

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
OF THE  
COUNTY OF ORANGEBURG  
ORANGEBURG, SOUTH CAROLINA  
FOR THE  
FISCAL YEAR ENDED  
JUNE 30, 2004

J. William Clark  
County Administrator

LEAVE THIS BLANK PAGE IN DOCUMENT

COUNTY OF ORANGEBURG  
 Comprehensive Annual Financial Report  
 For the fiscal year ended June 30, 2004

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page No.</u>
<u>INTRODUCTORY SECTION</u>		
Table of Contents		1 - 4
Letter of Transmittal		5 - 10
Principal Officials		11
Organizational Chart		12
Location Map		13
Certificate of Achievement for Excellence in Financial Reporting		14
<u>FINANCIAL SECTION</u>		
Report of Independent Certified Public Accountants		15 - 16
Management's Discussion and Analysis		17 - 23
Basic Financial Statements:		
Government-wide Financial Statements		
Statement of Net Assets	1	24
Statement of Activities	2	25
Fund Financial Statements		
Balance Sheet - Governmental Funds	3	26
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	4	27
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	5	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6	29
Statement of Fiduciary Net Assets	7	30
Notes to Financial Statements		31 - 50
Required Supplementary Information		
General Fund Budgetary Comparison Schedule	8	51 - 52
Notes to Required Supplementary Information		53
Supplementary Information		
Combining Balance Sheet - Nonmajor Governmental Funds	9	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	10	55
General Fund		
Comparative Balance Sheets	11	56
Comparative Statements of Revenues, Expenditures and Changes in Fund Balance	12	57

COUNTY OF ORANGEBURG  
 Comprehensive Annual Financial Report  
 For the fiscal year ended June 30, 2004

TABLE OF CONTENTS, Continued

	<u>Exhibit</u>	<u>Page No.</u>
<u>FINANCIAL SECTION, Continued</u>		
Supplementary Information		
Special Revenue Funds:		
Combining Balance Sheet	13	58 - 60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	14	61 - 63
Comparative Balance Sheets - Roads and Bridges Maintenance	15	64
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances - Roads and Bridges Maintenance - Budget and Actual	16	65
Comparative Balance Sheets - Solid Waste	17	66
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances - Solid Waste - Budget and Actual	18	67
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Special Education	19	68
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Accomodations Tax	20	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance - New Brooklyn Tax District	21	70
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Brookdale Lighting Tax District	22	71
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Victims Assistance	23	72
Schedule of Revenues, Expenditures, and Changes in Fund Balance - E911 Surcharge Fund	24	73
Debt Service Fund		
Comparative Balance Sheets	25	74
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	26	75
Capital Projects Funds		
Combining Balance Sheets	27	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	28	77
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Certificates of Participation	29	78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects Sales Tax	30	79

COUNTY OF ORANGEBURG  
 Comprehensive Annual Financial Report  
 For the fiscal year ended June 30, 2004

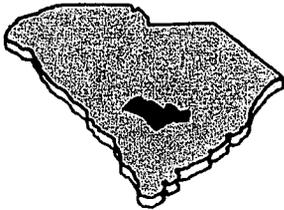
TABLE OF CONTENTS, Continued

<u>FINANCIAL SECTION, Continued</u>	<u>Exhibit</u>	<u>Page No.</u>
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Improvements Fund	31	80
Agency Funds		
Combining Statement of Changes in Assets and Liabilities	32	81 - 83
Component Units		
Combining Balance Sheet - Discretely Presented Component Units	33	84
Combining Statement of Revenue, Expenditures and Changes in Fund Balance	34	85
Schedule Required By State Law		
Schedule of Court Fines and Assessments Activity and Expenditures for Victims Services	35	86
<u>STATISTICAL SECTION (UNAUDITED)</u>	<u>Table No.</u>	<u>Page No.</u>
General Fund Revenues by Source	D-1	87
General Fund Expenditures for Selected Functions	D-2	88
Property Tax Levies and Collections	D-3	89
Assessed Value and True Value of Real and Personal Property	D-4	90
Tax Millage Rates	D-5	91 - 94
Percentage of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	D-6	95
Computation of Legal Debt Margin	D-7	96
Computation of Direct and Overlapping Debt	D-8	97
Percentage of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures	D-9	98
Principal Taxpayers	D-10	99
Assessed Property Value and Construction	D-11	100
Miscellaneous Statistical Data	D-12	101 - 103
<u>SINGLE AUDIT SECTION</u>		
Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		104
Report on Compliance and Internal Control over Compliance for Major Programs in Accordance with OMB Circular A-133		105 - 106

COUNTY OF ORANGEBURG  
Comprehensive Annual Financial Report  
For the fiscal year ended June 30, 2004

TABLE OF CONTENTS, Continued

<u>SINGLE AUDIT SECTION, Continued</u>	<u>Page No.</u>
Schedule of Findings and Questioned Costs	107
Summary Schedule of Prior Audit Findings	108
Schedule of Expenditures of Federal Awards	109



# COUNTY OF ORANGEBURG

P.O. DRAWER 9000, ORANGEBURG, S.C. 29116-9000

TELEPHONE 803/533-1000

WWW.ORANGEBURGCOUNTY.ORG

Orangeburg County

**2004**

All-America City Finalist

#### COUNCIL MEMBERS

JOHN H. RICKENBACKER, CHM.  
HARRY F. WIMBERLY, VICE CHM.

JANIE COOPER  
CLYDE B. LIVINGSTON  
HEYWARD H. LIVINGSTON  
JOHNNY RAVENELL  
JOHNNIE WRIGHT, SR.

COUNTY ADMINISTRATOR  
BILL CLARK

December 29, 2004

Orangeburg County Council and  
Citizens of Orangeburg County  
Orangeburg, South Carolina

We are pleased to submit this Comprehensive Annual Financial Report of Orangeburg County government for the fiscal year ended June 30, 2004. State statutes require Orangeburg County government to issue annually a report on its financial position and activities, and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the presented data and the completeness and fairness of this presentation, including all disclosures, rests with the County's management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly both the financial position, results of operation and cash flow of the various funds, account groups, and component units of Orangeburg County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

This report presents the financial activity of the County in conformity with accounting principles generally accepted in the United States of America (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

The Comprehensive Annual Financial Report consists of the following four sections:

1. The **Introductory Section**, which is unaudited, includes this Letter of Transmittal, the government's Organizational Chart, a location map, and a List of Principal Elected and Appointed Officials of Orangeburg County.
2. The **Financial Section** includes the financial statements and the combining and individual financial statements and schedules, as well as the independent auditor's report on the financial statements and schedules. GAAP require that the management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County of Orangeburg MD&A can be found immediately following the report of the independent auditors.
3. The **Statistical Section**, which is unaudited, includes selected financial and demographic information.
4. The **Single Audit Section** consists of audit reports required by the U.S. Office of Management and Budget Circular A-133.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act, as amended by the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments, and Non-Profit Organizations*. Information related to this single audit, including a schedule of expenditures of federal awards and the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and schedule of findings and questioned costs are included in the single audit section of this report.

### **The Reporting Entity**

The financial reporting entity (the government) includes all the funds of the primary government, i.e., Orangeburg County, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable and exclusion of which would render the financial statements incomplete or misleading. Orangeburg County, under a Council-Administrator form of government, provides a broad range of services which include:

- Public Safety - Law enforcement, emergency preparedness plans, jail facilities, and fire protection
- Veterans Assistance
- Voter Registration
- Roads and Bridges Maintenance
- Waste Disposal
- Planning
- Criminal, Civil, Probate and Family Court Administration
- Public Defender Assistance
- Tax Collection and Dispersal
- Health Services - Emergency medical services, indigent health care, and social services

Blended component units, although legally separate entities, are in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Orangeburg County COP's (certificates of participation) have been shown in the Debt Service Fund and the Capital Projects Fund. Discretely presented component units are reported separately on the combining balance sheet to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government. The Orangeburg County Public Library, the Orangeburg-Calhoun Regional Detention Center, and the Orangeburg County Fire District are being reported as discretely presented component units.

### **Governmental Structure, Local Economic Condition and Outlook**

**Orangeburg-At-A-Glance** - Orangeburg County is located in the south central part of South Carolina, approximately 41 miles south of Columbia, the State Capitol. The County covers about 1,106 square miles, and the soil is generally fertile. Orangeburg County ranks first in the state in cash receipts from sales of crops and livestock. Principal farm commodities include corn, cotton, oats, dairy products, peaches, wheat and soybeans. The population of Orangeburg County is currently 91,582. Orangeburg County is beautifully landscaped with natural beauty, numerous historical buildings, churches, moderate climate and a coveted quality of life. Although once a largely rural and agricultural county, Orangeburg County's competitive posture of an economic base, future infrastructure growth, and community services will lead the county to be the front runner of mega-markets of industrial growth.

Orangeburg County enjoys the availability of four institutions of higher education: Claflin University, Orangeburg-Calhoun Technical Education Center, South Carolina State University, and Southern Methodist College.

The County is served by Interstate Highways 26 and 95; five U.S. highways, and by a network of South Carolina highways.

Orangeburg County's public services are provided by a Council-Administrator form of government, with seven Council members elected county wide, with residency requirements to serve concurrent four-year stagger terms. The County Administrator is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the directors of the government's departments not under the control of elected officials.

**Economic Condition and Outlook** - There are over one hundred industrial facilities located in Orangeburg County which include plants manufacturing lawn equipment, hand tools, garments, roller bearings, organic chemicals, Teflon tubing, processing systems, fabric printing, chemicals, electrical assembly components, undergarments, wooden products, bakery products, heater wire, cement, various lumber products, power cable, shipping containers, knitting machines, diesel engines, NASCAR race coolers, and numerous other items. The largest industrial facilities in Orangeburg County include the plants of Electrolux (2,200 employees), Koyo Corporation of America (720), Zeus Industrial Products (two plants with (709 employees), Albermarle Corporation (517 employees) and Ambler Industries (490 employees). In addition, the Food Lion distribution center located near the Town of Vance has 800 employees.

The Town of Santee, located south of Lake Marion, has developed into a resort community. This town is situated adjacent to Interstate 95, and a number of motels, restaurants and other commercial establishments are located around it.

Like many rural counties, Orangeburg County has struggled through the economy's transition from agriculture, to manufacturing, to information. Orangeburg County continues to recruit industry placing a strong emphasis on buyer/supplier networks, retention of existing industries, and recruitment of new industries. A sophisticated marketing plan concentrating on the new County/City Industrial Park was introduced in 2000. Lennox International became the Park's first tenant in July 2000 with more than 65 employees. Operating as Allied Air Enterprises, the company has erected a \$19,000,000 building and has 350 employees. Other recent additions to the Orangeburg County/City Industrial Park include the DANA Corporation (150 employees), a manufacturer of automobile parts. H.T. Hackney, a distributor of wholesale grocery products (100 employees) and QM Plastics, a Canadian based manufacturer of plastic components (75 employees).

## **MAJOR INITIATIVES**

**Industrial Park** - This joint initiative between the County of Orangeburg and the City of Orangeburg cost approximately \$9,000,000, with the total cost being shared equally by the County of Orangeburg and the City of Orangeburg. Assistance has also been received from the Economic Development Administration in the form of a \$1,500,000 grant to assist in the water and sewer infrastructure development at the three quadrants of Interstate 26 and U.S. Highway 301 located adjacent to the park. This greatly augments the industrial park and will allow for commercial development along this busy interstate and will also promote the economic development scheduled for the park. We are attracting many inquiries from businesses about locating in the park. Two new announcements are anticipated at the Orangeburg County/City Industrial Park in early 2005. This growth has created a need to begin construction of Phase II of the park in order to keep up with the present schedule of development.

**Lake Marion Regional Water Authority** - This joint municipal water system is a regional concept with five counties in the eastern portion of the State of South Carolina where 50,000+ citizens will be served with portable water as well as replacing the individual well system throughout this region. Since this announcement was made last year, the regional water authority has been awarded \$23.9 million in federal grants to assist in the development and construction of the water treatment plant and transmission lines. Construction of the water plant will begin in January 2005.

Capital Project Sales Tax - On November 3, 1998, Orangeburg County held a referendum so that citizens could authorize a one cent sales tax on all commercial and regular sales activities within the County of Orangeburg for a period of seven (7) years to be used for capital projects. This referendum was overwhelmingly passed by the citizens, and the tax was implemented on May 1, 1999. During the seven-year-life of this project, it has been projected that approximately \$53,287,457 will be generated. With this \$53,287,457, Orangeburg County Council, along with input from the citizens, has identified capital projects that will enhance the quality of life for all citizens within the County of Orangeburg as well as all of the County's corporate jurisdictions. The projects will be developed in a systematic manner over the next seven (7) years. The following are the major categories and the associated projected amounts for each of these categories:

Highways, roads, streets and bridges	\$ 14,154,323
Buildings: courthouses, administration, fire houses, etc.	3,867,489
Cultural, recreational and historic facilities	9,404,921
Water, sewer, or water and sewer projects	21,811,716
Flood control projects and storm water management facilities	457,182
Jointly-operated projects	<u>2,040,000*</u>
Total	51,735,631
1% collection fee payable to the South Carolina Department of Revenue	538,257
Project administration/management fee	<u>1,551,826</u>
Total	<u>\$ 53,825,714</u>

\*Under jointly-operated projects, we are referring to projects shared between the County of Orangeburg and various cities and towns within the County.

On November 2, 2004, Orangeburg County citizens voted in a referendum to extend the one-cent Capital Projects Sales Tax for an additional seven years. The referendum was approved by a 68% to 32% margin. The one-cent sales tax will begin being collected in May 2006 and is expected to generate approximately \$71 million for the construction of 108 capital and infrastructure projects.

## **FINANCIAL INFORMATION**

Internal Controls - Orangeburg County Council and Management are responsible for establishing and maintaining internal control designed to ensure that the assets of Orangeburg County are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control should not exceed the benefits likely to be derived. The valuation of costs and benefits requires estimates and judgments by Management.

As a recipient of federal, state and local assistance, the County of Orangeburg is also responsible for ensuring that adequate internal control is in place to guarantee and document compliance with applicable laws and regulations related to these programs. This internal control is subject to periodic evaluation by Management and contracted services on an as-needed basis with outside audit firms.

As a part of the County of Orangeburg's single audit process, described earlier, tests were made of our internal control and of our compliance with applicable laws and regulations, including those related to federal financial assistance programs.

Budgeting Controls - In addition to the aforementioned internal control, Orangeburg County government maintains budgetary controls. The object of these controls are to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Orangeburg County Council. Activities of the general fund, five of the six special revenue funds, the debt service fund, and one capital projects fund are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the departmental level within each fund. The government also maintains an encumbrance accounting system as one method of maintaining budgetary control. Encumbered amounts lapse at year end. However, outstanding encumbrances are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the County of Orangeburg continues to meet its responsibility for sound financial management.

Cash Management - The management of cash and investments is the responsibility of the County Treasurer. A negotiated rate of interest is paid daily on cash held in checking accounts. Other investments are made in U.S. Government Agency Securities and/or certificates of deposit. All investments are made in compliance with S.C. Codes 6-5-10 and 12-45-220.

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 as well as job-related illnesses and accidents. The County pays premiums to a public entity risk pool for workers' compensation insurance and to the State Insurance Reserve Fund for all other forms of coverage. The County employs a full-time Risk Manager to administer its workers' compensation and loss prevention programs.

## **OTHER INFORMATION**

Independent Audit - South Carolina's state statutes require an annual audit by independent certified public accountants. The firm of Elliott Davis, LLC provided audit services for the County of Orangeburg for the fiscal year ended June 30, 2003. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 and the related U.S. Office of Management and Budget's Circular A-133. Generally accepted auditing standards and the standards set forth in the General Accounting Office's *Governmental Auditing Standards* were used by the auditors in conducting the engagement. The auditor's reports on the general purpose financial statements and combining of individual fund statements and schedules are included in the financial section of this report. The auditor's reports on internal control and compliance with applicable laws and regulations can be found in the single audit section of this report.

Awards - The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Orangeburg for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2004. This was the sixteenth consecutive year that the County of Orangeburg has received this prestigious award. In order to be awarded a Certificate of Achievement, the County of Orangeburg published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements.

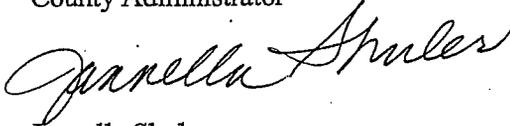
In addition, the County was selected to receive three prestigious civic awards for the fiscal year ending June 30, 2004. The County was named a finalist in the national All-America Cities competition, honored by The National Association of Counties with a 2004 Achievement Award, and recognized by The S.C. Association of Counties with the J. Mitchell Graham award for excellence in governmental service.

Acknowledge - The timely preparation of the CAFR could not have been accomplished without the efficient services of the entire staffs of the Finance department, the County Treasurer, the Administration, and the special assistance provided by our independent audit firm, Elliott Davis, LLC, CPA's. We would like to express our appreciation to all staff members of these departments who assisted and contributed to the preparation of this report. Due credit also should be given to the Chairman and members of the Orangeburg County Council for their interest and support in planning and conducting the operations of the government in a responsible and progressive manner.

Respectfully submitted,



J. William Clark  
County Administrator



Jannella Shuler  
Finance Director

# COUNTY OF ORANGEBURG, SOUTH CAROLINA

PRINCIPAL OFFICERS  
For the year ended June 30, 2004

## MEMBERS OF COUNTY COUNCIL

John H. Rickenbacker, Chairman - County #7  
Harry F. Wimberly, Vice-Chairman - County #3  
Janie Cooper, Councilwoman - County #5  
Clyde B. Livingston, Councilman - County #6  
Heyward H. Livingston, Councilman - County #4  
Johnny Ravenell, Councilman - County #2  
Johnnie L. Wright, Sr., Councilman - County #1

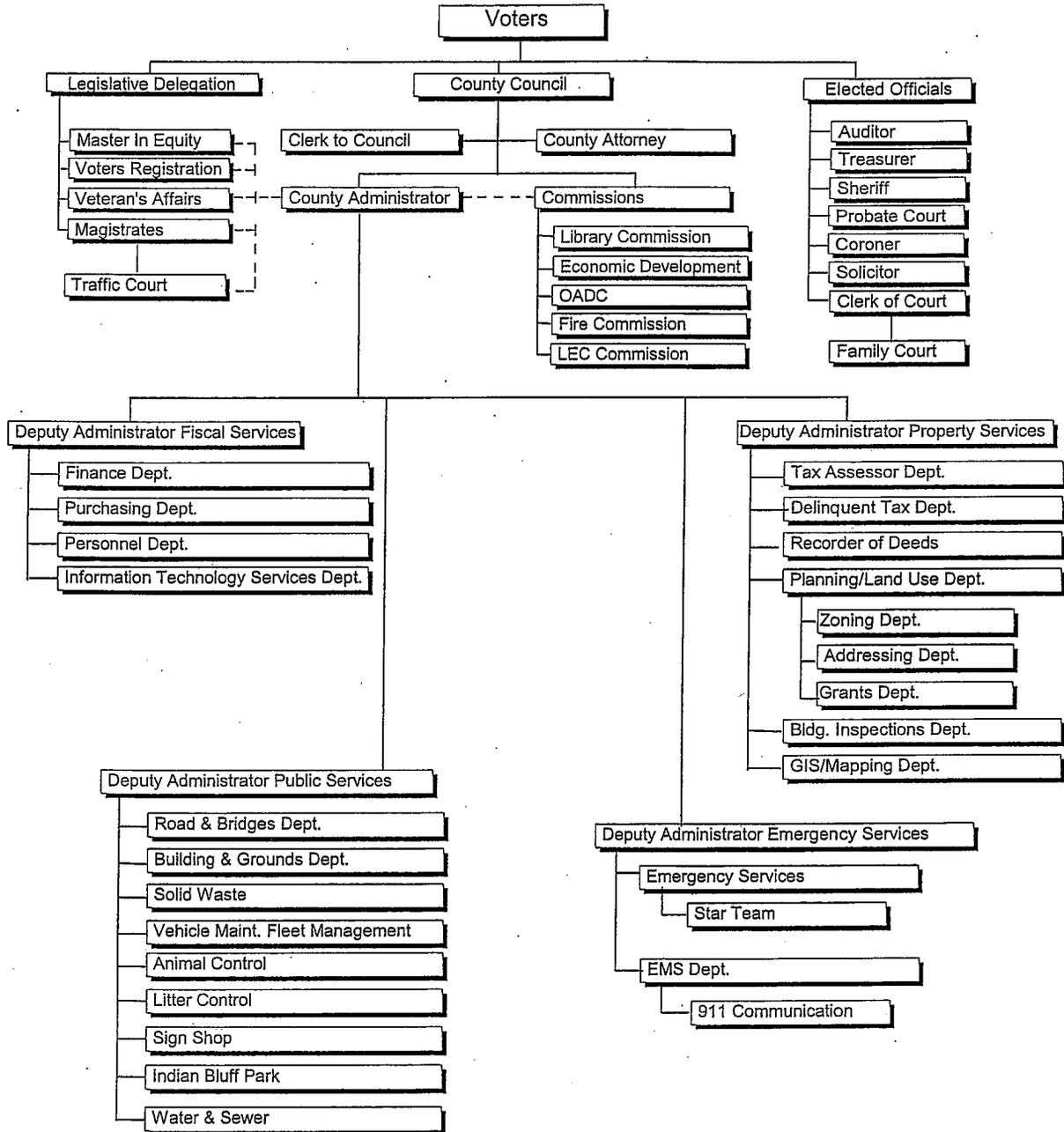
## ELECTED OFFICIALS

Robbie Robbins., Solicitor  
Vivian Ross-Bennett, Probate Judge  
Roger Cleckley, Auditor  
Larry Williams, Sheriff  
Samuetta V. Marshall, Coroner  
Lisa Mizell, Clerk of Court  
J. Steve Summers, Treasurer

