of our governmental activities decreased \$362 thousand.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$7.5 million, a decrease of \$1.0 million from the prior year.
- At the end of the current fiscal year, the County's unassigned fund balance for the general fund was \$3.4 million or 41% of general fund expenditures for the fiscal year.
- In the County's business-type activities, revenues decreased 13 percent or \$209 thousand while operating expenses decreased 1 percent or \$14 thousand.
- The general fund actual revenues were \$122 thousand or 1.5 percent less than budgeted. Also, general fund actual expenditures were \$202 thousand or 2.4 percent less than budgeted.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the County government, reporting the County's operations in *more detail* than the government-wide statements.
  - The *governmental funds* statements tell how *general government* services like public safety were financed in the *short term* as well as what remains for future spending.
  - *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates *like businesses*, such as the landfill.
  - *Fiduciary fund* statements provide information about resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that of the proprietary funds.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each of which are added together and presented in single columns in the basic financial statements.

# County of Edgefield, South Carolina

## Management's Discussion and Analysis

Figure A-1 summarizes the major features of the County's financial statements, including the portion of the County government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure A-1**  
**Major Features of County of Edgefield's Government-wide and Fund Financial Statements**

	Fund Statements			
	Government-wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire County government (except Fiduciary funds) and the County's component units	The activities of the County that are not proprietary or fiduciary, such as police, fire, and parks	Activities the County operates similar to private businesses: the landfill.	Instances in which the County is the agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenues, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary assets and liabilities</li> </ul>
Accounting basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All agency assets and liabilities, both short-term and long-term
Type of inflow/outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	

### GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's *net position* and how they have changed. Net position - the difference between the County's assets and liabilities - is one way to measure the County's financial health, or *position*.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County you need to consider additional non-financial factors such as changes in the County's property tax base and the condition of the County's roads.

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## County of Edgefield, South Carolina

### *Management's Discussion and Analysis*

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The government-wide financial statements of the County are divided into two categories:

- *Governmental activities* - Most of the County's basic services are included here, such as the police, fire, public works, parks departments, and general administration. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* - The County charges fees to customers to help it cover the costs of certain services it provides. The County's landfill is included here.

### **FUND FINANCIAL STATEMENTS**

The fund financial statements provide more detailed information about the County's most significant *funds* - not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The County Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has three kinds of funds:

- *Governmental funds* - Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* - Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information.
  - In fact, the County's *enterprise fund* (one type of proprietary fund) is the same as its business-type activities, but provides more detail and additional information, such as cash flows.
- *Fiduciary funds* - The County acts as agent, or *fiduciary*, for other entities' resources. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary assets and liabilities. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

**County of Edgefield, South Carolina**  
**Management's Discussion and Analysis**

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

**Net position**

The County's *combined* net position decreased between fiscal years 2012 and 2013 by 1.6 percent to approximately \$24.8 million. (See Table A-1.)

Table A-1  
 County of Edgefield's Net Position  
 (in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2012-2013
	2012	2013	2012	2013	2012	2013	
Current and other assets	\$ 9,675	\$ 8,453	\$ 2,153	\$ 1,779	\$ 11,828	\$ 10,232	-13.5%
Capital assets	14,192	14,325	1,604	1,877	15,796	16,202	2.6%
Total assets	23,867	22,778	3,757	3,656	27,624	26,434	-4.3%
Long-term debt outstanding	1,609	1,205	-	-	1,609	1,205	-25.1%
Other liabilities	745	421	66	5	811	426	-47.5%
Total liabilities	2,354	1,626	66	5	2,420	1,631	-32.6%
Net position							
Net investment in capital assets	13,350	13,730	1,604	1,877	14,954	15,607	4.4%
Restricted	4,839	4,089	510	-	5,349	4,089	-23.6%
Unrestricted	3,324	3,333	1,577	1,774	4,901	5,107	4.2%
Total net position	<u>\$ 21,513</u>	<u>\$ 21,152</u>	<u>\$ 3,691</u>	<u>\$ 3,651</u>	<u>\$ 25,204</u>	<u>\$ 24,803</u>	-1.6%

Net position of our business-type activities decreased by 1.1 percent to \$3.65 million. The net position of our governmental activities decreased 1.7 percent to \$21.2 million. This is primarily attributable to a decrease in commercial revenues and surplus proceeds.

**Changes in net position.** The County's total revenues decreased by 0.6 percent to \$15.6 million. (See Table A-2.) 45 percent of the County's revenue comes from property taxes. Approximately 26 percent of revenues are from fees charged for services, and 26 percent is from state and federal funds received. State and federal fund revenues received increased \$325 thousand as compared to the prior year.

The total cost of all programs and services increased by \$948 thousand or 6.3 percent as compared to prior year. The County's expenses cover a range of services, with about 33 percent related to public safety.

Table A-2 and the narrative that follows consider the operations of governmental and business-type activities separately.

# County of Edgefield, South Carolina

## Management's Discussion and Analysis

Table A-2  
County of Edgefield's Changes in Net Position  
(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change 2012-2013
	2012	2013	2012	2013	2012	2013	
<b>Revenues</b>							
Program revenues:							
Charges for services	\$ 2,828	\$ 2,733	\$ 1,589	\$ 1,380	\$ 4,417	\$ 4,113	-6.9%
Grants and contributions	2,865	3,014	79	93	2,944	3,107	5.5%
General revenues:							
Property taxes	7,092	7,019	-	-	7,092	7,019	-1.0%
Other taxes	120	3	-	-	120	3	-97.5%
Intergovernmental	831	993	-	-	831	993	19.5%
Other	257	321	17	26	274	347	26.6%
Total revenues	<u>\$ 13,993</u>	<u>\$ 14,083</u>	<u>\$ 1,685</u>	<u>\$ 1,499</u>	<u>\$ 15,678</u>	<u>\$ 15,582</u>	-0.6%
<b>Expenses</b>							
General government	\$ 520	\$ 495	\$ -	\$ -	\$ 520	\$ 495	-4.8%
Staff agencies	1,437	1,552	-	-	1,437	1,552	8.0%
Finance agencies	635	649	-	-	635	649	2.2%
Building maintenance	264	316	-	-	264	316	19.7%
Public safety	5,054	5,278	-	-	5,054	5,278	4.4%
Public works	1,770	2,027	-	-	1,770	2,027	14.5%
Health and social services	1,736	2,050	-	-	1,736	2,050	18.1%
Nondepartmental	1,549	1,569	-	-	1,549	1,569	1.3%
Interest and fiscal charges	41	32	-	-	41	32	-22.0%
Landfill	-	-	2,030	2,016	2,030	2,016	-0.7%
Total expenses	<u>\$ 13,006</u>	<u>\$ 13,968</u>	<u>\$ 2,030</u>	<u>\$ 2,016</u>	<u>\$ 15,036</u>	<u>\$ 15,984</u>	6.3%
Increase (decrease) in net position before transfers	\$ 987	\$ 115	\$ (345)	\$ (517)	\$ 642	\$ (402)	-162.6%
Transfers	(477)	(477)	477	477	-	-	0.0%
Increase in net position	<u>\$ 510</u>	<u>\$ (362)</u>	<u>\$ 132</u>	<u>\$ (40)</u>	<u>\$ 642</u>	<u>\$ (402)</u>	-162.6%

Governmental revenues increased \$90 thousand or 0.6 percent largely due to an increase in state and federal revenues and grants received. Total governmental expenses increased 7.4 percent or \$962 thousand compared to prior year. Property tax collections decreased \$73 thousand or 1.0 percent as compared to the prior year.

Revenues of the County's business-type activities decreased 11.0 percent to \$1.5 million, while expenses stayed fairly flat around \$2.0 million. (Refer to Table A-2.) Factors contributing to these results included:

- Decrease in commercial revenues.
- Decrease in surplus proceeds.

### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As the County completed the year, its governmental funds reported a combined fund balance of \$7.5 million. Governmental fund balances decreased \$1.0 million or 12.1 percent over the prior year.

#### General Fund Budgetary Highlights

Actual general fund budgeted expenditures were \$202 thousand or 2.4 percent less than budget amounts. This is primarily the result of a change in contractual services related to the jail and expenditure management by various departments.

**County of Edgefield, South Carolina**  
**Management's Discussion and Analysis**

Resources available for appropriation were \$122 thousand or 1.5 percent less than the budgeted amount. As noted earlier:

- Property taxes were less than expected.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2012, the County had invested \$16.2 million (net of accumulated depreciation) in a broad range of capital assets. (See Table A-3.) This amount represents a net increase (including additions, deductions and depreciation) of \$406 thousand, or 2.6 percent, as compared to the prior year.

Table A-3  
 County of Edgefield's Capital Assets  
 (in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2012-2013
	2012	2013	2012	2013	2012	2013	
Land	\$ 598	\$ 602	\$ 28	\$ 28	\$ 626	\$ 630	0.6%
Construction in progress	805	-	-	-	805	-	100%
Buildings and improvements	8,258	8,714	440	440	8,698	9,154	5.2%
Furniture, fixtures and equipment	5,715	6,259	2,455	2,891	8,170	9,150	12.0%
Infrastructure	15,577	16,686	-	-	15,577	16,686	7.1%
Accumulated depreciation	(16,761)	(17,936)	(1,319)	(1,482)	(18,080)	(19,418)	7.4%
Total net capital assets	<u>\$ 14,192</u>	<u>\$ 14,325</u>	<u>\$ 1,604</u>	<u>\$ 1,877</u>	<u>\$ 15,796</u>	<u>\$ 16,202</u>	2.6%

This year's major capital asset additions included:

- \$4 thousand in land additions
- \$456 thousand in building additions
- \$980 thousand in additions of equipment.
- \$1.1 million in infrastructure additions.

More detailed information about the County's capital assets is presented in Notes 1 and 4 to the financial statements.

**Long-term Debt**

At year-end the County had \$1.2 million in bonds, capital lease and annual leave obligations outstanding - a decrease of 25.1 percent from last year - as shown in Table A-4. More detailed information about the County's long-term liabilities is presented in Note 5 to the financial statements.

The state limits the amount of general obligation debt the County can issue to 8.0 percent of the assessed value of all taxable property within the County's legal limits. Our outstanding debt is significantly below this limit - which is currently \$6.0 million as reflected in Table 1 of this report on page 63.

**County of Edgefield, South Carolina**  
**Management's Discussion and Analysis**

Table A-4  
 County of Edgefield's Outstanding Debt  
 (in thousands of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2012-2013
	2012	2013	2012	2013	2012	2013	
General obligation bonds	\$ 1,177	\$ 834	\$ -	\$ -	\$ 1,177	\$ 834	-29.1%
Capital lease obligations	75	23	-	-	75	23	-69.3%
Annual leave obligations	357	348	-	-	357	348	-2.5%
Total	<u>\$ 1,609</u>	<u>\$ 1,205</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,609</u>	<u>\$ 1,205</u>	-25.1%

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- Unemployment now stands at 7.8 percent, compared to 9.4 percent a year ago. This compares favorably with the state's rate of 8.1 percent and unfavorably with the national rate of 7.3 percent.
- Inflationary trends in the region compare favorably to national indices.

These indicators were taken into account when adopting the general fund budget for 2014. Amounts available for appropriation in the general fund budget are estimated at nearly \$8.8 million, an increase of 3.0 percent over the actual 2013 revenues of \$8.5 million.

Budgeted general fund expenditures are expected to increase nearly 3.0 percent to \$8.8 million over the actual 2013 expenditures of \$8.5 million.

If these estimates are realized, the County's budgetary general fund balance is expected to end relatively unchanged at the close of fiscal year 2014.

As for the County's business-type activities, no significant changes are expected for next year's results of operations.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Crystal Coleman, Edgefield County Finance Director, 124 Courthouse Square, Edgefield, South Carolina 29824, or visit the County website at [www.edgefieldcounty.sc.gov](http://www.edgefieldcounty.sc.gov).

