

FLORENCE COUNTY, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2007



Prepared By:

Kevin V. Yokim, CPA, CGFO, Finance Director
Claire P. Spearman, CPA, Internal Auditor



FLORENCE COUNTY, SOUTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2007

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FLORENCE COUNTY
Finance Department

December 12, 2007

To the Chairman, Members of County Council, and Citizens of Florence County

The Comprehensive Annual Financial Report of Florence County, South Carolina, for the year ended June 30, 2007, is submitted herewith. State statutes require Florence County to annually issue 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 this 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 operations and cash flows of the various funds and component units of Florence County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

This annual report is in a format that complies with the financial reporting model developed by the Government Accounting Standards Board (GASB) Statement 34. This model improves financial reporting by including government-wide statements that are based on full accrual accounting and include capital assets and long-term debt. The requirements of GASB Statement 34 are explained in some detail within the Management's Discussion and Analysis, which immediately precedes the basic financial statements in the financial section of this report.

Florence County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget's Circular A-133, "Audits of State and Local Governments". Information related to this single audit, including a schedule of expenditures of federal and state awards and the independent auditor's report on internal controls and compliance with applicable laws and regulations, is included in the single audit section of this report.

THE REPORTING ENTITY

Florence County, South Carolina is located in the northeast section of the state, and is bounded on the north and east by the Pee Dee River, on the south by Williamsburg County, and the west by Darlington County. The County was established in 1888 as a railroad community and since that time has grown into the commercial, retail, and medical center for this region of the state. Being at the intersection of U.S. I-95 and I-20 has facilitated this growth, as well as being the mid-way point on I-95 between New York City and Miami, Florida.

Florence County operates under the Council-Administrator form of government. The County's Council is comprised of nine single member districts. The Council annually elects one member to serve as Chairman, one member to serve as Vice-Chairman, and one member to serve as Secretary-Chaplain. County Council is responsible, among other things, for passing ordinances, adopting the budget, and appointing the Administrator.

The Comprehensive Annual Financial Report includes all funds of Florence County that are controlled by this governing body, and are considered to be the "reporting entity". The County provides a full range of services including public safety, public works, health and social service, culture and recreation, economic development, family court, magistrates, probate court, general sessions court, solicitor, public defender, and general administration. Other entities and political subdivisions including the County's five school districts and nine cities and towns have been excluded from the County's funds and accordingly, each entity has sufficient discretion in the management of its own affairs. However, the County Treasurer is responsible for the collection of property taxes, intergovernmental revenues, and other revenues for the political subdivisions. The year-end balances and results of that fiduciary responsibility are included as agency funds in the basic financial statements.

A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government (i.e. Florence County, South Carolina as legally defined) and to differentiate its financial position and results of operations from those of the primary government. The Florence City-County Building Commission is reported as a discretely presented component unit.

ECONOMIC CONDITION AND OUTLOOK

Florence County is continuing to experience a strong increase in economic growth. This growth comes from four areas: manufacturing companies, distribution, the medical community, and tourism.

Manufacturing

The County is becoming an international center for manufacturing. Nan Ya Plastics Corporation of America, a polyester fiber producing company based in Taiwan, has become the County's largest taxpayer as it continues to grow towards its goal of investing \$1 billion in the Florence County/Williamsburg County Joint Industrial Park. Roche Carolina, Inc., a subsidiary of the Swiss-based pharmaceutical company, Hoffman-LaRoche, Inc., continues to expand its processing operation, adding to its previous \$550 million investment since 1993. ESAB Welding Products, a welding machine manufacturer headquartered in the United Kingdom, continues its steady growth in the County and currently employs over 400 people. Over the past few years, Honda Motors Corporation of America expanded its current facility to include an engine plant for its all-terrain vehicles. Honda now employs approximately 1,900 people in its assembly and engine plants. This is the first time that engines for any Honda vehicle have been produced in the United States. Honda has also constructed a personal watercraft (jet ski) plant that began production in December 2002. Also, two suppliers to the Honda plant have located in Florence County in recent years, those being South East Express and North American Container Company. In addition, Crenlo, Inc., a manufacturer of cabs for heavy equipment, began operation of its plant in the Pee Dee Commerce Center as well.

As shown above, the County's manufacturing base is very diversified. Other well known companies also have plants in the County. These companies include Dupont, General Electric, Asea Brown Boveri, and Stone Container.

Distribution

Given its location at the intersection of Interstates I-95 and I-20, the County is now becoming a center for distribution facilities as well. IFH, a restaurant food supplier, recently constructed a new plant that resulted in an investment of more than \$20,000,000 and 70 new jobs. FedEx has also constructed a 75,000 square foot distribution facility within the past two years. QVC, Inc. recently constructed a 1,000,000 square foot distribution facility that opened in the spring of 2007. This resulted in an investment of almost \$75,000,000 and the addition of several hundred jobs to the local economy. Finally, Johnson Controls, Inc. moved into a 300,000 square foot spec. building in the Pee Dee Touchstone Energy Commerce Center in order to distribute automotive batteries. This facility also opened in the spring of 2007 and resulted in an investment of approximately \$35,000,000.

Medical Community

Florence County continues to serve as the medical center for the eastern half of South Carolina. McLeod Regional Medical Center is the largest employer in the County, with over 3,500 employees. McLeod has, in the past few years, constructed a women's hospital pavilion as well as a four-story medical office building. McLeod also has completed construction on an additional five-story medical office building. During the past year, McLeod completed the expansion of the women's hospital pavilion from its current five floors to a total of twelve floors at a cost in excess of \$100 million.

Carolinas Hospital System is also located in Florence County. Carolinas is a subsidiary of the national hospital company Quorum Health Group. In November 1998 Carolinas dedicated a new nine-story state of the art hospital complex. In the past year, Carolinas has also constructed facilities for additional bed space as well as a new conference center.

Also headquartered in Florence County is Palmetto Government Benefits Administrators, a division of Blue Cross & Blue Shield of South Carolina. This division processes health insurance claims from military personnel and their dependents from all across the nation and around the world. They currently employ over 1,000 people in Florence County.

Tourism

With such attractions as the Darlington Raceway, the Florence City-County Civic Center, and Freedom Florence, a nine-field softball complex, Florence County continues to see an increase in tourism every year. This has resulted in the construction of several new hotels and motels including a new multi-story Hilton Garden Inn as well as a new Holiday Inn Express.

Florence County's moderate climate attracts tourists year round to come to the County to shop, eat, and play golf at one of over 10 golf courses located within 30 miles of the City of Florence. In addition the Florence City-County Civic Center hosts several conventions and trade shows each year, as well as many business meetings and luncheons. The Freedom Florence recreation complex hosts softball tournaments every weekend during its 30-week season. These tournaments include a minimum of 15 teams and bring in players from all over the Southeast to the Florence area. For the first time, the Darlington Raceway held a NASCAR Craftsman truck series race in 2001. The Darlington Raceway, which is next door to Florence County, also hosted the largest weekend sporting event in the state with Busch series and NASCAR series races both on the Mother's Day weekend. These races bring international exposure to Florence through ESPN and major network telecasts. The raceway has also added lights to the track to provide the opportunity for night-time racing as well.

MAJOR INITIATIVES

Florence County has embarked on several initiatives that center primarily on increasing service to the residents of Florence County.

EMS Improvements

During 2000, Florence County made major improvements to its EMS System. Four new state of the art ambulances were purchased, as well as four new quick response vehicles. In February 1999 the County broke ground on a new 7,500 square foot EMS headquarters. The building was completed in December 1999. In 2004, the County completed the construction of two new EMS substations in rural areas of the County, and has acquired land for a third rural substation.

Recreation Improvements

During 1999, a recreation master plan for the entire county was prepared by an outside consulting company. For the seventh fiscal year in a row, Florence County Council committed \$500,000 of funding for projects included in this master plan. The County had executed a long-term lease for a state park that is now known as Lynches River County Park. On October 31, 2002, the State of South Carolina deeded the Lynches River County Park to Florence County. Therefore, the County now owns a 675 acre park near the geographic center of the county and the County is moving forward with improvements to the park. A major renovation of the community building at the park had already been completed. A canoe launch and a 1,200 foot boardwalk have been constructed. In addition, two cabins and a bathhouse have been purchased and installed and are available to be rented. An interpretive nature center is under construction at the park, which should open sometime in 2008. In North Florence a local park has been enhanced by the addition of a community building and a walking trail. In West Florence, additional land was acquired adjacent to an existing ball field and several tennis courts, a picnic shelter and a playground were constructed. In the Lake City area, land was acquired for a local park and a walking trail was constructed. This land also includes a pond; therefore a fishing deck and a walking bridge over the pond have been constructed. In addition, land has been acquired to relocate two of the County's baseball facilities over the next few years. In 2004 the County acquired three parcels of land for recreation. Two parcels are for the expansion of two existing baseball leagues and the third is for a neighborhood park. In 2005 one of these parks was completed and an existing league was relocated to this new facility. In 2007, the second of these parks was completed and the other existing league was relocated to this new facility.

Consolidation

On May 23, 2002, the County signed a consolidation agreement with the City of Florence whereby the City purchased the Florence County Utility System. On October 3, 2002, the sale was closed and the City became the legal owner of the Florence County water and sewer system and also assumed the \$9,775,000 outstanding balance of the 1998 Florence County Utility System revenue bond.

Economic Development

During 1999, Florence County entered into an agreement with a local private business group to form the Florence County Economic Development Partnership. This is a joint partnership that was formed to increase economic development throughout the county and is funded equally by public and private funds. During 1999, a strategic plan was completed by an outside consulting company and the County is currently proceeding with most of the areas of the strategic plan. The County issued \$1,500,000 of general obligation bonds to fund the first of three phases of this strategic plan. A portion of these bonds proceeds have been used to purchase approximately 150 acres for an industrial park in Johnsonville and develop this park by installing roads and water and sewer service.

FINANCIAL INFORMATION

Management of Florence County is responsible for establishing and maintaining an internal control structure to ensure that assets of the County are protected from loss, theft, or misuse, and to ensure that data compiled will allow for the preparation of financial statements that are in conformity with generally accepted accounting principles.

Single Audit. As a recipient of federal and state financial assistance, we are also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with laws and regulations related to those programs. This internal structure is subject to periodic evaluation by management of the County and our external auditors. The results of the County's single audit for the year ended June 30, 2007 provided no instances of material weakness in the internal control structure or significant violations of applicable laws and regulations related to major or non-major federal financial assistance programs.

Budgetary Controls. A formal budget is adopted for the general fund and various special revenue funds of the County at the account level. In the General Fund, a budget is prepared for each department of the County. Encumbrance accounting is used to record estimated amounts for purchase orders, contracts and other commitments prior to release to vendors. Commitments that would result in over expended funds are not made until available funds are transferred via a budget adjustment approved by the County Administrator and the Finance Director. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Proprietary Operations. Florence County has three proprietary funds. The Florence County Utility System Fund accounts for the operation and maintenance of the water and sewer system. The Florence County Landfill Fund accounts for the operation of the County's 15 manned convenience centers and the transportation of the waste from these centers to a private landfill outside the county and the tipping fee at this private landfill. The Florence County E911 System Fund accounts for the mapping and establishing of the E911 system throughout the County.

Debt Administration. In accordance with South Carolina State Law, Florence County must maintain its general obligation bonded debt within a limit of eight percent of its total assessed value of its real and personal property. For the year ended June 30, 2007, this requirement has been met.

Cash Management. The management of cash and cash investments is the responsibility of the County Treasurer. During the fiscal year ended June 30, 2007, Florence County was under a contract with a financial institution, not only for cash management purposes, but also for investment management purposes. This contract is for a three-year period that ends June 30, 2008. As of June 30, 2007, Florence County's investments were held primarily in U.S. Agency securities and certificates of deposit.

Capital Assets. The capital assets of the County are those used in the performance of general government functions. These assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the acquisition date. The County, in accordance with the Government Accounting Standards Board Statement No. 34, began recognizing depreciation on all its capital assets during the prior fiscal year. In addition, in further compliance with this statement, the County capitalized all infrastructure assets, including roads and bridges, during the fiscal year as well.

Risk Management. The County maintains coverage for worker's compensation with a third party insurance company. This fund covers all medical claims for work-related injuries, as well as providing disability payments for loss of time from work.

Independent Audit. The South Carolina Code of Laws requires an annual audit of financial records and transactions of the County by an independent certified public accountant selected by County Council. The fiscal year ended June 30, 2007 was audited by the accounting firm of Baird and Company, CPA's, LLC, and their report on the basic financial statements is included in the Financial Section of this Comprehensive Annual Financial Report.

Certificate of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Florence County, South Carolina for its comprehensive annual financial report for the fiscal year ended June 30, 2006. This was the ninth year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments. The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the dedicated service of the Finance Department and the technical expertise and efforts of our independent auditors, Baird and Company, CPA's, LLC. We would like to also commend County Council for realizing the need for, and the benefits derived from timely financial reporting.

Sincerely,



Kevin V. Yokim, CPA, CGFO
Finance Director

FLORENCE COUNTY, SOUTH CAROLINA

PRINCIPAL OFFICIALS

FOR THE YEAR ENDED JUNE 30, 2007

MEMBERS OF COUNTY COUNCIL

K.G. Rusty Smith, Jr.	Chairman
Waymon Mumford	Vice-Chairman
H. Morris Anderson	Secretary - Chaplain
Mitchell Kirby	Member
Russell Culberson	Member
Johnnie Rodgers	Member
Ken Ard	Member
James Schofield	Member
Alphonso Bradley	Member

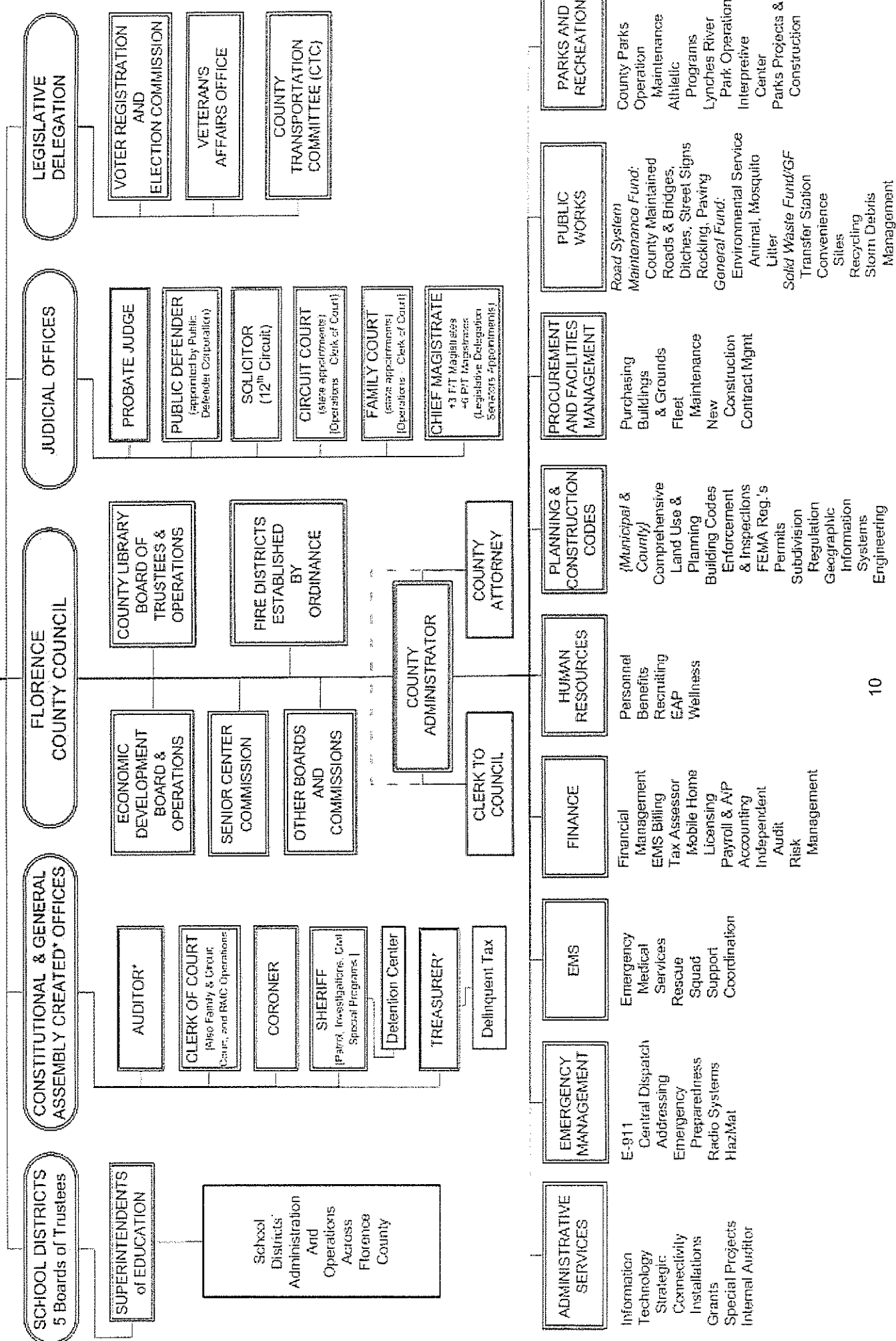
ELECTED OFFICIALS

Connie Reel-Shearin	Clerk of Court
Wayne Joye	County Auditor
M. G. "Bubba" Matthews	County Coroner
Kenney Boone	County Sheriff
Ed Clements	County Solicitor
Dean Fowler	County Treasurer
Kenneth Eaton	Judge of Probate

ADMINISTRATIVE OFFICIALS

Richard A. Starks	County Administrator
Kevin V. Yokim	Finance Director

FLORENCE COUNTY VOTERS FLORENCE COUNTY GOVERNMENT



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Florence County
South Carolina

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

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



Baird & Company CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

Augusta, Georgia Office

John P. Gillion, Jr., CPA, PFS, CFS, CVA, CFP®
J.T. Cosnahan, CPA, CFE, FCPA, DABFA, CICA, CGFM
Rep E. Whiddon, CPA, CVA
Brenda F. Carroll, CPA, CFE, CLA, CICA, FCPA

Thomson, Georgia Office

Benjamin B. Barmore, CPA, MCP, CITP
W. Lee Hammond, CPA

INDEPENDENT AUDITORS' REPORT

To the County Council
Florence County, South Carolina
Florence, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and aggregate remaining fund information of Florence County, South Carolina, as of and for the year ended June 30, 2007, which collectively comprise Florence County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Florence County, South Carolina's management. Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of the Florence City-County Complex Building Commission which statements reflect total assets of \$2,249,271 as of June 30, 2007, and total revenues of \$1,253,466 for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinions on the financial statements, insofar as, it relates to the amounts included for the Florence City-County Complex Building Commission in the component unit column, is based solely on the report of the other auditors.

We conducted our audits 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the government activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Florence County, South Carolina, as of June 30, 2007, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

To the County Council
Florence County, South Carolina
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In accordance with *Government Auditing Standards*, we have also issued a report dated December 6, 2007, on our consideration of Florence County, 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.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the 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 Florence County, South Carolina's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of Florence County, South Carolina. Such information, except for that portion marked "unaudited" on which we express no opinion, 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 introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Baird & Company, CPAs, LLC

BAIRD & COMPANY, CPAs, LLC
Certified Public Accountants

Augusta, Georgia
December 6, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Florence County, South Carolina, we offer readers of the Florence County financial statements this narrative overview and analysis of the financial activities of Florence County for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 – 8 of this report.

Financial Highlights

- The assets of Florence County exceeded its liabilities at the close of the most recent fiscal year by \$84,879,771 (*net assets*). Of this amount, \$30,880,478 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$878,214. Nearly all of this increase is attributable to the excess of general property tax and sales tax revenues over expenses.
- As of the close of the current fiscal year, Florence County's governmental funds reported combined ending fund balances of \$31,182,551, an increase of \$9,110,037 in comparison with the prior year. Slightly more than half of this total amount, \$17,354,526, is *available for spending* at the government's discretion (*unreserved, undesignated fund balance*).
- At the end of the current fiscal year, the unreserved, undesignated fund balance for the general fund was \$13,444,751, or 31 percent of total general fund expenditures and net transfers out.
- Florence County's debt increased by \$7,040,229 (19 percent) during the current fiscal year. The key factors in this increase were the issuance of \$7,600,000 in general obligation bonds and the issuance of \$2,800,000 in special source revenue bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Florence County basic financial statements. Florence County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Florence County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all Florence County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Florence County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Florence County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Florence County include general government, public safety, economic development, public works, health, welfare, culture and recreation, and education. The business-type activities of Florence County include a utility system, a county landfill and an E911 system.

The government-wide financial statements include not only Florence County itself (known as the *primary government*), but also a legally separate building commission for which Florence County is financially accountable. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 25 – 26 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Florence County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Florence County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Florence County maintains thirty-six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the jail debt service and O&M special revenue fund, and the grant special revenue fund, all three of which are

considered to be major funds. Data from the other thirty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Florence County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. Florence County also adopts an annual appropriated budget for another of its major funds, the Jail Debt Service/O&M Special Revenue Fund. A budgetary compliance statement has been provided for this fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 27 – 31 of this report.

Proprietary funds. Florence County maintains one type of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Florence County uses enterprise funds to account for its utility system, its landfill, and its E911 system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utility system, the landfill, and for the E911 system, all of which are considered to be major funds of Florence County.

The basic proprietary fund financial statements can be found on pages 32 – 35 of this report.

Fiduciary funds. Fiduciary funds are used to account for 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 Florence County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 36 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37 – 75 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 76 – 97 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Florence County, assets exceeded liabilities by \$84,879,771 at the close of the most recent fiscal year.

The largest portion of Florence County's net assets (62 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. Florence County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Florence County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Florence County's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 44,304,141	\$ 37,316,696	\$12,316,718	\$14,028,299	\$ 56,620,859	\$ 51,344,995
Capital assets	81,311,815	79,880,567	2,524,656	2,626,519	83,836,471	82,507,086
Total assets	125,615,956	117,197,263	14,841,374	16,654,818	140,457,330	133,852,081
Long-term liabilities outstanding	44,953,196	37,912,967	890	890	44,954,086	37,913,857
Other liabilities	9,347,558	10,658,595	1,275,915	1,278,072	10,623,473	11,936,667
Total liabilities	54,300,754	48,571,562	1,276,805	1,278,962	55,577,559	49,850,524
Net assets:						
Invested in capital assets, net of related debt	49,731,874	53,667,749	2,524,656	2,626,519	52,256,530	56,294,268
Restricted	1,742,763	1,442,329	-	-	1,742,763	1,442,329
Unrestricted	19,840,565	13,515,623	11,039,913	12,749,337	30,880,478	26,264,960
Total net assets	\$ 71,315,202	\$ 68,625,701	\$13,564,569	\$15,375,856	\$ 84,879,771	\$ 84,001,557

An additional portion of Florence County's net assets (2.05 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$30,880,478) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net assets increased by \$878,214 during the current fiscal year. Nearly all of this increase represents the excess of revenues over expenses.

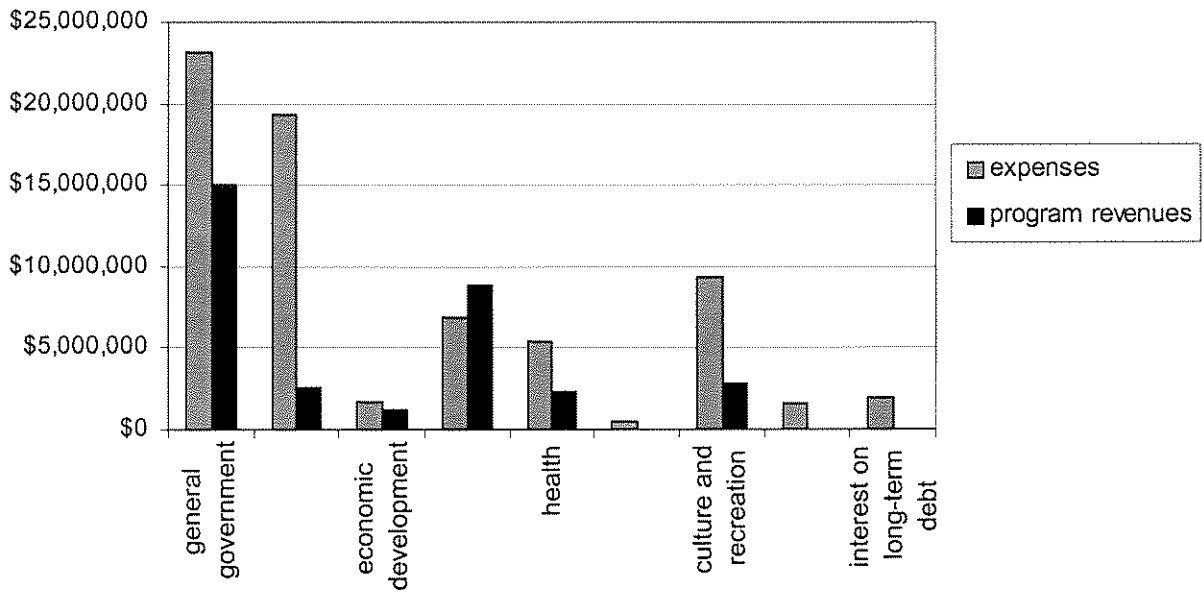
Governmental activities. Governmental activities increased Florence County's net assets by \$2,689,501, thereby accounting for 206 percent of the total increase in the net assets of Florence County.

Business-type activities. Business-type activities decreased Florence County's net assets by \$1,811,287.

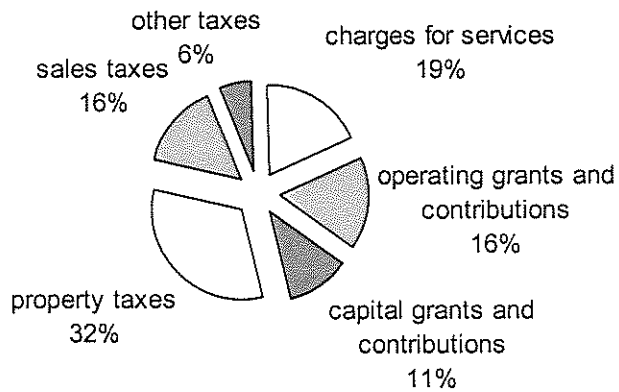
Florence County's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$13,308,738	\$12,619,488	\$ 1,880,247	\$ 1,856,381	\$15,188,985	\$14,475,869
Operating grants and contributions	11,612,605	11,420,110	-	-	11,612,605	11,420,110
Capital grants and contributions	7,891,000	6,498,642	-	-	7,891,000	6,498,642
General revenues:						
Property taxes	23,095,655	18,367,671	-	-	23,095,655	18,367,671
Other taxes	15,470,336	15,794,139	-	-	15,470,336	15,794,139
Other	1,484,911	1,007,091	566,580	449,997	2,051,491	1,457,088
Total revenues	72,863,245	65,707,141	2,446,827	2,306,378	75,310,072	68,013,519
Expenses:						
General government	23,184,504	18,916,067	-	-	23,184,504	18,916,067
Public safety	19,309,987	19,301,833	-	-	19,309,987	19,301,833
Economic and physical development	1,679,000	1,824,428	-	-	1,679,000	1,824,428
Public works	6,949,619	6,793,212	-	-	6,949,619	6,793,212
Health	5,457,357	4,753,736	-	-	5,457,357	4,753,736
Welfare	503,269	517,884	-	-	503,269	517,884
Culture and recreation	9,398,054	8,241,848	-	-	9,398,054	8,241,848
Education	1,559,950	2,391,420	-	-	1,559,950	2,391,420
Interest on long-term debt	1,982,095	2,418,282	-	-	1,982,095	2,418,282
Utility System	-	-	299,894	155,347	299,894	155,347
Landfill	-	-	3,728,778	3,468,902	3,728,778	3,468,902
E911 System	-	-	379,351	427,095	379,351	427,095
Total expenses	70,023,835	65,158,710	4,408,023	4,051,344	74,431,858	69,210,054
Increase (decrease) in net assets						
before transfers	2,839,410	548,431	(1,961,196)	(1,744,966)	878,214	(1,196,535)
Transfers	(149,909)	(796,098)	149,909	796,098	-	-
Increase (decreases) in net assets	2,689,501	(247,667)	(1,811,287)	(948,868)	878,214	(1,196,535)
Net assets, July 1,	68,625,701	68,873,368	15,375,856	16,324,724	84,001,557	85,198,092
Net assets, June 30,	\$71,315,202	\$68,625,701	\$13,564,569	\$15,375,856	\$84,879,771	\$84,001,557

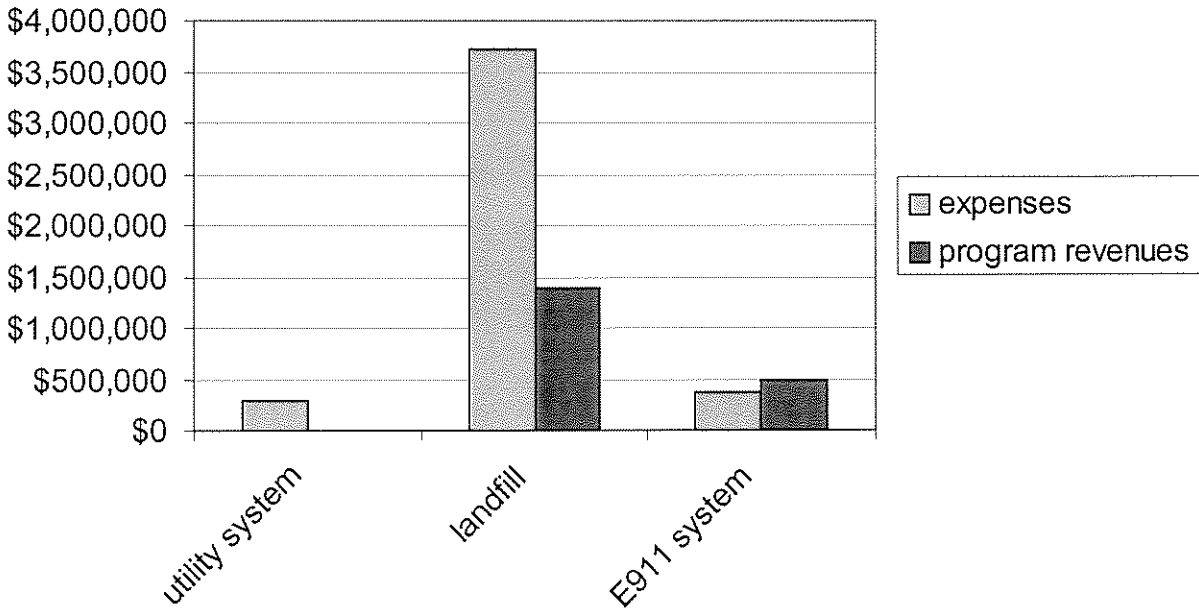
Expenses and Program Revenues - Government Activities



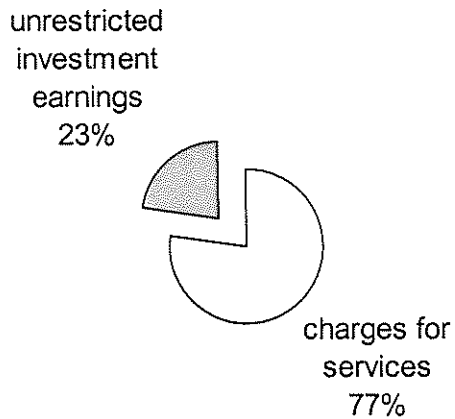
Revenues by Source - Governmental Activities



Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, Florence County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Florence County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Florence County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, Florence County's governmental funds reported combined ending fund balances of \$31,182,551, an increase of \$9,110,037 in comparison with the prior year. Slightly more than half of this total amount (\$17,354,526) constitutes unreserved, undesignated fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$916), 2) to pay debt service (\$2,368,349), 3) to pay for various capital improvements or other expenditures in future years (\$8,687,219), or 4) for a variety of other restricted purposes (\$164,534).

The general fund is the chief operating fund of Florence County. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$13,444,751, while total fund balance reached \$14,539,108. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and net transfers out. Unreserved, undesignated fund balance represents 31 percent of total general fund expenditures and net transfers out, while total fund balance represents 34 percent of that same amount.

The fund balance of Florence County's general fund increased by \$4,945,628 during the current fiscal year. The key factor in this reduction is as follows:

- Revenues exceeded expenditures by over \$3,900,000 due to property taxes and investment earnings exceeding what was budgeted and expenditures being controlled throughout the year.

The grant special revenue fund has a total fund balance of \$1,430,664, all of which is unreserved and undesignated. This fund balance increased by \$168,052. This was the result of funding received during the year but not yet expended.

The library debt service fund has a total fund balance of \$1,481,839. This fund balance increased by \$527,248. This was the result of budgeted revenues in excess of debt service expenditures.

Proprietary funds. Florence County's proprietary funds provide the same type information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the utility system at the end of the year amounted to \$3,800,504, those for the landfill amounted to \$6,208,006, and those for the E911 system amounted to \$1,031,403. The total decrease in net assets for the utility fund and the landfill fund was \$189,708 and \$1,705,452, respectively. The total increase in net assets for the E911 system was \$185,736. Other factors concerning the finances of these three funds have already been addressed in the discussion of Florence County's business-type activities.

General Fund Budgetary Highlights

There were minor changes between the original budget and the final amended budget for the General Fund. Budgeted revenue from the City of Florence for recreation was reduced by \$270,000 and budgeted recreation expenditures were reduced by a corresponding amount. Budgeted expenditures were increased by \$200,000 for the purchase of land and by \$40,000 for a legal settlement. An addition to fund balance in the amount of \$500,000 was budgeted for the current year. However, since during the year expenditures were less than budgetary estimates and revenues exceeded budgetary estimates, fund balance was increased by \$4,945,628.

Capital Asset and Debt Administration

Capital assets. Florence County's investment in capital assets for its governmental and business type activities as of June 30, 2007, amounts to \$83,836,471 (net of accumulated depreciation). This investment in capital assets includes land, buildings and additions, improvements other than buildings, autos and trucks, furniture and fixtures, machinery and equipment, and roads and bridges.

Major capital assets events during the current fiscal year included the following:

- New subdivision roads with a value in excess of \$2,800,000 were added to infrastructure assets.
- A new branch library was completed at a cost in excess of \$2,100,000

Florence County's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 8,270,813	\$ 8,071,346	\$2,310,755	\$2,311,535	\$10,581,568	\$10,382,881
Buildings and additions	38,006,123	36,565,075	-	-	38,006,123	36,565,075
Improvements other than buildings	4,341,648	3,506,615	56,618	78,392	4,398,266	3,585,007
Autos and trucks	2,631,735	2,526,178	61,750	79,331	2,693,485	2,605,509
Furniture and fixtures	91,210	114,478	3,030	4,400	94,240	118,878
Machinery and equipment	7,121,288	7,910,511	92,503	152,861	7,213,791	8,063,372
Infrastructure	20,848,998	21,186,364	-	-	20,848,998	21,186,364
Total	\$81,311,815	\$79,880,567	\$2,524,656	\$2,626,519	\$83,836,471	\$82,507,086

Additional information on Florence County's capital assets can be found in Note 2 on pages 56 – 58 of this report.