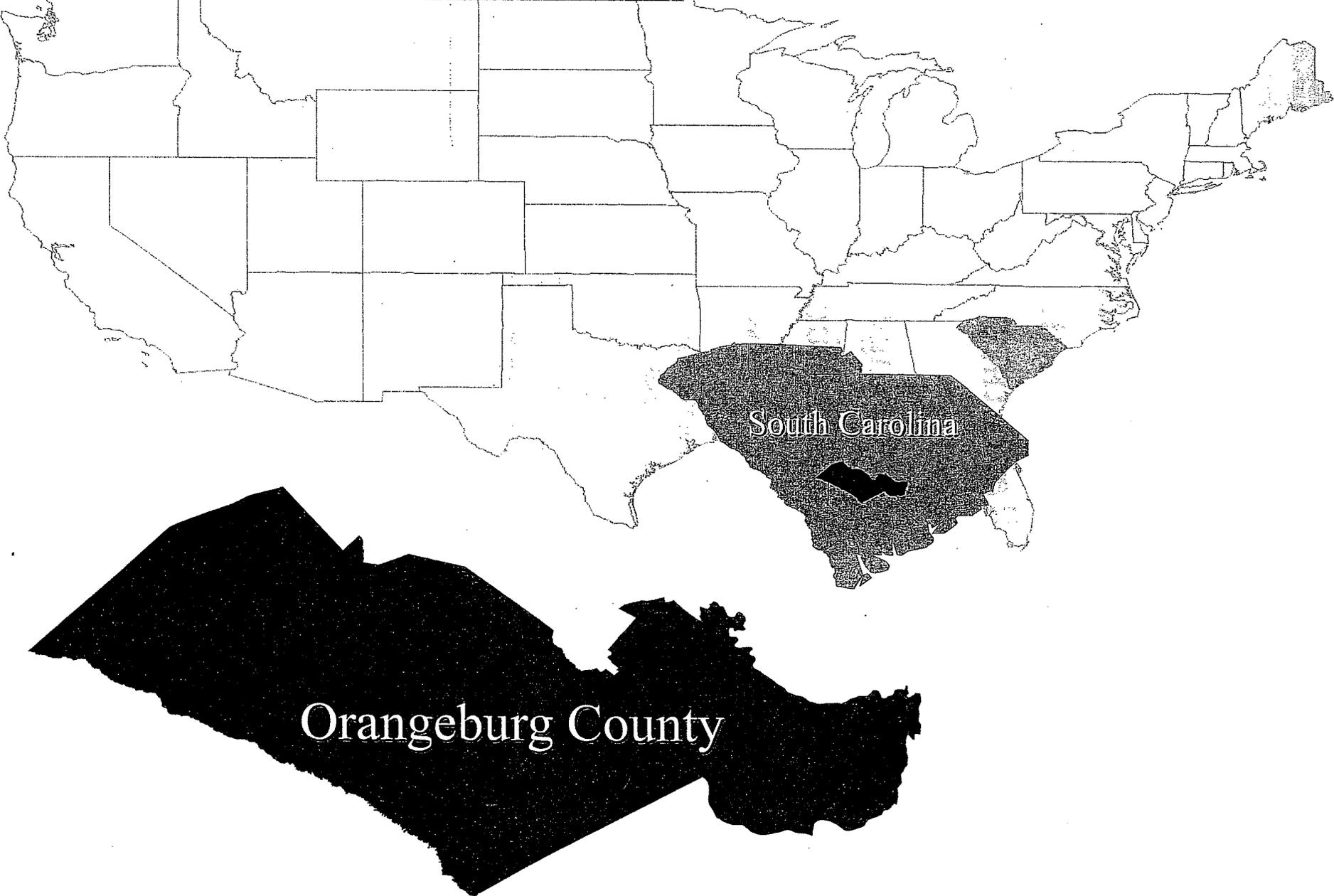
## APPOINTED OFFICIALS

J. William Clark, County Administrator  
Timothy E. Maybank, Senior Deputy County Administrator  
Marion Lloyd, Deputy County Administrator  
John Smith, Deputy County Administrator  
Earl Whalen, Deputy County Administrator  
D'Anne Haydel, County Attorney  
Jannella S. Shuler, Finance Director

## County of Orangeburg Organization Chart



# Orangeburg County Location Map



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Orangeburg,  
South Carolina

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Zelle*

President

*Jeffrey R. Emer*

Executive Director

FINANCIAL SECTION



**Elliott Davis, LLC**  
**Advisors-CPAs-Consultants**

The Professional Building  
340 Main Street, P.O. Box 429  
Greenwood, SC 29648-0429

**ElliottDavis**

Phone 864.229.4951  
Fax 864.229.7822

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Orangeburg County  
Orangeburg County Council  
Orangeburg, South Carolina

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Orangeburg County as of and for the year ended June 30, 2004 which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of County's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Orangeburg County as of June 30, 2004, and the respective the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 5, 2004 on our consideration of the County's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Budgetary Comparison Information, as listed in the Table of Contents, is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The introductory section, combining and individual nonmajor fund financial statements, and statistical tables as listed in the Table of Contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and accompanying Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

November 5, 2004

ELBERT DAVIS, LLC

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Orangeburg County's annual financial report presents our discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2004. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities at June 30, 2004 by \$76.2 million (net assets). Of this amount \$9.4 million (unrestricted net assets) may be used to meet the government's ongoing obligations.
- The County issued \$11,185,000 in general obligation bonds and entered into a \$1,341,524 capital lease obligation during the year. In addition, they repaid \$11,755,000 of bonds payable during the year.
- The County's total net assets increased \$6.7 million over the course of this year's operations.
- During the year, the County's general fund balance was increased \$1.4 million.
- The general fund actual revenues were \$451 thousand less than budgeted. However, general fund expenditures were \$2.2 million less than budgeted.
- At the end of the current fiscal year, unreserved general fund balance was \$6.7 million or 26 percent of general fund expenditures and other uses for the fiscal year.

### 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.
  - *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.

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 Orangeburg’s Government-wide and Fund Financial Statements**

	<u>Government-wide Statements</u>	<u>Fund Statements</u>	
		<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
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	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 assets</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 fiduciary net assets</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
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 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	

### 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 assets 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 assets* and how they have changed. Net assets - 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 assets 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.
- *Governmental activities* - Most of the County’s basic services are included here, such as the police, fire, public works, and parks departments, and general administration. Property taxes and state and federal grants finance most of these activities.

## 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 two 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.
- *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 net assets. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

## FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

### Net assets

The County's net assets increased \$6.7 million between fiscal years 2003 and 2004 - ending at approximately \$76.2 million. (See Table A-1.)

**Table A-1**  
**County of Orangeburg's Net Assets**  
*(in thousands of dollars)*

	Governmental Activities		Total Percentage Change
	2003	2004	2003-2004
Current and other assets	\$ 66,098	\$ 68,838	4.1%
Capital assets	52,091	55,307	6.2%
Total assets	118,189	124,145	5.0%
Long-term debt	42,921	41,291	(3.8)%
Other liabilities	5,769	6,645	15.2%
Total liabilities	48,690	47,936	(1.5)%
Net assets			
Invested in capital assets, net of related debt	42,829	37,624	(12.2)%
Restricted	18,731	29,206	56.9%
Unrestricted	7,939	9,379	18.1%
Total net assets	<u>\$ 69,499</u>	<u>\$ 76,209</u>	9.7%

**Changes in net assets.** The County's total revenues decreased by 15.3 percent to \$54.6 million. (See Table A-2.) Forty-seven percent of the County's revenue comes from property taxes and 14.5 percent comes from capital projects sales tax. Approximately 16.4 percent comes from fees charged for services, and eighteen percent is from state and federal aid.

The total cost of all programs, services and capital improvements decreased approximately \$7.4 million or 13.3 percent. The County's expenses cover a range of services, with about 23 percent related to public safety and 16 percent related to public works.

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

### GOVERNMENTAL ACTIVITIES

Revenues for the County's governmental activities decreased 15.3 percent, while total expenses decreased 13.3 percent. The 15.3 percent decrease in total revenues was primarily attributable (97%) to a decrease in capital grant revenues restricted for capital improvements received in the prior year. The decrease in expenditures was attributable to expenditures associated with grant activity in the prior year.

**Table A-2**  
**Changes in County of Orangeburg's Net Assets**  
*(in thousands of dollars)*

	Governmental Activities		Total Percentage Change
	2003	2004	2003-2004
<b>Revenues</b>			
Program revenues			
Charges for services	\$ 9,264	\$ 8,952	(3.4)%
Grants and contributions	6,083	5,507	(9.5)%
Capital grants	9,911	336	(96.6)%
General revenues			
Property taxes	24,712	25,835	4.5%
Other taxes	8,106	7,921	(2.3)%
Intergovernmental	4,274	4,068	(4.8)%
Other	2,149	1,985	(7.6)%
Total revenues	64,499	54,604	(15.3)%
<b>Expenses</b>			
General government	8,218	8,667	5.5%
Judicial	2,961	3,063	3.4%
Sanitation	11,441	4,070	(64.4)%
Internal services	1,836	2,023	10.2%
Public safety	8,513	10,879	27.8%
Public works	11,885	7,509	(36.8)%
Social and health	3,137	2,388	(23.9)%
Allocations to others	5,602	6,410	14.4%
Interest on long-term debt	1,323	1,517	14.7%
Culture and recreation	340	1,368	302.4%
Total expenses	55,256	47,894	(13.3)%
<b>Increase in net assets</b>	<b>\$ 9,243</b>	<b>\$ 6,710</b>	<b>(27.4)%</b>

General Fund property tax revenues were 4.5 percent higher than the prior year largely due to some new and expanded industries in the County. In addition, grant revenues were \$576 thousand lower than the prior year due primarily to tobacco funds received and economic development funds received in the prior year.

## FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$61.5 million, an increase of \$1.5 million in comparison with the prior year. Approximately fifteen percent of this total amount (\$9.1 million) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to pay debt service (\$8.8 million) or to fund capital asset projects for County facilities or infrastructure improvements (43.6 million).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$6.7 million while total fund balance reached \$7.1 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 26 percent of total general fund expenditures, while total fund balance represents 27 percent of that same amount.

The fund balance of the County's general fund increased by \$1.4 million during the current fiscal year. Key factors in this growth are as follows:

- Property tax revenues increased \$928 thousand or 5.4% due largely to economic growth in the tax base.
- Charges for services increased \$673 thousand or 34.6% due primarily to emergency medical service revenues.
- Expenditures were flat compared to prior years.

The debt service fund had a total fund balance of \$8.8 million, all of which is reserved for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was \$1.3 million or 12.9%. Principal retirement increased during the current period (\$4.5 million) as the result of new revenue bond indebtedness incurred during the prior year.

The capital projects sales tax fund had a total fund balance of \$33.9 million, all of which is reserved to improve, repair and construct infrastructure in the County. The net decrease in fund balance during the current year was \$7.2 million or 17.6%. Various capital projects were funded during the year.

The capital improvements fund had a total fund balance of \$9.1 million, all of which is reserved to improve and repair County owned facilities. The net increase in fund balance during the current year was \$8.1 million. The primary reason for this increase was the issuance of bonds.

### General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor (\$233,307 increase in appropriations) and can be briefly summarized as follows:

- \$168,257 increases in nondepartmental attributable to economic development activities and vehicle tracking expenditures.
- \$40,000 increase in professional services related to register of deeds.
- \$25,050 increase in information technology for data processing expenditures.

All of this increase was to be funded from available fund balance. During the year, however, revenues were less than budgetary estimates and expenditures were less than budgetary estimates, thus eliminating the need to draw upon existing fund balance.

Actual general fund expenditures were \$2.2 million below budget amounts. This is primarily the result of general government other expenditures which were \$1.2 million less than the budget amounts.

On the other hand, resources available for appropriation were \$451 thousand below the budgeted amount. As noted earlier:

- Fines, fees and foreclosures were less than expected due to an error in budgeting.
- Interest and investment income were less than expected due to a decrease in interest rates.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of 2004, the County had invested \$83.2 million in a broad range of capital assets. (See Table A-3.) This amount represents a net increase (including additions and deductions) of \$7.4 million, or 9.8 percent, over last year.

**Table A-3**  
**County of Orangeburg's Capital Assets**  
*(net of depreciation, in thousands of dollars)*

	Governmental Activities		Total Percentage Change
	2003	2004	2003-2004
Land	\$ 4,839	\$ 4,839	0.0%
Construction in progress	-	1,729	100.0%
Buildings and improvements	25,520	29,168	14.3%
Furniture, fixtures and equipment	27,724	29,017	4.7%
Infrastructure	17,753	18,477	4.1%
Accumulated depreciation	(23,745)	(27,923)	17.6%
	<b>\$ 52,091</b>	<b>\$ 55,307</b>	6.2%

This year's major capital asset additions included:

- \$2.5 million in additions of road and sewer systems including construction in progress.
- \$5.4 million in additions of equipment, buildings, and improvement.

More detailed information about the County's capital assets is presented in Notes 1 and 2 to the financial statements.

### Long-term Debt

At year-end the County had \$41.3 million in bonds and capital lease obligations outstanding - a decrease of 3.8% over last year - as shown in Table A-4. More detailed information about the County's long-term liabilities is presented in Note 6 to the financial statements.

The state limits the amount of general obligation debt the County can issue to 8 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 \$18.3 million as reflected in Table D-7 of this report.

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

	<b>Governmental Activities</b>		<b>Total Percentage Change</b>
	<b>2003</b>	<b>2004</b>	<b>2003-2004</b>
General obligation bonds	\$ 4,715	\$ 12,445	163.9%
Revenue bonds	31,164	22,864	(26.6)%
Note payable	750	736	(1.9)%
Capital lease obligations	<u>6,292</u>	<u>5,246</u>	(16.6)%
<b>Total</b>	<b><u>\$ 42,921</u></b>	<b><u>\$ 41,291</u></b>	<b>(3.8)%</b>

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

- Unemployment now stands at 10.9 percent, compared to 11.6 percent a year ago. This compares unfavorably with the state's rate of 6.8 percent and the national rate of 5.5 percent.
- Inflationary trends in the region compare favorably to national indices.

These indicators were taken into account when adopting the general fund budget for 2005. Amounts available for appropriation in the general fund budget are at nearly \$28.4 million, an increase of less than one percent over the final 2004 budget of \$28,311 thousand.

Budgeted expenditures are expected to decrease less than one percent to \$28.4 million over the actual 2004 expenditures and other uses of \$28,544 thousand. The largest increments again are wages and other related employment costs.

If these estimates are realized, the County's budgetary general fund balance is expected to increase slightly by the close of 2005.

#### 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 Jannella Shuler, Finance Director, or visit the County website at [www.orangeburgcounty.org](http://www.orangeburgcounty.org).

**BASIC FINANCIAL STATEMENTS**

**COUNTY OF ORANGEBURG,  
SOUTH CAROLINA  
STATEMENT OF NET ASSETS  
JUNE 30, 2004**

	<b>Governmental Activities</b>	<b>Component Units</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 26,029,237	\$ 185,156
Cash with fiscal agent	33,776,815	-
Receivables:		
Taxes	2,217,022	174,012
Other	3,139,415	3,420
Due from primary government	-	1,277,546
Due from other governments	3,447,764	-
Inventories	93,532	-
Other assets	134,229	-
Capital assets:		
Land	4,838,661	-
Construction in progress	1,729,454	-
Buildings and improvements	29,168,313	-
Furniture, fixtures, and equipment	29,016,870	-
Infrastructure assets	18,476,822	-
Less accumulated depreciation	<u>(27,922,703)</u>	-
Total capital assets, net of depreciation	<u>55,307,417</u>	-
Total assets	<u>124,145,431</u>	<u>1,640,134</u>
<b>LIABILITIES</b>		
Accounts payable	2,631,204	152,027
Due to component units	1,277,546	-
Deferred revenue	114,564	-
Accrued wages and benefits	1,111,923	138,816
Accrued interest payable	417,699	-
Other liabilities	62,727	-
Long-term liabilities:		
Due within one year	10,320,248	60,951
Due in more than one year	<u>32,000,453</u>	<u>118,314</u>
Total liabilities	<u>47,936,364</u>	<u>470,108</u>
<b>NET ASSETS</b>		
Invested in capital assets net of related debt	37,623,896	-
Restricted for:		
Debt service	9,496,454	-
Capital outlay	19,709,221	-
Unrestricted	<u>9,379,497</u>	<u>1,170,026</u>
Total net assets	<u>\$ 76,209,068</u>	<u>\$ 1,170,026</u>

The accompanying notes are an integral part of these financial statements.