# County of Edgefield, South Carolina

## Exhibit 1 - Statement of Net Position

June 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 6,961,236	\$ 1,705,464	\$ 8,666,700
Receivables (net):			
Taxes	599,657	-	599,657
Accounts	266,080	73,853	339,933
Other	3,500	-	3,500
Due from other governments	621,792	-	621,792
Capital assets not being depreciated:			
Land	601,643	27,535	629,178
Capital assets being depreciated:			
Buildings and improvements	8,714,237	440,486	9,154,723
Furniture, fixtures, and equipment	6,258,687	2,891,019	9,149,706
Infrastructure assets	16,686,273	-	16,686,273
Less accumulated depreciation	(17,935,694)	(1,481,716)	(19,417,410)
Total capital assets, net of depreciation	14,325,146	1,877,324	16,202,470
Total assets	22,777,411	3,656,641	26,434,052
<b>Liabilities</b>			
Accounts payable	328,479	388	328,867
Accrued wages and benefits	85,750	4,985	90,735
Accrued interest payable	6,822	-	6,822
Long-term liabilities:			
Due within one year	397,962	-	397,962
Due in more than one year	806,901	-	806,901
Total liabilities	1,625,914	5,373	1,631,287
<b>Net Position</b>			
Net investment in capital assets	13,729,718	1,877,324	15,607,042
Restricted for:			
Debt service	335,258	-	335,258
Special revenue	3,332,190	-	3,332,190
Capital projects	376,725	-	376,725
Building maintenance	44,795	-	44,795
Unrestricted	3,332,811	1,773,944	5,106,755
Total net position	\$ 21,151,497	\$ 3,651,268	\$ 24,802,765

See Notes to Financial Statements

# County of Edgefield, South Carolina

## Exhibit 2 - Statement of Activities

For the year ended June 30, 2013

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>PRIMARY GOVERNMENT</b>						
<b>Governmental activities</b>						
General government	\$ 495,271	\$ -	\$ -	\$ (495,271)	\$ -	\$ (495,271)
Staff agencies	1,552,203	394,520	1,553,193	395,510	-	395,510
Finance agencies	649,468	-	-	(649,468)	-	(649,468)
Public safety	5,277,673	351,408	1,390,550	(3,535,715)	-	(3,535,715)
Public works	2,027,331	1,364,860	63,784	(598,687)	-	(598,687)
Health and social services	2,049,757	622,094	6,960	(1,420,703)	-	(1,420,703)
Building maintenance	315,699	-	-	(315,699)	-	(315,699)
Nondepartmental	1,568,628	-	-	(1,568,628)	-	(1,568,628)
Interest and fiscal charges	32,130	-	-	(32,130)	-	(32,130)
Total governmental activities	13,968,160	2,732,882	3,014,487	(8,220,791)	-	(8,220,791)
<b>Business-type activities</b>						
Landfill	2,016,063	1,380,081	-	-	(542,565)	(542,565)
Total business-type activities	2,016,063	1,380,081	-	-	(542,565)	(542,565)
Total primary government	\$ 15,984,223	\$ 4,112,963	\$ 3,014,487	\$ (8,220,791)	\$ (542,565)	\$ (8,763,356)
<b>GENERAL REVENUES</b>						
Property taxes levied for:						
General purposes				5,659,090	-	5,659,090
Debt service				1,183,866	-	1,183,866
Special revenue projects				175,821	-	175,821
Accommodations tax				2,654	-	2,654
Interest and investment income				21,832	4,901	26,733
Intergovernmental, not restricted for specific purposes				992,656	-	992,656
Gain on disposal of capital assets				-	21,122	21,122
Miscellaneous				299,899	-	299,899
Transfers				(476,817)	-	(476,817)
Total general revenues and transfers				7,859,001	502,840	8,361,841
Change in net position				(361,790)	(39,725)	(401,515)
Net position, beginning of year				21,513,287	3,690,993	25,204,280
Net position, end of year				\$ 21,151,497	\$ 3,651,268	\$ 24,802,765

See Notes to Financial Statements

**County of Edgefield, South Carolina**  
**Exhibit 3 - Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

	General	C Funds	EMS	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and investments	\$ 3,269,486	\$ 1,726,568	307,344	\$ 331,828	\$ 1,326,010	\$ 6,961,236
Receivables (net):						
Taxes	495,296	-	63,447	26,682	14,232	599,657
Accounts	-	-	139,076	-	127,004	266,080
Other	3,500	-	-	-	-	3,500
Due from other governments	491,539	75,042	-	202	55,009	621,792
Total assets	\$ 4,259,821	\$ 1,801,610	\$ 509,867	\$ 358,712	\$ 1,522,255	\$ 8,452,265
<b>Liabilities</b>						
Accounts payable	\$ 263,887	\$ -	591	\$ -	\$ 64,001	\$ 328,479
Accrued wages and benefits	61,924	-	-	-	23,826	85,750
Total liabilities	325,811	-	591	-	87,827	414,229
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	429,539	-	55,750	23,454	12,508	521,251
Total deferred inflows of resources	429,539	-	55,750	23,454	12,508	521,251
<b>Fund Balances / (Deficits)</b>						
Restricted	44,795	1,801,610	453,526	335,258	1,453,779	4,088,968
Committed	64,280	-	-	-	267	64,547
Unassigned	3,395,396	-	-	-	(32,126)	3,363,270
Total fund balances	3,504,471	1,801,610	453,526	335,258	1,421,920	7,516,785
Total liabilities, deferred inflows of resources, and fund balances	\$ 4,259,821	\$ 1,801,610	\$ 509,867	\$ 358,712	\$ 1,522,255	\$ 8,452,265

See Notes to Financial Statements

## County of Edgefield, South Carolina

### Exhibit 4 - Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities June 30, 2013

Total fund balances - Governmental funds	\$ 7,516,785
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:	
Land	601,643
Buildings and improvements	8,714,237
Furniture, fixtures, and equipment	6,258,687
Infrastructure assets	16,686,273
Accumulated depreciation	<u>(17,935,694)</u>
Total capital assets	<u>14,325,146</u>
Some revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds.	
Property taxes	<u>521,251</u>
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:	
General obligation debt	(833,924)
Capital leases payable	(22,707)
Accrued interest	(6,822)
Compensated absences	<u>(348,232)</u>
Total long-term liabilities	<u>(1,211,685)</u>
Net position of governmental activities	<u>\$ 21,151,497</u>

**County of Edgefield, South Carolina**  
**Exhibit 5 - Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2013**

	General	C Funds	EMS	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 5,524,812	\$ -	\$ 801,669	\$ 382,197	\$ 600,582	\$ 7,309,260
Licenses, permits, and fees	387,936	-	-	-	-	387,936
Intergovernmental	1,588,735	889,847	-	-	649,366	3,127,948
Charges for services	6,584	-	563,027	-	1,183,841	1,753,452
Fines and forfeits	166,733	-	-	-	-	166,733
Local funds	-	-	-	-	881,847	881,847
Interest	13,477	4,564	1,062	684	2,045	21,832
Other	403,872	-	-	-	-	403,872
Total revenues	<u>8,092,149</u>	<u>894,411</u>	<u>1,365,758</u>	<u>382,881</u>	<u>3,317,681</u>	<u>14,052,880</u>
<b>EXPENDITURES</b>						
Current						
General government	495,353	-	-	-	-	495,353
Staff agencies	1,487,049	-	-	-	-	1,487,049
Finance agencies	610,178	-	-	-	-	610,178
Public safety	3,614,968	-	-	-	1,471,864	5,086,832
Public works	107,851	1,025,804	-	-	897,437	2,031,092
Health and social services	83,609	-	1,682,239	-	230,161	1,996,009
Building maintenance	315,920	-	-	-	-	315,920
Nondepartmental	1,470,424	-	-	-	98,204	1,568,628
Capital outlay	45,288	-	-	-	441,243	486,531
Debt service:						
Principal retirement	52,110	-	-	343,176	-	395,286
Interest and fiscal charges	3,256	-	-	32,138	-	35,394
Total expenditures	<u>8,286,006</u>	<u>1,025,804</u>	<u>1,682,239</u>	<u>375,314</u>	<u>3,138,909</u>	<u>14,508,272</u>
Excess of revenues over (under) expenditures	<u>(193,857)</u>	<u>(131,393)</u>	<u>(316,481)</u>	<u>7,567</u>	<u>178,772</u>	<u>(455,392)</u>
Other financing sources (uses):						
Transfers in	210,051	-	-	-	187,585	397,636
Transfers out	(187,585)	-	(15,980)	-	(670,888)	(874,453)
Change in estimate regarding insurance proceeds	-	-	-	-	(103,973)	(103,973)
Total other financing sources (uses)	<u>22,466</u>	<u>-</u>	<u>(15,980)</u>	<u>-</u>	<u>(587,276)</u>	<u>(580,790)</u>
Net change in fund balances	<u>(171,391)</u>	<u>(131,393)</u>	<u>(332,461)</u>	<u>7,567</u>	<u>(408,504)</u>	<u>(1,036,182)</u>
Fund balances, beginning of year	<u>3,675,862</u>	<u>1,933,003</u>	<u>785,987</u>	<u>327,691</u>	<u>1,830,424</u>	<u>8,552,967</u>
Fund balances, end of year	<u>\$ 3,504,471</u>	<u>\$ 1,801,610</u>	<u>\$ 453,526</u>	<u>\$ 335,258</u>	<u>\$ 1,421,920</u>	<u>\$ 7,516,785</u>

See Notes to Financial Statements

## County of Edgefield, South Carolina

### *Exhibit 6 - Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the year ended June 30, 2013*

Net change in fund balances - Total government funds	\$ (1,036,182)
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:	
Capital outlay	1,457,045
Depreciation expense	<u>(1,323,895)</u>
Excess of capital outlay over (under) depreciation expense	<u>133,150</u>
Because some revenue will not be collected for several months after the County's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Unavailable property tax revenues increased by this amount in the current year.	<u>134,278</u>
Repayment of long-term debt is reported as an expenditure in governmental funds. But the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consisted of:	
Bond principal retirement	343,176
Capital lease principal payments	52,110
Total long-term debt repayment	<u>395,286</u>
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 governmental funds.	<u>8,414</u>
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.	<u>3,264</u>
Change in net position of governmental activities	<u><u>\$ (361,790)</u></u>

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**County of Edgefield, South Carolina****Exhibit 7 - Statement of Net Position****Proprietary Fund - Tri-County Solid Waste Authority****June 30, 2013**

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**Assets**

Cash and cash equivalents	\$ 1,705,464
Accounts receivable	73,853
Capital assets	
Land	27,535
Buildings and improvements	440,486
Furniture, fixtures, and equipment	2,891,019
Accumulated depreciation	<u>(1,481,716)</u>
Total assets	<u>3,656,641</u>

**Liabilities and Net Position****Liabilities**

Accounts payable	388
Accrued expenses	<u>4,985</u>
Total liabilities	<u>5,373</u>

**Net Position**

Net investment in capital assets	1,877,324
Unrestricted	<u>1,773,944</u>
Total net position	<u>\$ 3,651,268</u>

**See Notes to Financial Statements**

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**County of Edgefield, South Carolina****Exhibit 8 - Statement of Revenues, Expenses and Changes in Fund Net Position****Proprietary Fund - Tri-County Solid Waste Authority****For the year ended June 30, 2013**

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**OPERATING REVENUES**

User charges - Other governments	\$ 553,746
Landfill user charges - Other	826,335
Total operating revenues	<u>1,380,081</u>

**OPERATING EXPENSES**

Salaries and fringe benefits	401,911
Costs of services	1,396,829
Depreciation	217,323
Total operating expenses	<u>2,016,063</u>
Operating loss	<u>(635,982)</u>

**NONOPERATING REVENUES (EXPENSES)**

Intergovernmental revenues	93,417
Gain on sale of capital assets	21,122
Interest income	4,901
Net loss before transfers	<u>(516,542)</u>

**TRANSFERS IN**

491,817

**TRANSFERS OUT**(15,000)

Change in net position (39,725)

**NET POSITION, BEGINNING OF YEAR**3,690,993**NET POSITION, END OF YEAR**\$ 3,651,268

# County of Edgefield, South Carolina

## Exhibit 9 - Statement of Cash Flows

### Proprietary Fund - Tri-County Solid Waste Authority

For the year ended June 30, 2013

#### OPERATING ACTIVITIES

Receipts from customers and users	\$ 1,442,682
Payments to suppliers	(1,462,360)
Payments to employees	(396,926)
Net cash used for operations	<u>(416,604)</u>

#### NONCAPITAL FINANCING ACTIVITIES

Transfers from other funds	491,817
Transfers to other funds	(20,526)
Net cash provided by noncapital financing activities	<u>471,291</u>

#### INVESTING ACTIVITIES

Interest income	4,901
Net cash provided by investing activities	<u>4,901</u>

#### CAPITAL AND RELATED FINANCING ACTIVITIES

Intergovernmental revenues	93,417
Acquisition of capital assets	(501,272)
Proceeds from sale of capital assets	32,000
Net cash used for capital and related financing activities	<u>(375,855)</u>
Net decrease in cash and cash equivalents	<u>(316,267)</u>

#### CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

2,021,731

#### CASH AND CASH EQUIVALENTS, END OF YEAR

\$ 1,705,464

#### Reconciliation of operating loss to net cash used for

##### Operating activities

Operating loss	\$ (635,982)
Adjustments to reconcile operating loss to net cash used for operations	
Depreciation	217,323
Changes in deferred and accrued amounts	
Accounts receivable	62,601
Accounts payable	(65,531)
Accrued expenses	4,985

Net cash used for operating activities \$ (416,604)

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**County of Edgefield, South Carolina****Exhibit 10 - Statement of Fiduciary Assets and Liabilities****Agency Funds****June 30, 2013**

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**ASSETS**

Cash and investments	\$	5,728,696
Property taxes receivable		1,242,380
Due from other governments		<u>501,683</u>
Total assets	<b>\$</b>	<b><u><u>7,472,759</u></u></b>

**LIABILITIES**

Due to other taxing districts and agencies		<u>7,465,180</u>
Total liabilities	<b>\$</b>	<b><u><u>7,472,759</u></u></b>

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# County of Edgefield, South Carolina

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies

The County of Edgefield operates under a council-administrator form of government and provides the following services as authorized by its charter: public safety (police and fire), road maintenance, health and social services, and general administrative services.