Long-term debt. At the end of the current fiscal year, Florence County had total bonded debt outstanding of \$18,801,248. This entire amount is backed by the full faith and credit of the government. The remainder of Florence County’s debt represents revenue bonds, certificates of participation and capital leases which are secured by annual appropriations by County Council.

Florence County’s Outstanding Debt
General Obligation Bonds and Other Debt

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
General obligation bonds	\$18,801,248	\$ 12,042,944	\$ -	\$ -	\$18,801,248	\$12,042,944
Certificates of participation	20,125,000	22,600,000	-	-	20,125,000	22,600,000
Revenue bonds	2,800,000	-	-	-	2,800,000	-
Capital leases	1,747,861	1,839,455	-	-	1,747,861	1,839,455
Unused vacation pay	1,479,087	1,430,568	890	890	1,479,977	1,431,458
Total	\$44,953,196	\$ 37,912,967	\$ 890	\$ 890	\$44,954,086	\$37,913,857

Florence County’s total debt increased by \$7,040,229 (19.0 percent) during the current fiscal year. The key factor in this increase was the issuance of \$7,600,000 of general obligation bonds and the issuance of \$2,800,000 of special source revenue bonds.

Florence County maintains a “AA-“ rating from Fitch, an “A” rating from Standard & Poor’s, and an A1 rating from Moody’s.

State statutes limit the amount of general obligation debt a governmental entity may issue to 8 percent of its total assessed valuation. The current debt limitation for Florence County is \$33,081,939, which is significantly in excess of Florence County’s outstanding general obligation debt.

Additional information on Florence County’s long-term debt can be found in note 2 on pages 59 – 71 of this report.

Economic Factors and Next Year’s Budgets and Rates

- The unemployment rate for Florence County is currently 6.1%, which is a decrease from a rate of 8.5% a year ago.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing Florence County’s budget for the 2007 fiscal year.

During the current fiscal year, unreserved, undesignated fund balance in the general fund increased to \$13,444,751. An addition to fund balance in the amount of \$500,000 was budgeted for the current year. However, since during the year expenditures were less than budgetary estimates and revenues exceeded budgetary estimates, fund balance was increased by \$4,945,628.

Requests for Information

This financial report is designed to provide a general overview of Florence County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Finance Director, 180 North Irby St. MSC-H, Florence, South Carolina, 29501.

Financial Statements of Component Unit

The financial statements of Florence County's component unit, the Florence City-County Building Commission, can be obtained from its administrative office at 180 North Irby Street, Box VV, Florence, S.C. 29502.



BASIC FINANCIAL STATEMENTS

FLORENCE COUNTY, SOUTH CAROLINA

STATEMENT OF NET ASSETS
JUNE 30, 2007

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Building Commission
ASSETS				
Cash and investments	\$ 35,672,053	\$ 9,621,724	\$ 45,293,777	\$ 245,241
Receivables (net of allowance for uncollectibles)	8,437,245	80,165	8,517,410	6,453
Inventories	191,768	-	191,768	-
Prepays	3,075	-	3,075	26,184
Restricted assets:				
Temporarily restricted:				
Cash and investments	-	913,640	913,640	-
Note receivable	-	1,701,189	1,701,189	-
Capital assets (net of accumulated depreciation):				
Land	8,270,813	2,310,755	10,581,568	521,180
Buildings and additions	38,006,123	-	38,006,123	1,345,153
Improvements other than buildings	4,341,648	56,618	4,398,266	71,341
Autos and trucks	2,631,735	61,750	2,693,485	-
Furniture and fixtures	91,210	3,030	94,240	33,719
Machinery and equipment	7,121,288	92,503	7,213,791	-
Infrastructure	20,848,998	-	20,848,998	-
Total assets	<u>125,615,956</u>	<u>14,841,374</u>	<u>140,457,330</u>	<u>2,249,271</u>
LIABILITIES				
Accounts payable and other current liabilities	9,347,558	362,275	9,709,833	33,321
Liabilities payable from restricted assets	-	913,640	913,640	-
Noncurrent liabilities:				
Due within one year	4,258,577	890	4,259,467	25,400
Due in more than one year	40,694,619	-	40,694,619	215,535
Total liabilities	<u>54,300,754</u>	<u>1,276,805</u>	<u>55,577,559</u>	<u>274,256</u>
NET ASSETS				
Invested in capital assets, net of related debt	49,731,874	2,524,656	52,256,530	1,730,458
Restricted for:				
Debt service	1,742,763	-	1,742,763	-
Unrestricted	19,840,565	11,039,913	30,880,478	244,557
Total net assets	<u>\$ 71,315,202</u>	<u>\$ 13,564,569</u>	<u>\$ 84,879,771</u>	<u>\$ 1,975,015</u>

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2007

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Business-type Activities	Total	Component Unit Building Commission
Primary government:							
Governmental activities:							
General government	\$ 23,184,504	\$ 9,142,371	\$ -	\$ (8,187,543)	\$ -	\$ (8,187,543)	\$ -
Public safety	19,309,987	878,983	101,000	(16,738,488)	-	(16,738,488)	-
Economic and physical development	1,679,000	1,188,839	-	(490,161)	-	(490,161)	-
Public works	6,949,619	-	5,653,679	1,927,849	-	1,927,849	-
Health	5,457,357	1,586	44,219	(3,142,453)	-	(3,142,453)	-
Welfare	503,269	-	-	(503,269)	-	(503,269)	-
Culture and recreation	9,398,054	400,826	2,092,102	(6,535,382)	-	(6,535,382)	-
Education	1,559,950	-	-	(1,559,950)	-	(1,559,950)	-
Interest on long-term debt	1,982,095	-	-	(1,982,095)	-	(1,982,095)	-
Total governmental activities	70,023,835	11,612,605	7,891,000	(37,211,492)	-	(37,211,492)	-
Business-type activities:							
Utility System	299,894	-	-	-	(299,894)	(299,894)	-
Landfill	3,728,778	-	-	-	(2,344,448)	(2,344,448)	-
E911 System	379,351	-	-	-	116,566	116,566	-
Total business-type activities	4,408,023	-	-	-	(2,527,776)	(2,527,776)	-
Total primary government	\$ 74,431,858	\$ 11,612,605	\$ 7,891,000	\$ (37,211,492)	\$ (2,527,776)	\$ (39,739,268)	\$ -
Component unit:							
Building Commission	\$ 1,387,855	\$ 1,248,393	\$ -	\$ -	\$ -	\$ -	\$ (139,462)
Total component unit	\$ 1,387,855	\$ 1,248,393	\$ -	\$ -	\$ -	\$ -	\$ (139,462)
General revenues:							
Property taxes				23,095,655	-	23,095,655	-
Sales taxes				11,236,932	-	11,236,932	-
Fees in lieu of tax				1,578,149	-	1,578,149	-
Franchise fees				641,361	-	641,361	-
Accommodations tax				2,013,894	-	2,013,894	-
Unrestricted investment earnings				1,484,911	566,580	2,051,491	5,073
Transfers				(149,909)	149,909	-	-
Total general revenues and transfers				39,900,993	716,489	40,617,482	5,073
Change in net assets				2,689,501	(1,811,287)	878,214	(134,389)
Net assets - beginning				68,625,701	15,375,856	84,001,557	2,109,404
Net assets - ending				\$ 71,315,202	\$ 13,564,569	\$ 84,879,771	\$ 1,975,015

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2007

	General	Grant Special Revenue Fund	Library Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS AND OTHER DEBITS					
Assets:					
Cash and investments	\$ 16,432,096	\$ 3,370,611	\$ 1,222,542	\$ 14,646,804	\$ 35,672,053
Receivables:					
Property taxes (net)	46,258	-	-	108,002	154,260
Other governmental units and agencies	4,123,354	742,303	259,297	672,760	5,797,714
Others (net)	2,329,692	5,555	-	150,024	2,485,271
Inventory	66,009	-	-	125,759	191,768
Prepays	-	2,000	-	1,075	3,075
Due from other funds	36,418	-	-	-	36,418
Total assets	\$ 23,033,827	\$ 4,120,469	\$ 1,481,839	\$ 15,704,424	\$ 44,340,559
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,444,243	\$ 243,692	\$ -	\$ 1,675,202	\$ 3,363,137
Payroll withholdings and accruals	960,536	35,117	-	83,858	1,079,511
Other payables	4,904,910	-	-	-	4,904,910
Due to other funds	-	-	-	36,418	36,418
Deferred revenues	1,185,030	2,410,996	-	178,006	3,774,032
Total liabilities	<u>8,494,719</u>	<u>2,689,805</u>	<u>-</u>	<u>1,973,484</u>	<u>13,158,008</u>
Fund balances:					
Reserved for debt service reserve	-	-	-	625,586	625,586
Reserved for encumbrances	916	-	-	-	916
Reserved for inventory	38,775	-	-	125,759	164,534
Reserved for debt service	-	-	1,481,839	260,924	1,742,763
Unreserved, reported in:					
General fund	14,499,417	-	-	-	14,499,417
Special revenue funds	-	1,430,664	-	5,086,118	6,516,782
Capital project funds	-	-	-	7,632,553	7,632,553
Total fund balances	<u>14,539,108</u>	<u>1,430,664</u>	<u>1,481,839</u>	<u>13,730,940</u>	<u>31,182,551</u>
Total liabilities and fund balances	\$ 23,033,827	\$ 4,120,469	\$ 1,481,839	\$ 15,704,424	
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.					81,311,815
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.					3,774,032
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.					(44,953,196)
Net assets of governmental activities					<u>\$ 71,315,202</u>

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2007

	General	Grant Special Revenue Fund	Library Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 28,565,666	\$ 159,223	\$ 3,808,704	\$ 2,973,054	\$ 35,506,647
Licenses and permits	1,875,734	-	-	3,223,789	5,099,523
Fines and fees	3,870,461	-	-	2,565,913	6,436,374
Intergovernmental	7,890,855	4,877,063	-	1,945,642	14,713,560
Sales and other functional revenues	4,565,619	-	-	10,740	4,576,359
Miscellaneous	1,187,856	2,432,771	65,627	528,355	4,214,609
Total revenues	<u>47,956,191</u>	<u>7,469,057</u>	<u>3,874,331</u>	<u>11,247,493</u>	<u>70,547,072</u>
Expenditures:					
Current:					
General government	16,989,663	3,885,165	-	1,714,626	22,589,454
Public safety	15,365,944	819,652	-	1,384,054	17,569,650
Economic and physical development	-	765,154	-	793,165	1,558,319
Public works	1,368,830	-	-	2,643,890	4,012,720
Health	5,064,426	56,758	-	-	5,121,184
Welfare	503,269	-	-	-	503,269
Culture and recreation	4,940,554	2,270,757	-	1,546,067	8,757,378
Education	4,950	-	-	1,555,000	1,559,950
Capital outlay	-	-	-	1,898,246	1,898,246
Debt service:					
Principal retirements	-	-	2,301,003	2,076,909	4,377,912
Interest	-	-	1,327,846	630,910	1,958,756
Paying agent fee	-	-	6,619	16,720	23,339
Total expenditures	<u>44,237,636</u>	<u>7,797,486</u>	<u>3,635,468</u>	<u>14,259,587</u>	<u>69,930,177</u>
Revenues over (under) expenditures	3,718,555	(328,429)	238,863	(3,012,094)	616,895
Other financing sources (uses):					
Issuance of debt	-	-	-	7,788,969	7,788,969
Proceeds of capital lease	970,661	-	-	-	970,661
Transfer in	4,771,925	745,000	288,385	5,490,674	11,295,984
Transfer out	(4,398,934)	(248,519)	-	(6,798,440)	(11,445,893)
Net change in fund balances	5,062,207	168,052	527,248	3,469,109	9,226,616
Fund balance - beginning of year	9,593,480	1,262,612	954,591	10,261,831	22,072,514
Change in reserve for inventory	(116,579)	-	-	-	(116,579)
Fund balance - end of year	<u>\$ 14,539,108</u>	<u>\$ 1,430,664</u>	<u>\$ 1,481,839</u>	<u>\$ 13,730,940</u>	<u>\$ 31,182,551</u>

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2007

Amounts reported for governmental activities in the statement of activities (page 26) are different because:

Net change in fund balances - total governmental funds (page 28)		\$ 9,226,616
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
Capital outlays (page 28)	1,898,246	
Less: depreciation expense (page 56)	<u>(6,288,191)</u>	(4,389,945)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets</p>		
Disposals of capital assets, net of accumulated depreciation (page 55)		(51,625)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Deferred revenues (page 27)	3,774,032	
Less: deferred revenues, June 30, 2006	<u>(4,585,587)</u>	(811,555)
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principle of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Principle retirements (page 28)	4,377,912	
Net increase in vacation pay earned not used	(48,519)	
Less: issuance of debt (page 28)	(7,788,969)	
Less: proceeds of capital lease (page 28)	<u>(970,661)</u>	(4,430,237)
Increase in capital assets for which no capital outlay funds were expended, primarily represented by the value of new subdivision roads donated to the County		3,262,826
<p>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</p>		
Change in reserve for inventory (page 28)		<u>(116,579)</u>
Change in net assets of governmental activities (page 26)		<u>\$ 2,689,501</u>

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Taxes	\$ 28,329,861	\$ 28,329,861	\$ 28,565,666	\$ 235,805
Licenses and permits	2,005,260	2,005,260	1,875,734	(129,526)
Fines and fees	3,659,939	3,659,939	3,870,461	210,522
Intergovernmental	7,966,380	7,696,380	7,890,855	194,475
Sales and other functional revenues	3,958,649	4,018,649	4,565,619	546,970
Miscellaneous	388,500	388,500	1,187,856	799,356
Total revenues	<u>46,308,589</u>	<u>46,098,589</u>	<u>47,956,191</u>	<u>1,857,602</u>
Expenditures:				
General government	17,197,511	17,437,511	16,901,105	536,406
Public safety	15,512,976	15,572,976	15,365,944	207,032
Public works	1,362,818	1,362,818	1,378,720	(15,902)
Health	5,137,484	5,137,484	4,962,218	175,266
Welfare	512,552	512,552	503,269	9,283
Culture and recreation	5,659,166	5,389,166	4,933,198	455,968
Education	4,950	4,950	4,950	-
Total expenditures	<u>45,387,457</u>	<u>45,417,457</u>	<u>44,049,404</u>	<u>1,368,053</u>
Revenues over (under) expenditures	921,132	681,132	3,906,787	3,225,655
Other financing sources (uses):				
Proceeds of capital lease	895,000	895,000	970,661	75,661
Transfers in	2,994,401	2,994,401	4,771,925	1,777,524
Transfers out	<u>(4,310,533)</u>	<u>(4,310,533)</u>	<u>(4,398,934)</u>	<u>(88,401)</u>
Net change in fund balance	500,000	260,000	5,250,439	4,990,439

(Continued)

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended June 30, 2007

(Continued)

Fund balance - beginning of year	<u>\$ 9,278,889</u>	<u>\$ 9,278,889</u>	<u>\$ 9,278,889</u>	<u>\$ -</u>
Fund balance - end of year	<u>\$ 9,778,889</u>	<u>\$ 9,538,889</u>	<u>\$ 14,529,328</u>	<u>\$ 4,990,439</u>
Reconciliation of fund balance:				
GAAP basis			\$ 14,539,108	
Increase (decrease):				
Due to expenditures:				
Encumbrances			(916)	
Inventories			(38,775)	
Cash - Juror fee accounts			<u>29,911</u>	
Budgetary basis			<u>\$ 14,529,328</u>	

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2007

Business-type Activities - Enterprise Funds

	Florence County Utility System	Florence County Landfill	County E911 System	Totals
ASSETS				
Current assets:				
Cash and investments	\$ 2,099,320	\$ 6,537,424	\$ 984,980	\$ 9,621,724
Receivables:				
Due from customers	-	-	66,969	66,969
Intergovernmental	-	13,196	-	13,196
Prepaid expenses	-	-	-	-
Inventory	-	-	-	-
Total current assets	<u>2,099,320</u>	<u>6,550,620</u>	<u>1,051,949</u>	<u>9,701,889</u>
Noncurrent assets:				
Restricted cash and investments	-	913,640	-	913,640
Note receivable	1,701,189	-	-	1,701,189
Capital assets:				
Land	-	2,465,853	-	2,465,853
Buildings & additions	-	185,721	-	185,721
Improvements other than buildings	-	567,096	-	567,096
Autos & trucks	-	1,738,972	25,009	1,763,981
Furniture & fixtures	-	1,720	10,389	12,109
Machinery & equipment	-	48,573	669,044	717,617
Less accumulated depreciation	-	<u>(2,575,973)</u>	<u>(611,748)</u>	<u>(3,187,721)</u>
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>2,431,962</u>	<u>92,694</u>	<u>2,524,656</u>
Total noncurrent assets	<u>1,701,189</u>	<u>3,345,602</u>	<u>92,694</u>	<u>5,139,485</u>
Total assets	<u>3,800,509</u>	<u>9,896,222</u>	<u>1,144,643</u>	<u>14,841,374</u>
LIABILITIES				
Liabilities:				
Current liabilities:				
Accounts payable	5	342,614	16,759	359,378
Accrued payroll	-	-	2,897	2,897
Total current liabilities	<u>5</u>	<u>342,614</u>	<u>19,656</u>	<u>362,275</u>
Noncurrent liabilities:				
Accrued vacation	-	-	890	890
Closure and post-closure costs	-	913,640	-	913,640
Total long-term liabilities	<u>-</u>	<u>913,640</u>	<u>890</u>	<u>914,530</u>
Total liabilities	<u>5</u>	<u>1,256,254</u>	<u>20,546</u>	<u>1,276,805</u>
NET ASSETS				
Invested in capital assets, net of related debt	-	2,431,962	92,694	2,524,656
Unrestricted	3,800,504	6,208,006	1,031,403	11,039,913
Total net assets	<u>\$ 3,800,504</u>	<u>\$ 8,639,968</u>	<u>\$ 1,124,097</u>	<u>\$ 13,564,569</u>

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 PROPRIETARY FUNDS

For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds			Totals
	Florence County Utility System	Florence County Landfill	Florence County E911 System	
Operating revenues:				
Charges for services	\$ -	\$ 1,384,330	\$ 495,917	\$ 1,880,247
Other revenue	-	-	-	-
Total operating revenues	<u>-</u>	<u>1,384,330</u>	<u>495,917</u>	<u>1,880,247</u>
Operating expenses:				
System maintenance	299,894	3,688,474	314,483	4,302,851
Depreciation	-	40,304	64,868	105,172
Total operating expenses	<u>299,894</u>	<u>3,728,778</u>	<u>379,351</u>	<u>4,408,023</u>
Operating income (loss)	<u>(299,894)</u>	<u>(2,344,448)</u>	<u>116,566</u>	<u>(2,527,776)</u>
Non operating revenues (expenses):				
Interest earned on investments	105,876	416,999	43,705	566,580
Total nonoperating revenues (expenses)	<u>105,876</u>	<u>416,999</u>	<u>43,705</u>	<u>566,580</u>
Income (loss) before operating transfers	(194,018)	(1,927,449)	160,271	(1,961,196)
Transfers in	4,310	2,255,000	-	2,259,310
Transfers out	-	(2,070,500)	(38,901)	(2,109,401)
Change in net assets	(189,708)	(1,742,949)	121,370	(1,811,287)
Net assets - beginning	3,990,212	10,382,917	1,002,727	15,375,856
Net assets - ending	<u>\$ 3,800,504</u>	<u>\$ 8,639,968</u>	<u>\$ 1,124,097</u>	<u>\$ 13,564,569</u>

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds			Totals
	Florence County Utility System	Florence County Landfill	Florence County E911 System	
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	\$ -	\$ 1,385,026	\$ 497,153	\$ 1,882,179
Payments to suppliers	(299,894)	(3,685,894)	(252,740)	(4,238,528)
Payments to employees	-	-	(66,265)	(66,265)
Net cash provided by (used in) operating activities	<u>(299,894)</u>	<u>(2,300,868)</u>	<u>178,148</u>	<u>(2,422,614)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Transfers in	4,310	2,255,000	-	2,259,310
Transfers out	-	(2,070,500)	(38,901)	(2,109,401)
Net cash provided by non-capital financing activities	<u>4,310</u>	<u>184,500</u>	<u>(38,901)</u>	<u>149,909</u>
CASH FLOWS FROM CAPITAL and RELATED FINANCING ACTIVITIES:				
Payment received on note	302,006	-	-	302,006
Purchase of capital assets	-	(2,807)	(502)	(3,309)
Net cash provided by (used in) financing activities	<u>302,006</u>	<u>(2,807)</u>	<u>(502)</u>	<u>298,697</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest earned on operating funds	105,876	416,999	43,705	566,580
Net cash provided by investing activities	<u>105,876</u>	<u>416,999</u>	<u>43,705</u>	<u>566,580</u>
 Net increase (decrease) in cash and restricted cash	 112,298	 (1,702,176)	 182,450	 (1,407,428)
Cash and restricted cash at beginning of period	1,987,022	9,153,240	802,530	11,942,792
Cash and restricted cash at end of period	<u>\$ 2,099,320</u>	<u>\$ 7,451,064</u>	<u>\$ 984,980</u>	<u>\$ 10,535,364</u>

(Continued)

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds			Totals
	Florence County Utility System (Continued)	Florence County Landfill	Florence County E911 System	
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (299,894)	\$ (2,344,448)	\$ 116,566	\$ (2,527,776)
Adjustments to reconcile operating loss to net cash provided by (used in) operations:				
Depreciation	-	40,304	64,868	105,172
Changes in assets and liabilities:				
(Increase) decrease in receivables	-	696	1,236	1,932
(Increase) decrease in prepaid expenses	-	215	-	215
Increase (decrease) in accounts payable	-	11,690	(4,551)	7,139
Increase (decrease) in postclosure costs	-	(9,325)	-	(9,325)
Increase (decrease) in accrued payroll	-	-	29	29
Net cash provided by (used in) operating activities	<u>\$ (299,894)</u>	<u>\$ (2,300,868)</u>	<u>\$ 178,148</u>	<u>\$ (2,422,614)</u>

SCHEDULE of NONCASH INVESTING and FINANCING ACTIVITIES:

NONE

The Notes to Financial Statements are an integral part of this statement.

FLORENCE COUNTY, SOUTH CAROLINA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2007

	<u>Agency Funds</u>
ASSETS	
Cash and investments	<u>\$ 7,357,521</u>
Total assets	<u><u>\$ 7,357,521</u></u>
LIABILITIES	
Due to others	<u>\$ 1,145,223</u>
Due to other taxing units	<u>6,212,298</u>
Total liabilities	<u><u>\$ 7,357,521</u></u>
 Reconciliation to combining statements:	
Total assets and liabilities per above	\$ 7,357,521
Amount due to other funds - eliminated from basic financial statements	<u>486,619</u>
Total assets and liabilities per combining statements (page 95)	<u><u>\$ 7,844,140</u></u>

The Notes to Financial Statements are an integral part of this statement.



FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES

A. The Financial Reporting Entity

Florence County is a municipal corporation governed by an elected nine member council. As required by generally accepted accounting principles, these financial statements present Florence County (the primary government) and its component unit, a legally separate entity for which the County is financially accountable. The component unit discussed in Note 1.B. is included in the County's reporting entity because of the significance of its operational or financial relationships with the County.

B. Component Unit

In conformity with generally accepted accounting principles, the financial statements of component units have been included in the financial reporting entity either as blended component units or as discretely presented component units.

Blended component units: Florence County has no blended component units.

Discretely presented component units: The component unit column in the combined financial statements includes the financial data of the County's component unit. It is reported in a separate column to emphasize that it is legally separate from the County.

The Florence City-County Building Commission is responsible for the maintenance and operation of the Florence City-County Complex building. The County provides approximately 72% of the operating revenue for the Commission under an agreement with the City of Florence. The Commission is governed by a seven member board that is appointed by the Governor of the State of South Carolina. Five members are appointed based on the recommendation of County Council and two members on the recommendation of Florence City Council.

Complete financial statements of the individual component unit can be obtained at 180 North Irby Street, Box VV, Florence, S.C. 29502.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Related Organizations

The County's officials are also responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County Council appoints the board members of the Howe Springs Fire District Board, the Sardis-Timmonsville Fire District Board, the Johnsonville Fire District Board, and the Commission on Alcohol and Drug Abuse.

D. Joint Venture

The County is a participant with the City of Florence in a joint venture to operate the Florence City-County Civic Center. The Florence City-County Civic Center Commission was created for that purpose. The Commission is governed by a nine member board composed of four appointees from the County and four from the City with the remaining member appointed by the members of the board. The County and the City are obligated by agreement to contribute \$520,000 each annually as its share of the cost of the Civic Center. Included in the agreement is a provision that any additional funding shortfall is to be paid equally by the County and the City. Neither of the participating governments have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2007. Complete financial statements of the Commission can be obtained from its administrative office at 3300 West Radio Drive, Florence, S.C. 29501.

E. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from a certain legally separate *component unit* for which the primary government is financially accountable.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

F. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

In June 1999, Government Accounting Standards Board (GASB) issued Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis for state and local governments and in June 2001, GASB issued Statement No. 37, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus and Statement No. 38, Certain Financial Statement Note Disclosures. These statements established new requirements for annual financial reports for state and local governments. The County implemented these statements for the year ended June 30, 2003.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund statements. The agency fund financial statements do not have a measurement focus; however, they are reported using the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

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

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

The government reports the following major governmental funds:

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

The *Grant Special Revenue Fund* accounts for the activities relative to various federal and state grants received throughout the fiscal year.

The *Library Debt Service Fund* accounts for the receipt of property taxes and the payment of principle and interest on various bonds of the County.

The government reports the following major proprietary funds:

The *Utility System Fund* accounts for the balances remaining after the water and sewer system were consolidated into the City of Florence utility system.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

The *County Landfill Fund* accounts for the activities of the County landfill and the operation of 15 manned convenience centers throughout the County.

The *E911 System Fund* accounts for the operating of the County's emergency 911 system.

The government also reports the receipt and disbursement of property taxes and other revenues for school districts, municipalities, fire districts, and other special purpose districts in its fiduciary funds.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Utility System Fund, the County Landfill Fund, and the E911 System Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then use unrestricted resources as they are needed.

G. Budgetary Data

Budget

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to May 1, the County Administrator and Finance Director submit to the County Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the County to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.
4. The County Administrator is authorized to transfer budgeted amounts within departments or between departments. Revisions that alter total expenditures of a fund must be approved by the County Council.
5. Formal budgetary integration is employed as a management control device during the year for all funds of the County; however, legal budgets are adopted only for the General Fund and the following fourteen Special Revenue Funds: Florence-Darlington Technical Education Center and Library Special Revenue Fund, Capital Improvements Special Revenue Fund, Law Library Special Revenue Fund, Treasurer Delinquent Tax Special Revenue Fund, Howe Springs Fire District Special Revenue Fund, Sardis-Timmonsville Fire District Special Revenue Fund, Johnsonville Fire District Special Revenue Fund, Economic Development Partnership

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Budgetary Data (Continued)

Special Revenue Fund, Victim/Witness Assistance Special Revenue Fund, Local Accommodations Fee Special Revenue Fund, and Road System Maintenance Fee Special Revenue Fund. For each fund for which a formal budget is adopted, the same basis of accounting is used to reflect actual revenues and expenditures recognized on the basis of generally accepted accounting principles.

The County provides that the whole or any part of any appropriation provided for grants, and S.C. Accommodations tax budgeted amounts for outlays of any activity remaining unexpended or unencumbered at the close of the fiscal year shall remain in full force and effect and shall be held available for the following year, except any such appropriations as the County Council by ordinance may abandon. All other appropriations, which are not encumbered, lapse at the end of each fiscal year.

6. The budget for the General Fund is adopted on a basis that differs from generally accepted accounting principles (GAAP) in that expenditures are budgeted on a basis that includes encumbrances. Budgetary control over expenditures is exercised by County Council on a departmental basis to establish more administrative control than state law requires. Legal level of budgetary control is at the fund level. The actual results of operations are presented in the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - in accordance with the budget basis to provide a meaningful comparison between actual results and budget. Adjustments necessary to convert the results of operations and fund balances at the end of year on the GAAP basis to the budget basis for the General Fund are as follows:

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

	Net Change in Fund Balance	Fund Balance at end of year
	General Fund	General Fund
GAAP basis	\$ 5,062,207	\$14,539,108
Increase (decrease):		
Due to expenditures:		
Encumbrances	172,989	(916)
Inventories	-	(38,775)
Cash - Juror fee accounts	15,243	29,911
Budgetary basis	<u>\$ 5,250,439</u>	<u>\$14,529,328</u>

The County does not have budgets for the fiscal year ended June 30, 2007, for the South Carolina Accommodations Tax Special Revenue Fund, the Civic Center Special Revenue Fund, the Grant Special Revenue Fund, the Jail Debt Service/Operations and Maintenance (O&M) Special Revenue Fund, the Emergency Management Special Revenue Fund, the County Library Special Revenue Fund, and the Senior Citizens Center Special Revenue Fund. Individual fund statements of revenues, expenditures, and changes in fund balance -- budget (budgetary basis) and actual present financial information for only the following special revenue funds which have legally adopted annual budgets: Florence-Darlington Technical Education Center and Library Special Revenue Fund, Capital Improvements Special Revenue Fund, Treasurer Delinquent Tax Special Revenue Fund, Howe Springs Fire District Special Revenue Fund, Sardis-Timmonsville Fire District Special Revenue Fund, Johnsonville Fire District Special Revenue Fund, Law Library Special Revenue Fund, Economic Development Partnership Special Revenue Fund, Victim/Witness Assistance Special Revenue Fund, Local Accommodations Fee Special Revenue Fund and Road System Maintenance Fee Special Revenue Fund.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

The County maintains encumbrance accounts which are considered to be "budgetary accounts". Encumbrances outstanding at year end represent the estimated amounts of the expenditures ultimately to be incurred if unperformed contracts in process at year end are completed. Encumbrances outstanding at year end do not constitute expenditures or liabilities.

At June 30, 2007, \$916 of open purchase orders and contracts were outstanding. These amounts are reported as "Reserve for encumbrances" in the fund balance section of the balance sheet. Encumbrances do not lapse at year end.

H. Assets, Liabilities and Fund Equity

Deposits and investments

As of June 30, 2007, the County had the following investments and maturities:

Investment	Maturities	Fair Value
U.S. Government Agencies		
Federal Home Loan Bank	12/28/07 – 12/30/08	\$ 2,365,480
Federal National Mortgage Association	01/15/09	560,000
Certificates of Deposit	07/29/06 – 06/20/08	<u>35,765,400</u>
Total investments		<u>\$ 38,690,880</u>

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

Credit Risk – Statutes authorized the County to invest in obligations of the State of South Carolina and any of its political units, United States Government obligations fully insured or guaranteed by the United States Government, repurchase agreements and certificates of deposit which are secured by direct obligations of the State of South Carolina or the United States Government, and savings and loan associations to the extent that the same are insured by an

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

agency of the Federal government. The County has no investment policy that would further limit its investment choices. The County's investments in US Agencies (Federal National Mortgage Association and Federal Home Loan Bank) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer. More than 5% of the County's total investments are in certificates of deposit (89.7%) and Federal Home Loan Bank (8.3%).

As of June 30, 2007, the County had the following balances in cash and investments:

Cash, including restricted cash and investments	\$ 7,516,537
Investments	<u>38,690,880</u>
Total cash and investments	<u>\$46,207,417</u>

Property Taxes Receivable

Ad valorem taxes receivable are accrued as revenue for collections 60 days subsequent to year end; the balance is not accrued because it is not considered to be both "measurable and available". The amount of the receivable is reduced by an allowance for doubtful accounts and is based on historical collection experience (Note 2). An amount equal to the net receivable less the 60 days subsequent collections is shown as deferred revenue on the liability side of the balance sheet. The following dates are applicable to property taxes:

Lien date	December 31
Levy date	July 1
Due date	January 15
Collection date	March 15

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

According to South Carolina law, ad valorem taxes levied on July 1, the beginning of the fiscal year, are due January 15. Penalties accrue at that time. On March 15 delinquent costs also begin to accrue. On June 30, they are materially past due and, consequently, cannot be considered as a resource which can be used to finance the government operations for this year although the amount due is measurable.

For collection purposes, ad valorem taxes receivable are written off at the end of ten years in accordance with South Carolina law.

For reporting purposes this receivable also includes costs and fees relating to property taxes.

Sales Tax Receivable

In November 1993, the Florence County voters approved a referendum to impose a one percent local option sales tax. This tax was imposed beginning May 1, 1994. All of the revenue collected from this tax is being used as a credit against ad valorem taxes and vehicle taxes. This credit first appeared on ad valorem tax notices mailed November 1994 and on vehicle tax notices beginning with those notices for January 1995.

According to GASB Statement 22, "Sales taxes collected by merchants but not yet required to be remitted to the taxing authority at the end of the fiscal year and taxes collected and held by one government agency for another at year-end should be accrued..." Therefore, May and June taxes which were received by the County within 60 days after fiscal year-end are shown as sales tax receivable on the asset side of the balance sheet.

Included in other payables at June 30, 2007, are local option sales tax collections in excess of local option sales tax credits applied on property tax notices as follows:

General Fund	\$1,352,844
Debt Service Fund	102,558
Special Revenue Fund	<u>751,799</u>
	<u>\$2,207,201</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Allowance for Doubtful Accounts

An allowance for doubtful accounts is maintained for property taxes, Emergency Medical Services (EMS), Vehicle Registration Fee, Florence County Utility System, and Landfill receivables which historically experience uncollectible accounts. All other receivables are generally collectible and any doubtful accounts are considered immaterial.

Inventory

Inventories are maintained for major items used by the governmental funds and enterprise funds. Inventories of the governmental funds are valued at cost. The purchase method is used to account for most inventories of the governmental funds. The purchase method is not used for the drug and supply inventory of the EMS system since this inventory is held for use for EMS patients and is not expended until used. The purchase method is not used for the fuel truck inventory as well and is not expended until used. The amount of these inventories at June 30, 2007, is \$27,234. Therefore, the total Florence County General Fund inventory balance at June 30, 2007, of \$66,009 is not equally offset by the Florence County General Fund fund balance reserved for inventory of \$38,775. Under the purchase method, disbursements for inventory-type items in the General Fund are considered to be expenditures at the time of purchase. Supplies transferred to and consumed by the individual departments are considered a reduction of the inventory expenditure account and an expenditure of the department. Reported inventories accounted for using the purchase method in the governmental funds are equally offset by a fund balance reserve, which indicates the assets are unavailable for appropriation even though they are a component of reported assets.

Inventories of proprietary funds are valued at the lower of cost (first-in, first-out) or market.

Restricted Assets - Cash and Investments

The balance shown in restricted assets - cash and investments at June 30, 2007, is the balance required for closure and post-closure costs of the Florence County Landfill.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads and bridges), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Roads	20
Bridges	40
Machinery & equipment	10
Vehicles	5
Furniture & fixtures	10
Computer equipment	5

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Revenues

As discussed in the Summary of Significant Accounting Policies, ad valorem taxes receivable are not accrued as revenue because they are not considered to be both "measurable and available". NCGA Statement 3 states that property taxes that are measurable but not available should be initially recorded as deferred revenues. In addition, property taxes collected in advance of the fiscal year to which they apply should also be recorded as deferred revenues.

