

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
COUNTY OF ORANGEBURG, SOUTH CAROLINA
FOR THE FISCAL YEAR ENDED
JUNE 30, 2009**

Prepared by the Finance Office

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**COUNTY OF ORANGEBURG, SOUTH CAROLINA
Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2009**

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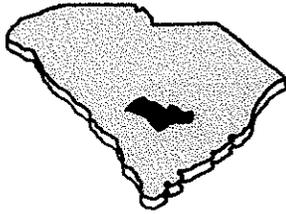
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INTRODUCTORY SECTION

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COUNTY OF ORANGEBURG

P. O. DRAWER 9000, ORANGEBURG, S.C. 29116-9000
TELEPHONE 803/533-1000
WWW.ORANGEBURGCOUNTY.ORG



COUNTY ADMINISTRATOR
BILL CLARK

COUNCIL MEMBERS
JOHNNIE WRIGHT, SR., CHM.
JANIE COOPER, VICE CHAIR
CLYDE B. LIVINGSTON
HEYWARD H. LIVINGSTON
WILLIE B. OWENS
JOHNNY RAVENELL
HARRY WIMBERLY

February 26, 2010

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, 2009. 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 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/Community Development
- 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
- Economic Development

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, dairy products, peaches, wheat and soybeans. The population of Orangeburg County is currently 91,509. 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 investments in infrastructure and strategic location near the Port of Charleston are bringing about significant levels of economic development and 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 by district with a residency requirement. Council members serve four-year staggered terms of office. 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, heating 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 Husqvarna (2,300 employees), Koyo Corporation of America (600 employees), Sara Lee Bakery Group (550 employees), Food Lion Distribution Center #3 (518 employees), Zeus Industrial Products, Inc. (450 employees), and Allied Air Enterprises, Inc. (450 employees).

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

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 400 employees. Other 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). In 2007, Allied Air Enterprises completed a \$21,000,000 expansion that created an additional 250 jobs in Orangeburg County.

MAJOR INITIATIVES

Orangeburg County/City 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 US Highway 301 located adjacent to the park. This greatly augments the industrial park, 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. As a result of the initial successes within the Park, a Phase II expansion was completed in 2009 that added approximately 220 acres for industrial development.

Lake Marion Regional Water Authority – This joint municipal water system is a regional concept with five counties in the I-95 Corridor within the State of South Carolina where 50,000+ citizens will be served with potable water as well as replacing individual well systems throughout this region. To date, the regional water authority has been awarded \$50 million in federal grants to assist in the development and construction of the water treatment plant and transmission lines. The water plant became operational on April 28, 2008.

Matthews Industrial Park – The Matthews Industrial Park is being developed on approximately 500 acres located at the intersection of US Highway 301 and 176. In addition, an adjacent property consisting of approximately 250 acres will be the site for a regional wastewater treatment facility that will serve the growing demand for wastewater service in this rapidly developing area. The park is expected to be completed in 2010.

Other Developments – In 2007, Jafza International, a subsidiary of Dubai World, acquired approximately 1,300 acres in Orangeburg County near the Town of Santee and the intersection of Interstate Highway 95 and US 301. Jafza International announced plans to develop a \$600 million regional logistics and distribution center that will serve the Southeastern United States. Construction on the facility is scheduled to begin in 2010.

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. Collection of this one-cent sales tax began 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 objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Orangeburg County Council. Activities of the general fund, eight of the twenty 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 McGregor & Company, LLP provided audit services for the County of Orangeburg for the fiscal year ended June 30, 2009. 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 1996 and the related U.S. Office of Management and Budget’s Circular A-133. Generally accepted auditing standards and the standards set forth in General Accounting Office’s *Governmental Auditing Standards* were used by the auditors in conducting the engagement. The auditor’s reports on the basic 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.

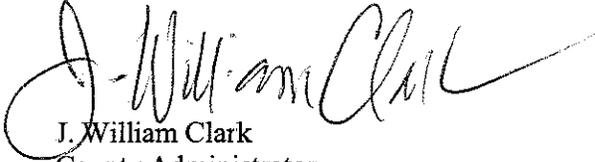
Awards – The Government Financial Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Orangeburg for its Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2008. This was the twenty-first 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 two prestigious civic awards for the fiscal year ended June 30, 2008. The County was honored by the National Association of Counties with a 2008 Achievement Award and was recognized by the S.C. Association of Counties with a J. Mitchell Graham award for excellence in governmental service. The County also received the prestigious All-American City designation from the The National Civic League in 2005. Only ten communities nationwide received this award.

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, McGregor & Company, LLP. We would like to express our appreciation to all staff members of those 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

COUNTY OF ORANGEBURG, SOUTH CAROLINA

PRINCIPAL OFFICIALS
For the year ended June 30, 2009

MEMBERS OF COUNTY COUNCIL

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

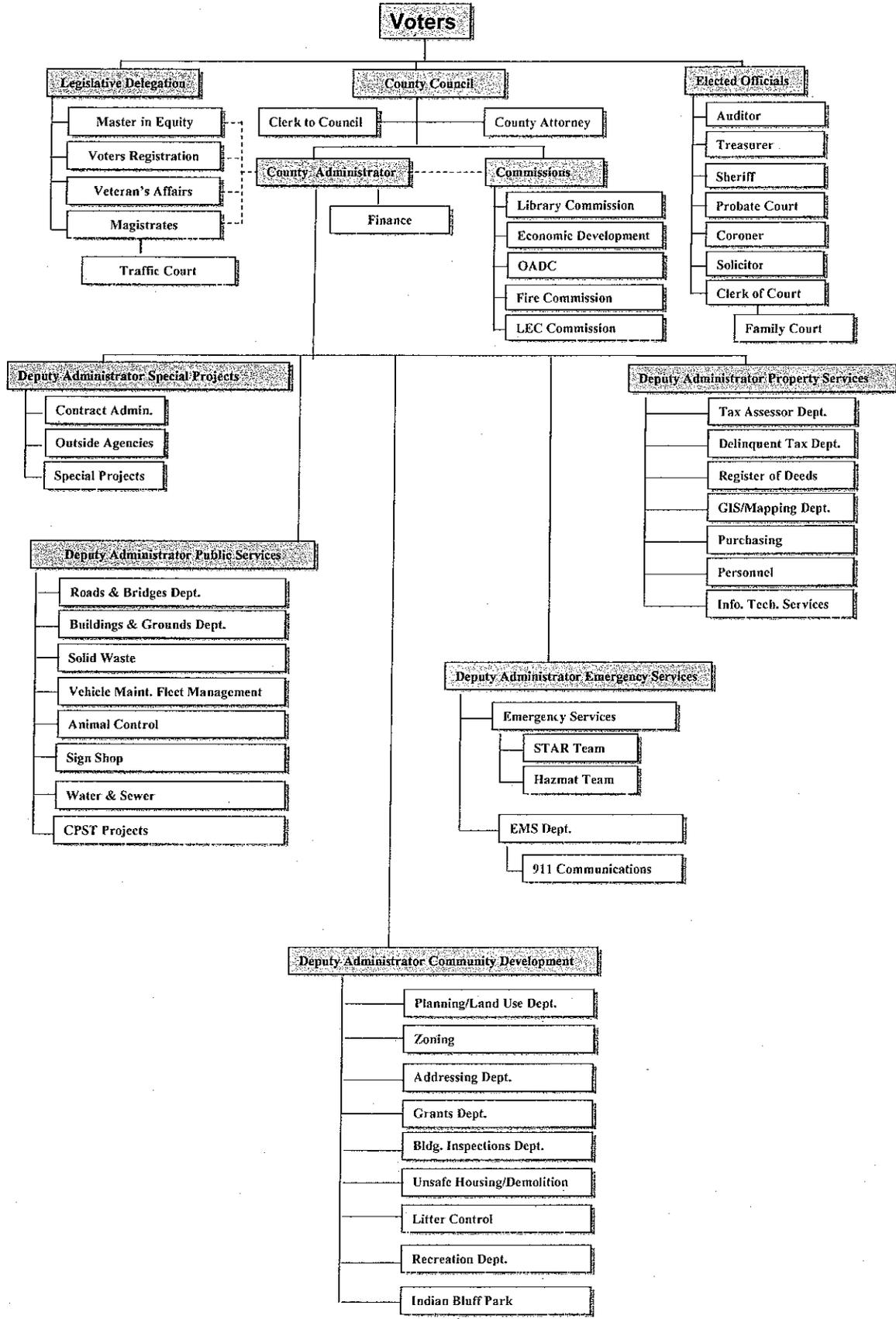
ELECTED OFFICIALS

Roger Cleckley, Auditor
Samuetta B. Marshall, Coroner
Winnifa Clark, Clerk of Court
Pandora Jones-Glover, Probate Judge
Larry Williams, Sheriff
David Pascoe, Solicitor
J. Steve Summers, Treasurer

APPOINTED OFFICIALS

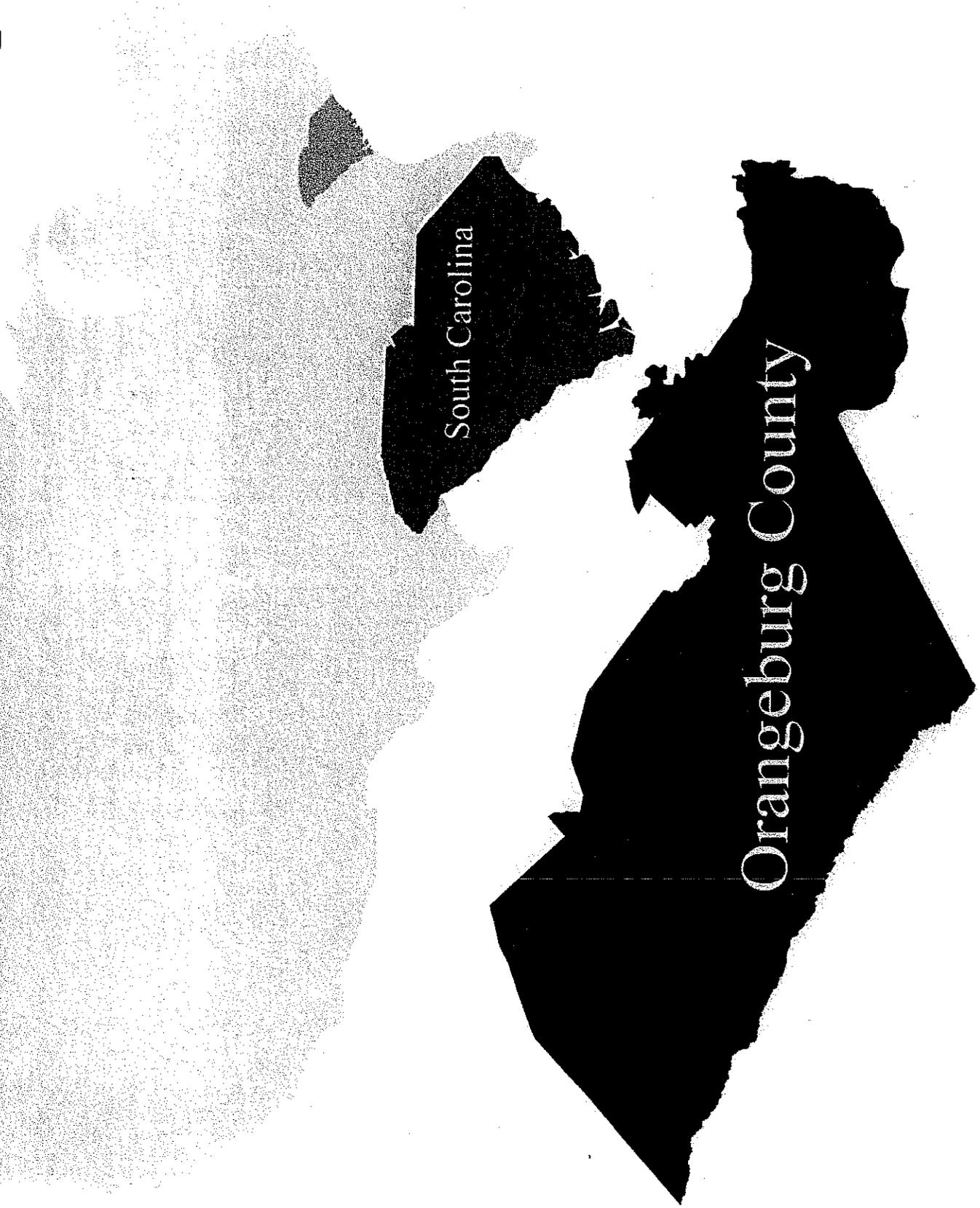
J. William Clark, County Administrator
Marion Lloyd, Senior Deputy County Administrator
Timothy E. Maybank, Deputy County Administrator
John Smith, Deputy County Administrator
Earl Whalen, Deputy County Administrator
Harold Young, Deputy County Administrator
D'Anne Haydel, County Attorney
Gloria Breland, Finance Director

County of Orangeburg Organization Chart



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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, 2008

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.



President

Executive Director

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FINANCIAL SECTION

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McGregor & COMPANY^{LLP}

CERTIFIED PUBLIC ACCOUNTANTS | SINCE 1930

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS • SOUTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS				ASSOCIATES			
C.C. McGregor CPA 1906-1968	W.C. Stevenson CPA B.T. Kight, CPA G.D. Skipper, CPA L.R. Leaphart, Jr, CPA M.J. Binnicker, CPA W.W. Francis CPA	D.L. Richardson, CPA E.C. Inabinet, CPA S.S. Luoma, CPA T.M. McCall CPA H.D. Brown Jr, CPA L.B. Salley CPA	D.K. Strickland CPA J.P. McGuire, CPA L.H. Kelly CPA	V.K. Laroche CPA G.N. Mundy, CPA M.L. Layman CPA P.A. Betette Jr. CPA	S. Wo CPA G.A. Farmer, CPA C.D. Hincee, CPA J.R. Matthews II CPA		

INDEPENDENT AUDITOR'S REPORT

To the County Council
County of 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 the County of Orangeburg as of and for the year ended June 30, 2009 which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County of Orangeburg, South Carolina's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Orangeburg, South Carolina as of June 30, 2009, and the respective 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 our report dated February 26, 2010, on our consideration of the County of Orangeburg, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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, on pages 12 through 18 and pages 53 through 54, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Orangeburg, South Carolina's basic financial statements. The introductory section, combining and individual nonmajor fund and major capital projects fund financial statements, and statistical section 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 and major capital projects fund financial statements 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 and statistical section have not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGregor + Company LLP

Orangeburg, South Carolina
February 26, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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, 2009. 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, 2009 by \$89 million (net assets). Of this amount \$4 million (unrestricted net assets) may be used to meet the government's ongoing obligations.
- The County repaid \$13.6 million of bond, note and capital lease obligations during the year.
- The County's total net assets decreased \$1.8 million over the course of this year's operations.
- During the year, the County's general fund balance decreased \$2.6 million.
- The general fund actual revenues were \$3.7 million less than budgeted. However, general fund expenditures were \$1.9 million less than budgeted.
- At the end of the current fiscal year, unreserved general fund fund balance was \$1.9 million or 5.7 percent of general fund expenditures and other uses for the financial 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"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of fiduciary net assets
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	Revenue 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 the 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 established 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 decreased by \$1.8 million or 1.4% between fiscal years 2008 and 2009 ending at approximately \$89 million. (See Table A-1.)

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

	Governmental Activities		Total Percentage Change
	2009	2008	2008-2009
Current and other assets	\$ 110,209	\$ 131,213	(16.0)%
Capital assets	<u>80,416</u>	<u>75,131</u>	7.0%
Total assets	<u>190,625</u>	<u>206,344</u>	(7.6)%
Long-term debt	83,835	93,461	(10.3)%
Other liabilities	<u>17,600</u>	<u>22,440</u>	(21.6)%
Total liabilities	<u>101,435</u>	<u>115,901</u>	(12.5)%
Net Assets			
Invested in capital assets, net of related debt	37,883	40,347	(6.1)%
Restricted	46,931	37,810	24.1%
Unrestricted	<u>4,376</u>	<u>12,286</u>	(64.4)%
Total net assets	<u>\$ 89,190</u>	<u>\$ 90,443</u>	(1.4)%

Changes in net assets. The County's total revenues decreased by 7.6 percent to \$63.7 million. (See Table A-2.) Approximately 47 percent of the County's revenue comes from property taxes and 15 percent comes from capital projects sales tax. Approximately 16 percent comes from fees charged for services, and 14 percent is from state and federal aid

The total cost of all programs, services and capital improvements increased approximately \$3 million or 4.7 percent. The County's expenses cover a range of services, with about 22 percent related to public safety and 19 percent related to public works

GOVERNMENTAL ACTIVITIES

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

	Governmental Activities		Total Percentage Change
	2009	2008	2008-2009
Revenues			
Program revenues			
Charges for services	\$ 10,026	\$ 9,656	3.8%
Grants and contributions	1,345	2,848	(52.8)%
Capital grants	1,730	5,434	(68.2)%
General revenues			
Property taxes	29,716	29,585	0.4%
Other taxes	9,698	9,698	0.0%
Intergovernmental	5,701	6,445	(11.5)%
Other	4,308	5,202	(17.2)%
Transfers	1,126	-	(100.0)%
Total revenues	<u>63,650</u>	<u>68,868</u>	(7.6)%
Expenses			
General government	18,503	17,248	7.3%
Judicial	3,714	3,526	5.3%
Public works	12,502	9,658	29.4%
Public safety	14,701	13,552	8.5%
Social and health	2,131	1,486	43.4%
Sanitation	5,348	4,422	20.9%
Culture and recreation	4,174	8,380	(50.2)%
Interest and fiscal charges	3,270	3,256	.04%
Allocation to library	1,103	990	11.4%
Total expenses	<u>65,446</u>	<u>62,518</u>	4.7%
Increase (decrease) in net assets	<u>\$ (1,796)</u>	<u>\$ 6,350</u>	(128.3)%

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 \$91.5 million, a decrease of \$17 million in comparison with the prior year. Approximately 9 percent of this total amount (\$8.5 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 (\$9.2 million) or to fund capital asset projects for County facilities or infrastructure improvements (\$73.4 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 \$2 million, a decrease of \$2.6 million from last year. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance to total fund expenditures. Unreserved fund balance represents approximately 5.4 percent of total general fund expenditures.

The debt service fund had a total fund balance of \$1 million, all of which is reserved for the payment of debt service. The net increase in fund balance during the current year in the debt service fund was \$79 thousand.

The County's two capital projects sales tax funds had a total combined fund balance of \$71.5 million. Approximately \$8.2 million of this amount is reserved for the payment of debt service. The remaining \$63.3 million is reserved to improve, repair and construct infrastructure in the County. The net combined decrease in fund balances during the current year was \$9.6 million.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were approximately \$2.1 million increase in appropriations.

Actual general fund expenditures were \$1.9 million less than budget amounts. This is primarily the result of prior year unspent project funds being carried forward as budget amendments.

Resources available for appropriation were \$3.7 million less than budgeted amount as follows:

- Other revenues were \$653 thousand less than budgeted.
- Property taxes were \$1.5 million less than budgeted.
- Intergovernmental income was \$718 thousand less than budgeted.
- Interest on investments was \$499 thousand less than budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2009, the County had invested \$80.4 million (net of accumulated depreciation) in a broad range of capital assets. (See Table A-3) This amount represents a net increase (including additions and deductions) of \$5.3 million, or 7 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
	2009	2008	2008-2009
Land	\$ 5,471	\$ 4,850	12.8%
Construction in progress	11,074	7,101	55.9%
Buildings and improvements	47,813	46,761	2.2%
Furniture, fixtures and equipment	43,730	42,372	3.2%
Infrastructure	41,266	37,225	10.9%
Accumulated depreciation	(68,938)	(63,179)	9.1%
	\$ 80,416	\$ 75,130	7.0%

This year's major capital asset additions included:

- \$3.1 million in additions of infrastructure
- \$4.8 million in net additions related to construction in progress.

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 \$76.3 million in bonds, notes, and capital lease obligations outstanding – a decrease of 14.8% 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 below this limit – which is currently \$20.9 million as reflected in Table 12 of this report.

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

	Governmental Activities		Total Percentage Change
	2009	2008	2008-2009
General obligation bonds	\$ 16,965	\$ 18,385	(7.7)%
Revenue bonds	52,252	60,456	(13.6)%
Note payable	569	1,632	(65.1)%
Capital lease obligations	<u>6,556</u>	<u>9,149</u>	(28.3)%
Total	<u>\$ 76,342</u>	<u>\$ 89,622</u>	(14.8)%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Unemployment now stands at 14.5 percent, compared to 10.6 percent a year ago. This compares unfavorably with the state's rate of 12.1 percent and the national rate of 9.5 percent.
- Inflationary trends in the region compare favorably to national indices.

These indicators were taken into account when adopting the general fund budget for 2010. Amounts available for appropriation in the general fund budget are at nearly \$32.3 million, a decrease of about 6 percent over the final 2009 budget of \$34.2 million.

Budgeted expenditures are expected to decrease approximately 12 percent to \$30.7 million under the actual 2009 expenditures and other uses of \$34.9 million. 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 2010.

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 Gloria Breland, Finance Director, or visit the County website at www.orangeburgcounty.org.