The primary government financial statements of the County of Edgefield have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

#### Basis of presentation:

The County's basic financial statements consist of government-wide statements, including a statement of net position, a statement of activities and fund financial statements which provide a more detailed level of financial information.

#### **Government-wide financial statements**

The statement of net position and the statement of activities display information about the County as a primary government. These statements include the financial activities of the primary government, except for fiduciary funds. For the most part, the effect of interfund activity has been removed from the statements. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities for the County at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and for the business-type activities 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. 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 are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

#### **Fund financial statements**

During the year, 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 this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

# County of Edgefield, South Carolina

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies, Continued

#### Measurement focus, basis of accounting, and financial statement presentation:

The government-wide financial statements are reported using the *economic resources management focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. 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 provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *C fund* accounts for intergovernmental funds received from the state that are restricted to improve and repair the County road systems.

The *EMS fund* is a special revenue fund of the County. It is used to account for the activities of the County's emergency medical services.

The *debt service fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The County reports the following major enterprise funds:

The *Tri – County Solid Waste Authority fund* accounts for the activities of the County's landfill operations.

Additionally, the government reports the following fund types:

#### **Special revenue funds**

Special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes. Resources restricted to expenditure for purposes normally financed from the general fund may be accounted for through the general fund provided that applicable legal requirements can be appropriately satisfied; and use of special revenue funds is not required unless they are legally mandated.

**Note 1. Summary of Significant Accounting Policies, Continued**

**Agency fund**

The agency fund accounts for monies held on behalf of school districts, special districts and other agencies that use the County as a depository or property taxes are collected on behalf of the other governments.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's landfill function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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. The principal operating revenues of the County enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*Measurement focus:*

**Government-wide financial statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the County are included on the statement of net position.

**Fund financial statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**Note 1. Summary of Significant Accounting Policies, Continued**

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

**Basis of accounting:**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

**Revenues - exchange and non-exchange transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: delinquent taxes, sales tax, grants, interest, fees and charges for services.

**Unavailable revenue**

Unavailable revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of year end, but which were levied to finance fiscal year 2013 operations, have been recorded as unavailable revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as unavailable revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unavailable revenue.

**Note 1. Summary of Significant Accounting Policies, Continued**

**Expenses/expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year end are reported as commitments of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

**Budget**

County Council adopts an annual budget for general fund revenue and expenditures prior to the beginning of each fiscal year. The adopted budget specifies expenditure limits appropriated to each County department. Departmental expenditures may not exceed amounts appropriated without the approval of County Council and unexpended appropriations lapse at fiscal year-end. Budget amounts reflected in the accompanying financial statements represent the adopted budget and any revisions approved by Council during the fiscal year. Line item transfers within operating departments are approved by the County Administrator. The Council approves any additional appropriations and transfers between departments. During the year, the Council made several supplementary budget appropriations, which increased general fund estimated revenues available.

The budget is prepared on a consistent basis of accounting with actual financial statement results, including significant accruals, to provide meaningful comparisons.

The County has an appropriated budget for the enterprise funds but is not required to report budgetary comparisons in the financial statements.

**Cash and investments**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. State statutes authorize the County to invest in:

1. Obligations of the United States and agencies thereof;
2. General obligations of the State of South Carolina or any of its political units;
3. Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.
4. Repurchase agreements when collateralized by securities as set forth in this section;

**Note 1. Summary of Significant Accounting Policies, Continued**

5. No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of the County, if the particular portfolio of the investment company or investment trust in which the investment is made (i) is limited to obligations described in items (1), (2), and (5) of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

Investments are stated at fair value; except that repurchase agreements and U.S. Government agencies that have a maturity at the time of purchase of one year or less are shown at amortized cost.

The County Treasurer co-mingles cash and time deposits of some of the funds, but separate fund balance accounts are maintained for accounting purposes so that the equity of each fund is properly reflected in the overall cash. Interest earned on co-mingled cash is distributed to funds based on their average monthly fund balances for the fiscal year. The purpose of co-mingling funds is to obtain maximum return of interest through the investment of funds considered temporarily surplus. This practice does not apply to certain funds earmarked for specific purposes, such as the school bond fund.

**Receivables**

All trade and property taxes receivable are shown net of an allowance for uncollectibles. Trade accounts receivable consist primarily of emergency medical services receivable for which amounts in excess of ninety days are included in the allowance for uncollectibles. The property tax receivable allowance is equal to two percent of outstanding property taxes at June 30, 2013.

**Intergovernmental receivable**

Amounts due from federal grants represent reimbursable costs, which have been incurred by the County but have not been reimbursed by the grantor agency. Costs under grant programs are recognized as expenditures in the period in which they are incurred by the County.

**Inventories and prepaid items**

The County has no significant inventories. The cost is recorded as an expenditure at the time individual inventory items are purchased. The County expenses charges that cover more than one year in the year the expenditure is made and does not record any portion as prepaid items.

**Compensated absences**

Employees accumulate earned but unused vacation and sick pay benefits; no liability is reported for unpaid accumulated sick pay. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Accrued compensated absences are reported as a liability in proprietary funds and the government-wide statements.

**Use of estimates**

The financial statements include estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenditures. Actual results could differ from these estimates.

**Note 1. Summary of Significant Accounting Policies, Continued**

**Interfund transactions**

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**Capital assets**

Capital assets, which include buildings and improvements, furniture, fixtures, equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary capital assets is included as part of the capitalized value of the assets constructed. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the modified accelerated cost recovery method over the following useful lives:

Infrastructure	35 years
Buildings and improvements	15 to 30 years
Furniture, fixtures, and equipment	3 to 10 years

**Net position/Fund balances**

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

The equity section of the governmental fund balance sheet is comprised of these major fund balance elements: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is self-imposed limitations imposed at the highest level of decision-making authority. Assigned fund balances is a limitation imposed by a designee of the County.

Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. The Neighborhood Center Project fund (a nonmajor capital projects fund) currently has a fund deficit (i.e. negative fund balance) of \$32,126, which is classified as unassigned; Council will vote at a future date whether to transfer funding from the general fund to eliminate this fund deficit.

# County of Edgefield, South Carolina

## Notes to Financial Statements

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### Note 1. Summary of Significant Accounting Policies, Continued

The County Council is the County's highest level of decision making. The County Council can establish, modify or rescind a fund balance commitments through adoption of a resolution or ordinance. The County Manager has the authority to assign fund balance amounts to a specific purpose, the County Manager is appointed by, and serves at the pleasure of, the County Council.

The County considers restricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted amounts are available. When an expenditure is incurred for which committed, assigned or unassigned amounts could be used the County considers the expenditures to be used in this respective order.

The County Council has set a General Fund maximum unassigned fund balance target at 3 months of budgeted current operating expenditures and a minimum unassigned fund balance target of 2 months of that amount.

### **Reporting Entity**

Edgefield County, South Carolina – the primary government – is a political subdivision of the State of South Carolina. Component units are legally separate entities that meet one of the following criteria: (1) the County appoints a voting majority of the board of the entity and is able to impose its will on the entity and/or is in a relationship of financial benefit or burden with the entity, (2) the entity is fiscally dependent upon the County, or (3) the financial statements would be misleading if data from the entity were not included. Legally separate entities, referred to as component units, are not included in this report.

### **Discretely presented component unit excluded from the reporting entity**

#### **Edgefield County Hospital**

The Hospital's Board of Directors selects management staff, establishes budgets, and controls all aspects of the operation of the Hospital. The Hospital is fiscally dependent on the County as the County levies and collects property taxes on behalf of the Hospital; also, a financial burden exists to the County as the County is obligated for bond obligations issued for the Hospital and disburses funds for hospital debt payments.

### Subsequent events:

In preparing these financial statements, the County's management has evaluated events and transactions for potential recognition or disclosure through November 25, 2013, the date the financial statements were available for issuance.

### Note 2. Deposits and Investments

#### **Deposits**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash on hand consists of a checking account which has an overnight investment sweep agreement with the financial institution.

# County of Edgefield, South Carolina

## Notes to Financial Statements

### Note 2. Deposits and Investments, Continued

At June 30, 2013, the carrying amount of the County's deposits was \$1,814,108 and the bank balance was \$1,361,323. All of the County's deposits at year-end were covered by federal depository insurance or by collateral held in the pledging financial institutions' trust department in the County's name. Petty cash funds of \$650 are reflected as cash on the general fund balance sheet.

#### Investments

As of June 30, 2013, the County had the following investments:

June 30, 2013	Fair Value	Investment maturities (in years)	
		Less than 1	1 to 5
Money market funds	\$ 137	\$ 137	\$ -
South Carolina local government investment pool	9,850,387	9,850,387	-
Certificates of deposit	2,730,764	1,242,480	1,488,284
Total investments	<u>\$ 12,581,288</u>	<u>\$ 11,093,004</u>	<u>\$ 1,488,284</u>

#### Interest rate risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

#### Credit risk

The County has no investment policy that would further limit its investment choices other than state law. Certificates of deposit do not have assigned credit quality ratings, but as they are collateralized there exists no credit risk. As of June 30, 2013, the underlying security ratings of the County's investment in the South Carolina Local Government Investment Pool may be obtained from the LGIP's complete financial statements. This investment pool does not have a credit quality rating assigned. These financial statements may be obtained by writing to the following address:

The State Treasurer's Office  
Local Government Investment Pool  
Post Office Box 11778  
Columbia, South Carolina 29211

#### Concentration of credit risk

The County places no limit on the amount the County may invest in any one issuer.

### Note 3. Property Taxes

Property taxes are levied on the assessed value of real and personal property, excluding automobiles, as of December 31 of the calendar year preceding the fiscal year. The levy date for automobiles is the first day of the month in which the vehicle license expires and the tax is due by the end of the same month. Liens attach to the property at the time taxes are levied. Taxes are due without penalty, for real and personal property excluding automobiles, through January 15. After that time, penalties are added depending on the date paid as follows:

January 16 through February 1	3% of tax
February 2 through March 16	10% of tax
March 17 and thereafter	15% of tax

# County of Edgefield, South Carolina

## Notes to Financial Statements

### Note 3. Property Taxes, Continued

Property tax revenues are recognized when due or past due and collectible within the current period or soon enough thereafter (defined as sixty days) to pay liabilities of the current period.

The County bills and collects its own property taxes, and also collects taxes for the Rural Fire Districts and the School District. Collections of the County taxes and remittance of them to the Districts are accounted for in the agency funds.

Also, the County collects taxes for surrounding municipalities. The amount collected but not remitted at June 30, 2013 was \$4,904 for surrounding municipalities.