The balance in deferred revenues at June 30, 2007, is composed of the following elements:

	Receivables From Other Governments	Prepaid Vehicle Taxes & Fees	Unearned Grant Revenue	Other
General fund	\$ 188,623	\$1,007,684	\$ -	\$ (11,277)
Special revenue	-	172,928	2,410,996	-
Debt service	-	5,078	-	-
Total	\$ 188,623	\$1,185,690	\$2,410,996	\$ (11,277)

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity

The amounts shown in the fund equity section of the balance sheet reflect fund balance as defined by "generally accepted accounting principles" in NCGA Statement 1. Portions of fund balance have also been reserved for inventories, encumbrances and debt service.

Equity includes the following:

1. Net assets - represents the cumulative net earnings of the enterprise funds.
2. Fund balance - represents the fund balances as defined by "generally accepted accounting principles" in governmental accounting and financial reporting standards.

Designated Fund Balances

Management has made designations of portions of unreserved fund balances for capital improvements or other subsequent year expenditures. These balances as of June 30, 2007, were as follows:

General Fund	\$1,054,666
Capital Improvements Special Revenue Fund	1,005,840
Treasurer Delinquent Tax Special Revenue Fund	170,503
Grant Special Revenue Fund	1,430,664
County General Capital Project Fund	860,618
Radio System Upgrade Capital Project Fund	1,329
Hannah/Salem/Friendfield Fire District Capital Project Fund	218
Johnsonville Fire District Capital Project Fund	7,211
Howe Springs Fire District Capital Project Fund	6,614
2006 County Capital Project Fund	6,756,563

Deficit Fund Balances

The Florence/Darlington TEC Fund, a special revenue type fund, had a deficit fund balance totaling \$69,976 as of June 30, 2007. This deficit will be funded through future operations.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Revenues, Expenditures, and Expenses

Vacation and Sick Pay

The County's vacation policy provides for the accumulation of up to twenty-five days earned vacation as of the end of the calendar year with such leave being fully vested when earned. Depending on years of service, ten days (for service years 1-10), fifteen days (for service years 11-20) or twenty days (for service over twenty years) may accrue for the current year. Accumulated earned vacation at June 30, 2007, amounted to \$1,479,087 in total, all of which relates to the governmental funds. The liability of the governmental funds is recorded as a long-term obligation in the government-wide financial statements. The current portion is not considered to be material.

The County's sick leave policy provides for accumulation of ninety days earned sick leave. Depending on years of service, additional days are allowed to accrue for the current year but must be used within that year or be lost. Sick leave does not vest; any unused sick leave at retirement is lost and is not used in determination of length of service for retirement purposes. Since the County has no obligation for accumulated sick leave until actually taken, no accrual has been made.

Excess of Expenditures over Appropriations in Individual Funds

The following table shows the excess of expenditures over appropriations in individual funds for the year ended June 30, 2007.

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
Florence Darlington TEC Special Revenue Fund	\$1,288,215	\$1,555,000	\$(266,785)
Capital Improvement Special Revenue Fund	450,000	546,592	(96,592)
Howe Springs Fire District Special Revenue Fund	712,843	741,002	(28,159)
Sardis-Timmonsville Fire District Special Revenue Fund	134,490	222,485	(87,995)
Johnsonville Fire District Special Revenue Fund	225,023	264,048	(39,025)
Victim/Witness Assistance Fund	540,012	555,569	(15,557)
Local Accommodations Fee Fund	400,000	434,798	(34,798)

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

For the Florence Darlington TEC Special Revenue Fund, the Capital Improvement Special Revenue Fund, the Howe Springs Fire District Special Revenue Fund, the Sardis-Timmonsville Fire District Special Revenue Fund, the Johnsonville Fire District Special Revenue Fund, the Victim/Witness Assistance Fund, and the Local Accommodations Fee Special Revenue Fund excess expenditures were the result of two factors. First, the appropriations for these funds were based on historical appropriations that did not reflect the revenues of these funds. Second, as a result of the appropriations being based on historical appropriations for the past few fiscal years, a fund balance had accumulated in each of these funds. Therefore, the excess of expenditures occurred to reduce the fund balance for each of these funds to a more appropriate level.

NOTE 2. DETAIL NOTES on ALL FUNDS

A. Assets

Receivables - Allowance for Doubtful Accounts

The amount shown on page 27 for property taxes receivable is net of an allowance for doubtful accounts of \$842,418 for property taxes not related to vehicles. The breakdown of this allowance is as follows:

General Fund	\$ 537,616
Special Revenue Funds	228,578
Debt Service Funds	<u>76,224</u>
	<u>\$ 842,418</u>

FLORENCE COUNTY, SOUTH CAROLINA

**NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007**

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

A. Assets (Continued)

Included in the amount shown as property taxes receivable are vehicle taxes receivable net of an allowance for doubtful accounts of \$653,110. The breakdown of this allowance is as follows:

General Fund	\$ 413,835
Special Revenue Funds	185,337
Debt Service Funds	<u>53,938</u>
	<u>\$ 653,110</u>

Certain receivables included in other receivables are net of an allowance for doubtful accounts as follows:

	General Fund Vehicle Registration Fee	General Fund EMS	Enterprise
Gross receivables	\$852,081	\$4,426,753	\$ 994,418
Less: allowance for doubtful accounts	<u>852,081</u>	<u>4,199,000</u>	<u>914,253</u>
	<u>\$ -</u>	<u>\$ 227,753</u>	<u>\$ 80,165</u>

Due from Other Governments and Agencies

General Fund amounts due from other governments include the following:

State - taxes and licenses	\$3,812,056
State - other	213,737
Local municipality	<u>97,561</u>
	<u>\$4,123,354</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Capital Assets

Capital asset activity for the year ended June 30, 2007, was as follows:

Primary Government

Description	Beginning Balance	Additions	Disposals	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 8,071,346	\$ 200,000	\$ (533)	\$ 8,270,813
Total capital assets, not being depreciated	<u>8,071,346</u>	<u>200,000</u>	<u>(533)</u>	<u>8,270,813</u>
Capital assets being depreciated:				
Buildings & additions	46,600,429	2,458,383	-	49,058,812
Improvements other than buildings	4,405,050	1,116,448	-	5,521,498
Autos & trucks	8,269,212	1,147,951	(779,965)	8,637,198
Furniture & fixtures	245,015	-	-	245,015
Machinery & equipment	19,678,378	676,515	(74,488)	20,280,405
Infrastructure	48,932,903	2,171,767	(15,872)	51,088,798
Total capital assets being depreciated	<u>128,130,987</u>	<u>7,571,064</u>	<u>(870,325)</u>	<u>134,831,726</u>
Less accumulated depreciation for:				
Buildings & additions	(10,035,354)	(1,017,335)	-	(11,052,689)
Improvements other than buildings	(898,435)	(281,415)	-	(1,179,850)
Autos & trucks	(5,743,034)	(1,008,484)	746,055	(6,005,463)
Furniture & fixtures	(130,537)	(23,268)	-	(153,805)
Machinery & equipment	(11,767,867)	(1,464,428)	73,178	(13,159,117)
Infrastructure	(27,746,539)	(2,493,261)	-	(30,239,800)
Total accumulated depreciation	<u>(56,321,766)</u>	<u>(6,288,191)</u>	<u>819,233</u>	<u>(61,790,724)</u>
Total capital assets being depreciated, net	<u>71,809,221</u>	<u>1,282,873</u>	<u>(51,092)</u>	<u>73,041,002</u>
Governmental activities capital assets, net	<u>\$ 79,880,567</u>	<u>\$ 1,482,873</u>	<u>(\$ 51,625)</u>	<u>\$ 81,311,815</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Business-type activities:

Capital assets being depreciated:

Land	\$2,465,853	\$ -	\$ -	\$2,465,853
Buildings & additions	185,721	-	-	185,721
Improvements other than buildings	567,096	-	-	567,096
Autos & trucks	1,763,981	-	-	1,763,981
Furniture & fixtures	12,109	-	-	12,109
Machinery & equipment	714,308	3,309	-	717,617
Total capital assets being depreciated	<u>5,709,068</u>	<u>3,309</u>	<u>-</u>	<u>5,712,377</u>
Less accumulated depreciation for:				
Land	(154,318)	(780)	-	(155,098)
Buildings & additions	(185,721)	-	-	(185,721)
Improvements other than buildings	(488,704)	(21,774)	-	(510,478)
Autos & trucks	(1,684,650)	(17,581)	-	(1,702,231)
Furniture & fixtures	(7,709)	(1,370)	-	(9,079)
Machinery & equipment	(561,447)	(63,667)	-	(625,114)
Total accumulated depreciation	<u>(3,082,549)</u>	<u>(105,172)</u>	<u>-</u>	<u>(3,187,721)</u>
Total capital assets being depreciated, net	<u>2,626,519</u>	<u>(101,863)</u>	<u>-</u>	<u>2,524,656</u>
Business-type activities capital assets, net	<u>\$2,626,519</u>	<u>(\$101,863)</u>	<u>\$ -</u>	<u>\$2,524,656</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 543,425
Public safety	1,740,337
Economic development	120,681
Public works, including depreciation of infrastructure assets	2,936,899
Health	306,173
Culture & recreation	<u>640,676</u>

Total depreciation expense – governmental activities \$6,288,191

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Business-type activities:

Landfill	\$ 40,304
E911	64,868
Total depreciation expense – business type activities	<u>\$105,172</u>

The Civic Center is operated as a joint venture between the City of Florence and Florence County. Accordingly, the capital assets of the Civic Center are not included in the capital assets of the County.

The portion of the land in the landfill fund that was used for landfill purposes is being depreciated over a period of twenty-five (25) years since the future use of the land has been impaired due to its previous use as a municipal solid waste landfill. The remaining land in the landfill fund is vacant and has not been used for landfill purposes and therefore is not being depreciated.

B. Liabilities

Pension Plans and Other Post-Retirement Benefits

The County is a member of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers' Retirement System (SCPORS). Both systems are cost-sharing multiple-employer public employee retirement systems (PERS) and are administered by the South Carolina Retirement Systems. Benefit provisions, contribution rates and amendment authority are established under the authority of Title 9 of the South Carolina Code of Laws.

Generally, all employees are required to participate and contribute to the SCRS as a condition of employment. The normal cost is funded by contributions from the members at a rate of 6.5% of wages earned for the year. The employer's contribution rate is 8.20%. Employees who retire at or after age 65 or with 28 years of credited service are entitled to full retirement benefits, payable for life, with an annual rate equal to 1.82% of average final compensation, for each year of credited service. Vested employees are entitled to deferred annuity commencing at age 60.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Generally, all full-time employees whose principal duties are the preservation of public order, protection or prevention and control of property destruction by fire are eligible to participate in the SCPORS. The basic pension program is funded by contributions from the members at a 6.5% rate. The employer's contribution rate is 10.7%. There are no early retirement provisions under SCPORS. A member must have 25 years service for full retirement or must be age 55 with 5 years service, both criteria provide for full formula benefit, payable for life with an annual rate equal to 2.14% of average final compensation, for each year of credited service.

The County's contributions to the SCRS for the years ended June 30, 2007, 2006, and 2005 were \$1,321,567, \$1,256,085, and \$1,060,829, respectively, equal to the required contributions for each year. The County's contributions to the SCPORS for the years ended June 30, 2007, 2006, and 2005 were \$841,001, \$858,602, and \$816,457, respectively, equal to the required contributions for each year. Contributions by employees during the year were \$1,025,051 to the SCRS and \$510,889 to the SCPORS. The County's covered payroll for the SCRS and SCPORS was \$15,792,583 and \$7,859,823, respectively. Total current year payroll for all employees was \$24,686,990.

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

The County provides post-retirement health insurance benefits for qualifying retirees as required by County Ordinance #15-87/88. Qualifying retirees are those who retired after September 1, 1987, with at least 15 years of continuous employment service with the County. The County will contribute the cost of insurance coverage as carried by the County for regular full-time employees according to the following scale which is based on years of service.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Years of service	% of coverage paid for by the County
35 years	100%
30 years	90%
25 years	80%
20 years	70%
15 years	60%

At June 30, 2007, there were 64 retirees receiving benefits under this ordinance. The County finances these benefits on a pay-as-you-go basis and the expenditures for these benefits for the year ended June 30, 2007, were \$207,003.

Long-Term Debt

The general obligation bonds shown as long-term obligations in the government-wide financial statements are collateralized by the full faith, credit and taxing power of the County. They bear interest payable semiannually, at rates varying from 3.00% to 7.00%. Principal and interest retirements are to be made from the applicable Debt Service Funds.

On April 1, 2000, the County issued \$5,500,000 of Series 2000 Florence County General Obligation Bonds. These bonds bear interest at rates ranging from 5.00% to 7.00%. The first interest payment of \$148,675 was due October 1, 2000 and semi-annually thereafter. The first principal payment was due April 1, 2001 and annually thereafter, with the final payment for both principal and interest due April 1, 2020. The proceeds of the bonds were used for various capital projects, including funding a portion of the costs of the construction of a new main library building.

On June 21, 2000, the County issued \$500,000 of Series 2000A Florence County General Obligation Bonds (Johnsonville Fire District). These bonds bear interest at 5.30%. The first interest payment of \$18,403 was due March 1, 2001 and semi-annually thereafter. The first principal payment was due March 1, 2002 and annually thereafter, with the final payment for both principal and interest due March 1, 2015.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

On October 11, 2001, the County issued \$430,000 of Series 2001 Florence County General Obligation Bonds (Hannah-Salem-Friendfield Fire District). These bonds bear interest at 4.10%. The first principal and interest payment of \$32,630 was due October 11, 2002, and annually thereafter with the final payment for both principal and interest due October 11, 2011.

On July 17, 2002, the County issued \$10,000,000 of Series 2002 Florence County General Obligation Bonds. These bonds bear interest at rates ranging from 3.00% to 4.75%. The first interest payment of \$243,883 was due March 1, 2003, and semiannually thereafter. The first principal payment was due March 1, 2003, and annually thereafter, with the final payment for both principal and interest due March 1, 2023. The proceeds of the bonds were used for funding a portion of the costs of the construction of a new main library building.

On October 15, 2003, the County issued \$210,000 of Florence County General Obligation Bonds, Series 2003 (Hannah-Salem-Friendfield Fire District). These bonds bear interest at a rate of 4.71%. Interest payments and principal payments were due annually beginning on October 15, 2004, with the first payment being in the amount of \$17,891. The final payment is due October 15, 2013. The proceeds of these bonds are being used to fund the construction of a new fire substation.

On February 5, 2004, the County issued \$950,000 of Florence County General Obligation Bonds, Series 2004 (Howe Springs Fire District). These bonds bear interest at a rate of 4.20%. Interest payments and principal payments were due annually beginning on February 5, 2005, with the first payment being in the amount of \$118,295. The final payment is due February 5, 2014. The proceeds of these bonds are being used to fund the purchase of new fire trucks and equipment.

On February 9, 2005, the County issued \$1,123,000 of Series 2005 Florence County General Obligation Refunding Bonds. These bonds bear interest at a rate of 3.13%. Interest payments and principal payments are due annually beginning on February 9, 2006, with the first payment being in the amount of \$246,123. The final payment is due February 9, 2010. The proceeds of the bonds were used to refund the entire amount outstanding of the Series 2000B Florence County General Obligation Bonds (Economic Development).

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

On March 16, 2005, the County issued \$4,200,000 of Series 2005 Florence County Advance Refunding General Obligation Bonds. These bonds bear interest at rates ranging from 3.00% to 4.00%. The first interest payment of \$243,883 was due October 1, 2005, and semiannually thereafter. The first principal payment was due April 1, 2006, and annually thereafter, with the final payment for both principal and interest due April 1, 2020. The proceeds of the bonds were used to refund \$3,935,000 of the Series 2000 Florence County General Obligation Bonds. The aggregate debt service of the Refunding Bonds is \$5,743,595. The aggregate debt service of the refunded bonds is \$5,811,640, for an aggregate difference of \$68,045. The economic gain from this refunding transaction was \$252,317.

On December 19, 2006, the County issued \$7,600,000 of Florence County General Obligation Bonds, Series 2006. These bonds bear interest at rates ranging from 3.50% to 3.85%. The first interest payment of \$189,990 is due August 1, 2007, and semiannually thereafter. The first principal payment is due February 1, 2008, and annually thereafter, with the final payment for both principal and interest due February 1, 2019. The proceeds of these bonds are being used to fund various capital projects.

General obligation bonds payable at June 30, 2007, are comprised of the following individual issues:

	Interest Rates	Maturity Date	Final Amount Outstanding	Current Maturity of Principal Installments
Florence County General Bonds: \$5,500,000, series 2000	7.00%	2008	\$ 230,000 <u>230,000</u>	\$ 230,000 <u>230,000</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

	Interest Rates	Maturity Date	Final Amount Outstanding	Current Maturity of Principal Installments
Johnsonville Fire				
District Bonds:				
\$500,000, series 2000	5.30%	2008	\$ 30,000	\$ 30,000
	5.30%	2009	35,000	
	5.30%	2010	40,000	
	5.30%	2011	40,000	
	5.30%	2012	45,000	
	5.30%	2013	50,000	
	5.30%	2014	50,000	
	5.30%	2015	55,000	
			<u>345,000</u>	<u>30,000</u>
Hannah-Salem-Friendfield				
Fire District Bonds:				
\$430,000, series 2001	4.10%	2008	50,000	50,000
	4.10%	2009	54,000	
	4.10%	2010	57,000	
	4.10%	2011	60,000	
	4.10%	2012	63,000	
			<u>284,000</u>	<u>50,000</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

	Interest Rates	Maturity Date	Final Amount Outstanding	Current Maturity of Principal Installments
Florence County				
General Bonds:				
\$10,000,000, series 2002	3.75%	2008	\$ 200,000	\$200,000
	4.00%	2009	210,000	
	4.00%	2010	220,000	
	4.00%	2011	225,000	
	4.00%	2012	235,000	
	4.10%	2013	250,000	
	4.20%	2014	260,000	
	4.30%	2015	275,000	
	4.40%	2016	285,000	
	4.45%	2017	300,000	
	4.55%	2018	315,000	
	4.65%	2019	330,000	
	4.70%	2020	350,000	
	4.75%	2021	370,000	
	4.75%	2022	385,000	
	4.75%	2023	410,000	
			<u>4,620,000</u>	<u>200,000</u>
Hannah-Salem-Friendfield				
Fire District Bonds:				
\$210,000, series 2003	4.71%	2008	12,000	12,000
	4.71%	2009	13,000	
	4.71%	2010	14,000	
	4.71%	2011	14,000	
	4.71%	2012	15,000	
	4.71%	2013	55,000	
	4.71%	2014	60,000	
			<u>183,000</u>	<u>12,000</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

	Interest Rates	Maturity Date	Final Amount Outstanding	Current Maturity of Principal Installments
Howe Springs Fire District Bonds:				
\$950,000, series 2004	4.20%	2008	\$ 88,694	\$ 88,694
	4.20%	2009	92,419	
	4.20%	2010	96,301	
	4.20%	2011	100,345	
	4.20%	2012	104,560	
	4.20%	2013	108,951	
	4.20%	2014	113,528	
			<u>704,798</u>	<u>88,694</u>
Florence County Refunding Bonds:				
\$1,123,000, series 2005	3.13%	2008	224,387	224,387
	3.13%	2009	231,410	
	3.13%	2010	238,653	
			<u>694,450</u>	<u>224,387</u>
Florence County Advance Refunding Bonds:				
\$4,200,000, series 2005	3.00%	2008	35,000	35,000
	3.25%	2009	275,000	
	3.50%	2010	285,000	
	3.50%	2011	295,000	
	3.50%	2012	305,000	
	3.63%	2013	320,000	
	3.63%	2014	335,000	
	3.63%	2015	345,000	
	3.63%	2016	360,000	
	3.75%	2017	375,000	
	3.80%	2018	390,000	
	3.90%	2019	400,000	
	4.00%	2020	420,000	
			<u>4,140,000</u>	<u>35,000</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

	Interest Rates	Maturity Date	Final Amount Outstanding	Current Maturity of Principal Installments
Florence County General				
Bonds				
\$7,600,000, series 2006	3.50%	2008	\$ 50,000	\$ 50,000
	3.50%	2009	45,000	
	3.50%	2010	200,000	
	3.50%	2011	205,000	
	3.75%	2012	515,000	
	3.75%	2013	535,000	
	3.75%	2014	760,000	
	3.75%	2015	790,000	
	3.75%	2016	1,020,000	
	3.75%	2017	1,060,000	
	3.75%	2018	1,185,000	
	3.85%	2019	1,235,000	
			<u>7,600,000</u>	<u>50,000</u>
Total general obligation bonds			<u>\$18,801,248</u>	<u>\$920,081</u>
Amount of long-term liability due within one year, by class:				
General obligation bonds			\$ 920,081	
Certificates of participation			2,570,000	
Capital leases			768,496	
Total			<u>\$ 4,258,577</u>	

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Changes in long-term debt during 2007, are summarized as follows:

	Long-Term Debt July 1, 2006	Additions	Retirements	Long-Term Debt June 30, 2007
By type of debt:				
General obligation bonds	\$12,042,944	\$ 7,600,000	\$ 841,696	\$18,801,248
Revenue bonds	-	2,800,000	-	2,800,000
Certificates of participation	22,600,000	-	2,475,000	20,125,000
Capital leases	1,839,455	970,661	1,062,255	1,747,861
Vacation pay	1,430,568	1,324,990	1,276,471	1,479,087
Total	<u>\$37,912,967</u>	<u>\$12,695,651</u>	<u>\$5,655,422</u>	<u>\$44,953,196</u>
By purpose:				
General government:				
County general capital projects	\$ 4,625,000	\$ 7,600,000	\$ 255,000	\$11,970,000
County vehicles	883,440	970,661	882,987	971,114
County equipment	61,354	-	19,477	41,877
Energy management	894,661	-	159,791	734,870
Public safety:				
Fire protection	1,690,917	-	174,119	1,516,798
County jail and radio system	14,916,000	-	1,633,500	13,282,500
Economic and physical development:				
Economic development	912,027	2,800,000	217,577	3,494,450
Culture & recreation:				
County library	4,815,000	-	195,000	4,620,000
Civic Center	7,684,000	-	841,500	6,842,500
Vacation pay	1,430,568	1,324,990	1,276,471	1,479,087
Total	<u>\$37,912,967</u>	<u>\$12,695,651</u>	<u>\$5,655,422</u>	<u>\$44,953,196</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Annual principal and interest requirements of general obligation bonds are summarized as follows:

Year Ended June 30,	Johnsonville Fire District Bonds		Hannah/Salem/ Friendfield Fire District Bonds		Howe Springs Fire District Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 30,000	\$18,285	\$ 62,000	\$20,263	\$ 88,694	\$ 29,602
2009	35,000	16,695	67,000	17,648	92,419	25,876
2010	40,000	14,840	71,000	14,822	96,301	21,995
2011	40,000	12,720	74,000	11,825	100,345	17,950
2012	45,000	10,600	78,000	8,706	104,560	13,736
2013-2017	155,000	16,695	115,000	8,243	222,479	14,112
2018-2022	-	-	-	-	-	-
2023-2027	-	-	-	-	-	-
	<u>\$345,000</u>	<u>\$89,835</u>	<u>\$467,000</u>	<u>\$81,507</u>	<u>\$704,798</u>	<u>\$123,271</u>

Year Ended June 30,	Florence County General Bonds		Florence County Refunding Bonds	
	Principal	Interest	Principal	Interest
2008	\$ 480,000	\$ 552,033	\$224,387	\$21,736
2009	255,000	479,185	231,410	14,713
2010	420,000	469,210	238,653	7,470
2011	430,000	453,410	-	-
2012	750,000	437,235	-	-
2013-2017	5,535,000	1,669,414	-	-
2018-2022	4,170,000	493,018	-	-
2023-2027	410,000	19,475	-	-
	<u>\$12,450,000</u>	<u>\$4,572,980</u>	<u>\$694,450</u>	<u>\$43,919</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Year Ended June 30,	Florence County Advance Refunding Bonds		Totals	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 35,000	\$ 151,545	\$ 920,081	\$ 793,464
2009	275,000	150,495	955,829	704,612
2010	285,000	141,558	1,150,954	669,895
2011	295,000	131,583	939,345	627,488
2012	305,000	121,258	1,282,560	591,535
2013-2017	1,735,000	432,019	7,762,479	2,140,483
2018-2022	1,210,000	96,420	5,380,000	589,438
2023-2027	-	-	410,000	19,475
	<u>\$4,140,000</u>	<u>\$1,224,878</u>	<u>\$18,801,248</u>	<u>\$6,136,390</u>

	General		Totals
	<u>Principal</u>	<u>Interest</u>	
Reconciliation:			
Current portion	\$ 920,081	\$ 793,464	\$ 1,713,545
Subsequent years	<u>17,881,167</u>	<u>5,342,926</u>	<u>23,224,093</u>
Total	<u>\$18,801,248</u>	<u>\$6,136,390</u>	<u>\$24,937,638</u>

On March 15, 2007, the County issued \$2,800,000 of Florence County Special Source Revenue Bonds, Series 2007. These bonds bear interest at a rate of 6.24%. The first interest payment of \$174,720 is due March 15, 2008, and annually thereafter. The first principal payment is due March 15, 2009, and annually thereafter, with the final payment for both principal and interest due March 15, 2013. The proceeds of these bonds are being used to fund incentives for two industries in the County.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Annual principal and interest requirements of special source revenue bonds are summarized as follows:

Year ending June 30	Principal	Interest	Total
2008	\$ -	\$174,720	\$ 174,720
2009	494,336	174,720	669,056
2010	525,182	143,874	669,056
2011	557,954	111,102	669,056
2012	592,770	76,286	669,056
2013	<u>629,758</u>	<u>39,298</u>	<u>669,056</u>
Total	<u>\$2,800,000</u>	<u>\$720,000</u>	<u>\$3,520,000</u>

On December 23, 1992, the County issued \$45,880,000 in certificates of participation with an average interest of 5.54% to advance refund \$41,845,000 of outstanding 1990 certificates of participation with an average interest rate of 7.31%. The net proceeds of \$43,692,903 (after providing for \$2,342,484 in underwriting fees, insurance, and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1990 certificates of participation. As a result, the 1990 certificates of participation are considered to be defeased and the liability for those certificates has been removed from the long-term obligations section of the government-wide financial statements. On March 1, 2000, at the first call date for the 1990 certificates, \$33,862,338 from the irrevocable trust was used to pay the outstanding balance of these certificates. Therefore, at June 30, 2002, the balance outstanding of the 1990 certificates was zero (\$0).

The County advance refunded the 1990 certificates of participation to reduce its total debt service payments over the next 22 years by almost \$815,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$715,340.

On March 3, 2003, the first call date for the 1992 certificates, the County issued \$29,515,000 variable rate refunding certificates of participation to pay the entire outstanding balance of the 1992 certificates, as well as the issuance costs of the new 2003 certificates.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

The County is obligated under the certificates of participation issued on March 3, 2003 as noted above. (See Note 7) The annual payments for these certificates are contingent upon County Council making an annual appropriation for each year's lease requirement. These certificates are accounted for as capital leases in the long-term obligations section of the government-wide financial statements. Because they are not backed by the full faith and credit of the County, they do not represent general obligation debt of the County. Since these are variable rate certificates, the following is a schedule of future minimum lease principle payments under capital leases as of June 30, 2007. No future interest payments are presented.

Year ending June 30	Long-term debt
2008	\$2,570,000
2009	2,665,000
2010	2,765,000
2011	2,870,000
2012	2,970,000
2013-2014	<u>6,285,000</u>
Minimum capital lease principal payments	<u>\$20,125,000</u>

On October 12, 2006, the County entered into a capital lease. The lease bears interest at a rate of 3.80%. Interest payments and principal payments were due quarterly beginning on December 1, 2006, with the first payment being in the amount of \$85,601. The final payment is due September 1, 2009. The proceeds of this lease are being used to fund the purchase of new vehicles and equipment.

The gross amount of capital assets acquired under capital leases by major assets class as of June 30, 2007, is as follows:

Improvements other than buildings	\$ 98,000
Autos & trucks	1,226,675
Machinery & equipment	<u>1,280,300</u>
Total	<u>\$2,604,975</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

The County is obligated under other leases accounted for as noncancellable operating leases. The following is a schedule of future minimum lease payments under noncancellable operating leases as of June 30, 2007:

Year ending June 30	
2008	\$ 41,500
2009	41,500
2010	41,500
2011	41,500
2012	41,500
2013-2014	<u>65,542</u>
	<u>\$ 273,042</u>

Due to/from other funds

The composition of interfund balances as of June 30, 2007, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Energy Management Debt Service Fund	\$36,418

The outstanding balance between these funds results from the time lag between the dates that payments between funds are made.

Interfund Transfers

	Transfer In:					
	<u>General Fund</u>	<u>Grant Special Revenue Fund</u>	<u>Library Debt Service Fund</u>	<u>Enterprise Fund</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Transfer out:						
General Fund	\$ -	\$ -	\$ -	\$2,259,310	\$2,139,624	\$ 4,398,934
Grant Special Revenue Fund	248,519	-	-	-	-	248,519
Enterprise Fund	2,109,401	-	-	-	-	2,109,401
Nonmajor Governmental	<u>2,414,005</u>	<u>745,000</u>	<u>288,385</u>	<u>-</u>	<u>3,351,050</u>	<u>6,798,440</u>
Total	<u>\$4,771,925</u>	<u>\$745,000</u>	<u>\$288,385</u>	<u>\$2,259,310</u>	<u>\$5,490,674</u>	<u>\$13,555,294</u>

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2007

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations and 3) move revenues from various funds into the general fund also in accordance with budgetary authorizations.

NOTE 3. RESTRICTED ASSETS - ENTERPRISE FUNDS

The balances of the restricted asset accounts in the enterprise funds are as follows:

Restricted cash – held for closure and postclosure costs	\$913,640
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NOTE 4. SUMMARY DISCLOSURE of SIGNIFICANT CONTINGENCIES

Litigation

The County is defendant in several miscellaneous litigations. Any losses which may be incurred and are not fully covered by County insurance are not expected to be material. Legal fees related to these litigations are also not expected to be material.

Federal and State Assisted Programs

The County has received proceeds from several Federal and State Grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

NOTE 5. LEASING ARRANGEMENTS

The County has entered into an operating lease agreement with a fire district whereby the district will pay the County for renting a portion of the Lower Florence County Public Service Building. At June 30, 2007, the minimum future rentals under this lease are \$22,483 annually for 12 years or \$269,796 total. The revenue from these rentals is recorded by the County in the General Fund.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2007

NOTE 6. NO-COMMITMENT DEBT

At June 30, 2007, approximately \$207,630,000 of industrial and hospital revenue bonds bearing the County's name was outstanding. This debt is repayable only by the entities for whom the debt is issued and the County assumes no responsibility for repayment.

NOTE 7. COMMITMENTS

Of the total unreserved general fund balance of \$14,499,417, \$13,444,751 is undesignated. The remaining \$1,054,666 is designated to finance current and future capital improvement needs of Florence County.

During fiscal year 1993, Florence County Council approved an ordinance and certain agreements authorizing the sale of \$45,880,000 of Refunding Series Certificates of Participation. The proceeds of this issue were placed in an irrevocable trust to provide for all future debt service payments of the 1990 Certificates of Participation. The County's obligation to repay these certificates is dependent upon annual appropriations being made by the County for that purpose. Although this obligation of the County does not constitute a pledge of the full faith, credit, or taxing power of the County within the meaning of any state constitutional or statutory provision, the County is financially obligated for repayment and has set up certain Special Revenue and Debt Service funds from which it contemplates making the annual appropriations. The proceeds of these certificates were used to finance the construction of a Law Enforcement Center, a Civic Center, a radio transmission tower, and to purchase other County equipment.

On March 3, 2003, the first call date for the 1992 certificates, the County issued \$29,515,000 variable rate refunding certificates of participation to pay the entire outstanding balance of the 1992 certificates, as well as the issuance costs of the new 2003 certificates.

Principal and interest payments for the refunding series of certificates of participation are being funded by annual appropriations made by County Council.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2007

NOTE 7. COMMITMENTS (Continued)

The debt service costs and the operation and maintenance costs for the Civic Center are being jointly paid by the City of Florence and the County. The two entities have entered into a service agreement whereby each are making equal annual payments into a Civic Center Debt Service and Operations and Maintenance Fund from which these costs will be paid. All Civic Center revenues are to be used to offset operation and maintenance costs, thereby reducing the amounts needed from the Debt Service and Operations and Maintenance Fund. In fiscal year 2003, the County began using revenues from the Local Accommodations Tax Special Revenue Fund to meet its obligations under this service agreement. The City-County service agreement requires that, if the annual payments and balances on hand in the Debt Service and Operations and Maintenance Fund are not sufficient in any year to pay the debt service and net operations and maintenance costs, the County and City must make equal additional payments to fund the deficiency. The annual payment from both the County and the City was approximately \$1,200,000 each for the fiscal year ended June 30, 2007. It is expected that the City's and County's annual payments will increase to approximately \$1,300,000 per year beginning in fiscal year 2008.

NOTE 8. CONTINGENCIES

Pursuant to the Solid Waste Management Act of 1991, Florence County must operate a Sub-title D landfill in compliance with the provisions of the Act, to continue to accept solid waste into its landfill after October, 1995. Among the requirements of Sub-title D operation are installation of synthetic liners in all fill areas, installation of a cap over the filled areas at the time of closure, and funding of a post-closure account to defray costs of monitoring and compliance after closure.

On October 5, 1995, the County received a six-month extension on compliance with the Act and did not have to operate a Sub-title D landfill until April 9, 1996.

On April 9, 1996, the County closed the vertical expansion portion of the landfill and contracted with a private company to transport the County's solid waste to another landfill.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS Year Ended June 30, 2007

NOTE 8. CONTINGENCIES (Continued)

Because the County elected to close the vertical expansion portion of the landfill, the County will now incur costs for closure of this portion of the landfill as well as post-closure care costs such as the purchase of liability insurance to protect the County in the event of an incident of contamination and the monitoring of this portion of the landfill for a thirty year period. These costs are estimated at approximately \$913,640 at June 30, 2007, and have been funded by user fees which were being collected through September, 1995. Since the vertical expansion portion of the landfill was closed on April 9, 1996, the estimated amount for closure and post closure costs have been fully accrued at June 30, 2007. Costs for closure and post-closure care are based on engineering estimates and are subject to change based on various factors some of which include inflation, deflation, changes in technology, and changes in laws or regulations.

The Solid Waste Management Act, which was amended on June 23, 1995, requires the County to adopt one, or a combination of a few, financial assurance mechanisms that would bind and legally enforce the County to make the payments necessary for closure and post-closure care costs. The County has restricted the cash necessary for the payment of the closure and post-closure care costs in the Landfill Enterprise Fund and has chosen the local government financial test as its financial assurance mechanism. This test requires that the finance director provide certification annually that the County meets certain financial ratios and certain other criteria in order to comply with financial assurance under the Solid Waste Management Act.