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BASIC FINANCIAL STATEMENTS

COUNTY OF ORANGEBURG, SOUTH CAROLINA
STATEMENT OF NET ASSETS
JUNE 30, 2009

Exhibit A-1

	Primary Government Governmental Activities	Component Units
ASSETS		
Cash and cash equivalents	\$ 30,060,199	\$ 287,900
Cash and cash equivalents with fiscal agent	214,619	-
Investment with fiscal agent	70,419,287	-
Receivables, net of allowance for uncollectibles:		
Taxes	2,334,337	182,379
Other	2,746,307	48,170
Due from primary government	-	758,974
Due from other governments	3,850,833	509,811
Due from component unit	346,711	-
Inventories	34,365	-
Other assets	-	3,400
Due from fiduciary funds	202,204	-
Capital assets - net of accumulated depreciation	80,415,651	-
	190,624,513	1,790,634
LIABILITIES		
Accounts payable	2,208,973	104,338
Accrued salaries and benefits	1,111,005	108,045
Due to component units	758,974	-
Due to primary government	-	346,711
Due to fiduciary funds	12,304,852	-
Accrued interest payable	809,762	-
Revenue received in advance	406,502	-
Noncurrent liabilities:		
Due within one year	11,288,513	112,836
Due in more than one year	68,502,111	150,170
Net OPEB obligation	4,043,913	627,479
	101,434,605	1,449,579
NET ASSETS		
Invested in capital assets net of related debt	37,883,060	-
Restricted for:		
Debt service	9,254,561	-
Capital outlay	37,676,243	-
Unrestricted	4,376,044	341,055
	\$ 89,189,908	\$ 341,055

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

COUNTY OF ORANGEBURG, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit A-2

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Component Units
PRIMARY GOVERNMENT					
Governmental activities					
General government	\$ 18,502,621	\$ 953,422	\$ -	\$ (16,957,129)	
Judicial	3,714,077	1,705,813	-	(2,008,264)	
Public works	12,502,065	3,074,003	1,604,121	(7,815,203)	
Public safety	14,700,661	2,149,456	26,622	(11,937,982)	
Social and health	2,130,593	-	99,375	(1,973,996)	
Sanitation	5,348,464	2,143,291	-	(3,167,769)	
Culture and recreation	4,173,635	-	37,404	(4,150,822)	
Allocation to Library	1,102,819	-	22,813	(1,102,819)	
Interest and fiscal charges	3,270,394	-	39,977	(3,230,417)	
Total governmental activities	<u>\$ 65,445,329</u>	<u>\$ 10,025,985</u>	<u>\$ 1,730,118</u>	<u>\$ (52,344,401)</u>	
Component units					
Orangeburg County Fire District	\$ 1,308,928	-	-	-	\$ (1,308,928)
Orangeburg County Public Library	1,468,929	80,000	139,205	-	(1,249,724)
Orangeburg-Calhoun Regional Detention Center	6,305,094	147,251	-	-	(6,157,843)
Total Component units	<u>\$ 9,082,951</u>	<u>\$ 227,251</u>	<u>\$ 139,205</u>	<u>\$ -</u>	<u>\$ (8,716,495)</u>

GENERAL REVENUES:

Property taxes levied for:					
General purposes				\$ 21,414,874	\$ 2,340,119
Debt services				5,570,414	-
Special revenue and capital projects				2,730,277	-
Sales tax				9,477,909	-
Payment from Primary Government				-	6,000,001
Payment from Other Government				-	810,490
Accommodations tax				219,989	-
Interest and investment income				3,764,125	7,315
Intergovernmental not restricted to special programs				5,701,147	-
Gain on sale of capital assets				47,240	-
Miscellaneous				496,227	764
Transfers				1,126,439	(1,126,439)
Total general revenues and transfers				<u>50,548,641</u>	<u>8,032,250</u>
Change in net assets				<u>(1,795,760)</u>	<u>(684,245)</u>
Net assets beginning of year, previously reported				90,442,815	1,025,300
Prior period adjustment				542,853	-
Net assets beginning of year, as restated				90,985,668	1,025,300
Net assets end of year				<u>\$ 89,189,908</u>	<u>\$ 341,055</u>

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

COUNTY OF ORANGEBURG, SOUTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

Exhibit A-3

	<u>General</u>	<u>Capital Projects Sales Tax II</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 29,781,178	\$ -	\$ 279,021	\$ 30,060,199
Cash and cash equivalents with fiscal agent	-	214,619	-	214,619
Investment with fiscal agent	-	70,419,287	-	70,419,287
Receivables, net of allowance for uncollectibles:				
Taxes	1,650,721	-	683,616	2,334,337
Intergovernmental	1,331,521	2,376,637	142,675	3,850,833
Other	1,686,067	-	1,060,240	2,746,307
Due from other funds	21,883,089	-	27,721,171	49,604,260
Due from agency funds	192,870	-	9,334	202,204
Due from component unit	346,711	-	-	346,711
Inventories	34,365	-	-	34,365
Total assets	<u>\$ 56,906,522</u>	<u>\$ 73,010,543</u>	<u>\$ 29,896,057</u>	<u>\$ 159,813,122</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 567,885	\$ 896,503	\$ 744,585	\$ 2,208,973
Accrued salaries and benefits	993,155	10,511	107,339	1,111,005
Due to other funds	38,949,199	7,751,950	2,903,111	49,604,260
Due to agencies	12,304,852	-	-	12,304,852
Due to component units	758,974	-	-	758,974
Deferred revenues:				
Property taxes	1,332,863	-	580,102	1,912,965
Other	-	-	406,502	406,502
Total liabilities	<u>54,906,928</u>	<u>8,658,964</u>	<u>4,741,639</u>	<u>68,307,531</u>
FUND BALANCES				
Reserved for:				
Encumbrances	66,740	-	112,679	179,419
Inventories	34,365	-	-	34,365
Debt service	-	8,200,000	1,054,561	9,254,561
Capital outlay	-	56,151,579	17,327,080	73,478,659
Unreserved				
Undesignated reported in:				
General fund	1,898,489	-	-	1,898,489
Special revenue fund	-	-	6,660,098	6,660,098
Total fund balances	<u>1,999,594</u>	<u>64,351,579</u>	<u>25,154,418</u>	<u>91,505,591</u>
Total liabilities and fund balances	<u>\$ 56,906,522</u>	<u>\$ 73,010,543</u>	<u>\$ 29,896,057</u>	<u>\$ 159,813,122</u>

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

COUNTY OF ORANGEBURG, SOUTH CAROLINA
RECONCILIATION OF GOVERNMENT FUNDS BALANCE SHEET
TO STATEMENT OF NET ASSETS
JUNE 30, 2009

Exhibit A-4

Total fund balances - Governmental funds	\$	91,505,591
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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		5,471,440
Construction in progress		11,073,499
Infrastructure		41,265,792
Buildings and improvements		47,813,327
Furniture, fixtures, and equipment		43,725,393
Accumulated depreciation		<u>(68,933,800)</u>
 Total capital assets		 <u>80,415,651</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		<u>1,912,965</u>
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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		(16,965,000)
Capital leases payable		(6,556,438)
Revenue bonds		(52,252,459)
Notes payable		(568,660)
Accrued interest		(809,762)
Landfill closure and post closure costs		(247,519)
Premium on revenue bonds		(1,992,450)
Compensated absences		(1,208,098)
Net OPEB liability		<u>(4,043,913)</u>
 Total long-term liabilities		 <u>(84,644,299)</u>

Net assets of governmental activities	\$	<u>89,189,908</u>
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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, 2009

Exhibit A-5

	General	Capital Projects Sales Tax II	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 21,215,139	\$ -	\$ 8,200,622	\$ 29,415,761
Sales tax		9,477,909	-	9,477,909
Intergovernmental	5,701,147	-	3,294,932	8,996,079
Licenses and permits	589,683	-	-	589,683
Charges for services	1,734,992	-	5,605,840	7,340,832
Fines, fees, and forfeitures	1,602,078	-	493,392	2,095,470
Investment income	176,453	3,532,905	54,767	3,764,125
Other	302,441	-	209,690	512,131
	<u>31,321,933</u>	<u>13,010,814</u>	<u>17,859,243</u>	<u>62,191,990</u>
EXPENDITURES				
General government	10,844,554	1,537,522	544,822	12,926,898
Judicial	3,153,598	-	239,814	3,393,412
Public works	1,095,265	7,190,765	8,620,488	16,906,518
Public safety	10,292,981	240,103	1,766,271	12,299,355
Social and health	1,401,304	-	689,587	2,090,891
Sanitation	-	-	5,394,685	5,394,685
Internal services	547,869	-	-	547,869
Culture and recreation	222,697	1,112,742	2,488,957	3,824,396
Allocation to Library	-	-	1,102,819	1,102,819
Allocation to others	6,054,209	-	-	6,054,209
Non-budgeted expenditures	859,249	-	-	859,249
Debt services:				
Principal retirement	210,000	8,200,000	3,011,329	11,421,329
Interest and fiscal charges	57,190	2,904,750	659,873	3,621,813
	<u>34,738,916</u>	<u>21,185,882</u>	<u>24,518,645</u>	<u>80,443,443</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,416,983)</u>	<u>(8,175,068)</u>	<u>(6,659,402)</u>	<u>(18,251,453)</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	96,699	96,699
Transfers in	-	-	278,728	278,728
Transfers out	(278,728)	-	-	(278,728)
Transfers from component units	1,126,439	-	-	1,126,439
	<u>847,711</u>	<u>-</u>	<u>375,427</u>	<u>1,223,138</u>
Net change in fund balances	<u>(2,569,272)</u>	<u>(8,175,068)</u>	<u>(6,283,975)</u>	<u>(17,028,315)</u>
Fund balances, beginning of year	4,568,866	72,526,647	30,895,540	107,991,053
Prior period adjustment - Note 15	-	-	542,853	542,853
Fund balances, beginning of year as restated	<u>4,568,866</u>	<u>72,526,647</u>	<u>31,438,393</u>	<u>108,533,906</u>
Fund balances, end of year	<u>\$ 1,999,594</u>	<u>\$ 64,351,579</u>	<u>\$ 25,154,418</u>	<u>\$ 91,505,591</u>

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

COUNTY OF ORANGEBURG, SOUTH CAROLINA
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit A-6

Net change in fund balances - Total government funds \$ (17,028,315)

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	11,298,146
Capital disposals, net of accumulated depreciation	(65,363)
Depreciation expense	<u>(5,947,659)</u>
Excess of capital outlay over depreciation expense	<u>5,285,124</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.

299,804

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 period, these amounts consisted of:

Bond principal retirement	9,624,037
Note payable retirement	1,064,054
Capital lease payments	<u>2,593,291</u>
Total long-term debt repayment	<u>13,281,382</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

Change in compensated absences	(1,050)
Change in postclosure care costs	10,307
Amortization on bond premium	379,515
Change in OPEB obligation	<u>(4,043,913)</u>
	<u>(3,655,141)</u>

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.

21,386

Change in net assets of governmental activities

\$ (1,795,760)

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

COUNTY OF ORANGEBURG, SOUTH CAROLINA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
JUNE 30, 2009

Exhibit A-7

ASSETS

Cash	\$ 2,453,396
Investments	1,003,517
Property taxes receivable	4,648,879
Due from general fund	<u>12,304,852</u>
 Total assets	 <u><u>\$ 20,410,644</u></u>

LIABILITIES

Due to General Fund	\$ 76,981
Due to General Fund - overage/(deficit)	115,889
Due to Special Revenue Fund	9,334
Due to taxing units	16,724,460
Due to others	<u>3,483,980</u>
 Total liabilities	 <u><u>\$ 20,410,644</u></u>

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

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC 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, 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 Joint Governmental Action Authority Corporation (the Corporation) was formed primarily to construct capital projects under the second penny sales tax referendum. The Corporation is governed by a board composed of the County Council Chairman and the Orangeburg County Administrator. The Corporation financed its projects by issuing revenue bonds 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 funds. The County also owns all of the Library's capital assets. Accordingly, the Library is fiscally dependent on the County.

The Orangeburg-Calhoun Regional Detention Center – The Orangeburg-Calhoun Regional Detention 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.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

A. Reporting entity (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 capital 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 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 are 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.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS

I- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

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.

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

Additionally, the government reports the following fund types:

The *special revenue funds* are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for specified purposes.

The *capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

I- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

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.

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 – exchanges 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.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Deferred revenue

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

Property taxes receivables for which there is an enforceable legal claim as of June 30, 2009 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.

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

Encumbrances 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.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

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 funds.”

All trade and property tax receivables are shown net of an allowance for uncollectible taxes. Taxes on real property are assessed as of January 1, levied the following September, due January 15, and become delinquent March 15. Liens are attached 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, 2009 were as follows:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Property taxes receivable	\$ 1,834,135	\$ 759,573	\$ 2,593,708
Less: Allowance	(183,414)	(75,957)	(259,371)
Net	<u>\$ 1,650,721</u>	<u>\$ 683,616</u>	<u>\$ 2,334,337</u>

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 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.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

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. The amounts reported include infrastructure acquired prior to the County implementing GASB Statement No. 34. 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 cost 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.

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
Infrastructure	25 to 30 years

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

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 County has no major special revenue funds that would require legally adopted budgets. 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 appropriate 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, 2009, Roads and Bridges Maintenance, New Brooklyn Lighting Tax District, Victims Assistance, Brookdale Lighting Tax District, Special Education, and Whitaker Lighting Tax District special revenue funds had deficit fund balances of \$103,806, \$18,683, \$85,705, \$14,418, \$1,501,982, and \$43,046, respectively. As of June 30, 2009, Economic Development Tobacco and Edisto Sewer Capital Projects funds had deficit fund balances of \$202,049 and \$530,256 respectively.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS

NOTE 1 – DEPOSITS AND INVESTMENTS

At June 30, 2009, the carrying amount of the County’s deposits was \$32,449,193 and the bank balance was \$36,553,963. State law requires that all of the County’s deposits be covered by FDIC insurance or by collateral held in the pledging financial institutions’ trust departments in the County’s name. At June 30, 2009, approximately \$103,786 of the County’s bank deposits were uncollateralized.

As of June 30, 2009, the County had the following investments:

	<u>Fair value</u>	<u>Investment Maturities (in years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>More than 5</u>
U.S. Treasuries	\$ 8,040,500	\$ 8,040,500	\$ -	\$ -
U.S. Agencies	6,423,000	6,423,000	-	-
Guaranteed investment contracts	<u>56,959,304</u>	<u>-</u>	<u>45,433,518</u>	<u>11,525,786</u>
	<u>\$ 71,422,804</u>	<u>\$ 14,463,500</u>	<u>\$ 45,433,518</u>	<u>\$ 11,525,786</u>

Interest rate risk

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

As of June 30, 2009, the County held \$56,959,304 in fixed rate guaranteed investment contracts with maturities ranging from one to approximately six years. The long-term maturities of these investments may expose the County to significant interest rate risk arising from potential fair value losses in a period of increasing interest rates.

Credit risk

The County has no investment policy that would further limit its investment choices other than state law.

The County’s investments in U.S. Treasuries and U.S. Agencies were rated AAA by Moody’s Investors Services and AAA by Standard & Poor’s. Of the County’s investments in guaranteed investment contracts, underlying securities exceeding \$56,959,304 are held by the investment’s counterparty, in the name of the County.

Concentration of credit risk

The County’s policy places no limit on the amount the County may invest in any one issuer

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 1 – DEPOSITS AND INVESTMENTS (Continued)

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

Reported value of deposits	\$ 32,449,193
Cash on hand	279,021
Fair value of investments	<u>71,422,804</u>
	<u>\$ 104,151,018</u>
Primary Government:	
Cash and cash equivalents – Exhibit A-1	\$ 30,060,199
Cash and cash equivalents with fiscal agent – Exhibit A-1	214,619
Investments with fiscal agent – Exhibit A-1	70,419,287
Cash and cash equivalents – Exhibit A-7	2,453,396
Investments – Exhibit A-7	<u>1,003,517</u>
	<u>\$ 104,151,018</u>

NOTE 2 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Reductions/ Transfers</u>	<u>Balance June 30, 2009</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 4,850,479	\$ 670,961	\$ (50,000)	\$ 5,471,440
Construction in progress	<u>7,101,154</u>	<u>4,847,381</u>	<u>(875,036)</u>	<u>11,073,499</u>
Total capital assets not being depreciated	<u>\$ 11,951,633</u>	<u>\$ 5,518,342</u>	<u>\$ (925,036)</u>	<u>\$ 16,544,939</u>
Capital assets being depreciated				
Infrastructure	\$ 37,225,468	\$ 3,165,288	\$ 875,036	\$ 41,265,792
Building and improvements	46,761,052	1,052,275	-	47,813,327
Furniture, fixtures and equipment	<u>42,371,555</u>	<u>1,562,241</u>	<u>(204,310)</u>	<u>43,729,486</u>
Total capital assets being depreciated	<u>126,358,075</u>	<u>5,779,804</u>	<u>670,726</u>	<u>132,808,605</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 2 – CAPITAL ASSETS (Continued)

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Reductions/ Transfers</u>	<u>Balance June 30, 2009</u>
Less accumulated depreciation for:				
Infrastructure	(6,161,618)	(1,091,459)	-	(7,253,077)
Building and improvements	(26,978,601)	(1,095,919)	-	(28,074,520)
Furniture, fixtures and equipment	<u>(30,038,962)</u>	<u>(3,760,281)</u>	<u>188,947</u>	<u>(33,610,296)</u>
Total accumulated depreciation	<u>(63,179,181)</u>	<u>(5,947,659)</u>	<u>188,947</u>	<u>(68,937,893)</u>
 Total capital assets being depreciated, net	 <u>63,178,894</u>	 <u>(167,855)</u>	 <u>859,673</u>	 <u>63,870,712</u>
 Governmental activities capital assets net	 <u>\$ 75,130,527</u>	 <u>\$ 5,350,487</u>	 <u>\$ (65,363)</u>	 <u>\$ 80,415,651</u>

NOTE 3 – COMPONENT UNIT INFORMATION

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	\$ 696,208	\$ 323,280	\$ 63,424	\$ 1,082,912
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	148,628	-	-	148,628
Some other liabilities are not due and payable in the current period and therefore are not reported in the funds	<u>(60,864)</u>	<u>(203,894)</u>	<u>(625,727)</u>	<u>(890,485)</u>
Net assets of component units activities	<u>\$ 783,972</u>	<u>\$ 119,386</u>	<u>\$ (562,303)</u>	<u>\$ 341,055</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 3 – COMPONENT UNIT INFORMATION (Continued)

Reconciliation of the Combining Statement of Revenues, Expenditures and Changes in Fund Balances of Component Units to the Combining Statement of Activities.

	Fire Commission	Public Library	Regional Detention Center	Total Component Units
Net change in fund balance – Component units	\$ 29,600	\$ (30,973)	\$ (45,169)	\$ (46,542)
Because some revenues 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.	20,661	-	-	20,661
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>(32,873)</u>	<u>(158,957)</u>	<u>(466,534)</u>	<u>(658,364)</u>
Changes in net assets of component unit activities	<u>\$ 17,388</u>	<u>\$ (189,930)</u>	<u>\$ (511,703)</u>	<u>\$ (684,245)</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 4 – INTERFUND BALANCES AND TRANSFERS

The balances of interfund receivables and payables at June 30, 2009 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental	\$ 2,903,111
General Fund	Capital Project Sales Tax II	7,751,950
Nonmajor Governmental	General Fund	38,949,199
		\$ 49,604,260

All of the above balances are scheduled to be collected in the subsequent year. The balances at June 30 resulted from the time lag 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.

Any transactions to transfer revenues from the fund budgeted to receive them to the fund budgeted to expend them are reported as transfers from and to other funds. Total transfers during the year ended June 30, 2009 consisted of the following individual amounts:

<u>Transfer In Fund</u>	<u>Transfer Out Fund</u>	<u>Amount</u>
Nonmajor Governmental Fund	General Fund	\$ 278,728

Transfers from Component Units

The Orangeburg County Fire District transferred \$267,190 to the County for payment of principal and interest on a general obligation bond held by the County for Fire District related assets and transferred \$753,496 to the County from capital asset acquisitions maintained by the County on its capital asset listing.

The Orangeburg-Calhoun Regional Detention Center transferred \$62,296 to the County for capital asset acquisitions maintained by the County on its capital asset listing.

The Orangeburg County Public Library transferred \$43,457 to the County for capital asset acquisitions maintained by the County on its capital asset listing.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

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, 2009:

Furniture, fixtures and equipment	\$ 8,629,316
Less: accumulated depreciation	<u>(4,291,786)</u>
Carrying value	<u>\$ 4,337,530</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2009 were as follows:

2010	\$ 1,237,155
2011	1,181,641
2012	3,148,358
2013	312,417
2014	384,834
Thereafter	<u>1,218,639</u>
Total minimum lease payments	7,483,044
Less, amount representing interest	<u>926,606</u>
Present value of minimum lease payments	<u>\$ 6,556,438</u>

Capital leases payable at June 30, 2009 are comprised of the following individual leases:

Lease purchase agreement with a commercial credit corporation entered into October 2007 for \$2,256,689, collateralized by communication equipment. Monthly payments of \$20,000, including principal and interest at 5.17%. This agreement matures in September 2017. \$ 2,107,333

Lease purchase agreement with a commercial credit corporation entered into September 2006 for \$4,262,034, collateralized by heavy equipment. Monthly payments of \$52,145, including principal and interest ranging between 3.96% and 5.97%. The agreement matures in September 2011. 3,013,831

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 5 – LEASES (Continued)

<p>Lease purchase agreement with a commercial credit corporation entered into October 2006 for \$1,100,651, collateralized by heavy equipment. Monthly payments of \$12,157, including principal and interest ranging between 4.40% and 5.85%. The agreement matures in October 2011</p>	829,990
<p>Lease purchase agreement with a bank entered into December 2006 for \$327,425, with a down payment of \$81,856, collateralized by communication equipment. Annual payments of \$57,207, including principal and interest at 5.31%. The agreement matures in December 2011.</p>	154,889
<p>Lease purchase agreement with a commercial credit corporation entered into January 2007 for \$667,516, collateralized by heavy equipment. Monthly payments of \$9,401, including principal and interest ranging between 4.32% and 5.08%. The agreement matures in January 2012.</p>	<u>450,395</u>
	<u>\$ 6,556,438</u>

NOTE 6 – LONG-TERM DEBT

General Obligation Bonds – The County has issued general obligation debt to provide funds for the acquisition and construction of major capital facilities. General obligation bonds payable at June 30, 2009 are composed of the following individual issues:

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2009</u>	<u>Amount due</u> <u>in one year</u>
<p>General obligation bonds of 1999 due in annual installments ranging from \$165,000 to \$275,000 through January 1, 2014; interest at 4% to 6% - original issued was \$2,900,000. These bonds are excluded from the legal debt margin calculation by referendum</p>	\$ 1,445,000	\$ -	\$ 210,000	\$ 1,235,000	\$ 220,000

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 6 – LONG-TERM DEBT (Continued)

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2009</u>	<u>Amount due in one year</u>
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.	7,225,000	-	370,000	6,855,000	380,000
General obligation bonds of 2008 due in annual installments ranging from \$840,000 - \$1,145,000 through April 1, 2018; interest at 3.75% to 5 0% - original issue was \$9,715,000	<u>9,715,000</u>	-	<u>840,000</u>	<u>8,875,000</u>	<u>855,000</u>
Total	<u>\$ 18,385,000</u>	<u>\$ -</u>	<u>\$ 1,420,000</u>	<u>\$ 16,965,000</u>	<u>\$ 1,455,000</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.

Annual requirements to amortize general obligation debt outstanding at June 30, 2009, 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>
2010	\$ 1,455,000	\$ 692,375	\$ 2,147,375
2011	1,505,000	638,913	2,143,913
2012	1,560,000	579,957	2,139,957
2013	1,625,000	520,717	2,145,717
2014	1,690,000	457,300	2,147,300
2015 - 2019	6,755,000	1,362,245	8,117,245
2020 - 2023	<u>2,375,000</u>	<u>303,500</u>	<u>2,678,500</u>
	<u>\$ 16,965,000</u>	<u>\$ 4,555,007</u>	<u>\$ 21,520,007</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 6 – LONG-TERM DEBT (Continued)

Revenue Bonds – The County and Orangeburg Joint Governmental Action Authority (a blended component unit) have issued revenue bonds to fund the construction of various infrastructure and large-scale building and improvement projects. Sales tax collections have been designated to re-pay the bonds. Revenue bonds payable at June 30, 2009 are composed of the following individual issues:

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2009</u>	<u>Amount due</u> <u>in one year</u>
County:					
Revenue bond, Series 2002, due in monthly installments of \$1,496 through November 15, 2042; interest at 4.5% - original issue was \$343,805.	\$ 311,496	\$ -	\$ 4,037	\$ 307,459	\$ 4,201
Orangeburg Joint Governmental Action Authority:					
Revenue bond, Series 2007, due in semiannual installments ranging from \$3,345,000 to \$5,600,000 through October 1, 2014; interest at 5% - original issue was \$64,245,000.	<u>60,145,000</u>	<u>-</u>	<u>8,200,000</u>	<u>51,945,000</u>	<u>8,200,000</u>
Total	<u>\$ 60,456,496</u>	<u>\$ -</u>	<u>\$ 8,204,037</u>	<u>\$ 52,252,459</u>	<u>\$ 8,204,201</u>

On February 1, 2007, the Orangeburg Joint Governmental Action Authority (a blended component unit) issued \$64,245,000 in revenue bonds with an interest rate of 5%. The net proceeds were \$67,154,611 including a premium of \$2,909,611 after payment of \$1,077,049 in issuance costs. The premium will be amortized evenly over the life of the bond.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 6 – LONG-TERM DEBT (Continued)

Annual requirements to amortize revenue bond debt outstanding at June 30, 2009 are summarized as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2010	\$ 8,204,201	\$ 2,508,501	\$ 10,712,702
2011	9,004,376	2,088,308	11,092,684
2012	9,004,596	1,638,106	10,642,702
2013	11,204,807	1,160,395	12,365,202
2014	11,205,028	600,174	11,805,202
2015 - 2019	3,373,826	144,559	3,518,385
2020 - 2024	36,084	53,676	89,760
2025 - 2029	45,170	44,590	89,760
2030 - 2034	56,544	33,216	89,760
2035 - 2039	70,781	18,979	89,760
2040 - 2042	<u>47,046</u>	<u>3,007</u>	<u>50,053</u>
	<u>\$ 52,252,459</u>	<u>\$ 8,293,511</u>	<u>\$ 60,545,970</u>

Notes Payable – Notes payables at June 30, 2009 are composed of the following:

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2009</u>	<u>Amount due 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%.	\$ 600,644	\$ -	\$ 31,984	\$ 568,660	\$ 33,861
Note payable to individuals for purchase of property. The note is to be repaid over 12 annual principal and interest payments and a final payment due at the end of the thirteenth year; interest at 3%.	<u>1,032,071</u>	<u>-</u>	<u>1,032,071</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,632,715</u>	<u>\$ -</u>	<u>\$ 1,064,055</u>	<u>\$ 568,660</u>	<u>\$ 33,861</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 6 – LONG-TERM DEBT (Continued)

Annual requirements to amortize notes payable debt at June 30, 2009 are summarized as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2010	\$ 33,861	\$ 13,830	\$ 47,691
2011	34,717	12,974	47,691
2012	35,595	12,096	47,691
2013	<u>464,487</u>	<u>4,776</u>	<u>469,263</u>
	<u>\$ 568,660</u>	<u>\$ 43,676</u>	<u>\$ 612,336</u>

There are a number of limitations and restrictions contained in the various bond and certificate indentures, such as type of authorized investments, promise to levy tax sufficient to cover debt service, and establishment of sinking fund, if necessary. The County is not in compliance with the sewer rate covenant pertaining to the Revenue Bond, Series 2002 with USDA Rural Development.