Unavailable revenue (property taxes) represents that portion of property taxes which is deemed not available to pay current expenditures. Property taxes receivable as of year end for the government's individual major funds, nonmajor funds in the aggregate and agency funds including the applicable allowance for uncollectible accounts are as follows:

	General	Emergency Medical Service	Debt Service	Non Major Governmental	Agency
Property taxes receivable	\$ 505,404	\$ 64,742	\$ 27,227	\$ 14,522	\$ 1,267,677
Less: Allowance	<u>(10,108)</u>	<u>(1,295)</u>	<u>(545)</u>	<u>(290)</u>	<u>(25,297)</u>
Net taxes receivable	<u>\$ 495,296</u>	<u>\$ 63,447</u>	<u>\$ 26,682</u>	<u>\$ 14,232</u>	<u>\$ 1,242,380</u>

### Note 4. Capital Assets

Primary Government capital asset activity for the year ended June 30, 2013 was as follows:

	Balance June 30, 2012	Additions	Deletions	Transfers	Balance June 30, 2013
<b>Governmental Activities</b>					
Capital assets not being depreciated					
Land	\$ 597,643	\$ 4,000	\$ -	\$ -	\$ 601,643
Construction in process	<u>804,787</u>	<u>721,721</u>	<u>-</u>	<u>(1,526,508)</u>	<u>-</u>
Total capital assets at historical cost not being depreciated	<u>1,402,430</u>	<u>725,721</u>	<u>-</u>	<u>(1,526,508)</u>	<u>601,643</u>
Capital assets being depreciated					
Infrastructure	15,577,859	22,000	-	1,086,414	16,686,273
Building and improvements	8,258,143	16,000	-	440,094	8,714,237
Furniture, fixtures and equipment	<u>5,714,981</u>	<u>693,324</u>	<u>(149,618)</u>	<u>-</u>	<u>6,258,687</u>
Total capital assets at historical cost being depreciated	<u>29,550,983</u>	<u>731,324</u>	<u>(149,618)</u>	<u>1,526,508</u>	<u>31,659,197</u>
Less accumulated depreciation for:					
Infrastructure	(7,955,563)	(364,782)	-	-	(8,320,345)
Buildings, improvements and equipment	<u>(8,805,854)</u>	<u>(959,113)</u>	<u>149,618</u>	<u>-</u>	<u>(9,615,349)</u>
Total accumulated depreciation	<u>(16,761,417)</u>	<u>(1,323,895)</u>	<u>149,618</u>	<u>-</u>	<u>(17,935,694)</u>
Total capital assets being depreciated, net	<u>12,789,566</u>	<u>(592,571)</u>	<u>-</u>	<u>1,526,508</u>	<u>13,723,503</u>
Governmental activities capital assets, net	<u>\$ 14,191,996</u>	<u>\$ 133,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,325,146</u>

**County of Edgefield, South Carolina**  
**Notes to Financial Statements**

**Note 4. Capital Assets, Continued**

Depreciation expense was charged to functions as follows:

General Government	\$ 26,478
Staff Agencies	66,195
Finance Agencies	39,717
Public Safety	344,212
Public Works	741,381
Health and Social Services	<u>105,912</u>
Total Governmental Activities Depreciation Expense	<u><b>\$ 1,323,895</b></u>

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2013</u>
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 27,535	\$ -	\$ -	\$ 27,535
Capital assets being depreciated				
Buildings and improvements	440,486	-	-	440,486
Furniture, fixtures and equipment	<u>2,455,017</u>	<u>501,272</u>	<u>(65,270)</u>	<u>2,891,019</u>
Total capital assets at historical cost being depreciated	<u>2,895,503</u>	<u>501,272</u>	<u>(65,270)</u>	<u>3,331,505</u>
Less accumulated depreciation	<u>(1,318,785)</u>	<u>(217,323)</u>	<u>54,392</u>	<u>(1,481,716)</u>
Total capital assets being depreciated, net	<u>1,576,718</u>	<u>283,949</u>	<u>(10,878)</u>	<u>1,849,789</u>
Business-type activities capital assets, net	<u><b>\$ 1,604,253</b></u>	<u><b>\$ 283,949</b></u>	<u><b>\$ (10,878)</b></u>	<u><b>\$ 1,877,324</b></u>

**Note 5. Long-term Debt**

Bonds payable at June 30, 2013 are comprised of the following individual issues:

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2013</u>	<u>Amounts due within one year</u>
<b>General obligation bonds</b>					
\$196,400 2004 General Obligation Bond of Edgefield County due in annual installments of \$21,404- \$24,572 for principal and interest through April 2013, interest at 3.85%	\$ 21,000	\$ -	\$ 21,000	\$ -	\$ -
\$208,000 2004A General Obligation Bond of Edgefield County due in annual installments of \$13,812 - \$29,810 for principal and interest through April 2014, interest at 3.85%	26,600	-	13,300	13,300	13,300
\$500,000 2005A General Obligation Hospital bonds due in annual installments of \$51,735 - \$68,651 for principal and interest through March 2015, interest at 3.47%	150,000	-	50,000	100,000	50,000
\$765,000 2005B General Obligation bonds due in annual installments of \$79,269 - \$101,424 for principal and interest through March 2015, interest at 3.62%	229,500	-	76,500	153,000	76,500
\$750,000 2011 General Obligation bonds due in annual installments of \$182,376 - \$192,986 for principal and interest through July 2015, interest at 2.01%	<u>750,000</u>	<u>-</u>	<u>182,376</u>	<u>567,624</u>	<u>185,455</u>
	<u><b>\$ 1,177,100</b></u>	<u><b>\$ -</b></u>	<u><b>\$ 343,176</b></u>	<u><b>\$ 833,924</b></u>	<u><b>\$ 325,255</b></u>

# County of Edgefield, South Carolina

## Notes to Financial Statements

### Note 5. Long-term Debt, Continued

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2013, including interest payments, are as follows:

Year ending June 30,	General obligation bonds		
	Principal	Interest	Total
2014	\$ 325,255	\$ 20,930	\$ 346,185
2015	315,683	12,186	327,869
2016	192,986	3,879	196,865
	<u>\$ 833,924</u>	<u>\$ 36,995</u>	<u>\$ 870,919</u>

Debt service funds of \$333,508 are available to service the general obligation bonds.

In accordance with the South Carolina Constitution, the County is allowed to incur general obligations (general purpose) bonded indebtedness in an amount not exceeding eight percent of the assessed value of all taxable property of the County. Based on the taxable assessed property valuation net of exemptions of \$75,413,931 (unaudited), the legal debt limit is \$6,033,114, leaving a legal debt margin of \$5,534,448 as of June 30, 2013.

The general obligation bonds are secured by a pledge of the full faith, credit and taxing power of the County.

### Changes in long-term debt

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

	<u>Lease obligations</u>	<u>Estimated long-term liability for annual leave</u>	<u>General obligation bonds</u>
Payable at July 1, 2012	\$ 74,817	\$ 356,646	\$ 1,177,100
Amounts incurred	-	41,178	-
Amounts retired	<u>(52,110)</u>	<u>(49,592)</u>	<u>(343,176)</u>
Payable at June 30, 2013	<u>\$ 22,707</u>	<u>\$ 348,232</u>	<u>\$ 833,924</u>
Amounts due within one year	<u>\$ 22,707</u>	<u>\$ 50,000</u>	<u>\$ 325,255</u>

# County of Edgefield, South Carolina

## Notes to Financial Statements

### Note 6. Interfund Transfers

Any transactions to transfer revenues from the fund budgeted to receive them to the fund budgeted to expend them are reported as transfers from and to other funds. Total transfers during the year ended June 30, 2013 consisted of the following individual amounts:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental	\$ 179,071
General Fund	EMS	15,980
General Fund	Enterprise Fund - Landfill	15,000
		<u>210,051</u>
Nonmajor Governmental	General Fund	187,585
		<u>187,585</u>
Total governmental fund transfers in		<u><b>\$ 397,636</b></u>
Enterprise Fund - Landfill	Nonmajor Governmental	<u><b>\$ 491,817</b></u>

### Note 7. Fund Balances

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2013, are as follows:

	General				Other	
	Fund	C Funds	EMS	Debt Service	Nonmajor Funds	Total
<b>Fund balances;</b>						
<b>Restricted for:</b>						
Building maintenance	\$ 44,795	\$ -	\$ -	\$ -	\$ -	\$ 44,795
Public works	-	1,801,610	-	-	655,614	2,457,224
Health/social services	-	-	453,526	-	78,511	532,037
Public safety	-	-	-	-	323,981	323,981
Industrial development	-	-	-	-	18,948	18,948
Debt service	-	-	-	335,258	-	335,258
Capital outlay	-	-	-	-	376,725	376,725
<b>Committed to:</b>						
Building maintenance	64,280	-	-	-	-	64,280
Capital outlay	-	-	-	-	267	267
<b>Unassigned:</b>	3,395,396	-	-	-	(32,126)	3,363,270
<b>Total fund balances</b>	<u><b>\$ 3,504,471</b></u>	<u><b>\$ 1,801,610</b></u>	<u><b>\$ 453,526</b></u>	<u><b>\$ 335,258</b></u>	<u><b>\$ 1,421,920</b></u>	<u><b>\$ 7,516,785</b></u>

# County of Edgefield, South Carolina

## Notes to Financial Statements

### Note 8. Employee Benefits

#### Retirement Plan

Substantially all County employees are members of the South Carolina Retirement System, (SCRS) or the Police Officers Retirement System (PORS). These systems are cost-sharing multiple-employer plans administered by the Retirement Division of the South Carolina Public Employee Benefit Authority (PEBA), a public employee retirement system. The Plan offers retirement and disability benefits, cost of living adjustments on an ad hoc basis, and life and survivor benefits. The Plan's provisions are established under Title 9 of the South Carolina Code of Laws. The State is authorized by statute to establish and amend all plan provisions. Covered payroll was \$6,351,408, \$6,104,672 and \$5,973,242 for the years ended June 30, 2013, 2012 and 2011, respectively.

Generally all employees are required to participate in the SCRS as a condition of employment.

Under South Carolina Retirement System (SCRS), employees are eligible for normal retirement with no reduction of benefits upon reaching age 65 or completion of 28 years credited service regardless of age. The benefit formula effective July 1, 1989, for the System is 1.82% of an employee's average final compensation multiplied by the number of years of credited service. An early retirement option with reduced benefits is available as early as age 60. Employees are vested for a deferred annuity after 5 years service and qualify for a survivor's benefit upon completion of 15 years credited service. A group-life insurance benefit equal to an employee's annual rate of compensation is payable upon the death of an employee with a minimum of one year of credited service. Employees are required to contribute 7.0% of their salary for the year ended June 30, 2013 (6.50% for the years ended June 30, 2012 and 2011). The County is required to contribute 10.45% of employees' salary for the year ended June 30, 2013 (9.385% for the year ended June 30, 2012 and 9.24% for the year ended June 30, 2011).

Police Officers Retirement System (PORS) - Participating employees contribute 6.5% of their annual covered payroll. The County contributes on their behalf 11.36% of annual payroll plus an additional .2% of payroll to provide accidental death benefits.

The Pension Plans provide death and disability as well retirement benefits. Both employees and employers are required to contribute to the Plan at rates established under authority of Title 9 of the SC Code of Laws. Contribution information for the year ended June 30, 2013 and the two years prior is as follows:

	<u>Employee Amount</u>	<u>Contributions % of Wages</u>	<u>Employer Amount</u>	<u>Contributions % of Wages</u>	<u>Total</u>
June 30, 2013	\$ 444,599	7.00%	\$ 713,904	10.45%	\$ 1,158,503
June 30, 2012	\$ 397,064	6.50%	\$ 635,723	9.39%	\$ 1,032,787
June 30, 2011	\$ 388,260	6.50%	\$ 609,783	9.24%	\$ 998,043

Ten year historical trend information presenting the retirement system's progress in accumulating sufficient assets to pay benefits when due is presented in the Component Unit Financial Report issued annually by the South Carolina Retirement Systems.

A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement System is issued and publicly available by writing the South Carolina Retirement System, P.O. Box 11960, Columbia, S.C. 29211-1960.

