

FLORENCE COUNTY, SOUTH CAROLINA

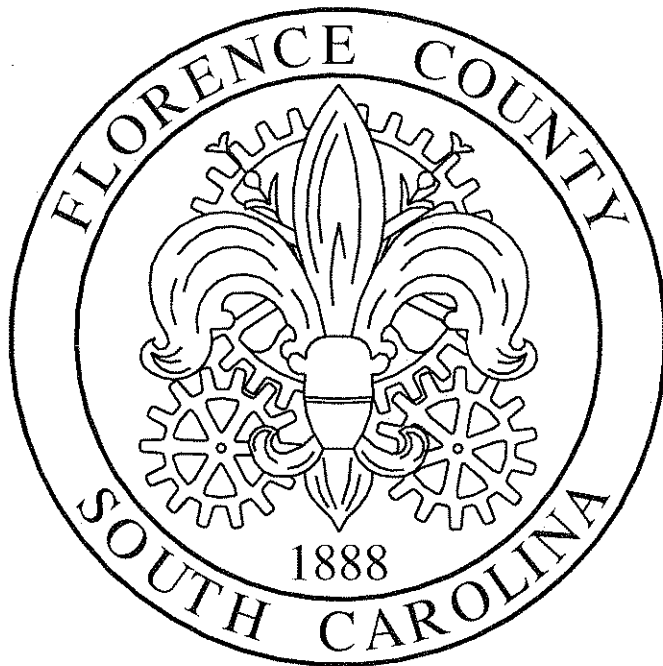
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2008



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, 2008

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FLORENCE COUNTY Finance Department

December 11, 2008

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, 2008, 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 1,600 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, Angus-Palm., 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/Teijin, 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. In June 2008, Heinz, Inc. announced a new investment of \$105,000,000 and 350 new jobs.

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. In 2007, 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. 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. A splashpad was added to the park to replace an out-dated swimming pool that was in much need of repair. An interpretive nature center opened during 2008, and includes a rope bridge walk through the treetops adjacent to the center. 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 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, 2008 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, 2008, this requirement has been met.

Cash Management. The management of cash and cash investments is the responsibility of the County Treasurer. As of June 30, 2008, Florence County's investments were held primarily in 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, 2008 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, 2007. This was the tenth 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, 2008