The revenue bond has an outstanding balance of \$307,459. The bond was issued to construct sewer infrastructure and the County was to assess user fees to cover the costs of operations and repayment of bond principal and interest. Per the bond covenant, these fees are to be adjusted to ensure the costs are covered. The fees are insufficient to cover current year costs by \$64,771 and the total deficit fund balance of that account is \$530,256 at June 30, 2009.

Changes in general long-term liabilities – The following is a summary of debt transactions of the County for the year ended June 30, 2009:

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2009</u>	<u>Amount due in one year</u>
General obligation bonds	\$ 18,385,000	\$ -	\$ 1,420,000	\$ 16,965,000	\$ 1,455,000
Revenue bonds	60,456,496	-	8,204,037	52,252,459	8,204,201
Premium on revenue bonds	2,371,965	-	379,515	1,992,450	379,515
Notes payable	1,632,715	-	1,064,055	568,660	33,861
Capital leases	9,149,729	-	2,593,291	6,556,438	930,900
Landfill closure and post-closure costs	257,826	-	10,307	247,519	14,633
Compensated absences	<u>1,207,047</u>	<u>540,805</u>	<u>539,754</u>	<u>1,208,098</u>	<u>270,403</u>
	<u>\$ 93,460,778</u>	<u>\$ 540,805</u>	<u>\$ 14,210,959</u>	<u>\$ 79,790,624</u>	<u>\$ 11,288,513</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%.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

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 certain permeability.

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% capacity. The County paid to cover the landfill in fiscal 1996. Accordingly, long term liabilities reflect a \$247,519 liability for estimated postclosure care costs. This amount includes a reduction of \$10,307 during fiscal year 2009 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 – NET ASSETS

Net assets represent the difference between assets and liabilities and were as follows:

Net assets are restricted for capital sales tax projects in Sales Tax I and Sales Tax II capital project funds. These were projects approved by taxpayer referendums to be financed by a 1% sales tax levy. The amounts restricted at June 30, 2009 for capital sales tax projects were \$41,560,659. These restrictions are included below as \$71,557,393 capital proceeds and \$(29,996,724) unspent debt proceeds.

Net Assets

Invested in capital assets, net of related debt:

Net capital assets	\$ 80,415,651
Less: Revenue bonds	(52,252,459)
Premium on revenue bonds	(1,992,450)
General obligation bonds	(16,965,000)
Capital leases	(6,556,438)
Notes payable	(568,660)
Add: Unspent debt proceeds	<u>35,802,416</u>
	<u>37,883,060</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 8 – NET ASSETS (Continued)

Restricted for capital activity and debt service:	
Restricted cash and receivables	
Debt service	9,254,561
Capital proceeds	73,478,659
Less: Unspent debt proceeds	<u>(35,802,416)</u>
	<u>46,930,804</u>
Unrestricted	<u>4,376,044</u>
Total net assets	<u>\$ 89,189,908</u>

NOTE 9 – 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, 2009, the aggregate principal payable on these bonds was approximately \$16,495,000.

NOTE 10 – 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 11 – EMPLOYEE RETIREMENT PLANS

The South Carolina Retirement System (SCRS) and Police Officer's Retirement System (PORS) are cost-sharing multi-employer defined benefit pension plans administered by the South Carolina Retirement Systems, a division of the State Budget and Control Board. The State Optional Retirement Program (ORP) is a defined contribution plan that is offered as an alternative to certain state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. The SCRS assumes no liability for State ORP benefits, as they are the liability of the investment providers.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

Both the SCRS and PORS offer retirement and disability benefits, group life insurance benefits and survivor benefits. Group life benefits are also available to active State ORP participants. Effective July 1, 2008, a guaranteed two percent cost of living adjustment (COLA) is funded under SCRS, and all other cost of living adjustments are granted on an ad hoc basis, subject to approval by the State Budget and Control Board. The Plans' provisions are established under Title 9 of the SC Code of Laws.

A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement System and Police Officer's Retirement System is publicly available on our website at www.retirement.sc.gov or a copy may be obtained by submitting a request to the South Carolina Retirement System, PO Box 11960, Columbia, South Carolina 29211-1960.

Both employees and employers are required to contribute to the Plans under authority of Title 9 of the SC Code of Laws.

Required employee contributions to the Plans for fiscal year 2008-2009 are as follows:

SCRS Class I	5.00% of earnable compensation
SCRS Class II	6.50% of earnable compensation
State ORP	6.50% of earnable compensation
PORS Class I	\$21 per month
PORS Class II	6.50% of earnable compensation

Employer contributions are established by the State Budget and Control Board at the actuarially determined rates recommended by the Systems' actuary. All employers are required to contribute at these actuarially determined rates. Required employer contributions for fiscal year 2008-2009 are as follows:

SCRS	
Class I	4.25% of earnable compensation
Class II	9.24% of earnable compensation
Group Life Insurance	15% of earnable compensation
State ORP	4.24% of earnable compensation
Group Life Insurance	15% of earnable compensation
PORS	
Class I	7.80% of earnable compensation
Class II	10.65% of earnable compensation
Group Life Insurance	0.20% of earnable compensation
Accidental Death Program	0.20% of earnable compensation

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

Information as to employer contributions to the plans is as follows:

	2007		2008		2009	
	SCRS	PORS	SCRS	PORS	SCRS	PORS
Employer contributions	\$ 1,156,475	\$ 663,680	\$ 1,144,238	\$ 693,895	\$ 1,396,092	\$ 750,343

The County's 2008 – 2009 contributions represented less than one percent of total contributions required of all participating entities. All employers contribute at the actuarially required contribution rates.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS

Background

Beginning in fiscal year ended June 30, 2009, Orangeburg County and its component units implemented prospectively Governmental Accounting Standards Board (GASB) Statement No. 45 for other postemployment benefits (OPEB) offered to retirees. This standard addresses how local governments should account for and report their costs related to postemployment health care and other non-pension benefits, such as the County's retiree health benefit subsidy. Historically, the County's subsidy was funded on a pay-as-you-go basis but GASB 45 requires that the County accrue the cost of the retiree health subsidy and other postemployment benefits during the period of employees' active employment, while the benefits are being earned, and disclose the unfunded actuarial accrued liability in order to accurately account for the total future cost of postemployment benefits and the financial impact on the County.

Plan Description

The County of Orangeburg's postemployment benefit plan is a single employer defined plan that is self-funded. The three component units are included under this plan.

Other postemployment benefits provided under the plan include a retiree health and dental insurance premium contribution plan that covers retirees.

An employee must meet the following criteria to be eligible for retiree health and dental insurance. The employee must have 15 years of service with the County and must qualify for retirement under the South Carolina Retirement System or Police Officer Retirement System guidelines. For any employee retiring with less than 15 years of service with the County, no health and dental retirement benefits will be provided.

The County will pay the full cost of single retiree medical and dental insurance premium costs. Coverage for the spouse is the responsibility of the retiree.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

Funding Policy

The County has elected not to pre-fund OPEB liabilities and to fund healthcare benefits on a pay as you go basis

Annual OPEB Cost and Net OPEB Obligation

The annual cost of other postemployment benefits (OPEB) under GASB 45 is called the annual required contribution or ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year plus an amount to amortize any unfunded actuarial accrued liabilities (or funding excess) over a period not to exceed thirty years. The current employer contribution rates for the County are 2.1 percent.

The County's annual OPEB cost and the net OPEB obligation is calculated using a 4.0% discount rate, which is based upon the anticipated long-term rate of return of the general funds of the employer used to pay the plan benefits and an annual healthcare cost trend rate of 10% reduced by decrements of .5% to an ultimate rate of 6% and amortizing the unfunded actuarial liability over 30 years using the level dollar method as follows:

	Primary Government	Component Units		
		Fire Commission	Library	Detention Center
Annual required contribution	\$ 4,127,651	\$ 29,191	\$ 157,633	\$ 449,546
Interest on net OPEB obligation	-	-	-	-
Adjustment to annual required contribution	-	-	-	-
Annual OPEB cost (expense)	4,127,651	29,191	157,633	449,546
Estimated pay-as-you-go annual employer contributions	(83,738)	-	(4,401)	(4,490)
Increase (decrease) in net OPEB obligation	4,043,913	29,191	153,232	445,056
Net OPEB obligation, beginning of year	-	-	-	-
Net OPEB obligation, end of year	<u>\$ 4,043,913</u>	<u>\$ 29,191</u>	<u>\$ 153,232</u>	<u>\$ 445,056</u>

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employee and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

The Projected Unit Credit, Level Dollar actuarial cost method has been used to calculate the GASB ARC for this valuation. Using the plan benefits, the present health and dental premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability. The unfunded liability is amortized over thirty years using the level dollar method which divides the liability into equal dollar amounts over the selected number of years; each payment is part interest, part principal. This is both an accepted and reasonable cost method.

Trend Information:

The County's and its component units' annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2009 were as follows:

Fiscal Year Ending June 30, 2009	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Primary Government Discretely presented Component units:	\$ 4,127,651	2.1%	\$ 4,043,913
Fire Commission	29,191	0%	29,191
Library	157,633	2.9%	153,232
Detention Center	449,546	1.0%	445,056

Funded Status and Funding Progress:

The funded status of the plan as of June 30, 2008, the most recent actuarial valuation date, was as follows:

	Primary Government	Component Units		
		Fire Commission	Library	Detention Center
Actuarial accrued liability (AAL)	\$ 33,440,356	\$ 236,495	\$ 1,277,072	\$ 3,642,019
Actuarial value of plan assets	-	-	-	-
Unfunded Actuarial accrued liability (UAAL)	<u>\$ 33,440,356</u>	<u>\$ 236,495</u>	<u>\$ 1,277,072</u>	<u>\$ 3,642,019</u>
Funded ratio (actuarial value of plan assets (AAL))	0%	0%	0%	0%
Covered payroll (active plan members)	<u>\$ 12,924,640</u>	<u>\$ 91,405</u>	<u>\$ 493,586</u>	<u>\$ 1,407,634</u>
UAAL as a percentage of covered payroll	258.7%	258.7%	258.7%	258.7%

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

NOTE 13 – RELATED PARTY TRANSACTION

The County provides accounting, payroll and cash management service 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, 2009, the County was the defendant in several lawsuits involving various types of claims. Although the outcome of most 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.

In addition, a lawsuit was filed in January 2010 by a former County employee alleging discrimination against the County and civil conspiracy against named County employees. The County plans to contest the claims vigorously. The discrimination suit falls under the Insurance Reserve Fund but the conspiracy claim does not. It is too early in the proceedings to determine any potential outcome.

There are five separate lawsuits against the Detention Center (County's component unit) pending with each involving inmates at the Detention Center. In all five cases, the legal proceedings are ongoing and are being handled by the Office of Insurance Reserve Fund whose position is to defend the Detention Center's case vigorously. It is too early in the proceedings to determine any potential outcome but all should be covered by the Insurance Reserve Fund. Included in one of the cases is an outrage claim which is not covered by the Detention Center's policy with the Insurance Reserve Fund. The outrage claim is being aggressively defended and a motion for Summary Judgment will be filed. There is a 50-60% probability that the outrage claim will be dismissed. It is too early in the proceedings to determine any potential outcome.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTES TO BASIC FINANCIAL STATEMENTS**

III – DETAILED NOTES ON ALL FUNDS (Continued)

NOTE 15 – PRIOR PERIOD ADJUSTMENTS

	Net Assets	Fund Balance
Fund Balance as previously reported, June 30, 2008	\$ 90,442,815	\$ 107,991,053
Capital Projects Sales Tax I		
Check issued in prior year was voided	<u>542,853</u>	<u>542,853</u>
Fund Balance, as restated, June 30, 2008	<u>\$ 90,985,668</u>	<u>\$ 108,533,906</u>

NOTE 16 - CONSTRUCTION COMMITMENTS

The County was committed under construction contracts at June 30, 2009 as follows:

	Contracted Price	Costs Incurred through June 30, 2009	Balance to Complete
Aquatic Center	\$ 9,612,807	\$ 1,126,043	\$ 8,486,764
Animal Control Facility	529,978	338,648	191,330
Courthouse renovations	<u>1,639,163</u>	<u>1,426,895</u>	<u>212,268</u>
	<u>\$ 11,781,948</u>	<u>\$ 2,891,586</u>	<u>\$ 8,890,362</u>

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COUNTY OF ORANGEBURG, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION

Exhibit B-1

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

JUNE 30, 2009

	Budgeted Amounts		Actual GAAP Basis	GAAP to Budget Differences Over (Under)	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
REVENUES						
Taxes						
Property taxes	\$ 22,736,715	\$ 22,736,715	\$ 21,215,139	\$ -	\$ 21,215,139	\$ (1,521,576)
Intergovernmental revenue - Note 4	6,418,926	6,418,926	5,701,147	-	5,701,147	(717,779)
Licenses and permits	707,000	707,000	589,683	-	589,683	(117,317)
Charges for services						
Emergency Medical Services	1,250,000	1,250,000	1,617,951	-	1,617,951	367,951
Other	205,000	205,000	117,041	-	117,041	(87,959)
Fines, fees and forfeitures	2,027,832	2,027,832	1,602,078	-	1,602,078	(425,754)
Investment income	675,473	675,473	176,453	-	176,453	(499,020)
Other	955,507	955,507	302,441	-	302,441	(653,066)
Total revenues	34,976,453	34,976,453	31,321,933	-	31,321,933	(3,654,520)
EXPENDITURES						
General government						
Executive	295,403	299,590	311,402	-	311,402	(11,812)
Administrator	955,871	954,645	910,498	-	910,498	44,147
County attorney	254,600	281,600	247,177	-	247,177	34,423
Personnel	343,297	343,297	321,276	-	321,276	22,021
Voter registration	169,047	170,943	147,283	-	147,283	23,660
Election Commission	178,129	176,029	149,192	(522)	148,670	27,359
Delinquent tax collector	333,948	332,564	263,994	5,211	269,205	63,359
Treasurer	339,813	335,427	334,482	-	334,482	945
Finance	408,948	408,233	336,457	-	336,457	71,776
Auditor	239,610	238,727	239,158	-	239,158	(431)
Tax assessor	697,731	683,025	700,290	-	700,290	(17,265)
Data processing	1,145,068	1,157,475	1,002,211	50,900	1,053,111	104,364
Planning and building inspections	714,274	708,325	748,690	-	748,690	(40,365)
Orangeburg County Development Commission	871,723	871,723	829,276	-	829,276	42,447
Purchasing	163,396	162,833	146,437	-	146,437	16,396
Register of Deeds	303,043	301,890	285,619	(963)	284,656	17,234
Other	4,634,807	6,819,002	3,871,112	22,769	3,893,881	2,925,121
Total general government	12,048,708	14,245,328	10,844,554	77,395	10,921,949	3,323,379
Judicial						
Clerk of court	331,758	331,629	265,413	-	265,413	66,216
Master-in-equity	147,798	147,636	143,617	-	143,617	4,019
Probate Court	344,842	344,350	325,113	-	325,113	19,237
Magistrates	1,350,952	1,347,566	1,257,060	(797)	1,256,263	91,303
Public Defender	539,288	539,288	539,288	-	539,288	-
Solicitor	623,107	623,107	623,107	-	623,107	-
Total judicial	3,337,745	3,333,576	3,153,598	(797)	3,152,801	180,775
Public works						
Building and Grounds	1,034,058	1,033,983	1,038,591	-	1,038,591	(4,608)
Sign shop	63,665	63,094	56,674	2,409	59,083	4,011
Total public works	1,097,723	1,097,077	1,095,265	2,409	1,097,674	(597)
Public safety						
Sheriff	5,913,083	5,883,792	6,092,707	-	6,092,707	(208,915)
E-911 communications center	667,192	661,706	669,077	(12,159)	656,918	4,788
Emergency Medical Services	3,601,579	3,599,831	3,256,817	(6,755)	3,250,062	349,769
Coroner	303,009	302,749	274,380	-	274,380	28,369
Total public safety	10,484,863	10,448,078	10,292,981	(18,914)	10,274,067	174,011
Social and health						
Health services	851,835	851,251	876,140	2,335	878,475	(27,224)
Animal control	321,279	318,593	300,582	4,312	304,894	13,699
Allocations to social agencies	204,300	204,300	224,582	-	224,582	(20,282)
Total social and health	1,377,414	1,374,144	1,401,304	6,647	1,407,951	(33,807)

(continued)

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 REQUIRED SUPPLEMENTARY INFORMATION
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 JUNE 30, 2009

Exhibit B-1

	Budgeted Amounts		Actual GAAP Basis	GAAP to Budget Differences Over (Under)	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
EXPENDITURES, Continued						
Internal services						
Vehicle maintenance	576,160	576,160	547,869	-	547,869	28,291
Total internal services	576,160	576,160	547,869	-	547,869	28,291
Culture and recreation						
Recreation	234,905	238,143	222,697	-	222,697	15,446
Total culture and recreation	234,905	238,143	222,697	-	222,697	15,446
Allocations to others						
Law Enforcement Center	4,192,230	4,192,230	4,897,182	-	4,897,182	(704,952)
Others	1,191,325	1,195,263	1,157,027	-	1,157,027	38,236
Total allocations to others	5,383,555	5,387,493	6,054,209	-	6,054,209	(666,716)
Non-budgeted expenditures						
Capital assets purchased through transfer from:						
Library	-	-	43,457	-	43,457	(43,457)
Law Enforcement Center	-	-	62,296	-	62,296	(62,296)
Fires District	-	-	753,496	-	753,496	(753,496)
Total non-budgeted expenditures	-	-	859,249	-	859,249	(859,249)
Debt service						
Principal retirement	-	-	210,000	-	210,000	(210,000)
Interest and fiscal charges	-	-	57,190	-	57,190	(57,190)
Total debt service	-	-	267,190	-	267,190	(267,190)
Total expenditures	34,541,073	36,699,999	34,738,916	66,740	34,805,656	1,894,343
Excess (deficiency) of revenues over (under expenditures)	435,380	(1,723,546)	(3,416,983)	(66,740)	(3,483,723)	(1,760,177)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	1,126,439	-	1,126,439	1,126,439
Transfers out	(435,380)	(436,880)	(278,728)	-	(278,728)	158,152
Total other financing sources (uses)	(435,380)	(436,880)	847,711	-	847,711	1,284,591
Net change in fund balance	\$ -	\$ (2,160,426)	(2,569,272)	(66,740)	(2,636,012)	\$ (475,586)
Fund balances, beginning of year			4,568,866	(29,025)	4,539,841	
Fund balances, end of year			\$ 1,999,594	\$ (95,765)	\$ 1,903,829	
Encumbrance for capital outlay and supplies ordered but not received is reported in the year the orders are placed for budgetary purposes, but are reported in the year the capital items and supplies are received for GAAP purposes						
Prior year encumbrances				\$ 29,025		
Current year encumbrances				(95,765)		
Net decrease in fund balance - GAAP to budget				\$ (66,740)		

**ORANGEBURG COUNTY
ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2009**

	(1)	(2)	(3)	(4)	(5)	(6)	
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2)-(1)	Funded Ratio (1)/(2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((2)-(1))/(5)	
Orangeburg County	6/30/2008	\$ -	\$ 33,440,356	\$ 33,440,356	0.00%	\$ 12,924,640	258.7%
Component Units:							
Fire Commission	6/30/2008	-	236,495	236,495	0.00%	91,405	258.7%
Library	6/30/2008	-	1,277,072	1,277,072	0.00%	493,586	258.7%
Dentention Center	6/30/2008	-	3,642,019	3,642,019	0.00%	1,407,634	258.7%

The County and its component units are implementing GASB 45 in Fiscal Year 2009; therefore, the two preceding years of data are not available, but will be accumulated over time. The valuation has been calculated using the Projected Unit Credit Actuarial Cost Method, discount rates of 4.0%, and the unfunded actuarial liability is amortized over 30 years based using the level dollar method. It should be noted that an actuarial cost method determines a contribution or expense by assigning portions of the present value of projected benefits to various years with the general goal of accruing the cost of benefits over the working lifetime of the employees.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTE 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.

COMBINING AND INDIVIDUAL FUND SCHEDULES

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MAJOR CAPITAL PROJECTS FUND

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

The following Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual for the Capital Project Sales Tax II Fund is presented.

MAJOR CAPITAL PROJECTS FUND

CAPITAL PROJECTS SALES TAX II

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

From inception and for the year ended June 30, 2009

	Project Authorization	Prior Years	Current Year	Total to Date
REVENUES				
Sales tax	\$ 71,088,020	\$ 20,438,487	\$ 9,477,909	\$ 29,916,396
Investment income	-	4,670,107	3,532,905	8,203,012
Total revenues	<u>71,088,020</u>	<u>25,108,594</u>	<u>13,010,814</u>	<u>38,119,408</u>
EXPENDITURES				
General government	11,034,512	2,881,767	1,537,522	4,419,289
Public works	45,007,208	5,308,224	7,190,765	12,498,989
Public safety	807,376	399,763	240,103	639,866
Culture and recreation	14,238,924	3,277,390	1,112,742	4,390,132
Principal retirement	-	4,100,000	8,200,000	12,300,000
Interest and fiscal charges	-	3,769,414	2,904,750	6,674,164
Total expenditures	<u>71,088,020</u>	<u>19,736,558</u>	<u>21,185,882</u>	<u>40,922,440</u>
Excess of revenues over expenditures	-	5,372,036	(8,175,068)	(2,803,032)
OTHER FINANCING SOURCES (USES)				
Capital project sales tax revenue bonds issued	-	67,154,611	-	67,154,611
Total other financing sources (uses)	<u>-</u>	<u>67,154,611</u>	<u>-</u>	<u>67,154,611</u>
Excess of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 72,526,647</u>	<u>(8,175,068)</u>	<u>\$ 64,351,579</u>
Fund balances, beginning of year			<u>72,526,647</u>	
Fund balances, end of year			<u>\$ 64,351,579</u>	

NONMAJOR FUNDS

The following nonmajor fund schedules include special revenue, capital projects, and debt service fund types.

Schedule of revenues, expenditures, and changes in fund balance – budget and actual have been prepared for those nonmajor funds with Council approved budgets.

The *special revenue funds* are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for specified purposes.

The *capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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.