**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2004**

	General	Debt Service	Capital Projects Sales Tax	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 26,029,237	\$ -	\$ -	\$ -	\$ -	\$ 26,029,237
Cash with fiscal agent	-	9,950,556	23,462,694	160,234	203,331	33,776,815
Due from other funds	5,056,842	-	9,366,718	9,707,669	3,284,138	27,415,367
Receivables:						
Taxes - Net	1,556,271	127,992	-	76,025	456,734	2,217,022
Other	1,158,143	-	-	-	1,935,010	3,093,153
Inventories	93,532	-	-	-	-	93,532
Land held for resale	-	-	-	134,229	-	134,229
Due from other governments	1,203,773	-	2,239,691	4,300	-	3,447,764
<b>Total assets</b>	<b>\$ 35,097,798</b>	<b>\$ 10,078,548</b>	<b>\$ 35,069,103</b>	<b>\$ 10,082,457</b>	<b>\$ 5,879,214</b>	<b>\$ 96,207,120</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 666,498	\$ -	\$ 1,144,167	\$ 154,225	\$ 666,314	\$ 2,631,204
Due to other funds	23,687,764	1,133,652	-	802,790	1,744,898	27,369,104
Accrued salaries	914,245	-	4,752	-	192,926	1,111,923
Deferred revenue - Property taxes	1,450,675	164,395	-	71,244	425,540	2,111,854
Deferred revenue	-	-	-	-	114,564	114,564
Due to others	-	-	-	-	62,727	62,727
Due to component units	1,277,546	-	-	-	-	1,277,546
<b>Total liabilities</b>	<b>27,996,728</b>	<b>1,298,047</b>	<b>1,148,919</b>	<b>1,028,259</b>	<b>3,206,969</b>	<b>34,678,922</b>
<b>FUND BALANCES</b>						
Reserved for:						
Debt service	-	8,780,501	-	-	-	8,780,501
Capital outlay	409,898	-	33,920,184	9,054,198	197,533	43,581,813
Unreserved:						
Undesignated reported in:						
General fund	6,691,172	-	-	-	-	6,691,172
Special revenue fund	-	-	-	-	2,474,711	2,474,711
<b>Total fund balances</b>	<b>7,101,070</b>	<b>8,780,501</b>	<b>33,920,184</b>	<b>9,054,198</b>	<b>2,672,244</b>	<b>61,528,197</b>
<b>Total liabilities and fund balances</b>	<b>\$ 35,097,798</b>	<b>\$ 10,078,548</b>	<b>\$ 35,069,103</b>	<b>\$ 10,082,457</b>	<b>\$ 5,879,214</b>	<b>\$ 96,207,120</b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET ASSETS OF GOVERNMENTAL ACTIVITIES**  
**JUNE 30, 2004**

Total fund balances - Governmental funds	\$ 61,528,197
Amounts reported for governmental activities in the statement of net assets 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	4,838,661
Construction in progress	1,729,454
Buildings and improvements	29,168,313
Furniture, fixtures, and equipment	29,016,870
Infrastructure assets	18,476,822
Accumulated depreciation	<u>(27,922,703)</u>
Total capital assets	<u>55,307,417</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 deferred in the funds.	
Deferred property taxes	2,111,854
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	(12,445,000)
Capital leases payable	(5,245,773)
Revenue bonds	(22,864,300)
Note payable	(735,671)
Accrued interest	(417,699)
Other liabilities	(332,528)
Deferred amount on refunding	144,528
Compensated absences	<u>(841,957)</u>
Total long-term liabilities	<u>(42,738,400)</u>
Net assets of governmental activities	<u>\$ 76,209,068</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the year ended June 30, 2004**

	General	Debt Service	Capital Projects Sales Tax	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ 18,006,954	\$ 1,650,557	\$ -	\$ 786,042	\$ 5,128,785	\$ 25,572,338
Sales tax	-	-	7,921,493	-	-	7,921,493
Intergovernmental	4,821,196	262,625	-	335,839	3,822,753	9,242,413
Licenses and permits	619,798	-	-	-	-	619,798
Charges for services	2,617,153	-	-	-	4,243,242	6,860,395
Fines, fees, and forfeitures	545,235	-	-	-	131,657	676,892
Interest	34,483	311,812	781,519	337	191,212	1,319,363
Other	1,214,997	-	-	50,475	-	1,265,472
Total revenues	<u>27,859,816</u>	<u>2,224,994</u>	<u>8,703,012</u>	<u>1,172,693</u>	<u>13,517,649</u>	<u>53,478,164</u>
<b>EXPENDITURES</b>						
General government	7,751,661	-	2,518,888	1,409,714	5,798	11,686,061
Judicial	3,011,160	-	-	-	-	3,011,160
Public works	99,479	-	4,449,807	1,706,374	3,044,672	9,300,332
Public safety	8,599,667	-	-	-	2,857,574	11,457,241
Social and health	1,317,370	-	-	-	1,059,917	2,377,287
Sanitation	-	-	-	-	4,069,879	4,069,879
Internal services	1,337,430	-	-	-	-	1,337,430
Allocation to others	4,029,378	-	-	-	2,381,092	6,410,470
Culture and recreation	-	-	1,190,022	-	178,470	1,368,492
Debt service:						
Principal retirement	-	9,769,329	-	-	-	9,769,329
Interest and fiscal charges	-	1,541,403	-	-	-	1,541,403
Total expenditures	<u>26,146,145</u>	<u>11,310,732</u>	<u>8,158,717</u>	<u>3,116,088</u>	<u>13,597,402</u>	<u>62,329,084</u>
Excess of revenues over (under) expenditures	<u>1,713,671</u>	<u>(9,085,738)</u>	<u>544,295</u>	<u>(1,943,395)</u>	<u>(79,753)</u>	<u>(8,850,920)</u>
Other financing sources (uses):						
Bond proceeds	-	-	-	11,185,000	-	11,185,000
Defeasance costs	-	-	-	(154,164)	-	(154,164)
Payments to escrow agent	-	-	-	(2,000,000)	-	(2,000,000)
Capital lease proceeds	-	-	-	1,341,524	-	1,341,524
Operating transfers in	-	7,793,498	-	-	631,891	8,425,389
Operating transfers out	(311,891)	-	(7,793,498)	(320,000)	-	(8,425,389)
Total other financing sources (uses)	<u>(311,891)</u>	<u>7,793,498</u>	<u>(7,793,498)</u>	<u>10,052,360</u>	<u>631,891</u>	<u>10,372,360</u>
Net change in fund balances	1,401,780	(1,292,240)	(7,249,203)	8,108,965	552,138	1,521,440
Fund balances, beginning of year	<u>5,699,290</u>	<u>10,072,741</u>	<u>41,169,387</u>	<u>945,233</u>	<u>2,120,106</u>	<u>60,006,757</u>
Fund balances, end of year	<u>\$ 7,101,070</u>	<u>\$ 8,780,501</u>	<u>\$ 33,920,184</u>	<u>\$ 9,054,198</u>	<u>\$ 2,672,244</u>	<u>\$ 61,528,197</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF**  
**ACTIVITIES**

*For the year ended June 30, 2004*

Net change in fund balances - Total government funds	\$ 1,521,440
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	7,895,174
Depreciation expense	<u>(4,679,238)</u>
Excess of capital outlay over depreciation expense	<u>3,215,936</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. Deferred property tax revenues increased by this amount this year.	
	<u>262,762</u>
Bond and capital lease proceeds provide current financial resources to governmental funds; however, issuing debt increases long-term liabilities in the statement of net assets. In the current period, proceeds were received from:	
Capital lease proceeds	(1,341,524)
Deferred amount in refunding	154,164
Bond proceeds	<u>(11,185,000)</u>
	<u>(12,372,360)</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 assets. In the current year, these amounts consisted of:	
Bond principal retirement	11,755,000
Note payable retirement	14,329
Capital lease payments	<u>2,387,669</u>
Total long-term debt repayment	<u>14,156,998</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	
Compensated absences	(98,711)
Amortization on refunding difference	<u>(9,635)</u>
	<u>(108,346)</u>
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.	<u>34,000</u>
Change in net assets of government activities	<u>\$ 6,710,430</u>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA  
STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2004**

**ASSETS**

Cash	\$	23,734,646
Property taxes receivable		8,176,332
Accounts receivable		<u>46,262</u>
Total assets	<b>\$</b>	<b><u>31,957,240</u></b>

**LIABILITIES**

Accounts payable		36,462
Due to general fund		46,262
Due to other taxing units		28,296,993
Due to other agencies and others		<u>3,577,523</u>
Total liabilities	<b>\$</b>	<b><u>31,957,240</u></b>

The accompanying notes are an integral part of these financial statements.

**COUNTY OF ORANGEBURG**  
**NOTES TO FINANCIAL STATEMENTS**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting entity**

Orangeburg County, South Carolina is governed by an elected seven-member council. As required by accounting principles generally accepted in the United States of America, the financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the government. All of the County's component units report financial data using June 30 year ends.

**Blended component unit**

The Orangeburg Projects Corporation (the Corporation) was formed primarily to construct and equip an addition to the Orangeburg-Calhoun Law Enforcement Center. The Corporation also owns certain other equipment and building improvements used by the County. The Corporation is governed by a board composed of the County Council Chairman, who serves as President; the Orangeburg County Administrator, who serves as Secretary; and a representative of the Branch Banking & Trust Company of South Carolina which serves as Trustee. The Corporation financed its projects by issuing Certificates of Participation which are being retired exclusively by the County's rental payments for property owned by the Corporation. The Corporation is presented as a governmental fund type.

**Discretely presented component units**

**Orangeburg County Public Library** - The Orangeburg County Public Library (the Library) provides library services to County residents. Orangeburg County Council appoints all the members of the Library's Board of Trustees and provides the majority of the Library's funding. The County also owns all of the Library's fixed assets. Accordingly, the Library is fiscally dependent on the County.

**The Orangeburg-Calhoun Regional Law Enforcement Center** - The Orangeburg-Calhoun Regional Law Enforcement Center (the LEC) houses prisoners for Orangeburg and Calhoun Counties. The LEC is governed by a board composed of seven members, five of whom are appointed by Orangeburg County Council, and two of whom are appointed by Calhoun County Council. The LEC is fiscally dependent upon the County because its budget must be approved by the Orangeburg County Council and the County provides the majority of its funding. The LEC is presented as a governmental fund type.

(Continued)

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

*The Orangeburg County Fire Commission* - The Orangeburg County Fire Commission (the Commission) was created in 1997 to provide coordinated fire protection throughout Orangeburg County. The Commission has either bought or leased the equipment used by the twenty-nine towns and volunteer fire departments which previously provided fire protection in the County. The Commission is governed by a board composed of seven members, all of whom are appointed by the Orangeburg County Council. The Commission's budget and the special millage rate to fund it must be approved by County Council. In addition, the County is wholly responsible for the Commission's debt and owns all the Commission's fixed assets. Accordingly, the Commission is fiscally dependent on the County.

Complete financial statements for the Orangeburg County Public Library may be obtained at the Central Library Office located at 510 Louis Street, N.E., Orangeburg, South Carolina. Complete financial statements for the LEC may be obtained at its office, 1520 Ellis Avenue Ext., N.E., Orangeburg, South Carolina. Complete financial statements for the Fire Commission may be obtained from the Orangeburg County Administrator, 1437 Amelia Street, Orangeburg, South Carolina.

## B. Basis of presentation

The County's basic financial statements consist of government-wide statements, including a statement of net assets and 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 assets and the statement of activities display information about the County as a whole. 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 assets presents the financial condition of the governmental 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 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 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 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.

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

### C. Fund accounting

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purposes and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The government has 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 *debt service fund* accounts for the resources accumulated and payments made for principal and interest on general long-term debt associated with equipment and facilities owned by the County.

The *capital project sales tax fund* accounts for the sales tax revenues that are restricted to improve, repair and construct infrastructure on the County.

The *capital improvements fund* account for property tax revenues and bond proceeds that are restricted to improve and repair County facilities.

The government reports the following fund type:

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.

### 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 assets.

#### 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.

(Continued)

## **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

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. Fiduciary funds 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.

### **Deferred revenue**

Deferred 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 June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

### **Expenses/expenditures**

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

(Continued)

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

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 reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Cash and investments - The government'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.

State statutes authorize the government and its component units to invest in (1) obligations of the United States and its agencies, (2) general obligations of South Carolina and its political subdivisions, (3) financial institutions if their deposits are insured by an agency of the federal government, and (4) certificates of deposit which are collaterally secured by securities of the type described at (1) and (2) above which are held by a third party.

Investments, consisting of repurchase agreements and mortgage-backed securities, are stated at fair value. No investments are stated at amortized cost.

Receivables and payables - Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds are offset by a fund balance reserve account in the applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. Taxes on real property are assessed as of January 1, levied the following September, due January 15, and become delinquent March 15. Liens attach to the property at the time the taxes are levied. The levy date for motor vehicle taxes is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

Property tax receivables and allowances by major and other governmental funds as of June 30, 2004 were as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Property taxes receivable	\$1,724,103	\$ 146,810	\$ 84,146	\$ 506,041	\$ 2,461,100
Less: Allowance	<u>167,832</u>	<u>18,818</u>	<u>8,121</u>	<u>49,307</u>	<u>244,078</u>
Net	<u><b>\$1,556,271</b></u>	<u><b>\$ 127,992</b></u>	<u><b>\$ 76,025</b></u>	<u><b>\$ 456,734</b></u>	<u><b>\$ 2,217,022</b></u>

(Continued)

## **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

Inventories - Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

### **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.

### **Compensated absences**

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The general fund is used to liquidate any liabilities for compensated absences.

### **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.

### **Interfund transactions**

Quasi-external transactions are accounted for as revenues, expenditures or expenses. 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.

### **Capital assets**

Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the governmental 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 \$2,500 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.

(Continued)

## I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Land improvements	15 years
Buildings	30 years
Building improvements	15 years
Vehicles	5 years
Furniture and equipment	3 to 10 years
Machinery and equipment	5 to 10 years

### Net assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The County applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

## II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary information - Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, the debt service fund, and various but not all special revenue funds. The capital improvements capital projects fund also adopts an annual budget consistent with accounting principles generally accepted in the United States of America, but the other two adopt project-length budgets. All annual appropriations lapse at fiscal year end.

In February of each year, all agencies of the County submit requests for appropriations to the County Administrator so that a budget may be prepared. By the end of March, the proposed budget is presented to County Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than June 30.

The appropriated budget is prepared by fund, function and department. Line item transfers within operating departments may be approved by the County Administrator. Transfers from the contingency account in excess of \$2,000 must be approved by County Council. The legal level of budgetary control is the department level. Budget amounts reflected in the accompanying financial statements represent the original budgets and any revisions.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Deficit fund equity - As of June 30, 2004, Roads and Bridges Maintenance, E911, New Brookland Lighting Tax District, Brookdale Lighting Tax District and Special Education special revenue funds had deficit fund balances of \$5,574, \$225,680, \$4,432, \$4,175 and \$102,155, respectively.

### III. DETAILED NOTES ON ALL FUNDS

#### NOTE 1 - DEPOSITS AND INVESTMENTS

The County's deposits are categorized into three categories of credit risk. Category 1 includes deposits which are insured or collateralized with securities held by the entity or by its agent in the entity's name. Category 2 includes deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the County's name. Category 3 includes uncollateralized deposits. This includes amounts collateralized with securities held by the bank or its trust department or agent, but not in the County's name. At June 30, 2004, deposits were as follows:

Category			Bank balance	Reported value
1	2	3		
<u>\$ 984,574</u>	<u>\$ 9,696,660</u>	<u>\$ -</u>	<u>\$ 10,681,234</u>	<u>\$ 9,688,867</u>

The carrying amount of deposits for the Orangeburg County Library, a discretely presented component unit, was \$100,137 and the bank balance \$111,672. Of the bank balance, \$100,000 was covered by federal depository insurance and \$11,672 was collateralized by securities held by the pledging financial institution's trust department or agent but not in the Library's name.

The carrying amount of deposits for the Orangeburg-Calhoun Regional Detention Center, also a discretely presented component unit, was \$122,833. The balance per the bank was \$122,833, all of which was covered by federal depository insurance.

Petty cash funds of \$500 for the Orangeburg County Fire Commission, also a discretely presented component unit, were on hand at June 30, 2004.

The County's investments are also categorized into three categories of credit risk. Category 1 includes investments that are insured or registered with securities held by the County or its agent in the County's name. Category 2 includes investments which are uninsured and unregistered, with securities held by the counter party's trust department or agent in the County's name. Category 3 includes investments which are uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent but not in the government's name.

At year-end, the government's investment balances were as follows:

	Category			Reported amount	Fair value
	1	2	3		
Repurchase agreements	\$ -	\$ -	\$40,075.016	\$ 40,075.016	\$ 40,075.016
Held by fiscal agent	<u>\$33,776,815</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,776,815</u>	<u>\$ 33,776,815</u>

A reconciliation of cash and cash equivalents as shown on the government-wide statement of net assets and the statement of fiduciary net assets is as follows:

Reported value of deposits	\$ 9,688,867
Fair value of repurchase agreements	<u>40,075.016</u>
<b>Total</b>	<b><u>\$ 49,763,883</u></b>
Cash and cash equivalents	
Exhibit 1	\$ 26,029,237
Exhibit 7	<u>23,734,646</u>
<b>Total</b>	<b><u>\$ 49,763,883</u></b>

**NOTE 2 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2004 was as follows:

	<u>Balance</u> <u>June 30, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2004</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 4,838,661	\$ -	\$ -	\$ 4,838,661
Construction in progress	<u>-</u>	<u>1,729,454</u>	<u>-</u>	<u>1,729,454</u>
Total capital assets not being depreciated	<u>\$ 4,838,661</u>	<u>\$ 1,729,454</u>	<u>\$ -</u>	<u>\$ 6,568,115</u>
Capital assets being depreciated				
Infrastructure	17,753,425	723,397	-	18,476,822
Building and improvements	25,519,594	3,648,719	-	29,168,313
Furniture, fixtures and equipment	<u>27,724,675</u>	<u>1,793,604</u>	<u>(501,409)</u>	<u>29,016,870</u>
Total capital assets at historical cost being depreciated	<u>70,997,694</u>	<u>6,165,720</u>	<u>(501,409)</u>	<u>76,662,005</u>
Less accumulated depreciation for:				
Infrastructure	(2,711,554)	(1,461,913)	-	(4,173,467)
Buildings, improvements and equipment	<u>(21,033,320)</u>	<u>(3,217,325)</u>	<u>501,409</u>	<u>(23,749,236)</u>
Total accumulated depreciation	<u>(23,744,874)</u>	<u>(4,679,238)</u>	<u>501,409</u>	<u>(27,922,703)</u>
Total capital assets being depreciated, net	<u>47,252,820</u>	<u>1,486,482</u>	<u>-</u>	<u>48,739,302</u>
Governmental activities capital assets, net	<u>\$ 52,091,481</u>	<u>\$ 3,215,936</u>	<u>\$ -</u>	<u>\$ 55,307,417</u>

Depreciation expense was charged to functions as follows:

General Government	\$ 329,692
Judicial	51,622
Internal Services	686,035
Public Safety	2,138,744
Public Works	1,461,913
Social and Health	<u>11,232</u>
Total Governmental Activities Depreciation Expense	<u>\$ 4,679,238</u>

**NOTE 3 - COMPONENT UNIT INFORMATION**

**Condensed Statement of Net Assets**

	<u>Fire Commission</u>	<u>Public Library</u>	<u>Regional Detention Center</u>	<u>Total Component Units</u>
Assets:				
Cash, investments, and other assets	\$ 561,230	\$ 63,659	\$ 1,015,245	\$ 1,640,134
Total assets	<u>\$ 561,230</u>	<u>\$ 63,659</u>	<u>\$ 1,015,245</u>	<u>\$ 1,640,134</u>
Liabilities:				
Accounts payable and other current liabilities	19,450	1,975	269,418	290,843
Other liabilities	<u>16,275</u>	<u>23,053</u>	<u>139,937</u>	<u>179,265</u>
Total liabilities	<u>35,725</u>	<u>25,058</u>	<u>409,355</u>	<u>470,108</u>
Net assets:				
Unrestricted	<u>525,505</u>	<u>38,631</u>	<u>605,890</u>	<u>1,170,026</u>
Total net assets	<u>\$ 525,505</u>	<u>\$ 38,631</u>	<u>\$ 605,890</u>	<u>\$ 1,170,026</u>

Reconciliation of total component unit fund balances to net assets of component unit activities.

	<u>Fire Commission</u>	<u>Public Library</u>	<u>Regional Detention Center</u>	<u>Total Component Units</u>
Total Fund Balances - Component Units	\$ 388,731	\$ 61,684	\$ 745,827	\$ 1,196,242
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 deferred in the funds	153,049	-	-	153,049
Some other liabilities are not due and payable in the current period and therefore are not reported in the funds	<u>(16,275)</u>	<u>(23,053)</u>	<u>(139,937)</u>	<u>(179,265)</u>
Net assets of component units activities	<u>\$ 525,505</u>	<u>\$ 38,631</u>	<u>\$ 605,890</u>	<u>\$ 1,170,026</u>

**Fire Commission  
Condensed Statement of Activities**

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>	
	<u>Expenses</u>	<u>Charges for services</u>	<u>Operating Grants and Contributions</u>	<u>Capital grants and contributions</u>	<u>Total</u>
Salaries and benefits	\$ 161,193	\$ -	\$ -	\$ -	\$ (161,193)
Contracted services	405,606	-	-	-	(405,606)
Operating expenses	<u>1,460,153</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,460,153)</u>
	<u>\$ 2,026,952</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(2,026,952)</u>

General revenues:	
Property taxes	<u>2,116,822</u>
Total general revenues	<u>2,116,822</u>
Change in net assets	89,870
Net assets - beginning	<u>435,635</u>
Net assets - ending	<u>\$ 525,505</u>

(Continued)

**NOTE 3 - COMPONENT UNIT INFORMATION, Continued**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Component Unit to the Statement of Activities.

Net change in fund balances - Component units	\$ 103,632
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. Deferred property tax revenues decreased by this amount this year.	(11,219)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures	<u>(2,543)</u>
Changes in net assets of component unit activities	<u>\$ 89,870</u>

**Regional Detention Center  
Condensed Statement of Activities**

	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Assets</u>
	<u>Expenses</u>	<u>Charges for services</u>	<u>Operating Grants and Contributions</u>	<u>Capital grants and contributions</u>	<u>Total</u>
Governmental activities	\$ 3,700,958	\$ -	\$ 3,914,629	\$ -	\$ 213,671
Business type activities	<u>73,200</u>	<u>61,956</u>	<u>-</u>	<u>-</u>	<u>(11,244)</u>
	<u>\$ 3,774,158</u>	<u>\$ 61,956</u>	<u>\$ 3,914,629</u>	<u>\$ -</u>	202,427
		General revenues:			
			Other general revenues	<u>208</u>	
			Total general revenues	<u>208</u>	
			Change in net assets	202,635	
			Net assets - beginning	<u>403,255</u>	
			Net assets - ending	<u>\$ 605,890</u>	

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Component Unit to the Statement of Activities.