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## County of Edgefield, South Carolina

### *Notes to Financial Statements*

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#### **Note 8. Employee Benefits, Continued**

Employees eligible for service retirement may participate in the Teacher and Retiree Incentive Program (TERI). TERI participants may retire and begin accumulating retirement benefits on a deferred basis without terminating employment for up to five years. Upon termination of employment or at the end of the TERI period, whichever is earlier, participants will begin receiving monthly service retirement benefits which will include any cost of living adjustments granted during the TERI period. Because participants are considered retired during the TERI period, they do not earn service credit, and are ineligible to receive group life insurance benefits or disability retirement benefits. The TERI program will end effective June 30, 2018.

#### **Deferred Compensation Plan**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, which is administered and controlled by the State of South Carolina. The plan, available to all government employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Great West Financial, (under state contract) is the program administrator of the 457 plan as well as the 401k plan, which is also available to County and component unit employees at their option.

The government also provides its employees a Money Plus Spending Account through the state health plan. The plan, available to all government employees, provides for child care, health issues and dental benefits.

#### **Post-employment Health Care Benefits**

The County does not provide health care benefits for retired employees.

#### **Note 9. Contingent Liabilities**

The County participates in a number of federal and state assisted grant programs. These programs are subject to audits by grantors or their representatives. The audits of these programs for or including the year ended June 30, 2013, have not yet been conducted. Therefore, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

#### **Note 10. Litigation**

There are several pending lawsuits in which the County is involved. The County attorney estimates that the potential claims against the County, not covered by insurance, resulting from such litigation, would not materially affect the financial statements of the County.

# County of Edgefield, South Carolina

## Notes to Financial Statements

### Note 11. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries insurance through the South Carolina Counties Property and Liability Trust. In addition, the County carries employee health and accident insurance through the South Carolina Office of Insurance Services. This South Carolina state health plan represents various South Carolina governmental entities joined together in a public entity risk pool. The County pays premiums to the Fund for its employee health and accident insurance. The agreement for formation of the Fund provides that the Fund will be self-sustaining through member premiums and will reinsure through commercial companies for each insured event.

The County continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

### Note 12. Capital Leases

The County has entered into lease agreements as lessee for financing the acquisition of equipment. These lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is an analysis of equipment leased under capital leases as of June 30, 2013:

	<b>Governmental funds</b>
Machinery and equipment	\$ 1,486,486
Less: Accumulated depreciation	<u>(1,302,117)</u>
	<b><u>\$ 184,369</u></b>

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2013:

<b>Fiscal year ending June 30,</b>	<b>Governmental funds</b>
2014	<u>\$ 23,069</u>
Total minimum lease payments	23,069
Less: Amount representing interest	<u>(362)</u>
Present value of future minimum lease payments	<b><u>\$ 22,707</u></b>

Lease obligations are payable from the general fund.

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# County of Edgefield, South Carolina

## Notes to Financial Statements

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### Note 13. Other Commitments

The County leases land under operating leases. Future minimum lease payments required under the operating leases are as follows:

<u>Fiscal year ending June 30,</u>	<u>Total minimum lease payments</u>
2014	\$ 8,000
2015	8,000
2016	8,000
2017	8,000
2018	8,000
2019-2023	40,000
2024-2028	40,000
2029-2032	32,000
	<hr/>
	<b>\$ 152,000</b>

# County of Edgefield, South Carolina

## Exhibit 11 - General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance -

#### Budget (GAAP) and Actual

For the year ended June 30, 2013

	Budget - original	Budget - final	Actual	Variance positive (negative)
<b>REVENUES</b>				
Taxes	\$ 5,723,317	\$ 5,723,317	\$ 5,524,812	\$ (198,505)
Licenses, permits and fees	424,136	424,136	387,936	(36,200)
Intergovernmental	1,561,175	1,678,538	1,588,735	(89,803)
Charges for services	8,500	8,500	6,584	(1,916)
Fines and forfeits	150,000	150,000	166,733	16,733
Interest	20,000	20,000	13,477	(6,523)
Other	209,242	209,242	403,872	194,630
Total revenues	<u>8,096,370</u>	<u>8,213,733</u>	<u>8,092,149</u>	<u>(121,584)</u>
<b>EXPENDITURES</b>				
Budgeted				
Current				
General government	473,135	511,210	495,353	15,857
Staff agencies	1,534,043	1,534,043	1,487,049	46,994
Finance agencies	608,905	608,905	610,178	(1,273)
Public safety	3,564,706	3,564,706	3,614,968	(50,262)
Public works	96,563	96,563	107,851	(11,288)
Health and social services	87,475	87,475	83,609	3,866
Building maintenance	314,330	364,330	315,920	48,410
Nondepartmental	1,541,850	1,561,850	1,470,424	91,426
Capital outlay	103,792	103,792	45,288	58,504
Debt service:				
Principal retirement	48,909	48,909	52,110	(3,201)
Interest and fiscal charges	6,591	6,591	3,256	3,335
Total expenditures	<u>8,380,299</u>	<u>8,488,374</u>	<u>8,286,006</u>	<u>202,368</u>
Excess (deficiency) of revenues under expenditures	<u>(283,929)</u>	<u>(274,641)</u>	<u>(193,857)</u>	<u>80,784</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	169,700	169,700	210,051	40,351
Transfers out	(169,695)	(169,695)	(187,585)	(17,890)
Total other financing sources (uses)	<u>5</u>	<u>5</u>	<u>22,466</u>	<u>22,461</u>
Excess (deficiency) of revenues and other financing sources under expenditures and other uses	<u>(283,924)</u>	<u>(274,636)</u>	<u>(171,391)</u>	<u>103,245</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>3,675,862</u>	<u>3,675,862</u>	<u>3,675,862</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 3,391,938</u>	<u>\$ 3,401,226</u>	<u>\$ 3,504,471</u>	<u>\$ 103,245</u>

## County of Edgefield, South Carolina

### Exhibit 12 - General Fund

#### Schedule of Expenditures -

#### Budget (GAAP) and Actual

For the year ended June 30, 2013

	Budget - original	Budget - final	Actual	Variance positive (negative)
<b>GENERAL GOVERNMENT</b>				
County council				
Personnel services	\$ 56,074	\$ 56,074	\$ 55,671	\$ 403
Operating expenses	60,560	60,560	51,910	8,650
Total county council	<u>116,634</u>	<u>116,634</u>	<u>107,581</u>	<u>9,053</u>
County administrator's office				
Personnel services	317,451	352,926	354,873	(1,947)
Operating expenses	39,050	41,650	32,899	8,751
Capital outlay	5,000	5,000	2,841	2,159
Total county administrator's office	<u>361,501</u>	<u>399,576</u>	<u>390,613</u>	<u>8,963</u>
Total current expenditures	473,135	511,210	495,353	15,857
Total capital outlay	5,000	5,000	2,841	2,159
Total general government	<u>478,135</u>	<u>516,210</u>	<u>498,194</u>	<u>18,016</u>
<b>STAFF AGENCIES</b>				
Clerk of court				
Personnel services	233,105	233,105	237,149	(4,044)
Operating expenses	131,495	131,495	125,920	5,575
Total clerk of court	<u>364,600</u>	<u>364,600</u>	<u>363,069</u>	<u>1,531</u>
Circuit court				
Personnel services	13,638	13,638	11,930	1,708
Operating expenses	36,300	36,300	29,406	6,894
Total circuit court	<u>49,938</u>	<u>49,938</u>	<u>41,336</u>	<u>8,602</u>
County archives				
Personnel services	34,610	34,610	32,776	1,834
Operating expenses	3,725	3,725	2,576	1,149
Total county archives	<u>38,335</u>	<u>38,335</u>	<u>35,352</u>	<u>2,983</u>
Coroner				
Personnel services	53,234	53,234	53,329	(95)
Operating expenses	35,600	35,600	24,736	10,864
Total coroner	<u>88,834</u>	<u>88,834</u>	<u>78,065</u>	<u>10,769</u>
Veterans' affairs				
Personnel services	69,990	69,990	69,547	443
Operating expenses	8,480	8,480	5,651	2,829
Capital outlay	500	500	-	500
Total veterans' affairs	<u>78,970</u>	<u>78,970</u>	<u>75,198</u>	<u>3,772</u>
County attorney				
Operating expenses	-	-	400	(400)
Total county attorney	<u>-</u>	<u>-</u>	<u>400</u>	<u>(400)</u>
Magistrate				
Personnel services	269,069	269,069	267,871	1,198
Operating expenses	34,710	34,710	29,429	5,281
Total magistrate	<u>303,779</u>	<u>303,779</u>	<u>297,300</u>	<u>6,479</u>

# County of Edgefield, South Carolina

## Exhibit 12 - General Fund

### Schedule of Expenditures -

### Budget (GAAP) and Actual, Continued

For the year ended June 30, 2013

	Budget - original	Budget - final	Actual	Variance positive (negative)
<b>STAFF AGENCIES, Continued</b>				
Probate judge				
Personnel services	164,458	164,458	163,703	755
Operating expenses	34,500	34,500	30,405	4,095
Capital outlay	5,700	5,700	5,349	351
Total probate judge	<u>204,658</u>	<u>204,658</u>	<u>199,457</u>	<u>5,201</u>
Board of registration				
Personnel services	72,269	72,269	80,432	(8,163)
Operating expenses	33,805	33,805	26,652	7,153
Capital outlay	5,200	5,200	4,950	250
Total board of registration	<u>111,274</u>	<u>111,274</u>	<u>112,034</u>	<u>(760)</u>
Tri-county public defender				
Operating expenses	25,050	25,050	25,014	36
Planning commission				
Personnel services	187,552	187,552	179,931	7,621
Operating expenses	22,200	22,200	21,476	724
Total planning commission	<u>209,752</u>	<u>209,752</u>	<u>201,407</u>	<u>8,345</u>
Circuit judge				
Operating expenses	1,030	1,030	345	685
GIS / Grant Writing				
Personnel services	63,003	63,003	62,281	722
Operating expenses	6,220	6,220	6,090	130
Total GIS / grant writing	<u>69,223</u>	<u>69,223</u>	<u>68,371</u>	<u>852</u>
Total current expenditures	1,534,043	1,534,043	1,487,049	46,994
Total capital outlay	11,400	11,400	10,299	1,101
Total staff agencies	<u>1,545,443</u>	<u>1,545,443</u>	<u>1,497,348</u>	<u>48,095</u>
<b>FINANCE AGENCIES</b>				
Tax assessor				
Personnel services	185,535	185,535	193,703	(8,168)
Operating expenses	34,250	34,250	23,916	10,334
Capital outlay	-	-	1,145	(1,145)
Total tax assessor	<u>219,785</u>	<u>219,785</u>	<u>218,764</u>	<u>1,021</u>
Auditor				
Personnel services	92,644	92,644	91,837	807
Operating expenses	6,370	6,370	5,005	1,365
Total auditor	<u>99,014</u>	<u>99,014</u>	<u>96,842</u>	<u>2,172</u>
Treasurer				
Personnel services	110,768	110,768	115,115	(4,347)
Operating expenses	50,050	50,050	37,175	12,875
Capital outlay	550	550	-	550
Total treasurer	<u>161,368</u>	<u>161,368</u>	<u>152,290</u>	<u>9,078</u>
Tax collector				
Personnel services	62,888	62,888	64,762	(1,874)
Operating expenses	66,400	66,400	78,665	(12,265)
Total tax collector	<u>129,288</u>	<u>129,288</u>	<u>143,427</u>	<u>(14,139)</u>
Total current expenditures	608,905	608,905	610,178	(1,273)
Total capital outlay	550	550	1,145	(595)
Total finance agencies	<u>609,455</u>	<u>609,455</u>	<u>611,323</u>	<u>(1,868)</u>