ORANGEBURG COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2009

Exhibit B-4

Special Revenue Funds

	Roads & Bridges Maintenance	E911	New Brooklyn Lighting Tax District	Solid Waste	Victim's Assistance	Accommodation Tax	Brookdale Lighting Tax District
ASSETS							
Cash on hand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables, net of allowance for uncollectibles:							
Property taxes	-	-	851	270,607	-	-	694
Intergovernmental	2,594	43,992	-	10,486	-	58,688	-
Other	-	33,369	-	339,466	-	-	-
Due from general fund	-	25,279	-	2,512,670	-	26,119	-
Due from agency funds	-	-	-	-	9,334	-	-
Total assets	\$ 2,594	\$ 102,640	\$ 851	\$ 3,133,229	\$ 9,334	\$ 84,807	\$ 694
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 20,294	\$ 30,497	\$ 1,060	\$ 206,503	\$ -	\$ 19,519	\$ 957
Accrued salaries	32,828	1,812	-	32,625	2,833	-	-
Due to general fund	53,278	-	17,712	-	92,206	-	13,640
Deferred revenue	-	-	-	-	-	-	-
Deferred revenue - Property taxes	-	-	762	231,779	-	-	515
Total liabilities	106,400	32,309	19,534	470,907	95,039	19,519	15,112
Fund balances							
Reserved for:							
Encumbrances	-	-	-	2,051	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unreserved:							
Undesignated	(103,806)	70,331	(18,683)	2,660,271	(85,705)	65,288	(14,418)
Total fund balances	(103,806)	70,331	(18,683)	2,662,322	(85,705)	65,288	(14,418)
Total liabilities and fund balances	\$ 2,594	\$ 102,640	\$ 851	\$ 3,133,229	\$ 9,334	\$ 84,807	\$ 694

(continued)

ORANGEBURG COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2009

	Special Revenue Funds					Capital Projects Funds		
	Legislative Delegation Economic Development Projects	Special Education	Grant Subfunds	Homeland Security Program	Whitaker Lighting Tax District	Sales Tax I	John Matthews Park Fund	
ASSETS								
Cash on hand	\$ 279,021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Receivables, net of allowance for uncollectibles:								
Property taxes	-	187,994	-	-	2,010	-	-	
Intergovernmental	-	-	26,915	-	-	-	-	
Other	-	21,219	543,652	-	-	-	-	
Due from general fund	1,761,951	-	3,837,516	723	-	7,205,804	100,000	
Due from agency funds	-	-	-	-	-	-	-	
Total assets	\$ 2,040,972	\$ 209,213	\$ 4,408,083	\$ 723	\$ 2,010	\$ 7,205,804	\$ 100,000	
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 10,829	\$ 877	\$ 87,361	\$ -	\$ -	\$ 78,190	\$ -	
Accrued salaries	-	22,445	14,796	-	-	-	-	
Due to general fund	-	1,530,353	425,923	-	43,232	-	-	
Deferred revenue	279,021	-	-	-	-	-	-	
Deferred revenue - Property taxes	-	157,520	-	-	1,824	-	-	
Total liabilities	289,850	1,711,195	528,080	-	45,056	78,190	-	
Fund balances								
Reserved for:								
Encumbrances	-	-	-	-	-	-	-	
Capital outlay	-	-	-	-	-	7,127,614	100,000	
Debt service	-	-	-	-	-	-	-	
Unreserved:								
Undesignated	1,751,122	(1,501,982)	3,880,003	723	(43,046)	-	-	
Total fund balances	1,751,122	(1,501,982)	3,880,003	723	(43,046)	7,127,614	100,000	
Total liabilities and fund balances	\$ 2,040,972	\$ 209,213	\$ 4,408,083	\$ 723	\$ 2,010	\$ 7,205,804	\$ 100,000	

(continued)

ORANGEBURG COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2009

	Capital Projects Funds					Debt Service
	Capital Improvements Fund	Economic Development Tobacco	Edisto Sewer Capital Projects	OCCIP Fund	2008 Bond Issue	Total
ASSETS						
Cash on hand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 279,021
Receivables, net of allowance for uncollectibles:						
Property taxes	67,649	-	-	-	-	683,616
Intergovernmental	-	-	-	-	-	142,675
Other	7,234	-	8,423	90,000	-	1,060,240
Due from general fund	4,496,900	-	-	6,699	6,731,830	27,721,171
Due from agency funds	-	-	-	-	-	9,334
Total assets	\$ 4,571,783	\$ -	\$ 8,423	\$ 96,699	\$ 6,731,830	\$ 29,896,057
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 189,299	\$ -	\$ 13,961	\$ -	\$ 85,238	\$ 744,585
Accrued salaries	-	-	-	-	-	107,339
Due to general fund	-	202,049	524,718	-	-	2,903,111
Deferred revenue	127,481	-	-	-	-	406,502
Deferred revenue - Property taxes	53,895	-	-	-	-	580,102
Total liabilities	372,675	202,049	538,679	-	85,238	4,741,639
Fund balances						
Reserved for:						
Encumbrances	110,628	-	-	-	-	112,679
Capital outlay	4,088,480	(202,049)	(530,256)	96,699	6,646,592	17,327,080
Debt service	-	-	-	-	-	1,054,561
Unreserved:						
Undesignated	-	-	-	-	-	6,660,098
Total fund balances	4,199,108	(202,049)	(530,256)	96,699	6,646,592	25,154,418
Total liabilities and fund balances	\$ 4,571,783	\$ -	\$ 8,423	\$ 96,699	\$ 6,731,830	\$ 29,896,057

ORANGEBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009

	Special Revenue Funds						
	Roads & Bridges Maintenance	E911	New Brooklyn Lighting Tax District	Solid Waste	Victim's Assistance	Accommodation Tax	Brookdale Lighting Tax District
REVENUES							
Property taxes	\$ -	\$ -	\$ 6,157	\$ 3,089,149	\$ -	\$ -	\$ 6,990
Intergovernmental:							
Federal	-	-	-	-	-	-	-
State	-	179,040	-	35,854	-	219,989	-
Local	-	-	-	-	-	-	-
Changes for services	2,967,620	388,546	-	2,143,292	116,698	-	-
Fines, fees, and forfeitures	-	-	-	-	-	-	-
investment income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total revenues	<u>2,967,620</u>	<u>567,586</u>	<u>6,157</u>	<u>5,268,295</u>	<u>116,698</u>	<u>219,989</u>	<u>6,990</u>
EXPENDITURES							
Current:							
General government							
Judicial							
Public works	3,025,256	536,307	12,705	-	137,758	-	11,501
Public safety							
Social and Health				5,393,162		206,786	
Sanitation							
Allocation to Library							
Culture and recreation							
Debt service:							
Principal retirement							
Interest and fiscal charges							
Total expenditures	<u>3,025,256</u>	<u>536,307</u>	<u>12,705</u>	<u>5,393,162</u>	<u>137,758</u>	<u>206,786</u>	<u>11,501</u>
Excess of revenues over (under) expenditures	<u>(57,636)</u>	<u>31,279</u>	<u>(6,548)</u>	<u>(124,867)</u>	<u>(21,060)</u>	<u>13,203</u>	<u>(4,511)</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets							
Transfers from General Fund		25,131			60,974		
Transfers in (out)		<u>25,131</u>			<u>60,974</u>		
Total other financing sources (uses)							
Net change in fund balances	<u>(57,636)</u>	<u>56,410</u>	<u>(6,548)</u>	<u>(124,867)</u>	<u>39,914</u>	<u>13,203</u>	<u>(4,511)</u>
Fund balances, beginning of year	<u>(46,170)</u>	<u>13,921</u>	<u>(12,135)</u>	<u>2,787,189</u>	<u>(125,619)</u>	<u>52,085</u>	<u>(9,907)</u>
Prior period adjustment - Note 15							
Fund balances, beginning of year as restated	<u>(46,170)</u>	<u>13,921</u>	<u>(12,135)</u>	<u>2,787,189</u>	<u>(125,619)</u>	<u>52,085</u>	<u>(9,907)</u>
Fund balances, end of year	<u>\$(103,806)</u>	<u>\$ 70,331</u>	<u>\$(18,685)</u>	<u>\$ 2,662,322</u>	<u>\$(85,705)</u>	<u>\$ 65,288</u>	<u>\$(14,418)</u>

(continued)

ORANGEBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2009

	Special Revenue Funds				Capital Project Funds	
	Delegation Economic Development Projects	Special Education	Grant Subfunds	Homeland Security Program	Whitaker Lighting Tax District	John Matthews Park Fund
REVENUES						
Property taxes	\$	\$ 2,403,348	\$	\$	\$ 42,227	\$
Intergovernmental:						
Federal			748,112			
State		22,813	1,546,812			
Local		-	309,214			
Charges for services						
Fines, fees, and forfeitures			376,694			
Investment income			36,649			
Other			320			
Total revenues	<u>18,118</u>	<u>2,426,161</u>	<u>3,017,801</u>	<u>-</u>	<u>42,227</u>	<u>100,000</u>
EXPENDITURES						
Current:						
General government			9,440			
Judicial			239,814			61,017
Public works			1,177,612		23,863	
Public safety	499,095		560,494			1,351,903
Social and Health			689,587			
Sanitation			1,523			
Allocation to Library		1,102,819				
Culture and recreation		1,819,166	416,214			
Debt service:						
Principal retirement						
Interest and fiscal charges						
Total expenditures	<u>499,095</u>	<u>2,921,985</u>	<u>3,094,684</u>	<u>-</u>	<u>23,863</u>	<u>1,459,711</u>
Excess of revenues over (under) expenditures	<u>(480,977)</u>	<u>(495,824)</u>	<u>(76,883)</u>	<u>-</u>	<u>18,364</u>	<u>(1,459,711)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets			192,623			
Transfers from General Fund			14,632			
Transfers in (out)			207,255			
Total other financing sources (uses)			394,510			
Net change in fund balances	<u>(480,977)</u>	<u>(495,824)</u>	<u>130,372</u>	<u>-</u>	<u>18,364</u>	<u>(1,459,711)</u>
Fund balances, beginning of year	2,232,099	(1,006,158)	3,749,631	723	(61,410)	8,044,472
Prior period adjustment - Note 15						542,853
Fund balances, beginning of year as restated	<u>2,232,099</u>	<u>(1,006,158)</u>	<u>3,749,631</u>	<u>723</u>	<u>(61,410)</u>	<u>8,587,325</u>
Fund balances, end of year	<u>\$ 1,751,122</u>	<u>\$ (1,501,982)</u>	<u>\$ 3,880,003</u>	<u>\$ 723</u>	<u>\$ (43,046)</u>	<u>\$ 7,127,614</u>

(continued)

ORANGEBURG COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2009

Exhibit B-5

	Capital Project Funds					Debt Service	Total
	Capital Improvements Fund	Economic Development Tobacco	Edisto Sewer Capital Projects	OCCIP Fund	2008 Bond Issue		
REVENUES							
Property taxes	\$ 799,881	\$ -	\$ -	\$ -	\$ -	\$ 1,852,870	\$ 8,200,622
Intergovernmental:							
Federal							
State	189,683		3,438			39,977	748,112
Local							2,237,606
Charges for services			106,382				309,214
Fines, fees, and forfeitures							5,605,840
Investment income							493,392
Other							54,767
Total revenues	1,093,700		109,820			1,892,847	209,690
	1,098,934						17,859,243
EXPENDITURES							
Current:							
General government							544,822
Judicial					474,365		239,814
Public works	2,361,914		156,639				8,620,488
Public safety					531,712		1,766,271
Social and Health							689,587
Sanitation							5,394,685
Allocation to Library							1,102,819
Culture and recreation							2,488,957
Debt service:							
Principal retirement						1,210,000	3,011,329
Interest and fiscal charges						603,438	659,873
Total expenditures	2,361,914		174,591		2,845,889	1,813,438	24,518,645
Excess of revenues over (under) expenditures	(1,262,980)		(64,771)		(2,845,889)	79,409	(6,659,402)
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets							96,699
Transfers from General Fund				96,699			278,728
Transfers in (out)	(14,632)						
Total other financing sources (uses)	(14,632)			96,699			375,427
Net change in fund balances	(1,277,612)		(64,771)		(2,845,889)	79,409	(6,283,975)
Fund balances, beginning of year	5,476,720	(202,049)	(465,485)		9,492,481	975,152	30,895,540
Prior period adjustment - Note 15							542,853
Fund balances, beginning of year as restated	5,476,720	(202,049)	(465,485)		9,492,481	975,152	31,438,393
Fund balances, end of year	4,199,108	(202,049)	(530,256)		6,646,592	1,054,561	25,154,418

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
ROADS AND BRIDGES MAINTENANCE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-6

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 3,150,945	\$ 3,150,945	\$ 2,967,620	\$ (183,325)
EXPENDITURES				
Public works	3,499,978	3,499,978	3,025,256	474,722
Excess (deficiency) of revenues over (under) expenditures	(349,033)	(349,033)	(57,636)	291,397
OTHER FINANCING SOURCES				
Transfers in	349,033	349,033	-	(349,033)
Total other financing sources (uses)	349,033	349,033	-	(349,033)
Net change in fund balance	\$ -	\$ -	(57,636)	\$ (57,636)
Fund balances, beginning of year			(46,170)	
Fund balances, end of year			\$ (103,806)	

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
E911 SURCHARGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-7

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
State	\$ -	\$ -	\$ 179,040	\$ 179,040
Charges for services	520,000	520,000	388,546	(131,454)
Total revenues	<u>520,000</u>	<u>520,000</u>	<u>567,586</u>	<u>47,586</u>
EXPENDITURES				
Public safety	520,000	520,000	536,307	(16,307)
Total expenditures	<u>520,000</u>	<u>520,000</u>	<u>536,307</u>	<u>(16,307)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>31,279</u>	<u>31,279</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	25,131	25,131
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>25,131</u>	<u>25,131</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	56,410	<u>\$ 56,410</u>
Fund balances, beginning of year			<u>13,921</u>	
Fund balances, end of year			<u>\$ 70,331</u>	

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
NEW BROOKLYN LIGHTING TAX DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-8

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 13,537	\$ 13,537	\$ 6,157	\$ (7,380)
EXPENDITURES				
Public works	13,537	13,537	12,705	832
Excess (deficiency) of revenues over (under) expenditures	-	-	(6,548)	(6,548)
Net change in fund balance	\$ -	\$ -	(6,548)	\$ (6,548)
Fund balances, beginning of year			(12,135)	
Fund balances, end of year			\$ (18,683)	

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
SOLID WASTE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-9

	<u>Budgeted Amounts</u>		Actual GAAP Basis	GAAP to Budget Differences Over (Under)	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>				
REVENUES						
Property taxes	\$ 3,091,466	\$ 3,091,466	\$ 3,089,149	\$ -	\$ 3,089,149	\$ (2,317)
Intergovernmental:						
State	134,000	134,000	35,854	-	35,854	(98,146)
Charges for services	1,994,295	1,994,295	2,143,292	-	2,143,292	148,997
Total revenues	<u>5,219,761</u>	<u>5,219,761</u>	<u>5,268,295</u>	<u>-</u>	<u>5,268,295</u>	<u>48,534</u>
EXPENDITURES						
Sanitation	5,219,761	6,612,261	5,393,162	2,051	5,395,213	1,217,048
Total expenditures	<u>5,219,761</u>	<u>6,612,261</u>	<u>5,393,162</u>	<u>2,051</u>	<u>5,395,213</u>	<u>1,217,048</u>
Excess (deficiency) of revenues over (under) expenditures	-	(1,392,500)	(124,867)	(2,051)	(126,918)	1,265,582
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,392,500)</u>	(124,867)	(2,051)	(126,918)	<u>\$ 1,265,582</u>
Fund balances, beginning of year			2,787,189	-	2,787,189	
Fund balances, end of year			<u>\$ 2,662,322</u>	<u>\$ (2,051)</u>	<u>\$ 2,660,271</u>	

Encumbrance for capital outlay and supplies ordered but not received is reported in the year the orders are placed for budgetary purposes, but are reported in the year the capital items and supplies are received for GAAP purposes

Current year encumbrances \$ (2,051)

Net decrease in fund balance - GAAP to budget \$ (2,051)

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
VICTIMS ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-10

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
				Positive
				(Negative)
REVENUES				
Fines, fees, and forfeitures	<u>\$ 120,729</u>	<u>\$ 120,729</u>	<u>\$ 116,698</u>	<u>\$ (4,031)</u>
EXPENDITURES				
Public safety	<u>181,703</u>	<u>181,703</u>	<u>137,758</u>	<u>43,945</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(60,974)</u>	<u>(60,974)</u>	<u>(21,060)</u>	<u>39,914</u>
OTHER FINANCING SOURCES				
Transfers in	<u>60,974</u>	<u>60,974</u>	<u>60,974</u>	<u>-</u>
Total other financing sources (uses)	<u>60,974</u>	<u>60,974</u>	<u>60,974</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>39,914</u>	<u>\$ 39,914</u>
Fund balances, beginning of year			<u>(125,619)</u>	
Fund balances, end of year			<u>\$ (85,705)</u>	

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
ACCOMMODATIONS TAX
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit - 11

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
State	\$ 200,000	\$ 200,000	\$ 219,989	\$ 19,989
EXPENDITURES				
Culture and recreation	200,000	200,000	206,786	(6,786)
Excess (deficiency) of revenues over (under) expenditures	-	-	13,203	26,775
Net change in fund balance	\$ -	\$ -	13,203	\$ 26,775
Fund balances, beginning of year			52,085	
Fund balances, end of year			\$ 65,288	

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
BROOKDALE LIGHTING TAX DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-12

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Property taxes	\$ 10,854	\$ 10,854	\$ 6,990	\$ (3,864)
EXPENDITURES				
Public works	10,854	10,854	11,501	647
Excess (deficiency) of revenues over (under) expenditures	-	-	(4,511)	(4,511)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(4,511)	<u>\$ (4,511)</u>
Fund balances, beginning of year			<u>(9,907)</u>	
Fund balances, end of year			<u>\$ (14,418)</u>	

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
SPECIAL EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-13

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 2,842,339	\$ 2,842,339	\$ 2,403,348	\$ (438,991)
Intergovernmental:				
State	22,813	22,813	22,813	-
Total revenues	2,865,152	2,865,152	2,426,161	(438,991)
EXPENDITURES				
Culture and recreation	1,945,792	1,945,792	1,819,166	126,626
Allocation to Library	919,360	919,360	1,102,819	(183,459)
Total expenditures	2,865,152	2,865,152	2,921,985	(56,833)
Excess (deficiency) of revenues over (under) expenditures	-	-	(495,824)	(495,824)
Net change in fund balance	\$ -	\$ -	(495,824)	\$ (495,824)
Fund balances, beginning of year			(1,006,158)	
Fund balances, end of year			\$ (1,501,982)	

COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR SPECIAL REVENUE FUND
WHITAKER LIGHTING TAX DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

Exhibit B-14

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Property taxes	\$ 51,660	\$ 51,660	\$ 42,227	\$ (9,433)
EXPENDITURES				
Public works	51,660	51,660	23,863	27,797
Excess (deficiency) of revenues over (under) expenditures	-	-	18,364	18,364
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	18,364	<u>\$ 18,364</u>
Fund balances, beginning of year			<u>(61,410)</u>	
Fund balances, end of year			<u>\$ (43,046)</u>	

NONMAJOR CAPITAL PROJECTS FUND

CAPITAL PROJECTS SALES TAX I

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

From inception and for the year ended June 30, 2009

	Project Authorization	Prior Years As Restated	Current Year	Total to Date
REVENUES				
Sales tax	\$ 52,704,200	\$ 53,914,066	\$ -	\$ 53,914,066
Investment income	-	5,900,723	-	5,900,723
Total revenues	52,704,200	59,814,789	-	59,814,789
EXPENDITURES				
General government	3,044,058	3,038,433	61,017	3,099,450
Public works	37,833,221	31,697,347	1,351,903	33,049,250
Public safety	2,422,000	2,413,398	-	2,413,398
Culture and recreation	9,404,921	9,203,060	46,791	9,249,851
Principal retirement	-	8,435,000	-	8,435,000
Interest and fiscal charges	-	388,244	-	388,244
Total expenditures	52,704,200	55,175,482	1,459,711	56,635,193
Excess of revenues over expenditures	-	4,639,307	(1,459,711)	3,179,596
OTHER FINANCING SOURCES (USES)				
Capital project sales tax revenue bonds issued	-	35,689,347	-	35,689,347
Transfers in	-	7,660,201	-	7,660,201
Transfers Out	-	(39,401,530)	-	(39,401,530)
Total other financing sources (uses)	-	3,948,018	-	3,948,018
Excess of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ 8,587,325	(1,459,711)	\$ 7,127,614
Fund balances, beginning of year			8,044,472	
Prior period adjustment			542,853	
Fund balances, beginning of year as restated			8,587,325	
Fund balances, end of year			\$ 7,127,614	

NONMAJOR CAPITAL PROJECTS FUND
 CAPITAL IMPROVEMENTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual GAAP Basis	GAAP to Budget Differences Over (Under)	Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
REVENUES						
Property taxes	\$ 832,835	\$ 832,835	\$ 799,881	\$ -	\$ 799,881	\$ (32,954)
Intergovernmental	17,165	17,165	189,683	-	189,683	172,518
Other	-	-	109,370	-	109,370	109,370
Total revenues	<u>850,000</u>	<u>850,000</u>	<u>1,098,934</u>	<u>-</u>	<u>1,098,934</u>	<u>248,934</u>
EXPENDITURES						
Public works	850,000	5,799,769	2,361,914	30,150	2,392,064	3,407,705
Total expenditures	<u>850,000</u>	<u>5,799,769</u>	<u>2,361,914</u>	<u>30,150</u>	<u>2,392,064</u>	<u>3,407,705</u>
Deficiency of revenues over expenditures	-	(4,949,769)	(1,262,980)	(30,150)	(1,293,130)	3,656,639
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	(14,632)	-	(14,632)	(14,632)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(14,632)</u>	<u>-</u>	<u>(14,632)</u>	<u>(14,632)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (4,949,769)</u>	<u>(1,277,612)</u>	<u>(30,150)</u>	<u>(1,307,762)</u>	<u>\$ 3,642,007</u>
Fund balances, beginning of year			5,476,720	(80,478)	5,396,242	
Fund balances, end of year			<u>\$ 4,199,108</u>	<u>\$ (110,628)</u>	<u>\$ 4,088,480</u>	

Explanation of Differences:

Encumbrance for capital outlay ordered but not received is reported in the year the orders are placed for budgetary purposes, but are reported in the year the capital items are received for GAAP purposes

Prior year encumbrances	\$ 80,478
Current year encumbrances	<u>(110,628)</u>
Net decrease in fund balance - GAAP to budget	<u>\$ (30,150)</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NONMAJOR DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

Exhibit B-17

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Property taxes	\$ 1,868,999	\$ 1,868,999	\$ 1,852,870	\$ (16,129)
Intergovernmental:				
State	40,000	40,000	39,977	(23)
Total revenues	<u>1,908,999</u>	<u>1,908,999</u>	<u>1,892,847</u>	<u>(16,152)</u>
EXPENDITURES				
Principal retirement	395,000	395,000	1,210,000	(815,000)
Interest and fiscal charges	<u>1,513,999</u>	<u>1,513,999</u>	<u>603,438</u>	<u>910,561</u>
Total expenditures	<u>1,908,999</u>	<u>1,908,999</u>	<u>1,813,438</u>	<u>95,561</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>79,409</u>	<u>79,409</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>79,409</u>	<u>\$ 79,409</u>
Fund balances, beginning of year			<u>975,152</u>	
Fund balances, end of year			<u>\$ 1,054,561</u>	

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FIDUCIARY FUNDS

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

ORANGEBURG COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2009

Exhibit B-18

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
CONSOLIDATED SCHOOL DISTRICT 3				
Assets				
Property taxes receivable	\$ 744,549	\$ 13,872,486	\$ 13,650,064	\$ 966,971
Due from General Fund	<u>1,473,443</u>	<u>38,585,070</u>	<u>38,170,421</u>	<u>1,888,092</u>
Total Assets	<u>\$ 2,217,992</u>	<u>\$ 52,457,556</u>	<u>\$ 51,820,485</u>	<u>\$ 2,855,063</u>
Liabilities				
Due to taxing unit	<u>\$ 2,217,992</u>	<u>\$ 52,457,556</u>	<u>\$ 51,820,485</u>	<u>\$ 2,855,063</u>
Total Liabilities	<u>\$ 2,217,992</u>	<u>\$ 52,457,556</u>	<u>\$ 51,820,485</u>	<u>\$ 2,855,063</u>
 CONSOLIDATED SCHOOL DISTRICT 4				
Assets				
Property taxes receivable	\$ 437,475	\$ 12,911,695	\$ 12,793,437	\$ 555,733
Due from General Fund	<u>4,080,336</u>	<u>46,353,503</u>	<u>46,339,094</u>	<u>4,094,745</u>
Total Assets	<u>\$ 4,517,811</u>	<u>\$ 59,265,198</u>	<u>\$ 59,132,531</u>	<u>\$ 4,650,478</u>
Liabilities				
Due to taxing unit	<u>\$ 4,517,811</u>	<u>\$ 59,265,198</u>	<u>\$ 59,132,531</u>	<u>\$ 4,650,478</u>
Total Liabilities	<u>\$ 4,517,811</u>	<u>\$ 59,265,198</u>	<u>\$ 59,132,531</u>	<u>\$ 4,650,478</u>
 CONSOLIDATED SCHOOL DISTRICT 5				
Assets				
Property taxes receivable	\$ 1,890,651	\$ 32,410,469	\$ 31,946,809	\$ 2,354,311
Due from General Fund	<u>6,033,597</u>	<u>81,445,792</u>	<u>81,961,048</u>	<u>5,518,341</u>
Total Assets	<u>\$ 7,924,248</u>	<u>\$ 113,856,261</u>	<u>\$ 113,907,857</u>	<u>\$ 7,872,652</u>
Liabilities				
Due to taxing unit	<u>\$ 7,924,248</u>	<u>\$ 113,856,261</u>	<u>\$ 113,907,857</u>	<u>\$ 7,872,652</u>
Total Liabilities	<u>\$ 7,924,248</u>	<u>\$ 113,856,261</u>	<u>\$ 113,907,857</u>	<u>\$ 7,872,652</u>
 COUNTY BOARD OF EDUCATION				
Assets				
Property taxes receivable	\$ 461,478	\$ 8,206,429	\$ 8,098,099	\$ 569,808
Due from General Fund	<u>-</u>	<u>8,370,632</u>	<u>7,840,091</u>	<u>530,541</u>
Total Assets	<u>\$ 461,478</u>	<u>\$ 16,577,061</u>	<u>\$ 15,938,190</u>	<u>\$ 1,100,349</u>
Liabilities				
Due to taxing unit	<u>\$ 461,478</u>	<u>\$ 16,577,061</u>	<u>\$ 15,938,190</u>	<u>\$ 1,100,349</u>
Total Liabilities	<u>\$ 461,478</u>	<u>\$ 16,577,061</u>	<u>\$ 15,938,190</u>	<u>\$ 1,100,349</u>