NOTE 9. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. The County participates in certain state-wide funds for the purchasing of workers compensation insurance and liability insurance. The County's primary risk with regard to these funds is only for the annual premiums. However, the County does bear a secondary risk if the funds were to default due to either a wide-spread increase in claim experience or mismanagement of the funds assets. If this event were to occur, the County, along with all other participants in the funds, would be charged additional assessments. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for revenues from earmarked revenue sources which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

Florence Darlington TEC Fund - To account for the receipt of tax revenues and the disbursement of these revenues to Florence Darlington TEC.

S.C. Accommodations Tax Fund - To account for the receipt of accommodations taxes and the disbursement of these taxes to various cultural and tourism related organizations.

Civic Center Fund - To account for the receipt and disbursement of the annual appropriation for the Civic Center from Florence County and the City of Florence.

Capital Improvements Fund - To account for specific capital projects of the County.

Law Library Fund - To account for the receipt of fee revenue and the expenditure of this revenue for the law library.

Victim/Witness Assistance Fund - To account for the receipt of fines and fees charges in magistrate court and general sessions court and the expenditures to assist victims and witnesses of various crimes.

Treasurer Delinquent Tax Fund - To account for the collection of delinquent tax costs and fees and the expenditures of the delinquent tax office.

Jail Debt Service O&M Fund - To account for the remaining balances in this fund after the operation of the sheriff's office was transferred to the General Fund.

Howe Springs Fire District - To account for the receipt of property tax revenue and the disbursement of this revenue to the fire district.

Sardis - Timmonsville Fire District - To account for the receipt of property tax revenue and the disbursement of this revenue to the fire district.

Johnsonville Fire District - To account of the receipt of property tax revenue and the disbursement of this revenue to the fire district.

Economic Development Partnership Fund - To account for the receipt of both private revenue sources as well as a matching transfer from the General Fund and the expenditure of these revenues for economic development purposes.

Emergency Management Fund - To account for the receipt of property tax revenue and other revenues and the expenditures of the radio system, central dispatch, and the emergency management department.

County Library Fund - To account for operation of the county library system.

Senior Citizens Center Fund - To account for the operation of the senior citizens center

Local Accommodations Fee Fund - To account for the receipt of local accommodations fees and the expenditures for tourist-related activities.

Road System Maintenance Fee Fund - To account for the receipt of road system maintenance fees and the operation of the public works department.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt and long-term obligation principal, interest, and related costs.

The following funds are reported in this section:

Hannah/Salem/Friendfield Fire District Debt Service Fund - To account for the receipt of property tax revenue and the payment of debt service for the fire district.

Johnsonville Fire District Debt Service Fund - To account for the receipt of property tax revenue and the payment of debt service for the fire district.

Howe - Springs Fire District Debt Service Fund - To account for the receipt of property tax revenue and the payment of debt service for the fire district.

Lower Florence County Public Service Building Debt Service Fund - To account for the receipt of rent revenue and interest income and the payment of debt service on this building.

Civic Center Debt Service Fund - To account for the receipt of the annual appropriation from Florence County and the City of Florence and the payment of the annual debt service for the Civic Center.

2007 Special Source Revenue Bond Debt Service Fund – To account for the receipt of a portion of the fee in lieu of taxes from two industries and the payment of debt service on the bond which was issued to fund incentives for these two industries.

Energy Management Debt Service Fund – To account for the annual appropriation from the General Fund and the payment of debt service on the lease which was entered into for energy management purposes.

Capital Lease Debt Service Fund – To account for the annual appropriation from the General Fund and the payment of debt service on various capital leases which were entered into to finance the purchase of various vehicles and equipment.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the receipt and disbursement of resources for the purpose of building or buying major capital assets.

The following funds are reported in this section:

Library Capital Project Fund - To account for the construction of the new main library.

Florence County General Capital Project Fund - To account for various projects funded by the 2000 Florence County General Obligation Bond.

Radio System Upgrade Capital Project Fund - To account for the installation of an additional radio tower and various other radio and dispatch equipment in order to upgrade the county radio system.

Hannah/Salem/Friendfield Fire District Capital Project Fund - To account for the various capital projects of the fire district.

Street Sign Capital Project Fund - To account for the installation of street signs in various locations throughout Florence County.

Johnsonville Fire District Capital Project Fund - To account for the various capital projects of the fire district.

2006 Florence County General Capital Project Fund - To account for various projects funded by the 2006 Florence County General Obligation Bond.

Howe Springs Fire District Capital Project Fund - To account for the various capital projects of the fire district.

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

	Special Revenue Funds			
	Florence Darlington TEC Fund	S.C. Accommodations Tax Fund	Civic Center Fund	Capital Improvements Fund
ASSETS				
Assets:				
Cash and investments	\$ 55,783	\$ 11,837	\$ -	\$ 1,037,215
Receivables:				
Property taxes (net)	-	-	-	-
Other governmental units and agencies	-	145,206	-	-
Others (net)	-	-	-	-
Inventory	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u>\$ 55,783</u>	<u>\$ 157,043</u>	<u>\$ -</u>	<u>\$ 1,037,215</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ -	\$ 80,203	\$ -	\$ 31,375
Payroll withholdings and accruals	-	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenues	125,759	-	-	-
Total liabilities	<u>125,759</u>	<u>80,203</u>	<u>-</u>	<u>31,375</u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	-	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	(69,976)	76,840	-	1,005,840
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
Total fund equity	<u>(69,976)</u>	<u>76,840</u>	<u>-</u>	<u>1,005,840</u>
Total liabilities and fund equity	<u>\$ 55,783</u>	<u>\$ 157,043</u>	<u>\$ -</u>	<u>\$ 1,037,215</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)

Special Revenue Funds

	Law Library Fund	Victim/ Witness Assistance Fund	Treasurer Delinquent Tax Fund	Jail Debt Service O&M Fund
ASSETS				
Assets:				
Cash and investments	\$ 50,684	\$ 382,913	\$ 185,035	\$ 908,982
Receivables:				
Property taxes (net)	-	-	-	85,204
Other governmental units and agencies	-	11,888	-	-
Others (net)	-	-	-	-
Inventory	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u><u>\$ 50,684</u></u>	<u><u>\$ 394,801</u></u>	<u><u>\$ 185,035</u></u>	<u><u>\$ 994,186</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 305	\$ 22,855	\$ 1,099	\$ 639,580
Payroll withholdings and accruals	409	12,064	5,450	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenues	-	-	7,983	-
Total liabilities	<u><u>714</u></u>	<u><u>34,919</u></u>	<u><u>14,532</u></u>	<u><u>639,580</u></u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	-	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	49,970	359,882	170,503	354,606
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
Total fund equity	<u><u>49,970</u></u>	<u><u>359,882</u></u>	<u><u>170,503</u></u>	<u><u>354,606</u></u>
Total liabilities and fund equity	<u><u>\$ 50,684</u></u>	<u><u>\$ 394,801</u></u>	<u><u>\$ 185,035</u></u>	<u><u>\$ 994,186</u></u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)

Special Revenue Funds

	Howe Springs Fire District	Sardis- Timmons- ville Fire District	Johnsonville Fire District	Economic Development Partnership Fund
ASSETS				
Assets:				
Cash and investments	\$ 17,336	\$ 107,423	\$ 42,134	\$ 1,043,344
Receivables:				
Property taxes (net)	-	-	-	-
Other governmental units and agencies	-	-	-	-
Others (net)	-	-	-	(657)
Inventory	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u><u>\$ 17,336</u></u>	<u><u>\$ 107,423</u></u>	<u><u>\$ 42,134</u></u>	<u><u>\$ 1,042,687</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 33,416
Payroll withholdings and accruals	-	-	-	12,944
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenues	-	18,870	20,316	-
Total liabilities	<u><u>-</u></u>	<u><u>18,870</u></u>	<u><u>20,316</u></u>	<u><u>46,360</u></u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	-	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	17,336	88,553	21,818	996,327
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
Total fund equity	<u><u>17,336</u></u>	<u><u>88,553</u></u>	<u><u>21,818</u></u>	<u><u>996,327</u></u>
Total liabilities and fund equity	<u><u>\$ 17,336</u></u>	<u><u>\$ 107,423</u></u>	<u><u>\$ 42,134</u></u>	<u><u>\$ 1,042,687</u></u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)

	Special Revenue Funds			
	Emergency Management Fund	County Library Fund	Senior Citizens Center Fund	Local Accommodations Fee Fund
ASSETS				
Assets:				
Cash and investments	\$ 94,710	\$ 7,879	\$ 10,501	\$ 2,014,492
Receivables:				
Property taxes (net)	12,297	9,879	622	-
Other governmental units and agencies	-	-	-	-
Others (net)	-	-	-	122,896
Inventory	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u><u>\$ 107,007</u></u>	<u><u>\$ 17,758</u></u>	<u><u>\$ 11,123</u></u>	<u><u>\$ 2,137,388</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 98,371	\$ 207	\$ 10,316	\$ 391,003
Payroll withholdings and accruals	-	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenues	-	-	-	-
Total liabilities	<u><u>98,371</u></u>	<u><u>207</u></u>	<u><u>10,316</u></u>	<u><u>391,003</u></u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	-	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	8,636	17,551	807	1,746,385
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
Total fund equity	<u><u>8,636</u></u>	<u><u>17,551</u></u>	<u><u>807</u></u>	<u><u>1,746,385</u></u>
Total liabilities and fund equity	<u><u>\$ 107,007</u></u>	<u><u>\$ 17,758</u></u>	<u><u>\$ 11,123</u></u>	<u><u>\$ 2,137,388</u></u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)

	Special Revenue Fund	Debt Service Funds		
	Road System Maintenance Fee Fund	Hannah/ Salem/ Friendfield Fire District Fund	Johnsonville Fire District Fund	Howe Springs Fire District Fund
ASSETS				
Assets:				
Cash and investments	\$ 310,085	\$ 93,112	\$ 24,736	\$ 24,362
Receivables:				
Property taxes (net)	-	-	-	-
Other governmental units and agencies	-	-	-	-
Others (net)	-	-	-	-
Inventory	125,759	-	-	-
Prepays	1,075	-	-	-
Due from other funds	-	-	-	-
Total assets	<u><u>\$ 436,919</u></u>	<u><u>\$ 93,112</u></u>	<u><u>\$ 24,736</u></u>	<u><u>\$ 24,362</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 17,129	\$ -	\$ -	\$ -
Payroll withholdings and accruals	52,991	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenues	-	-	5,078	-
Total liabilities	<u><u>70,120</u></u>	<u><u>-</u></u>	<u><u>5,078</u></u>	<u><u>-</u></u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	-	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	125,759	-	-	-
Reserved for debt service	-	93,112	19,658	24,362
Unreserved, reported in:				
Special revenue funds	241,040	-	-	-
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
Total fund equity	<u><u>366,799</u></u>	<u><u>93,112</u></u>	<u><u>19,658</u></u>	<u><u>24,362</u></u>
Total liabilities and fund equity	<u><u>\$ 436,919</u></u>	<u><u>\$ 93,112</u></u>	<u><u>\$ 24,736</u></u>	<u><u>\$ 24,362</u></u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)

	Debt Service Funds			
	Lower Florence County Public Service Building Fund	Civic Center Fund	2007 Special Source Revenue Bond Debt Service Fund	Energy Management Fund
ASSETS				
Assets:				
Cash and investments	\$ -	\$ 82,135	\$ 160,210	\$ -
Receivables:				
Property taxes (net)	-	-	-	-
Other governmental units and agencies	-	515,666	-	-
Others (net)	-	27,785	-	-
Inventory	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u><u>\$ -</u></u>	<u><u>\$ 625,586</u></u>	<u><u>\$ 160,210</u></u>	<u><u>\$ -</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Payroll withholdings and accruals	-	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	36,418
Deferred revenues	-	-	-	-
Total liabilities	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>36,418</u></u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	625,586	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	160,210	(36,418)
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
Total fund equity	<u><u>-</u></u>	<u><u>625,586</u></u>	<u><u>160,210</u></u>	<u><u>(36,418)</u></u>
Total liabilities and fund equity	<u><u>\$ -</u></u>	<u><u>\$ 625,586</u></u>	<u><u>\$ 160,210</u></u>	<u><u>\$ -</u></u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)

	Debt		Capital Project Funds	
	Service Fund			
	Capital Lease Fund	Library Fund	County General Fund	Radio System Upgrade Fund
ASSETS				
Assets:				
Cash and investments	\$ -	\$ -	\$ 998,152	\$ 1,329
Receivables:				
Property taxes (net)	-	-	-	-
Other governmental units and agencies	-	-	-	-
Others (net)	-	-	-	-
Inventory	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 998,152</u>	<u>\$ 1,329</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 137,534	\$ -
Payroll withholdings and accruals	-	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenues	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>137,534</u>	<u>-</u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	-	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital project funds	-	-	860,618	1,329
Total fund equity	<u>-</u>	<u>-</u>	<u>860,618</u>	<u>1,329</u>
Total liabilities and fund equity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 998,152</u>	<u>\$ 1,329</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)

	Capital Project Funds			
	Hannah/ Salem/ Friendfield Fire District Fund	Street Sign Fund	Johnsonville Fire District Fund	2006 County Capital Project Fund
ASSETS				
Assets:				
Cash and investments	\$ 218	\$ -	\$ 7,211	\$ 6,968,372
Receivables:				
Property taxes (net)	-	-	-	-
Other governmental units and agencies	-	-	-	-
Others (net)	-	-	-	-
Inventory	-	-	-	-
Prepays	-	-	-	-
Due from other funds	-	-	-	-
Total assets	<u><u>\$ 218</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,211</u></u>	<u><u>\$ 6,968,372</u></u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 211,809
Payroll withholdings and accruals	-	-	-	-
Other payables	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenues	-	-	-	-
Total liabilities	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>211,809</u></u>
Fund equity:				
Fund balance:				
Reserved for debt service reserve	-	-	-	-
Reserved for encumbrances	-	-	-	-
Reserved for inventory	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital project funds	218	-	7,211	6,756,563
Total fund equity	<u><u>218</u></u>	<u><u>-</u></u>	<u><u>7,211</u></u>	<u><u>6,756,563</u></u>
Total liabilities and fund equity	<u><u>\$ 218</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,211</u></u>	<u><u>\$ 6,968,372</u></u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2007

(Continued)
 Capital
Project Fund

	Howe Springs Fire District Fund	Total
ASSETS		
Assets:		
Cash and investments	\$ 6,614	\$ 14,646,804
Receivables:		
Property taxes (net)	-	108,002
Other governmental units and agencies	-	672,760
Others (net)	-	150,024
Inventory	-	125,759
Prepays	-	1,075
Due from other funds	-	-
Total assets	<u>\$ 6,614</u>	<u>\$ 15,704,424</u>
 LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ -	\$ 1,675,202
Payroll withholdings and accruals	-	83,858
Other payables	-	-
Due to other funds	-	36,418
Deferred revenues	-	178,006
Total liabilities	<u>-</u>	<u>1,973,484</u>
 Fund equity:		
Fund balance:		
Reserved for debt service reserve	-	625,586
Reserved for encumbrances	-	-
Reserved for inventory	-	125,759
Reserved for debt service	-	260,924
Unreserved, reported in:		
Special revenue funds	-	5,086,118
Debt service funds	-	-
Capital project funds	6,614	7,632,553
Total fund equity	<u>6,614</u>	<u>13,730,940</u>
Total liabilities and fund equity	<u>\$ 6,614</u>	<u>\$ 15,704,424</u>



FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

	Special Revenue Funds			
	Florence Darlington TEC Fund	S.C. Accommodations Tax Fund	Civic Center Fund	Capital Improvements Fund
Revenues:				
Taxes	\$ 1,529,311	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and fees	-	-	-	-
Intergovernmental	-	637,261	-	-
Sales and other functional revenues	-	-	-	-
Miscellaneous	15,578	6,591	-	-
Total revenues	<u>1,544,889</u>	<u>643,852</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	546,592
Public safety	-	-	-	-
Economic and physical development	-	118,481	-	-
Public works	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	440,000	-	-
Education	1,555,000	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirements	-	-	-	-
Interest	-	-	-	-
Paying agent fee	-	-	-	-
Total expenditures	<u>1,555,000</u>	<u>558,481</u>	<u>-</u>	<u>546,592</u>
Revenues over (under) expenditures	(10,111)	85,371	-	(546,592)
Other financing sources (uses):				
Proceeds of bond issue	-	-	-	-
Proceeds of capital lease	-	-	-	-
Transfers in	-	-	-	450,000
Transfers out	-	-	(665)	(273,668)
Net change in fund balances	(10,111)	85,371	(665)	(370,260)
Fund balance - beginning of year	<u>(59,865)</u>	<u>(8,531)</u>	<u>665</u>	<u>1,376,100</u>
Fund balance - end of year	<u>\$ (69,976)</u>	<u>\$ 76,840</u>	<u>\$ -</u>	<u>\$ 1,005,840</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

(Continued)

	Special Revenue Funds			
	Law Library Fund	Victim/ Witness Assistance Fund	Treasurer Delinquent Tax Fund	Jail Debt Service O&M Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and fees	52,851	312,641	461,008	-
Intergovernmental	-	-	-	-
Sales and other functional revenues	-	-	-	-
Miscellaneous	-	23,924	-	(23,509)
Total revenues	<u>52,851</u>	<u>336,565</u>	<u>461,008</u>	<u>(23,509)</u>
Expenditures:				
Current:				
General government	18,992	376,565	337,679	-
Public safety	-	179,004	-	-
Economic and physical development	-	-	-	-
Public works	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirements	-	-	-	-
Interest	-	-	-	-
Paying agent fee	-	-	-	-
Total expenditures	<u>18,992</u>	<u>555,569</u>	<u>337,679</u>	<u>-</u>
Revenues over (under) expenditures	33,859	(219,004)	123,329	(23,509)
Other financing sources (uses):				
Proceeds of bond issue	-	-	-	-
Proceeds of capital lease	-	-	-	-
Transfers in	-	-	-	1,594,700
Transfers out	-	-	(100,000)	-
Net change in fund balances	33,859	(219,004)	23,329	1,571,191
Fund balance - beginning of year	<u>16,111</u>	<u>578,886</u>	<u>147,174</u>	<u>(1,216,585)</u>
Fund balance - end of year	<u>\$ 49,970</u>	<u>\$ 359,882</u>	<u>\$ 170,503</u>	<u>\$ 354,606</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

(Continued)

	Special Revenue Funds			
	Howe Springs Fire District	Sardis- Timmons- ville Fire District	Johnsonville Fire District	Economic Development Partnership Fund
Revenues:				
Taxes	\$ 721,523	\$ 241,292	\$ 242,907	\$ -
Licenses and permits	-	-	-	-
Fines and fees	-	-	-	409,952
Intergovernmental	23,626	4,941	4,042	-
Sales and other functional revenues	-	-	-	-
Miscellaneous	2,438	3,895	38,862	34,412
Total revenues	<u>747,587</u>	<u>250,128</u>	<u>285,811</u>	<u>444,364</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	741,002	200,000	264,048	-
Economic and physical development	-	-	-	674,684
Public works	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirements	-	22,485	-	-
Interest	-	-	-	-
Paying agent fee	-	-	-	-
Total expenditures	<u>741,002</u>	<u>222,485</u>	<u>264,048</u>	<u>674,684</u>
Revenues over (under) expenditures	6,585	27,643	21,763	(230,320)
Other financing sources (uses):				
Proceeds of bond issue	-	-	-	-
Proceeds of capital lease	-	-	-	-
Transfers in	-	-	-	415,000
Transfers out	-	-	-	-
Net change in fund balances	6,585	27,643	21,763	184,680
Fund balance - beginning of year	<u>10,751</u>	<u>60,910</u>	<u>55</u>	<u>811,647</u>
Fund balance - end of year	<u>\$ 17,336</u>	<u>\$ 88,553</u>	<u>\$ 21,818</u>	<u>\$ 996,327</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

(Continued)

	Special Revenue Funds				
	Emergency Management Fund	County Library Fund	Senior Citizens Center Fund	Local Accommodations Fee Fund	Road System Maintenance Fee Fund
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	3,223,789
Fines and fees	-	-	-	1,329,461	-
Intergovernmental	-	-	-	-	-
Sales and other functional revenues	-	-	-	-	-
Miscellaneous	-	-	-	134,259	23,641
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,463,720</u>	<u>3,247,430</u>
Expenditures:					
Current:					
General government	-	-	-	434,798	-
Public safety	-	-	-	-	-
Economic and physical development	-	-	-	-	-
Public works	-	-	-	-	2,643,890
Health	-	-	-	-	-
Welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Education	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirements	-	-	-	-	-
Interest	-	-	-	-	-
Paying agent fee	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>434,798</u>	<u>2,643,890</u>
Revenues over (under) expenditures	-	-	-	1,028,922	603,540
Other financing sources (uses):					
Proceeds of bond issue	-	-	-	-	-
Proceeds of capital lease	-	-	-	-	-
Transfers in	284,392	-	-	-	183,259
Transfers out	<u>-</u>	<u>(958,428)</u>	<u>(442,797)</u>	<u>(1,407,958)</u>	<u>(420,000)</u>
Net change in fund balances	284,392	(958,428)	(442,797)	(379,036)	366,799
Fund balance - beginning of year	<u>(275,756)</u>	<u>975,979</u>	<u>443,604</u>	<u>2,125,421</u>	<u>-</u>
Fund balance - end of year	<u>\$ 8,636</u>	<u>\$ 17,551</u>	<u>\$ 807</u>	<u>\$ 1,746,385</u>	<u>\$ 366,799</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

(Continued)

	Debt Service Funds			
	Hannah/ Salem/ Friendfield Fire District Fund	Johnsonville Fire District Fund	Howe Springs Fire District Fund	Lower Florence County Public Service Building Fund
Revenues:				
Taxes	\$ 79,994	\$ 49,434	\$ 108,593	\$ -
Licenses and permits	-	-	-	-
Fines and fees	-	-	-	-
Intergovernmental	-	-	-	-
Sales and other functional revenues	-	-	-	-
Miscellaneous	3,520	1,159	1,890	-
Total revenues	<u>83,514</u>	<u>50,593</u>	<u>110,483</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic and physical development	-	-	-	-
Public works	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirements	59,000	30,000	85,119	-
Interest	22,743	19,875	33,176	-
Paying agent fee	-	-	-	-
Total expenditures	<u>81,743</u>	<u>49,875</u>	<u>118,295</u>	<u>-</u>
Revenues over (under) expenditures	1,771	718	(7,812)	-
Other financing sources (uses):				
Proceeds of bond issue	-	-	-	-
Proceeds of capital lease	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	(345,283)
Net change in fund balances	1,771	718	(7,812)	(345,283)
Fund balance - beginning of year	<u>91,341</u>	<u>18,940</u>	<u>32,174</u>	<u>345,283</u>
Fund balance - end of year	<u><u>\$ 93,112</u></u>	<u><u>\$ 19,658</u></u>	<u><u>\$ 24,362</u></u>	<u><u>\$ -</u></u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2007

(Continued)

	Debt Service Funds			
	2007			
	Civic Center Fund	Special Source Revenue Bond Debt Service Fund	Energy Management Fund	Capital Lease Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and fees	-	-	-	-
Intergovernmental	1,175,772	-	-	-
Sales and other functional revenues	-	-	-	-
Miscellaneous	32,185	-	-	-
Total revenues	<u>1,207,957</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic and physical development	-	-	-	-
Public works	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	1,106,067	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirements	842,783	-	159,791	877,731
Interest	464,855	-	50,638	39,623
Paying agent fee	2,210	14,510	-	-
Total expenditures	<u>2,415,915</u>	<u>14,510</u>	<u>210,429</u>	<u>917,354</u>
Revenues over (under) expenditures	(1,207,958)	(14,510)	(210,429)	(917,354)
Other financing sources (uses):				
Proceeds of bond issue	-	174,720	-	-
Proceeds of capital lease	-	-	-	-
Transfers in	1,207,958	-	174,011	917,354
Transfers out	<u>(625,587)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(625,587)	160,210	(36,418)	-
Fund balance - beginning of year	<u>1,251,173</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ 625,586</u>	<u>\$ 160,210</u>	<u>\$ (36,418)</u>	<u>\$ -</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

(Continued)

	Capital Project Funds			
	Library Fund	County General Fund	Radio System Upgrade Fund	Hannah/ Salem/ Friendfield Fire District Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and fees	-	-	-	-
Intergovernmental	-	-	100,000	-
Sales and other functional revenues	-	-	-	-
Miscellaneous	-	30,870	3,739	11
Total revenues	<u>-</u>	<u>30,870</u>	<u>103,739</u>	<u>11</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic and physical development	-	-	-	-
Public works	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	571,607	-	-
Debt service:				
Principal retirements	-	-	-	-
Interest	-	-	-	-
Paying agent fee	-	-	-	-
Total expenditures	<u>-</u>	<u>571,607</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	-	(540,737)	103,739	11
Other financing sources (uses):				
Proceeds of bond issue	-	-	-	-
Proceeds of capital lease	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(1,033,385)</u>	<u>(871,240)</u>	<u>(264,000)</u>	<u>-</u>
Net change in fund balances	(1,033,385)	(1,411,977)	(160,261)	11
Fund balance - beginning of year	<u>1,033,385</u>	<u>2,272,595</u>	<u>161,590</u>	<u>207</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ 860,618</u>	<u>\$ 1,329</u>	<u>\$ 218</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2007

(Continued)

	Capital Project Funds			
	Street Sign Fund	Johnsonville Fire District Fund	2006 County Capital Project Fund	Howe Springs Fire District Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines and fees	-	-	-	-
Intergovernmental	-	-	-	-
Sales and other functional revenues	-	-	10,740	-
Miscellaneous	-	353	194,213	324
Total revenues	<u>-</u>	<u>353</u>	<u>204,953</u>	<u>324</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic and physical development	-	-	-	-
Public works	-	-	-	-
Health	-	-	-	-
Welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	1,326,639	-
Debt service:				
Principal retirements	-	-	-	-
Interest	-	-	-	-
Paying agent fee	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>1,326,639</u>	<u>-</u>
Revenues over (under) expenditures	-	353	(1,121,686)	324
Other financing sources (uses):				
Proceeds of bond issue	-	-	7,614,249	-
Proceeds of capital lease	-	-	-	-
Transfers in	-	-	264,000	-
Transfers out	<u>(55,429)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(55,429)	353	6,756,563	324
Fund balance - beginning of year	<u>55,429</u>	<u>6,858</u>	<u>-</u>	<u>6,290</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ 7,211</u>	<u>\$ 6,756,563</u>	<u>\$ 6,614</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2007

	Total
Revenues:	
Taxes	\$ 2,973,054
Licenses and permits	3,223,789
Fines and fees	2,565,913
Intergovernmental	1,945,642
Sales and other functional revenues	10,740
Miscellaneous	528,355
Total revenues	11,247,493
Expenditures:	
Current:	
General government	1,714,626
Public safety	1,384,054
Economic and physical development	793,165
Public works	2,643,890
Health	-
Welfare	-
Culture and recreation	1,546,067
Education	1,555,000
Capital outlay	1,898,246
Debt service:	
Principal retirements	2,076,909
Interest	630,910
Paying agent fee	16,720
Total expenditures	14,259,587
Revenues over (under) expenditures	(3,012,094)
Other financing sources (uses):	
Proceeds of bond issue	7,788,969
Proceeds of capital lease	-
Transfers in	5,490,674
Transfers out	(6,798,440)
Net change in fund balances	3,469,109
Fund balance - beginning of year	10,261,831
Fund balance - end of year	\$ 13,730,940

FIDUCIARY FUNDS

The County maintains thirteen Agency Funds. They are used to account for the collection and payment to the School Funds, Municipalities, and Special Assessment districts of property taxes, intergovernmental revenues, and interest on investments of amounts collected by the County for their behalf.

The following activities of the County are reported in this section:

School General Fund - To account for the receipt of property tax and federal and state aid revenue and other revenues and the disbursement of these revenues to the school districts.

School Debt Service Fund - To account for the receipt of property tax and other revenues and the payment of debt service for the school districts.

School Capital Project Fund - To account for the receipt of the proceeds from various bond issues and the disbursement of these receipts to the school districts.

Municipalities Fund - To account for the receipt of property tax and other revenues and the disbursement of these revenues to the municipalities.

Lynches Lake Camp Branch Fund - To account for the receipt of property tax revenue and the disbursement of this revenue to Lynches Lake Camp Branch.

Fire Board Fund - To account for the receipt of property tax and other revenue and the disbursement of this revenue to the fire districts.

Salem Watershed Fund - To account for the receipt of property tax and other revenue and the disbursement of this revenue to the watershed.

Regional Airport Authority Fund - To account for the receipt of property tax revenue and the disbursement of this revenue to the authority.

Commission on Alcohol and Drug Abuse Fund - To account for the receipt of state revenue and the disbursement of this revenue to the commission.

Williamsburg County Fund - To account for the receipt of property tax revenue and the disbursement of this revenue to Williamsburg County.

Magistrate Fund - To account for fines and fees collected but not yet remitted to the County or to the State of South Carolina.

Clerk of Court Fund - To account for fines and fees collected but not yet remitted to the County or to the State of South Carolina.

Sheriff Fund - To account for money received but not yet disposed of by the court system.

FLORENCE COUNTY, SOUTH CAROLINA

FIDUCIARY FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007

	Agency Funds					Lynches Lake/Camp Branch Fund
	School General Fund	School Debt Service Fund	School Capital Project Fund	Municipalities Fund	Fire Board Fund	
ASSETS						
Cash and investments	\$ 1,105,404	\$ 3,181,227	\$ 1,819,355	\$ 63,439	\$ 30,796	\$ 1,095
TOTAL ASSETS	\$ 1,105,404	\$ 3,181,227	\$ 1,819,355	\$ 63,439	\$ 30,796	\$ 1,095
LIABILITIES						
Due to						
Other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Others	-	-	-	-	-	-
Other taxing units:						
School District One	796,814	1,811,482	561,900	-	-	-
School District Two	47,718	332,623	1,233	-	-	-
School District Three	145,568	261,705	1,246,862	-	-	-
School District Four	67,262	503,766	9,375	-	-	-
School District Five	48,042	271,651	(15)	-	-	-
Municipalities	-	-	-	63,439	-	-
Fire Boards	-	-	-	-	30,796	-
Lynches Lake/Camp Branch	-	-	-	-	-	1,095
Salem Watershed	-	-	-	-	-	-
Regional Airport Authority	-	-	-	-	-	-
Commission on Alcohol and Drug Abuse	-	-	-	-	-	-
Williamsburg County	-	-	-	-	-	-
TOTAL LIABILITIES	\$ 1,105,404	\$ 3,181,227	\$ 1,819,355	\$ 63,439	\$ 30,796	\$ 1,095

Salem Watershed Fund	Regional Airport Authority Fund	Commission on Alcohol and Drug Abuse Fund	Williams-burg County Fund	Magistrate Fund	Clerk of Court Fund	Sheriff Fund	Totals
<u>\$ 10,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 399,293</u>	<u>\$ 907,408</u>	<u>\$ 325,141</u>	<u>\$ 7,844,141</u>
<u>\$ 10,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 399,293</u>	<u>\$ 907,408</u>	<u>\$ 325,141</u>	<u>\$ 7,844,141</u>
\$ -	\$ -	\$ -	\$ -	\$ 274,174	\$ 212,445	\$ -	\$ 486,619
-	-	-	-	125,119	694,963	325,141	1,145,223
-	-	-	-	-	-	-	3,170,196
-	-	-	-	-	-	-	381,574
-	-	-	-	-	-	-	1,654,135
-	-	-	-	-	-	-	580,403
-	-	-	-	-	-	-	319,678
-	-	-	-	-	-	-	63,439
-	-	-	-	-	-	-	30,796
-	-	-	-	-	-	-	1,095
10,959	-	-	-	-	-	-	10,959
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	23	-	-	-	23
<u>\$ 10,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 399,293</u>	<u>\$ 907,408</u>	<u>\$ 325,141</u>	<u>\$ 7,844,141</u>

FLORENCE COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL FIDUCIARY FUNDS
Year Ended June 30, 2007

	Agency Funds					
	School General Fund	School Debt Service Fund	School Capital Project Fund	Municipalities Fund	Fire Board Fund	Lynches Lake/Camp Branch Fund
Cash due from Treasurer - beginning	\$ 1,151,133	\$ 2,856,159	\$ 580,739	\$ 58,890	\$ 44,960	\$ 1,016
Add receipts:						
Current property taxes	43,491,636	5,792,633	-	8,426,353	1,077,329	6,174
Inventory exemption	570,369	204,288	-	-	27,197	-
Vehicle taxes	9,310,094	1,348,709	-	1,325,859	228,765	38
Delinquent property taxes	2,115,595	421,444	-	478,116	60,211	631
Penalties	118,428	21,647	-	14,025	3,501	55
Fee transfer	(21,566)	(1,615)	-	-	-	-
State and federal aid	121,020,111	-	-	-	194,148	-
Interest on investments	157,338	211,168	75,564	-	6,267	223
Proceeds from bond issue	-	-	1,198,797	-	-	-
State homestead exemption	8,358,965	328,822	-	-	55,377	731
Fees in lieu of taxes	2,475,392	267,102	-	50,354	154,829	-
Increase in due to other funds	-	-	-	-	-	-
Cash received from others	-	-	-	-	-	-
Less local option sales tax credits	-	-	-	(6,541,289)	-	-
Total receipts	<u>187,596,362</u>	<u>8,594,198</u>	<u>1,274,361</u>	<u>3,753,418</u>	<u>1,807,624</u>	<u>7,852</u>
Less disbursements:						
Claims paid	187,486,646	-	35,745	3,733,938	1,817,920	7,773
Cash paid to others	-	-	-	-	-	-
Refunds	155,445	23,631	-	14,931	3,868	-
Bond principal paid	-	6,959,414	-	-	-	-
Interest payments	-	1,277,957	-	-	-	-
Paying agent fee	-	8,128	-	-	-	-
Total disbursements	<u>187,642,091</u>	<u>8,269,130</u>	<u>35,745</u>	<u>3,748,869</u>	<u>1,821,788</u>	<u>7,773</u>
Cash due from Treasurer - ending	<u>\$ 1,105,404</u>	<u>\$ 3,181,227</u>	<u>\$ 1,819,355</u>	<u>\$ 63,439</u>	<u>\$ 30,796</u>	<u>\$ 1,095</u>

Salem Watershed Fund	Regional Airport Authority Fund	Commission on Alcohol and Drug Abuse Fund	Williams-burg County Fund	Magistrate Fund	Clerk of Court Fund	Sheriff Fund	Totals
<u>\$ 9,689</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,012,108</u>	<u>\$ 359,599</u>	<u>\$1,023,442</u>	<u>\$ 275,471</u>	<u>\$ 7,373,206</u>
59,436	-	-	3,178,421	-	-	-	62,031,983
-	-	-	-	-	-	-	801,854
337	-	-	-	-	-	-	12,213,802
5,111	-	-	-	-	-	-	3,081,108
483	-	-	-	-	-	-	158,140
-	-	-	-	-	-	-	(23,181)
-	-	204,608	-	-	-	-	121,418,867
2,132	-	-	-	-	-	-	452,692
-	-	-	-	-	-	-	1,198,797
9,801	-	-	-	-	-	-	8,753,696
-	-	-	-	-	-	-	2,947,677
-	-	-	-	-	-	-	-
-	-	-	-	3,537,478	6,906,853	592,288	11,036,619
-	-	-	-	-	-	-	(6,541,289)
<u>77,300</u>	<u>-</u>	<u>204,608</u>	<u>3,178,421</u>	<u>3,537,478</u>	<u>6,906,853</u>	<u>592,288</u>	<u>217,530,764</u>
76,030	-	204,608	4,190,506	-	-	-	197,553,166
-	-	-	-	3,497,784	7,022,887	542,618	11,063,289
-	-	-	-	-	-	-	197,875
-	-	-	-	-	-	-	6,959,414
-	-	-	-	-	-	-	1,277,957
-	-	-	-	-	-	-	8,128
<u>76,030</u>	<u>-</u>	<u>204,608</u>	<u>4,190,506</u>	<u>3,497,784</u>	<u>7,022,887</u>	<u>542,618</u>	<u>217,059,829</u>
<u>\$ 10,959</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 399,293</u>	<u>\$ 907,408</u>	<u>\$ 325,141</u>	<u>\$ 7,844,141</u>



COMPONENT UNITS

Component units are entities which are legally separate from the County but are included in the County' reporting entity because of the significance of their operational or financial relationships with the County.