## County of Edgefield, South Carolina

### Exhibit 12 - General Fund

#### Schedule of Expenditures -

#### Budget (GAAP) and Actual, Continued

For the year ended June 30, 2013

	Budget - original	Budget - final	Actual	Variance positive (negative)
<b>PUBLIC SAFETY</b>				
Sheriff's office				
Personnel services	1,690,624	1,690,624	1,733,599	(42,975)
Operating expenses	287,640	287,640	332,257	(44,617)
Capital outlay	18,400	18,400	8,284	10,116
Total sheriff's office	<u>1,996,664</u>	<u>1,996,664</u>	<u>2,074,140</u>	<u>(77,476)</u>
E911 dispatch operator				
Personnel services	376,175	376,175	358,411	17,764
Operating expenses	29,900	29,900	31,269	(1,369)
Capital outlay	300	300	-	300
Total E911 dispatch operator	<u>406,375</u>	<u>406,375</u>	<u>389,680</u>	<u>16,695</u>
County jail				
Personnel services	675,855	675,855	671,950	3,905
Operating expenses	372,000	372,000	290,261	81,739
Capital outlay	500	500	488	12
Total county jail	<u>1,048,355</u>	<u>1,048,355</u>	<u>962,699</u>	<u>85,656</u>
Animal control				
Personnel services	52,515	52,515	37,560	14,955
Operating expenses	36,580	36,580	69,363	(32,783)
Capital outlay	1,000	1,000	641	359
Total animal control	<u>90,095</u>	<u>90,095</u>	<u>107,564</u>	<u>(17,469)</u>
Emergency preparedness				
Personnel services	32,342	32,342	32,558	(216)
Operating expenses	11,075	11,075	57,740	(46,665)
Capital outlay	59,342	59,342	19,613	39,729
Total emergency preparedness	<u>102,759</u>	<u>102,759</u>	<u>109,911</u>	<u>(7,152)</u>
Total current expenditures	3,564,706	3,564,706	3,614,968	(50,262)
Total capital outlay	79,542	79,542	29,026	50,516
Total public safety	<u>3,644,248</u>	<u>3,644,248</u>	<u>3,643,994</u>	<u>254</u>
<b>PUBLIC WORKS</b>				
Maintenance garage				
Personnel services	86,613	86,613	92,235	(5,622)
Operating expenses	7,650	7,650	7,929	(279)
Capital outlay	2,000	2,000	1,639	361
Total maintenance garage	<u>96,263</u>	<u>96,263</u>	<u>101,803</u>	<u>(5,540)</u>
Fuel site				
Operating expenses	2,300	2,300	1,775	525
Delegation Secretary				
Personnel services	-	-	5,912	(5,912)
Total current expenditures	96,563	96,563	107,851	(11,288)
Total capital outlay	2,000	2,000	1,639	361
Total public works	<u>98,563</u>	<u>98,563</u>	<u>109,490</u>	<u>(10,927)</u>
<b>HEALTH AND SOCIAL SERVICES</b>				
Department of social services				
Operating expenses	575	575	-	575

## County of Edgefield, South Carolina

### Exhibit 12 - General Fund

#### Schedule of Expenditures -

#### Budget (GAAP) and Actual, Continued

For the year ended June 30, 2013

	Budget - original	Budget - final	Actual	Variance positive (negative)
<b>HEALTH AND SOCIAL SERVICES, Continued</b>				
Edgefield county senior citizens council				
Operating expenses	3,000	3,000	3,000	-
Medical indigent				
Operating expenses	32,600	32,600	33,313	(713)
Alcohol and drug abuse				
Operating expenses	45,000	45,000	40,996	4,004
County health department				
Operating expenses	6,300	6,300	6,300	-
Total current expenditures	87,475	87,475	83,609	3,866
Total health and social services	87,475	87,475	83,609	3,866
<b>BUILDING MAINTENANCE</b>				
Courthouse building				
Operating expenses	95,110	95,110	55,155	39,955
County council chambers				
Operating expenses	15,225	15,225	15,051	174
County auditor's building				
Operating expenses	6,100	6,100	1,989	4,111
Department of social services building				
Operating expenses	20,960	20,960	19,941	1,019
County administrative building				
Operating expenses	9,030	9,030	15,172	(6,142)
Agriculture building				
Operating expenses	14,230	14,230	15,440	(1,210)
Health building				
Operating expenses	2,580	2,580	1,637	943
Magistrate building				
Operating expenses	7,405	7,405	5,913	1,492
Neighborhood center - Salary and utilities				
Operating expenses	20,720	20,720	19,755	965
Sheriff's building				
Operating expenses	35,640	35,640	39,308	(3,668)
Capital outlay	300	300	237	63
Total sheriff's building	35,940	35,940	39,545	(3,605)

## County of Edgefield, South Carolina

### Exhibit 12 - General Fund

#### Schedule of Expenditures -

#### Budget (GAAP) and Actual, Continued

For the year ended June 30, 2013

	Budget - original	Budget - final	Actual	Variance positive (negative)
<b>BUILDING MAINTENANCE, Continued</b>				
County jail building				
Operating expenses	76,640	76,640	67,022	9,618
Capital outlay	5,000	5,000	101	4,899
Total county jail building	<u>81,640</u>	<u>81,640</u>	<u>67,123</u>	<u>14,517</u>
Maintenance garage				
Operating expense	<u>4,380</u>	<u>4,380</u>	<u>3,893</u>	<u>487</u>
Kneece building				
Operating expense	<u>6,310</u>	<u>56,310</u>	<u>55,644</u>	<u>666</u>
Total current expenditures	314,330	364,330	315,920	48,410
Total capital outlay	5,300	5,300	338	4,962
Total building maintenance	<u>319,630</u>	<u>369,630</u>	<u>316,258</u>	<u>53,372</u>
<b>NONDEPARTMENTAL</b>				
Miscellaneous	4,456	4,456	3,635	821
County agent	21,874	21,874	21,624	250
Employment and social security office	500	500	323	177
Soil and water conservation office	2,000	2,000	2,000	-
Probation office	1,500	1,500	1,267	233
Upper Savannah Council of Governments	18,890	18,890	18,890	-
Piedmont Technical Education Center	43,000	43,000	42,757	243
Professional services	1,263,600	1,283,600	1,198,850	84,750
ABBE Regional Library	181,030	181,030	181,078	(48)
Non-profit organizations	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total current expenditures	<u>1,541,850</u>	<u>1,561,850</u>	<u>1,470,424</u>	<u>91,426</u>
Total nondepartmental	<u>1,541,850</u>	<u>1,561,850</u>	<u>1,470,424</u>	<u>91,426</u>
<b>DEBT SERVICE</b>				
Principal retirement	48,909	48,909	52,110	(3,201)
Interest and fiscal charges	<u>6,591</u>	<u>6,591</u>	<u>3,256</u>	<u>3,335</u>
Total debt service	<u>55,500</u>	<u>55,500</u>	<u>55,366</u>	<u>134</u>
Total expenditures	<u><b>\$ 8,380,299</b></u>	<u><b>\$ 8,488,374</b></u>	<u><b>\$ 8,286,006</b></u>	<u><b>\$ 202,368</b></u>

# County of Edgefield, South Carolina

## Exhibit 13 - Combining Balance Sheet

### Nonmajor Governmental Funds

June 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 949,018	\$ 376,992	\$ 1,326,010
Property taxes receivable	14,232	-	14,232
Accounts receivable	127,004	-	127,004
Due from other governments	55,009	-	55,009
Total assets	<b>\$ 1,145,263</b>	<b>\$ 376,992</b>	<b>\$ 1,522,255</b>
<b>Liabilities</b>			
Accounts payable	\$ 31,875	\$ 32,126	\$ 64,001
Accrued expenses	23,826	-	23,826
Total liabilities	55,701	32,126	87,827
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - property taxes	12,508	-	12,508
Total deferred inflows of resources	12,508	-	12,508
<b>Fund balances</b>			
Restricted	1,077,054	376,725	1,453,779
Committed	-	267	267
Unassigned	-	(32,126)	(32,126)
Total fund balances	1,077,054	344,866	1,421,920
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 1,145,263</b>	<b>\$ 376,992</b>	<b>\$ 1,522,255</b>

# County of Edgefield, South Carolina

## Exhibit 14 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances

### Nonmajor Governmental Funds

For the year ended June 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Taxes	\$ 600,582	\$ -	\$ 600,582
Intergovernmental	649,366	-	649,366
Charges for services	1,183,841	-	1,183,841
Local funds	881,847	-	881,847
Interest	1,227	818	2,045
Total revenues	<u>3,316,863</u>	<u>818</u>	<u>3,317,681</u>
<b>EXPENDITURES</b>			
Public works	897,437	-	897,437
Public safety	1,471,864	-	1,471,864
Health and social services	230,161	-	230,161
Nondepartmental	98,204	-	98,204
Capital outlay	291,258	149,985	441,243
Total expenditures	<u>2,988,924</u>	<u>149,985</u>	<u>3,138,909</u>
Excess (deficiency) of revenues over (under) expenditures	<u>327,939</u>	<u>(149,167)</u>	<u>178,772</u>
Other financing sources (uses):			
Transfers in	187,585	-	187,585
Transfers out	(670,888)	-	(670,888)
Change in estimate regarding insurance proceeds	-	(103,973)	(103,973)
Total other financing sources (uses)	<u>(483,303)</u>	<u>(103,973)</u>	<u>(587,276)</u>
Net change in fund balances	(155,364)	(253,140)	(408,504)
Fund balances, beginning of the year	<u>1,232,418</u>	<u>598,006</u>	<u>1,830,424</u>
Fund balances, end of the year	<u><b>\$ 1,077,054</b></u>	<u><b>\$ 344,866</b></u>	<u><b>\$ 1,421,920</b></u>

**County of Edgefield, South Carolina**

**Exhibit 15 - Combining Balance Sheet**

**Nonmajor Special Revenue Funds**

**June 30, 2013**

	School Resource Officer I	School Resource Officer II	Industrial Development	Victim's Bill of Rights	SCCFG Grant	County Tire Fund
<b>Assets</b>						
Cash and investments	\$ -	\$ -	\$ 18,334	\$ 71,842	\$ 647	\$ 7,105
Property taxes receivable	-	-	5,057	-	-	-
Accounts receivable	-	-	-	-	-	-
Due from other governments	4,728	3,703	-	-	-	-
<b>Total assets</b>	<b>\$ 4,728</b>	<b>\$ 3,703</b>	<b>\$ 23,391</b>	<b>\$ 71,842</b>	<b>\$ 647</b>	<b>\$ 7,105</b>
<b>Liabilities</b>						
Accounts payable	\$ 4,725	\$ 3,703	\$ -	\$ 72	\$ -	\$ -
Accrued expenses	-	-	-	-	-	-
<b>Total liabilities</b>	<b>4,725</b>	<b>3,703</b>	<b>-</b>	<b>72</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	-	-	4,443	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>4,443</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances</b>						
Restricted	3	-	18,948	71,770	647	7,105
<b>Total fund balances</b>	<b>3</b>	<b>-</b>	<b>18,948</b>	<b>71,770</b>	<b>647</b>	<b>7,105</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 4,728</b>	<b>\$ 3,703</b>	<b>\$ 23,391</b>	<b>\$ 71,842</b>	<b>\$ 647</b>	<b>\$ 7,105</b>

**County of Edgefield, South Carolina**  
**Exhibit 15 - Combining Balance Sheet**  
**Nonmajor Special Revenue Funds, Continued**  
**June 30, 2013**

	911 Surcharge	User Fee Fund	Road Fee Fund	Assistant Solicitor	Solicitor	Burglar
<b>Assets</b>						
Cash and cash equivalents	\$ 184,697	\$ 199,371	\$ 151,386	\$ -	\$ 33,084	\$ 6,445
Property taxes receivable	-	-	-	-	-	-
Accounts receivable	6,924	113,405	-	-	-	-
Due from other governments	-	-	-	19,449	-	-
Total assets	<b>\$ 191,621</b>	<b>\$ 312,776</b>	<b>\$ 151,386</b>	<b>\$ 19,449</b>	<b>\$ 33,084</b>	<b>\$ 6,445</b>
<b>Liabilities</b>						
Accounts payable	\$ 29	\$ 29	\$ 1,876	\$ 10,423	\$ 94	\$ -
Accrued expenses	729	610	4,001	9,026	5,010	-
Total liabilities	<b>758</b>	<b>639</b>	<b>5,877</b>	<b>19,449</b>	<b>5,104</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances</b>						
Restricted	190,863	312,137	145,509	-	27,980	6,445
Total fund balances	<b>190,863</b>	<b>312,137</b>	<b>145,509</b>	<b>-</b>	<b>27,980</b>	<b>6,445</b>
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 191,621</b>	<b>\$ 312,776</b>	<b>\$ 151,386</b>	<b>\$ 19,449</b>	<b>\$ 33,084</b>	<b>\$ 6,445</b>

**County of Edgefield, South Carolina**  
**Exhibit 15 - Combining Balance Sheet**  
**Nonmajor Special Revenue Funds, Continued**  
**June 30, 2013**