ORANGEBURG COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2009

Exhibit B-18

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
TOWNS				
Assets				
Property taxes receivable	\$ 145,995	\$ 1,482,476	\$ 1,452,700	\$ 175,771
Due from General Fund	(1,437)	1,795,495	1,793,889	169
Total Assets	<u>\$ 144,558</u>	<u>\$ 3,277,971</u>	<u>\$ 3,246,589</u>	<u>\$ 175,940</u>
Liabilities				
Due to taxing unit	\$ 144,558	\$ 3,277,971	\$ 3,246,589	\$ 175,940
Total Liabilities	<u>\$ 144,558</u>	<u>\$ 3,277,971</u>	<u>\$ 3,246,589</u>	<u>\$ 175,940</u>
 DELINQUENT TAX COLLECTOR				
Assets				
Cash	\$ (82,342)	\$ 1,256,161	\$ -	\$ 1,173,819
Investments	2,034,700	-	1,031,183	1,003,517
Total Assets	<u>\$ 1,952,358</u>	<u>\$ 1,256,161</u>	<u>\$ 1,031,183</u>	<u>\$ 2,177,336</u>
Liabilities				
Due to others	\$ 1,952,358	\$ 1,256,161	\$ 1,031,183	\$ 2,177,336
Total Liabilities	<u>\$ 1,952,358</u>	<u>\$ 1,256,161</u>	<u>\$ 1,031,183</u>	<u>\$ 2,177,336</u>
 SANTEE FIRE FIRE DISTRICT				
Assets				
Property taxes receivable	\$ 16,351	\$ 240,170	\$ 233,195	\$ 23,326
Total Assets	<u>\$ 16,351</u>	<u>\$ 240,170</u>	<u>\$ 233,195</u>	<u>\$ 23,326</u>
Liabilities				
Due to taxing unit	\$ (2,357)	\$ 240,170	\$ 214,487	\$ 23,326
Due to General Fund	18,708	-	18,708	-
Total Liabilities	<u>\$ 16,351</u>	<u>\$ 240,170</u>	<u>\$ 233,195</u>	<u>\$ 23,326</u>

(continued)

ORANGEBURG COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2009

Exhibit B-18

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
HOLLY HILL HEALTH AND DRAINAGE				
Assets				
Property taxes receivable	\$ 872	\$ 11,786	\$ 11,594	\$ 1,064
Total Assets	<u>\$ 872</u>	<u>\$ 11,786</u>	<u>\$ 11,594</u>	<u>\$ 1,064</u>
Liabilities				
Due to taxing unit	\$ (403)	\$ 11,786	\$ 10,319	\$ 1,064
Due to General Fund	<u>1,275</u>	<u>-</u>	<u>1,275</u>	<u>-</u>
Total Liabilities	<u>\$ 872</u>	<u>\$ 11,786</u>	<u>\$ 11,594</u>	<u>\$ 1,064</u>
 HORSE RANGE WATER SHED				
Assets				
Property taxes receivable	\$ 1,861	\$ 18,364	\$ 18,330	\$ 1,895
Due from General Fund	<u>21,686</u>	<u>23,558</u>	<u>28,391</u>	<u>16,853</u>
Total Assets	<u>\$ 23,547</u>	<u>\$ 41,922</u>	<u>\$ 46,721</u>	<u>\$ 18,748</u>
Liabilities				
Due to taxing unit	<u>\$ 23,547</u>	<u>\$ 41,922</u>	<u>\$ 46,721</u>	<u>\$ 18,748</u>
Total Liabilities	<u>\$ 23,547</u>	<u>\$ 41,922</u>	<u>\$ 46,721</u>	<u>\$ 18,748</u>
 COW CASTLE DRAINAGE DISTRICT				
Assets				
Due from General Fund	<u>\$ 33,120</u>	<u>\$ 18,840</u>	<u>\$ 25,120</u>	<u>\$ 26,840</u>
Liabilities				
Due to taxing unit	<u>\$ 33,120</u>	<u>\$ 18,840</u>	<u>\$ 25,120</u>	<u>\$ 26,840</u>
 SOLICITOR'S FORFEITED BOND FUND				
Assets				
Due from General Fund	<u>\$ 30,057</u>	<u>\$ 4,750</u>	<u>\$ 60</u>	<u>\$ 34,747</u>
Liabilities				
Due to (from) other Agency Funds	\$ -	\$ (450)	\$ -	\$ (450)
Due to others	<u>30,057</u>	<u>5,200</u>	<u>60</u>	<u>35,197</u>
Total Liabilities	<u>\$ 30,057</u>	<u>\$ 4,750</u>	<u>\$ 60</u>	<u>\$ 34,747</u>
 FIREMAN'S INSURANCE PREMIUM FUND				
Assets				
Due from General Fund	<u>\$ -</u>	<u>\$ 163,911</u>	<u>\$ 162,455</u>	<u>\$ 1,456</u>
Liabilities				
Due to others	<u>\$ -</u>	<u>\$ 163,911</u>	<u>\$ 162,455</u>	<u>\$ 1,456</u>

(continued)

ORANGEBURG COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2009

Exhibit B-18

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
CLERK OF COURT BAIL BONDS				
Assets				
Due from General Fund	\$ 44,880	\$ 4,290	\$ -	\$ 49,170
Liabilities				
Due to others	\$ 44,880	\$ 4,290	\$ -	\$ 49,170
 COURT FINES AND ASSESSMENTS				
Assets				
Due from General Fund	\$ 36,793	\$ 1,987,595	\$ 1,991,550	\$ 32,838
Total Assets	<u>\$ 36,793</u>	<u>\$ 1,987,595</u>	<u>\$ 1,991,550</u>	<u>\$ 32,838</u>
Liabilities				
Due to (from) other Agency Funds	\$ (112,430)	\$ 1,855,853	\$ 1,842,327	\$ (98,904)
Due to others	149,223	131,742	149,223	131,742
Total Liabilities	<u>\$ 36,793</u>	<u>\$ 1,987,595</u>	<u>\$ 1,991,550</u>	<u>\$ 32,838</u>
 SOLICITOR'S DRUG FUND				
Assets				
Due from General Fund	\$ 19,241	\$ 7,764	\$ 28	\$ 26,977
Liabilities				
Due to others	\$ 19,241	\$ 7,764	\$ 28	\$ 26,977
 CLERK OF COURT TRUST FUND				
Assets				
Cash	\$ 891,351	\$ 896,415	\$ 904,968	\$ 882,798
Total Assets	<u>\$ 891,351</u>	<u>\$ 896,415</u>	<u>\$ 904,968</u>	<u>\$ 882,798</u>
Liabilities				
Due to General Fund	\$ 10,343	\$ 47,181	\$ 37,994	\$ 19,530
Due to General Fund - overage / (deficit)	70,199	63,626	18,220	115,605
Due to Special Revenue Fund	2,181	34,322	33,975	2,528
Due to (from) other Agency Funds	5,551	378,145	355,274	28,422
Due to others	803,077	373,141	459,505	716,713
Total Liabilities	<u>\$ 891,351</u>	<u>\$ 896,415</u>	<u>\$ 904,968</u>	<u>\$ 882,798</u>

(continued)

ORANGEBURG COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2009

Exhibit B-18

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
MASTER IN EQUITY TRUST FUND				
Assets				
Cash	\$ 47,395	\$ 1,829,853	\$ 1,857,542	\$ 19,706
Due from others	64,435	-	64,435	-
Total Assets	<u>\$ 111,830</u>	<u>\$ 1,829,853</u>	<u>\$ 1,921,977</u>	<u>\$ 19,706</u>
Liabilities				
Due to others	\$ 111,830	\$ 1,829,853	\$ 1,921,977	\$ 19,706
Total Liabilities	<u>\$ 111,830</u>	<u>\$ 1,829,853</u>	<u>\$ 1,921,977</u>	<u>\$ 19,706</u>
 PROBATE COURT TRUST FUND				
Assets				
Cash	\$ 275,813	\$ 105,316	\$ 276,204	\$ 104,925
Total Assets	<u>\$ 275,813</u>	<u>\$ 105,316</u>	<u>\$ 276,204</u>	<u>\$ 104,925</u>
Liabilities				
Due to General Fund - overage / (deficit)	\$ (2,433)	\$ 2,695	\$ -	\$ 262
Due to others	278,246	102,621	276,204	104,663
Total Liabilities	<u>\$ 275,813</u>	<u>\$ 105,316</u>	<u>\$ 276,204</u>	<u>\$ 104,925</u>
 FAMILY COURT TRUST FUND				
Assets				
Cash	\$ 49,538	\$ 12,153,069	\$ 12,140,121	\$ 62,486
Total Assets	<u>\$ 49,538</u>	<u>\$ 12,153,069</u>	<u>\$ 12,140,121</u>	<u>\$ 62,486</u>
Liabilities				
Due to (from) General Fund	\$ 2,598	\$ 614,852	\$ 638,961	\$ (21,511)
Due to General Fund - overage / (deficit)	(7,688)	7,688	-	-
Due to others	54,628	11,530,529	11,501,160	83,997
Total Liabilities	<u>\$ 49,538</u>	<u>\$ 12,153,069</u>	<u>\$ 12,140,121</u>	<u>\$ 62,486</u>

(continued)

ORANGEBURG COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2009

Exhibit B-18

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
MAGISTRATE'S TRUST FUND				
Assets				
Cash	\$ 260,092	\$ 2,003,782	\$ 2,054,212	\$ 209,662
Total Assets	<u>\$ 260,092</u>	<u>\$ 2,003,782</u>	<u>\$ 2,054,212</u>	<u>\$ 209,662</u>
Liabilities				
Due to General Fund	\$ 104,315	\$ 944,824	\$ 970,177	\$ 78,962
Due to General Fund - overage / (deficit)	(587)	609	-	22
Due to Special Revenue Fund	10,173	82,459	85,826	6,806
Due to (from) other Agency Funds	98,862	865,254	893,184	70,932
Due to others	47,329	110,636	105,025	52,940
Total Liabilities	<u>\$ 260,092</u>	<u>\$ 2,003,782</u>	<u>\$ 2,054,212</u>	<u>\$ 209,662</u>
 SHERIFF- FEDERAL SEIZED PROPERTY				
Assets				
Due from General Fund	\$ 1,589	\$ 76,091	\$ 21,795	\$ 55,885
Liabilities				
Due to others	<u>\$ 1,589</u>	<u>\$ 76,091</u>	<u>\$ 21,795</u>	<u>\$ 55,885</u>
 SHERIFF - STATE SEIZED PROPERTY				
Assets				
Due from General Fund	\$ 1,389	\$ 4	\$ 8	\$ 1,385
Liabilities				
Due to others	<u>\$ 1,389</u>	<u>\$ 4</u>	<u>\$ 8</u>	<u>\$ 1,385</u>
 SHERIFF - ABANDONED PROPERTY				
Assets				
Due from General Fund	\$ 1,197	\$ 31,170	\$ 15,197	\$ 17,170
Liabilities				
Due to others	<u>\$ 1,197</u>	<u>\$ 31,170</u>	<u>\$ 15,197</u>	<u>\$ 17,170</u>

(continued)

ORANGEBURG COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 JUNE 30, 2009

Exhibit B-18

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
Register of Deeds				
Assets				
Cash	\$ 13,540	\$ 567,360	\$ 580,900	\$ -
Total Assets	<u>\$ 13,540</u>	<u>\$ 567,360</u>	<u>\$ 580,900</u>	<u>\$ -</u>
Liabilities				
Due to General Fund	\$ 5,523	\$ 278,554	\$ 284,077	\$ -
Due to other Agency Funds	8,017	288,806	296,823	-
Total Liabilities	<u>\$ 13,540</u>	<u>\$ 567,360</u>	<u>\$ 580,900</u>	<u>\$ -</u>
SEX OFFENDER REGISTRY				
Assets				
Due from General Fund	\$ 7,978	\$ 9,744	\$ 8,079	\$ 9,643
Liabilities				
Due to others	\$ 7,978	\$ 9,744	\$ 8,079	\$ 9,643
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash	\$ 1,455,387	\$ 18,811,956	\$ 17,813,947	\$ 2,453,396
Investments	2,034,700	-	1,031,183	1,003,517
Property taxes receivable	3,699,232	69,153,875	68,204,228	4,648,879
Due from General Fund	11,783,869	178,878,209	178,357,226	12,304,852
Due from others	64,435	-	64,435	-
Total Assets	<u>\$ 19,037,623</u>	<u>\$ 266,844,040</u>	<u>\$ 265,471,019</u>	<u>\$ 20,410,644</u>
Liabilities				
Due to General Fund	\$ 142,762	\$ 1,885,411	\$ 1,951,192	\$ 76,981
Due to General Fund - overage / (deficit)	59,491	74,618	18,220	115,889
Due to Special Revenue Fund	12,354	116,781	119,801	9,334
Due to (from) other Agency Funds	-	3,387,608	3,387,608	-
Due to taxing units	15,319,994	245,746,765	244,342,299	16,724,460
Due to others	3,503,022	15,632,857	15,651,899	3,483,980
Total Liabilities	<u>\$ 19,037,623</u>	<u>\$ 266,844,040</u>	<u>\$ 265,471,019</u>	<u>\$ 20,410,644</u>

DISCRETELY PRESENTED COMPONENT UNITS

The County has three discretely presented component units.

The *Orangeburg County Fire Commission* – The Orangeburg County Fire Commission was created in 1997 to provide coordinated fire protection throughout Orangeburg County.

The *Orangeburg County Public Library* – The Orangeburg County Public Library provides library services to County residents.

The *Orangeburg-Calhoun Regional Detention Center* – The Orangeburg-Calhoun Regional Detention Center houses prisoners for Orangeburg and Calhoun Counties.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
COMBINING STATEMENT OF NET ASSETS
DISCREETELY PRESENTED COMPONENT UNITS
JUNE 30, 2009

Exhibit B-19

	Orangeburg County Fire Commission	Orangeburg County Public Library	Orangeburg- Calhoun Regional Detention Center	Totals
ASSETS				
Cash and cash equivalents	\$ 500	\$ 244,974	\$ 42,426	\$ 287,900
Property taxes receivable	182,379	-	-	182,379
Other receivables	24,971	-	23,199	48,170
Intergovernmental receivable	-	-	509,811	509,811
Due from primary government	678,110	80,864	-	758,974
Other assets	3,400	-	-	3,400
	<u>889,360</u>	<u>325,838</u>	<u>575,436</u>	<u>1,790,634</u>
LIABILITIES				
Accounts payable	37,163	2,558	64,617	104,338
Accrued salaries and benefits	7,361	-	100,684	108,045
Due to primary government	-	-	346,711	346,711
Noncurrent liabilities:				
Due within one year	16,470	22,291	74,075	112,836
Due in more than one year	15,203	28,371	106,596	150,170
Net OPEB obligation	29,191	153,232	445,056	627,479
	<u>105,388</u>	<u>206,452</u>	<u>1,137,739</u>	<u>1,449,579</u>
NET ASSETS				
Unrestricted (deficit)	<u>783,972</u>	<u>119,386</u>	<u>(562,303)</u>	<u>341,055</u>
	<u>\$ 783,972</u>	<u>\$ 119,386</u>	<u>\$ (562,303)</u>	<u>\$ 341,055</u>

**ORANGEBURG COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2009**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Orangeburg County Fire District	Orangeburg County Public Library	Orangeburg- Calhoun Regional Detention Center	Totals	
Orangeburg County Fire District								
Governmental activities:								
Public safety	\$ -	\$ -	\$ -	\$ (1,308,928)			\$ (1,308,928)	
Total Orangeburg County Fire District	<u>1,308,928</u>	<u>1,308,928</u>	<u>1,308,928</u>	<u>(1,308,928)</u>			<u>(1,308,928)</u>	
Orangeburg County Public Library								
Governmental activities:								
Culture and recreation	80,000	139,205	-					
Total Library Foundation	<u>1,468,929</u>	<u>139,205</u>	<u>-</u>		\$ (1,249,724)		<u>(1,249,724)</u>	
Orangeburg-Calhoun Regional Detention Center								
Governmental activities:								
Public safety	6,220,842	62,987	-					
Total Detention Center	<u>6,220,842</u>	<u>62,987</u>	<u>-</u>			\$ (6,157,855)	<u>(6,157,855)</u>	
Business-type activities:								
Orangeburg-Calhoun Regional Detention Center								
Regional Detention Center	84,252	84,264	-					12
Total Detention Center	<u>84,252</u>	<u>84,264</u>	<u>-</u>					<u>12</u>
Total component units	\$ 9,082,951	\$ 227,251	\$ 139,205	\$ (1,308,928)	\$ (1,249,724)	\$ (6,157,843)	\$ (8,716,495)	
General Revenues:								
Payment from Primary Government					1,102,819	4,897,182	6,000,001	
Payment from Other Governments					-	810,490	810,490	
Property taxes				2,340,119	-	-	2,340,119	
Interest earnings				6,883	432	-	7,315	
Miscellaneous				-	-	764	764	
Transfers				(1,020,686)	(43,457)	(62,296)	(1,126,439)	
Total general revenues and transfers				<u>1,326,316</u>	<u>1,059,794</u>	<u>5,646,140</u>	<u>8,032,250</u>	
Change in net assets				17,388	(189,930)	(511,703)	(684,245)	
Net assets - beginning				766,584	309,316	(50,600)	1,025,300	
Net assets - ending				\$ 783,972	\$ 119,386	\$ (562,303)	\$ 341,055	

ORANGEBURG COUNTY, SOUTH CAROLINA
PROPRIETARY COMPONENT UNIT
ORANGEBURG-CALHOUN REGIONAL DETENTION CENTER
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2009

Exhibit B-21

Operating Revenues:	
Canteen sales	\$ 50,266
Telephone revenue	33,998
Miscellaneous revenue	764
	<hr/>
Total operating revenues	85,028
	<hr/>
Operating Expenses:	
Work release	19,591
Administration	22,755
Benefit for inmates	41,906
	<hr/>
Total operating expenses	84,252
	<hr/>
Operating Income (Loss)	776
 Non-Operating Transfers	
Transfer out	(45,945)
	<hr/>
Total non-operating transfers	(45,945)
	<hr/>
Change in net assets	(45,169)
Total net assets - beginning	108,593
	<hr/>
Total net assets - ending	\$ 63,424
	<hr/> <hr/>

ORANGEBURG COUNTY, SOUTH CAROLINA
PROPRIETARY COMPONENT UNIT
ORANGEBURG-CALHOUN REGIONAL DETENTION CENTER
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2009

Exhibit B-22

Cash Flows From Operating Activities:	
Cash received from customers	\$ 81,684
Cash paid to suppliers	<u>(84,252)</u>
Net Cash Provided (Used) by Operating Activities	<u>(2,568)</u>
 Cash Flows from Non-Capital Financing Activities	
Operating transfers to primary government	<u>(45,945)</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(45,945)</u>
Net Increase (Decrease) in Cash and Equivalents	(48,513)
Cash and Equivalents at Beginning of Year	<u>90,939</u>
Cash and Equivalents at End of Year	<u><u>\$ 42,426</u></u>
 Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 776
 Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
(Increase) decrease in accounts receivables	<u>(3,344)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (2,568)</u></u>

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 DISCREETELY PRESENTED COMPONENT UNITS
 JUNE 30, 2009

Exhibit B-23

	Governmental Funds			Proprietary Fund	Totals
	Orangeburg County Fire Commission	Orangeburg County Public Library	Orangeburg- Calhoun Regional Detention Center	Orangeburg- Calhoun Regional Detention Center	
ASSETS					
Cash and cash equivalents	\$ 500	\$ 244,974	\$ -	\$ 42,426	\$ 287,900
Property taxes receivable	182,379	-	-	-	182,379
Other receivables	24,971	-	2,201	20,998	48,170
Intergovernmental receivable	-	-	509,811	-	509,811
Due from primary government	678,110	80,864	-	-	758,974
Other assets	3,400	-	-	-	3,400
	<u>\$ 889,360</u>	<u>\$ 325,838</u>	<u>\$ 512,012</u>	<u>\$ 63,424</u>	<u>\$ 1,790,634</u>
LIABILITIES AND FUND EQUITY					
Liabilities					
Accounts payable	\$ 37,163	\$ 2,558	\$ 64,617	\$ -	\$ 104,338
Accrued salaries and benefits	7,361	-	100,684	-	108,045
Deferred revenue - Property taxes	148,628	-	-	-	148,628
Due to primary government	-	-	346,711	-	346,711
	<u>193,152</u>	<u>2,558</u>	<u>512,012</u>	<u>-</u>	<u>707,722</u>
Fund Equity					
Fund balances					
Reserved for encumbrances	-	-	9,641	-	9,641
Unreserved, unrestricted (deficit)	696,208	323,280	(9,641)	63,424	1,073,271
	<u>696,208</u>	<u>323,280</u>	<u>-</u>	<u>63,424</u>	<u>1,082,912</u>
Total fund equity	<u>696,208</u>	<u>323,280</u>	<u>-</u>	<u>63,424</u>	<u>1,082,912</u>
Total liabilities and fund equity	<u>\$ 889,360</u>	<u>\$ 325,838</u>	<u>\$ 512,012</u>	<u>\$ 63,424</u>	<u>\$ 1,790,634</u>

COUNTY OF ORANGEBURG, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
DISCRETELY PRESENTED COMPONENT UNITS
For the year ended June 30, 2009

Exhibit B-24

	<u>Orangeburg County Fire Commission</u>	<u>Orangeburg County Public Library</u>	<u>Orangeburg- Calhoun Regional Detention Center</u>	<u>Totals</u>
REVENUE				
Property taxes	\$ 2,319,458	\$ -	\$ -	\$ 2,319,458
Intergovernmental	-	1,242,024	5,770,659	7,012,683
Interest	6,883	432	-	7,315
Other	-	80,000	-	80,000
	<u>2,326,341</u>	<u>1,322,456</u>	<u>5,770,659</u>	<u>9,419,456</u>
EXPENDITURES				
Current				
Public safety	1,276,055	-	5,754,308	7,030,363
Culture and recreation	-	1,309,972	-	1,309,972
	<u>1,276,055</u>	<u>1,309,972</u>	<u>5,754,308</u>	<u>8,340,335</u>
Excess of revenues over (under) expenditures	<u>1,050,286</u>	<u>12,484</u>	<u>16,351</u>	<u>1,079,121</u>
OTHER FINANCING SOURCES (USES)				
Transfers out to primary government	<u>(1,020,686)</u>	<u>(43,457)</u>	<u>(16,351)</u>	<u>(1,080,494)</u>
Net other financing sources (uses)	<u>(1,020,686)</u>	<u>(43,457)</u>	<u>(16,351)</u>	<u>(1,080,494)</u>
Net change in fund balance	<u>29,600</u>	<u>(30,973)</u>	<u>-</u>	<u>(1,373)</u>
Fund balances, beginning of year	<u>666,608</u>	<u>354,253</u>	<u>-</u>	<u>1,020,861</u>
Fund balances, end of year	<u>\$ 696,208</u>	<u>\$ 323,280</u>	<u>\$ -</u>	<u>\$ 1,019,488</u>

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SCHEDULE REQUIRED BY STATE LAW

The schedule of fines, assessments, and surcharges pertaining to court collections is presented as required by the State of South Carolina.