FLORENCE COUNTY, SOUTH CAROLINA

**COMPONENT UNIT
STATEMENT OF NET ASSETS
June 30, 2007**

Florence
City-County
Building
Commission

ASSETS

Current assets:

Cash and investments	\$ 245,241
Intergovernmental receivable	6,453
Prepaid items	26,184
Total current assets	277,878

Noncurrent assets:

Capital assets (net of accumulated depreciation)	1,971,393
Total noncurrent assets	1,971,393

Total assets	2,249,271
--------------	-----------

LIABILITIES

Current liabilities:

Accounts payable	1,279
Accrued payroll taxes and employee withholdings	1,593
Accrued salaries	13,149
Accumulated unpaid vacation pay	17,300
Current maturities of long-term debt	25,400
Total current liabilities	58,721
Total liabilities	58,721

Long-term debt, less current maturities	215,535
---	---------

NET ASSETS

Invested in capital assets, net of related debt	1,730,458
Unrestricted	244,557
	2,249,271

Total net assets	\$ 1,975,015
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FLORENCE COUNTY, SOUTH CAROLINA

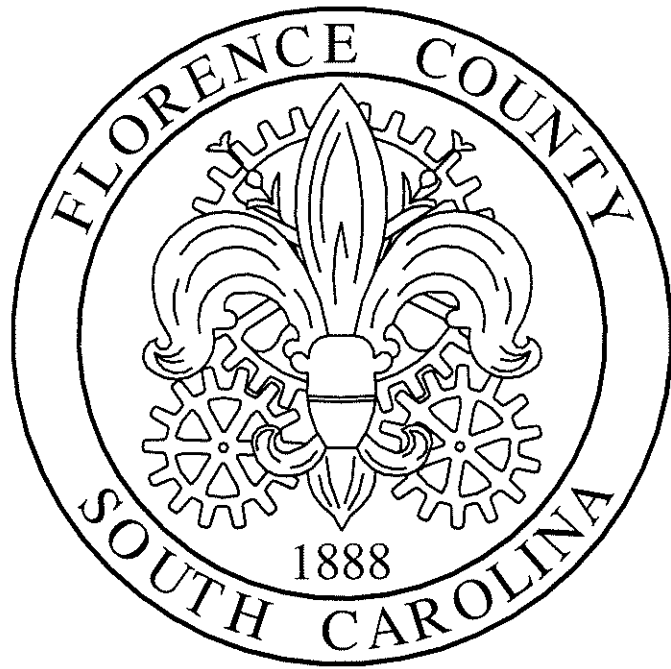
COMPONENT UNIT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
Year Ended June 30, 2007

	Florence City-County Building Commission
Operating revenues:	
Intergovernmental	\$ 1,214,794
Other revenues	<u>33,599</u>
Total operating revenues	<u>1,248,393</u>
Operating expenses:	
Building operation and maintenance	1,177,352
Depreciation	<u>184,102</u>
Total operating expenses	<u>1,361,454</u>
Operating income (loss)	<u>(113,061)</u>
Nonoperating revenues (expenses):	
Interest income	5,073
Interest expense	<u>(26,401)</u>
Total nonoperating revenue (expenses)	<u>(21,328)</u>
Changes in net assets	(134,389)
Total net assets - beginning	<u>2,109,404</u>
Total net assets - ending	<u><u>\$ 1,975,015</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

COMPONENT UNIT
STATEMENT OF CASH FLOWS
Year Ended June 30, 2007

	Florence City-County Building Commission
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from operations	\$ 1,261,283
Cash paid to suppliers and employees	<u>(1,208,671)</u>
Net cash provided by operating activities	<u>52,612</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	-
Interest paid on long-term debt	(26,401)
Principal paid on capital debt	<u>(23,088)</u>
Net cash provided (used) by capital and related financing activities	<u>(49,489)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	<u>5,073</u>
Net cash provided (used) by investing activities	<u>5,073</u>
Net increase (decrease) in cash and cash equivalents	8,196
Cash and cash equivalents, July 1	<u>237,045</u>
Cash and cash equivalents, June 30	<u>\$ 245,241</u>
Reconciliations of operating income to net cash provided (used) by operating activities:	
Operating income	<u>\$ (113,061)</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:	
Depreciation expense	184,102
(Increase) decrease in accounts receivable	12,890
(Increase) decrease in prepaid items	(17,898)
Increase (decrease) in accounts payable	(12,967)
Increase (decrease) in accrued payroll taxes and employee withholding	(1,301)
Increase (decrease) in accrued salaries	(214)
Increase (decrease) in accumulated unpaid vacation pay	<u>1,061</u>
Total adjustments	<u>165,673</u>
Net cash provided by operating activities	<u>\$ 52,612</u>
Non-cash investing, capital, and financing activities:	
(NONE)	



FLORENCE COUNTY, SOUTH CAROLINA

FLORENCE-DARLINGTON TECHNICAL EDUCATION
 CENTER AND LIBRARY SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Property taxes	\$ 1,284,215	\$ 1,529,400	\$ 245,185
Penalties	-	3,530	3,530
Less refunds	-	(3,619)	(3,619)
Total taxes	<u>1,284,215</u>	<u>1,529,311</u>	<u>245,096</u>
Miscellaneous			
Interest on investments	<u>4,000</u>	<u>15,578</u>	<u>11,578</u>
Total miscellaneous	<u>4,000</u>	<u>15,578</u>	<u>11,578</u>
Total revenues	<u>1,288,215</u>	<u>1,544,889</u>	<u>256,674</u>
Expenditures:			
Education:			
Direct assistance - Florence-Darlington TEC	<u>1,288,215</u>	<u>1,555,000</u>	<u>(266,785)</u>
Total education	<u>1,288,215</u>	<u>1,555,000</u>	<u>(266,785)</u>
Total expenditures	<u>1,288,215</u>	<u>1,555,000</u>	<u>(266,785)</u>
Net change in fund balance	<u><u>\$ -</u></u>	<u>(10,111)</u>	<u><u>\$ (10,111)</u></u>
Fund balance - beginning of year		<u>(59,865)</u>	
Fund balance - end of year		<u><u>\$ (69,976)</u></u>	

FLORENCE COUNTY, SOUTH CAROLINA

CAPITAL IMPROVEMENT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental:			
State aid	\$ -	\$ -	\$ -
Total intergovernmental	-	-	-
Total revenues	-	-	-
Expenditures:			
General government:			
Other	450,000	546,592	(96,592)
Total general government	450,000	546,592	(96,592)
Total expenditures	450,000	546,592	(96,592)
Revenues over (under) expenditures	(450,000)	(546,592)	(96,592)
Other financing sources (uses):			
Operating transfer in	450,000	450,000	-
Operating transfer out	-	(273,668)	(273,668)
Total other financing sources (uses)	450,000	176,332	(273,668)
Net change in fund balance	\$ -	(370,260)	\$ (370,260)
Fund balance - beginning of year		1,376,100	
Fund balance - end of year		\$ 1,005,840	

FLORENCE COUNTY, SOUTH CAROLINA

LAW LIBRARY
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and fees:			
Law library surcharge	\$ 50,000	\$ 52,851	\$ 2,851
Total fines and fees	<u>50,000</u>	<u>52,851</u>	<u>2,851</u>
Total revenues	<u>50,000</u>	<u>52,851</u>	<u>2,851</u>
Expenditures:			
General government			
Other	50,000	18,992	31,008
Total general government	<u>50,000</u>	<u>18,992</u>	<u>31,008</u>
Total expenditures	<u>50,000</u>	<u>18,992</u>	<u>31,008</u>
Net change in fund balance	<u>\$ -</u>	33,859	<u>\$ 33,859</u>
Fund balance - beginning of year		<u>16,111</u>	
Fund balance - end of year		<u>\$ 49,970</u>	

FLORENCE COUNTY, SOUTH CAROLINA

VICTIM/WITNESS ASSISTANCE
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and fees	\$ 325,000	\$ 312,641	\$ (12,359)
Intergovernmental	-	-	-
Miscellaneous:			
Interest on investments	-	23,924	23,924
Total miscellaneous	-	23,924	23,924
Total revenues	325,000	336,565	11,565
Expenditures:			
General Government:			
Clerk of Court	31,610	33,933	(2,323)
Solicitor	228,902	239,468	(10,566)
Magistrates	28,400	28,164	236
Other	76,000	75,000	1,000
Total general government	364,912	376,565	(11,653)
Public Safety:			
Sheriff	175,100	179,004	(3,904)
Total public safety	175,100	179,004	(3,904)
Total expenditures	540,012	555,569	(15,557)
Revenues over (under) expenditures	(215,012)	(219,004)	(3,992)
Other financing sources (uses):			
Transfer out	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balance	\$ (215,012)	(219,004)	\$ (3,992)
Fund balance - beginning of year		578,886	
Fund balance - end of year		\$ 359,882	

FLORENCE COUNTY, SOUTH CAROLINA

TREASURER DELINQUENT TAX
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and fees:			
Tax collector's costs and fees	\$ 508,049	\$ 461,008	\$ (47,041)
Total fines and fees	<u>508,049</u>	<u>461,008</u>	<u>(47,041)</u>
Miscellaneous:			
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>508,049</u>	<u>461,008</u>	<u>(47,041)</u>
Expenditures:			
General government:			
Other	<u>408,049</u>	<u>337,679</u>	<u>70,370</u>
Total general government	<u>408,049</u>	<u>337,679</u>	<u>70,370</u>
Total expenditures	<u>408,049</u>	<u>337,679</u>	<u>70,370</u>
Revenues over (under) expenditures	100,000	123,329	23,329
Other financing sources (uses):			
Operating transfer out	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	23,329	<u>\$ 23,329</u>
Fund balance - beginning of year		<u>147,174</u>	
Fund balance - end of year		<u>\$ 170,503</u>	

FLORENCE COUNTY, SOUTH CAROLINA

HOWE SPRINGS FIRE DISTRICT
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Property taxes	\$ 712,543	\$ 720,319	\$ 7,776
Penalties	-	3,020	3,020
Less refunds	-	(1,816)	(1,816)
Total taxes	<u>712,543</u>	<u>721,523</u>	<u>8,980</u>
Intergovernmental:			
State aid	-	23,626	23,626
Total intergovernmental	<u>-</u>	<u>23,626</u>	<u>23,626</u>
Miscellaneous			
Interest on investments	300	2,438	2,138
Total miscellaneous	<u>300</u>	<u>2,438</u>	<u>2,138</u>
Total revenues	<u>712,843</u>	<u>747,587</u>	<u>34,744</u>
Expenditures:			
Public Safety:			
Direct assistance - Howe Springs Fire District	712,843	741,002	(28,159)
Total Public Safety	<u>712,843</u>	<u>741,002</u>	<u>(28,159)</u>
Total expenditures	<u>712,843</u>	<u>741,002</u>	<u>(28,159)</u>
Net change in fund balance	<u>\$ -</u>	6,585	<u>\$ 6,585</u>
Fund balance - beginning of year		<u>10,751</u>	
Fund balance - end of year		<u>\$ 17,336</u>	

FLORENCE COUNTY, SOUTH CAROLINA

SARDIS-TIMMONSVILLE FIRE DISTRICT
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Property taxes	\$ 134,190	\$ 241,466	\$ 107,276
Penalties	-	524	524
Less refunds	-	(698)	(698)
Total taxes	<u>134,190</u>	<u>241,292</u>	<u>107,102</u>
Intergovernmental:			
State aid	-	4,941	4,941
Total intergovernmental	<u>-</u>	<u>4,941</u>	<u>4,941</u>
Miscellaneous			
Interest on investments	300	3,895	3,595
Total miscellaneous	<u>300</u>	<u>3,895</u>	<u>3,595</u>
Total revenues	<u>134,490</u>	<u>250,128</u>	<u>115,638</u>
Expenditures:			
Public Safety:			
Direct assistance - Sardis/ Timmons ville Fire District	117,490	200,000	(82,510)
Debt Service	17,000	22,485	(5,485)
Total Public Safety	<u>134,490</u>	<u>222,485</u>	<u>(87,995)</u>
Total expenditures	<u>134,490</u>	<u>222,485</u>	<u>(87,995)</u>
Net change in fund balance	<u>\$ -</u>	27,643	<u>\$ 27,643</u>
Fund balance - beginning of year		<u>60,910</u>	
Fund balance - end of year		<u>\$ 88,553</u>	

FLORENCE COUNTY, SOUTH CAROLINA

JOHNSONVILLE FIRE DISTRICT
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Property taxes	\$ 222,023	\$ 242,952	\$ 20,929
Penalties	-	689	689
Less refunds	-	(734)	(734)
Total taxes	<u>222,023</u>	<u>242,907</u>	<u>20,884</u>
Intergovernmental:			
State aid	-	4,042	4,042
Total intergovernmental	<u>-</u>	<u>4,042</u>	<u>4,042</u>
Miscellaneous			
Other	-	36,128	36,128
Interest on investments	3,000	2,734	(266)
Total miscellaneous	<u>3,000</u>	<u>38,862</u>	<u>35,862</u>
Total revenues	<u>225,023</u>	<u>285,811</u>	<u>60,788</u>
Expenditures:			
Public Safety:			
Direct assistance - Johnsonville Fire District	225,023	264,048	(39,025)
Total Public Safety	<u>225,023</u>	<u>264,048</u>	<u>(39,025)</u>
Total expenditures	<u>225,023</u>	<u>264,048</u>	<u>(39,025)</u>
Net change in fund balance	<u>\$ -</u>	21,763	<u>\$ 21,763</u>
Fund balance - beginning of year		<u>55</u>	
Fund balance - end of year		<u>\$ 21,818</u>	

FLORENCE COUNTY, SOUTH CAROLINA
ECONOMIC DEVELOPMENT PARTNERSHIP
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and fees:			
Local contributions	\$ 505,000	\$ 409,952	\$ (95,048)
Total fines and fees	<u>505,000</u>	<u>409,952</u>	<u>(95,048)</u>
Miscellaneous			
Interest on investments	-	34,412	34,412
Total miscellaneous	<u>-</u>	<u>34,412</u>	<u>34,412</u>
Total revenues	<u>505,000</u>	<u>444,364</u>	<u>(60,636)</u>
Expenditures:			
Economic and physical development:			
Economic development promotion	920,000	674,684	245,316
Total economic and physical development	<u>920,000</u>	<u>674,684</u>	<u>245,316</u>
Total expenditures	<u>920,000</u>	<u>674,684</u>	<u>245,316</u>
Revenues over (under) expenditures	(415,000)	(230,320)	184,680
Other financing sources (uses):			
Operating transfer	415,000	415,000	-
Total other financing sources (uses)	<u>415,000</u>	<u>415,000</u>	<u>-</u>
Net change in fund balance	<u><u>\$ -</u></u>	184,680	<u><u>\$ 184,680</u></u>
Fund balance - beginning of year		<u>811,647</u>	
Fund balance - end of year		<u><u>\$ 996,327</u></u>	

FLORENCE COUNTY, SOUTH CAROLINA

LOCAL ACCOMMODATIONS FEE
 SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Fines and fees	\$ 1,180,000	\$ 1,329,461	\$ 149,461
Total fines and fees	1,180,000	1,329,461	149,461
Miscellaneous:			
Interest on investments	-	134,259	134,259
Total miscellaneous	-	134,259	134,259
Total revenues	1,180,000	1,463,720	283,720
Expenditures:			
General Government:			
Other	400,000	434,798	(34,798)
Total general government	400,000	434,798	(34,798)
Total expenditures	400,000	434,798	(34,798)
Revenues over (under) expenditures	780,000	1,028,922	248,922
Other financing sources (uses):			
Operating transfer out	(1,365,000)	(1,407,958)	(42,958)
Total other financing sources (uses)	(1,365,000)	(1,407,958)	(42,958)
Net change in fund balance	\$ (585,000)	(379,036)	\$ 205,964
Fund balance - beginning of year		2,125,421	
Fund balance - end of year		\$ 1,746,385	

FLORENCE COUNTY, SOUTH CAROLINA

ROAD SYSTEM MAINTENANCE FEE
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2007

	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Licenses and permits	\$ 3,165,000	\$ 3,223,789	\$ 58,789
Total licenses and permits	3,165,000	3,223,789	58,789
Miscellaneous:			
Interest on investments	-	23,641	23,641
Total miscellaneous	-	23,641	23,641
Total revenues	3,165,000	3,247,430	82,430
Expenditures:			
Public Works:			
Public Works operating	2,802,500	2,643,890	158,610
Total public works	2,802,500	2,643,890	158,610
Total expenditures	2,802,500	2,643,890	158,610
Revenues over (under) expenditures	362,500	603,540	241,040
Other financing sources (uses):			
Operating transfer in	57,500	183,259	125,759
Operating transfer out	(420,000)	(420,000)	-
Total other financing sources (uses)	(362,500)	(236,741)	125,759
Net change in fund balance	\$ -	366,799	\$ 366,799
Fund balance - beginning of year		-	
Fund balance - end of year		\$ 366,799	

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

**FLORENCE COUNTY, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE**

June 30, 2007

Governmental funds capital assets:	
Land	\$ 8,270,813
Buildings and additions	49,058,812
Improvements other than buildings	5,521,498
Autos and trucks	8,637,198
Furniture and fixtures	245,015
Machinery and equipment	20,280,405
Infrastructure	51,088,798
Total governmental funds capital assets	<u>\$ 143,102,539</u>
Investments in governmental funds capital assets by source:	
General fund	\$ 85,170,758
Special revenue funds	31,822,002
Capital project funds	26,109,779
Total governmental funds capital assets	<u>\$ 143,102,539</u>

FLORENCE COUNTY, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY

June 30, 2007

Function and Activity	Land	Improvements					Machinery and Equipment	Infrastructure	Total
		Buildings and Additions	Other Than Buildings	Autos and Trucks	Furniture and Fixtures				
General government:									
Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,116
Administrator	3,393,498	41,122	-	17,006	-	7,943	-	-	3,459,569
Finance	-	53,761	-	-	-	89,383	-	-	143,144
Treasurer	-	-	5,340	41,695	-	20,549	-	-	67,584
Data processing	-	-	79,202	-	-	1,011,652	-	-	1,090,854
Auditor	-	-	-	21,331	-	13,230	-	-	34,561
Tax assessor	-	-	-	136,659	-	51,052	5,720	-	193,431
Planning	-	-	-	29,160	-	15,713	-	-	44,873
Central services	-	-	-	-	-	143,070	-	-	143,070
Clerk of Court	-	5,000	-	-	-	250,899	-	-	255,899
Court of Common Pleas	-	12,305	-	-	-	-	-	-	12,305
Solicitor	-	-	-	17,433	-	20,368	-	-	37,801
Human resources management	-	-	-	-	-	12,939	-	-	19,676
Family court	-	-	-	-	-	6,737	-	-	19,676
Judge of Probate	-	37,274	-	-	-	94,989	-	-	184,100
Public defender	-	-	-	-	-	40,261	-	-	40,261
Engineering	-	-	-	13,058	-	11,479	-	-	24,537
Magistrates' offices	-	186,726	-	36,811	-	-	-	-	36,811
Building inspections	-	-	-	331,377	-	-	-	-	518,103
Public services buildings	304,611	3,801,744	10,819	199,180	-	204,324	-	-	414,323
Other	518,989	1,281,537	68,535	72,891	-	7,855	-	-	4,255,636
			539,540	-	-	3,871,453	-	-	6,211,519
Total general government	4,217,098	5,419,469	703,436	916,601	107,446	5,832,123	-	-	17,196,173
Public Safety:									
Sheriff	13,258	35,477	-	3,650,741	-	819,639	-	-	4,519,115
County Jail	382,710	17,467,418	-	239,678	-	1,256,770	-	-	19,346,576
Radio System and Central Dispatch	9,240	89,207	9,250	224,649	-	6,320,921	-	-	6,653,267
Total public safety	405,208	17,592,102	9,250	4,115,068	-	8,397,330	-	-	30,518,958
Economic Development	921,034	1,130,179	1,810,163	28,295	13,551	5,547	-	-	3,908,769

FLORENCE COUNTY, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY

June 30, 2007

Function and Activity	June 30, 2007							Total
	Land	Buildings and Additions	Improvements Other Than Buildings	Autos and Trucks	Furniture and Fixtures	Machinery and Equipment	Infrastructure	
Public Works:								
Central Maintenance	-	19,798	10,400	43,728	-	27,775	-	101,701
Public Works operating	528,262	819,826	13,060	734,684	-	4,867,475	51,088,798	58,052,105
Total public works	<u>528,262</u>	<u>839,624</u>	<u>23,460</u>	<u>778,412</u>	<u>-</u>	<u>4,895,250</u>	<u>51,088,798</u>	<u>58,153,806</u>
Health:								
Health department	115,000	2,199,655	-	-	-	-	-	2,314,655
Environmental services	-	75,759	-	279,790	-	33,611	-	389,160
Emergency medical services	16,650	890,094	-	1,216,983	-	263,324	-	2,387,051
Rescue - ambulance squads	-	15,500	32,221	779,018	-	242,092	-	1,068,831
Coroner	-	-	-	63,895	-	-	-	63,895
Total health	<u>131,650</u>	<u>3,181,008</u>	<u>32,221</u>	<u>2,339,686</u>	<u>-</u>	<u>539,027</u>	<u>-</u>	<u>6,223,592</u>
Culture and Recreation:								
Recreation	985,490	1,653,650	2,310,744	273,174	-	162,871	-	5,385,929
Freedom Florence	-	46,373	35,616	-	-	14,097	-	96,086
Lynches River County Park	31,370	461,629	409,696	82,895	-	22,926	-	1,008,516
County Library	1,050,701	18,734,778	186,912	103,067	124,018	411,234	-	20,610,710
Total culture and recreation	<u>2,067,561</u>	<u>20,896,430</u>	<u>2,942,968</u>	<u>459,136</u>	<u>124,018</u>	<u>611,128</u>	<u>-</u>	<u>27,101,241</u>
Total governmental funds capital assets	<u>\$ 8,270,813</u>	<u>\$ 49,058,812</u>	<u>\$ 5,521,498</u>	<u>\$ 8,637,198</u>	<u>\$ 245,015</u>	<u>\$ 20,280,405</u>	<u>\$ 51,088,798</u>	<u>\$ 143,102,539</u>

**FLORENCE COUNTY, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

For the Year Ended June 30, 2007

Function and Activity	Governmental Funds Capital Assets July 1, 2006	Additions	Deductions	Governmental Funds Capital Assets June 30, 2007
General government:				
Council	\$ 8,116	\$ -	\$ -	\$ 8,116
Administrator	3,259,569	200,000	-	3,459,569
Finance	116,309	26,835	-	143,144
Treasurer	67,584	-	-	67,584
Data processing	999,756	91,098	-	1,090,854
Auditor	41,964	-	7,403	34,561
Tax assessor	193,431	-	-	193,431
Planning	44,873	-	-	44,873
Central services	149,625	-	6,555	143,070
Clerk of Court	255,899	-	-	255,899
Court of Common Pleas	12,305	-	-	12,305
Solicitor	37,801	-	-	37,801
Human resources management	19,676	-	-	19,676
Family court	184,100	-	-	184,100
Judge of Probate	40,261	-	-	40,261
Public defender	24,537	-	-	24,537
Engineering	36,811	-	-	36,811
Magistrates' offices	560,870	42,215	84,982	518,103
Building inspections	368,658	60,245	14,580	414,323
Public services buildings	4,064,772	190,864	-	4,255,636
Other	6,157,272	54,247	-	6,211,519
Total general government	16,644,189	665,504	113,520	17,196,173
Public Safety:				
Sheriff	4,327,793	719,749	528,427	4,519,115
County Jail	19,047,250	320,883	21,557	19,346,576
Radio System and Central Dispatch	6,541,471	111,796	-	6,653,267
Total public safety	29,916,514	1,152,428	549,984	30,518,958
Economic Development	3,908,769	-	-	3,908,769
Public Works:				
Central Maintenance	101,701	-	-	101,701
Public Works operating	55,848,608	2,295,006	91,509	58,052,105
Total public works	55,950,309	2,295,006	91,509	58,153,806

**FLORENCE COUNTY, SOUTH CAROLINA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

For the Year Ended June 30, 2007

	Governmental Funds Capital Assets July 1, 2006	Additions	Deductions	Governmental Funds Capital Assets June 30, 2007
Health:				
Health department	2,314,655	-	-	2,314,655
Environmental services	326,620	62,540	-	389,160
Emergency medical services	2,182,665	318,759	114,373	2,387,051
Rescue - ambulance squads	973,154	95,677	-	1,068,831
Coroner	63,895	-	-	63,895
Total health	5,860,989	476,976	114,373	6,223,592
Culture and Recreation:				
Recreation	4,524,607	861,322	-	5,385,929
Freedom Florence	96,086	-	-	96,086
Lynches River County Park	221,818	797,054	10,356	1,008,516
County Library	19,079,052	1,531,658	-	20,610,710
Total culture and recreation	23,921,563	3,190,034	10,356	27,101,241

**LONG-TERM DEBT OBLIGATIONS
OF
GOVERNMENTAL FUNDS**

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT
Year Ended June 30, 2007

Description	Issue Interest Rate %	Date Issued	Amount Outstanding 6/30/2006
Florence County General Bonds	7.00%	2000	\$ 220,000
	7.00%	2000	<u>230,000</u>
Subtotal			<u>450,000</u>
Johnsonville Rural Fire District Bonds	5.30%	2000	30,000
	5.30%	2000	30,000
	5.30%	2000	35,000
	5.30%	2000	40,000
	5.30%	2000	40,000
	5.30%	2000	45,000
	5.30%	2000	50,000
	5.30%	2000	50,000
	5.30%	2000	<u>55,000</u>
Subtotal			<u>375,000</u>
Hannah-Salem-Friendfield Fire District Bonds	4.10%	2001	49,000
	4.10%	2001	50,000
	4.10%	2001	54,000
	4.10%	2001	57,000
	4.10%	2001	60,000
	4.10%	2001	<u>63,000</u>
Subtotal			<u>333,000</u>

(Continued)

Charges Issued	Retired During Year	Amount Outstanding 6/30/2007	Next Fiscal Year Requirements	
			Principal	Interest
\$ -	\$ 220,000	\$ -	\$ -	\$ -
-	-	230,000	230,000	16,100
-	220,000	230,000	230,000	16,100
-	30,000	-	-	-
-	-	30,000	30,000	18,285
-	-	35,000	-	-
-	-	40,000	-	-
-	-	40,000	-	-
-	-	45,000	-	-
-	-	50,000	-	-
-	-	50,000	-	-
-	-	55,000	-	-
-	30,000	345,000	30,000	18,285
-	49,000	-	-	-
-	-	50,000	50,000	11,644
-	-	54,000	-	-
-	-	57,000	-	-
-	-	60,000	-	-
-	-	63,000	-	-
-	49,000	284,000	50,000	11,644

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT
Year Ended June 30, 2007

Description	Issue Interest Rate %	Date Issued	Amount Outstanding 6/30/2006
(Continued)			
Florence County General Bonds	3.50%	2002	\$ 195,000
	3.75%	2002	200,000
	4.00%	2002	210,000
	4.00%	2002	220,000
	4.00%	2002	225,000
	4.00%	2002	235,000
	4.10%	2002	250,000
	4.20%	2002	260,000
	4.30%	2002	275,000
	4.40%	2002	285,000
	4.45%	2002	300,000
	4.55%	2002	315,000
	4.65%	2002	330,000
	4.70%	2002	350,000
	4.75%	2002	370,000
	4.75%	2002	385,000
	4.75%	2002	410,000
Subtotal			4,815,000
Hannah-Salem-Friendfield Fire District Bonds	4.71%	2004	10,000
	4.71%	2004	12,000
	4.71%	2004	13,000
	4.71%	2004	14,000
	4.71%	2004	14,000
	4.71%	2004	15,000
	4.71%	2004	55,000
	4.71%	2004	60,000
Subtotal			193,000

(Continued)

Charges Issued	Retired During Year	Amount Outstanding 6/30/2007	Next Fiscal Year Requirements	
			Principal	Interest
(Continued)				
\$ -	\$ 195,000	\$ -	\$ -	\$ -
-	-	200,000	200,000	203,450
-	-	210,000	-	-
-	-	220,000	-	-
-	-	225,000	-	-
-	-	235,000	-	-
-	-	250,000	-	-
-	-	260,000	-	-
-	-	275,000	-	-
-	-	285,000	-	-
-	-	300,000	-	-
-	-	315,000	-	-
-	-	330,000	-	-
-	-	350,000	-	-
-	-	370,000	-	-
-	-	385,000	-	-
-	-	410,000	-	-
<u>-</u>	<u>195,000</u>	<u>4,620,000</u>	<u>200,000</u>	<u>203,450</u>
-	10,000	-	-	-
-	-	12,000	12,000	8,619
-	-	13,000	-	-
-	-	14,000	-	-
-	-	14,000	-	-
-	-	15,000	-	-
-	-	55,000	-	-
-	-	60,000	-	-
<u>-</u>	<u>10,000</u>	<u>183,000</u>	<u>12,000</u>	<u>8,619</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT
Year Ended June 30, 2007

Description	Issue Interest Rate %	Date Issued	Amount Outstanding 6/30/2006
(Continued)			
Howe Springs Fire District Bonds	4.20%	2004	\$ 85,119
	4.20%	2004	88,694
	4.20%	2004	92,419
	4.20%	2004	96,301
	4.20%	2004	100,345
	4.20%	2004	104,560
	4.20%	2004	108,951
		4.20%	2004
Subtotal			<u>789,917</u>
Florence County Refunding Bonds	3.13%	2005	217,577
	3.13%	2005	224,387
	3.13%	2005	231,410
	3.13%	2005	<u>238,653</u>
Subtotal			<u>912,027</u>
Florence County Advance Refunding Bonds	3.00%	2005	35,000
	3.00%	2005	35,000
	3.25%	2005	275,000
	3.50%	2005	285,000
	3.50%	2005	295,000
	3.50%	2005	305,000
	3.63%	2005	320,000
	3.63%	2005	335,000
	3.63%	2005	345,000
	3.63%	2005	360,000
	3.75%	2005	375,000
	3.80%	2005	390,000
	3.90%	2005	400,000
		4.00%	2005
Subtotal			<u>4,175,000</u>

(Continued)

Charges Issued	Retired During Year	Amount Outstanding 6/30/2007	Next Fiscal Year Requirements	
			Principal	Interest
(Continued)				
\$ -	\$ 85,119	\$ -	\$ -	\$ -
-	-	88,694	88,694	29,602
-	-	92,419	-	-
-	-	96,301	-	-
-	-	100,345	-	-
-	-	104,560	-	-
-	-	108,951	-	-
-	-	113,528	-	-
<u>-</u>	<u>85,119</u>	<u>704,798</u>	<u>88,694</u>	<u>29,602</u>
-	217,577	-	-	-
-	-	224,387	224,387	21,736
-	-	231,410	-	-
-	-	238,653	-	-
<u>-</u>	<u>217,577</u>	<u>694,450</u>	<u>224,387</u>	<u>21,736</u>
-	35,000	-	-	-
-	-	35,000	35,000	151,545
-	-	275,000	-	-
-	-	285,000	-	-
-	-	295,000	-	-
-	-	305,000	-	-
-	-	320,000	-	-
-	-	335,000	-	-
-	-	345,000	-	-
-	-	360,000	-	-
-	-	375,000	-	-
-	-	390,000	-	-
-	-	400,000	-	-
-	-	420,000	-	-
<u>-</u>	<u>35,000</u>	<u>4,140,000</u>	<u>35,000</u>	<u>151,545</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT
Year Ended June 30, 2007

Description	Issue Interest Rate %	Date Issued	Amount Outstanding 6/30/2006
(Continued)			
Florence County General Bonds	3.50%	2006	\$ -
	3.50%	2006	-
	3.50%	2006	-
	3.50%	2006	-
	3.75%	2006	-
	3.75%	2006	-
	3.75%	2006	-
	3.75%	2006	-
	3.75%	2006	-
	3.75%	2006	-
	3.75%	2006	-
	3.75%	2006	-
	3.85%	2006	-
Subtotal			-
Total general bonded indebtedness			12,042,944
Special Source Revenue Bond	6.24%	2007	-
Certificates of participation	Variable	2003	22,600,000
Capital leases	5.66%	2000	894,661
	2.08%	2004	52,635
	4.55%	2004	61,354
	4.59%	2004	11,225
	2.68%	2005	252,263
	3.41%	2006	567,317
	3.80%	2007	-
Vacation pay earned but not used			1,430,568
Total			\$ 37,912,967

Charges Issued	Retired During Year	Amount Outstanding 6/30/2007	Next Fiscal Year Requirements Principal	Interest
(Continued)				
\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ 332,483
45,000	-	45,000	-	-
200,000	-	200,000	-	-
205,000	-	205,000	-	-
515,000	-	515,000	-	-
535,000	-	535,000	-	-
760,000	-	760,000	-	-
790,000	-	790,000	-	-
1,020,000	-	1,020,000	-	-
1,060,000	-	1,060,000	-	-
1,185,000	-	1,185,000	-	-
1,235,000	-	1,235,000	-	-
<u>7,600,000</u>	<u>-</u>	<u>7,600,000</u>	<u>50,000</u>	<u>332,483</u>
7,600,000	841,696	18,801,248	920,081	793,464
2,800,000	-	2,800,000	-	174,720
-	2,475,000	20,125,000	2,570,000	N/A
-	159,791	734,870	168,835	41,594
-	52,635	-	-	-
-	19,477	41,877	20,435	2,062
-	6,301	4,924	4,924	95
-	252,263	-	-	-
-	336,183	231,134	255,319	7,681
970,661	235,605	735,056	318,983	23,422
<u>1,324,990</u>	<u>1,276,471</u>	<u>1,479,087</u>	<u>-</u>	<u>-</u>
<u>\$ 12,695,651</u>	<u>\$ 5,655,422</u>	<u>\$ 44,953,196</u>	<u>\$ 4,258,577</u>	<u>\$ 1,043,038</u>