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 |

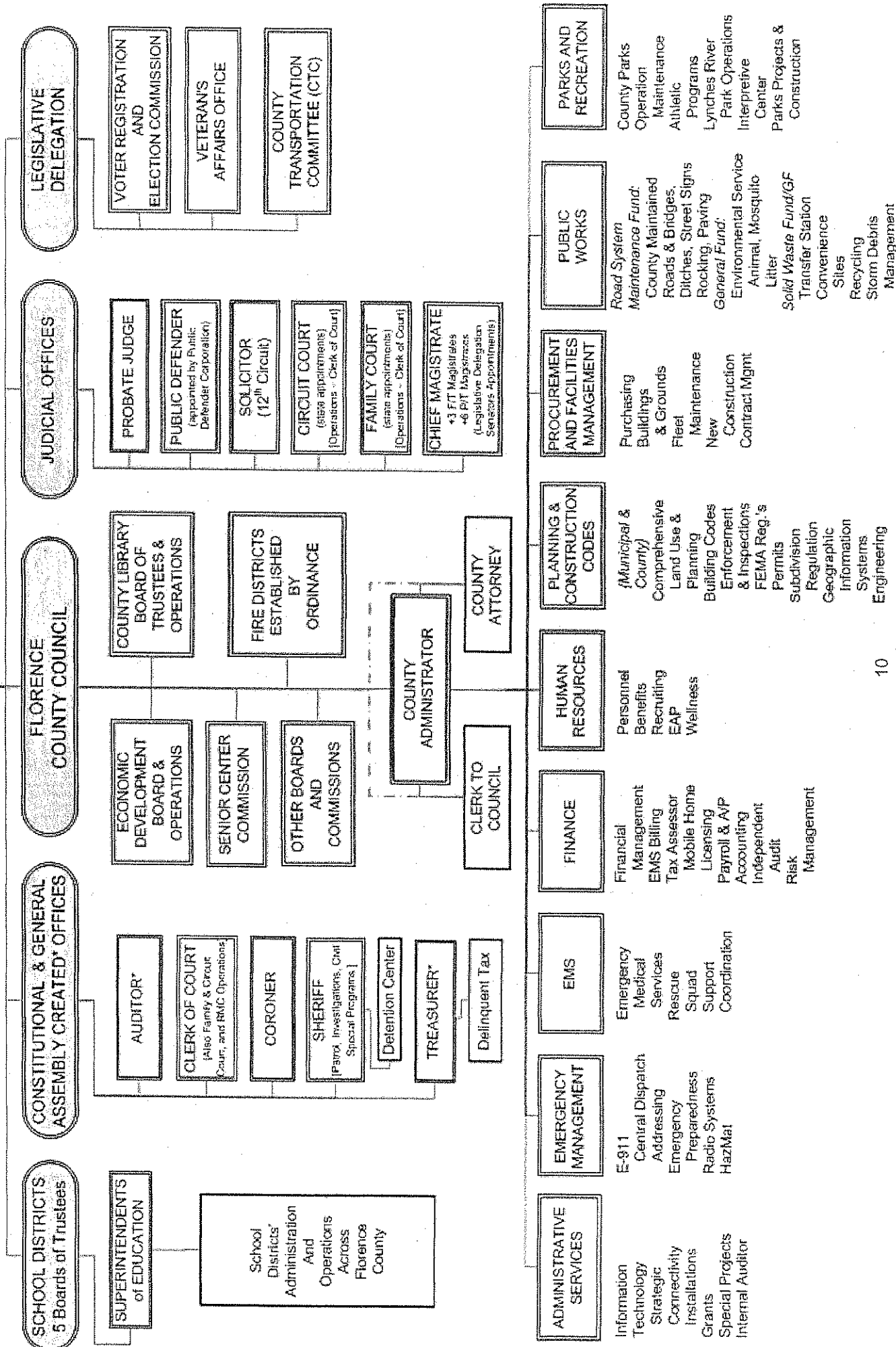
ELECTED OFFICIALS

| | |
|------------------------|------------------|
| 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, 2007

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.



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director



Baird & Company CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

Augusta, Georgia Office

Thomson, 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, CIA, CICA, FCPA

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, 2008, 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 \$2,256,682 as of June 30, 2008, and total revenues of \$1,582,409 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 audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, 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 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 June 30, 2008, 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
Page 2

In accordance with *Government Auditing Standards*, we have also issued a report dated December 11, 2008, 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 important for 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 required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 11, 2008

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, 2008. 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 \$85,139,299 (*net assets*). Of this amount, \$36,354,990 (*unrestricted net assets*) may be used to meet the government's cash flow management needs and its ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$259,528. 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 \$37,273,190, an increase of \$6,090,639 in comparison with the prior year. Slightly more than half of this total amount, \$20,441,919, is *available for meeting the government's cash flow management needs and 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 \$16,895,988, or 34 percent of total general fund expenditures and net transfers out.
- Florence County's debt increased by \$4,361,002 (10 percent) during the current fiscal year. The key factor in this increase was the refinancing of \$20,125,000 in variable rate certificates of participation by the issuance of a \$25,000,000 reduced and fixed-rate capital lease. The remaining proceeds of the lease were deposited into the 2008 County Capital Project Fund to be used for future capital projects.

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-three 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 grant special revenue fund, the library debt service fund, the 2006 County capital project fund, and the 2008

County capital project fund, all five of which are considered to be major funds. Data from the other twenty-eight 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. 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 – 73 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 74 – 91 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 \$85,139,299 at the close of the most recent fiscal year.

The largest portion of Florence County's net assets (56 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 | |
|--|----------------------------|---------------|-----------------------------|--------------|---------------|---------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Current and other assets | \$ 49,216,446 | \$ 44,304,141 | \$11,314,203 | \$12,316,718 | \$ 60,530,649 | \$ 56,620,859 |
| Capital assets | 80,601,448 | 81,311,815 | 2,511,459 | 2,524,656 | 83,112,907 | 83,836,471 |
| Total assets | 129,817,894 | 125,615,956 | 13,825,662 | 14,841,374 | 143,643,556 | 140,457,330 |
| Long-term liabilities outstanding | 49,314,198 | 44,953,196 | 890 | 890 | 49,315,088 | 44,954,086 |
| Other liabilities | 7,909,741 | 9,347,558 | 1,279,428 | 1,275,915 | 9,189,169 | 10,623,473 |
| Total liabilities | 57,223,939 | 54,300,754 | 1,280,318 | 1,276,805 | 58,504,257 | 55,577,559 |
| Net assets: | | | | | | |
| Invested in capital assets, net of related debt | 44,993,383 | 49,731,874 | 2,511,459 | 2,524,656 | 47,504,842 | 52,256,530 |
| Restricted | 1,279,467 | 1,742,763 | - | - | 1,279,467 | 1,742,763 |
| Unrestricted | 26,321,105 | 19,840,565 | 10,033,885 | 11,039,913 | 36,354,990 | 30,880,478 |
| Total net assets | \$ 72,593,955 | \$ 71,315,202 | \$12,545,344 | \$13,564,569 | \$ 85,139,299 | \$ 84,879,771 |