Net change in fund balances - Component units	\$ 189,653
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures	<u>12,982</u>
Changes in net assets of component unit activities	<u>\$ 202,635</u>

(Continued)

**NOTE 3 - COMPONENT UNIT INFORMATION, Continued**

**Public Library  
Condensed Statement of Activities**

		<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital grants</u>	<u>Revenue and</u>
	<u>Expenses</u>	<u>services</u>	<u>Grants and</u>	<u>and</u>	<u>Changes in</u>
			<u>Contributions</u>	<u>contributions</u>	<u>Net Assets</u>
					<u>Total</u>
Salaries and benefits	\$ 650,198	\$ -	\$ 562,808	\$ 34,240	\$ (53,150)
Operating expenses	<u>372,633</u>	<u>5,083</u>	<u>306,980</u>	<u>68,675</u>	<u>8,105</u>
	<u>\$ 1,022,831</u>	<u>\$ 5,083</u>	<u>\$ 869,788</u>	<u>\$ 102,915</u>	(45,045)
		General revenues:			
		Other general revenues			<u>17,144</u>
		Total general revenues			<u>17,144</u>
		Change in net assets			(27,901)
		Net assets - beginning			<u>66,532</u>
		Net assets - ending			<u>\$ 38,631</u>

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Component Unit to the Statement of Activities.

Net change in fund balances - Component units	\$ (28,627)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures	<u>726</u>
Changes in net assets of component unit activities	<u>\$ (27,901)</u>

**NOTE 4 - INTERFUND BALANCES AND TRANSFERS**

A summary of amounts due from other funds at June 30, 2004 follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
General fund	\$ 5,056,842	\$ 23,687,764
Special revenue funds		
Roads and Bridges Maintenance	165,387	-
E911	-	265,245
New Brookland Lighting Tax District	-	3,460
Solid Waste	1,953,732	-
Victims Assistance	335,090	-
Accomodations Tax	6,392	-
Brookdale Lighting Tax District	-	3,340
Legislative Delegation Economic Development	228,838	-
Lake Marion Water	48,292	-
Department of Natural Resources	5,500	-
Special Education	44,836	-

(Continued)

**NOTE 4 - INTERFUND BALANCES AND TRANSFERS, Continued**

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Grant Subfunds	396,071	981,394
Economic Development Project	-	4,309
Tobacco Site	100,000	-
FEMA Winter Storm	-	481,353
Debt service funds	-	1,133,652
Capital projects fund		
Certificates of participation	-	5,798
Capital projects sales tax	9,366,718	-
Capital improvements	9,707,669	802,790
Agency funds		
Other	-	46,262
	<u>\$ 27,415,367</u>	<u>\$ 27,415,367</u>

All of the above balances are scheduled to be collected in the subsequent year. The balances at June 30 resulted from the timelag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

A summary of interfund transfers for the year ended June 30, 2004, consisted of the following:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
General fund	\$ -	\$ 311,891
Debt service fund	7,793,498	-
Capital projects funds		
Capital project sales tax	-	7,793,498
Capital improvements	-	320,000
Nonmajor governmental funds		
Special revenues funds		
Road and bridges maintenance	158,552	-
E911 fund	153,339	-
Special education	320,000	-
	<u>\$ 8,425,389</u>	<u>\$ 8,425,389</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTE 5 - LEASES**

Capital leases - The County has entered into lease agreements as lessee in order to finance acquisition of various vehicles, radio equipment, heavy equipment and fire trucks. The lease agreements include a bargain purchase option and qualify as capital leases for accounting purposes.

The following is an analysis of equipment leased under capital leases as of June 30, 2004:

Machinery and equipment	\$ 12,822,540
Less: Accumulated depreciation	<u>(9,282,288)</u>
Carrying value	<u>\$ 3,540,252</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2004 were as follows:

2005	\$ 1,928,374
2006	1,378,568
2007	2,222,470
2008	<u>119,008</u>
Total minimum lease payments	5,648,420
Less, amount representing interest	<u>402,647</u>
Present value of minimum lease payments	<u>\$ 5,245,773</u>

Capital leases payable at June 30, 2004 are comprised of the following individual leases:

Lease purchase agreement with a bank entered into January 1999 for \$1,298,108, collateralized by communication equipment. Monthly payments of \$14,886, including principal and interest at 6.69%. This agreement matures in January 2008.	\$ 566,975
Lease purchase agreement with a commercial credit corporation entered into October 1999, collateralized by communication equipment. Monthly payments of \$13,544, including principal and interest at 5.42%. This agreement matures in August 2005.	183,267
Lease purchase agreement with a bank entered into January 1999 for \$2,494,170, collateralized by fire trucks. Annual payments of \$414,364, including principal and interest at 4.22%. This agreement matures in April 2005.	397,364
Lease purchase agreement with a commercial credit corporation entered into August 2001 for \$5,001,452, collateralized by heavy equipment. Monthly payments of \$67,988, including principal and interest at 5.00%. This agreement matures in August 2007.	3,092,898
Lease purchase agreement with a bank entered into June 2003 for \$1,360,995, collateralized by vehicles. Semi-annual payments of \$178,616, including principal and interest at 2.75%. The agreement matures in January 2007.	<u>1,005,269</u>
	<u>\$ 5,245,773</u>

(Continued)

**NOTE 5 - LEASES, Continued**

Annual requirements to amortize the capital leases outstanding at June 30, 2004, are as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2005	\$ 1,703,657	\$ 224,717	\$ 1,928,374
2006	1,230,474	148,094	1,378,568
2007	2,195,647	26,823	2,222,470
2008	115,995	3,013	119,008
	<u>\$ 5,245,773</u>	<u>\$ 402,647</u>	<u>\$ 5,648,420</u>

**NOTE 6 - LONG-TERM DEBT**

General Obligation Bonds - The County's borrowing power is restricted by amended Article X, Section 14 of the State Constitution effective December 1, 1977. This section provides that a local unit cannot at any time have a total debt outstanding that exceeds 8% of its assessed property value. Based on the December 31, 2004 taxable assessed property valuation net of exemptions of \$228,235,590 (unaudited), the legal debt limit is \$18,258,847, leaving a legal debt margin as of June 30, 2004 of \$7,988,847. General obligation bonds payable at June 30, 2004 are composed of the following individual issues:

	<u>Balance June 30, 2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2004</u>	<u>Amount due in one year</u>
General obligation bonds of 1988 due December 1, 2003; interest at 6.9% - original issue was \$3,500,000	\$ 375,000	\$ -	\$ 375,000	\$ -	\$ -
General obligation bonds of 1998 due in annual installments of \$400,000 plus interest through July 1, 2008; interest at 4.01% - original issue was \$4,000,000	2,000,000	-	2,000,000	-	-
General obligation bonds of 1998 due in annual installments ranging from \$165,000 to \$275,000 through January 1, 2014; interest at 4% to 6% - original issue was \$2,900,000	2,340,000	-	165,000	2,175,000	165,000
General obligation bonds of 2003 due in annual installments ranging from \$345,000 - \$635,000 through April 1, 2023; interest at 2% to 5% - original issue was \$9,135,000	-	9,135,000	500,000	8,635,000	345,000
General obligation bonds of 2003 due in annual installments ranging from \$400,000 - \$420,000 through April 1, 2008; interest at 1.5% to 2.25% - original issue was \$2,050,000	-	2,050,000	415,000	1,635,000	400,000
	<u>\$ 4,715,000</u>	<u>\$ 11,185,000</u>	<u>\$ 3,455,000</u>	<u>\$ 12,445,000</u>	<u>\$ 910,000</u>

The County issued \$11,185,000 general obligation bonds, Series 2003 A & B for an advance refunding of the \$2,000,000 outstanding balance of general obligation bonds, Series 1998. The refunding was undertaken to reduce future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$154,164. This amount is being netted against the new debt and being amortized over the new debt's life, which is the same as the refunded debt. The transaction also resulted in an economic gain of \$61,120 and a reduction of \$76,400 in future debt service payments.

(Continued)

**NOTE 6 - LONG-TERM DEBT, Continued**

Annual requirements to amortize general obligation debt outstanding at June 30, 2004, excluding arbitrage rebate liabilities, if any, are summarized as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2005	\$ 910,000	\$ 472,975	\$ 1,382,975
2006	935,000	451,475	1,386,475
2007	955,000	427,425	1,382,425
2008	975,000	402,750	1,377,750
2009	580,000	376,500	956,500
2010 - 2014	3,265,000	1,542,963	4,807,963
2015 - 2019	2,450,000	948,205	3,398,205
2020 - 2023	2,375,000	303,500	2,678,500
	<u>\$ 12,445,000</u>	<u>\$ 4,925,793</u>	<u>\$ 17,370,793</u>

**Revenue Bonds** - Revenue bonds payable at June 30, 2004 are composed of the following individual issues:

	<u>Balance June 30, 2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2004</u>	<u>Amount due in one year</u>
Revenue bond, Series 2002, due in monthly installments of \$1,496 through November 15, 2042; interest at 4.5% - original issue was \$329,300	\$ 329,300	\$ -	\$ -	\$ 329,300	\$ -
Revenue bond, Series 2002, due in semiannual installments ranging from \$2,635,000 to \$4,400,000 through October 1, 2007; interest at 3.50% to 4.75% - original issue was \$35,235,000	30,835,000	-	8,300,000	22,535,000	7,500,000
	<u>\$ 31,164,300</u>	<u>\$ -</u>	<u>\$ 8,300,000</u>	<u>\$ 22,864,300</u>	<u>\$ 7,500,000</u>

Annual requirements to amortize revenue bond debt outstanding at June 30, 2004 are summarized as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2005	\$ 7,500,000	\$ 945,728	\$ 8,445,728
2006	6,600,000	627,822	7,227,822
2007	5,800,000	339,658	6,139,658
2008	2,638,419	77,114	2,715,533
2009	4,304	13,648	17,952
2010 - 2014	24,455	65,306	89,761
2015 - 2019	30,179	59,581	89,760
2020 - 2024	37,243	52,517	89,760
2025 - 2029	45,960	43,800	89,760
2030 - 2034	56,717	33,043	89,760
2035 - 2039	69,991	19,769	89,760
2040 - 2044	57,032	4,303	61,335
	<u>\$ 22,864,300</u>	<u>\$ 2,282,289</u>	<u>\$ 25,146,589</u>

(Continued)

**NOTE 6 - LONG-TERM DEBT, Continued**

Notes Payable - Note payable at June 30, 2004 is composed of the following:

	<u>Balance</u> <u>June 30, 2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2004</u>	<u>Amount due</u> <u>in one year</u>
Loan from Lower Savannah Regional Development Corporation. The note is to be repaid over 120 monthly principal and interest payments and a balloon payment due at the end of the tenth year; interest at 2.5%	\$ 750,000	\$ -	\$ 14,329	\$ 735,671	\$ 30,080

Annual requirements to amortize notes payable debt at June 30, 2004 are summarized as follows:

<u>Year ended</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2005	\$ 30,080	\$ 17,362	\$ 47,442
2006	31,097	16,595	47,692
2007	31,883	21,167	53,050
2008	32,689	15,002	47,691
2009	33,516	14,175	47,691
2010 - 2014	180,729	57,727	238,456
2015 - 2019	204,667	33,690	238,357
2020 - 2023	191,010	7,593	198,603
	<u>\$ 735,671</u>	<u>\$ 183,311</u>	<u>\$ 918,982</u>

There are a number of limitations and restrictions contained in the various bond and certificate indentures, such as types of authorized investments, promise to levy tax sufficient to cover debt service, and establishment of sinking fund, if necessary. The County is in compliance with all significant limitations and restrictions.

Changes in general long-term liabilities - The following is a summary of debt transactions of the County for the year ended June 30, 2004:

	<u>Balance</u> <u>June 30, 2003</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2004</u>	<u>Amount due in</u> <u>one year</u>
General obligation bonds	\$ 4,715,000	\$ 11,185,000	\$ 3,455,000	\$ 12,445,000	\$ 910,000
Deferred amount on refunding	-	(154,164)	(9,636)	(144,528)	(38,540)
Revenue bonds	31,164,300	-	8,300,000	22,864,300	7,500,000
Note payable	750,000	-	14,329	735,671	30,080
Capital leases	6,291,918	1,341,524	2,387,669	5,245,773	1,793,300
Landfill closure and post-closure costs	357,995	-	25,467	332,528	-
Accrued annual leave	743,246	224,120	125,409	841,957	125,408
	<u>\$ 44,022,459</u>	<u>\$ 12,596,480</u>	<u>\$ 14,298,238</u>	<u>\$ 42,320,701</u>	<u>\$ 10,320,248</u>

The County boundaries also include additional (unaudited) overlapping debt of other political subdivisions not administered by the County Treasurer. The extent of overlap is 100%.

**NOTE 7 - CLOSURE AND POST CLOSURE COSTS OF MUNICIPAL SOLID WASTE LANDFILL**

The County operated a solid waste landfill which it closed in July 1995. On July 1, 1994, the County adopted GASB Statement No. 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Costs*, to account for closure and post closure costs associated with this landfill. The South Carolina Department of Health and Environmental Control (DHEC) requires landfill operators to provide for inspection and maintenance of the physical characteristics of the site, as well as monitoring and maintenance of the groundwater and gas monitoring systems and the leachate collection and treatment system, for a period of thirty years following the closing. DHEC also requires that operators cover the landfill with a minimum cover of a certain permeability.

(Continued)

**NOTE 7 - CLOSURE AND POST CLOSURE COSTS OF MUNICIPAL SOLID WASTE LANDFILL,**  
**Continued**

The County liability for closure and postclosure care costs is based on landfill capacity used to date. Since the landfill was closed as of July 1995, the County considers it to be at 100% of capacity. The County paid to cover the landfill in fiscal 1996. Accordingly, the general long-term debt account group reflects a \$332,528 liability for estimated postclosure care costs. This amount was reduced by \$25,467 during fiscal year 2004 to reflect one year's expenditures for postclosure care. Postclosure care costs are based on engineering estimates and are subject to change due to inflation, deflation, technology and/or applicable laws and regulations. Payment for these costs is being made from special revenue funds in the solid waste fund on a pay-as-you go basis.

**NOTE 8 - CONDUIT DEBT OBLIGATIONS**

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the County, the State of South Carolina, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2004, aggregate principal payable on industrial revenue bonds outstanding was \$55,068,203.

**NOTE 9 - 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 job related illnesses and accidents. The County pays premiums to a public entity risk pool for workman's compensation insurance and to the State Accident Fund for all other forms of coverage. The public entity risk pool and the State Accident Fund promise to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accordance with insurance policy and benefit program limits. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. There has been no significant reduction in coverage and amounts of settlements have not exceeded coverage in any of the last three years.

**NOTE 10 - EMPLOYEE RETIREMENT PLANS**

County employees participate in either the South Carolina Retirement System (SCRS) or the South Carolina Police Officers Retirement System (PORS), depending on their particular duties. Both plans are administered by the South Carolina Retirement System and are classified as cost-sharing multiple-employer, Public Employee Retirement Systems (PERS). SCRS and PORS provide retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefit provisions for SCRS are established pursuant to Section 9-1-20 of the 1976 South Carolina Code of Laws. Benefit provisions for PORS are established pursuant to Section 9-11-20 of the Code of Laws. The South Carolina Retirement System issues a publicly available stand-alone report which may be obtained by writing to South Carolina Retirement Systems, Post Office Box 11960, Columbia, South Carolina 29211 or by calling (803) 737-6800.

(Continued)

**NOTE 10 - EMPLOYEE RETIREMENT PLANS, Continued**

SCRS and PORS members are required to contribute 6% and 6.5%, respectively, of their annual covered salaries, and the County is required to contribute at an actuarially determined rate. The current rates actuarially determined are 6.7% and 10.3%, respectively. The contribution requirements of the plan members and the County are established and may be amended by the South Carolina General Assembly.

The County's contributions to SCRS and PORS for the last three fiscal years were as follows:

	<u>SCRS</u>	<u>PORS</u>
2004	\$ 822,882	\$ 595,324
2003	768,869	573,718
2002	747,220	538,731

These contributions equaled the County's required contributions.

The County and the component units employees may participate in the 457 and/or 401(k) deferred compensation plans, which are available to state and local governmental employees and administered by a state approved nongovernmental third party. The plans, available to all County and component unit employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation plans are not available to employees until termination, retirement, death or unforeseeable emergency.

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 make SCRS contributions, do not earn service credit, and are ineligible to receive group life insurance benefits or disability retirement benefits.

New employees may elect to participate in the Optional Retirement Program (ORP), which provides retirement and death benefits through the purchase of individual fixed or variable annuity contracts, which are issued to and become the property of the participants. To elect ORP, eligible employees must irrevocably waive SCRS membership within their first ninety days of employment.

**NOTE 11 - POST-RETIREMENT HEALTH INSURANCE BENEFITS**

Under terms of a County ordinance, the County provides post-employment health benefits to employees who retire from service or who terminate with at least 15 years of service who meet one or more of the eligibility requirements, such as age, length of service, and hire date. Generally, those who retire must have at least five (5) years of retirement service credit under the South Carolina Retirement System to qualify for benefits. Benefits are effective at date of retirement or when the employee is eligible for retirement benefits.

The County finances these benefits on a pay-as-you-go basis through annual appropriation. During the year ended June 30, 2004, the County paid \$141,284 to provide these benefits for the 41 retired employees who qualified.

**NOTE 12 - JOINTLY GOVERNED ORGANIZATION**

During the year ended June 30, 1997, the County joined eight neighboring counties in signing service agreements with the Three Rivers Solid Waste Authority (the Authority) which operates a landfill for use by the respective counties. The Authority is governed by a board composed of representatives from each of the participating counties. The Authority has issued bonds which mature at varying rates through 2027 depending on how quickly the landfill reaches capacity. The bonds will be retired from the minimum fees charged to the counties for use of the landfill under terms of the service agreements. Except for the minimum fee requirement, no participating county has any obligation, entitlement or residual interest. Payments to the Authority during fiscal 2004 were \$1,802,573.

Complete financial statements for the Authority are available from its office at Post Office Box 850, Aiken, South Carolina 29802.

**NOTE 13 - RELATED PARTY TRANSACTION**

The County provides accounting, payroll and cash management services to all three of its component units. These services are provided at no charge.

**NOTE 14 - CONTINGENT LIABILITIES**

Grant Programs - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Litigation - At June 30, 2004, the County was the defendant in several lawsuits involving various types of claims. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of these matters will not have a material adverse effect on the financial condition of the government.

**NOTE 15 - SUBSEQUENT EVENT**

Pursuant to the Capital Project Sales Tax Act, on November 2, 2004, taxpayers voted on a referendum to allow for the issuance of approximately \$71 million in revenue bonds.