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COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES
SPECIAL REVENUE FUND - VICTIMS' SERVICES FUND
JUNE 30, 2009

Exhibit B-25

	Clerk of Court	Magistrates	Total
Court Fines			
Court fines collected	\$ 67,841	\$ 1,320,213	\$ 1,388,054
Court fines retained by County	<u>13,682</u>	<u>842,045</u>	<u>855,727</u>
Court fines remitted to State Treasurer	<u>\$ 54,159</u>	<u>\$ 478,168</u>	<u>\$ 532,327</u>
Court Assessments			
Court assessments collected	\$ 16,121	\$ 428,454	\$ 444,575
Court assessments retained by County	<u>3,006</u>	<u>59,908</u>	<u>62,914</u>
Court assessments remitted to State Treasurer	<u>\$ 13,115</u>	<u>\$ 368,546</u>	<u>\$ 381,661</u>
Court Surcharges			
Court surcharges collected	<u>\$ 31,316</u>	<u>\$ 22,468</u>	<u>\$ 53,784</u>
Court surcharges retained by County	<u>\$ 31,316</u>	<u>\$ 22,468</u>	<u>\$ 53,784</u>
Victims Services			
Court assessments allocated to Victim Services	\$ 3,006	\$ 59,908	\$ 62,914
Court surcharges allocated to Victim Services	<u>31,316</u>	<u>22,468</u>	<u>53,784</u>
Funds allocated to Victim Services	<u>\$ 34,322</u>	<u>\$ 82,376</u>	116,698
Victim Services expenditures			(137,758)
Transfers in			<u>60,974</u>
			<u>\$ 39,914</u>
Beginning balance - July 1, 2008		\$ (125,619)	
Excess of revenues over expenditures for current year		<u>39,914</u>	
Ending Balance - June 30, 2009		<u>\$ (85,705)</u>	

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STATISTICAL SECTION (UNAUDITED)

This part of the County's comprehensive annual financial report represents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS**

Table I

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	Fiscal Year As Previously Shown									
Governmental Activities										
Invested in capital assets, net of related debt	\$ -	\$ -	\$ -	\$ 42,829,299	\$ 37,623,896	\$ 55,407,327	\$ 51,595,231	\$ 43,345,928	\$ 40,346,895	\$ 37,883,060
Restricted	-	-	-	18,730,803	29,205,675	23,017,688	21,554,403	33,053,599	37,810,704	46,930,804
Unrestricted	-	-	-	7,938,536	9,379,497	12,340,319	11,523,929	8,988,868	12,285,216	4,376,044
Total governmental activities net asset	-	-	-	69,498,638	76,209,068	90,765,334	84,673,563	85,388,395	90,442,815	89,189,908
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government net assets	\$ -	\$ -	\$ -	\$ 69,498,638	\$ 76,209,068	\$ 90,765,334	\$ 84,673,563	\$ 85,388,395	\$ 90,442,815	\$ 89,189,908

*Comparable data is only available for fiscal years after 2002 due to the implementation of GASB 34.

COUNTY OF ORANGESBURG, SOUTH CAROLINA
CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2000*	2001*	2002*	2003	2004	2005	2006	2007	2008	2009
Expenses										
Governmental Activities:						As Previously Shown				
General Government	\$ -	\$ -	\$ -	\$ 8,217,989	\$ 8,337,248	\$ 9,041,763	\$ 6,343,675	\$ 9,020,416	\$ 17,247,913	\$ 18,502,621
Judicial	-	-	-	2,961,226	3,011,160	3,130,374	3,233,742	3,490,272	3,525,789	3,714,077
Public Works	-	-	-	11,885,655	6,047,481	4,303,582	11,647,075	14,887,839	9,657,666	12,502,065
Public Safety	-	-	-	11,973,050	8,738,515	13,063,773	17,167,215	20,070,085	13,551,619	14,700,661
Social and Health	-	-	-	3,136,727	2,377,287	2,476,718	4,217,784	2,482,747	1,485,980	2,130,593
Sanitation	-	-	-	11,440,663	4,069,879	4,419,044	5,009,300	5,117,115	4,422,558	5,348,464
Internal services	-	-	-	1,836,553	1,337,430	2,221,780	2,429,788	-	-	-
Allocation to others	-	-	-	2,141,657	6,410,470	6,935,742	-	-	989,848	1,102,819
Culture and Recreation	-	-	-	340,340	1,368,492	564,662	4,055,473	3,986,393	8,380,192	4,173,635
Interest and fiscal charges	-	-	-	1,322,637	1,517,038	1,227,256	1,085,850	1,797,321	3,256,316	3,270,394
Depreciation Expense	-	-	-	-	4,679,238	-	-	-	-	-
Total governmental activities expenses	-	-	-	55,256,497	47,894,238	47,384,694	55,189,902	60,852,188	62,517,881	65,445,329
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government expenses	\$ -	\$ -	\$ -	\$ 55,256,497	\$ 47,894,238	\$ 47,384,694	\$ 55,189,902	\$ 60,852,188	\$ 62,517,881	\$ 65,445,329
Program Revenues										
Governmental Activities										
Charges for services:										
General government	\$ -	\$ -	\$ -	\$ 790,521	\$ 1,075,723	\$ 646,720	\$ 670,587	\$ 859,138	\$ 1,158,696	\$ 953,422
Judicial	-	-	-	2,073,472	1,992,029	2,287,773	2,362,630	2,109,864	1,736,808	1,705,813
Public works	-	-	-	2,090,425	2,362,921	2,349,463	2,600,142	3,197,384	3,091,362	3,074,003
Public safety	-	-	-	2,143,313	2,144,137	2,505,752	1,245,173	2,461,582	1,931,837	2,149,456
Social and health	-	-	-	1,585,333	-	-	-	-	-	-
Sanitation	-	-	-	-	1,377,274	1,941,709	1,803,467	2,140,983	1,737,701	2,143,291
Internal services	-	-	-	581,384	-	-	-	-	-	-
Total charges for services	-	-	-	9,264,448	8,952,084	9,731,417	8,681,999	10,768,951	9,656,404	10,025,985
Operating grants and contributions	-	-	-	6,082,655	5,507,172	4,068,605	3,918,711	4,779,292	2,847,573	1,344,825
Capital grants and contributions	-	-	-	9,910,661	335,839	492,150	-	176,542	5,434,489	1,730,118
Total governmental activities	-	-	-	25,257,764	14,795,095	14,292,172	12,600,710	15,724,785	17,938,466	13,100,928
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government program revenues	-	-	-	25,257,764	14,795,095	14,292,172	12,600,710	15,724,785	17,938,466	13,100,928
Net(Expense)/Revenue										
Governmental activities	-	-	-	(29,998,733)	(33,099,143)	(33,092,522)	(42,589,192)	(45,127,403)	(44,579,415)	-
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government net expense	\$ -	\$ -	\$ -	\$ (29,998,733)	\$ (33,099,143)	\$ (33,092,522)	\$ (42,589,192)	\$ (45,127,403)	\$ (44,579,415)	\$ -

(Continued)

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 CHANGES IN NET ASSETS
 LAST TEN FISCAL YEARS

	Fiscal Year									
	2000*	2001*	2002*	2003	2004	2005	2006	2007	2008	2009
	As Previously Shown									
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	\$ -	\$ -	\$ -	\$ 24,711,284	\$ 25,835,100	\$ 26,975,355	\$ 26,843,615	\$ 27,590,905	\$ 29,584,886	\$ 29,715,565
Sales Tax	-	-	-	7,900,490	7,921,493	8,534,112	8,867,624	9,378,935	9,480,018	9,477,909
Accommodations Tax	-	-	-	206,234	194,721	196,884	204,268	221,736	217,481	219,989
Interest and Investment Income	-	-	-	883,020	1,319,363	2,328,922	2,904,383	1,973,647	4,756,025	3,764,125
Intergovernmental not restricted to specific programs	-	-	-	4,573,859	4,068,424	4,121,123	5,023,274	5,527,728	6,445,342	5,701,147
Contributions not restricted to specific programs	-	-	-	-	-	3,783,330	1,200,000	-	-	-
Miscellaneous	-	-	-	966,548	470,472	798,177	862,499	283,392	330,119	496,227
Gain on Sale of Capital Assets	-	-	-	-	-	-	-	-	116,283	47,240
Transfers	-	-	-	-	-	-	-	-	-	1,126,439
Total governmental activities	-	-	-	39,241,435	39,809,573	46,737,903	45,905,663	44,976,343	50,930,154	50,548,641
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government	\$ -	\$ -	\$ -	\$ 39,241,435	\$ 39,809,573	\$ 46,737,903	\$ 45,905,663	\$ 44,976,343	\$ 50,930,154	\$ 50,548,641
Changes in Net Assets										
Governmental activities	\$ -	\$ -	\$ -	\$ 69,240,168	\$ 72,908,716	\$ 79,830,425	\$ 88,494,855	\$ 90,103,746	\$ 95,509,569	\$ 50,548,641
Business activities	-	-	-	-	-	-	-	-	-	-
Total primary government	\$ -	\$ -	\$ -	\$ 69,240,168	\$ 72,908,716	\$ 79,830,425	\$ 88,494,855	\$ 90,103,746	\$ 95,509,569	\$ 50,548,641

*Comparable data is only available for fiscal years after 2002 due to the implementation of GASB 34.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year										
	2000	2001	2002	2003	2004		2005	2006	2007	2008	2009
General Fund					As Previously Shown						
Reserved	\$ 130,203	\$ 194,280	\$ 101,657	\$ 128,635	\$ 409,898	\$ -	\$ -	\$ -	\$ -	\$ 67,881	\$ 101,105
Unreserved	3,728,407	2,846,585	4,461,691	5,570,655	6,691,172	9,771,489	8,739,027	6,258,775	4,500,985	1,898,489	
Total general fund	\$ 3,858,610	\$ 3,040,865	\$ 4,563,348	\$ 5,699,290	\$ 7,101,070	\$ 9,771,489	\$ 8,739,027	\$ 6,258,775	\$ 4,568,866	\$ 1,999,594	
All Other Governmental Funds											
Reserved for:											
Debt Service	\$ (371,925)	\$ (298,780)	\$ (402,140)	\$ 10,072,741	\$ 8,780,501	\$ 10,104,204	\$ 9,664,741	\$ 6,945,382	\$ 10,019,169	\$ 9,254,561	
Capital projects fund	13,752,840	15,481,490	20,276,279	41,169,387	42,974,382	33,996,935	28,515,487	90,449,619	85,828,769	73,591,338	
Unreserved, reported in:											
Special revenue funds	(2,108,608)	1,373,679	722,167	1,917,628	2,474,711	3,123,445	3,351,252	3,127,057	7,574,249	6,660,098	
Capital projects funds	-	-	-	1,147,711	197,533	-	(510)	-	-	-	-
Total all other governmental fund	\$ 11,272,307	\$ 16,556,389	\$ 20,596,306	\$ 54,307,467	\$ 54,427,127	\$ 47,224,584	\$ 41,530,970	\$ 100,522,058	\$ 103,422,187	\$ 89,505,997	
Total all governmental funds	\$ 15,130,917	\$ 19,597,254	\$ 25,159,654	\$ 60,006,757	\$ 61,528,197	\$ 56,996,073	\$ 50,269,997	\$ 106,780,833	\$ 107,991,053	\$ 91,505,991	

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

Table 4

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Property taxes	\$ 25,244,800	\$ 27,600,191	\$ 29,348,061	\$ 24,857,395	\$ 23,572,338	\$ 28,009,759	\$ 26,833,876	\$ 26,870,430	\$ 29,779,389	\$ 29,415,761
Sales tax	-	-	-	7,900,490	7,921,493	8,534,112	8,867,624	9,378,935	9,480,018	9,477,909
Intergovernmental	10,756,036	6,828,204	6,894,381	20,773,410	9,242,413	8,750,100	9,146,253	10,705,298	14,944,885	8,996,079
Licenses and permits	568,563	762,113	562,124	564,977	619,798	646,720	670,587	859,138	653,242	589,683
Charges for services	4,207,200	5,361,195	5,180,209	6,139,946	6,860,395	7,729,450	7,357,320	9,139,196	6,733,600	7,340,832
Fines, fees and forfeitures	1,561,609	1,218,943	1,060,609	1,032,694	676,892	719,247	654,092	770,617	2,269,562	2,095,470
Investment income	696,789	755,482	554,554	883,020	1,319,363	2,328,922	2,904,383	1,973,647	4,756,025	3,764,125
Other	2,561,605	1,974,526	1,528,658	2,039,031	1,265,472	1,562,839	862,499	283,392	449,843	512,131
Total revenues	\$ 45,596,602	\$ 44,500,654	\$ 45,128,596	\$ 64,190,963	\$ 53,478,164	\$ 58,281,149	\$ 57,296,634	\$ 59,980,653	\$ 69,066,564	\$ 62,191,990
Expenditures										
General Government	\$ 10,470,334	\$ 7,170,439	\$ 7,764,154	\$ 9,263,139	\$ 11,686,061	\$ 9,669,579	\$ 11,897,031	\$ 15,975,269	\$ 12,353,513	\$ 12,926,898
Judicial	2,198,122	2,796,561	2,533,065	2,914,643	3,011,160	3,073,783	3,167,867	3,422,208	3,447,793	3,393,412
Public Works	2,461,792	2,876,311	9,894,848	12,963,483	9,300,332	13,740,982	12,613,532	18,938,696	14,783,069	16,906,518
Public Safety	10,974,885	9,091,876	10,682,900	10,620,101	11,457,241	10,754,810	14,458,772	17,273,151	12,106,836	12,299,355
Social and health	1,782,110	1,368,575	2,140,397	3,089,450	2,377,287	2,462,570	4,201,315	2,465,731	1,630,808	2,090,891
Sanitation	3,888,182	3,315,876	4,752,061	13,904,347	4,069,879	4,419,044	5,009,300	5,117,115	4,971,449	5,394,685
Internal Services	1,717,830	1,125,333	1,109,785	1,257,931	1,337,430	1,468,408	1,552,818	1,791,703	533,840	547,869
Allocation to others	1,058,310	1,734,689	1,750,518	2,141,657	6,410,470	7,100,742	4,235,473	936,326	5,469,666	3,824,396
Allocation to Library	-	-	-	-	-	-	-	-	989,848	1,102,819
Culture and recreation	-	-	408,489	340,340	1,368,492	564,662	-	3,986,393	9,289,471	6,054,209
Non-budgeted expenditures	-	-	-	-	-	-	-	-	2,256,689	859,249
Tourism promotion	137,398	215,494	154,431	-	-	-	-	-	-	-
Capital projects	2,165,612	4,970,759	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Interest	445,977	471,797	375,712	1,707,997	1,541,403	1,313,693	995,191	1,233,356	3,791,979	3,621,813
Principal	1,540,000	1,740,000	1,590,000	5,300,000	9,769,329	8,245,000	7,355,000	6,565,000	7,872,277	11,421,329
Total expenditures	\$ 38,840,552	\$ 36,877,710	\$ 43,156,360	\$ 63,503,088	\$ 62,329,084	\$ 62,813,273	\$ 65,486,299	\$ 77,704,948	\$ 79,497,238	\$ 80,443,443
Excess of revenues over (under) expenditures	\$ 6,756,050	\$ 7,622,944	\$ 1,972,236	\$ 687,875	\$ (8,850,920)	\$ (4,532,124)	\$ (8,189,665)	\$ (17,724,295)	\$ (10,430,674)	\$ (18,251,453)
Other Financing Sources (Uses)										
Bond proceeds	-	-	-	36,018,647	11,185,000	-	-	67,154,611	9,715,000	-
Note proceeds	-	-	-	750,000	-	-	-	-	-	-
Defeasance costs	-	-	-	-	(154,164)	-	-	-	-	-
Payments to escrow agent	-	-	-	-	(2,000,000)	-	-	-	-	-
Capital leases	797,815	-	6,871,452	850,670	1,341,524	-	1,463,589	9,288,323	2,256,689	-
Capital lease proceeds	-	-	-	-	-	-	-	-	-	96,699
Sale of general fixed assets	-	3,241,725	526,651	17,245,069	8,425,389	9,070,101	8,111,377	10,368,729	2,426,702	1,419,799
Transfers in	(3,147,858)	(6,258,878)	(3,453,749)	(20,705,158)	(8,425,389)	(9,070,101)	(8,111,377)	(10,368,729)	(2,426,702)	(393,360)
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(2,350,043)	(3,017,153)	3,944,354	34,159,228	10,372,360	(4,532,124)	1,463,589	76,442,934	11,971,689	1,223,138
Net change in fund balances	\$ 4,406,007	\$ 4,605,791	\$ 5,916,590	\$ 34,847,103	\$ 1,521,440	\$ (4,532,124)	\$ (6,726,076)	\$ 58,718,639	\$ 1,541,015	\$ (17,028,315)
Debt service as a percentage of noncapital expenditures*	5%	6%	5%	11%	18%	15%	13%	10%	15%	19%

Table 5

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Residential	Commercial	Agricultural	Personal	Total Taxable	Total	Estimated Actual	Assessed Value
	Property	Property	Property	Property	Assessed Value	Direct Tax Rate	Taxable Value	as a Percentage of Actual Value
2000	\$ 73,535,097	\$ 28,060,701	\$ -	\$ 125,219,074	\$ 226,814,872	68	\$ 3,371,628,109	6.73%
2001	76,475,872	29,757,408	-	120,401,458	226,634,738	72	3,518,100,792	6.44%
2002	77,146,756	30,168,594	-	121,255,515	228,570,865	85	3,679,999,276	6.21%
2003	58,803,224	66,320,658	5,035,846	123,008,643	253,168,371	90	3,466,936,000	7.30%
2004	60,851,464	61,784,568	5,550,036	121,669,312	249,855,380	84	3,672,141,592	6.80%
2005	60,872,944	61,889,214	5,504,080	119,084,202	247,350,440	83	3,888,482,500	6.36%
2006	67,008,970	67,205,496	5,068,680	102,665,556	241,948,702	83	3,926,391,320	6.16%
2007	61,730,720	64,820,850	5,500,982	109,603,531	241,656,083	117	4,222,520,463	5.72%
2008	63,769,868	64,358,610	5,697,771	116,499,455	250,325,704	125	3,864,107,744	6.48%
2009	71,960,006	59,887,475	5,700,587	122,439,843	259,987,911	125	4,470,137,446	5.82%

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

Notes: 2009 New reporting data consistent with reassessment year. Property is reassessed every five years on the average.

The County does not compile actual and assessed values for exempt property.

Residential property at 4% assessment.

Commercial property at 6% assessment.

Agricultural property at 4% and 6% assessment.

Table 6

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
SCE&G	\$ 28,197,350	1	11.62%	\$ 5,842,244	1	3.34%
Husquarna	3,571,770	2	1.47%			
Albemarle	3,300,730	3	1.36%	1,785,141	7	1.02%
Bell South Telecommunications	3,065,060	4	1.26%	3,575,010	2	2.05%
American Koyo	2,694,660	5	1.11%	1,973,162	6	1.13%
Tri County Electric Co-Op	1,471,950	6	0.61%			
Delahaize	1,311,330	7	0.54%	1,376,706	8	0.79%
Norfolk Southern Railroad	1,127,570	8	0.46%			
CSX Railroad	1,090,254	9	0.45%			
Aiken Electric Coop	1,014,100	10	0.42%			
Okonite				2,394,506	3	1.37%
WCI Frigidare				2,248,010	4	1.29%
Holnam				1,982,470	5	1.13%
Georgia Pacific				824,656	9	0.47%
DMC Prints				824,656	10	0.47%
Total	\$ 46,844,774		19.30%	\$ 22,826,561		13.06%

Source: County Treasurer, J. Steve Summers

Table 7

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

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the		Collections in Subsequent Years	Total Collections to Date	
		Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy
2000	16,943,925	15,227,186	89.87%	1,615,370	16,842,556	99.40%
2001	18,887,124	17,217,682	91.16%	1,486,208	18,703,890	99.03%
2002	18,531,151	17,640,012	95.19%	837,405	18,477,417	99.71%
2003	24,723,876	22,836,218	92.37%	1,826,032	24,662,250	99.75%
2004	26,315,791	23,693,032	90.03%	2,458,914	26,151,946	99.38%
2005	26,377,519	23,585,519	89.42%	2,761,502	26,347,021	99.88%
2006	27,447,919	26,245,151	95.62%	-	26,245,151	95.62%
2007	28,060,768	24,002,461	85.54%	2,332,088	26,334,549	93.85%
2008	27,990,241	25,584,477	91.41%	2,398,178	27,982,655	99.97%
2009	29,261,200	24,998,775	85.43%	3,064,974	28,063,745	95.90%

Source: County Treasurer, J. Steve Summers, and County Auditor, Roger Cleckley

Note: Current tax collections are net of rebates and do not include fee in lieu.

Table 8

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
County Direct Rates										
County Debt General	60	69	73	78	74	74	74	75	78	78
Bond Indebtedness	6	1	7	7	7	6	6	6	7	7
Capital Improvement Fund	2	2	5	5	3	3	3	3	3	3
Total direct rate	68	72	85	90	84	83	83	84	88	88
City and Town Rates										
City of Orangeburg	72	72	72	72	73	73	79	84	75	88
Town of Branchville	66	66	66	66	66	66	66	66	68	68
Town of Bowman	60	60	60	60	60	60	60	70	70	90
Town of Cope	25	25	25	25	25	25	25	25	25	25
Town of Cordova	11	11	11	11	11	11	11	11	11	11
Town of Elloree	40	40	40	40	40	60	65	67	70	72
Town of Eutawville	60	60	60	60	60	60	60	60	60	60
Town of Holly Hill	70	70	70	70	66	66	66	68	70	70
Town of Livingston	20	20	20	20	20	20	20	20	20	20
Town of Neeses	28	28	28	28	28	28	28	33	33	33
Town of Norway	42	42	42	42	42	42	50	50	52	52
Town of North	51	51	84	84	64	64	75	75	77	79
Town of Rowesville	20	20	20	30	30	40	40	40	40	40
Town of Santee	46	46	46	48	48	48	90	90	83	93
Town of Springfield	48	48	58	58	58	58	58	58	58	58
Town of Vance	40	50	50	50	50	50	50	50	50	50
Town of Woodford	15	15	7	7	7	7	7	7	15	10
Fire District	17	17	17	17	17	17	17	17	17	17
Fire District - Santee	17	17	17	17	17	17	17	17	17	17
School District Rates										
District Three	167	170	173	179	175	188	198	203	223	223
District Four	153	163	166	175	175	178	178	185	195	199
District Five	179	183	183	192	191	193	196	209	216	219
Sewer District Rates										
Metro Sewer	3	3	3	3	3	3	3	3	3	3
Other Special District Rates										
Special Education	5	8	8	8	8	9	9	9	9	9
Solid Waste	15	14	14	14	13	13	13	12	12	12
Water Shed	10	10	10	10	10	10	9	12	12	12
Board of Education	30.5	30.5	30.5	30.5	30.2	30.2	30	30	30	30

Source: County Treasurer, J. Steve Summers

Table 9

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities											
	General			Governmental Activities			Certificates of Participation		Total Primary Government		Percentage of Personal Income	Per Capita
	Obligation Bonds	Revenue Bonds	Capital Leases	Note Payable	Certificates of Participation	Total Primary Government	Percentage of Personal Income	Per Capita				
2000	\$ 7,595,000	\$ -	\$ 8,426,596	\$ -	\$ 2,085,000	\$ 18,106,596	0.92%	206				
2001	6,510,000	-	3,046,110	-	1,430,000	10,986,110	0.53%	120				
2002	5,615,000	-	8,139,610	-	735,000	14,489,610	0.67%	158				
2003	4,715,000	31,164,300	6,291,918	750,000	-	42,921,218	1.92%	469				
2004	12,445,000	22,864,300	5,245,773	735,671	-	41,290,744	1.78%	448				
2005	11,535,000	15,364,300	3,688,766	692,557	-	31,280,623	1.30%	338				
2006	10,600,000	8,769,296	3,322,092	663,043	-	23,354,431	0.93%	252				
2007	9,645,000	67,193,773	9,097,115	631,215	-	86,567,103	3.46%	935				
2008	18,385,000	60,456,496	9,149,729	1,632,715	-	89,623,940	3.80%	969				
2009	16,965,000	52,252,549	6,556,438	568,660	-	76,342,647	2.89%	849				

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Table 10

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>		<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Total</u>		
2000	7,595,000	7,595,000	3.21%	86
2001	6,510,000	6,510,000	2.72%	71
2002	5,615,000	5,615,000	2.33%	61
2003	4,715,000	4,715,000	1.96%	51
2004	12,445,000	12,445,000	5.03%	135
2005	11,535,000	11,535,000	4.66%	125
2006	10,600,000	10,600,000	4.38%	114
2007	9,645,000	9,645,000	3.99%	104
2008	18,385,000	18,385,000	7.91%	199
2009	16,965,000	16,965,000	6.48%	189

Source: County Treasurer, J. Steve Summers

COUNTY OF ORANGEBURG, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2009

Table 11

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Orangeburg County	\$ 16,965,000	100.00%	\$ 16,965,000
Orangeburg School District 3	36,085,000	100.00%	36,085,000
Orangeburg School District 4	34,168,582	100.00%	34,168,582
Orangeburg School District 5	42,139,370	100.00%	42,139,370
			<u>42,139,370</u>
Total direct and overlapping debt			<u><u>\$ 129,357,952</u></u>

Source: County Treasurer, J. Steve Summers

Table 12

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 LEGAL DEBT MARGIN
 LAST TEN FISCAL YEARS

	2000*	2001*	2002*	2003*	2004*	2005*	2006*	2007*	2008*	2009*
Debt Limit	\$ 13,974,370	\$ 14,641,858	\$ 14,974,667	\$ 17,007,522	\$ 18,258,847	\$ 18,531,448	\$ 18,147,384	\$ 18,400,504	\$ 20,026,056	\$ 20,799,033
Total net Debt applicable to limit	7,595,000	6,510,000	5,615,000	2,375,000	10,270,000	11,535,000	10,600,000	8,005,000	16,940,000	15,730,000
Legal debt margin	\$ 6,379,370	\$ 8,131,858	\$ 9,359,667	\$ 14,632,522	\$ 7,988,847	\$ 6,996,448	\$ 7,547,384	\$ 10,395,504	\$ 3,086,056	\$ 5,069,033
Total net debt applicable to the limit as a percentage of debt limit	54.35%	44.46%	37.50%	13.96%	56.25%	62.25%	58.41%	43.50%	84.59%	75.63%

Legal Debt Margin Calculation
 for Fiscal Year 2009

Assessed Value - Net of exemptions	\$259,987,911
Debt Limit (8 % of assessed value)	20,799,033
Debt applicable to limit:	
General obligation bonds	16,965,000
Less: Debt excluded by referendum	1,235,000
Total net debt applicable to limit	15,730,000
Legal debt margin	\$ 5,069,033

* Calculated at 8% of assessed value

Source: County Treasurer, J. Steve Summers

Table 13

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2009	89,950	\$ 2,376,389	\$ 26,419	35	15,953	14.50%
2008	92,479	2,360,804	25,528	35	16,337	10.60%
2007	92,555	2,314,523	25,007	36	16,446	11.00%
2006	92,617	2,314,499	24,990	-	12,277	9.30%
2005	92,617	2,229,106	24,068	-	13,414	9.20%
2004	92,115	2,135,318	23,181	-	14,657	10.90%
2003	91,582	2,044,568	22,325	33	14,983	10.30%
2002	91,582	1,973,317	21,547	-	15,100	8.80%
2001	91,582	1,902,616	20,775	-	15,370	13.30%
2000	87,865	1,731,907	19,711	-	-	7.90%

Source: Community Economic Alliance, Inc.