ADDITIONAL ACCOMPANYING INFORMATION

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
BALANCE SHEET
June 30, 2007

ASSETS	
Cash and investments	\$ 16,432,096
Receivables:	
Property taxes (net)	46,258
Other governmental units and agencies	4,123,354
Other (net)	2,329,692
Inventory	66,009
Due from other funds	<u>36,418</u>
Total assets	<u><u>\$ 23,033,827</u></u>
 LIABILITIES AND FUND EQUITY	
Liabilities:	
Accounts payable	\$ 1,444,243
Payroll withholdings and accruals	960,536
Other payables	4,904,910
Deferred revenues	<u>1,185,030</u>
Total liabilities	<u>8,494,719</u>
Fund equity:	
Fund balance:	
Reserved for encumbrances	916
Reserved for inventory	38,775
Unreserved:	
Designated for capital improvements	1,054,666
Undesignated	<u>13,444,751</u>
Total fund equity/fund balance	<u>14,539,108</u>
Total liabilities and fund equity	<u><u>\$ 23,033,827</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 28,329,861	\$ 28,565,666	\$ 235,805
Licenses and permits	2,005,260	1,875,734	(129,526)
Fines and fees	3,659,939	3,870,461	210,522
Intergovernmental	7,696,380	7,890,855	194,475
Sales and other functional revenues	4,018,649	4,565,619	546,970
Miscellaneous	388,500	1,187,856	799,356
Total revenues	46,098,589	47,956,191	1,857,602
Expenditures:			
Current:			
General government	17,437,511	16,901,105	536,406
Public safety	15,572,976	15,365,944	207,032
Public works	1,362,818	1,378,720	(15,902)
Health	5,137,484	4,962,218	175,266
Welfare	512,552	503,269	9,283
Culture and recreation	5,389,166	4,933,198	455,968
Education	4,950	4,950	-
Total expenditures	45,417,457	44,049,404	1,368,053
Revenues over (under) expenditures	681,132	3,906,787	3,225,655

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCE - BUDGET (BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
(Continued)			
Other financing sources (uses):			
Proceeds of capital lease	895,000	970,661	75,661
Operating transfer in	2,994,401	4,771,925	1,777,524
Operating transfer out	<u>(4,310,533)</u>	<u>(4,398,934)</u>	<u>(88,401)</u>
Net change in fund balance	<u>\$ 260,000</u>	5,250,439	<u>\$ 4,990,439</u>
Fund balance - beginning of year		<u>9,278,889</u>	
Fund balance - end of year		<u>\$ 14,529,328</u>	
Reconciliation of fund balance:			
GAAP basis		\$ 14,539,108	
Increase (decrease):			
Due to expenditures:			
Encumbrances		(916)	
Inventories		(38,775)	
Cash - Juror fee accounts		<u>29,911</u>	
Budgetary basis		<u>\$ 14,529,328</u>	

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
General government:			
County Council	\$ 440,590	\$ 415,087	\$ 25,503
Attorney	141,528	117,285	24,243
Administrator	544,990	527,983	17,007
Finance	608,126	617,061	(8,935)
Treasurer	790,752	758,541	32,211
Data processing	829,588	813,883	15,705
Auditor	471,053	444,495	26,558
Tax assessor	1,164,630	1,141,343	23,287
Procurement and facilities	212,438	213,061	(623)
Clerk of Court	917,689	911,833	5,856
Court of Common Pleas	170,282	137,779	32,503
Solicitor	949,617	883,291	66,326
Human resources management	245,693	210,254	35,439
Family court	634,849	626,898	7,951
Judge of Probate	475,799	466,756	9,043
Public defender	638,829	604,155	34,674
Master in Equity	46,878	48,852	(1,974)
Magistrates' offices	2,051,476	2,066,423	(14,947)
Building inspections	1,783,529	1,714,134	69,395
Voter registration and election commission	346,883	262,952	83,931
Veterans' affairs	135,714	132,464	3,250
Public services buildings	933,075	883,165	49,910
Senior Citizens Center	175,921	157,694	18,227
Lake City Senior Center	157,000	103,138	53,862
Direct assistance	1,156,827	1,201,654	(44,827)
Other	1,413,755	1,440,924	(27,169)
Total general government	<u>17,437,511</u>	<u>16,901,105</u>	<u>536,406</u>
Public safety:			
Sheriff's office	7,449,358	7,384,543	64,815
County jail	5,782,665	5,745,922	36,743
Radio System	311,722	310,732	990
Central Dispatch	1,765,963	1,687,510	78,453
Emergency Preparedness	248,268	223,108	25,160
Direct assistance	15,000	14,129	871
Total public safety	<u>15,572,976</u>	<u>15,365,944</u>	<u>207,032</u>
Public works:			
Central maintenance	942,818	974,133	(31,315)
Public works operating	420,000	404,587	15,413
Total public works	<u>1,362,818</u>	<u>1,378,720</u>	<u>(15,902)</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
(Continued)			
Health:			
Health department	86,000	86,000	-
Environmental services	547,292	547,586	(294)
Emergency medical services	3,781,979	3,661,881	120,098
Rescue - ambulance squads	464,838	405,549	59,289
Coroner	241,475	245,302	(3,827)
Direct assistance	15,900	15,900	-
Total health	<u>5,137,484</u>	<u>4,962,218</u>	<u>175,266</u>
Welfare:			
Indigent care	442,752	442,673	79
Social services	52,000	42,796	9,204
Direct assistance	17,800	17,800	-
Total welfare	<u>512,552</u>	<u>503,269</u>	<u>9,283</u>
Culture and recreation:			
Library	3,363,168	3,282,350	80,818
Recreation	1,435,702	1,130,573	305,129
Freedom Florence	231,814	232,685	(871)
Lynches River County Park	348,482	277,590	70,892
Museum	10,000	10,000	-
Total culture and recreation	<u>5,389,166</u>	<u>4,933,198</u>	<u>455,968</u>
Education:			
Direct assistance	4,950	4,950	-
Total education	<u>4,950</u>	<u>4,950</u>	<u>-</u>
Total expenditures	<u>\$ 45,417,457</u>	<u>\$ 44,049,404</u>	<u>\$ 1,368,053</u>

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF REVENUES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Taxes:			
Property tax	\$ 16,037,861	\$ 15,750,585	\$ (287,276)
Sales tax	10,657,000	11,236,932	579,932
Fees in lieu of tax	1,635,000	1,578,149	(56,851)
Total taxes	<u>28,329,861</u>	<u>28,565,666</u>	<u>235,805</u>
Licenses and permits:			
Tax assessor fees	19,600	12,048	(7,552)
Cable TV fees	500,000	641,361	141,361
Scrap tire fees	4,000	4,000	-
Building permit fees	1,403,400	1,174,717	(228,683)
Landfill permits	2,000	2,489	489
Planning commission fees	76,260	41,119	(35,141)
Total licenses and permits	<u>2,005,260</u>	<u>1,875,734</u>	<u>(129,526)</u>
Fines and fees:			
Library fines	29,850	76,744	46,894
Magistrates' fines	1,733,000	1,883,634	150,634
Clerk of Court fines	61,608	53,661	(7,947)
Clerk of Court fees	1,073,712	1,136,543	62,831
Master in Equity fees	56,418	80,577	24,159
Judge of Probate fees	305,000	219,576	(85,424)
Family court fees	400,351	419,726	19,375
Total fines and fees	<u>3,659,939</u>	<u>3,870,461</u>	<u>210,522</u>
Intergovernmental:			
Library state and federal	250,000	252,430	2,430
State revenue - local government fund	6,350,000	6,517,430	167,430
Election commission	10,000	10,295	295
Veterans' affairs	8,500	8,832	332
Public defender	117,000	185,233	68,233
Solicitor	180,000	161,953	(18,047)
Municipalities	64,000	57,521	(6,479)
Merchant inventory exemption	356,006	356,006	-
Accommodations tax	46,000	47,172	1,172
Others	314,874	293,983	(20,891)
Total intergovernmental	<u>7,696,380</u>	<u>7,890,855</u>	<u>194,475</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF REVENUES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
(Continued)			
Sales and other functional revenues:			
Rent	294,800	274,132	(20,668)
Hospital reimbursements/MIAF administration	45,000	47,752	2,752
Emergency medical services	1,910,849	2,269,099	358,250
Recreation	450,000	293,000	(157,000)
Inmate per diem	1,075,000	1,423,597	348,597
Sheriff serving fees	36,000	38,439	2,439
Commissary sales	45,000	32,226	(12,774)
Inmate telephone system	85,000	120,763	35,763
Other	77,000	66,611	(10,389)
Total sales and other functional revenues	<u>4,018,649</u>	<u>4,565,619</u>	<u>546,970</u>
Miscellaneous:			
Interest on investments	369,500	849,462	479,962
Tax sale escrow accounts held five years	10,000	48,083	38,083
Sales of abandoned property	-	262,573	262,573
Others	9,000	27,738	18,738
Total miscellaneous	<u>388,500</u>	<u>1,187,856</u>	<u>799,356</u>
Total revenues	<u>\$ 46,098,589</u>	<u>\$ 47,956,191</u>	<u>\$ 1,857,602</u>

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
General government:			
County Council:			
Personnel services	\$ 181,496	\$ 172,467	\$ 9,029
Supplies	6,337	5,419	918
Other service and charges	51,157	34,898	16,259
Capital outlay	201,600	202,303	(703)
Total County Council	<u>440,590</u>	<u>415,087</u>	<u>25,503</u>
Attorney:			
Other service and charges	141,528	117,285	24,243
Total attorney	<u>141,528</u>	<u>117,285</u>	<u>24,243</u>
Administrator:			
Personnel services	516,186	505,584	10,602
Supplies	5,132	4,764	368
Other service and charges	21,498	15,462	6,036
Capital outlay	2,174	2,173	1
Total administrator	<u>544,990</u>	<u>527,983</u>	<u>17,007</u>
Finance:			
Personnel services	540,931	539,599	1,332
Supplies	22,545	22,545	-
Other service and charges	40,882	49,172	(8,290)
Capital outlay	3,768	5,745	(1,977)
Total finance	<u>608,126</u>	<u>617,061</u>	<u>(8,935)</u>
Treasurer:			
Personnel services	605,425	585,108	20,317
Supplies	52,874	47,006	5,868
Other service and charges	132,453	126,427	6,026
Capital outlay	-	-	-
Total treasurer	<u>790,752</u>	<u>758,541</u>	<u>32,211</u>
Data processing:			
Personnel services	334,126	327,846	6,280
Supplies	22,553	21,983	570
Other service and charges	301,113	286,480	14,633
Capital outlay	171,796	177,574	(5,778)
Total data processing	<u>829,588</u>	<u>813,883</u>	<u>15,705</u>
Auditor:			
Personnel services	410,549	390,341	20,208
Supplies	18,378	14,667	3,711
Other service and charges	27,170	22,455	4,715
Capital outlay	14,956	17,032	(2,076)
Total auditor	<u>471,053</u>	<u>444,495</u>	<u>26,558</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Tax assessor:			
Personnel services	1,057,824	1,045,249	12,575
Supplies	13,552	11,322	2,230
Other service and charges	71,254	63,345	7,909
Capital outlay	22,000	21,427	573
Total tax assessor	<u>1,164,630</u>	<u>1,141,343</u>	<u>23,287</u>
Procurement & facilities:			
Personnel services	193,915	196,662	(2,747)
Supplies	4,016	4,984	(968)
Other service and charges	12,800	9,738	3,062
Capital outlay	1,707	1,677	30
Total central services	<u>212,438</u>	<u>213,061</u>	<u>(623)</u>
Clerk of Court:			
Personnel services	799,006	807,093	(8,087)
Supplies	47,309	36,837	10,472
Other service and charges	69,624	65,388	4,236
Capital outlay	1,750	2,515	(765)
Total Clerk of Court	<u>917,689</u>	<u>911,833</u>	<u>5,856</u>
Court of Common Pleas			
Personnel services	105,032	92,054	12,978
Supplies	250	-	250
Other service and charges	65,000	45,725	19,275
Total court of common pleas	<u>170,282</u>	<u>137,779</u>	<u>32,503</u>
Solicitor:			
Personnel services	869,374	801,956	67,418
Supplies	14,958	14,958	-
Other service and charges	65,285	66,377	(1,092)
Capital outlay	-	-	-
Total solicitor	<u>949,617</u>	<u>883,291</u>	<u>66,326</u>
Human resources management:			
Personnel services	225,643	195,425	30,218
Supplies	5,600	4,531	1,069
Other service and charges	11,450	7,544	3,906
Capital outlay	3,000	2,754	246
Total human resources management	<u>245,693</u>	<u>210,254</u>	<u>35,439</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Family court:			
Personnel services	548,869	539,851	9,018
Supplies	24,214	21,444	2,770
Other service and charges	61,766	65,603	(3,837)
Capital outlay	-	-	-
Total family court	<u>634,849</u>	<u>626,898</u>	<u>7,951</u>
Judge of Probate:			
Personnel services	428,849	423,931	4,918
Supplies	12,568	14,211	(1,643)
Other service and charges	28,532	22,816	5,716
Capital outlay	5,850	5,798	52
Total Judge of Probate	<u>475,799</u>	<u>466,756</u>	<u>9,043</u>
Public defender:			
Personnel services	599,680	570,494	29,186
Supplies	4,225	3,955	270
Other service and charges	24,855	19,633	5,222
Capital outlay	10,069	10,073	(4)
Total public defender	<u>638,829</u>	<u>604,155</u>	<u>34,674</u>
Master in Equity:			
Personnel services	46,128	48,177	(2,049)
Supplies	350	356	(6)
Other service and charges	400	319	81
Total Master in Equity	<u>46,878</u>	<u>48,852</u>	<u>(1,974)</u>
Magistrates' Offices			
Personnel services	1,737,913	1,743,611	(5,698)
Supplies	31,428	30,856	572
Other service and charges	248,667	237,514	11,153
Capital outlay	33,468	54,442	(20,974)
Total magistrates' offices	<u>2,051,476</u>	<u>2,066,423</u>	<u>(14,947)</u>
Building inspections:			
Personnel services	1,548,550	1,477,666	70,884
Supplies	25,446	25,599	(153)
Other service and charges	163,873	149,494	14,379
Capital outlay	45,660	61,375	(15,715)
Total building inspections	<u>1,783,529</u>	<u>1,714,134</u>	<u>69,395</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Voter registration and election commission:			
Personnel services	160,353	152,641	7,712
Supplies	9,963	15,805	(5,842)
Other service and charges	173,567	92,399	81,168
Capital outlay	3,000	2,107	893
Total voter registration and election commission	<u>346,883</u>	<u>262,952</u>	<u>83,931</u>
Veterans' affairs:			
Personnel services	123,438	121,960	1,478
Supplies	1,050	934	116
Other service and charges	11,226	9,570	1,656
Total veterans' affairs	<u>135,714</u>	<u>132,464</u>	<u>3,250</u>
Public services buildings:			
Personnel services	251,648	264,615	(12,967)
Supplies	3,685	3,301	384
Other service and charges	570,742	514,531	56,211
Capital outlay	107,000	100,718	6,282
Total public services buildings	<u>933,075</u>	<u>883,165</u>	<u>49,910</u>
Senior Citizens Center:			
Personnel services	92,174	87,532	4,642
Supplies	2,396	1,440	956
Other service and charges	75,815	63,186	12,629
Capital outlay	5,536	5,536	-
Total Senior Citizens Center	<u>175,921</u>	<u>157,694</u>	<u>18,227</u>
Lake City Senior Center:			
Supplies	17,633	7,952	9,681
Other service and charges	77,537	37,239	40,298
Capital outlay	61,830	57,947	3,883
Total Lake City Senior Center	<u>157,000</u>	<u>103,138</u>	<u>53,862</u>
Direct assistance:			
City-County Complex	1,044,553	1,094,380	(49,827)
Council of Governments	75,457	75,457	-
Senior Citizens Association	10,000	5,000	5,000
Pee Dee CAA	10,000	10,000	-
City-County Stadium Commission	3,000	3,000	-
Others	13,817	13,817	-
Total direct assistance	<u>1,156,827</u>	<u>1,201,654</u>	<u>(44,827)</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Other:			
Personnel services	919,065	895,869	23,196
Supplies	-	-	-
Other service and charges	489,690	540,055	(50,365)
Capital outlay	-	-	-
Direct assistance	5,000	5,000	-
Total other	<u>1,413,755</u>	<u>1,440,924</u>	<u>(27,169)</u>
 Total general government	<u>17,437,511</u>	<u>16,901,105</u>	<u>536,406</u>
Public safety:			
Sheriff's office:			
Personnel services	5,676,368	5,637,124	39,244
Supplies	64,777	64,384	393
Other service and charges	1,158,617	1,114,722	43,895
Capital outlay	547,754	567,773	(20,019)
Direct assistance	1,842	540	1,302
Total sheriff's office	<u>7,449,358</u>	<u>7,384,543</u>	<u>64,815</u>
County Jail:			
Personnel services	3,770,777	3,765,643	5,134
Supplies	64,048	56,347	7,701
Other service and charges	1,855,455	1,832,938	22,517
Capital outlay	92,385	90,994	1,391
Total county jail	<u>5,782,665</u>	<u>5,745,922</u>	<u>36,743</u>
Radio System:			
Personnel services	45,846	45,846	-
Supplies	1,777	1,777	-
Other service and charges	262,099	261,109	990
Capital outlay	2,000	2,000	-
Total radio system	<u>311,722</u>	<u>310,732</u>	<u>990</u>
Central Dispatch:			
Personnel services	1,691,131	1,616,805	74,326
Supplies	8,734	7,637	1,097
Other service and charges	62,498	58,559	3,939
Capital outlay	3,600	4,509	(909)
Total central dispatch	<u>1,765,963</u>	<u>1,687,510</u>	<u>78,453</u>
Emergency Preparedness:			
Personnel services	221,524	202,264	19,260
Supplies	3,108	2,539	569
Other service and charges	23,636	18,305	5,331
Total emergency preparedness	<u>248,268</u>	<u>223,108</u>	<u>25,160</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Direct assistance:			
Rural fire departments	15,000	14,129	871
Total direct assistance	<u>15,000</u>	<u>14,129</u>	<u>871</u>
Total public safety	<u>15,572,976</u>	<u>15,365,944</u>	<u>207,032</u>
Public works:			
Central maintenance:			
Supplies	500	-	500
Other service and charges	937,318	969,168	(31,850)
Capital outlay	5,000	4,965	35
Total central maintenance	<u>942,818</u>	<u>974,133</u>	<u>(31,315)</u>
Public works operating:			
Personnel services	-	-	-
Supplies	-	-	-
Other service and charges	420,000	404,587	15,413
Total public works operating	<u>420,000</u>	<u>404,587</u>	<u>15,413</u>
Total public works	<u>1,362,818</u>	<u>1,378,720</u>	<u>(15,902)</u>
Health:			
Health department:			
Supplies	-	-	-
Other service and charges	86,000	86,000	-
Capital outlay	-	-	-
Total health department	<u>86,000</u>	<u>86,000</u>	<u>-</u>
Environmental services:			
Personnel services	405,248	400,714	4,534
Supplies	8,464	6,868	1,596
Other service and charges	80,009	83,668	(3,659)
Capital outlay	53,571	56,336	(2,765)
Total environmental services	<u>547,292</u>	<u>547,586</u>	<u>(294)</u>
Emergency medical services:			
Personnel services	3,141,329	3,015,204	126,125
Supplies	21,369	18,412	2,957
Other service and charges	397,632	363,504	34,128
Capital outlay	221,649	264,761	(43,112)
Total emergency medical services	<u>3,781,979</u>	<u>3,661,881</u>	<u>120,098</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

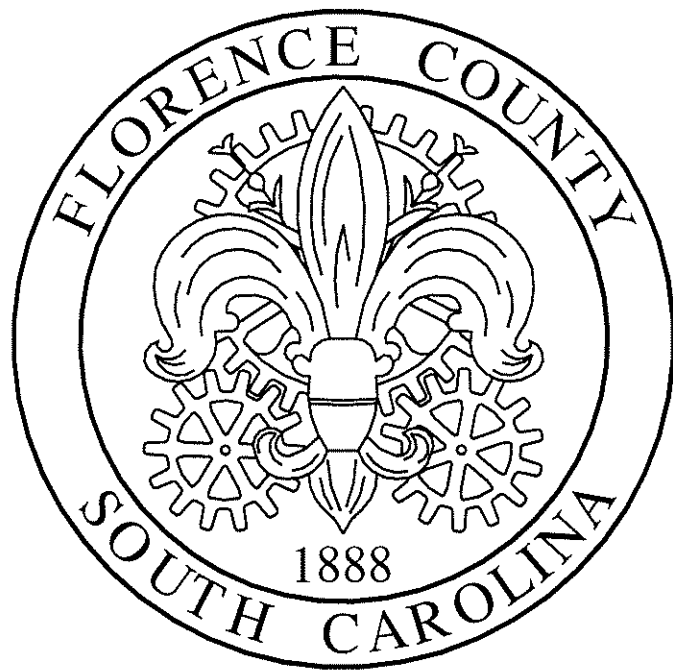
	Budget	Actual	Variance Favorable (Unfavorable)
Rescue - ambulance squads:			
Supplies	31,708	26,876	4,832
Capital outlay	335,112	282,702	52,410
Direct assistance	98,018	95,971	2,047
Total rescue - ambulance squads	<u>464,838</u>	<u>405,549</u>	<u>59,289</u>
Coroner:			
Personnel services	176,284	173,812	2,472
Supplies	2,744	2,105	639
Other service and charges	62,447	69,385	(6,938)
Capital outlay	-	-	-
Total coroner	<u>241,475</u>	<u>245,302</u>	<u>(3,827)</u>
Direct assistance:			
Direct assistance	15,900	15,900	-
Total direct assistance	<u>15,900</u>	<u>15,900</u>	<u>-</u>
Total health	<u>5,137,484</u>	<u>4,962,218</u>	<u>175,266</u>
Welfare:			
Indigent care:			
Other services and charges	442,752	442,673	79
Total indigent care	<u>442,752</u>	<u>442,673</u>	<u>79</u>
Social services:			
Other services and charges	52,000	42,796	9,204
Total social services	<u>52,000</u>	<u>42,796</u>	<u>9,204</u>
Direct assistance:			
Pee Dee Coalition	10,000	10,000	-
Paupers' funerals	7,800	7,800	-
Total direct assistance	<u>17,800</u>	<u>17,800</u>	<u>-</u>
Total welfare	<u>512,552</u>	<u>503,269</u>	<u>9,283</u>
Culture and recreation:			
Library:			
Personnel services	2,162,000	2,113,970	48,030
Supplies	55,407	58,272	(2,865)
Other service and charges	1,028,670	991,641	37,029
Capital outlay	117,091	118,467	(1,376)
Total Library	<u>3,363,168</u>	<u>3,282,350</u>	<u>80,818</u>

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2007

	Budget	Actual	Variance Favorable (Unfavorable)
Recreation:			
Personnel services	735,883	518,722	217,161
Supplies	69,640	62,948	6,692
Other service and charges	524,608	450,562	74,046
Capital outlay	42,271	41,196	1,075
Direct assistance	63,300	57,145	6,155
Total recreation	<u>1,435,702</u>	<u>1,130,573</u>	<u>305,129</u>
Freedom Florence			
Personnel services	73,268	73,268	-
Supplies	20,829	20,829	-
Other service and charges	107,717	108,588	(871)
Capital outlay	30,000	30,000	-
Total Freedom Florence	<u>231,814</u>	<u>232,685</u>	<u>(871)</u>
Lynches River County Park:			
Personnel services	201,242	147,593	53,649
Supplies	14,278	14,272	6
Other service and charges	84,732	68,402	16,330
Capital outlay	48,230	47,323	907
Total Lynches River County Park	<u>348,482</u>	<u>277,590</u>	<u>70,892</u>
Direct assistance:			
Museum	10,000	10,000	-
Total direct assistance	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total culture and recreation	<u>5,389,166</u>	<u>4,933,198</u>	<u>455,968</u>
Education:			
Direct assistance:			
Literacy Council	4,950	4,950	-
Total direct assistance	<u>4,950</u>	<u>4,950</u>	<u>-</u>
Total education	<u>4,950</u>	<u>4,950</u>	<u>-</u>
Total expenditures	<u>\$ 45,417,457</u>	<u>\$ 44,049,404</u>	<u>\$ 1,368,053</u>



FLORENCE COUNTY, SOUTH CAROLINA

ANALYSIS OF CURRENT LEVY

June 30, 2007

Original assessment	
Regular	\$ 57,929,788
Mill exemption	622,858
Homestead exemption	3,874,215
Local option sales tax	10,354,641
School exemption	<u>5,842,753</u>
	<u>78,624,255</u>
 Additions	
Regular	15,318,950
Mill exemption	139,123
Homestead exemption	359,773
Local option sales tax	1,869,028
School exemption	<u>442,744</u>
	<u>18,129,618</u>
 Abatements	
Regular	5,254,654
Mill exemption	10,521
Homestead exemption	57,606
Local option sales tax	701,517
School exemption	<u>198,970</u>
	<u>6,223,268</u>
 Collections and credits	
Regular	64,008,404
Mill exemption	751,460
Homestead exemption	4,176,382
Local option sales tax	10,805,774
School exemption	<u>6,086,527</u>
	<u>85,828,547</u>
 Executions	<u><u>\$ 4,702,058</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

**SCHEDULE OF TAXES RECEIVABLE - DELINQUENT
June 30, 2007**

	Uncollected Balance July 1, 2006	Additions	Collections	Credits (Debits)	Uncollected Balance June 30, 2007
2006	\$ -	\$ 4,565,778	\$ 1,824,550	\$ 326,045	\$ 2,415,183
2005	2,208,654	99,681	1,426,079	377,177	505,079
2004	598,847	36,599	107,319	90,929	437,198
2003	439,168	-	20,635	410,968	7,565
2002	367,697	-	35,800	328,691	3,206
2001	237,579	-	11,648	225,532	399
2000	157,488	-	3,433	153,667	388
1999	182,517	-	1,006	181,258	253
1998	144,868	-	3,980	140,888	-
1997	169,042	-	412	168,630	-
1996	4,151	-	-	4,151	-
	<u>\$ 4,510,011</u>	<u>\$ 4,702,058</u>	<u>\$ 3,434,862</u>	<u>\$ 2,407,936</u>	<u>\$ 3,369,271</u>

The schedule is not reduced for an allowance for uncollectible taxes, nor does it include costs and execution fees relating to the above receivables nor accounts nulla bona. It includes delinquent taxes and penalties.

The schedule also includes \$2,475,292 of receivables relating to school districts.
Reconciliation follows:

Per balance sheet (page 27)	\$ 154,260
Add:	
Allowance for delinquent doubtful accounts	1,352,588
Fiduciary funds	2,576,531
Less costs and fees receivable	<u>(714,108)</u>
As above	<u>\$ 3,369,271</u>

FLORENCE COUNTY, SOUTH CAROLINA

**ASSESSED VALUE OF TAXABLE PROPERTY IN FLORENCE COUNTY
LAST TEN YEARS
(UNAUDITED)**

The assessed value of all taxable real and personal property (non-industrial property) and the assessed value of all real and personal industrial property in the County for each of the last 10 years is set forth below:

Tax Year	Non-manufacturing		Manufacturing*		Total Assessments
	Real	Personal	Real	Personal	
1997	\$145,508,958	\$71,743,882	\$19,207,351	\$72,667,796	\$309,127,987
1998	148,853,865	71,885,305	19,083,506	66,420,523	306,243,199
1999	200,934,877	85,502,852	17,028,681	65,977,727	369,444,137
2000	206,331,852	94,334,679	17,805,324	65,581,829	384,053,684
2001	210,621,959	85,521,813	17,049,943	63,531,012	376,724,727
2002	217,688,421	80,118,648	18,032,345	59,988,736	375,828,150
2003	223,070,997	77,901,350	16,106,416	60,269,076	377,347,839
2004	227,583,167	74,195,939	16,259,777	62,206,241	380,245,124
2005	259,255,734	71,126,584	14,148,439	62,217,151	406,747,908
2006	266,847,880	70,351,210	13,942,482	62,382,660	413,524,232

* Assessed values for Utilities and Railroads property are included in Manufacturing personal. The breakdown between personal and real property for Utilities and Railroads is not readily available from the South Carolina Department of Revenue and Taxation.

FLORENCE COUNTY, SOUTH CAROLINA

**MARKET AND ASSESSED VALUE OF TAXABLE PROPERTY IN FLORENCE
COUNTY
TAX YEAR BEGINNING DECEMBER 31, 2006, BY PROPERTY CLASSIFICATION
(UNAUDITED)**

The assessed value of all taxable property in Florence County for Tax Year 2006, according to classification of property, is set forth below:

<u>Classification of Property</u>	<u>Market Value</u>	<u>Assessment</u>
Real Estate (Non-manufacturing) Farm	\$ 232,957,775	\$ 9,569,738
Real Estate (Non-manufacturing) Non-farm	5,177,486,676	249,562,454
Mobile Homes	177,732,352	7,715,688
Business Personal	59,981,170	6,298,024
Watercraft	25,639,896	2,692,190
Aircraft	8,313,050	332,522
Utilities	263,230,373	27,639,190
Manufacturers' Furniture & Fixtures	131,061,227	13,761,430
Manufacturers' Real Estate	132,785,537	13,942,482
Manufacturers' Personal	181,359,278	19,042,725
Railroads	19,876,353	1,888,254
Vehicles	<u>896,972,065</u>	<u>61,079,535</u>
Totals	<u>\$7,307,395,752</u>	<u>\$413,524,232</u>

Exempt Manufacturing Property

Article X, Section 3 of the Constitution provides that all new manufacturing establishments located in any county after July 1, 1977, and all additions (in excess of \$50,000) to existing manufacturing establishments are exempt from ad valorem taxation for five years for county taxes only. No exemption is granted from school or municipal taxes.