**REQUIRED SUPPLEMENTARY INFORMATION**

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
*For the year ended June 30, 2004*

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes				
Property taxes	\$ 18,018,141	\$ 17,717,113	\$ 18,006,954	\$ 289,841
Intergovernmental revenue	4,998,280	5,007,280	4,821,196	(186,084)
Licenses and permits	734,451	823,423	619,798	(203,625)
Charges for services				
Emergency Medical Services	795,000	850,000	846,091	(3,909)
Other	1,935,316	1,676,503	1,771,062	94,559
Fines, fees and forfeitures	993,352	838,067	545,235	(292,832)
Interest on investments	175,907	175,500	34,483	(141,017)
Other	<u>660,523</u>	<u>1,223,084</u>	<u>1,214,997</u>	<u>(8,087)</u>
Total revenues	<u>28,310,970</u>	<u>28,310,970</u>	<u>27,859,816</u>	<u>(451,154)</u>
<b>EXPENDITURES</b>				
General government				
Executive	272,949	272,949	448,035	(175,086)
Administrator	673,509	673,509	611,183	62,326
County attorney	96,220	96,220	53,017	43,203
Personnel	218,808	218,808	193,115	25,693
Voter registration	132,308	132,308	77,144	55,164
Election Commission	167,436	167,436	36,542	130,894
Delinquent tax collector	188,875	188,875	193,182	(4,307)
Treasurer	293,009	293,009	283,674	9,335
Finance	217,035	217,035	298,785	(81,750)
Auditor	214,626	214,626	225,411	(10,785)
Tax assessor	1,084,210	1,084,224	645,548	438,676
Data processing	698,250	724,497	578,508	145,989
Planning and building inspections	534,349	548,675	559,278	(10,603)
Orangeburg County Development				
Commission	547,140	788,824	559,945	228,879
Other	<u>4,249,855</u>	<u>4,182,737</u>	<u>2,988,294</u>	<u>1,194,443</u>
Total general government	<u>9,588,579</u>	<u>9,803,732</u>	<u>7,751,661</u>	<u>2,052,071</u>
Judicial				
Clerk of court	305,701	305,701	306,510	(809)
Family court	447,332	447,332	432,627	14,705
Master-in-equity	112,409	112,409	116,413	(4,004)
Other courts	509,361	553,735	483,149	70,586
Magistrates	778,551	1,003,049	809,461	193,588
Public Defender	438,000	438,000	438,000	-
Solicitor	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>-</u>
Total judicial	<u>3,016,354</u>	<u>3,285,226</u>	<u>3,011,160</u>	<u>274,066</u>
Public works				
Maintenance	-	-	50,067	(50,067)
Sign shop	<u>45,610</u>	<u>46,701</u>	<u>49,412</u>	<u>(2,711)</u>
Total public works	<u>45,610</u>	<u>46,701</u>	<u>99,479</u>	<u>(52,778)</u>

(Continued)

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**GENERAL FUND**  
**BUDGETARY COMPARISSON SCHEDULE**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
*For the year ended June 30, 2004*

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>EXPENDITURES, Continued</b>				
Public safety				
Sheriff	5,707,494	5,707,494	5,736,457	(28,963)
E-911 communications center	429,404	427,404	436,595	(9,191)
Emergency Medical Services	2,191,116	2,189,976	2,249,290	(59,314)
Coroner	<u>187,051</u>	<u>187,051</u>	<u>177,325</u>	<u>9,726</u>
Total public safety	<u>8,515,065</u>	<u>8,511,925</u>	<u>8,599,667</u>	<u>(87,742)</u>
Social and health				
Recreation	200,105	199,855	161,745	38,110
Health services	585,450	293,970	653,718	(359,748)
Animal control	276,493	276,493	281,543	(5,050)
Allocations to social agencies	<u>198,400</u>	<u>198,400</u>	<u>220,364</u>	<u>(21,964)</u>
Total social and health	<u>1,260,448</u>	<u>968,718</u>	<u>1,317,370</u>	<u>(348,652)</u>
Internal services				
Purchasing	138,326	138,326	143,870	(5,544)
Building and grounds maintenance	783,570	790,614	704,807	85,807
Vehicle maintenance	<u>509,684</u>	<u>509,684</u>	<u>488,753</u>	<u>20,931</u>
Total internal services	<u>1,431,580</u>	<u>1,438,624</u>	<u>1,337,430</u>	<u>101,194</u>
Allocations to others				
Others	<u>4,299,995</u>	<u>4,336,012</u>	<u>4,029,378</u>	<u>306,634</u>
Total budgeted expenditures	<u>28,157,631</u>	<u>28,390,938</u>	<u>26,146,145</u>	<u>2,244,793</u>
Excess of revenues over budgeted expenditures	153,339	(79,968)	1,713,671	1,793,639
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out - Other funds				
Special revenue fund	<u>(153,339)</u>	<u>(153,339)</u>	<u>(311,891)</u>	<u>(158,552)</u>
Total other financing sources (uses)	<u>(153,339)</u>	<u>(153,339)</u>	<u>(311,891)</u>	<u>(158,552)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>-</u>	<u>(233,307)</u>	<u>1,401,780</u>	<u>1,635,087</u>
<b>FUND BALANCE, JULY 1</b>			<u>5,699,290</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 7,101,070</u>	

**COUNTY OF ORANGEBURG,  
SOUTH CAROLINA  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**NOTE 1 - BUDGETARY INFORMATION**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund.

## SUPPLEMENTARY INFORMATION

**COUNTY OF ORANGEBURG,  
SOUTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2004**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Project Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Cash with fiscal agent	\$ -	\$ 203,331	\$ 203,331
Land held for resale	-	-	-
Due from other funds	3,284,138	-	3,284,138
Property taxes receivable	456,734	-	456,734
Accounts receivable	1,935,010	-	1,935,010
Due from other governments	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 5,675,882</u>	<u>\$ 203,331</u>	<u>\$ 5,879,213</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 666,314	-	\$ 666,314
Accrued salaries and benefits	192,926	-	192,926
Due to other funds	1,739,100	5,798	1,744,898
Due to others	62,727	-	62,727
Deferred revenue	114,564	-	114,564
Deferred revenue - Property taxes	425,540	-	425,540
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>3,201,171</u>	<u>5,798</u>	<u>3,206,969</u>
<b>Fund balances</b>			
Reserved for:			
Capital outlay	-	197,533	197,533
Unreserved:			
Undesignated	<u>2,474,711</u>	<u>-</u>	<u>2,474,711</u>
Total fund balances	<u>2,474,711</u>	<u>197,533</u>	<u>2,672,244</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u>\$ 5,675,882</u>	<u>\$ 203,331</u>	<u>\$ 5,879,213</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
*For the year ended June 30, 2004*

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Property taxes	\$ 5,128,785	\$ -	\$ 5,128,785
Intergovernmental	3,822,753	-	3,822,753
Charges for services	4,243,242	-	4,243,242
Fines, fees, and forfeitures	131,657	-	131,657
Interest	190,359	853	191,212
Total revenues	<u>13,516,796</u>	<u>853</u>	<u>13,517,649</u>
<b>EXPENDITURES</b>			
General government	-	5,798	5,798
Public works	3,044,672	-	3,044,672
Public safety	2,857,574	-	2,857,574
Social and health	1,059,917	-	1,059,917
Sanitation	4,069,879	-	4,069,879
Allocation to others	2,381,092	-	2,381,092
Tourism promotion	178,470	-	178,470
Total expenditures	<u>13,591,604</u>	<u>5,798</u>	<u>13,597,402</u>
Excess of revenues over (under) expenditures	<u>(74,808)</u>	<u>(4,945)</u>	<u>(79,753)</u>
Other financing sources (uses):			
Operating transfers in	<u>631,891</u>	<u>-</u>	<u>631,891</u>
Total other financing sources	<u>631,891</u>	<u>-</u>	<u>631,891</u>
Net change in fund balances	557,083	(4,945)	552,138
Fund balances, beginning of the year	<u>1,917,628</u>	<u>202,478</u>	<u>2,120,106</u>
Fund balances, end of the year	<u>\$ 2,474,711</u>	<u>\$ 197,533</u>	<u>\$ 2,672,244</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEETS**

	JUNE 30,	
	2004	2003
<b>ASSETS</b>		
Cash	\$ 26,029,237	\$ 13,416,199
Receivables, net of allowance for doubtful accounts		
Property taxes	1,556,271	1,392,919
Intergovernmental	1,203,773	1,087,001
Other	1,158,143	1,070,949
Due from other funds	5,056,842	4,960,447
Inventories	93,532	100,375
	<u>35,097,798</u>	<u>22,027,890</u>
Total assets	<b>\$ 35,097,798</b>	<b>\$ 22,027,890</b>
<b>LIABILITIES AND FUND BALANCES</b>		
Accounts payable	\$ 666,498	\$ 993,646
Accrued salaries	914,245	667,539
Deferred revenue - Taxes	1,450,675	1,250,493
Due to other funds	23,687,764	12,483,757
Due to component unit	1,277,546	933,165
	<u>27,996,728</u>	<u>16,328,600</u>
Total liabilities	<u>27,996,728</u>	<u>16,328,600</u>
Fund Balances		
Reserved for inventories	93,532	100,375
Reserved for encumbrances	316,366	28,260
Unreserved		
Designated for subsequent years expenditures	-	233,307
Undesignated	6,691,172	5,337,348
Total fund balances	<u>7,101,070</u>	<u>5,699,290</u>
	<u>35,097,798</u>	<u>22,027,890</u>
Total liabilities and fund balances	<b>\$ 35,097,798</b>	<b>\$ 22,027,890</b>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**GENERAL FUND**  
**COMPARATIVE STATEMENTS OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCE**

	For the years ended	
	June 30,	
	<u>2004</u>	<u>2003</u>
<b>REVENUES</b>		
Taxes	\$ 18,006,954	\$ 17,078,953
Intergovernmental	4,821,196	4,677,392
Licenses and permits	619,798	564,977
Charges for services	2,617,153	1,944,244
Fines, fees and forfeitures	545,235	1,362,115
Interest on investments	34,483	179,206
Other	<u>1,214,997</u>	<u>1,526,830</u>
Total revenues	<u>27,859,816</u>	<u>27,333,717</u>
<b>EXPENDITURES</b>		
Current		
General government	7,751,661	7,188,477
Judicial	3,011,160	2,914,643
Public works	99,479	100,705
Public safety	8,599,667	8,288,148
Social and health	1,317,370	1,317,907
Internal services	1,337,430	1,257,931
Allocations to others	<u>4,029,378</u>	<u>3,524,941</u>
Total expenditures	<u>26,146,145</u>	<u>24,592,752</u>
Excess of revenues over expenditures	<u>1,713,671</u>	<u>2,740,965</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers out - Other funds	<u>(311,891)</u>	<u>(1,605,023)</u>
Total other financing sources (uses)	<u>(311,891)</u>	<u>(1,605,023)</u>
Excess of revenues and other financing sources over expenditures	1,401,780	1,135,942
<b>FUND BALANCE, JULY 1</b>	<u>5,699,290</u>	<u>4,563,348</u>
<b>FUND BALANCE, JUNE 30</b>	<u>\$ 7,101,070</u>	<u>\$ 5,699,290</u>

## **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

### **Roads and Bridges Maintenance**

This fund is used to account for the County's road use fee, which is legally restricted to construction and maintenance of the County's roads and bridges.

### **E911**

This fund is used to account for the tariff added to telephone bills in the County, which is legally restricted to pay for the E911 phone system in the County.

### **New Brookland Lighting Tax District**

This fund is used to account for the property tax paid by residents of the New Brookland area of the County, which is legally restricted to pay for lighting in that area.

### **Solid Waste**

This fund is used to account for property taxes and fees charged to pay for solid waste disposal in the County.

### **Victims Assistance**

This fund is used to account for fines mandated by state law, which must be spent on victims of crime.

### **Accommodations Tax**

This fund is used to account for sales tax revenues received from the state, which must be used only to promote tourism in Orangeburg County.

### **Brookdale Lighting Tax District**

This fund is used to account for the property tax paid by residents of the Brookdale area of the County, which is legally restricted to pay for lighting in that area.

### **Legislative Delegation Economic Development Projects**

This fund is used to account for grants made by the South Carolina Department of Health and Environmental Control, which have been restricted to expenditures for economic development projects.

### **Special Education**

This fund is used to account for property taxes levied to be used for educational purposes.

### **Grant Subfunds, Economic Development Project and Tobacco Site**

This fund is used to account for various grant funds received which are legally restricted as to expenditures for particular purposes.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2004**

	<u>Roads &amp; Bridges Maintenance</u>	<u>E911</u>	<u>New Brookland Lighting Tax District</u>	<u>Solid Waste</u>	<u>Victims Assistance</u>	<u>Accommodations Tax</u>	<u>Brookdale Lighting Tax District</u>	<u>Hollyhill Watershed</u>
<b>ASSETS</b>								
Property taxes receivable	\$ -	\$ -	\$ 2,916	\$ 297,020	\$ -	\$ -	\$ 19	\$ -
Accounts receivable	876	62,379	-	24,326	10,616	57,106	-	-
Due from general fund	<u>165,387</u>	<u>-</u>	<u>-</u>	<u>1,953,732</u>	<u>335,090</u>	<u>6,392</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 166,263</u>	<u>\$ 62,379</u>	<u>\$ 2,916</u>	<u>\$ 2,275,078</u>	<u>\$ 345,706</u>	<u>\$ 63,498</u>	<u>\$ 19</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND EQUITY</b>								
Accounts payable	\$ 113,628	\$ 18,084	\$ 972	\$ 282,647	\$ 381	\$ 18,919	\$ 835	\$ -
Accrued salaries and benefits	58,209	4,731	-	49,901	7,971	-	-	-
Deferred revenue - Taxes	-	-	2,916	279,095	-	-	19	-
Deferred revenue	-	-	-	-	-	-	-	-
Due to general fund	-	265,244	3,460	-	-	-	3,340	-
Due to others	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>171,837</u>	<u>288,059</u>	<u>7,348</u>	<u>611,643</u>	<u>8,352</u>	<u>18,919</u>	<u>4,194</u>	<u>-</u>
Fund equity (deficit)								
Unreserved, undesignated	<u>(5,574)</u>	<u>(225,680)</u>	<u>(4,432)</u>	<u>1,663,435</u>	<u>337,354</u>	<u>44,579</u>	<u>(4,175)</u>	<u>-</u>
Total liabilities and fund equity	<u>\$ 166,263</u>	<u>\$ 62,379</u>	<u>\$ 2,916</u>	<u>\$ 2,275,078</u>	<u>\$ 345,706</u>	<u>\$ 63,498</u>	<u>\$ 19</u>	<u>\$ -</u>

(Continued)

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2004**

	Legislative Delegation Economic Development Projects	Lake Marion Water	Department of Natural Resources	Water Grants	Special Education	Grant Subfunds	Economic Development Project	Tobacco Site
<b>ASSETS</b>								
Property taxes receivable	\$ -	\$ -	\$ -	\$ -	\$ 156,779	\$ -	\$ -	\$ -
Accounts receivable	-	-	-	-	-	1,290,136	4,309	-
Due from general fund	<u>228,838</u>	<u>48,292</u>	<u>5,500</u>	-	<u>44,836</u>	<u>396,071</u>	-	<u>100,000</u>
Total assets	<u>\$ 228,838</u>	<u>48,292</u>	<u>\$ 5,500</u>	<u>\$ -</u>	<u>\$ 201,615</u>	<u>\$ 1,686,207</u>	<u>\$ 4,309</u>	<u>\$ 100,000</u>
<b>LIABILITIES AND FUND EQUITY</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 70,052	\$ 153,854	\$ -	\$ 3,033
Accrued salaries and benefits	-	-	-	-	34,265	37,849	-	-
Deferred revenue - Taxes	-	-	-	-	143,510	-	-	-
Deferred revenue	-	-	-	-	-	114,564	-	-
Due to general fund	-	-	-	-	-	981,394	4,309	-
Due to others	-	-	-	-	<u>55,943</u>	<u>6,784</u>	-	-
Total liabilities	-	-	-	-	<u>303,770</u>	<u>1,294,445</u>	<u>4,309</u>	<u>3,033</u>
Fund equity (deficit)								
Unreserved, undesignated	<u>228,838</u>	<u>48,292</u>	<u>5,500</u>	-	<u>(102,155)</u>	<u>391,762</u>	-	<u>96,967</u>
Total liabilities and fund equity	<u>\$ 228,838</u>	<u>\$ 48,292</u>	<u>\$ 5,500</u>	<u>\$ -</u>	<u>\$ 201,615</u>	<u>\$ 1,686,207</u>	<u>\$ 4,309</u>	<u>\$ 100,000</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2004**

	<b>Springfield High School</b>	<b>FEMA Winter Storm</b>	<b>Total</b>
<b>ASSETS</b>			
Property taxes receivable	\$ -	\$ -	\$ 456,734
Accounts receivable	-	485,262	1,935,010
Due from general fund	-	-	3,284,138
	-	-	3,284,138
Total assets	<b>\$ -</b>	<b>\$ 485,262</b>	<b>\$ 5,675,882</b>
<b>LIABILITIES AND FUND EQUITY</b>			
Accounts payable	\$ -	\$ 3,909	\$ 666,314
Accrued salaries and benefits	-	-	192,926
Deferred revenue - Taxes	-	-	425,540
Deferred revenue	-	-	114,564
Due to general fund	-	481,353	1,739,100
Due to others	-	-	62,727
	-	-	62,727
Total liabilities	-	485,262	3,201,171
Fund equity (deficit)			
Unreserved, undesignated	-	-	2,474,711
Total liabilities and fund equity	<b>\$ -</b>	<b>\$ 485,262</b>	<b>\$ 5,675,882</b>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the year ended June 30, 2004**

	Roads & Bridges Maintenance	E911	New Brookland Lighting Tax District	Solid Waste	Victims Assistance	Accommodations Tax	Brookdale Lighting Tax District	Hollyhill Watershed
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	7,724	\$ 3,119,638	\$ -	\$ -	\$ 6,234	\$ -
Intergovernmental	-	-	-	-	-	194,721	-	12,412
Charges for services	2,362,921	503,047	-	1,377,274	-	-	-	-
Fines, fees and forfeitures	-	-	-	-	131,657	-	-	-
Interest on investments	-	-	-	-	-	44	-	175,920
Total revenue	<u>2,362,921</u>	<u>503,047</u>	<u>7,724</u>	<u>4,496,912</u>	<u>131,657</u>	<u>194,765</u>	<u>6,234</u>	<u>188,332</u>
<b>EXPENDITURES</b>								
Public works	2,527,047	-	10,362	-	-	-	10,019	212,237
Public safety	-	645,413	-	-	190,813	-	-	-
Social and health	-	-	-	-	-	-	-	-
Sanitation	-	-	-	4,017,748	-	-	-	-
Allocations to others	-	-	-	-	-	-	-	-
Tourism promotion	-	-	-	-	-	178,470	-	-
Total expenditures	<u>2,527,047</u>	<u>645,413</u>	<u>10,362</u>	<u>4,017,748</u>	<u>190,813</u>	<u>178,470</u>	<u>10,019</u>	<u>212,237</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(164,126)</u>	<u>(142,366)</u>	<u>(2,638)</u>	<u>479,164</u>	<u>(59,156)</u>	<u>16,295</u>	<u>(3,785)</u>	<u>(23,905)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating transfer in	158,552	153,339	-	-	-	-	-	-
Operating transfer out - Component units	-	-	-	-	-	-	-	-
Total financing sources (uses)	<u>158,552</u>	<u>153,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(5,574)</u>	<u>10,973</u>	<u>(2,638)</u>	<u>479,164</u>	<u>(59,156)</u>	<u>16,295</u>	<u>(3,785)</u>	<u>(23,905)</u>
<b>FUND BALANCE (DEFICIT), JULY 1</b>	<u>-</u>	<u>(236,653)</u>	<u>(1,794)</u>	<u>1,184,271</u>	<u>396,510</u>	<u>28,284</u>	<u>(390)</u>	<u>23,905</u>
<b>FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ (5,574)</u>	<u>\$ (225,680)</u>	<u>\$ (4,432)</u>	<u>\$ 1,663,435</u>	<u>\$ 337,354</u>	<u>\$ 44,579</u>	<u>\$ (4,175)</u>	<u>\$ -</u>

(Continued)

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the year ended June 30, 2004**

	Economic Development Projects	Lake Marion Water	Department of Natural Resources	Water Grants	Special Education	Grant Subfunds	Economic Development Project	Tobacco Site
<b>REVENUES</b>								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,995,189	\$ -	\$ -	\$ -
Intergovernmental	55,951	-	-	-	-	2,572,580	20,050	49,217
Charges for services	-	-	-	-	-	-	-	-
Fines, fees and forfeitures	-	-	-	-	-	-	-	-
Interest on investments	1,857	-	-	-	-	12,538	-	-
Total revenue	<u>57,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,995,189</u>	<u>2,585,118</u>	<u>20,050</u>	<u>49,217</u>
<b>EXPENDITURES</b>								
Public works	-	-	-	16,000	-	86,447	-	-
Public safety	-	-	-	-	-	1,286,086	-	-
Social and health	-	-	-	-	-	1,059,917	-	-
Sanitation	-	-	-	-	-	-	49,098	3,033
Allocations to others	-	-	-	-	2,381,092	-	-	-
Tourism promotion	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,000</u>	<u>2,381,092</u>	<u>2,432,450</u>	<u>49,098</u>	<u>3,033</u>
Excess (deficiency) of revenues over (under) expenditures	<u>57,808</u>	<u>-</u>	<u>-</u>	<u>(16,000)</u>	<u>(385,903)</u>	<u>152,668</u>	<u>(29,048)</u>	<u>46,184</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating transfer in	-	-	-	-	320,000	-	-	-
Operating transfer out - Component units	-	-	-	-	-	-	-	-
Total financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>320,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>57,808</u>	<u>-</u>	<u>-</u>	<u>(16,000)</u>	<u>(65,903)</u>	<u>152,668</u>	<u>(29,048)</u>	<u>46,184</u>
<b>FUND BALANCE (DEFICIT), JULY 1</b>	<u>171,030</u>	<u>48,292</u>	<u>5,500</u>	<u>16,000</u>	<u>(36,252)</u>	<u>239,094</u>	<u>29,048</u>	<u>50,783</u>
<b>FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ 228,838</u>	<u>\$ 48,292</u>	<u>\$ 5,500</u>	<u>\$ -</u>	<u>\$ (102,155)</u>	<u>\$ 391,762</u>	<u>\$ -</u>	<u>\$ 96,967</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the year ended June 30, 2004**