An additional portion of Florence County's net assets (1.50 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$36,354,990) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's net assets increased by \$259,528 during the current fiscal year. Nearly all of this increase represents the excess of revenues over expenses.

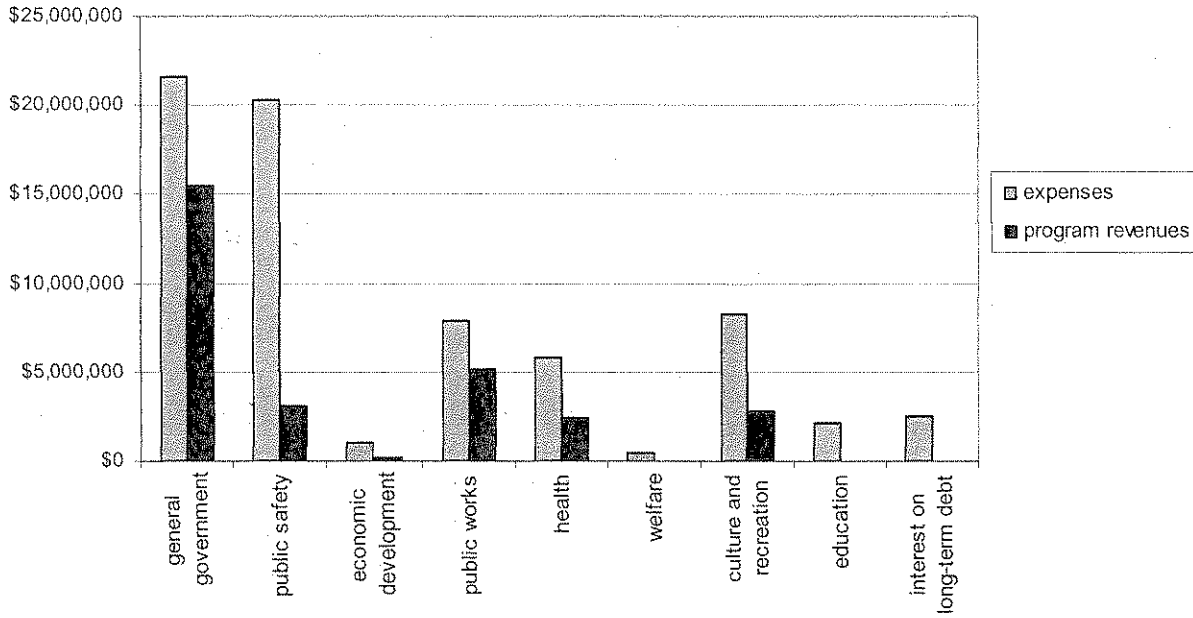
Governmental activities. Governmental activities increased Florence County's net assets by \$1,278,753, primarily as a result of a net transfer from the Landfill Enterprise Fund to the General Fund in the amount of \$1,255,000.

Business-type activities. Business-type activities decreased Florence County's net assets by \$1,019,225, primarily as a result of a net transfer from the Landfill Enterprise Fund to the General Fund in the amount of \$1,255,000.