	Forestry	Recreation	Tri-County Juvenile Justice Grant	Event Security	Pre Trial Intervention	Community Action Program
<b>Assets</b>						
Cash and cash equivalents	\$ -	\$ 62,817	\$ 336	\$ -	\$ -	\$ -
Property taxes receivable	-	9,175	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Due from other governments	-	14,860	-	4,525	5,458	2,286
Total assets	\$ -	\$ 86,852	\$ 336	\$ 4,525	\$ 5,458	\$ 2,286
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ 4,422	\$ 2,034	\$ 2,286
Accrued expenses	-	923	-	103	3,424	-
Total liabilities	-	923	-	4,525	5,458	2,286
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	-	8,065	-	-	-	-
Total deferred inflows of resources	-	8,065	-	-	-	-
<b>Fund balances</b>						
Restricted	-	77,864	336	-	-	-
Total fund balances	-	77,864	336	-	-	-
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 86,852	\$ 336	\$ 4,525	\$ 5,458	\$ 2,286

**County of Edgefield, South Carolina**  
**Exhibit 15 - Combining Balance Sheet**  
**Nonmajor Special Revenue Funds, Continued**  
**June 30, 2013**

	JAG CDV Grant	SC Prosecution Commission CDV Grant	Sheriff Grants	Clerk of Court Grants	Criminal Domestic Violence	Total Nonmajor Funds
<b>Assets</b>						
Cash and cash equivalents	4,267	\$ -	\$ 82,422	\$ 125,413	852	\$ 949,018
Property taxes receivable	-	-	-	-	-	14,232
Accounts receivable	-	2,153	-	4,522	-	127,004
Due from other governments	-	-	-	-	-	55,009
Total assets	<u>\$ 4,267</u>	<u>\$ 2,153</u>	<u>\$ 82,422</u>	<u>\$ 129,935</u>	<u>\$ 852</u>	<u>\$ 1,145,263</u>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ 2,153	\$ -	\$ -	29	\$ 31,875
Accrued expenses	-	-	-	-	-	23,826
Total liabilities	<u>-</u>	<u>2,153</u>	<u>-</u>	<u>-</u>	<u>29</u>	<u>55,701</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue - property taxes	-	-	-	-	-	12,508
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,508</u>
<b>Fund balances</b>						
Restricted	4,267	-	82,422	129,935	823	1,077,054
Total fund balances	<u>4,267</u>	<u>-</u>	<u>82,422</u>	<u>129,935</u>	<u>823</u>	<u>1,077,054</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,267</u>	<u>\$ 2,153</u>	<u>\$ 82,422</u>	<u>\$ 129,935</u>	<u>\$ 852</u>	<u>\$ 1,145,263</u>

## County of Edgefield, South Carolina

### Exhibit 16 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances

#### Nonmajor Special Revenue Funds

For the year ended June 30, 2013

	School Resource Officer I	School Resource Officer II	Industrial Development	Victim's Bill of Rights	SCCFG Grant	County Tire Fund	911 Surcharge	User Fee Fund
<b>REVENUES</b>								
Taxes	-	-	62,325	-	-	-	-	-
Federal funds	-	-	-	-	-	-	-	-
State funds	-	-	-	-	-	6,687	400,444	-
Local funds	48,910	25,486	-	26,064	-	10,965	-	-
Charges for services	-	-	-	-	-	-	-	940,099
Interest	-	-	69	46	-	43	80	389
Total revenues	<u>48,910</u>	<u>25,486</u>	<u>62,394</u>	<u>26,110</u>	<u>-</u>	<u>17,695</u>	<u>400,524</u>	<u>940,488</u>
<b>EXPENDITURES</b>								
Current								
Public works	-	-	-	53,655	-	-	-	356,617
Public safety	65,250	46,902	-	-	-	-	120,024	-
Health and social services	-	-	-	-	-	-	-	-
Nondepartmental	-	-	65,239	-	-	32,965	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>65,250</u>	<u>46,902</u>	<u>65,239</u>	<u>53,655</u>	<u>-</u>	<u>32,965</u>	<u>409,879</u>	<u>356,617</u>
Excess (deficiency) of revenues over expenditures	<u>(16,340)</u>	<u>(21,416)</u>	<u>(2,845)</u>	<u>(27,545)</u>	<u>-</u>	<u>(15,270)</u>	<u>(9,355)</u>	<u>583,871</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	17,890	-	-	-	-
Transfers out	-	-	(4,000)	-	-	-	-	(589,037)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,000)</u>	<u>17,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(589,037)</u>
Net change in fund balances	<u>(16,340)</u>	<u>(21,416)</u>	<u>(6,845)</u>	<u>(9,655)</u>	<u>-</u>	<u>(15,270)</u>	<u>(9,355)</u>	<u>(5,166)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>16,343</u>	<u>21,416</u>	<u>25,793</u>	<u>81,425</u>	<u>647</u>	<u>22,375</u>	<u>200,218</u>	<u>317,303</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ 18,948</u>	<u>\$ 71,770</u>	<u>\$ 647</u>	<u>\$ 7,105</u>	<u>\$ 190,863</u>	<u>\$ 312,137</u>

**County of Edgefield, South Carolina**  
**Exhibit 16 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the year ended June 30, 2013**

	Road Fund	Assistant Solicitor	Solicitor	Burglar	Forestry	Recreation	Tri-County Juvenile Justice Grant	Event Security
<b>REVENUES</b>								
Taxes	\$ 424,761	\$ -	\$ -	\$ -	\$ -	\$ 113,496	\$ -	\$ -
Federal funds	46,132	-	-	-	-	-	-	-
State funds	-	-	-	-	-	6,960	-	-
Local funds	32,140	530,227	207,405	650	-	-	-	-
Charges for services	-	-	-	-	-	59,067	-	32,114
Interest	357	-	-	-	-	237	-	-
Total revenues	<u>503,390</u>	<u>530,227</u>	<u>207,405</u>	<u>650</u>	<u>-</u>	<u>179,760</u>	<u>-</u>	<u>32,114</u>
<b>EXPENDITURES</b>								
Current								
Public works	487,165	-	-	-	-	-	-	-
Public safety	-	530,227	381,856	-	-	-	-	54,049
Health and social services	-	-	-	-	-	187,149	-	-
Nondepartmental	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>487,165</u>	<u>530,227</u>	<u>381,856</u>	<u>-</u>	<u>-</u>	<u>187,149</u>	<u>-</u>	<u>54,049</u>
Excess (deficiency) of revenues over expenditures	16,225	-	(174,451)	650	-	(7,389)	-	(21,935)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	169,695	-	-	-	-	-
Transfers out	(15,000)	-	(15,000)	-	(20,874)	(7,500)	-	-
Total other financing sources (uses)	<u>(15,000)</u>	<u>-</u>	<u>154,695</u>	<u>-</u>	<u>(20,874)</u>	<u>(7,500)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,225	-	(19,756)	650	(20,874)	(14,889)	-	(21,935)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	144,284	-	47,736	5,795	20,874	92,753	336	21,935
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 145,509</u>	<u>\$ -</u>	<u>\$ 27,980</u>	<u>\$ 6,445</u>	<u>\$ -</u>	<u>\$ 77,864</u>	<u>\$ 336</u>	<u>\$ -</u>

## County of Edgefield, South Carolina

### Exhibit 16 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances

#### Nonmajor Special Revenue Funds

For the year ended June 30, 2013

	Pre Trial Intervention	Community Action Program	JAG CDV Grant	SC Prosecution Commission CDV Grant	Sheriff Grants	Clerk of Court Grants	Criminal Domestic Violence	Total Nonmajor Funds
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,582
Federal funds	-	2,286	-	-	-	-	-	48,418
State funds	-	-	-	91	33,344	69,919	83,503	600,948
Local funds	-	-	-	-	-	-	-	881,847
Charges for services	152,561	-	-	-	-	-	-	1,183,841
Interest	-	-	-	-	6	-	-	1,227
Total revenues	<u>152,561</u>	<u>2,286</u>	<u>-</u>	<u>91</u>	<u>33,350</u>	<u>69,919</u>	<u>83,503</u>	<u>3,316,863</u>
<b>EXPENDITURES</b>								
Current								
Public works	-	-	-	-	-	-	-	897,437
Public safety	152,561	2,383	46	91	35,795	-	82,680	1,471,864
Health and social services	-	-	-	-	-	43,012	-	230,161
Nondepartmental	-	-	-	-	-	-	-	98,204
Capital outlay	-	-	-	-	-	1,403	-	291,258
Total expenditures	<u>152,561</u>	<u>2,383</u>	<u>46</u>	<u>91</u>	<u>35,795</u>	<u>44,415</u>	<u>82,680</u>	<u>2,988,924</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(97)</u>	<u>(46)</u>	<u>-</u>	<u>(2,445)</u>	<u>25,504</u>	<u>823</u>	<u>327,939</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	-	-	-	187,585
Transfers out	-	-	-	-	-	(19,477)	-	(670,888)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,477)</u>	<u>-</u>	<u>(483,303)</u>
Net change in fund balances	<u>-</u>	<u>(97)</u>	<u>(46)</u>	<u>-</u>	<u>(2,445)</u>	<u>6,027</u>	<u>823</u>	<u>(155,364)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>-</u>	<u>97</u>	<u>4,313</u>	<u>-</u>	<u>84,867</u>	<u>123,908</u>	<u>-</u>	<u>1,232,418</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,267</u>	<u>\$ -</u>	<u>\$ 82,422</u>	<u>\$ 129,935</u>	<u>\$ 823</u>	<u>\$ 1,077,054</u>

**County of Edgefield, South Carolina**

Exhibit 17 - Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2013

	\$750,000 Equipment Lease Purchase	\$765,000 General Obligation Bond	Administration Building Renovation Project	Neighborhood Center Project	\$750,000 General Obligation Bond	Total Nonmajor Funds
<b>Assets</b>						
Cash and investments	\$ 16,163	\$ 99,359	\$ 267	\$ -	\$ 261,203	\$ 376,992
Total assets	<u>\$ 16,163</u>	<u>\$ 99,359</u>	<u>\$ 267</u>	<u>\$ -</u>	<u>\$ 261,203</u>	<u>\$ 376,992</u>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ 32,126	\$ -	\$ 32,126
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,126</u>	<u>\$ -</u>	<u>\$ 32,126</u>
<b>Fund balances</b>						
Restricted	16,163	99,359	-	-	261,203	376,725
Committed	-	-	267	-	-	267
Unassigned	-	-	-	(32,126)	-	(32,126)
Total fund balances	<u>16,163</u>	<u>99,359</u>	<u>267</u>	<u>(32,126)</u>	<u>261,203</u>	<u>344,866</u>
Total liabilities and fund balances	<u>\$ 16,163</u>	<u>\$ 99,359</u>	<u>\$ 267</u>	<u>\$ -</u>	<u>\$ 261,203</u>	<u>\$ 376,992</u>

**County of Edgefield, South Carolina**

Exhibit 18 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Capital Projects Funds  
 For the year ended June 30, 2013

	\$750,000 Equipment Lease Purchase	\$765,000 General Obligation Bond	Administration Building Renovation Project	Neighborhood Center Project	\$750,000 General Obligation Bond	Total Nonmajor Funds
<b>REVENUES</b>						
Interest	\$ -	\$ -	\$ -	\$ -	\$ 818	\$ 818
Total revenues	-	-	-	-	818	818
<b>EXPENDITURES</b>						
Capital outlay						
Total expenditures	-	-	-	174	149,811	149,985
Deficiency of revenues under expenditures	-	-	-	174	149,811	149,985
	-	-	-	(174)	(148,993)	(149,167)
<b>OTHER FINANCING USES</b>						
Change in estimate regarding insurance proceeds	-	-	-	(103,973)	-	(103,973)
Total other financing uses	-	-	-	(103,973)	-	(103,973)
Net change in fund balance	-	-	-	(104,147)	(148,993)	(253,140)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	16,163	99,359	267	72,021	410,196	598,006
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 16,163</u>	<u>\$ 99,359</u>	<u>\$ 267</u>	<u>\$ (32,126)</u>	<u>\$ 261,203</u>	<u>\$ 344,866</u>

**County of Edgefield, South Carolina**  
**Exhibit 19 - Combining Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**June 30, 2013**