	<u>Springfield High School</u>	<u>FEMA Winter Storm</u>	<u>Total</u>
<b>REVENUES</b>			
Property taxes	\$ -	\$ -	\$ 5,128,785
Intergovernmental	182,560	735,262	3,822,753
Charges for services	-	-	4,243,242
Fines, fees and forfeitures	-	-	131,657
Interest on investments	-	-	190,359
Total revenue	<u>182,560</u>	<u>735,262</u>	<u>13,516,796</u>
<b>EXPENDITURES</b>			
Public works	182,560	-	3,044,672
Public safety	-	735,262	2,857,574
Social and health	-	-	1,059,917
Sanitation	-	-	4,069,879
Allocations to others	-	-	2,381,092
Tourism promotion	-	-	178,470
Total expenditures	<u>182,560</u>	<u>735,262</u>	<u>13,591,604</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(74,808)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfer in	-	-	631,891
Operating transfer out - Component units	-	-	-
Total financing sources (uses)	<u>-</u>	<u>-</u>	<u>631,891</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>-</u>	<u>-</u>	<u>557,083</u>
<b>FUND BALANCE (DEFICIT), JULY 1</b>	<u>-</u>	<u>-</u>	<u>1,917,628</u>
<b>FUND BALANCE (DEFICIT), JUNE 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,474,711</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**ROADS AND BRIDGES MAINTENANCE**  
**COMPARATIVE BALANCE SHEETS**

	JUNE 30,	
	2004	2003
<b>ASSETS</b>		
Due from general fund	\$ 165,387	\$ 1,241,127
Accounts receivable	876	-
	<b>\$ 166,263</b>	<b>\$ 1,241,127</b>
 <b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Accounts payable	\$ 113,628	\$ 108,858
Accrued salaries and benefits	58,209	46,918
Due to general fund	-	1,085,351
Total liabilities	171,837	1,241,127
 Fund deficit		
Unreserved/undesignated	(5,574)	-
Total liabilities and fund deficit	<b>\$ 166,263</b>	<b>\$ 1,241,127</b>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**ROADS AND BRIDGES MAINTENANCE**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the years ended June 30**

	<u>2004</u>			<u>2003</u>		
	<u>Budget Original &amp; Final</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
<b>REVENUES</b>						
Charges for services	\$ 2,348,270	\$ 2,362,921	\$ 14,651	\$ 2,486,120	\$ 2,090,425	\$ (395,695)
<b>EXPENDITURES</b>						
Public works	2,506,822	2,527,047	(20,225)	2,587,245	2,399,640	187,605
Excess (deficiency) of revenues over (under) expenditures	(158,552)	(164,126)	(5,574)	(101,125)	(309,215)	(208,090)
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfer in	158,552	158,552	-	478,925	1,351,252	872,327
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ -</u>	(5,574)	<u>\$ (5,574)</u>	<u>\$ 377,800</u>	1,042,037	<u>\$ 664,237</u>
<b>FUND DEFICIT, JULY 1</b>		-			(1,042,037)	
<b>FUND DEFICIT, JUNE 30</b>		<u>\$ (5,574)</u>			<u>\$ -</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**SOLID WASTE**  
**COMPARATIVE BALANCE SHEETS**

	JUNE 30,	
	2004	2003
<b>ASSETS</b>		
Property taxes receivable	\$ 297,020	\$ 267,510
Due from general fund	1,953,732	1,498,518
Accounts receivable	24,326	118,902
Total assets	<b>\$ 2,275,078</b>	<b>\$ 1,884,930</b>
<b>LIABILITIES AND FUND EQUITY</b>		
Liabilities		
Accounts payable	\$ 282,647	\$ 415,506
Accrued salaries and benefits	49,901	43,614
Deferred revenue - Taxes	279,095	241,539
Total liabilities	611,643	700,659
Fund equity		
Unreserved, undesignated	1,663,435	1,184,271
Total liabilities and fund equity	<b>\$ 2,275,078</b>	<b>\$ 1,884,930</b>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**SOLID WASTE**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the years ended June 30,**

	2004				2003			
	Original Budget	Final Budget	Actual	Variance favorable (unfavorable)	Original Budget	Budget	Actual	Variance favorable (unfavorable)
<b>REVENUES</b>								
Property taxes	\$ 2,747,570	\$ 2,747,570	\$ 3,119,638	\$ 372,068	\$ 2,717,968	\$ 2,717,968	\$ 3,110,785	\$ 392,817
Charges for services	1,101,000	1,101,000	1,377,244	276,244	1,001,000	1,001,000	1,585,333	584,333
Other	-	-	30	30	-	-	-	-
Total revenues	<u>3,848,570</u>	<u>3,848,570</u>	<u>4,496,912</u>	<u>648,342</u>	<u>3,718,968</u>	<u>3,718,968</u>	<u>4,696,118</u>	<u>977,150</u>
<b>EXPENDITURES</b>								
Sanitation	<u>4,155,853</u>	<u>4,155,853</u>	<u>4,017,748</u>	<u>138,105</u>	<u>4,624,880</u>	<u>4,571,569</u>	<u>4,033,517</u>	<u>538,052</u>
Excess of revenues over (under) expenditures	<u>\$ (307,283)</u>	<u>\$ (307,283)</u>	479,164	<u>\$ 786,447</u>	<u>\$ (905,912)</u>	<u>\$ (852,601)</u>	662,601	<u>\$ 1,515,202</u>
<b>FUND BALANCE, JULY 1</b>			<u>1,184,271</u>				<u>521,670</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 1,663,435</u>				<u>\$ 1,184,271</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**SPECIAL EDUCATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**For the year ended June 30, 2004**

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 2,565,958	\$ 2,221,131	\$ 1,995,189	\$ (225,942)
Total revenues	<u>2,565,958</u>	<u>2,221,131</u>	<u>1,995,189</u>	<u>(225,942)</u>
<b>EXPENDITURES</b>				
Allocation to others	<u>2,565,958</u>	<u>2,750,785</u>	<u>2,381,092</u>	<u>369,693</u>
	<u>2,565,958</u>	<u>2,750,785</u>	<u>2,381,092</u>	<u>369,693</u>
Excess (deficiency) of revenue over (under) expenditures	<u>-</u>	<u>(529,654)</u>	<u>(385,903)</u>	<u>143,751</u>
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	<u>-</u>	<u>160,000</u>	<u>320,000</u>	<u>160,000</u>
Total other financing sources	<u>-</u>	<u>160,000</u>	<u>320,000</u>	<u>160,000</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (369,654)</u>	<u>(65,903)</u>	<u>\$ 303,751</u>
<b>FUND BALANCE, JULY 1</b>			<u>(36,252)</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ (102,155)</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**ACCOMODATIONS TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
*For the year ended June 30, 2004*

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 140,000	\$ 140,000	\$ 194,721	\$ 54,721
Interest on investments	<u>-</u>	<u>-</u>	<u>44</u>	<u>44</u>
Total revenues	<u>140,000</u>	<u>140,000</u>	<u>194,765</u>	<u>54,765</u>
<b>EXPENDITURES</b>				
Culture and recreation	<u>140,000</u>	<u>140,000</u>	<u>178,470</u>	<u>(38,470)</u>
	<u>140,000</u>	<u>140,000</u>	<u>178,470</u>	<u>(38,470)</u>
Excess of revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	16,295	<u>\$ 16,295</u>
<b>FUND BALANCE, JULY 1</b>			<u>28,284</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 44,579</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**NEW BROOKLYN TAX DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
*For the year ended June 30, 2004*

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 6,756	\$ 6,756	\$ 7,724	\$ 968
Total revenues	<u>6,756</u>	<u>6,756</u>	<u>7,724</u>	<u>968</u>
<b>EXPENDITURES</b>				
Public works	<u>11,756</u>	<u>11,756</u>	<u>10,362</u>	<u>1,394</u>
	<u>11,756</u>	<u>11,756</u>	<u>10,362</u>	<u>1,394</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	(2,638)	<u>\$ 2,362</u>
<b>FUND BALANCE (DEFICIT), JULY 1</b>			<u>(1,794)</u>	
<b>FUND BALANCE (DEFICIT), JUNE 30</b>			<u>\$ (4,432)</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**BROOKDALE LIGHTING TAX DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
*For the year ended June 30, 2004*

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
<b>REVENUES</b>				
Property taxes	\$ 9,000	\$ 9,000	\$ 6,234	\$ (2,766)
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>6,234</u>	<u>(2,766)</u>
<b>EXPENDITURES</b>				
Public works	<u>9,000</u>	<u>9,000</u>	<u>10,019</u>	<u>(1,019)</u>
	<u>9,000</u>	<u>9,000</u>	<u>10,019</u>	<u>(1,019)</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	(3,785)	<u>\$ (3,785)</u>
<b>FUND BALANCE (DEFICIT), JULY 1</b>			<u>(390)</u>	
<b>FUND BALANCE (DEFICIT), JUNE 30</b>			<u>\$ (4,175)</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**VICTIMS ASSISTANCE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
*For the year ended June 30, 2004*

	<u>Budget Original</u>	<u>Budget Final</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
<b>REVENUES</b>				
Fines, fees, and forfeitures	\$ 185,198	\$ 185,198	\$ 131,657	\$ (53,541)
Total revenues	<u>185,198</u>	<u>185,198</u>	<u>131,657</u>	<u>(53,541)</u>
<b>EXPENDITURES</b>				
Public works	<u>252,948</u>	<u>252,948</u>	<u>190,813</u>	<u>62,135</u>
	<u>252,948</u>	<u>252,948</u>	<u>190,813</u>	<u>62,135</u>
Excess (deficiency) of revenue over (under) expenditures	<u>\$ (67,750)</u>	<u>\$ (67,750)</u>	(59,156)	<u>\$ 8,594</u>
<b>FUND BALANCE, JULY 1</b>			<u>396,510</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 337,354</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SPECIAL REVENUE FUND**  
**E911 SURCHARGE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
*For the year ended June 30, 2004*

	Budget Original	Budget Final	Actual	Variance favorable (unfavorable)
<b>REVENUES</b>				
Charges for services	\$ 580,000	\$ 580,000	\$ 503,047	\$ (76,953)
Total revenues	580,000	580,000	503,047	(76,953)
<b>EXPENDITURES</b>				
Public safety	733,339	733,339	645,413	87,926
	733,339	733,339	645,413	87,926
Excess (deficiency) of revenue over (under) expenditures	(153,339)	(153,339)	(142,366)	10,973
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	153,339	153,339	153,339	-
Total other financing sources	153,339	153,339	153,339	-
Excess of revenue and other financing sources over expenditures	\$ -	\$ -	10,973	\$ 10,973
<b>FUND BALANCE (DEFICIT), JULY 1</b>			(236,653)	
<b>FUND BALANCE (DEFICIT), JUNE 30</b>			\$ (225,680)	

## **DEBT SERVICE FUND**

The debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**DEBT SERVICE FUND**  
**COMPARATIVE BALANCE SHEETS**

	JUNE 30,	
	2004	2003
<b>ASSETS</b>		
Cash with fiscal agent	\$ 9,950,556	\$ 11,390,034
Property taxes receivable	127,992	133,744
Total assets	<b>\$ 10,078,548</b>	<b>\$ 11,523,778</b>
<b>LIABILITIES AND FUND EQUITY</b>		
Liabilities		
Deferred revenue - Taxes	\$ 164,395	\$ 120,444
Due to general fund	1,133,652	1,330,593
Total liabilities	1,298,047	1,451,037
Fund equity		
Unreserved	8,780,501	10,072,741
Total liabilities and fund equity	<b>\$ 10,078,548</b>	<b>\$ 11,523,778</b>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**DEBT SERVICE FUND**  
**COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**For the years ended June 30**

	2004			2003		
	Budget Original & Final	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
<b>REVENUES</b>						
Property taxes	\$ 1,530,000	\$ 1,650,557	\$ 120,557	\$ 1,806,475	\$ 1,617,997	\$ (188,478)
Intergovernmental	-	262,625	262,625	82,798	285,811	203,013
Interest on investments	-	311,812	311,812	50,000	142,337	92,337
Total revenues	<u>1,530,000</u>	<u>2,224,994</u>	<u>694,994</u>	<u>1,939,273</u>	<u>2,046,145</u>	<u>106,872</u>
<b>EXPENDITURES</b>						
Principal retirement	1,375,000	9,769,329	(8,394,329)	1,485,000	5,300,000	(3,815,000)
Interest and fees	<u>155,000</u>	<u>1,541,403</u>	<u>(1,386,403)</u>	<u>454,273</u>	<u>1,707,997</u>	<u>(1,253,724)</u>
Total expenditures	<u>1,530,000</u>	<u>11,310,732</u>	<u>(9,780,732)</u>	<u>1,939,273</u>	<u>7,007,997</u>	<u>(5,068,724)</u>
Excess (deficiency) of revenues over (under) expenditures	-	(9,085,738)	(9,085,738)	-	(4,961,852)	(4,961,852)
<b>OTHER FINANCING SOURCES</b>						
Operating transfers in - Other funds	-	7,793,498	7,793,498	-	15,436,733	15,436,733
Total other financing sources	-	<u>7,793,498</u>	<u>7,793,498</u>	-	<u>15,436,733</u>	<u>15,436,733</u>
Excess (deficiency) of revenues and and other financing sources over (under) expenditures	<u>\$ -</u>	<u>(1,292,240)</u>	<u>\$ (1,292,240)</u>	<u>\$ -</u>	<u>10,474,881</u>	<u>\$ 10,474,881</u>
<b>FUND BALANCE (DEFICIT), JULY 1</b>		<u>10,072,741</u>			<u>(402,140)</u>	
<b>FUND BALANCE (DEFICIT), JUNE 30</b>		<u>\$ 8,780,501</u>			<u>\$ 10,072,741</u>	

## **CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

### **Certificates of Participation**

This fund is being used to account for the expenditure of proceeds of Certificates of Participation issued primarily to finance construction of an addition to the Orangeburg-Calhoun Law Enforcement Center.

### **Capital Projects Sales Tax**

These sales tax revenues are restricted to improve, repair and construct infrastructure in the County.

### **Capital Improvements**

These property tax revenues are restricted to improve and repair County-owned facilities.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**CAPITAL PROJECTS FUNDS**  
**COMBINING BALANCE SHEETS**  
**JUNE 30, 2004**  
*(With comparative totals for June 30, 2003)*

	Certificates of Participation	Capital Projects Sales Tax	Capital Improvements	Totals	
				2004	2003
<b>ASSETS</b>					
Cash with fiscal agent	\$ 203,331	\$ 23,462,694	\$ 160,234	\$ 23,826,259	\$ 34,021,411
Property taxes receivable	-	-	76,025	76,025	95,547
Intergovernmental receivable	-	2,239,691	4,300	2,243,991	2,163,734
Land held for resale	-	-	134,229	134,229	134,229
Due from general fund	-	9,366,718	9,707,669	19,074,387	6,758,883
	<u>-</u>	<u>9,366,718</u>	<u>9,707,669</u>	<u>19,074,387</u>	<u>6,758,883</u>
Total assets	<u>\$ 203,331</u>	<u>\$ 35,069,103</u>	<u>\$ 10,082,457</u>	<u>\$ 45,354,891</u>	<u>\$ 43,173,804</u>
<b>LIABILITIES AND FUND EQUITY</b>					
Liabilities					
Accounts payable	\$ -	\$ 1,144,167	\$ 154,225	\$ 1,298,392	\$ 149,589
Accrued salaries	-	4,752	-	4,752	-
Deferred revenue - Taxes	-	-	71,244	71,244	86,649
Due to other funds	5,798	-	802,790	808,588	620,468
	<u>5,798</u>	<u>-</u>	<u>802,790</u>	<u>808,588</u>	<u>620,468</u>
Total liabilities	<u>5,798</u>	<u>1,148,919</u>	<u>1,028,259</u>	<u>2,182,976</u>	<u>856,706</u>
Fund equity					
Reserved for capital projects	197,533	33,920,184	9,054,198	43,171,915	42,317,098
	<u>197,533</u>	<u>33,920,184</u>	<u>9,054,198</u>	<u>43,171,915</u>	<u>42,317,098</u>
Total fund equity	<u>197,533</u>	<u>33,920,184</u>	<u>9,054,198</u>	<u>43,171,915</u>	<u>42,317,098</u>
Total liabilities and fund equity	<u>\$ 203,331</u>	<u>\$ 35,069,103</u>	<u>\$ 10,082,457</u>	<u>\$ 45,354,891</u>	<u>\$ 43,173,804</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**CAPITAL PROJECTS FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**For the year ended June 30, 2004**  
*(With comparative totals for the year ended June 30, 2003)*

	Certificates of Participation	Capital Projects Sales Tax	Capital Improvements	Totals	
				2004	2003
<b>REVENUE</b>					
Sales tax	\$ -	\$ 7,921,493	\$ -	\$ 7,921,493	\$ 7,900,490
Property taxes	-	-	786,042	786,042	1,111,209
Intergovernmental	-	-	335,839	335,839	2,801,540
Interest on investments	853	781,519	337	782,709	500,013
Other	-	-	50,475	50,475	-
<b>Total revenues</b>	<b>853</b>	<b>8,703,012</b>	<b>1,172,693</b>	<b>9,876,558</b>	<b>12,313,252</b>
<b>EXPENDITURES</b>					
General government	5,798	2,518,888	1,409,714	3,934,400	2,074,662
Public works	-	4,449,807	1,706,374	6,156,181	10,263,549
Culture and recreation	-	1,190,022	-	1,190,022	116,806
<b>Total expenditures</b>	<b>5,798</b>	<b>8,158,717</b>	<b>3,116,088</b>	<b>11,280,603</b>	<b>12,455,017</b>
Excess (deficiency) of revenues over (under) expenditures	(4,945)	544,295	(1,943,395)	(1,404,045)	(141,765)
<b>OTHER FINANCING SOURCES (USES)</b>					
Bond proceeds	-	-	11,185,000	11,185,000	36,018,647
Defeasance costs	-	-	(154,164)	(154,164)	-
Payments to escrow agent	-	-	(2,000,000)	(2,000,000)	-
Capital lease proceeds	-	-	1,341,524	1,341,524	850,670
Note proceeds	-	-	-	-	750,000
Operating transfers out	-	(7,793,498)	(320,000)	(8,113,498)	(15,436,733)
<b>Total other financing sources</b>	<b>-</b>	<b>(7,793,498)</b>	<b>10,052,360</b>	<b>2,258,862</b>	<b>22,182,584</b>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(4,945)	(7,249,203)	8,108,965	854,817	22,040,819
<b>FUND BALANCES, JULY 1</b>	<b>202,478</b>	<b>41,169,387</b>	<b>945,233</b>	<b>42,317,098</b>	<b>20,276,279</b>
<b>FUND BALANCES, JUNE 30</b>	<b>\$ 197,533</b>	<b>\$ 33,920,184</b>	<b>\$ 9,054,198</b>	<b>\$ 43,171,915</b>	<b>\$ 42,317,098</b>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**CAPITAL PROJECTS FUND**  
**CERTIFICATES OF PARTICIPATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**From inception and for the year ended June 30, 2004**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to date</u>
<b>REVENUE</b>				
Interest on investments	\$ -	\$ 190,697	\$ 853	\$ 191,550
Total revenue	<u>-</u>	<u>190,697</u>	<u>853</u>	<u>191,550</u>
<b>EXPENDITURES</b>				
General government	210,800	382,618	5,798	388,416
Judicial	4,503,936	4,514,929	-	4,514,929
Public safety	350,280	381,660	-	381,660
Social and health	135,000	178,862	-	178,862
Other	<u>1,044,984</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
Total expenditures	<u>6,245,000</u>	<u>5,462,069</u>	<u>5,798</u>	<u>5,467,867</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(6,245,000)</u>	<u>(5,271,372)</u>	<u>(4,945)</u>	<u>(5,276,317)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond proceeds	6,245,000	5,429,989	-	5,429,989
Operating transfers in	<u>-</u>	<u>43,861</u>	<u>-</u>	<u>43,861</u>
Total other financing sources (uses)	<u>6,245,000</u>	<u>5,473,850</u>	<u>-</u>	<u>5,473,850</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 202,478</u>	<u>(4,945)</u>	<u>\$ 197,533</u>
<b>FUND BALANCE, JULY 1</b>			<u>202,478</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 197,533</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**CAPITAL PROJECTS FUND**  
**CAPITAL PROJECTS SALES TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**From inception and for the year ended June 30, 2004**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to date</u>
<b>REVENUES</b>				
Sales tax	\$ 52,704,200	\$ 30,170,371	\$ 7,921,493	\$ 38,091,864
Interest on investments	-	1,396,573	781,519	2,178,092
Total revenues	<u>52,704,200</u>	<u>31,566,944</u>	<u>8,703,012</u>	<u>40,269,956</u>
<b>EXPENDITURES</b>				
General government	40,000	1,220,432	2,518,888	3,739,320
Public safety	3,867,489	-	-	-
Public works	39,391,790	8,904,444	4,449,807	13,354,251
Culture and recreation	<u>9,404,921</u>	<u>525,295</u>	<u>1,190,022</u>	<u>1,715,317</u>
Total expenditures	<u>52,704,200</u>	<u>10,650,171</u>	<u>8,158,717</u>	<u>18,808,888</u>
Excess of revenues over expenditures	-	20,916,773	544,295	21,461,068
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond proceeds	-	35,689,347	-	35,689,347
Operating transfers out	-	<u>(15,436,733)</u>	<u>(7,793,498)</u>	<u>(23,230,231)</u>
Total other financing sources (uses)	-	<u>20,252,614</u>	<u>(7,793,498)</u>	<u>12,459,116</u>
Excess of revenue and other financing sources (uses) over expenditures	<u>\$ -</u>	<u>\$ 41,169,387</u>	(7,249,203)	<u>\$ 33,920,184</u>
<b>FUND BALANCE, JULY 1</b>			<u>41,169,387</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 33,920,184</u>	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**CAPITAL PROJECTS FUND**  
**CAPITAL IMPROVEMENTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**For the year ended June 30, 2004**