The following table provides a breakdown of the total assessment between property subject to the exemption and property which is fully taxable for each of the last ten (10) years for which the information is available:

<u>Year Ending 12/31</u>	<u>Exempt Manufacturing Property</u>	<u>Total Assessment Not Exempt</u>	<u>Total Assessment</u>
1997	\$27,797,357	\$281,330,630	\$309,127,987
1998	24,255,869	281,987,330	306,243,199
1999	23,324,278	346,119,859	369,444,137
2000	22,947,673	361,106,011	384,053,684
2001	12,899,770	363,824,957	376,724,727
2002	11,012,180	364,815,970	375,828,150
2003	10,439,940	366,907,899	377,347,839
2004	12,384,860	367,860,264	380,245,124
2005	11,717,650	395,030,258	406,747,908
2006	9,871,210	403,653,022	413,524,232

FLORENCE COUNTY, SOUTH CAROLINA

ASSESSED VALUE OF TAXABLE PROPERTY IN FLORENCE COUNTY
 TAX YEAR ENDING DECEMBER 31, 2006 BY TAX DISTRICT
 (UNAUDITED)

The assessed value of all taxable property in Florence County for tax year 2006, by tax district and according to major category, is set forth below:

District	Real Property	Personal Property
100 Florence Rural Fire District	\$ 85,046,725	\$ 1,602,113
110 City of Florence	101,684,349	5,922,104
120 Town of Quinby	1,636,006	21,072
130 Howe Springs Fire District	28,067,044	501,235
School District #1	216,434,124	8,046,524
200 Hannah-Salem-Friendfield	2,717,068	82,020
210 Town of Pamplico	1,430,880	16,561
220 Howe Springs Fire District	1,043,949	8,620
230 Hannah-Salem-Friendfield	2,996,558	208,253
School District #2	8,188,455	315,454
300 South Lynches Fire District	2,192,199	83,165
301 SLFD/Salem Watershed	1,762,494	-
310 South Lynches Fire District	6,168,276	150,159
311 SLFD/Salem Watershed	2,051,961	-
319 SLFD/Joint Ind Park	51,654	629
320 City of Lake City	9,706,416	295,031
330 Town of Olanta	954,971	19,220
340 Town of Coward	563,064	9,570
341 Town of Coward/Salem Watershed	85,893	-
350 Town of Scranton	335,538	6,586
351 Town of Scranton/Salem Watershed	485,879	-
360 SLFD/Lynches Lake Camp Branch	6,674	420
361 SLFD/Lynches Lake Camp Branch	44,840	-
371 SLFD/Lynches Lake Camp Branch	51,810	-
380 Florence Rural Fire District	1,461,328	32,376
381 FRFD/Salem Watershed	92,776	-
390 FRFD/Lynches Lake Camp Branch	3,777	510
391 FRFD/Lynches Lake Camp Branch	302,628	-
School District #3	26,322,178	597,666
400 Sardis-Timmonsville Fire District	5,749,236	135,356
410 Town of Timmonsville	2,639,974	14,180
420 Florence Rural Fire District	376,044	-
School District #4	8,765,254	149,536
500 Johnsonville Rural Fire District	4,701,006	117,818
510 Town of Johnsonville	2,436,863	44,677
School District #5	7,137,869	162,495
Total County	\$ 266,847,880	\$ 9,271,675

Tax Commission	Vehicles	Total Assessment
\$ 36,716,654	\$ 21,714,180	\$ 145,079,672
15,408,579	15,948,630	138,963,662
231,380	280,010	2,168,468
<u>4,140,030</u>	<u>8,075,420</u>	<u>40,783,729</u>
56,496,643	46,018,240	326,995,531
2,124,290	818,973	5,742,351
723,890	396,460	2,567,791
20,750	381,810	1,455,129
<u>253,230</u>	<u>1,137,870</u>	<u>4,595,911</u>
3,122,160	2,735,113	14,361,182
1,145,783	1,022,580	4,443,727
-	-	1,762,494
2,051,960	3,383,270	11,753,665
-	-	2,051,961
3,962,397	-	4,014,680
2,141,360	1,671,150	13,813,957
344,790	225,060	1,544,041
136,786	89,480	798,900
-	-	85,893
260,933	178,210	781,267
-	-	485,879
-	500	7,594
-	-	44,840
-	-	51,810
16,250	628,380	2,138,334
-	-	92,776
-	7,660	11,947
-	-	302,628
<u>10,060,259</u>	<u>7,206,290</u>	<u>44,186,393</u>
1,651,480	2,277,072	9,813,144
451,110	467,160	3,572,424
<u>51,061</u>	<u>8,670</u>	<u>435,775</u>
2,153,651	2,752,902	13,821,343
3,505,605	1,786,270	10,110,699
<u>986,824</u>	<u>580,720</u>	<u>4,049,084</u>
4,492,429	2,366,990	14,159,783
<u>\$ 76,325,142</u>	<u>\$ 61,079,535</u>	<u>\$ 413,524,232</u>

FLORENCE COUNTY, SOUTH CAROLINA

**DETAIL SCHEDULE OF SCHOOL GENERAL FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2007**

	District One	District Two	District Three
Cash due from Treasurer - beginning	<u>\$ 782,535</u>	<u>\$ 54,750</u>	<u>\$ 190,332</u>
Add receipts:			
Current property taxes	34,573,686	1,308,295	4,797,010
Inventory exemption	440,969	9,789	94,239
Vehicle taxes	6,877,839	454,196	1,135,250
Delinquent property taxes	1,397,432	127,596	348,329
Penalties	79,653	7,399	21,743
Fee transfer	-	-	(21,566)
State and federal aid	75,280,946	6,583,232	23,740,946
Interest on investments	115,272	5,021	23,474
State homestead exemption	5,834,562	445,359	1,242,665
Fees in lieu of taxes	<u>1,194,176</u>	<u>4,124</u>	<u>515,982</u>
Total receipts	<u>125,794,535</u>	<u>8,945,011</u>	<u>31,898,072</u>
Less disbursements:			
Claims paid to School Districts	125,671,326	8,945,124	31,918,519
Refunds	<u>108,930</u>	<u>6,919</u>	<u>24,317</u>
Total disbursements	<u>125,780,256</u>	<u>8,952,043</u>	<u>31,942,836</u>
Cash due from Treasurer - ending	<u>\$ 796,814</u>	<u>\$ 47,718</u>	<u>\$ 145,568</u>

District Four	District Five	Total
<u>\$ 60,480</u>	<u>\$ 63,036</u>	<u>\$ 1,151,133</u>
830,671	1,981,974	43,491,636
17,467	7,905	570,369
355,559	487,250	9,310,094
143,222	99,016	2,115,595
3,570	6,063	118,428
-	-	(21,566)
7,508,307	7,906,680	121,020,111
5,708	7,863	157,338
416,382	419,997	8,358,965
<u>702,175</u>	<u>58,935</u>	<u>2,475,392</u>
<u>9,983,061</u>	<u>10,975,683</u>	<u>187,596,362</u>
9,969,743	10,981,934	187,486,646
<u>6,536</u>	<u>8,743</u>	<u>155,445</u>
<u>9,976,279</u>	<u>10,990,677</u>	<u>187,642,091</u>
<u><u>\$ 67,262</u></u>	<u><u>\$ 48,042</u></u>	<u><u>\$ 1,105,404</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

**DETAIL SCHEDULE OF SCHOOL DEBT SERVICE FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2007**

	District One	District Two	District Three
Cash due from Treasurer - beginning	<u>\$ 1,812,603</u>	<u>\$ 377,767</u>	<u>\$ 243,379</u>
Add receipts:			
Current property taxes	3,864,518	465,036	404,189
Inventory exemption	175,434	1,240	22,165
Vehicle taxes	748,411	156,367	84,815
Delinquent property taxes	176,312	56,527	32,435
Fee transfer	-	-	(1,615)
Penalties	10,312	3,100	2,211
Interest on investments	133,126	18,085	20,314
Homestead exemption	159,357	46,471	32,995
Fees in lieu of taxes	<u>158,568</u>	<u>589</u>	<u>20,114</u>
Total receipts	<u>5,426,038</u>	<u>747,415</u>	<u>617,623</u>
Less disbursements:			
Bond principal paid	5,048,797	490,000	495,000
Interest payments	362,075	299,000	102,481
Paying agent fees	3,970	998	-
Refunds	<u>12,317</u>	<u>2,561</u>	<u>1,816</u>
Total disbursements	<u>5,427,159</u>	<u>792,559</u>	<u>599,297</u>
Cash due from Treasurer - ending	<u><u>\$ 1,811,482</u></u>	<u><u>\$ 332,623</u></u>	<u><u>\$ 261,705</u></u>

District Four	District Five	Total
<u>\$ 124,811</u>	<u>\$ 297,599</u>	<u>\$ 2,856,159</u>
648,417	410,473	5,792,633
2,015	3,434	204,288
260,089	99,027	1,348,709
130,255	25,915	421,444
-	-	(1,615)
4,313	1,711	21,647
22,575	17,068	211,168
63,530	26,469	328,822
<u>76,323</u>	<u>11,508</u>	<u>267,102</u>
<u>1,207,517</u>	<u>595,605</u>	<u>8,594,198</u>
488,230	437,387	6,959,414
333,155	181,246	1,277,957
2,162	998	8,128
<u>5,015</u>	<u>1,922</u>	<u>23,631</u>
<u>828,562</u>	<u>621,553</u>	<u>8,269,130</u>
<u><u>\$ 503,766</u></u>	<u><u>\$ 271,651</u></u>	<u><u>\$ 3,181,227</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

**DETAIL SCHEDULE OF SCHOOL CAPITAL PROJECT FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2007**

	District One	District Two	District Three
Cash due from Treasurer - beginning	<u>\$ 568,058</u>	<u>\$ 1,173</u>	<u>\$ 9</u>
Add receipts:			
Interest on investments	28,167	60	46,853
Proceeds from bond issue	<u>(1,203)</u>	<u>-</u>	<u>1,200,000</u>
Total receipts	<u>26,964</u>	<u>60</u>	<u>1,246,853</u>
Less disbursements:			
Claims paid to School Districts	<u>33,122</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>33,122</u>	<u>-</u>	<u>-</u>
Cash due from Treasurer - ending	<u><u>\$ 561,900</u></u>	<u><u>\$ 1,233</u></u>	<u><u>\$ 1,246,862</u></u>

District Four	District Five	Total
<u>\$ 8,916</u>	<u>\$ 2,583</u>	<u>\$ 580,739</u>
459	25	75,564
<u>-</u>	<u>-</u>	<u>1,198,797</u>
<u>459</u>	<u>25</u>	<u>1,274,361</u>
<u>-</u>	<u>2,623</u>	<u>35,745</u>
<u>-</u>	<u>2,623</u>	<u>35,745</u>
<u><u>\$ 9,375</u></u>	<u><u>\$ (15)</u></u>	<u><u>\$ 1,819,355</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

**DETAIL SCHEDULE OF MUNICIPALITIES FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2007**

	Florence	Quinby	Pamplico
Cash due from Treasurer - beginning	<u>\$ 33,517</u>	<u>\$ 274</u>	<u>\$ 1,721</u>
Add receipts:			
Current property taxes	6,180,603	19,319	165,591
Vehicle taxes	907,466	3,774	35,866
Delinquent property taxes	237,965	1,620	9,643
Penalties	4,187	-	145
Fees in lieu of taxes	50,354	-	-
Less local option sales tax credits	<u>(5,131,520)</u>	<u>(24,130)</u>	<u>(157,289)</u>
Total receipts	<u>2,249,055</u>	<u>583</u>	<u>53,956</u>
Less disbursements:			
Payments to municipality	2,238,314	553	54,737
Refunds	<u>9,391</u>	<u>-</u>	<u>213</u>
Total disbursements	<u>2,247,705</u>	<u>553</u>	<u>54,950</u>
Cash due from Treasurer - ending	<u><u>\$ 34,867</u></u>	<u><u>\$ 304</u></u>	<u><u>\$ 727</u></u>

Lake City	Olanta	Coward	Scranton	Timmons ville	Johnsonville	Total
<u>\$ 21,608</u>	<u>\$ 102</u>	<u>\$ 131</u>	<u>\$ 190</u>	<u>\$ 1,275</u>	<u>\$ 72</u>	<u>\$ 58,890</u>
1,610,187	54,675	-	-	252,803	143,175	8,426,353
284,613	13,062	-	-	51,152	29,926	1,325,859
173,762	7,482	-	-	38,661	8,983	478,116
9,663	5	-	-	23	2	14,025
-	-	-	-	-	-	50,354
<u>(676,576)</u>	<u>(67,211)</u>	<u>-</u>	<u>-</u>	<u>(308,840)</u>	<u>(175,723)</u>	<u>(6,541,289)</u>
<u>1,401,649</u>	<u>8,013</u>	<u>-</u>	<u>-</u>	<u>33,799</u>	<u>6,363</u>	<u>3,753,418</u>
1,391,092	8,102	-	-	34,622	6,518	3,733,938
<u>5,235</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>91</u>	<u>-</u>	<u>14,931</u>
<u>1,396,327</u>	<u>8,103</u>	<u>-</u>	<u>-</u>	<u>34,713</u>	<u>6,518</u>	<u>3,748,869</u>
<u><u>\$ 26,930</u></u>	<u><u>\$ 12</u></u>	<u><u>\$ 131</u></u>	<u><u>\$ 190</u></u>	<u><u>\$ 361</u></u>	<u><u>\$ (83)</u></u>	<u><u>\$ 63,439</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

**DETAIL SCHEDULE OF FIRE BOARD FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2007**

	South Lynches River Fire District	Florence Rural Fire District	Pamplico Fire District	Hannah- Salem- Friendfield Fire District
Cash due from Treasurer - beginning	<u>\$ 21,755</u>	<u>\$ 18,478</u>	<u>\$ 201</u>	<u>\$ 3,532</u>
Add receipts:				
Current property taxes	381,990	596,181	-	99,158
Inventory exemption	11,208	15,989	-	-
Vehicle taxes	82,134	116,355	-	30,276
Delinquent property taxes	24,230	25,403	-	10,578
Penalties	1,581	1,351	-	569
Interest on investments	2,431	3,101	4	461
State aid	11,024	74,118	1,367	4,515
Homestead exemption	24,131	21,462	-	9,784
Fee in lieu of property tax	<u>90,534</u>	<u>64,295</u>	<u>-</u>	<u>-</u>
Total receipts	<u>629,263</u>	<u>918,255</u>	<u>1,371</u>	<u>155,341</u>
Less disbursements:				
Claims paid to Fire Board	638,687	919,463	1,367	155,279
Refunds	1,856	1,610	-	402
Penalty abatements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>640,543</u>	<u>921,073</u>	<u>1,367</u>	<u>155,681</u>
Cash due from Treasurer - ending	<u><u>\$ 10,475</u></u>	<u><u>\$ 15,660</u></u>	<u><u>\$ 205</u></u>	<u><u>\$ 3,192</u></u>

City of Florence	City of Lake City	City of Olanta	City of Scranton	City of Timmonsville	City of Johnsonville	Total
<u>\$ 811</u>	<u>\$ 102</u>	<u>\$ 11</u>	<u>\$ 10</u>	<u>\$ 38</u>	<u>\$ 22</u>	<u>\$ 44,960</u>
-	-	-	-	-	-	1,077,329
-	-	-	-	-	-	27,197
-	-	-	-	-	-	228,765
-	-	-	-	-	-	60,211
-	-	-	-	-	-	3,501
230	23	3	1	7	6	6,267
88,893	8,661	971	-	2,440	2,159	194,148
-	-	-	-	-	-	55,377
-	-	-	-	-	-	154,829
<u>89,123</u>	<u>8,684</u>	<u>974</u>	<u>1</u>	<u>2,447</u>	<u>2,165</u>	<u>1,807,624</u>
88,893	8,661	971	-	2,440	2,159	1,817,920
-	-	-	-	-	-	3,868
-	-	-	-	-	-	-
<u>88,893</u>	<u>8,661</u>	<u>971</u>	<u>-</u>	<u>2,440</u>	<u>2,159</u>	<u>1,821,788</u>
<u><u>\$ 1,041</u></u>	<u><u>\$ 125</u></u>	<u><u>\$ 14</u></u>	<u><u>\$ 11</u></u>	<u><u>\$ 45</u></u>	<u><u>\$ 28</u></u>	<u><u>\$ 30,796</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF LYNCHES LAKE/CAMP BRANCH FUND

CASH DUE FROM TREASURER

Year Ended June 30, 2007

Cash due from Treasurer - beginning	<u>\$ 1,016</u>
Add receipts:	
Current property taxes	6,174
Vehicle taxes	38
Delinquent property taxes	631
Homestead exemption	731
Penalties	55
State and federal aid	-
Interest on investments	<u>223</u>
Total receipts	<u>7,852</u>
Less disbursements:	
Claims paid to Lynchess Lake/Camp Branch	<u>7,773</u>
Total disbursements	<u>7,773</u>
Cash due from Treasurer - ending	<u><u>\$ 1,095</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF SALEM WATERSHED FUND

CASH DUE FROM TREASURER

Year Ended June 30, 2007

Cash due from Treasurer - beginning	<u>\$ 9,689</u>
Add receipts:	
Current property taxes	59,436
Vehicle taxes	337
Delinquent property taxes	5,111
Penalties	483
Homestead exemption	9,801
Interest on investments	<u>2,132</u>
Total receipts	<u>77,300</u>
Less disbursements:	
Claims paid to Salem Watershed	<u>76,030</u>
Total disbursements	<u>76,030</u>
Cash due from Treasurer - ending	<u><u>\$ 10,959</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF REGIONAL AIRPORT AUTHORITY FUND
CASH DUE TO TREASURER
Year Ended June 30, 2007

Cash due to Treasurer - beginning	\$ (8,096)
Add receipts:	
Interest on investments	<u>-</u>
Total receipts	<u>-</u>
Less disbursements:	
Refunds	<u>(8,096)</u>
Total disbursements	<u>(8,096)</u>
Cash due to Treasurer - ending	<u><u>\$ -</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF COMMISSION ON ALCOHOL AND DRUG ABUSE FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2007

Cash due from Treasurer - beginning	\$ -
Add receipts:	
State aid	<u>204,608</u>
Total receipts	<u>204,608</u>
Less disbursements:	
Claims paid to Commission	<u>204,608</u>
Total disbursements	<u>204,608</u>
Cash due from Treasurer - ending	<u><u>\$ -</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF WILLIAMSBURG COUNTY FUND

CASH DUE FROM TREASURER

Year Ended June 30, 2007

Cash due from Treasurer - beginning	<u>\$ 1,012,108</u>
Add receipts:	
Current property taxes	<u>3,178,421</u>
Total receipts	<u>3,178,421</u>
Less disbursements:	
Claims paid to Williamsburg County	<u>4,190,506</u>
Total disbursements	<u>4,190,506</u>
Cash due from Treasurer - ending	<u><u>\$ 23</u></u>

FLORENCE COUNTY, SOUTH CAROLINA
DETAIL SCHEDULE OF MAGISTRATE FUND
CASH DUE TO OTHERS
Year Ended June 30, 2007

Cash due to others - beginning	<u>\$ 359,599</u>
Add receipts:	
Cash received from others	<u>3,537,478</u>
Total receipts	<u>3,537,478</u>
Less disbursements:	
Cash paid to others	<u>3,497,784</u>
Total disbursements	<u>3,497,784</u>
Cash due to others - ending	<u><u>\$ 399,293</u></u>

FLORENCE COUNTY, SOUTH CAROLINA
DETAIL SCHEDULE OF CLERK OF COURT FUND
CASH DUE TO OTHERS
Year Ended June 30, 2007

Cash due to others - beginning	<u>\$ 1,023,442</u>
Add receipts:	
Cash received from others	<u>6,906,853</u>
Total receipts	<u>6,906,853</u>
Less disbursements:	
Cash paid to others	<u>7,022,887</u>
Total disbursements	<u>7,022,887</u>
Cash due to others - ending	<u><u>\$ 907,408</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF SHERIFF FUND
CASH DUE TO OTHERS

Year Ended June 30, 2007

Cash due to others - beginning	<u>\$ 275,471</u>
Add receipts:	
Cash received from others	<u>592,288</u>
Total receipts	<u>592,288</u>
Less disbursements:	
Cash paid to others	<u>542,618</u>
Total disbursements	<u>542,618</u>
Cash due to others - ending	<u><u>\$ 325,141</u></u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF GENERAL FUND
BALANCE SHEET

June 30, 2007

	General Operations	Treasurer and Tax Sale
ASSETS		
Cash and investments	\$ 12,135,971	\$ 3,195,516
Receivables:		
Property taxes (net)	46,258	-
Other governmental units and agencies	4,123,354	-
Other (net)	2,329,692	-
Inventory	66,009	-
Due from other funds	36,418	-
	<u> </u>	<u> </u>
Total assets	<u>\$ 18,737,702</u>	<u>\$ 3,195,516</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	\$ 1,398,300	\$ -
Payroll withholdings and accruals	960,536	-
Other payables	1,654,593	3,250,317
Deferred revenues	1,185,030	-
	<u> </u>	<u> </u>
Total liabilities	<u>5,198,459</u>	<u>3,250,317</u>
Fund equity:		
Fund balance:		
Reserved for encumbrances	916	-
Reserved for inventory	38,775	-
Unreserved:		
Designated for capital improvements	-	-
Undesignated	13,499,552	(54,801)
	<u> </u>	<u> </u>
Total fund equity/fund balance	<u>13,539,243</u>	<u>(54,801)</u>
	<u> </u>	<u> </u>
Total liabilities and fund equity	<u>\$ 18,737,702</u>	<u>\$ 3,195,516</u>

Road Paving	Total
\$ 1,100,609	\$ 16,432,096
-	46,258
-	4,123,354
-	2,329,692
-	66,009
-	36,418
<u>\$ 1,100,609</u>	<u>\$ 23,033,827</u>
\$ 45,943	\$ 1,444,243
-	960,536
-	4,904,910
-	1,185,030
<u>45,943</u>	<u>8,494,719</u>
-	916
-	38,775
1,054,666	1,054,666
-	13,444,751
<u>1,054,666</u>	<u>14,539,108</u>
<u>\$ 1,100,609</u>	<u>\$ 23,033,827</u>

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF GENERAL FUND
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2007

	General Operations	Treasurer and Tax Sale
Revenues:		
Taxes	\$ 28,565,666	\$ -
Licenses and permits	1,875,734	-
Fines and fees	3,870,461	-
Intergovernmental	7,890,855	-
Sales and other functional revenues	4,565,619	-
Miscellaneous	1,187,856	-
Total revenues	<u>47,956,191</u>	<u>-</u>
Expenditures:		
Current:		
General government	16,989,663	-
Public safety	15,365,944	-
Public works	860,497	-
Health	5,064,426	-
Welfare	503,269	-
Culture and recreation	4,940,554	-
Education	4,950	-
Total expenditures	<u>43,729,303</u>	<u>-</u>
Revenues over (under) expenditures	4,226,888	-
Other financing sources (uses):		
Proceeds of capital lease	970,661	-
Operating transfer in	4,351,925	-
Operating transfer out	<u>(4,398,934)</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	5,150,540	-
Fund balance - beginning of year	8,505,282	(54,801)
Change in reserve for inventory	<u>(116,579)</u>	<u>-</u>
Fund balance - end of year	<u>\$ 13,539,243</u>	<u>\$(54,801)</u>

Road Paving	Total
\$ -	\$ 28,565,666
-	1,875,734
-	3,870,461
-	7,890,855
-	4,565,619
-	1,187,856
<u>-</u>	<u>47,956,191</u>
-	16,989,663
-	15,365,944
508,333	1,368,830
-	5,064,426
-	503,269
-	4,940,554
-	4,950
<u>508,333</u>	<u>44,237,636</u>
(508,333)	3,718,555
-	970,661
420,000	4,771,925
<u>-</u>	<u>(4,398,934)</u>
(88,333)	5,062,207
1,142,999	9,593,480
<u>-</u>	<u>(116,579)</u>
<u>\$ 1,054,666</u>	<u>\$ 14,539,108</u>

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - RECONCILIATION OF BUDGETARY
 BASIS TO ACCRUAL BASIS
 Year Ended June 30, 2007

	Budgetary Basis	Encumbrances		Juror Fees	Accrual Basis
		6/30/2006	6/30/2007		
General government:					
County Council	\$ 415,087	\$ -	\$ -	\$ -	\$ 415,087
Attorney	117,285	-	-	-	117,285
Administrator	527,983	-	-	-	527,983
Finance	617,061	(1,977)	-	-	615,084
Treasurer	758,541	-	-	-	758,541
Data processing	813,883	46,307	-	-	860,190
Auditor	444,495	-	-	-	444,495
Tax assessor	1,141,343	-	-	-	1,141,343
Support services	213,061	-	-	-	213,061
Clerk of Court	911,833	-	-	-	911,833
Court of common pleas	137,779	-	-	15,015	152,794
Solicitor	883,291	-	-	-	883,291
Human resources management	210,254	-	-	-	210,254
Family court	626,898	-	-	-	626,898
Judge of Probate	466,756	-	-	-	466,756
Public Defender	604,155	-	-	-	604,155
Master in Equity	48,852	-	-	-	48,852
Magistrates' offices	2,066,423	-	-	228	2,066,651
Building inspections	1,714,134	-	-	-	1,714,134
Voter registration & election commission	262,952	-	-	-	262,952
Veterans' affairs	132,464	-	-	-	132,464
Public services buildings	883,165	28,985	-	-	912,150
Senior Citizens Center	157,694	-	-	-	157,694
Lake City Senior Center	103,138	-	-	-	103,138
Direct assistance	1,201,654	-	-	-	1,201,654
Other	1,440,924	-	-	-	1,440,924
Total general government	<u>16,901,105</u>	<u>73,315</u>	<u>-</u>	<u>15,243</u>	<u>16,989,663</u>
Public safety:					
Sheriff's office	7,384,543	-	-	-	7,384,543
County jail	5,745,922	-	-	-	5,745,922
Radio system	310,732	-	-	-	310,732
Central dispatch	1,687,510	-	-	-	1,687,510
Emergency preparedness	223,108	-	-	-	223,108
Direct assistance	14,129	-	-	-	14,129
Total public safety	<u>15,365,944</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,365,944</u>
Public works:					
Central maintenance	974,133	-	-	-	974,133
Public works operating	404,587	(9,890)	-	-	394,697
Total public works	<u>1,378,720</u>	<u>(9,890)</u>	<u>-</u>	<u>-</u>	<u>1,368,830</u>

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - RECONCILIATION OF BUDGETARY
 BASIS TO ACCRUAL BASIS
 Year Ended June 30, 2007

	Budgetary Basis	Encumbrances		Juror Fees	Accrual Basis
		6/30/2006	6/30/2007		
Health:					
Health Department	86,000	-	-	-	86,000
Environmental services	547,586	(379)	-	-	547,207
Emergency medical services	3,661,881	103,357	(770)	-	3,764,468
Rescue-ambulance squads	405,549	-	-	-	405,549
Coroner	245,302	-	-	-	245,302
Direct assistance	15,900	-	-	-	15,900
Total health	<u>4,962,218</u>	<u>102,978</u>	<u>(770)</u>	<u>-</u>	<u>5,064,426</u>
Welfare:					
Indigent care	442,673	-	-	-	442,673
Social Services	42,796	-	-	-	42,796
Direct assistance	17,800	-	-	-	17,800
Total welfare	<u>503,269</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>503,269</u>
Culture and recreation:					
Library	3,282,350	-	(146)	-	3,282,204
Recreation	1,130,573	7,502	-	-	1,138,075
Freedom Florence	232,685	-	-	-	232,685
Lynches River County Park	277,590	-	-	-	277,590
Direct assistance	10,000	-	-	-	10,000
Total culture and recreation	<u>4,933,198</u>	<u>7,502</u>	<u>(146)</u>	<u>-</u>	<u>4,940,554</u>
Education:					
Literacy Council	4,950	-	-	-	4,950
Total education	<u>4,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,950</u>
Total expenditures	<u>\$ 44,049,404</u>	<u>\$ 173,905</u>	<u>\$ (916)</u>	<u>\$ 15,243</u>	<u>\$ 44,237,636</u>

FLORENCE COUNTY, SOUTH CAROLINA
LIBRARY SCHEDULE OF REVENUES AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2007

SOURCES OF FUNDS	BEGINNING BALANCE	REVENUES	EXPENDITURES	ENDING BALANCE
Local Sources:				
County or tax appropriation	\$ 975,979	\$ 1,977,051	\$ 2,953,030	\$ -
Fees and fines	-	76,744	76,744	-
Gifts and donations	-	-	-	-
Other local	-	3,438	3,147	291
Total local sources	<u>\$ 975,979</u>	<u>\$ 2,057,233</u>	<u>\$ 3,032,921</u>	<u>\$ 291</u>
State Sources:				
State aid	\$ -	\$ 252,430	\$ 252,430	\$ -
Education lottery	-	118,546	42,821	75,725
Capital improvement bond	-	-	-	-
Other state	-	26,172	23,170	3,002
Total state sources	<u>\$ -</u>	<u>\$ 397,148</u>	<u>\$ 318,421</u>	<u>\$ 78,727</u>
Federal Sources:				
Library Services & Technology Act	\$ -	\$ 3,982	\$ 3,982	\$ -
Other federal	-	-	-	-
Total federal sources	<u>\$ -</u>	<u>\$ 3,982</u>	<u>\$ 3,982</u>	<u>\$ -</u>
Total All Sources of Funds	<u>\$ 975,979</u>	<u>\$ 2,458,363</u>	<u>\$ 3,355,324</u>	<u>\$ 79,018</u>

**FLORENCE COUNTY, SOUTH CAROLINA
SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES
VICTIM/WITNESS SPECIAL REVENUE FUND
Year Ended June 30, 2007**

Magistrate Court Fines	
Court fines collected	\$ 1,274,487
Court fines retained by County	<u>1,255,310</u>
Court fines remitted to the State Treasurer	<u>\$ 19,177</u>
Magistrate Court Assessments	
Court assessments collected	\$ 1,512,387
Court assessments retained by County	<u>111,923</u>
Court assessments remitted to the State Treasurer	<u>\$ 1,400,464</u>
Magistrate Court Surcharges	
Court surcharges collected	<u>\$ 139,336</u>
Court surcharges retained by County	<u>\$ 139,336</u>
General Sessions & Circuit Court Fines	
Court fines collected	\$ 153,660
Court fines remitted to solicitor	13,155
Court fines remitted to municipality	6,313
Court fines retained by County	<u>67,242</u>
Court fines remitted to the State Treasurer	<u>\$ 66,949</u>
General Sessions Court Assessments	
Court assessments collected	\$ 35,030
Court assessments retained by County	<u>3,045</u>
Court assessments remitted to the State Treasurer	<u>\$ 31,985</u>
General Sessions Court Surcharges	
Court surcharges collected	<u>\$ 59,083</u>
Court surcharges retained by County	<u>\$ 59,083</u>
Victim Services	
Magistrate Court assessments allocated to Victim Services	\$ 111,923
Magistrate Court surcharges allocated to Victim Services	139,336
General Sessions Court assessments allocated to Victim Services	3,045
General Sessions Court surcharges allocated to Victim Services	59,083
Investment Income	<u>23,923</u>
Funds allocated to Victim Services	337,310
Victim Services expenditures	<u>(555,570)</u>
Funds available for carryforward	<u>\$ (218,260)</u>

STATISTICAL SECTION

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

Contents	Page
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	172
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	179
Debt Capacity	
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	183
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	186
Operating Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs</i>	188

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

FLORENCE COUNTY, SOUTH CAROLINA
NET ASSETS BY COMPONENT
LAST FIVE FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year				
	2003*	2004	2005	2006	2007
Governmental activities					
Invested in capital assets, net of related debt	\$ 46,069,324	\$ 48,268,793	\$ 51,876,930	\$ 53,667,749	\$ 49,731,874
Restricted	1,133,842	920,854	1,280,207	1,442,329	1,742,763
Unrestricted	17,869,108	21,939,616	15,716,231	13,515,623	19,840,565
Total governmental activities net assets	<u>\$ 65,072,274</u>	<u>\$ 71,129,263</u>	<u>\$ 68,873,368</u>	<u>\$ 68,625,701</u>	<u>\$ 71,315,202</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 577,122	\$ 2,764,970	\$ 2,677,720	\$ 2,626,519	\$ 2,524,656
Restricted	-	-	-	-	-
Unrestricted	17,542,441	13,780,071	13,647,004	12,749,337	11,039,913
Total business-type activities net assets	<u>\$ 18,119,563</u>	<u>\$ 16,545,041</u>	<u>\$ 16,324,724</u>	<u>\$ 15,375,856</u>	<u>\$ 13,564,569</u>
Primary government					
Invested in capital assets, net of related debt	\$ 46,646,446	\$ 51,033,763	\$ 54,554,650	\$ 56,294,268	\$ 52,256,530
Restricted	1,133,842	920,854	1,280,207	1,442,329	1,742,763
Unrestricted	35,411,549	35,719,687	29,363,235	26,264,960	30,880,478
Total primary government net assets	<u>\$ 83,191,837</u>	<u>\$ 87,674,304</u>	<u>\$ 85,198,092</u>	<u>\$ 84,001,557</u>	<u>\$ 84,879,771</u>

* first year of implementation of GASB Statement No. 34

FLORENCE COUNTY, SOUTH CAROLINA
CHANGES IN NET ASSETS
LAST FIVE FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year				
	2003*	2004	2005	2006	2007
Total business-type activities program revenues	2,015,864	1,801,715	1,893,664	1,856,381	1,880,247
Total primary government program revenues	<u>\$ 37,280,724</u>	<u>\$ 28,711,170</u>	<u>\$ 27,895,674</u>	<u>\$ 32,394,621</u>	<u>\$ 34,242,590</u>
Net (expense)/revenue	\$ (20,434,743)	\$ (31,146,174)	\$ (38,078,249)	\$ (34,620,470)	\$ (37,211,492)
Governmental activities	(1,420,498)	(1,800,613)	(1,714,237)	(2,194,963)	(2,527,776)
Business-type activities	<u>\$ (21,855,241)</u>	<u>\$ (32,946,787)</u>	<u>\$ (39,792,486)</u>	<u>\$ (36,815,433)</u>	<u>\$ (39,739,268)</u>
Total primary government net expense					
General Revenue and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	\$ 18,388,044	\$ 18,324,940	\$ 17,987,432	\$ 18,367,671	\$ 23,095,655
Sales taxes	10,325,244	10,795,228	11,150,944	11,994,857	11,236,932
Fees in lieu of tax	1,745,474	1,624,918	1,626,194	1,629,715	1,578,149
Franchise fees	460,488	496,033	356,341	554,907	641,361
Accommodations tax	1,481,894	1,370,859	1,620,143	1,614,660	2,013,894
Unrestricted investment earnings	(621,326)	362,425	629,602	1,007,091	1,484,911
Gain on sale of capital assets	155,884	-	-	-	-
Loss on disposal of capital assets	-	(56,698)	-	-	-
Value of donated assets	-	4,296,458	3,606,327	-	-
Transfers	(1,260,000)	(11,000)	(1,154,629)	(796,098)	(149,909)
Total governmental activities	<u>30,675,702</u>	<u>37,203,163</u>	<u>35,822,354</u>	<u>34,372,803</u>	<u>39,900,993</u>
Business-type activities					
Unrestricted investment earnings	670,746	215,091	339,291	449,997	566,580
Gain on sale of capital assets	1,568,977	-	-	-	-
Transfers	1,260,000	11,000	1,154,629	796,098	149,909
Total business-type activities	<u>3,499,723</u>	<u>226,091</u>	<u>1,493,920</u>	<u>1,246,095</u>	<u>716,489</u>
Total primary government	<u>\$ 34,175,425</u>	<u>\$ 37,429,254</u>	<u>\$ 37,316,274</u>	<u>\$ 35,618,898</u>	<u>\$ 40,617,482</u>
Change in Net Assets					
Governmental activities	\$ 10,240,959	\$ 6,056,989	\$ (2,255,895)	\$ (247,667)	\$ 2,689,501
Business-type activities	2,079,225	(1,574,522)	(220,317)	(948,868)	(1,811,287)
Total primary government	<u>\$ 12,320,184</u>	<u>\$ 4,482,467</u>	<u>\$ (2,476,212)</u>	<u>\$ (1,196,535)</u>	<u>\$ 878,214</u>

* first year of implementation of GASB Statement No. 34

FLORENCE COUNTY, SOUTH CAROLINA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST FIVE FISCAL YEARS
 (accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Fee in Lieu of Tax	Franchise Fees	Accommodations Tax	Total
2003	\$ 18,388,044	\$ 10,325,244	\$ 1,745,474	\$ 460,488	\$ 1,481,894	\$ 32,401,144
2004	18,324,940	10,795,228	1,624,918	496,033	1,370,859	32,611,978
2005	17,987,432	11,150,944	1,626,194	356,341	1,620,143	32,741,054
2006	18,367,671	11,994,857	1,629,715	554,907	1,614,660	34,161,810
2007	23,095,655	11,236,932	1,578,149	641,361	2,013,894	38,565,991

* first year of implementation of GASB Statement No. 34

FLORENCE COUNTY, SOUTH CAROLINA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	
General fund										
Reserved	\$ 1,018,036	\$ 1,006,025	\$ 218,703	\$ 650,669	\$ 281,329	\$ 250,981	\$ 154,882	\$ 329,258	\$ 39,691	\$
Unreserved	12,343,236	8,795,939	9,009,875	9,214,181	9,731,692	10,608,693	9,719,684	9,264,222	14,499,417	
Total general fund	<u>\$ 13,361,272</u>	<u>\$ 9,802,964</u>	<u>\$ 9,228,578</u>	<u>\$ 9,864,850</u>	<u>\$ 10,013,021</u>	<u>\$ 10,859,674</u>	<u>\$ 9,874,566</u>	<u>\$ 9,593,480</u>	<u>\$ 14,539,108</u>	
All other governmental funds										
Reserved	\$ 5,724,358	\$ 4,049,958	\$ 4,741,059	\$ 4,726,940	\$ 2,385,015	\$ 2,172,027	\$ 2,531,380	\$ 2,693,502	\$ 2,494,108	\$
Unreserved, reported in:										
Special revenue funds	6,498,734	9,521,532	8,678,662	9,818,905	10,079,026	11,204,206	8,555,159	6,249,178	6,516,782	
Capital project funds	45,541	6,809,760	9,308,421	9,603,645	22,419,641	7,292,739	3,599,597	3,536,354	7,632,553	
Debt service funds	-	-	-	(13,329)	-	-	-	-	-	
Total all other governmental funds	<u>\$ 12,268,633</u>	<u>\$ 20,381,250</u>	<u>\$ 22,728,142</u>	<u>\$ 24,136,161</u>	<u>\$ 34,883,682</u>	<u>\$ 20,668,972</u>	<u>\$ 14,686,136</u>	<u>\$ 12,479,034</u>	<u>\$ 16,643,443</u>	