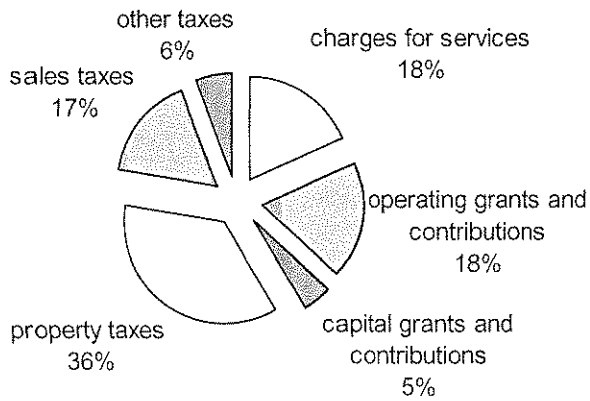
Florence County's Changes in Net Assets

| | Governmental Activities | | Business-type Activities | | Total | |
|---|----------------------------|-------------------|-----------------------------|--------------------|-------------------|-------------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$12,883,260 | \$13,308,738 | \$ 1,891,495 | \$ 1,880,247 | \$14,774,755 | \$15,188,985 |
| Operating grants and contributions | 12,929,028 | 11,612,605 | - | - | 12,929,028 | 11,612,605 |
| Capital grants and contributions | 3,377,979 | 7,891,000 | - | - | 3,377,979 | 7,891,000 |
| General revenues: | | | | | | |
| Property taxes | 25,622,363 | 23,095,655 | - | - | 25,622,363 | 23,095,655 |
| Other taxes | 15,849,348 | 15,470,336 | - | - | 15,849,348 | 15,470,336 |
| Other | 1,837,025 | 1,484,911 | 452,346 | 566,580 | 2,289,371 | 2,051,491 |
| Total revenues | 72,499,003 | 72,863,245 | 2,343,841 | 2,446,827 | 74,842,844 | 75,310,072 |
| Expenses: | | | | | | |
| General government | 21,614,850 | 23,184,504 | - | - | 21,614,850 | 23,184,504 |
| Public safety | 20,256,541 | 19,309,987 | - | - | 20,256,541 | 19,309,987 |
| Economic and physical development | 1,059,851 | 1,679,000 | - | - | 1,059,851 | 1,679,000 |
| Public works | 7,873,447 | 6,949,619 | - | - | 7,873,447 | 6,949,619 |
| Health | 5,805,169 | 5,457,357 | - | - | 5,805,169 | 5,457,357 |
| Welfare | 495,905 | 503,269 | - | - | 495,905 | 503,269 |
| Culture and recreation | 8,243,257 | 9,398,054 | - | - | 8,243,257 | 9,398,054 |
| Education | 2,129,950 | 1,559,950 | - | - | 2,129,950 | 1,559,950 |
| Interest on long-term debt | 2,525,181 | 1,982,095 | - | - | 2,525,181 | 1,982,095 |
| Utility System | - | - | 328,600 | 299,894 | 328,600 | 299,894 |
| Landfill | - | - | 3,842,846 | 3,728,778 | 3,842,846 | 3,728,778 |
| E911 System | - | - | 407,719 | 379,351 | 407,719 | 379,351 |
| Total expenses | 70,004,151 | 70,023,835 | 4,579,165 | 4,408,023 | 74,583,316 | 74,431,858 |
| Increase (decrease) in net assets | | | | | | |
| before transfers | 2,494,852 | 2,839,410 | (2,235,324) | (1,961,196) | 260,528 | 878,214 |
| Transfers | (1,216,099) | (149,909) | 1,216,099 | 149,909 | - | - |
| Increase (decreases) in net assets | 1,278,753 | 2,689,501 | (1,019,225) | (1,811,287) | 260,528 | 878,214 |
| Net assets, July 1, | 71,315,202 | 68,625,701 | 13,564,569 | 15,375,856 | 84,879,771 | 84,001,557 |
| Net assets, June 30, | \$72,593,955 | \$71,315,202 | \$12,545,344 | \$13,564,569 | \$85,139,299 | \$84,879,771 |