	Budget Original	Budget Final	Actual	Variance favorable (unfavorable)
<b>REVENUES</b>				
Property taxes	\$ 708,832	\$ 708,832	\$ 786,042	\$ 77,210
Federal funds	-	-	335,839	335,839
Interest on investments	-	-	337	337
Other	-	-	50,475	50,475
Total revenues	<u>708,832</u>	<u>708,832</u>	<u>1,172,693</u>	<u>463,861</u>
<b>EXPENDITURES</b>				
General government	3,485,000	4,676,486	1,409,714	3,266,772
Public works	<u>5,875,000</u>	<u>5,875,000</u>	<u>1,706,374</u>	<u>4,168,626</u>
	9,360,000	10,551,486	3,116,088	7,435,398
Excess (deficiency) of revenue over (under) expenditures	<u>(8,651,168)</u>	<u>(9,842,654)</u>	<u>(1,943,395)</u>	<u>7,899,259</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital lease proceeds	-	-	1,341,524	1,341,524
Bond proceeds	10,651,168	10,651,168	11,185,000	533,832
Defeasance costs	-	-	(154,164)	(154,164)
Payments to escrow agent	(2,000,000)	(2,000,000)	(2,000,000)	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>(320,000)</u>	<u>(320,000)</u>
Total other financing sources (uses)	<u>8,651,168</u>	<u>8,651,168</u>	<u>10,052,360</u>	<u>1,401,192</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (1,191,486)</u>	8,108,965	<u>\$ 9,300,451</u>
<b>FUND BALANCE, JULY 1</b>			<u>945,233</u>	
<b>FUND BALANCE, JUNE 30</b>			<u>\$ 9,054,198</u>	

## **AGENCY FUNDS**

Agency funds are used to account for assets held by the County as an agent for other governmental units and courts. Property taxes and other revenue are collected, temporarily retained, and distributed by the County Treasurer in accordance with Acts of the General Assembly of South Carolina.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**For the year ended June 30, 2004**

	Balance June 30,2003	Additions	Deductions	Balance June 30,2004
<b>CONSOLIDATED SCHOOL DISTRICT 3</b>				
<b>Assets</b>				
Property taxes receivable	\$ 3,219,501	\$ 45,048,766	\$ 41,470,334	\$ 6,797,933
Cash	13,613,904	46,559,535	48,290,568	11,882,871
	<u>\$ 16,833,405</u>	<u>\$ 91,608,301</u>	<u>\$ 89,760,902</u>	<u>\$ 18,680,804</u>
<b>Liabilities</b>				
Due to taxing unit	<u>\$ 16,833,405</u>	<u>\$ 91,608,301</u>	<u>\$ 89,760,902</u>	<u>\$ 18,680,804</u>
<b>CONSOLIDATED SCHOOL DISTRICT 4</b>				
<b>Assets</b>				
Cash	<u>\$ 5,063,743</u>	<u>\$ 37,714,362</u>	<u>\$ 38,676,709</u>	<u>\$ 4,101,396</u>
<b>Liabilities</b>				
Due to taxing unit	<u>\$ 5,063,743</u>	<u>\$ 37,714,362</u>	<u>\$ 38,676,709</u>	<u>\$ 4,101,396</u>
<b>CONSOLIDATED SCHOOL DISTRICT 5</b>				
<b>Assets</b>				
Cash	<u>\$ 3,809,651</u>	<u>\$ 66,959,436</u>	<u>\$ 67,122,038</u>	<u>\$ 3,647,049</u>
<b>Liabilities</b>				
Due to taxing unit	<u>\$ 3,809,651</u>	<u>\$ 66,959,436</u>	<u>\$ 67,122,038</u>	<u>\$ 3,647,049</u>
<b>COUNTY BOARD OF EDUCATION</b>				
<b>Assets</b>				
Property taxes receivable	\$ 528,042	\$ 8,420,603	\$ 7,929,504	\$ 1,019,141
Cash	200,495	7,945,993	7,682,522	463,966
	<u>\$ 728,537</u>	<u>\$ 16,366,596</u>	<u>\$ 15,612,026</u>	<u>\$ 1,483,107</u>
<b>Liabilities</b>				
Due to taxing unit	<u>\$ 728,537</u>	<u>\$ 16,366,596</u>	<u>\$ 15,612,026</u>	<u>\$ 1,483,107</u>
<b>TOWNS</b>				
<b>Assets</b>				
Property taxes receivable	\$ 181,846	\$ 1,466,488	\$ 1,324,305	\$ 324,029
Cash	44,881	1,326,951	1,371,832	-
	<u>\$ 226,727</u>	<u>\$ 2,793,439</u>	<u>\$ 2,696,137</u>	<u>\$ 324,029</u>
<b>Liabilities</b>				
Accounts payable	-	2,637	-	2,637
Due to taxing unit	226,727	2,790,802	2,696,137	321,392
	<u>\$ 226,727</u>	<u>\$ 2,793,439</u>	<u>\$ 2,696,137</u>	<u>\$ 324,029</u>
<b>DELINQUENT TAX COLLECTOR</b>				
<b>Assets</b>				
Cash with fiscal agent	<u>\$ 1,025,221</u>	<u>\$ 943,491</u>	<u>\$ 512,201</u>	<u>\$ 1,456,511</u>
<b>Liabilities</b>				
Accounts payable	\$ 512,201	-	\$ 512,201	-
Due to others	513,020	943,491	-	1,456,511
	<u>\$ 1,025,221</u>	<u>\$ 943,491</u>	<u>\$ 512,201</u>	<u>\$ 1,456,511</u>

(Continued)

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**For the year ended June 30, 2004**

	Balance June 30,2003	Additions	Deductions	Balance June 30,2004
<b>SANTEE FIRE DISTRICT</b>				
<b>Assets</b>				
Property taxes receivable	\$ 15,231	\$ 207,886	\$ 192,897	\$ 30,220
Cash	<u>3,779</u>	<u>193,312</u>	<u>197,091</u>	<u>-</u>
	<u>\$ 19,010</u>	<u>\$ 401,198</u>	<u>\$ 389,988</u>	<u>\$ 30,220</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 415	\$ -	\$ 415
Due to agency	<u>19,010</u>	<u>400,783</u>	<u>389,988</u>	<u>29,805</u>
	<u>\$ 19,010</u>	<u>\$ 401,198</u>	<u>\$ 389,988</u>	<u>\$ 30,220</u>
<b>HOLLY HILL HEALTH AND DRAINAGE</b>				
<b>Assets</b>				
Property taxes receivable	\$ 650	\$ 12,166	\$ 10,935	\$ 1,881
Cash	<u>(2,705)</u>	<u>10,935</u>	<u>8,119</u>	<u>111</u>
	<u>\$ (2,055)</u>	<u>\$ 23,101</u>	<u>\$ 19,054</u>	<u>\$ 1,992</u>
<b>Liabilities</b>				
Due to taxing unit	<u>\$ (2,055)</u>	<u>\$ 23,101</u>	<u>\$ 19,054</u>	<u>\$ 1,992</u>
<b>HORSE RANGE WATER SHED</b>				
<b>Assets</b>				
Property taxes receivable	\$ 1,159	\$ 13,463	\$ 11,494	\$ 3,128
Cash	<u>21,595</u>	<u>11,494</u>	<u>8,084</u>	<u>25,005</u>
	<u>\$ 22,754</u>	<u>\$ 24,957</u>	<u>\$ 19,578</u>	<u>\$ 28,133</u>
<b>Liabilities</b>				
Due to taxing unit	<u>\$ 22,754</u>	<u>\$ 24,957</u>	<u>\$ 19,578</u>	<u>\$ 28,133</u>
<b>COW CASTLE DRAINAGE DISTRICT</b>				
<b>Assets</b>				
Cash	<u>\$ 33,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,120</u>
<b>Liabilities</b>				
Due to taxing unit	<u>\$ 33,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,120</u>
<b>SOLICITOR'S SEIZED PROPERTY</b>				
<b>Assets</b>				
Cash	<u>\$ 12,399</u>	<u>\$ 3,284</u>	<u>\$ -</u>	<u>\$ 15,683</u>
<b>Liabilities</b>				
Due to agency	<u>\$ 12,399</u>	<u>\$ 3,284</u>	<u>\$ -</u>	<u>\$ 15,683</u>
<b>SOLICITOR'S FORFEITED BOND FUND</b>				
<b>Assets</b>				
Cash	<u>\$ 19,311</u>	<u>\$ 349</u>	<u>\$ -</u>	<u>\$ 19,660</u>
<b>Liabilities</b>				
Due to agency	<u>\$ 19,311</u>	<u>\$ 349</u>	<u>\$ -</u>	<u>\$ 19,660</u>

(Continued)

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**For the year ended June 30, 2004**

	Balance June 30,2003	Additions	Deductions	Balance June 30,2004
<b>OTHER</b>				
<b>Assets</b>				
Cash	\$ 1,822,011	\$ 648,979	\$ 381,716	\$ 2,089,274
Accounts receivable	46,262	-	-	46,262
Total assets	<u>\$ 1,868,273</u>	<u>\$ 648,979</u>	<u>\$ 381,716</u>	<u>\$ 2,135,536</u>
<b>Liabilities</b>				
Due to other agencies	\$ 4,104	\$ 71,142	\$ -	\$ 75,246
Accounts payable	-	33,410	-	33,410
Due to general fund	-	46,262	-	46,262
Due to others	1,864,169	498,165	381,716	1,980,618
Total liabilities	<u>\$ 1,868,273</u>	<u>\$ 648,979</u>	<u>\$ 381,716</u>	<u>\$ 2,135,536</u>
<b>FIREMAN'S INSURANCE PREMIUM FUND</b>				
<b>Assets</b>				
Cash	\$ 3,000	\$ 159,569	\$ 162,569	\$ -
<b>Liabilities</b>				
Due to agency	\$ 3,000	\$ 159,569	\$ 162,569	\$ -
<b>TOTAL ASSETS, ALL AGENCY FUNDS</b>				
Cash	\$ 25,670,405	\$ 162,477,690	\$ 164,413,449	\$ 23,734,646
Property taxes receivable	3,946,429	55,169,372	50,939,469	8,176,332
Accounts receivable	46,262	-	-	46,262
Total assets	<u>\$ 29,663,096</u>	<u>\$ 217,647,062</u>	<u>\$ 215,352,918</u>	<u>\$ 31,957,240</u>
<b>TOTAL LIABILITIES, ALL AGENCY FUNDS</b>				
Due to other taxing units	\$ 26,715,882	\$ 215,487,555	\$ 213,906,444	\$ 28,296,993
Accounts payable	512,201	36,462	-	36,462
Due to general fund	-	46,262	-	46,262
Due to other agencies	57,824	635,127	552,557	140,394
Due to others	2,377,189	1,441,656	893,917	3,437,129
Total liabilities	<u>\$ 29,663,096</u>	<u>\$ 217,647,062</u>	<u>\$ 215,352,918</u>	<u>\$ 31,957,240</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**COMBINING BALANCE SHEET**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**JUNE 30, 2004**

	<u>Orangeburg County Fire Commission</u>	<u>Orangeburg County Public Library</u>	<u>Orangeburg- Calhoun Regional Detention Center</u>	<u>Total</u>
<b>ASSETS</b>				
Cash	\$ 500	\$ 100,137	\$ 122,833	\$ 223,470
Property taxes receivable	174,012	-	-	174,012
Prepaid items	3,400	-	20	3,420
Due from primary government	<u>383,318</u>	<u>-</u>	<u>930,706</u>	<u>1,314,024</u>
Total assets	<u>\$ 561,230</u>	<u>\$ 100,137</u>	<u>\$ 1,053,559</u>	<u>\$ 1,714,926</u>
<b>LIABILITIES AND EQUITY</b>				
Liabilities:				
Due to inmates	\$ -	\$ -	\$ 38,314	\$ 38,314
Accounts payable	12,635	1,975	137,417	152,027
Accrued salaries and benefits	6,815	-	132,001	138,816
Deferred revenue - Taxes	153,049	-	-	153,049
Due to primary government	<u>-</u>	<u>36,478</u>	<u>-</u>	<u>36,478</u>
Total liabilities	<u>172,499</u>	<u>38,453</u>	<u>307,732</u>	<u>518,684</u>
Fund Equity				
Fund balances				
Reserved for prepaid items	3,400	-	20	3,420
Unreserved, undesignated	<u>385,331</u>	<u>61,684</u>	<u>745,807</u>	<u>1,192,822</u>
Total fund equity	<u>388,731</u>	<u>61,684</u>	<u>745,827</u>	<u>1,196,242</u>
Total liabilities and fund equity	<u>\$ 561,230</u>	<u>\$ 100,137</u>	<u>\$ 1,053,559</u>	<u>\$ 1,714,926</u>

**COUNTY OF ORANGEBURG, SOUTH  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES**

**DISCRETELY PRESENTED COMPONENT UNITS**

*For the year ended June 30, 2004*

	<u>Orangeburg County Fire Commission</u>	<u>Orangeburg County Public Library</u>	<u>Orangeburg - Calhoun Regional Detention Center</u>	<u>Totals</u>
<b>REVENUES</b>				
Property taxes	\$ 2,128,041	\$ -	\$ -	\$ 2,128,041
Intergovernmental	-	972,703	3,914,629	4,887,332
Other	-	22,227	62,165	84,392
Total revenues	<u>2,128,041</u>	<u>994,930</u>	<u>3,976,794</u>	<u>7,099,765</u>
<b>EXPENDITURES</b>				
Current				
Public safety	<u>2,024,409</u>	<u>1,023,557</u>	<u>3,787,141</u>	<u>6,835,107</u>
Excess of revenues over (under) expenditures	<u>103,632</u>	<u>(28,627)</u>	<u>189,653</u>	<u>264,658</u>
<b>FUND BALANCES, JULY 1</b>	<u>285,099</u>	<u>90,311</u>	<u>556,174</u>	<u>931,584</u>
<b>FUND BALANCES, JUNE 30</b>	<u>\$ 388,731</u>	<u>\$ 61,684</u>	<u>\$ 745,827</u>	<u>\$ 1,196,242</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**SCHEDULE OF COURT FINES AND ASSESSMENTS ACTIVITY AND EXPENDITURES FOR VICTIMS' SERVICES**  
*For the year ended June 30, 2004*

<u>Source</u>	<u>Fines and Assessments Collected</u>	<u>Fines and Assessments Remitted to State Treasurer</u>	<u>Fines Retained by County</u>	<u>Assessments Retained by County</u>	<u>Surcharges Collected</u>	<u>Surcharges Retained by County</u>
General Sessions Court	\$ 97,022	\$ 43,343	\$ 32,534	\$ 21,145	\$ 42,203	\$ 42,203
Magistrates Court	<u>1,046,768</u>	<u>483,822</u>	<u>499,056</u>	<u>63,890</u>	<u>238,880</u>	<u>238,880</u>
Total	<u>\$ 1,143,790</u>	<u>\$ 527,165</u>	<u>\$ 531,590</u>	<u>\$ 85,035</u>	<u>\$ 281,083</u>	<u>\$ 281,083</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**GENERAL FUND REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

<u>Fiscal year</u>	<u>Total taxes</u>	<u>Intergovernmental</u>	<u>Licenses, permits, and fines and forfeits</u>	<u>Other sources</u>	<u>Total revenue</u>
1995	\$ 10,876,813	\$ 4,999,969	\$ 1,393,466	\$ 1,648,653	\$ 18,918,901
1996	11,559,248	5,821,435	1,515,901	1,790,440	20,687,024
1997	11,701,634	5,847,482	1,491,852	1,877,789	20,918,757
1998	11,942,753	4,995,303	1,258,895	2,177,000	20,373,951
1999	12,570,565	6,045,871	1,358,498	2,022,910	21,997,844
2000	13,874,767	9,974,142	1,935,614	4,040,012	29,824,535
2001	13,127,541	5,047,257	1,752,730	4,238,284	24,165,812
2002	14,281,489	4,839,933	1,422,133	3,504,005	24,047,560
2003	17,078,953	4,677,392	1,414,891	4,162,481	27,333,717
2004	18,006,954	4,821,196	1,165,033	3,866,633	27,859,816

Source: General fund revenue records maintained by the County Finance Office.

Table D-2

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**GENERAL FUND EXPENDITURES FOR SELECTED FUNCTIONS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Fiscal year	General government	Judicial	Public works (a)	Public safety	Social and health	Internal Services	Allocations to others (b)	Cultural (c)	Capital outlay	Debt service	Total
1995	\$ 4,365,731	\$ 1,497,242	\$ 944,880	\$ 3,864,807	\$ 1,360,942	\$ 159,717	\$ 154,067	\$ 558,004	\$ 467,916	\$ 674,592	\$ 14,047,898
1996	5,812,465	1,770,903	264,979	5,215,039	1,664,695	1,223,037	749,719	-	-	-	16,700,837
1997	5,645,726	19,211,291	286,698	6,357,235	1,728,439	1,296,367	685,694	-	-	-	35,211,450
1998	4,780,142	2,170,966	330,830	6,734,416	1,819,949	1,261,731	842,696	-	-	-	17,940,730
1999	5,005,121	2,349,964	307,360	8,715,529	1,960,606	1,542,319	845,780	-	-	-	20,726,679
2000	10,470,334	2,198,122	211,103	10,244,633	1,782,110	1,717,830	1,058,310	-	-	-	27,682,442
2001	6,293,951	2,796,561	107,768	7,883,962	1,259,436	1,125,333	594,306	-	-	-	20,061,317
2002	6,686,547	2,533,065	82,901	8,788,160	1,277,757	1,109,785	613,332	-	-	-	21,091,547
2003	7,188,477	2,914,643	100,705	8,288,148	1,317,907	1,257,931	636,692	-	-	-	21,704,503
2004	7,751,661	3,011,160	99,479	8,599,667	1,317,370	1,337,430	4,029,378	-	-	-	26,146,145

Source: General fund expenditure records maintained by County Finance Office

- (a) Roads and bridges previously under Public Works has been reclassified as Special Revenue Fund 1994
- (b) Includes Federal and State Grants
- (c) Support of Library becomes operating transfer out to component unit effective 1995

Table D-3

**COUNTY OF ORANGEBURG, SOUTH CAROLINA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Fiscal year</b>	<b>Total tax levy (A)</b>	<b>Net tax collections (B)</b>	<b>Percent of levy collected</b>	<b>Delinquency tax collections (C)</b>	<b>Total tax collected</b>	<b>Percent of total taxes collected</b>
1995	\$ 8,693,672	\$ 9,576,239	110.2	\$ 1,206,643	\$ 10,782,882	124.0
1996	9,176,385	13,501,331	147.1	1,206,643	14,707,974	160.3
1997	15,060,402	14,075,738	93.5	1,093,828	15,169,566	100.7
1998	16,507,731	15,818,958	95.8	1,232,118	17,051,076	103.3
1999	16,901,162	14,968,062	88.6	1,371,297	16,339,359	96.7
2000	16,943,925	15,227,186	89.9	1,865,370	17,092,556	100.9
2001	18,887,124	17,217,682	91.2	1,736,208	18,953,890	100.4
2002	18,531,151	17,640,012	95.2	1,587,405	19,227,417	103.8
2003	24,723,876	22,836,218	92.4	2,176,036	25,012,254	101.2
2004	26,315,791	23,693,032	90.0	2,458,914	26,151,946	99.4

Sources:

(A) Figures derived from County Auditor's records, Roger Cleckley.