	Rural fire	Tax collector property sold fund	Judge of probate	Hospital operating fund	School operating fund
<b>ASSETS</b>					
Cash and investments	\$ 127,103	\$ 197,258	\$ 1,723	\$ 5,939	\$ 730,828
Property taxes receivable	52,282	-	-	39,601	1,001,319
Due from other governments	46,990	-	-	645	12,398
Total assets	<u>\$ 226,375</u>	<u>\$ 197,258</u>	<u>\$ 1,723</u>	<u>\$ 46,185</u>	<u>\$ 1,744,545</u>
<b>LIABILITIES</b>					
Due to other governments	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other taxing districts and agencies	\$ 226,375	\$ 197,258	\$ 1,723	\$ 46,185	\$ 1,744,545
Total liabilities	<u>\$ 226,375</u>	<u>\$ 197,258</u>	<u>\$ 1,723</u>	<u>\$ 46,185</u>	<u>\$ 1,744,545</u>

**County of Edgefield, South Carolina**  
**Exhibit 19 - Combining Statement of Fiduciary Assets and Liabilities, Continued**  
**Agency Funds**  
**June 30, 2013**

	School bond fund	Municipal tax collection fund	Forfeitures - Justice	Mill Creek subdivision	Clerk of court fund
<b>ASSETS</b>					
Cash and investments	\$ 3,094,957	\$ 4,904	\$ 594	\$ 3,026	\$ 287,785
Property taxes receivable	146,352	2,826	-	-	-
Due from other governments	1,645	-	-	-	-
Total assets	<u>\$ 3,242,954</u>	<u>\$ 7,730</u>	<u>\$ 594</u>	<u>\$ 3,026</u>	<u>\$ 287,785</u>
<b>LIABILITIES</b>					
Due to other governments	-	-	-	-	7,579
Due to other taxing districts and agencies	3,242,954	7,730	594	3,026	280,206
Total liabilities	<u>\$ 3,242,954</u>	<u>\$ 7,730</u>	<u>\$ 594</u>	<u>\$ 3,026</u>	<u>\$ 287,785</u>

**County of Edgefield, South Carolina****Exhibit 19 - Combining Statement of Fiduciary Assets and Liabilities, Continued**

Agency Funds

June 30, 2013

	Local option sales tax - Property tax fund	Sheriff & Detention Center fund	Vehicle registration fee fund	Total all funds
<b>ASSETS</b>				
Cash and investments	\$ 1,246,929	\$ 16,781	\$ 10,869	\$ 5,728,696
Property taxes receivable	-	-	-	1,242,380
Due from other governments	440,005	-	-	501,683
Total assets	<u>\$ 1,686,934</u>	<u>\$ 16,781</u>	<u>\$ 10,869</u>	<u>\$ 7,472,759</u>
<b>LIABILITIES</b>				
Due to other governments	\$ -	\$ -	\$ -	\$ 7,579
Due to other taxing districts and agencies	\$ 1,686,934	\$ 16,781	\$ 10,869	\$ 7,465,180
Total liabilities	<u>\$ 1,686,934</u>	<u>\$ 16,781</u>	<u>\$ 10,869</u>	<u>\$ 7,472,759</u>

# County of Edgefield, South Carolina

## Exhibit 20 - Combining Statement of Changes in Fiduciary Assets and Liabilities

### Agency Funds

For the year ended June 30, 2013

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
<b>RURAL FIRE</b>				
Assets				
Cash and investments	\$ 130,987	\$ 690,967	\$ 694,851	\$ 127,103
Property taxes receivable	44,849	647,361	639,928	52,282
Due from other governments	41,242	47,866	42,118	46,990
	<u>\$ 217,078</u>	<u>\$ 1,386,194</u>	<u>\$ 1,376,897</u>	<u>\$ 226,375</u>
Liabilities				
Due to others	\$ 217,078	\$ 704,148	\$ 694,851	\$ 226,375
<b>TAX COLLECTOR PROPERTY SOLD</b>				
Assets				
Cash and investments	\$ 225,676	\$ 796,478	\$ 824,896	\$ 197,258
Liabilities				
Due to others	\$ 225,676	\$ 796,478	\$ 824,896	\$ 197,258
<b>JUDGE OF PROBATE FUND</b>				
Assets				
Cash and investments	\$ 1,347	\$ 376	\$ -	\$ 1,723
Liabilities				
Due to others	\$ 1,347	\$ 376	\$ -	\$ 1,723
<b>HOSPITAL OPERATING FUND</b>				
Assets				
Cash and investments	\$ 192,911	\$ 501,630	\$ 688,602	\$ 5,939
Property taxes receivable	34,702	505,153	500,254	39,601
Due from other governments	645	-	-	645
	<u>\$ 228,258</u>	<u>\$ 1,006,783</u>	<u>\$ 1,188,856</u>	<u>\$ 46,185</u>
Liabilities				
Due to others	\$ 228,258	\$ 506,529	\$ 688,602	\$ 46,185

**County of Edgefield, South Carolina**  
**Exhibit 20 - Combining Statement of Changes in Fiduciary Assets and Liabilities**  
**Agency Funds**  
**For the year ended June 30, 2013**

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
<b>SCHOOL OPERATING FUND</b>				
Assets				
Cash and investments	\$ 467,354	\$ 14,564,766	\$ 14,301,292	\$ 730,828
Property taxes receivable	851,632	9,815,298	9,665,611	1,001,319
Due from other governments	290,580	(278,182)	-	12,398
	<u>\$ 1,609,566</u>	<u>\$ 24,101,882</u>	<u>\$ 23,966,903</u>	<u>\$ 1,744,545</u>
Liabilities				
Due to others	<u>\$ 1,609,566</u>	<u>\$ 14,436,271</u>	<u>\$ 14,301,292</u>	<u>\$ 1,744,545</u>
<b>SCHOOL BOND FUND</b>				
Assets				
Cash and investments	\$ 606,456	\$ 6,912,381	\$ 4,423,880	\$ 3,094,957
Property taxes receivable	128,402	1,862,097	1,844,147	146,352
Due from other governments	1,645	-	-	1,645
	<u>\$ 736,503</u>	<u>\$ 8,774,478</u>	<u>\$ 6,268,027</u>	<u>\$ 3,242,954</u>
Liabilities				
Due to others	<u>\$ 736,503</u>	<u>\$ 6,930,331</u>	<u>\$ 4,423,880</u>	<u>\$ 3,242,954</u>
<b>MUNICIPAL TAX COLLECTION FUND</b>				
Assets				
Cash and investments	\$ 4,186	\$ 680,791	\$ 680,073	\$ 4,904
Property taxes receivable	8,618	371,155	376,947	2,826
	<u>\$ 12,804</u>	<u>\$ 1,051,946</u>	<u>\$ 1,057,020</u>	<u>\$ 7,730</u>
Liabilities				
Due to others	<u>\$ 12,804</u>	<u>\$ 674,999</u>	<u>\$ 680,073</u>	<u>\$ 7,730</u>
<b>FORFEITURES - JUSTICE FUND</b>				
Assets				
Cash and investments	\$ 592	\$ 2	\$ -	\$ 594
Liabilities				
Due to others	<u>\$ 592</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 594</u>

# County of Edgefield, South Carolina

## Exhibit 20 - Combining Statement of Changes in Fiduciary Assets and Liabilities

### Agency Funds

For the year ended June 30, 2013

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
<b>MILL CREEK SUBDIVISION FUND</b>				
Assets				
Cash and investments	\$ 2,751	\$ 275	\$ -	\$ 3,026
Liabilities				
Due to others	\$ 2,751	\$ 275	\$ -	\$ 3,026
<b>CLERK OF COURT FUND</b>				
Assets				
Cash and investments	\$ 189,306	\$ 287,785	\$ 189,306	\$ 287,785
Liabilities				
Due to other governments	\$ 5,306	\$ 7,579	\$ 5,306	\$ 7,579
Due to others	184,000	280,206	184,000	280,206
	<u>\$ 189,306</u>	<u>\$ 287,785</u>	<u>\$ 189,306</u>	<u>\$ 287,785</u>
<b>LOCAL OPTION SALES TAX FUND</b>				
Assets				
Cash and investments	\$ 1,422,717	\$ 624,212	\$ 800,000	\$ 1,246,929
Due from other governments	101,294	1,297,880	959,169	440,005
	<u>\$ 1,524,011</u>	<u>\$ 1,922,092</u>	<u>\$ 1,759,169</u>	<u>\$ 1,686,934</u>
Liabilities				
Due to others	\$ 1,524,011	\$ 962,923	\$ 800,000	\$ 1,686,934
<b>SHERIFF &amp; DETENTION CENTER</b>				
Assets				
Cash and investments	\$ 7,275	\$ 9,506	\$ -	\$ 16,781
Liabilities				
Due to others	\$ 7,275	\$ 9,506	\$ -	\$ 16,781

# County of Edgefield, South Carolina

## Exhibit 20 - Combining Statement of Changes in Fiduciary Assets and Liabilities

### Agency Funds

For the year ended June 30, 2013

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
<b>VEHICLE REGISTRATION FEE FUND</b>				
Assets				
Cash and investments	\$ 480	\$ 287,819	\$ 277,430	\$ 10,869
Liabilities				
Due to others	\$ 480	\$ 287,819	\$ 277,430	\$ 10,869
<b>TOTAL ALL AGENCY FUNDS</b>				
Assets				
Cash and investments	\$ 3,252,038	\$ 25,356,988	\$ 22,880,330	\$ 5,728,696
Property taxes receivable	1,068,203	13,201,064	13,026,887	1,242,380
Due from other governments	435,406	1,067,564	1,001,287	501,683
	<b>\$ 4,755,647</b>	<b>\$ 39,625,616</b>	<b>\$ 36,908,504</b>	<b>\$ 7,472,759</b>
<b>TOTAL ALL AGENCY FUNDS</b>				
Liabilities				
Due to other governments	\$ 5,306	\$ 7,579	\$ 5,306	\$ 7,579
Due to others	4,750,341	25,589,863	22,875,024	7,465,180
	<b>\$ 4,755,647</b>	<b>\$ 25,597,442</b>	<b>\$ 22,880,330</b>	<b>\$ 7,472,759</b>

**County of Edgefield, South Carolina**  
**Exhibit 21 - Schedule of Fines and Assessments**  
**For the year ended June 30, 2013**

**Court Fines**

Court fines and fees collected	\$ 497,464
Court fines and fees retained by County	<u>(389,350)</u>
Court fines and fees remitted to State Treasurer	<u><b>\$ 108,114</b></u>

**Court Assessments**

Court assessments collected	\$ 177,959
Court assessments retained by County	<u>(20,236)</u>
Court assessments remitted to State Treasurer	<u><b>\$ 157,723</b></u>

**Court Surcharges**

Court surcharges collected	\$ 89,837
Court surcharges retained by County	<u>(16,581)</u>
Court surcharges remitted to State Treasurer	<u><b>\$ 73,256</b></u>

**Victims Services**

Court assessments allocated to Victim Services	\$ 20,236
Court surcharges allocated to Victim Services	16,581
Interest and other amounts allocated to Victim Services	<u>7,183</u>
Funds allocated to Victim Services	<b>44,000</b>
Victim Services expenditures	<u>(53,655)</u>
Funds available for carryforward	\$ (9,655)
Fund Balance as of June 30, 2012	81,425
Fund Balance as of June 30, 2013	<u><b>\$ 71,770</b></u>

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**County of Edgefield, South Carolina****Table 1 - Legal Debt Margin****June 30, 2013**

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<b>ASSESSED PROPERTY VALUATION</b>		<b>\$ 75,413,931</b>
<b>DEBT LIMIT - Eight percent of assessed value</b>		\$ 6,033,114
<b>DEBT APPLICABLE TO DEBT LIMIT</b>		
Total bonded debt (excluding school bonds)	\$ 833,924	
Less debt service fund balance (excluding school bonds)	<u>(335,258)</u>	
Total debt applicable to debt limit		<u>498,666</u>
<b>LEGAL DEBT MARGIN</b>		<b>\$ 5,534,448</b>



**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

Edgefield County Council  
County of Edgefield  
Edgefield, South Carolina

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the ***Government Auditing Standards*** issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County of Edgefield, South Carolina (the County) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 25, 2013.

**Internal Control Over Financial Reporting**

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

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

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

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Greenville, South Carolina  
November 25, 2013



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**County of Edgefield, South Carolina**  
*Schedule of Prior Year Audit Findings*  
*For the year ended June 30, 2013*

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There were no prior year findings.