Table 14

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Employer	2009			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Husqvarna	2,300	1	2.56%			
Sara Lee Bakery Group	550	2	0.61%			
Zeus Industrial Products Inc.	550	3	0.61%			
Koyo Corp of USA	530	4	0.59%			
Food Lion Distribution Center #3	498	5	0.55%			
Federal Mogul Friction Products	400	6	0.44%			
Allied Air Enterprise, Inc.	350	7	0.39%			
Albemarle Corporation	345	8	0.38%			
The Okonite Company	233	9	0.26%			
Holcim	200	10	0.22%			
Total	5,956		6.61%			

Not Available

Table 15

COUNTY OF ORANGEBURG, SOUTH CAROLINA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Full Time Equivalent Employees as of June 30									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government	-	-	-	-	-	-	161	178	182	178
Public Safety	-	-	-	-	-	-	242	225	193	170
Public Works	-	-	-	-	-	-	81	100	92	92
Public Health	-	-	-	-	-	-	52	46	42	43
Culture and Recreation	-	-	-	-	-	-	35	-	-	17
Total	-	-	-	-	-	-	571	549	509	500

Source: Marion Boyd, Personnel Director

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Table 16

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General										
Number of building permits	*	*	*	*	*	*	*	1,940	2,245	2,379
Public Safety										
Police										
Calls for Service	*	*	*	*	*	*	*	17,531	31,656	19,325
EMS										
Calls for Service	*	*	*	*	*	*	*	12,968	13,542	13,183
Fire										
Number of Calls Answered	*	*	*	*	*	*	*	5,910	3,981	4,712
Number of Inspections Conducted	*	*	*	*	*	*	*	*	*	*
Number of Investigations Conducted	*	*	*	*	*	*	*	*	*	*
Sanitation										
Number of Active Waste Accounts	*	*	*	*	*	*	*	432	439	410

*Information not available

Source:

- Building permits provided by Orangeburg County Permitting Department
- Police information provided by Orangeburg County Sheriff's Department
- Fire information provided by Orangeburg County Fire Marshall
- Sanitation information provided by Orangeburg County Finance Department

Indicators are not available for the Public Works function, Social and Health function and Culture and Recreation function

COUNTY OF ORANGEBURG, SOUTH CAROLINA
 CAPITAL ASSET STATISTICS BY FUNCTION
 LAST TEN FISCAL YEARS

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Public Safety										
Fire stations	*	*	*	*	*	*	*	35	38	38
EMS stations	*	*	*	*	*	*	*	4	4	4
Police vehicles	*	*	*	*	*	*	*	177	213	204
Police stations (including substations)	*	*	*	*	*	*	*	5	7	7
Public Works										
County and State maintained paved roads (miles)	*	*	*	*	*	*	*	1,807	1,895	1,907
County and State maintained unpaved roads (miles)	*	*	*	*	*	*	*	934	902	895
Culture & Recreation										
Parks acreage	*	*	*	*	*	*	*	35	35	35

*Information not available prior to fiscal year 2007

Source:

- Fire information provided by Orangeburg County Fire Marshall
- Police information provided by Orangeburg County Sheriff's Department
- Park information provided by Orangeburg County Park Ranger

Indicators are not available for General Government function and Social and Health function

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SINGLE AUDIT SECTION

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2009

<u>Federal Grant/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Total Expenditures</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed through S.C. Department of Commerce:			
SC Water and Sewer - GIS Mapping Project	14 228	4-ED-05-09	\$ 5,300
Passed through S.C. Governor's Office:			
Emergency Shelter Grants	14 231	S-07-DC-45-001	20,192
Emergency Shelter Grants	14 231	S-08-DC-45-001	29,808
DEPARTMENT OF JUSTICE			
Edward Byrne Memorial Grant/FY 2007 JAG Project	16 738	2007-DJ-BX-1386	21,297
Orangeburg County Courthouse Protection	16 738	2006-DJ-BX-1159	54,409
Justice Assistance Grant/Bulletproof Vests Project	16 738	2008-DJ-BX-0704	13,763
DEPARTMENT OF HOMELAND SECURITY			
Passed through S.C. Emergenct Management Agency:			
LEMPG/ FY 2008	97 042	8EMPG01	35,118
LEMPG/FY 2009	97 042	9EMPG01	6,805
Citizens Corps.	97 067	7CCP01	4,905
SLEPG/P-7 Operational Areas Phase 2	97 042	7EMPG02	12,002
Hazard Mitigation Grant Program/Orangeburg County Shelter Retrofit	97 039	FEMA-1509-DR-SC	11,790
DEPARTMENT OF AGRICULTURE			
Passed through S.C. Department of Social Services:			
At Risk After School Snack Program	10 558		22,509
Rural Development - Loan	10 760	46-038-0576000775-92-01	
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Amortization of Principal</u>
	\$ 311,496	-	(4,037)
			<u>Ending Balance</u>
			<u>\$ 307,459</u>
			<u>\$ 545,357</u>

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
NOTE TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
YEAR END JUNE 30, 2009**

NOTE A- BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of County of Orangeburg and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

McGregor & COMPANY^{LLP}

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PARTNERS				ASSOCIATES	
C.C. McGregor CPA 1906-1968	W.C. Stevenson CPA B.T. Kight, CPA G.D. Skipper, CPA L.R. Leaphart, Jr, CPA M.J. Binnicker CPA W.W. Francis CPA	D.L. Richardson CPA E.C. Inabinet, CPA S.S. Luoma CPA T.M. McCall CPA H.D. Brown, Jr, CPA L.B. Salley, CPA	D.K. Strickland CPA J.P. McGuire, CPA L.H. Kelly CPA	V.K. Laroche, CPA G.N. Mundy, CPA M.L. Layman CPA P.A. Betette Jr CPA	S. Wo, CPA G.A. Farmer CPA C.D. Hinchee, CPA J.R. Matthews II CPA

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

To County Council
County of Orangeburg, South Carolina

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Orangeburg, South Carolina (the County) as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 26, 2010. 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs 2009-1 through 2009-15 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 2009-6 through 2009-15 to be material weaknesses.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2009-1 and 2009-10.

We noted certain matters that we reported to management of the County of Orangeburg, South Carolina in a separate letter dated February 26, 2010.

The County of Orangeburg, South Carolina's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County of Orangeburg, South Carolina's responses and, accordingly, we express no opinion on them.

This report is intended for the information of the County Council, management, others within the entity and federal awarding agencies and pass through entities and is not intended to be and should not be used by anyone other than these specified parties.

McGregor & Company LLP

Orangeburg, South Carolina
February 26, 2010

McGregor & COMPANY^{LLP}

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	PARTNERS			ASSOCIATES	
C.C. McGregor CPA 1906-1958	W.C. Stevenson CPA B.T. Kight, CPA G.D. Skipper, CPA L.R. Leaphart, Jr, CPA M.J. Binnicker, CPA W.W. Francis CPA	D.L. Richardson CPA E.C. Inabinet, CPA S.S. Luoma, CPA T.M. McCall CPA H.D. Brown, Jr, CPA L.B. Salley CPA	D.K. Strickland CPA J.P. McGuire, CPA L.H. Kelly CPA	V.K. Laroche CPA G.N. Mundy, CPA M.L. Layman CPA P.A. Betette Jr CPA	S. Wo, CPA G.A. Farmer, CPA C.D. Hincee, CPA J.R. Matthews II CPA

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To County Council
County of Orangeburg, South Carolina

COMPLIANCE

We have audited the compliance of the County of Orangeburg (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, 2009. The County's major federal programs are identified in the summary of auditor's 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 type 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 the County's 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.

As described in item 2009-10 in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding cost principles that are applicable to its Rural Development Loan. Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the County complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009.

INTERNAL CONTROL OVER COMPLIANCE

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the 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 the 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 but, not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2009-10 to be a significant deficiency.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item 2009-10 to be a material weakness.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Orangeburg, SC, as of and for the year ended June 30, 2009, and has issued our report thereon dated February 26, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County of Orangeburg, SC's, basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended for the information of the County Council of Orangeburg County, management, others within the entity and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McGee & Company LLP

Orangeburg, South Carolina
February 26, 2010

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the year ended June 30, 2009**

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

- | | |
|----------------------------------------------------------------------------------------------|-------------|
| (a.) Type of auditors' report: | Unqualified |
| (b.) Internal control over financial reporting: | |
| 1) Material weaknesses identified: | Ten |
| 2) Significant deficiencies identified that are not
Considered to be material weaknesses: | Five |
| (c.) Noncompliance material to financial statements noted: | Two |

Federal Awards

- | | |
|--------------------------------------------------------------------------------------------------------------|-----------|
| (a.) Internal control over major programs: | |
| 1) Material weaknesses identified: | One |
| 2) Significant deficiencies identified that are not
Considered to be material weaknesses: | None |
| (b.) Type of auditors' report issued on compliance for major programs: | Qualified |
| (c.) Audit findings that are required to be reported in
accordance with Section 510(a) of Circular A-133: | One |
| (d.) Identification of major program: | |

<u>CFDA Numbers</u>	<u>Name of federal program or cluster</u>
10.760	Rural Development Loan

- | | |
|----------------------------------------------------------------------------------|-----------|
| (e.) Dollar threshold used to distinguish between
type A and type B programs: | \$300,000 |
| (f.) Auditee qualified as low risk auditee? | No |

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-1 Uncollateralized and Uninsured Deposits

Significant Deficiency

Conditions: The cash on deposit with one financial institution is uncollateralized and uninsured by \$103,786.

Criteria: Agreements should be in place with all financial institutions which hold County funds to collateralize its deposits at all times.

Effect: The County's deposits were uninsured and uncollateralized by \$103,786 at June 30, 2009.

Recommendation: We recommend the County review all agreements with financial institutions for collateral and the current value of the assets held as collateral to make sure the value pledged is sufficient to cover the deposits of the County.

Response: We have informed all offices they must notify the bank when opening new accounts if it is to be covered as a public fund. Matter was corrected January 14, 2010.

2009-2 Delinquent Tax – Bankruptcy Funds

Significant Deficiency

Conditions: We also noted that cards are kept on the bankruptcy cases in Delinquent Tax. A card is kept which has a balance of the moneys being held for payment of taxes for each property. When the balance due is collected, it is turned over as delinquent tax collections. A separate bank account is used to hold this money. However, according to the Delinquent Tax Collector, a reconciliation between the bank account reconciled balance and the total of the card balances is never done.

Criteria: Funds held in trust should be reconciled to the underlying data to ensure proper recording

Effect: Entries on bankruptcy cards may not be updated properly or contain errors or funds may be deposited in incorrect bank account and procedures are not in place to detect such errors.

Recommendation: We recommend that monthly when the bank account is reconciled that the cards are totaled and the total is agreed to the reconciled bank balance. This procedure will ensure that entries on the cards are made correctly and that all moneys held for bankruptcies are placed in the proper account.

Response: Cards are being reconciled with bank statements beginning July 2009.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-3 Clerk of Court – Unknown Overages and Reconciliations

Significant Deficiency

Conditions: Many funds are held by the Clerk of Court's office with no documentation as to whom they are due. Also, interest earned on funds not held under trust is to be remitted to the Treasurer and bank charges are to be reimbursed by the Treasurer. The following is a summary of unknown overages between reconciled bank balances and supporting documentation:

Trust account	\$ 18,472
Condemnation account	2,775
2 Bond accounts	76,889
Restitution account	16,409
Restitution account	467
Fine account	<u>593</u>
	<u>\$ 115,605</u>

Civil account had \$2,700 deposit for filing fees from August 2008 that had never been turned over to the Treasurer for inclusion in General Fund for County's portion and remitted to State for State's portion.

Reconciliations were performed on all the bank accounts but the reconciliations did not include outstanding deposits or checks. The bank statements should be reconciled to the actual book activity during the month.

Criteria: All funds received by Clerk of Court are to be held in trust or remitted to Treasurer. They should be documented as to whom they are owed.

Effect: Accounts are not being reconciled properly and funds are held from unknown sources.

Recommendation: We recommend that the office research the accounts to determine the origin of these funds and reconcile monthly the cash held to the listings of funds held. Any bank charges should be reimbursed by the Treasurer and interest earned not allocable to the individual cases should be remitted to the Treasurer.

Response: Corrections were amended and copies were sent over to Finance and external auditor.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-4 Receivables

Significant Deficiency

Conditions: The revenues of the nonmajor funds were overstated by \$252,202 due to improper recording of receivables as follows:

The receipt in the 2009 year of a prior year receivable was recorded as revenue in 2009 rather than against the receivable account for several funds. The funds misstated are Legislative Delegation \$126,778, Solid Waste \$8,905, and Grant Subfunds consisting of PRT Grant \$9,984, Mapping Grant \$24,000, and LEMPG \$21,208.

The County has a Hazard Mitigation grant (Grant Subfunds) passed through the SC Emergency Management Division. The County requested reimbursement of expenditures under the grant and received payment of \$10,670 in October, 2009. The receivable was not recorded by the County at June 30, 2009 and the funds were recorded as revenue in FY2010 when received.

The Courthouse Protection (Grant Subfunds) grant award was \$54,409 of which \$50,000 was received in prior years. A receivable was recorded at June 30, 2009 by the County for the entire \$54,409 rather than the remaining \$4,409.

The County recorded a grant receivable in the OJP grant (Grant Subfunds) of \$21,997 in error. The grant reimbursement for the 2008 and 2009 year expenditures of \$34,421 was not filed until December 2009.

Criteria: The County should have controls in place to record all receivables of the County. When payment of the receivables is received, effective procedures would facilitate the proper recording of these revenues in the correct year.

Effect: Current year revenues in several funds along with the respective fund balance are misstated and incorrect accounts receivables balance are being carried on the County's books.

Recommendation: We recommend as receivables are identified by requesting grant reimbursement or by some other means, the receivable be recorded in the correct fund and year. As the revenue is received, these receivables should be reviewed to determine how to record the receipt properly. Accounts should be reviewed for reasonableness.

Response: County has implemented software to aid in effectively communicating receivable balances at year end between Grants and Finance.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-5 Improper Cash on Hand/Receipt

Significant Deficiency

Conditions: A check from the State for \$279,021 was received in March 2009 but was not deposited until after year-end under direction of the payor. The check was secured in the County safe. The cash on hand and deferred revenue were not recorded in the 2009 general fund ledger, but were recorded when deposited in the 2010 year.

Criteria: Controls over recording cash and revenue are lacking.

Effect: Cash on hand and deferred revenue were understated in 2009.

Recommendation: We recommend all cash held be properly recorded in the County's financial statement.

Response: If a similar matter surfaces in the future, County will work with the Delegation to produce the outcome recommended by the auditor.

2009-6 Preparation of Financial Statements

Material Weakness

Conditions: In May 2006, the AICPA issued Statement on Auditing Standards No. 112, *Communication of Internal Control Related Matters Identified in an Audit*. This standard, emphasizes the need for the County to have internal controls over financial reporting in place that will provide reasonable assurance that the County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). In order for these controls to be effective, County personnel need to receive adequate training to allow them to prepare the County's financial statements in accordance with GAAP.

Criteria: Internal controls over financial reporting should be in place to provide reasonable assurance that financial statements are prepared in accordance with GAAP.

Effect: Because County personnel have not received adequate training in preparing financial statements in accordance with GAAP, a material misstatement to the County's financial statements could occur and not be prevented or detected by the County's internal controls over financial reporting.

Recommendation: Appropriate County personnel should attend training courses that will enhance their ability to prepare the County's annual financial statements and footnote disclosures in accordance with GAAP.

Response: When resources become available, training will resume.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-7 Fund Balance Deficits

Material Weakness

Conditions: During 2009 expenditures exceeded the revenues in six funds which increased the funds' fund balance deficits. All funds should be reviewed routinely to ensure funds are available prior to approval of expenditures. The County should consider means to fund these deficits and cease increasing them. The funds are listed below:

Fund	2009 Excess of Expenditures over Revenues	June 30, 2009 Fund Deficit
Road and Bridges Maintenance	\$ 57,636	\$ (103,806)
New Brooklyn Lighting Tax District	(6,548)	(18,683)
Brookdale Lighting Tax District	(4,511)	(14,448)
Special Education	(495,824)	(1,501,982)
Edisto Sewer Capital Projects	(64,771)	(530,256)

In addition, the Whitaker Lighting Tax District has a fund deficit of \$43,046 and the Victim's Assistance has a fund deficit of \$85,705 at June 30, 2009. The fund deficits in these two funds did decrease during the 2009 year, but a fund deficit still remains. The Economic Development Tobacco Fund has no activity during the 2009 year, so the deficit remains at \$202,049 at June 30, 2009.

Criteria: Funds should be reviewed before incurring expenditures to make sure funds are available.

Effect: When expenditures are incurred where revenues are not sufficient to cover them, then fund deficits occur.

Recommendation: We recommend all funds be reviewed before incurring expenditures. Means of funding these fund balance deficits need to be addressed.

Response: Implemented new procedures to capture all penny related expenditures from Road and Bridges Fund to Penny Sales Tax Fund; New Brooklyn and Brookdale Lighting Districts: millage is capped and limited to CPI adjustment under Act 388; Special Education: appropriations to outside agencies were reduced 15% in current FY to reduce deficit and will be reviewed again in FY 2011; Edisto Sewer Capital Projects: County has performed rate study on system and will make adjustments as required

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-8 Allocation to Orangeburg-Calhoun Regional Detention Center

Material Weakness

Conditions: Orangeburg and Calhoun Counties fund the Orangeburg-Calhoun Regional Detention Center (LEC) based on a split percentage of the actual expenditures of the LEC. The LEC's activity is recorded through the County's general ledger system in a separate fund. The County bills Calhoun County for its share of the LEC expenditures quarterly. Due to improper cutoff dates of reports used to calculate the billings to Calhoun County, \$80,951 was not requested from Calhoun County. Also, the County bases its appropriation to the LEC on budget rather than actual. Due to large budget overages, at year-end, Orangeburg County was \$704,952 short in paying its share of the LEC expenditures.

Criteria: Budgets are a tool used to monitor actual activity. Excessive variances should be investigated and budgets amended if necessary to provide funding for excess expenditures. Reports should be reviewed and reconciled to the actual expenditures for proper billing to Calhoun County.

Effect: The LEC's appropriations from the two counties as originally recorded are insufficient to cover actual expenditures.

Recommendation: We recommend the County adopt a reasonable budget based on actual expenditures of the LEC and monitor budget variances monthly to control excessive spending. County appropriations should cover the actual expenditures of the LEC. Also, the reports used to generate Calhoun County's billings should reflect total actual expenditures.

Response: County implemented new method of billing Calhoun County and there are no indications in the current fiscal year of any excessive deficits.

2009-9 Land Sale not Recorded

Material Weakness

Conditions: The County sold real property for \$100,000 during the fiscal year of which part was financed by the County. A deposit for \$6,699 was received and recorded as miscellaneous income in the OCCIP Capital Projects Fund at closing. This represents \$10,000 payment from the buyer less \$3,301 closing costs. The balance of the selling price was financed by the County by issuance of a note receivable of \$90,000. This note receivable was not recorded in the general ledger and the property sold was not disposed from the capital asset system.

Criteria: Internal controls over assets of the County should be in place to ensure all assets reported in the financial statements exist and are owned by the County. Also, controls over reporting sales should be in place to ensure all aspects are recorded properly.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-9 Land Sale not Recorded (continued)

Effect: Capital assets of the County were overstated by \$50,000 and a note receivable/revenue of \$90,000 was not recorded.

Recommendation: The financial statements should be reviewed to make sure all assets owned by the County are properly recorded.

Response: Corrective actions between responsible departments have been implemented to prevent future findings.

2009-10 Edisto Sewer USDA Loan

Material Weakness

Conditions: The County operates a sewer system financed by a USDA Rural Development loan. User fees are charged to customers to cover operation costs and loan payments. The costs of operation have increased but fees charged remain the same. Therefore, the Fund has accumulated a deficit. This violates the loan covenant.

Criteria: User fees should cover operational costs of the sewer system.

Effect: Due to user fees not being increased in relation to cost increases, the fund has a deficit.

Recommendation: The user fees should be increased to cover costs and fund deficit.

Response: Review of user fees has been completed and adjustments are to be performed prior to the close of fiscal year 2010.

2009-11 Accounts Payable

Material Weakness

Conditions: During testing of accounts payable, we noted one invoice for \$637,897 was recorded as a payable at June 30, 2009 but was actually not incurred until the 2010 fiscal year. Also, a payable of \$62,322 was incurred at June 30, 2009 but was not accrued. The net adjustment of \$575,575 was necessary to correct the financial statements.

Criteria: Internal controls over recording of expenditures and accounts payable are lacking.

Effect: Accounts payable were misstated in the Capital Sales Tax II fund. Therefore, fund balances of this funds are understated.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-11 Accounts Payable (continued)

Recommendation: The accounts payable of each fund should be reviewed to ensure all payables have been paid and properly recorded.

Response: Will encourage departments to submit all invoices timely. Accounts payable reconciliation to be performed monthly; County seeking to implement earlier cut-off date for purchasing to clear up any outstanding invoices.

2009-12 Capital Sales Tax Projects

Material Weakness

Conditions: The County maintains project reports for each project under the Capital Sales Tax I and II Funds through a module of the general ledger computer system. The individual project reports did not agree with the activities posted in the Capital Sales Tax Funds' general ledgers. Each entry in the general ledger system must be coded with a project number in order for them to be captured by the project reports. Some activity in other funds was also coded to these Capital Sales Tax Fund projects reports.

Criteria: The control of reconciling capital sales tax project reports to the general ledger activity is not being performed by the County.

Effect: Capital sales tax activity projects are not being recorded to reflect actual activity running through general ledger.

Recommendation: We recommend the capital project sales tax funds and related project reports be reconciled monthly to ensure all data is properly recorded.

Response: Account maintenance has been performed to flag all project accounts to require project numbers. Careful reconciliation to be performed to prevent future findings.

2009-13 Netting Revenues against Expenditures

Material Weakness

Conditions: The County recorded \$300,000 revenue receipt in an expenditure account in the Capital Improvements Fund. This understated both revenues and expenditures for the fund. In the Legislative Delegation Fund, expenditures of \$144,016 were netted against revenue rather than being recorded in an expenditure account.

Criteria: County should maintain proper controls over revenue recognition.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-13 Netting Revenues against Expenditures (continued)

Effect: By recording revenues as offsets to expenditure accounts and expenditures as offsets to revenue accounts, both revenue and expenditures are misstated

Recommendation: We recommend the County follow generally accepted accounting principals in the recording of revenues.

Response: All cash receipts will be reviewed before deposited to ensure proper recording.

2009-14 Capital Asset Corrections

Material Weakness

Conditions: County purchased \$11,284,851 in capital assets in the fiscal year ended June 30, 2009. Only \$5,575,161 was recorded by the County leaving \$6,009,690 of corrections to the capital asset system to be recorded

Numerous assets under the County's capitalization threshold of \$2,500 were being depreciated. The County only records these items for inventory purposes and only the items over the \$2,500 threshold should be marked for depreciating.