FLORENCE COUNTY, SOUTH CAROLINA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Revenues										
Taxes	\$ 22,206,986	\$ 22,859,053	\$ 26,790,047	\$ 28,701,695	\$ 29,476,837	\$ 32,401,144	\$ 32,611,978	\$ 32,741,054	\$ 31,565,153	\$ 35,506,647
Licenses and permits	3,179,303	3,552,542	3,271,649	2,656,645	2,470,358	2,371,270	3,978,438	4,331,066	4,766,632	5,099,523
Fines and fees	3,162,277	3,482,295	4,041,570	4,146,852	4,762,089	4,549,446	4,534,806	4,668,133	6,167,975	6,436,374
Intergovernmental	21,028,849	11,229,154	12,550,600	13,641,401	12,414,572	13,353,560	13,433,479	12,987,486	12,660,252	14,713,560
Sales and other functional revenues	1,353,416	1,555,094	1,682,102	2,100,224	1,974,427	2,355,863	2,662,609	2,752,894	2,852,280	4,576,359
Miscellaneous	2,330,084	2,637,347	3,031,356	3,659,989	6,069,754	9,555,664	1,814,514	3,134,556	2,918,067	4,214,609
Total revenues	53,260,915	45,315,485	51,367,324	54,906,816	57,168,037	64,586,947	59,035,824	60,615,189	60,930,359	70,547,072
Expenditures										
General government	14,252,976	14,169,436	16,463,912	14,929,674	15,046,848	16,975,932	16,637,668	18,357,705	18,413,536	22,589,454
Public safety	12,057,136	12,713,681	13,533,147	14,009,826	15,297,461	15,475,478	15,839,767	16,796,948	17,574,356	17,569,650
Economic and physical development	11,007,393	2,509,762	3,177,439	3,762,717	2,509,387	1,666,267	3,272,623	2,051,830	1,703,193	1,588,319
Public works	1,903,743	2,784,797	3,040,523	3,299,865	2,873,343	2,901,069	3,119,826	4,211,884	3,952,936	4,012,720
Health	2,705,102	3,296,801	3,819,808	4,329,239	4,169,212	4,085,531	4,203,302	4,374,228	4,467,831	5,121,184
Welfare	925,404	954,800	892,138	877,164	877,417	825,928	805,823	518,207	517,884	503,269
Culture and recreation	1,833,492	2,472,294	3,785,972	4,610,543	3,787,197	4,909,763	5,791,089	7,228,758	7,842,539	8,757,378
Education	1,460,385	1,474,950	1,054,950	1,169,450	2,204,950	1,567,095	657,436	2,019,145	1,849,950	1,559,950
Capital outlay	-	-	556,562	1,791,715	3,275,852	8,904,905	17,163,544	3,290,497	712,395	1,898,246
Debt service	1,696,078	1,787,822	1,849,174	2,069,801	2,491,804	2,803,659	6,357,094	6,392,033	4,400,905	4,377,912
Principal	2,343,051	2,241,138	2,144,680	2,405,169	2,428,503	2,581,552	2,601,786	2,391,420	2,118,800	1,988,756
Interest	11,961	21,286	16,303	22,518	36,358	18,700	5,988	(2,080)	26,862	23,339
Paying agent fee	50,196,721	44,426,767	50,334,608	53,277,681	54,998,332	62,715,879	76,455,946	67,630,575	63,381,187	69,930,177
Total expenditures	3,064,194	888,718	1,032,716	1,629,135	2,169,705	1,871,068	(17,420,122)	(7,015,366)	(2,450,828)	616,895
Excess of revenues over (under) expenditures										
Other financing sources (uses)										
Proceeds of bond issue	-	-	5,891,041	1,500,000	530,000	10,000,000	1,160,000	-	-	7,788,969
Proceeds of capital lease	-	-	-	-	737,630	313,160	1,219,554	1,183,612	749,110	970,661
Transfer in	5,212,236	2,480,710	4,739,712	5,941,079	4,818,245	12,478,015	13,229,070	11,951,502	9,279,855	11,295,984
Transfer out	(6,637,790)	(4,369,149)	(6,128,712)	(7,309,079)	(6,261,741)	(13,738,015)	(13,240,070)	(13,106,131)	(10,075,953)	(11,445,893)
Total other financing sources (uses)	(1,425,554)	(1,888,439)	4,502,041	132,000	(175,866)	9,053,160	2,368,554	28,983	(46,988)	8,609,721
Net change in fund balances	\$ 1,638,640	\$ (999,721)	\$ 5,534,757	\$ 1,761,135	\$ 1,993,839	\$ 10,924,228	\$(15,051,568)	\$ (6,986,403)	\$ (2,497,816)	\$ 9,226,616
Debt service as a percentage of noncapital expenditures	8.78%	10.03%	8.76%	9.57%	10.60%	11.16%	17.81%	15.81%	11.66%	10.31%

FLORENCE COUNTY, SOUTH CAROLINA
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Fee in Lieu of Tax	Franchise Fees	Accommodations Tax	Total
1998	\$ 11,887,722	\$ 8,980,527	\$ 702,145	\$ 191,532	\$ 445,060	\$ 22,206,986
1999	11,402,750	9,902,909	919,022	205,406	428,966	22,859,053
2000	14,864,339	9,817,517	1,691,909	20,107	396,175	26,790,047
2001	14,679,146	10,342,730	1,806,628	365,847	1,507,344	28,701,695
2002	15,704,012	10,291,069	1,763,201	255,037	1,463,518	29,476,837
2003	18,388,044	10,325,244	1,745,474	460,488	1,481,894	32,401,144
2004	18,324,940	10,795,228	1,624,918	496,033	1,370,859	32,611,978
2005	17,987,432	11,150,944	1,626,194	356,341	1,620,143	32,741,054
2006	16,571,014	11,194,857	1,629,715	554,907	1,614,660	31,565,153
2007	20,036,311	11,236,932	1,578,149	641,361	2,013,894	35,506,647

FLORENCE COUNTY, SOUTH CAROLINA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Non-Manu- facturing Personal	Non-Manu- facturing Real	Manu- facturing Personal and Real	Less: Tax Exempt Manufacturing Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
1998	\$ 71,743,882	\$ 145,508,958	\$ 119,672,504	\$ 27,797,357	\$ 309,127,987	66.90	\$ 4,584,280,988	7.35%
1999	71,885,305	148,853,865	109,759,898	24,255,869	306,243,199	64.50	4,604,632,369	7.18%
2000	85,502,852	200,934,877	106,330,686	23,324,278	369,444,137	64.50	5,817,934,438	6.75%
2001	94,334,679	206,331,852	106,334,826	22,947,673	384,053,684	64.50	6,027,642,513	6.75%
2002	85,521,813	210,621,959	93,480,725	12,899,770	376,724,727	69.50	6,052,095,341	6.44%
2003	80,118,648	217,688,421	89,033,261	11,012,180	375,828,150	70.00	6,176,758,865	6.26%
2004	77,901,350	223,070,997	86,815,432	10,439,940	377,347,839	70.00	6,176,758,865	6.28%
2005	74,195,939	227,583,167	90,850,878	12,384,860	380,245,124	67.80	6,436,102,557	6.10%
2006	71,126,584	259,255,734	88,083,240	11,717,650	406,747,908	67.80	7,084,411,015	5.91%
2007	70,351,210	266,847,880	86,196,352	9,871,210	413,524,232	76.90	7,307,395,752	5.79%

Source: Florence County Auditor's Office
 Note: Property in the county is reassessed every five years. The county appraises property at estimated actual taxable value and then applies the appropriate assessment rate based on the class of property. Tax rates are per \$1,000 of assessed value.

**FLORENCE COUNTY, SOUTH CAROLINA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

COUNTY (WIDE) TAX RATES	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General County	21.8	27.2	28.0	28.0	28.0	28.0	28.0	28.0	29.9	29.9
Jail	31.5	30.5	31.5	31.5	31.5	30.5	30.5	36.5	39.0	39.0
Emergency Management	5.8	4.9	5.0	5.0	5.0	6.0	6.0	-	-	-
Florence-Darlington Technical College	3.4	3.4	3.5	3.5	3.5	3.5	3.5	3.5	3.8	3.8
County Library	7.9	4.7	5.0	5.0	5.0	-	-	-	-	-
Senior Citizens Center	0.9	0.5	0.5	0.5	-	-	-	-	-	-
SPECIAL DISTRICTS-FIRE TAX RATES										
Florence Rural Fire District	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Howe Springs Fire District	21.0	11.9	12.7	10.0	9.0	10.0	10.0	9.0	11.0	11.0
South Lynches Fire District	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0
Sardis-Timmons Fire District	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Johnsonville Rural Fire District	26.6	26.2	25.0	24.4	23.0	22.0	18.0	17.0	13.0	14.0
Hannah-Salem Friendfield	23.0	23.0	23.0	23.0	20.0	20.0	20.0	20.0	20.0	20.0
SCHOOL DISTRICT TAX RATES										
Florence - School District #1	166.0	156.6	162.0	158.2	145.6	123.3	113.4	111.2	109.9	105.2
Pamplico - School District #2	216.9	218.2	212.3	188.8	187.2	174.3	167.6	169.7	190.8	156.2
Lake City - School District #3	170.8	163.3	158.3	152.9	151.4	142.0	132.5	141.6	131.8	128.5
Timmons Fire - School District #4	201.9	237.4	156.2	189.3	191.3	187.5	192.0	225.2	190.6	174.6
Johnsonville - School District #5	242.6	242.2	247.7	234.1	231.8	211.7	203.4	198.0	191.8	180.4
CITY TAX RATES										
Florence	54.9	54.9	60.8	60.8	60.8	60.8	60.8	60.8	68.4	68.4
Quincy	12.3	12.5	12.5	12.5	12.5	12.3	12.3	12.3	13.6	13.6
Pamplico	88.0	87.8	88.0	88.0	88.0	88.0	88.0	88.0	87.4	87.4
Lake City	165.9	165.9	165.9	165.9	150.3	150.3	150.3	150.3	150.3	142.0
Olanita	55.1	55.1	55.1	55.1	55.1	55.1	55.1	60.0	60.0	60.0
Timmons Fire	105.5	105.5	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Johnsonville	50.1	50.1	52.8	52.8	52.8	52.8	52.8	52.8	55.3	55.3
Coward	-	-	-	-	-	-	-	-	-	-
Scranton	-	-	-	-	-	-	-	-	-	-
SPECIAL TAX DISTRICT - OTHER										
Lynches Lake	19.1	19.3	19.4	19.4	19.4	19.4	10.0	10.0	10.0	10.0
Salem Polecat	16.9	16.5	17.0	17.0	17.0	17.0	17.0	17.0	17.0	17.0

Source: Florence County Auditor's Office

Note: Overlapping rates are those of local and county governments that apply to property owners within Florence County. Not all overlapping rates apply to all Florence County property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.)

**FLORENCE COUNTY, SOUTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
June 30, 2007**

Taxpayer	2007			1998		
	Taxes Levied	Rank	Percentage of Total Taxes Levied	Taxes Levied	Rank	Percentage of Total Taxes Levied
Carolina Power and Light	\$ 2,319,853	1	2.56%	\$ 1,221,488	4	2.53%
QHG of South Carolina	2,190,987	2	2.42%	691,523	8	1.43%
Nanya Plastics	2,190,551	3	2.42%	3,429,475	1	7.11%
Bell South Communications	1,296,526	4	1.43%	813,021	6	1.69%
McLeod Regional Medical Center	987,956	5	1.09%	-	-	-
Smurfit/Stone Container Corporation	839,700	6	0.93%	798,583	7	1.66%
Preit/Rubin	626,945	7	0.69%	-	-	-
Teijin/Dupont	592,788	8	0.65%	1,040,713	5	2.16%
Wellman, Inc.	568,243	9	0.63%	1,375,771	3	2.85%
General Electric	500,318	10	0.55%	319,329	10	0.66%
Raytheon Appliances	-	-	-	1,655,595	2	3.43%
RCE, Inc.	-	-	-	387,553	9	0.80%
Totals	\$ 12,113,867		13.38%	\$ 11,733,051		24.33%

Source: Florence County Auditor's Office

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

(1) Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the		Collections in Susequent Years	Total Collections to Date	
		Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy
1998	\$ 48,229,745	\$ 47,070,746	97.60%	\$ 825,074	\$ 47,895,820	99.31%
1999	50,833,725	49,519,970	97.42%	826,408	50,346,378	99.04%
2000	59,170,642	57,391,744	96.99%	1,194,426	58,586,170	99.01%
2001	59,942,898	57,936,662	96.65%	1,347,603	59,284,265	98.90%
2002	62,375,147	60,107,099	96.36%	1,513,239	61,620,338	98.79%
2003	71,845,588	69,220,745	96.35%	1,669,461	70,890,206	98.67%
2004	73,968,999	71,295,252	96.39%	1,607,144	72,902,396	98.56%
2005	76,747,871	74,031,016	96.46%	1,729,301	75,760,317	98.71%
2006	82,509,229	79,705,936	96.60%	1,426,079	81,132,015	98.33%
2007	25,850,962	25,833,004	99.93%	-	25,833,004	99.93%

(1) For years prior to 2007, County-only levy information is unavailable.
Fiscal year 2007 amounts are for County property taxes only and exclude the levies of all other governmental entities.
All other years include levies of all governmental entities. In future years, only County levies will be presented.

FLORENCE COUNTY, SOUTH CAROLINA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Certificates of Participation	Capital Leases	Water Bonds	Sewer Bonds					
1998	\$ 1,533,205	\$ -	\$ 37,280,000	\$ -	\$ 5,589,237	\$ 1,075,004		\$ 45,477,446	1.68%	\$ 364	
1999	1,251,581	-	35,790,000	-	10,005,205	-		47,046,786	1.68%	376	
2000	6,988,298	-	34,220,000	-	10,000,000	-		51,208,298	1.71%	408	
2001	8,225,015	-	32,650,000	-	9,925,000	-		50,800,015	1.63%	404	
2002	8,000,734	-	30,830,000	-	9,775,000	-		48,605,734	1.50%	384	
2003	17,421,430	-	29,515,000	2,034,399	-	-		48,970,829	1.48%	385	
2004	15,462,044	-	27,290,000	2,345,338	-	-		45,097,382	N/A	351	
2005	12,835,605	-	24,985,000	2,357,242	-	-		40,177,847	N/A	310	
2006	12,042,944	-	22,600,000	1,839,455	-	-		36,482,399	N/A	278	
2007	18,801,248	2,800,000	20,125,000	1,747,861	-	-		43,474,109	N/A	331	

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics on page 189 for personal income and population data.
N/A - Information on Personal Income not available

**FLORENCE COUNTY, SOUTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2007**

<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:			
Florence School District #1	\$ 577,000	100.00%	\$ 577,000
Florence School District #2	5,870,000	100.00%	5,870,000
Florence School District #3	3,000,000	100.00%	3,000,000
Florence School District #4	8,085,000	100.00%	8,085,000
Florence School District #5	4,530,566	100.00%	4,530,566
Subtotal, overlapping debt			<u>22,062,566</u>
Florence County, South Carolina direct debt			<u>43,474,109</u>
Direct and overlapping debt			<u>\$ 65,536,675</u>

Sources: assessed value data used to estimate applicable percentages provided by the Florence County Auditor's Office. Debt outstanding provided by the Florence County Treasurer's Office.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Florence County, South Carolina. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

All of the overlapping debt is issued by either school districts or municipalities whose geographic boundaries are wholly contained within the geographic boundary of the county. Therefore, the county's share of the overlapping debt is 100%.

FLORENCE COUNTY, SOUTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt limit	\$ 24,730,239	\$ 24,499,456	\$ 29,555,531	\$ 30,724,295	\$ 30,137,978	\$ 30,066,252	\$ 30,187,827	\$ 30,419,610	\$ 32,539,833	\$ 33,081,939
Total net debt applicable to limit	<u>1,533,305</u>	<u>1,251,581</u>	<u>6,988,298</u>	<u>8,082,813</u>	<u>8,000,735</u>	<u>17,421,430</u>	<u>15,462,044</u>	<u>12,835,605</u>	<u>12,042,944</u>	<u>18,801,248</u>
Legal debt margin	\$ <u>23,196,934</u>	\$ <u>23,247,875</u>	\$ <u>22,567,233</u>	\$ <u>22,641,482</u>	\$ <u>22,137,243</u>	\$ <u>12,644,822</u>	\$ <u>14,725,783</u>	\$ <u>17,584,005</u>	\$ <u>20,496,889</u>	\$ <u>14,280,691</u>
Total net debt applicable to the limit as a percentage of debt limit	6.20%	5.11%	23.64%	26.31%	26.55%	57.94%	51.22%	42.20%	37.01%	56.83%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed value	\$ 403,653,022
Add back: exempt manuf. property	<u>9,871,210</u>
Total assessed value	\$ <u>413,524,232</u>
Debt limit (8% of total assessed value)	33,081,939
Debt applicable to limit:	
General obligation bonds	<u>18,801,248</u>
Total net debt applicable to limit	<u>18,801,248</u>
Legal debt margin	\$ <u>14,280,691</u>

**FLORENCE COUNTY, SOUTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	(1) Population	(1) Personal Income (amounts expressed in thousands)	(1) Per Capita Personal Income	(2) Unemployment Rate
1998	124,904	\$ 2,711,166	\$ 21,706	4.5%
1999	125,252	2,792,619	22,296	5.5%
2000	125,600	2,988,652	23,795	4.7%
2001	125,761	3,115,226	24,771	5.8%
2002	126,607	3,244,811	25,629	7.0%
2003	127,237	3,319,359	26,088	8.1%
2004	128,335	3,511,117	27,359	8.8%
2005	129,679	N/A	N/A	8.4%
2006	131,097	N/A	N/A	8.5%
2007	131,297	N/A	N/A	6.1%

Data sources:

- (1) South Carolina Budget and Control Board - Office of Research and Statistics
- (2) South Carolina Employment Security Commission

N/A Not available

**FLORENCE COUNTY, SOUTH CAROLINA
PRINCIPAL EMPLOYERS
PRIOR YEAR (1) AND SEVEN YEARS AGO (1)**

Employer	2006			2000		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
McLeod Regional Medical Center	4,375	1	7.06%	3,900	1	6.43%
Florence School District One	1,718	2	2.77%	1,800	3	2.97%
Palmetto Gov't Benefits/TRICARE	1,600	3	2.58%	1,850	2	3.05%
Honda of South Carolina	1,553	4	2.51%	-	-	-
Carolinas Hospital System	1,400	5	2.26%	1,800	4	2.97%
Washington Mutual	1,150	6	1.86%	784	9	1.29%
Wellman, Inc.	1,100	7	1.78%	1,335	5	2.20%
Florence County	898	8	1.45%	650	10	1.07%
Nan Ya Plastics	889	9	1.43%	840	8	1.38%
ESAB Welding and Cutting	850	10	1.37%	1,008	6	1.66%
Amana Refrigeration	-	-	-	855	7	1.41%
Total	15,533		25.06%	14,822		24.44%

(1) Most recent available information is for 2006 and 2000, respectively

Source: Florence County Economic Development Partnership

**FLORENCE COUNTY, SOUTH CAROLINA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General government	216	226	245	258	262	264	267	276	284	281
Public safety	234	247	258	259	267	265	264	267	274	270
Economic and physical development	3	3	3	4	5	4	4	4	4	4
Public works	50	48	47	48	49	49	49	49	49	49
Health	61	61	75	76	79	79	79	79	82	82
Culture and recreation	40	41	42	48	48	48	130	141	156	156
Utility System	11	13	13	15	15	15	-	-	-	-
Landfill	10	10	10	10	-	-	-	-	-	-
E911 System	2	2	1	1	3	3	3	2	2	2
Total	627	651	694	719	728	727	796	818	851	844

Source: Florence County Budget

Notes: In 1998 and 2000 there were expansions of the County's emergency medical system.

In 2004 the County took over operation of the City of Florence athletic programs and sold the utility system to the City of Florence.

In 2002 the County closed its municipal solid waste landfill and contracted to have this waste hauled out of the County.

FLORENCE COUNTY, SOUTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Public safety										
Jail average daily population	406	376	370	379	409	415	391	411	472	508
911 calls dispatched	N/A	N/A	N/A	104,707	110,415	147,377	150,560	147,964	172,934	178,736
Public works										
Road miles plowed	N/A	N/A	N/A	N/A	14,632	14,154	14,567	15,301	14,716	17,262
Feet of pipe installed	N/A	N/A	N/A	N/A	6,316	6,242	5,462	6,796	4,098	3,232
Signs installed/repaired	N/A	N/A	N/A	N/A	1,657	2,049	1,859	2,442	2,563	2,793
Health										
EMS transports	N/A	N/A	N/A	N/A	9,149	8,930	9,097	9,444	9,678	10,281

Source: Various governmental departments
Note: Indicators are not available for the general government function

N/A - Not available

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

Function	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Public safety										
Sheriff stations	1	1	1	1	1	1	1	1	1	1
Maximum jail bed capacity	520	520	520	520	520	520	520	520	520	520
Public works										
Road miles	N/A	N/A	N/A	N/A	604.2	606.2	614.6	618.3	622.5	621.7
Health										
EMS stations	2	2	4	4	4	4	4	4	4	4
Ambulances	7	7	11	11	11	11	11	11	11	11
Culture and recreation										
Libraries	1	1	1	1	2	2	2	2	2	2
Acres of parks	16.9	16.9	16.9	16.9	49.2	653.1	658.7	696.6	696.6	696.6

Source: Various governmental departments
 Note: No capital asset indicators are available for the general government function.

In 2003, ownership of Lynches River Park was transferred to the County by the State of South Carolina.

N/A: Not available



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

To the County Council
Florence County, South Carolina
Florence, South Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Florence County, South Carolina, as of and for the year ended June 30, 2007, which collectively comprise Florence County's basic financial statements and have issued our report thereon dated December 6, 2007. We did not audit the financial statements of the Florence City-County Complex Building Commission. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Florence City-County Complex Building Commission is based solely on the reports of the other auditors. We conducted our audits 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 audits, we considered Florence County, South Carolina'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 Florence County, South Carolina's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Florence County, South Carolina's internal control over financial reporting.

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 Florence County, South Carolina'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 Florence County, South Carolina's financial statements that is more than inconsequential will not be prevented or detected by Florence County, South Carolina's internal control.

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 Florence County, South Carolina's internal control.

To the County Council
Florence County, South Carolina
Page 2

Our consideration of 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 or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of Florence County, South Carolina in a separate letter dated December 6, 2007.

This report is intended solely for the information and use of the County Council, management, others within the organization, 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.

Baird & Company, CPAs, LLC

BAIRD & COMPANY, CPAs, LLC
Certified Public Accountants

Augusta, Georgia
December 6, 2007

Baird & Company CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

Augusta, Georgia Office

Thomson, Georgia Office

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W. Lee Hammond, CPA

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

To the County Council
Florence County, South Carolina
Florence, South Carolina

Compliance

We have audited the compliance of Florence County, South Carolina, 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, 2007. Florence County, South Carolina's major 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 Florence County, South Carolina's management. Our responsibility is to express an opinion on Florence County, South Carolina's compliance based on our audit.

We conducted our audit of compliance 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 State, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major program occurred. An audit includes examining, on a test basis, evidence about Florence County, South Carolina's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides reasonable basis for our opinion. Our audit does not provide a legal determination of Florence County, South Carolina's compliance with those requirements.

In our opinion, Florence County, South Carolina, complied, in all material aspects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

To the County Council
Florence County, South Carolina
Page 2

Internal Control Over Compliance

The management of Florence County, South Carolina, 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 Florence County, South Carolina'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 Florence County, South Carolina's internal control over compliance.

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.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance 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 or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information and use of the County Council, management, others within the organization, 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.

Baird & Company, CPAs, LLC

BAIRD & COMPANY, CPAs, LLC
Certified Public Accountants

Augusta, Georgia
December 6, 2007

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2007

Program/ Grant	Grant Agency	Grant Number	Federal CFDA Number	Total Grant/ Loan Amount	Program/Grant Revenue			Program/Grant Expenditures					
					Cash Receipts	Matching and Program Receipts	Less: Beginning (Deferred) Receivable	Add: Ending (Deferred) Receivable	Revenue	Cash Disbursements	Less: Beginning Accrual	Add: Ending Accrual	Expenditures
Federal Assistance													
Department of Education													
Passed Through South Carolina State Library													
LSTA	SC State Library	IID-06-021	45.310	\$ 2,628	\$ -	\$ 1,354	\$ -	\$ 2,628	\$ 3,982	\$ 3,982	\$ -	\$ -	\$ 3,982
Total Department of Education						1,354	2,628	3,982	3,982				3,982
Department of Agriculture													
Agriculture Tech	USDA	267517439801	10.769	40,000	27,263	-	-	975	28,238	27,263	-	975	28,238
Passed Through South Carolina Forestry Commission													
Lynches River Park	SC Forestry	2006U9	10.664	4,500	1,546	-	-	1,059	2,605	2,605	-	-	2,605
Urban & Community Forestry	SC Forestry	2005U14	10.664	5,000	5,000	-	5,000	-	-	-	-	-	-
Total Department of Agriculture					33,809	-	5,000	2,034	30,843	29,868	-	975	30,843
Department of Transportation													
Mass Transit	SCDOT	MT-5H203	20.505	48,925	9,197	-	3,985	-	5,212	5,212	-	-	5,212
HMEP Planning	S.C. Emergency Prep. Division	HMEESC-5042130	20.703	3,160	728	764	1,492	-	-	1,492	1,492	-	-
Mass Transit	SCDOT	MT-7H306-77	20.505	60,239	18,132	-	-	9,069	27,201	27,201	-	-	27,201
Total Department of Transportation					28,057	764	5,477	9,069	32,413	33,905	1,492	-	32,413

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2007

Program/ Grant	Grant Agency	Grant Number	Federal CFDA Number	Total Grant/ Loan Amount	Program/Grant Revenue			Program/Grant Expenditures					
					Cash Receipts	Matching and Program Receipts	Less: Beginning (Deferred) Receivable	Revenue	Cash Disbursements	Less: Beginning Accrual	Add: Ending Accrual		
Department of Homeland Security													
Passed Through SC Emergency Preparedness Division													
EMPG	S.C. Emergency Prep. Division	6EMPG01	97.042	\$ 21,744	\$ 14,648	\$ 16,583	\$ 7,781	\$ 5,161	\$ 28,611	\$ 28,611	\$ -	\$ 28,611	
EMPG	S.C. Emergency Prep. Division	7EMPG01	97.042	35,425	8,617	-	-	-	8,617	8,617	-	8,617	
Katrina Public Assistance	S.C. Emergency Prep. Division	041-99041-00	97.036	7,878	7,878	-	-	-	7,878	7,878	-	7,878	
Passed Through State Law Enforcement Division													
Buffer Zone	SLED	5BZPP16	97.078	50,000	33,645	23	-	16,355	50,023	49,543	-	50,023	
County Homeland Security	SLED	5SHSP21	97.067	288,946	122,793	-	54,522	(7)	68,264	73,263	4,999	68,264	
Law Enforcement Terrorist Prevention	SLED	5LETP21	97.067	67,656	40,262	-	38,575	(2)	1,685	5,239	3,554	1,685	
Type III Incident	SLED	6SHSP15	97.067	125,000	1,782	-	-	5,559	7,341	7,341	-	7,341	
Roche Carolina	SLED	3HSS097	97.004	40,826	36,146	-	-	-	36,146	36,146	-	36,146	
Total Department of Homeland Security					265,771	16,606	100,878	27,066	208,565	216,638	8,553	480	208,565
Department of Health & Human Services													
Child Support Enforcement Program	SCDSS	C70021C	93.563	392,645	335,027	172,590	-	57,617	565,234	558,213	-	7,021	565,234
Child Support Enforcement Program Service of Process	SCDSS	C70067C	93.563	44,088	40,838	21,038	-	3,251	65,127	65,127	-	-	65,127

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2007

Program/ Grant	Grant Agency	Grant Number	Federal CFDA Number	Total Grant/ Loan Amount	Program/Grant Revenue			Program/Grant Expenditures					
					Cash Receipts	Matching and Program Receipts	Less: Beginning (Deferred) Receivable	Add: Ending (Deferred) Receivable	Cash Disbursements	Less: Beginning Accrual	Add: Ending Accrual	Expenditures	
Child Support Enforcement Program Service of Process	SCDSS	C60067C	93.563	\$ 57,585	\$ 4,241	\$ -	\$ 4,241	\$ -	\$ -	\$ 1,230	\$ 1,230	\$ -	\$ -
Child Support Enforcement Program	SCDSS	C60021C	93.563	357,343	24,571	-	24,571	-	-	8,975	8,975	-	-
County Expense Reimbursement	SCDSS	-	93.667	178,947	178,947	-	-	-	178,947	178,947	-	-	178,947
Total Department of Health and Human Services				583,624	193,628	28,812	60,868	809,308	812,492	10,205	7,021	809,308	
Department of HUD:													
Passed Through South Carolina Department of Commerce													
CDBG:McCall Farms Dept of Comm		4-N-02-011	14.228	265,000	255,572	-	-	105	255,677	255,570	-	107	255,677
CDBG:Johnson Controls		4-ED-06-003	14.228	265,000	5,661	250,000	-	2,543	258,204	255,661	-	2,543	258,204
Total Department of HUD				261,233	250,000	-	2,648	513,881	511,231	-	2,650	513,881	
Department of Justice:													
E. Byrnes JAG	USDOJ	2005-DJ- BX-0739	16.738	60,810	5,465	307	-	-	5,772	5,772	-	-	5,772
Drug Court	USDOJ	2003-DC- BX-0032	16.585	499,697	45,486	165,527	40,741	-	170,272	179,350	9,078	-	170,272
E. Byrnes JAG	USDOJ	2006-DJ- BX-0811	16.738	38,756	38,756	78	-	-	38,834	38,834	-	-	38,834
Passed Through State Department of Public Safety													
Livescan	SCDPS	1G06045	16.738	34,615	34,615	11,385	-	-	46,000	46,000	-	-	46,000

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2007

Program/ Grant	Grant Agency	Grant Number	Federal CFDA Number	Total Grant/ Loan Amount	Program/Grant Revenue			Program/Grant Expenditures							
					Cash Receipts	Matching and Program Receipts	Less: Beginning (Deferred) Receivable	Add: Ending (Deferred) Receivable	Revenue	Cash Disbursements	Less: Beginning Accrual	Add: Ending Accrual	Expenditures		
School Resource Officer AFIS	SCDPS	1D05008	16.579	\$ 36,696	\$ 4,802	\$ 5,556	\$ 10,358	\$ -	\$ -	\$ 1,255	\$ 1,255	\$ -	\$ -	\$ -	\$ 96,126
School Resource Officer	SCDPS	1F01068	16.579	67,500	67,500	28,626	-	-	96,126	96,126	-	-	-	-	96,126
Local Law Enforcement Block Grant	Dept. of Justice/BJA	2004LBBX 0400	16.592	44,236	-	(631)	(631)	-	-	-	-	-	-	-	-
Total Department of Justice					228,912	211,123	50,468	11,189	400,756	409,832	10,333	1,257	1,257	400,756	
Total Federal Assistance					1,401,406	673,475	190,635	115,502	1,999,748	2,017,948	30,583	12,383	12,383	1,999,748	
State Assistance:															
Used Oil	SCDHEC	21W006		5,682	105	-	105	-	-	-	-	-	-	-	-
Local Paving	SCDOT	35722		30,747	29,581	-	-	-	29,581	29,581	-	-	-	-	29,581
Library State Aid	State	FY 07		252,428	252,428	3,020,901	-	-	3,273,329	3,200,972	-	-	72,357	3,273,329	
Lake City Pedestrian Pathway	SCDOT			200,000	20,044	-	-	32,406	52,450	52,450	-	-	-	-	52,450
Florence County Transportation Commission	SCDOT			40,257	-	-	(31,334)	(28,304)	3,030	3,030	-	-	-	-	3,030
DUI GIA	SCDHEC	EM-7-827		283	283	3	-	-	286	286	-	-	-	-	286
Honda Way	Coordinating Council for Economic Development	1652		3,050,000	730,976	-	(4,597)	-	735,573	735,573	-	-	-	-	735,573
QVC	Coordinating Council for Economic Development	S1726		2,350,000	1,907,080	-	(319,481)	-	2,226,561	2,231,561	5,000	-	-	5,000	2,226,561

FLORENCE COUNTY, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2007

Program/ Grant	Grant Agency	Grant Number	Federal CFDA Number	Total Grant/ Loan Amount	Program/Grant Revenue			Program/Grant Expenditures					
					Cash Receipts	Matching and Program Receipts	Less: Beginning (Deferred) Receivable	Add: Ending (Deferred) Receivable	Revenue	Cash Disbursements	Less: Beginning Accrual	Add: Ending Accrual	Expenditures
Lake City Library	State Library			\$ 750,000	\$ -	\$ 28,000	\$ (90,297)	\$ (42,317)	\$ 75,980	\$ 10,061	\$ 731	\$ 66,650	\$ 75,980
Library Computer Technology	Lottery			118,546	118,546	-	-	(75,725)	42,821	33,124	-	9,697	42,821
PAC HUG	State Library			26,172	26,172	-	-	(3,002)	23,170	23,170	-	-	23,170
Used Oil	SCDHEC	21W007		43,600	24,861	-	-	225	25,086	24,861	-	225	25,086
Competitive Grants	SCB&CB	320		120,000	120,000	-	-	(91,000)	29,000	29,000	-	-	29,000
TMPP 2006/2007	SCPRT	2007035		2,690	650	-	-	-	650	650	-	-	650
EMS GIA	SCDHEC			31,403	31,403	2,075	-	-	33,478	33,478	-	-	33,478
Communication	SCEMD	MOA		1,230	1,230	-	-	-	1,230	1,230	-	-	1,230
Palmetto Pride	SCDHEC	2007		2,300	2,300	-	-	(2,300)	-	-	-	-	-
Olanta Library	State Library			250,000	250,000	125,000	-	(375,000)	-	-	-	-	-
Lynches River Interpretive Center	SCPRT	45-01073		250,000	250,000	641,850	-	(309,131)	591,719	540,150	-	51,569	591,719
EMS GIA	SCDHEC	EM-6-596		32,530	-	-	-	-	-	127	127	-	-
Total State Assistance				3,765,659	3,817,829	(445,604)	(885,148)	7,143,944	6,949,304	5,858	200,498	7,143,944	
Total Federal and State Assistance				\$ 5,167,065	\$ 4,491,304	\$ (254,969)	\$ (769,646)	\$ 9,143,692	\$ 8,967,252	\$ 36,441	\$ 212,881	\$ 9,143,692	

**FLORENCE COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2007**

I. Summary of Auditors' Results

- A. An unqualified opinion was issued on the financial statements of Florence County, South Carolina.
- B. Our audit of the financial statements disclosed no material weaknesses in internal controls over financial reporting.
- C. Our audit of the financial statements disclosed no instances of noncompliance with laws, regulations and the provisions of contracts and grant agreements that are material to the general purpose financial statements.
- D. Our audit of compliance with the types of compliance requirements applicable to the County's major programs disclosed no material weaknesses in internal controls over compliance.
- E. An unqualified opinion was issued on Florence County, South Carolina's compliance with the types of compliance requirements applicable to its major federal programs.
- F. Our audit disclosed no audit findings which relate to the federal and state awards which are required to be reported.
- G. Major federal programs for Florence County, South Carolina for the fiscal year ended June 30, 2007 are:

<u>Program Name</u>	<u>CFDA#</u>
Community Development Block Grants/State's Program	14.228

- H. The threshold for determining Type A programs for Florence County, South Carolina is \$300,000.
- I. Florence County, South Carolina qualified as a low risk auditee.

II. Findings Related to the audit of the Financial Statements of Florence County, South Carolina

There were no findings noted for the year ended June 30, 2007, which are required to be reported in accordance with *Government Auditing Standards*.

III. Findings and Questioned Costs Related to the Audit of Federal Awards.

There were no findings noted for the year ended June 30, 2007, which are required to be reported under OMB Circular A-133 criteria.

FLORENCE COUNTY, SOUTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2007

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Florence County, South Carolina 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, *Audits 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.

Note 2 – Non-cash Awards

Florence County, South Carolina, did not receive any non-cash federal awards during the year ended June 30, 2007.

FLORENCE COUNTY, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2007

There were no audit findings reported for the year ended June 30, 2006, which require a response for the year ended June 30, 2007.