(B)/(C) Figures derived from County Treasurer, J. Steve Summers, and include current tax collected, net of rebates.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**ASSESSED VALUE AND ESTIMATED TRUE VALUE OF REAL AND PERSONAL PROPERTY**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Fiscal year	Tax year	Real property		Personal	
		Assessed value (a)	Estimated true value (b)	Assessed value (a)	Estimated true value (b)
1995	1994	83,059,159	1,803,265,700	71,412,180	735,707,158
1996	1995	87,111,506	2,177,787,650	77,312,495	813,815,737
1997	1996	86,774,435	2,243,121,280	87,094,558	838,230,209
1998	1997	89,494,283	2,332,846,131	111,778,866	1,064,560,629
1999	1998	95,145,894	2,503,839,315	134,169,739	1,290,093,644
2000	1999	108,953,275	2,179,065,500	125,219,074	1,192,562,609
2001	2000	118,571,012	2,371,420,240	120,401,458	1,146,680,552
2002	2001	120,191,298	2,403,835,960	121,255,515	1,276,163,316
2003	2002	117,222,161	2,405,427,381	123,008,643	1,061,508,619
2004	2003	125,669,312	2,513,386,240	121,669,312	1,158,755,352

## Sources:

- (a) Tax abstracts maintained by the county Auditor, Roger Cleckley.
- (b) Provided by the County Auditor, Roger Cleckley.

Table D-5

**COUNTY OF ORANGEBURG, SOUTH CAROLINA  
TAX MILLAGE RATES (A) PER 1000 OF ASSESSED VALUE  
LAST TEN FISCAL YEARS  
UNAUDITED**

Fiscal Year	Tax Year	Schools								County Debt General	County Special Education	Solid Waste
		District One	District Two	District Three	District Four	District Five	District Six	District Seven	District Eight			
1995	1994	183	203	159	170	192	156	158	216	72	4	12
1996	1995	12	203	179	172	192	150	167	215	76	4	13
1997	1996	239	199	184	168	193	162	172	215	71	4	16
1998	1997	(b)	(b)	177	138	186	(b)	(b)	(b)	71	4	16
1999	1998	(b)	(b)	169	136	181	(b)	(b)	(b)	76	4	15
2000	1999	(b)	(b)	167	153	179	(b)	(b)	(b)	66	5	15
2001	2000	(b)	(b)	170	163	183	(b)	(b)	(b)	69	8	14
2002	2001	(b)	(b)	173	166	183	(b)	(b)	(b)	80	8	14
2003	2002	(b)	(b)	179	175	192	(b)	(b)	(b)	78	8	14
2004	2003	(b)	(b)	175	175	191	(b)	(b)	(b)	74	8	13

(Continued)

(a) Derived from files maintained by county Treasurer, J. Steve Summers

(b) During the year ended June 30, 1998, the school districts were consolidated.

Table D-5

**COUNTY OF ORANGEBURG, SOUTH CAROLINA  
 TAX MILLAGE RATES (A) PER 1000 OF ASSESSED VALUE  
 LAST TEN FISCAL YEARS  
 UNAUDITED**

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>Capital Improvement Fund</b>	<b>City of Orangeburg</b>	<b>Town of Branchville</b>	<b>Town of Bowman</b>	<b>Town of Cope</b>	<b>Town of Cordova</b>	<b>Town of Ellore</b>	<b>Town of Eutawville</b>	<b>Town of Holly Hill</b>
1995	1994	6	71	66	60	25	20	40	60	70
1996	1995	4	71	66	60	25	15	40	60	70
1997	1996	4	71	66	60	25	15	40	60	70
1998	1997	2	75	66	60	25	15	40	60	70
1999	1998	2	75	66	60	25	11	40	60	70
2000	1999	2	72	66	60	25	11	40	60	70
2001	2000	2	72	66	60	25	11	40	60	70
2002	2001	5	72	66	60	25	11	40	60	70
2003	2002	5	72	66	60	25	11	40	60	70
2004	2003	3	73	66	60	25	11	40	60	66

(Continued)

Table D-5

**COUNTY OF ORANGEBURG, SOUTH CAROLINA  
 TAX MILLAGE RATES (A) PER 1000 OF ASSESSED VALUE  
 LAST TEN FISCAL YEARS  
 UNAUDITED**

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Town of Livingston</u>	<u>Town of Neeses</u>	<u>Town of Norway</u>	<u>Town of North</u>	<u>Town of Rowesville</u>	<u>Town of Santee</u>	<u>Town of Springfield</u>	<u>Town of Vance</u>	<u>Town of Woodford</u>	<u>Fire District</u>
1995	1994	21	28	42	51	15	40	36	40	15	17
1996	1995	28	28	42	51	15	40	36	40	15	17
1997	1996	28	28	42	51	50	40	48	40	15	17
1998	1997	28	28	42	51	20	40	48	40	15	17
1999	1998	20	28	42	51	20	40	48	40	15	17
2000	1999	20	28	42	51	20	46	48	40	15	17
2001	2000	20	28	42	51	20	46	48	50	15	17
2002	2001	20	28	42	84	20	46	58	50	7	17
2003	2002	20	28	42	84	30	48	58	50	7	17
2004	2003	20	28	42	64	30	48	58	50	7	17

(Continued)

Table D-5

**COUNTY OF ORANGEBURG, SOUTH CAROLINA  
TAX MILLAGE RATES (A) PER 1000 OF ASSESSED VALUE  
LAST TEN FISCAL YEARS  
UNAUDITED**

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>Drainage</b>	<b>Water Shed</b>	<b>Board of Education</b>
1995	1994	3	23	(b)
1996	1995	3	23	(b)
1997	1996	3	23	(b)
1998	1997	3	23	31
1999	1998	3	10	30.5
2000	1999	3	10	30.5
2001	2000	3	10	30.5
2002	2001	3	10	30.5
2003	2002	3	10	30.5
2004	2003	3	10	30.2

(b) No millage in place

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**PERCENTAGE OF NET GENERAL BONDED DEBT TO ASSESSED VALUE**  
**AND NET BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

<b>Fiscal year</b>	<b>Population (a)</b>	<b>Assessed value (b)</b>	<b>Bonded debt (c)</b>	<b>Percentage of net general bonded debt to assessed valuation</b>	<b>Debt per capita</b>
1995	88,044	154,471,375	4,250,000	2.8	48.79
1996	87,195	164,424,001	4,150,000	3.0	47.61
1997	87,324	173,868,993	3,500,000	2.0	40.08
1998	87,474	201,273,149	2,850,000	1.4	32.58
1999	87,625	229,315,633	8,650,000	3.8	98.72
2000	87,865	236,937,990	7,595,000	3.2	86.44
2001	91,582	238,972,470	6,510,000	2.7	71.08
2002	91,582	241,446,813	5,615,000	2.3	61.31
2003	91,582	240,230,804	4,715,000	2.0	51.48
2004	91,582	247,338,624	12,445,000	5.0	135.89

## Sources:

- (a) South Carolina Budget and Control Board, Research and Statistical Services Division
- (b) Tax abstracts maintained by the County Auditor, Roger Cleckley
- (c) County Treasurer, J. Steve Summers

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**JUNE 30, 2004**  
**UNAUDITED**

Net real and other personal property assessed value	\$ 194,915,015
Vehicle assessed value	<u>33,320,575</u>
Total taxable assessed value, net of exemptions	<u><b>\$ 228,235,590</b></u>
Debt limit - 8% of total taxable assessed value	\$ 18,258,847
Bonded debt	\$12,445,000
Less: Debt excluded from limit by referendum	<u>2,175,000</u>
Amount of debt applicable to debt limit	<u>10,270,000</u>
Legal debt margin	<u><b>\$ 7,988,847</b></u>

The County's borrowing power is restricted by Amended Article X, Section 14, of the State's Constitution which became effective December 1, 1997. This section provides that a local government unit cannot at any time have total debt outstanding in an amount that exceeds eight percent (8%) of its assessed property value. Excluded from the limitation are: bonded indebtedness approved by the voters and issued within five years of the date of such referendum; special bonded indebtedness levies assessed on properties located in an area receiving special benefits from the taxes collected; and bonded indebtedness existing on December 1, 1997.

Source: County Treasurer, J. Steve Summers

**COUNTY OF ORANGEBURG, SOUTH CAROLINA  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2004  
UNAUDITED**

	<u>Net General Debt Outstanding</u>
Orangeburg County	\$ 12,445,000
School District 3	36,000,000
School District 4	50,585,000
School District 5	<u>44,825,000</u>
Total direct and overlapping debt	<u><b>\$ 143,855,000</b></u>

Source: County Treasurer, J. Steve Summers

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**PERCENTAGE OF ANNUAL DEBT SERVICE EXPENDITURES**  
**FOR GENERAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

<b>Fiscal year</b>	<b>Total general fund expenditures (a)</b>	<b>County debt service general bonded debt expenditures (b)</b>	<b>County debt service expenditures as percentage of general fund expenditures</b>
1995	\$ 14,234,094	\$ 891,800	6.3
1996	16,700,837	879,975	5.3
1997	17,921,288	1,698,179	9.5
1998	17,940,730	1,655,028	9.2
1999	20,728,627	2,180,726	10.5
2000	27,682,442	1,985,977	7.2
2001	20,061,317	2,211,797	11.0
2002	21,091,547	1,965,712	9.3
2003	21,704,503	7,007,997	32.3
2004	26,146,145	11,310,732	43.3

## Sources:

- (a) General fund expenditure records maintained by County Finance Department
- (b) County debt service expenditure record maintained by County Finance Department

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**PRINCIPAL TAXPAYERS**  
**JUNE 30, 2004**  
**UNAUDITED**

<u>Taxpayers</u>	<u>Type of business</u>	<u>County taxes paid</u>	<u>Assessed valuation</u>
SCE&G	Utilities	\$ 3,263,069	\$ 31,076,844
Electrolux	Lawn and outdoor products	553,938	5,275,600
Bell South Telecommunications	Utilities	323,176	3,077,870
Holcim	Cement producer	243,280	2,316,950
American Koyo	Bearing manufacturer	219,547	2,090,928
Tri County Electric Co-Op	Utilities	113,283	1,078,882
Albemarle	Chemicals	94,797	902,828
CSX	Railroad	89,208	849,604
Food Lion	Food distributor	88,179	839,803
Verizon	Utilities	81,603	777,170
Total principal taxpayers		<u>\$ 5,070,080</u>	<u>\$ 48,286,479</u>

Source: County Treasurer, J. Steve Summers

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**ASSESSED PROPERTY VALUE**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

Fiscal year	Number of parcels	Assessed Value			Total
		Commercial	Residential	Agriculture	
1995	61,243	\$ 34,756,096	\$ 38,481,367	N/A	\$73,237,463
1996	62,653	33,508,041	40,096,830	N/A	73,604,871
1997	71,949	33,507,035	39,010,070	N/A	72,517,105
1998	63,680	33,641,793	41,806,620	N/A	75,448,413
1999	51,968	49,709,886	47,635,120	N/A	97,345,006
2000	63,601	28,060,701	73,535,097	N/A	101,595,798
2001	64,857	29,757,408	76,475,872	N/A	106,233,280
2002	65,962	30,168,594	77,146,756	N/A	107,315,350
2003	65,646	66,320,658	58,803,224	5,035,846	130,159,728
2004	67,292	61,784,568	60,851,464	5,550,036	128,186,068

Source: Deputy Administrator Property Services, Marion Lloyd  
County Tax Assessor, Jim McLean

Notes: 2003 New reporting data consistent with reassessment year.  
Residential @ 4% assessment  
Commercial & Other Properties @ 6% assessment  
Agriculture @ 4 & 6% assessment

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**MISCELLANEOUS STATISTICAL DATA**  
**JUNE 30, 2004**  
**UNAUDITED**

Founded	1785	
Form of Government		
Implementation	Council Administrator	
Method of election	January, 1976	
	Single-Member Districts	
<b>Area</b>		
Land	1,106 square miles	
Lake Marion	111,600 acres	
County roads and highways	2,347.36 miles	
State roads and highways	1,248.96 miles	
Interstate highways	44.00 miles	
Total county maintained	1,054.40 miles	
Total unpaved roads	1,041.60 miles	
<b>Fire Protection</b>		
Number of stations		30
Number of firemen and officers:		
Salaried		3
Volunteer		445
<b>Emergency Medical Services</b>		
Number of stations		5
Number of employees		
Administration		5
Operations		33
<b>Law Complex</b>		
Number of stations		1
Number of employees		
County administration		32
Operations/support		100
Jail operations		62
<b>Colleges</b>		
Enrollment		
Clafin College		1,315
Orangeburg-Calhoun Technical College		2,563
South Carolina State University		4,800
Southern Methodist College		53
		8,731

(Continued)

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**MISCELLANEOUS STATISTICAL DATA**  
**JUNE 30, 2004**  
**UNAUDITED**

<b>Public Schools (all fully accredited)</b>	
Elementary	14
Middle schools	5
High schools	8
Students	16,000
Superintendents	3
Teachers	1,200 (Est.)
<b>Private Schools</b>	
Orangeburg Preparatory School (Co-educational - grades K-12)	835 Students (Est.)
<b>Vocational Education</b>	
Calhoun-Orangeburg Vocational Education Center	600 Students
Cope Area Vocational Center	295 Students
<b>Hospital</b>	
The Regional Medical Center of Orangeburg and Calhoun Counties	286 Beds
<b>Commercial Airlines</b>	
(through Columbia Metropolitan and Charleston International Airports)	
6 Major Airlines	
<b>General Aviation</b>	
Orangeburg Municipal Airport	
Altitude 195 feet above mean sea level	
2 lighted paved runways	
(1) 4,500 feet	
(2) 5,400 feet	
NDB approach and terminal VOR	
Has fixed-based operator	
<b>Rail</b>	
Norfolk Southern and CSX Transportation, with main lines serving the County at different points	
<b>Bus and Parcel Service</b>	
Greyhound and Southeastern Stages supply service at different points.	
United Parcel Service with operating facility and most other small package carriers	
<b>Motor Freight</b>	
Consolidated Freightways, Roadway Express and Yellow Freight have terminal locations in Orangeburg, with 39 other carriers also serving the County.	

(Continued)

**COUNTY OF ORANGEBURG, SOUTH CAROLINA**  
**MISCELLANEOUS STATISTICAL DATA**  
**JUNE 30, 2004**  
**UNAUDITED**

	<u>1970</u>	<u>1980</u>	<u>1998</u>	<u>2003</u>
Population (D)	39,780	82,276	87,477	91,582
<b>General Statistics</b>				
Median age (D)	23	27	31	33
Housing units (D)	20,857	29,114	32,340	30,799
Civilian labor force (A)	26,740	34,390	40,231	42,250
Per capita income (B)	\$ 1,812	\$ 6,055	\$ 14,932	18,777
Median household income (B)	\$ 7,742	\$ 11,520	\$ 24,796	35,700
Number of farms	2,300	1,790	965	965
Size of farms (average acreage) (C)	182	214	282	282
Farm income	\$ 27,712,000	\$ 65,061,000	\$ 77,046,000	\$ 100,194,193
<b>Manufacturing</b>				
Manufacturing establishments (D)	78	108	90	96
Number of employees (A)	6,080	8,553	9,370	9,516
Manufacturing payrolls (B)	\$ 34,178,392	\$ 106,713,563	\$ 222,899,000	\$ 263,362,355

## Sources:

- (A) State Employment Security Commission
- (B) Sales Management Survey of Buying Power
- (C) South Carolina Crop Rotating Service
- (D) U.S. Census Report



**Elliott Davis, LLC**  
**Advisors-CPAs-Consultants**

The Professional Building  
340 Main Street, P.O. Box 429  
Greenwood, SC 29648-0429

# ElliottDavis

Phone 864.229.4951  
Fax 864.229.7822

REPORT ON COMPLIANCE AND INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

Orangeburg County Council  
Orangeburg County  
Orangeburg, South Carolina

We have audited the financial statements of Orangeburg County, South Carolina (the County) as of and for the year ended June 30, 2004, and have issued our report thereon dated October 30, 2004. 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.

COMPLIANCE

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the County's 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*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the County Council of Orangeburg County, management and is not intended to be and should not be used by anyone other than these specified parties.

November 5, 2004

*Elliott Davis, LLC*



**Elliott Davis, LLC**  
**Advisors-CPAs-Consultants**

The Professional Building  
340 Main Street, P.O. Box 429  
Greenwood, SC 29648-0429

**ElliottDavis**

Phone 864.229.4951  
Fax 864.229.7822

REPORT ON COMPLIANCE AND INTERNAL CONTROL  
OVER COMPLIANCE FOR MAJOR PROGRAMS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Orangeburg County Council  
Orangeburg County  
Orangeburg, South Carolina

COMPLIANCE

We have audited the compliance of Orangeburg County (the County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

In our opinion, Orangeburg County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

INTERNAL CONTROL OVER COMPLIANCE

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be a material weakness. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the County Council of Orangeburg County, management and federal and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

November 5, 2004

ELBERT DAUGS, LLC

ORANGEBURG COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the year ended June 30, 2004

**A. SUMMARY OF AUDITORS' RESULTS**

1. An unqualified opinion has been issued on the financial statements of Orangeburg County for the year ended June 30, 2004.
2. No reportable conditions relating to the audit of the financial statements were reported.
3. The audit disclosed no instances of noncompliance which are material to the financial statements.
4. No reportable conditions in internal controls over major programs were identified.
5. The report on compliance for major programs expressed an unqualified opinion.
6. No audit findings relative to the major federal award programs are reported in Part C of this schedule.
7. For the year ended June 30, 2004, the following program was considered to be major programs:

Horizon Grant	CFDA	93.243
Justice Grant	CFDA	16.592
Winter Storm Mitigation	CFDA	83.548

8. For purposes of determining major programs, a \$300,000 threshold of expenditures was used.
9. The County did qualify for reduced audit coverage, with respect to federal award programs, under the provisions of Section 530 of OMB Circular A-133.

**B. FINDINGS - FINANCIAL STATEMENT AUDIT  
NONE**

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT  
NONE**

ORANGEBURG COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the year ended June 30, 2004

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

**NONE**

**FINDINGS AND QUESTIONED COSTS RELATED TO THE AUDIT OF FEDERAL AWARDS**

**NONE**

ORANGEBURG COUNTY  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 For the fiscal year ended June 30, 2004

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Total Expenditures
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Passed through S.C. Department of Commerce and S.C. Jobs-Economic Development Authority			
Community Development Block Grant	14.228	7-A-01-004	\$ 52,045
Community Development Block Grant	14.228	3-L-96-029	49,995
Community Development Block Grant	14.228	4-N-02-005	49,098
Community Development Block Grant	14.228	4-N-02-003	88,581
Community Development Block Grant	14.228	4-L-30-020	250
Community Development Block Grant	14.228	4-P-02-005	50,000
Office of Economic Opportunity Emergency Shelter Grant	14.231	10323-01-13	<u>114</u>
			<u>290,083</u>
<b>DEPARTMENT OF JUSTICE</b>			
Local Law Enforcement Block Grants	16.592	LB-BX-2180	352,074
Crime Stoppers	16.575	1F01063	28,952
Bulletproof Vest Partnership program	16.607		6,246
Violent Offender Incarceration and Truth in Sentencing Incentive Grants	16.586	V0104	6,478
COPS Methamphetamine	16.710	2003CKWX0076	<u>157,113</u>
			<u>550,863</u>
<b>DEPARTMENT OF AGRICULTURE</b>	10.760	SC980205	<u>518,378</u>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through S.C. Department of Social Services			
Child Support Enforcement	93.563	C-20038C-3	98,723
OADC Child and Adult Food Care Program	10.558	CC65104	14,938
Horizon Grant	93.243	5H79T14383-02	<u>488,554</u>
			<u>602,215</u>
<b>FEDERAL EMERGENCY MANAGEMENT AGENCY</b>			
Disaster Resistant Community Grant	83.551	N/A	
Project Impact	83.551	EMA-2000-612-0079	108,026
Winter Storm Hazard Mitigation	83.548	1313-0005	57,366
Winter Storm Mitigation	83.548	1313-0005	735,262
Community Emergency Response Training	83.544	EMA-2002-612-5084	21,828
Citizens Corps	83.544	EMA-2002-GR-5084	1,781
Emergency Ops Planning	83.562	EMA-2002-GR-5076	33,343
Emergency Management Performance Grants	83.552	EMA-2003-GR-5307	<u>94,531</u>
			<u>1,052,137</u>
<b>DEPARTMENT OF HOMELAND SECURITY</b>			
Emergency Management Performance Grants	97.042	EMA-2004-GR-5006	2,782
State Domestic Preparedness Equipment Support Program	97.004	3HSS056	<u>104,645</u>
			<u>107,427</u>
			<u>\$ 3,121,103</u>