Assets totaling \$116,570 were sold or disposed but not disposed in the capital asset system. All sales information should be sent to Finance and matched with assets in the system for proper disposition.

The capital asset system's depreciation calculation for existing assets was determined by the client to be incorrect again this year so the County prepared an Excel spreadsheet for the depreciation on existing assets. The system's calculation of depreciation on asset additions was deemed to be correct. The auditors noted the spreadsheet contained several errors in the formulas mainly for assets that fully depreciated out in the prior year or during the current year. For these assets, another full year of depreciation was calculated again for the 2009 year. The County corrected the errors and resubmitted the spreadsheet.

Criteria: Controls over capital assets should be in place to ensure all capital assets owned by the County are recorded in the capital asset system. Assets qualifying as depreciable either by cost or type, should be depreciated in accordance with reasonable established asset lives

Effect: The capital assets of the County were understated.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

II. FINDINGS RELATING TO THE BASIC FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

2009-14 Capital Asset Corrections (continued)

Recommendation: All capital assets acquired, including those capital project assets which the County maintains ownership, should be examined for inclusion in the capital asset system. As capital assets are disposed, they should be noted as such in the capital asset system. Accumulated depreciation should be verified on depreciable assets. It is recommended that annually the County's capital assets be printed by location and the department head for that location review for any unrecorded disposals or additions and reasonable remaining life

Response: County reallocating staffing resources in Finance Department to address deficiencies.

2009-15 Delinquent Tax Office Segregation of Duties

Material Weakness

Conditions: Presently, the Delinquent Tax Collector assists with collections, deposits money received in his office, writes checks, signs checks and reconciles bank statements.

Criteria: Segregation of duties provides for checks and balances as a transaction is processed and completed.

Effect: Lack of segregation of duties provides little assurance errors will be detected.

Recommendation: We recommend that there be some segregation of duties between the four employees in the office.

Response: County implemented auditor's recommended procedures effective 7/1/2009.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2009**

III. FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS

See 2009-10

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-1 Fund Balance Deficits

Significant Deficiency

Condition: During 2008 expenditures exceeded the revenues in six funds which increased the funds' fund balance deficits. All funds should be reviewed routinely to ensure funds are available prior to approval of expenditures. The County should consider means to fund these deficits and cease increasing them. The funds are listed below:

Fund	2008 Excess of Expenditures over Revenues	June 30, 2008 Fund Deficit
Road and Bridges Maintenance	\$ (549,442)	\$ (46,170)
New Brooklyn Lighting Tax District	(6,001)	(12,135)
Victims Assistance	(75,722)	(125,619)
Brookdale Lighting Tax District	(4,895)	(9,907)
Special Education	(251,092)	(1,006,158)
Edisto Sewer Capital Projects	(55,100)	(465,485)

In addition, the Whitaker Lighting Tax District has a fund deficit of \$61,410 and the Economic Development Tobacco Fund has a fund deficit of \$202,049 at June 30, 2008. The fund deficits in these two funds did decrease during the 2008 year, but a fund deficit still remains.

The Sheriff's Traffic Enforcement grant closed in 2007 but additional expenditures were charged in 2008 to this fund which increased the fund deficit. During our audit procedures, we noted the increasing deficit and the County decided to reclass these expenditures of \$2,885 to the Sheriff department of the General Fund and close the fund by recording a transfer from the General Fund of \$21,735.

Recommendation: We recommend all funds be reviewed before incurring expenditures. Means of funding these fund balance deficits need to be addressed.

Current Status: Sustained in current year. Fee Finding 2009-7.

2008-2 Uncollateralized and Uninsured Deposits

Significant Deficiency

Condition: The cash on deposit with one financial institution is uncollateralized and uninsured by \$299,560.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-2 Uncollateralized and Uninsured Deposits (continued)

Recommendation: We recommend the County review all agreements with financial institutions for collateral and the current value of the assets held as collateral to make sure the value pledged is sufficient to cover the deposits of the County

Current Status: Sustained in current year. Fee Finding 2009-1.

2008-3 Preparation of Financial Statements

Significant Deficiency

Condition: In May 2006, the AICPA issued Statement on Auditing Standards No. 112, *Communication Internal Control Related Matters Identified in an Audit*. This standard, emphasizes the need for the County to have internal controls over financial reporting in place that will provide reasonable assurance that the County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). In order for these controls to be effective, County personnel needs to receive adequate training to allow them to prepare the County's financial statements in accordance with GAAP.

Recommendation: Appropriate County personnel should attend training courses that will enhance their ability to prepare the County's annual financial statements and footnote disclosures in accordance with GAAP. Assuming that this training is provided within the next six to eight months, County personnel should coordinate with the independent audit firm to prepare a substantial portion of the Comprehensive Annual Financial Report for the year ended June 30, 2009.

Current Status: Sustained in current year. Fee Finding 2009-6.

2008-4 Register of Deeds Office - Receipts

Significant Deficiency

Condition: In total, the funds collected in the Register of Deeds office agree to the amounts turned over to the Treasurer's office, but the allocation between cash and checks per the receipting system do not agree with the allocation turned over to the Treasurer's office. Also, collections are not being turned over daily to the Treasurer's office. Cases of several days lapse between collection and remittance occurred.

Recommendation: We recommend each day's collections be reconciled with the receipt reports and turned over to the Treasurer's office daily.

Current Status: Finding not sustained in current year.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-5 Delinquent Tax – Bankruptcy Funds

Significant Deficiency

Condition: We also noted that cards are kept on the bankruptcy cases in Delinquent Tax. A card is kept which has a balance of the moneys being held for payment of taxes for each property. When the balance due is collected, it is turned over as delinquent tax collections. A separate bank account is used to hold this money. However, according to the Delinquent Tax Collector, a reconciliation between the bank account reconciled balance and the total of the card balances is never done.

Recommendation: We recommend that monthly when the bank account is reconciled that the cards are totaled and the total is agreed to the reconciled bank balance. This procedure will ensure that entries on the cards are made correctly and that all moneys held for bankruptcies are placed in the proper account.

Current Status: Sustained in current year Fee Finding 2009-2.

2008-6 Magistrate – Segregation of Duties

Significant Deficiency

Condition: During most of the year 2008, each Magistrate maintained a separate office and several had no staff. For these offices with no staff, the Magistrates receipted, recorded, deposited, and reconciled all deposits.

Recommendation: We recommend for the offices solely manned by the Magistrate, the Chief Magistrate review all monthly transactions and initial records to indicate they have been reviewed. During the last quarter of 2008, the County began restructuring the Magistrates into three regional offices. Each regional office will have at least one clerk to alleviate the segregation of duty issues.

Current Status: Finding not sustained in current year.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009

Findings – Financial Statements Audit

2008-7 Dawn Center Receivable

Significant Deficiency

Condition: The County runs payroll of the Dawn Center through its payroll system and records the transactions in expenditure accounts. At year-end, the County closes these transactions to a receivable from the Dawn Center account. These accounts were not fully cleared out at year-end and County had to furnish the auditors with an entry to close these accounts. This has occurred in previous years and was not corrected, therefore the transactions were shown as County expenditures and subsequently closed to fund balance included in the County's general fund. This is an immaterial amount of \$3,463 from prior years. Also, the receivable from the Dawn Center has increased from \$599,579 at June 30, 2007 to \$801,157 at June 30, 2008.

Recommendation: The County should pursue the reason for non-payment by the Dawn Center and consider ceasing running the payroll through the County's system unless payment is received.

Current Status: Finding not sustained in current year.

2008-8 Allocation to Orangeburg-Calhoun Regional Detention Center

Significant Deficiency

Condition: Orangeburg and Calhoun Counties fund the Orangeburg-Calhoun Regional Detention Center (LEC) based on a split percentage of the budgeted expenditures of the LEC. The LEC's activity is recorded through the County's general ledger system in a separate fund and the County approves the budget. For the past three years, the expenditures have exceeded the budget resulting in a total fund balance deficit at June 30, 2008 of \$(1,949,103). Orangeburg County's share of this deficit based on established percentages of occupancy is \$(1,827,457).

Recommendation: We recommend the County adopt a reasonable budget based on actual expenditures of the LEC and monitor budget variances monthly to control excessive spending. County appropriations should cover the actual expenditures of the LEC.

Current Status: Sustained in current year. Fee Finding 2009-8.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009

Findings – Financial Statements Audit

2008-9 Receivables

Material Weakness

Condition: Receivables from the State were not recorded by the County for various funds as follows: Legislative Delegation \$126,778; Solid Waste \$12,098; PRI Grant \$9,984; Mapping Grant \$24,000; LEMPG \$21,208.

A receivable of \$119,804 was booked in prior years in error and has remained on the books in the FEMA Winter Storm Fund. During our audit procedures, we noted the uncollected receivable and the County deemed it an error and subsequently requested it be corrected in the 2008 year.

Certified Sites Fund had a receivable of \$180,000 from 2006 still on the books and a fund balance of \$180,000. Our audit procedures noted the \$180,000 was received in 2007 and recorded as income again in that year. A restatement of fund balance and correction of the accounts receivable for \$180,000 was required which closed the fund.

Pathways Fund had a fund balance deficit at June 30, 2007 of \$101,194 due to an unrecorded receivable at June 30, 2007. The funds were received in 2008 and recorded as 2008 revenue. A correction of the prior year fund balance was required.

Solid Waste has two accounts receivable accounts on the ledger to separate tipping fees from other receivables. The collection of other receivables was posted against the tipping fees receivable account during the year resulting in an adjustment required of \$102,925 between the accounts. The tipping fees receivable account showed a negative balance on the County's books prior to the necessary adjustment.

Revenues were received during 2008 for the previous years in the DSS Incentive Fund and were posted by the County to the receivable account but the receivable was not reported in the previous year. The beginning fund balance was restated to correct this error of \$5,662.

The County has an Office of Justice Programs grant which they have filed quarterly status reports reflecting the expenditures for the 2008 year of \$13,124. No revenue has been received in this OJP Fund. During our audit procedures, we noted no copies of the request for payment were retained in the grant files. County personnel filed these reports online but failed to print a copy for the files. The quarterly status reports were filed in May and August of 2008. No County personnel had followed up on why the County has not received these requested funds.

Emergency Response Fund had a receivable of \$25,708 from 2006 still on the books and no current year activity. Our audit procedures noted the \$25,708 was received in 2007 and recorded as income again in that year. A restatement of fund balance and correction of the accounts receivable for \$25,708 was required which left a deficit fund balance of \$474. The County requested a transfer to be recorded from the General Fund to close the fund.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009

Findings – Financial Statements Audit

2008-9 Receivables (continued)

The School Resource Officer Fund's accounts receivable was understated by \$42,020 since 2006 due to a journal entry recorded in error by the County to reclass excess expenditures to the General Fund. This also understated the fund balance of the General Fund.

A check was issued to the County for \$1,230 pertaining to grant funds from the State on June 30, 2008. It was received by the County in July, 2008 but was not turned over to the Finance Department for deposit until February, 2009. This check was found on a desk in a department of the County.

Recommendation: We recommend as receivables are identified by requesting grant reimbursement or by some other means, the receivable be recorded in the correct fund and year. As the revenue is received, these receivables should be reviewed to determine how to record the receipt properly. Accounts should be reviewed for reasonableness.

Current Status: Sustained in current year. Fee Finding 2009-4

2008-10 Land Sold but Still on County's Books

Material Weakness

Condition: Land held for resale of \$134,229 was still recorded on the County's books even though it had been sold in 2005 resulting in an overstatement of fund balance.

Recommendation: The financial statements should be reviewed to make sure all assets owned by the County are properly recorded.

Current Status: Sustained in current year. Fee Finding 2009-9

2008-11 Improper Recording of Prior Year Correction

Material Weakness

Condition: County attempted to move prior year expenditures between funds through recording a journal entry in the current year expenditures resulting in Capital Sales Tax Projects I Fund's current year expenditures being understated by \$253,024 and Capital Projects Fund's current year expenditures being overstated by \$253,024.

Recommendation: We recommend care be exercised as to the initial posting of expenditures to proper funds. By reviewing project subsidiary ledgers periodically and agreeing them to the funds, the need for corrections in subsequent years could be eliminated.

Current Status: Finding not sustained in current year.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-12 Accounts Payable

Material Weakness

Condition: Accounts payable were booked in the 2006 year but subsequent payment of several of these payables in the 2007 year were recorded by the County in the 2007 year expenditures rather than offsetting the prior year payable resulting in understatement of fund balance in each of these funds. The funds effected and their respective understatement were Capital Projects Fund for \$11,069, Roads & Bridges Maintenance Fund for \$55,502, and Capital Sales Tax Projects I Fund for \$110,757.

An expenditure was properly recorded as a payable in various funds at June 30, 2005. In 2006, the entire payment was charged to an expenditure account in the General Fund. Therefore, the General Fund fund balance was understated and the accounts payable in the various funds have been carried forward as unpaid. The following funds were effected: General Fund \$(27,468), Special Education \$10,627, Roads & Bridges \$7,385, Solid Waste \$4,758.

Unrecorded outstanding invoices of \$25,131 were found by the client eight months after year-end that pertained to the 2008 year.

Errors in the recording of accounts payable in 2006 and posting the subsequent collection in 2007 resulted in the Solid Waste accounts payable being understated by \$46,443.

Recommendation: The accounts payable of each fund should be reviewed monthly to ensure all payables have been paid and properly recorded. All invoices are to be turned in for payment when received by departments.

Current Status: Sustained in current year. Fee Finding 2009-11.

2008-13 Improper recording of Bank Account Closing

Material Weakness

Condition: A bank account in the Vehicle Replacement Capital Projects fund was closed in April 2008. The County recorded the cash received from the closing of \$38,829 in miscellaneous income of the General Fund rather than crediting the bank account on the books of the Vehicle Replacement Fund. Therefore, the bank account of \$38,829 was still shown on the County's books even though it was closed.

Recommendation: We recommend the closing of a bank account be followed until the receipt of the funds is received and communication between offices be sufficient to enable the transaction be recorded properly.

Current Status: Finding not sustained in current year.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-14 Unrecorded Bank Account

Material Weakness

Condition: Cash held by fiscal agent in the 2004 Vehicle Replacement Fund was not recorded on the County's general ledger. The balance at June 30, 2007 was \$20,588. During 2008, the account earned interest of \$267 and disbursed a check for \$20,200 to the County before being closed with a closing disbursement of \$655. The County did not record the interest earnings. The \$20,200 check received was recorded as a credit to an expenditure account in the Vehicle Replacement Fund and the closing receipt was recorded in the General Fund as miscellaneous revenue.

Recommendation: We recommend all cash held in the County's name be properly recorded in the County's financial statement.

Current Status: Finding not sustained in current year.

2008-15 Capital Sales Tax Projects

Material Weakness

Condition: The County maintains project reports for each project under the Capital Sales Tax I and II Funds through a module of the general ledger computer system. The individual project reports did not agree with the activities posted in the Capital Sales Tax Funds' general ledgers. Each entry in the general ledger system must be coded with a project number in order for them to be captured by the project reports. CPST I had \$462,729 of corrections to the project reports to capture activity from the general ledger. A correction to the general ledger of \$(5,764) was also required to agree the general ledger to actual corrected project reports. In addition, the prior years of CPST II fund had to be restated by function to agree with the actual projects' purpose.

Recommendation: We recommend the capital project sales tax funds and related project reports be reconciled monthly to ensure all data is properly recorded.

Current Status: Sustained in current year. Fee Finding 2009-12.

2008-16 Unrecorded Prior Year Audit Adjustments

Material Weakness

Condition: Prior year audit adjustments were not recorded on the general ledger for the following amounts – E911 \$312,327, Special Education \$(15,854), General Fund \$(312,327).

Recommendation: We recommend the County reconcile the adjusted trial balance to the financial statements each year to ensure all adjustments have been posted properly.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-16 Unrecorded Prior Year Audit Adjustments (continued)

Current Status: Finding not sustained in current year.

2008-17 Improper Reporting of Long-Term Debt

Material Weakness

Condition: The County has a long-term note payable for the purchase of property from 2003. The entire amount of interest and principal payable was recorded as an accounts payable which is not in accordance with generally accepted accounting principles. The interest portion payable for the entire period should not be recorded and the principal portion should only be recorded in the government-wide statements. The County maintains its books on the fund basis. A restatement of prior year fund balance of \$1,392,730 was required as well as reclassing the current year payment of \$176,962 from accounts payable to the expenditures.

Recommendation: We recommend the County review generally accepted accounting principles. Liabilities for long-term debt should not be recorded in the fund financial statements.

Current Status: Finding not sustained in current year.

2008-18 Reporting Related Revenue and Expenditures in Separate Funds

Material Weakness

Condition: PRT Grant Fund expenditures were recorded in the General Fund and a capital projects fund when incurred rather than in the fund set up for these grant transactions while the revenue to reimburse these expenditures was being recorded in the grant fund. The result is an overstatement of the grant fund balance and understatement of General Funds and Capital Projects Fund's fund balances.

Decolam Fund expenditures were recorded in the General Fund when incurred rather than in the fund set up for these transactions while the revenue to reimburse these expenditures was being recorded in the Decolam Fund. The result is an overstatement of Decolam Fund fund balance and understatement of General Funds fund balance. The County requested the related expenditures be moved to the correct fund to match the revenue.

LEMPG Fund expenditures of \$27,321 were recorded in the General Fund rather than in the fund set up for these grant transactions.

Recommendation: We recommend as grant reimbursement requests are filed, a receivable be booked in the appropriate fund and the grant revenues and expenditures in that fund be reconciled.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-18 Reporting Related Revenue and Expenditures in Separate Funds (continued)

Current Status: Finding not sustained in current year.

2008-19 Netting Revenues against Expenditures

Material Weakness

Condition: Revenue of \$282,978 received in the Granules Fund was recorded by the County in an expenditure account.

We noted revenue being recorded in expenditure accounts which netted the State funds received against the expenditures.

Recommendation: We recommend the County follow generally accepted accounting principals in the recording of revenues.

Current Status: Sustained in current year. Fee Finding 2009-13.

2008-20 Improper Reporting of Special Revenue Fund

Material Weakness

Condition: The Multi Juris Task Force Fund is a component of the Grant Sub Funds Special Revenue Fund which records transactions dealing with the Sheriff's office drug related enforcement. All the activity of the fund is being treated by the County as an agency fund by manually recording all transactions through journal entries through a "Due to others" account rather than posting revenues and expenditures. Therefore, the activity is not being reflected properly in the County's financial statements nor are any potential capital purchases being noted for inclusion in the County's capital asset records.

Recommendation: We recommend all activity of special revenue funds be properly posted to revenue and expenditure accounts. No "closing" entry should be made since the general ledger system will automatically close to fund balance at year-end.

Current Status: Finding not sustained in current year.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-21 Capital Asset Restatements and Corrections

Material Weakness

Condition: County purchased \$12,529,840 in capital asset in the fiscal year ended June 30, 2008. Only \$5,372,989 was recorded by the County leaving \$7,156,851 of corrections to the capital asset system to be recorded. There was \$1,115,823 of capital asset purchases in the prior years which were not recorded resulting in a prior period restatement. Several items from the Library and the Emergency Services radios under lease purchase were given to finance to enter in the system at incorrect amounts. The shipping, sales tax, and installation charges are part of the total cost of the asset. We recommend invoices be attached for verification of proper amount being recorded.

Numerous assets under the County's capitalization threshold of \$2,500 were being depreciated. The County only records these items for inventory purposes and only the items over the \$2,500 threshold should be marked for depreciating.

Assets not completed should be recorded in the "Construction in Process" category until completed and placed in service. At that time, these assets can be transferred to the proper permanent category and begin depreciating. The CIP category should be reviewed to ensure all assets are still "in process."

Numerous assets were sold or disposed but not disposed in the capital asset system. All sales information should be sent to Finance and matched with assets in the system for proper disposition.

We tested the capital asset system's depreciation. The accumulated depreciation at June 30, 2007 and 2008 were both determined to be incorrect. There was no pattern to the errors noted. For some assets, the accumulated depreciation at June 30, 2008 was actually determined to be the balance for the year ended 2009, 2010, 2008 plus an additional 5 months, or 2008 plus an additional 3 months. The depreciation calculated by the system could not be used. The County had to create spreadsheets to recalculate depreciation for all assets at June 30, 2007 and 2008. A restatement of \$889,276 was required to adjust the 2007 accumulated depreciation amount to actual.

Recommendation: All capital assets acquired, including those capital project assets which the County maintains ownership, should be examined for inclusion in the capital asset system. As capital assets are disposed, they should be noted as such in the capital asset system. Accumulated depreciation should be verified on depreciable assets. It is recommended that annually the County's capital assets be printed by location and the department head for that location review for any unrecorded disposals or additions and reasonable remaining life.

Current Status: Sustained in current year Fee Finding 2009-14.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-22 Unreported Clerk of Court Bank Accounts

Material Weakness

Condition: In the process of auditing the Clerk of Court's trust accounts, we noted seven accounts with a total value of \$52,636 which were not on the County's summary listing of trust accounts at June 30, 2008. The listing is based on the bank reconciliations received by the Finance Department from Clerk of Court personnel. Four of the seven accounts were dormant, so that the Clerk of Court had not received June 30, 2008 statements to reconcile. One of the accounts had not been reconciled at June 30, 2008, so the Finance Department had no reconciliation to add to its list. The reason that the other two accounts were not included on the list is not known.

Recommendation: We recommend controls be in place to ensure all bank accounts in the County's name be included in the financial statements.

Current Status: Finding not sustained in current year.

2008-23 Delinquent Tax Office Segregation of Duties

Material Weakness

Condition: Presently, the Delinquent Tax Collector assists with collections, deposits money received in his office, writes checks, signs checks and reconciles bank statements.

Recommendation: We recommend that there be some segregation of duties between the four employees in the office. Because of an error noted in the payment to a bidder, we also recommend that the bidder payments be reviewed by another staff person.

Current Status: Sustained in current year. Fee Finding 2009-15.

2008-24 Industrial Park Reimbursement

Material Weakness

Condition: The County is involved in an industrial park with the City of Orangeburg. The County and City are to split the costs associated with this park. The County pays the expenditures and then requests reimbursement from the City for their half. During the 2008 year, the County billed the City for \$193,415 for several years of expenditures but recorded the entire amount against current year expenditures. Of this total, \$177,871 was for expenditures in prior years and \$15,544 was to reimburse current year expenditures. Therefore, the general fund's fund balance had to be restated for the \$177,871.

Recommendation: We recommend the reimbursements be requested at least annually and the City's portion of the expenditures be recorded as a receivable.

COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009

Findings – Financial Statements Audit

2008-24 Industrial Park Reimbursement (continued)

Current Status: Finding not sustained in current year.

2008-25 Payroll Withholdings

Material Weakness

Condition: The payroll liability accounts recorded on the County's general ledger at June 30, 2008 were incorrect. Many of these liability accounts carried large debt balances indicating the County was actually paying a large portion that should have been withheld from the employees. Many of the balances have been accumulating over several years. The payroll liabilities had to be adjusted by \$487,228 which was a restatement of prior year fund balance. A large portion of this pertains to the amount of health insurance premiums which were to be withheld on employees.

Recommendation: We recommend each month the payroll withholdings be reconciled with the actual costs paid to ensure withholdings are sufficient.

Current Status: Finding not sustained in current year.

2008-26 Closing of General Ledger

Material Weakness

Condition: The auditors were given a trial balance at the end of September, 2008, for the year ended June 30, 2008. During fieldwork three weeks later, the auditors noted that the general ledger balances had changed from the "closed" trial balance provided. Due to lack of communication between offices, some entries were still being made to the 2008-year system. Therefore, the auditors had to obtain a new trial balance.

Recommendation: The general ledger system should be locked at the end of the year with only limited access allowed for recording any necessary audit adjustments.

Current Status: Finding not sustained in current year.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

Findings – Financial Statements Audit

2008-27 Budget

Material Weakness

Condition: The original budget passed by Council and all supplemental changes did not agree with the budget entered into the County's general ledger system nor was the County able to provide a complete final budget to the auditors. The auditors were given a copy of the original budget approved by Council and a list of all supplemental changes, and had to compile the final budget.

Recommendation: We recommend the budget be entered into the general ledger system properly to reflect the original approved budget and all supplemental changes.

Current Status: Finding not sustained in current year.

**COUNTY OF ORANGEBURG, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended June 30, 2009**

FINDINGS AND QUESTIONED COSTS RELATING TO FEDERAL AWARDS

None.

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