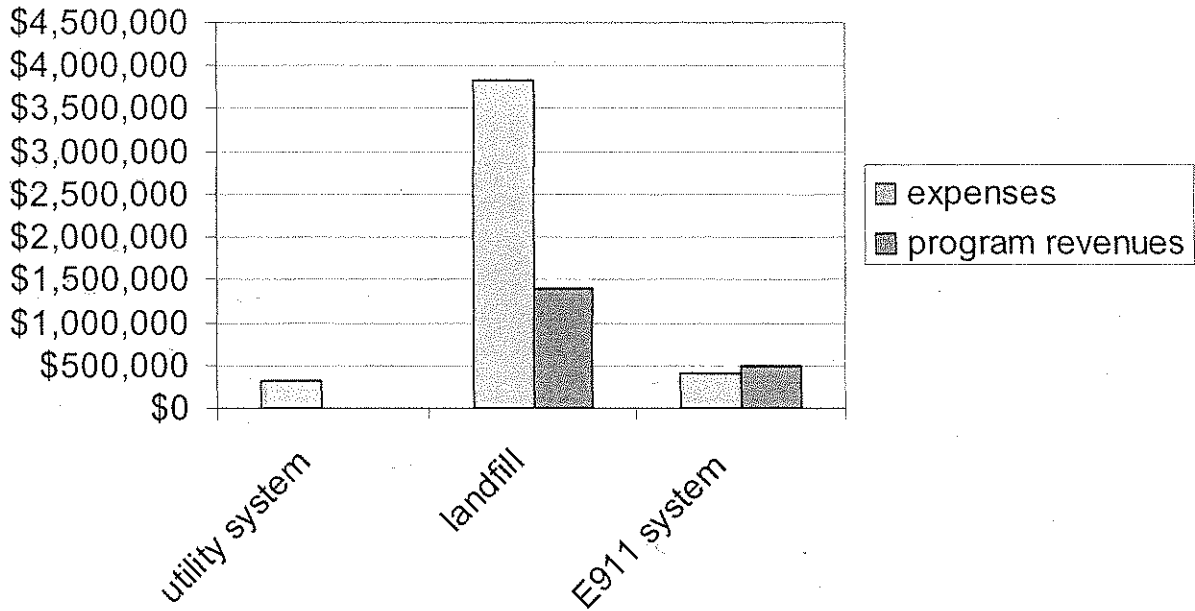
Expenses and Program Revenues - Government Activities



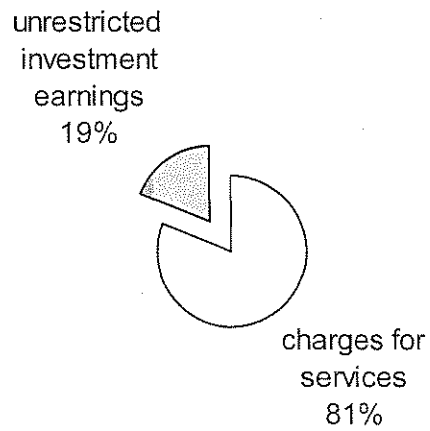
Revenues by Source - Governmental Activities



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 \$37,273,190, an increase of \$6,090,639 in comparison with the prior year. Slightly more than half of this total amount (\$20,441,919) 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 (\$342), 2) to pay debt service (\$1,905,053), 3) to pay for various capital improvements or other expenditures in future years (\$14,731,046), or 4) for a variety of other restricted purposes (\$194,830).

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 \$16,895,988, while total fund balance reached \$18,191,556. 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 34 percent of total general fund expenditures and net transfers out, while total fund balance represents 36 percent of that same amount.

The fund balance of Florence County's general fund increased by \$3,652,448 during the current fiscal year. The key factor in this reduction is as follows:

- Revenues exceeded expenditures by over \$5,700,000 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 \$1,594,610, all of which is unreserved and undesignated. This fund balance increased by \$163,946. 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 \$1,190,036. This fund balance decreased by \$291,803. This was the result of budgeted revenues being less than debt service expenditures.

The 2006 County capital project fund has a total fund balance of \$4,606,425. This fund balance decreased by \$2,150,138. This was the result of capital outlays exceeded the interest revenue earned by this fund.

The 2008 County capital project fund has a total fund balance of \$5,233,612. This fund balance decreased by \$5,233,612, since this is a new fund for this fiscal year. This was the result of the remaining proceeds of the issuance of a \$25,000,000 reduced, fixed-rate capital lease, after the variable rate certificates of participation were refinanced.

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 \$3,557,916, those for the landfill amounted to \$5,366,312, and those for the E911 system amounted to \$1,109,657. The total decrease in net assets for the utility fund and the landfill fund was \$242,588 and \$881,300, respectively. The total increase in net assets for the E911 system was \$104,663. 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 sales and other functional revenues generated by the Sheriff's Office was increased by \$167,250 and budgeted public safety expenditures were increased by a corresponding amount. Budgeted revenue from intergovernmental revenue was increased by \$74,734 for reimbursement from the State of South Carolina for poll worker expenditures and general government expenditures were increased by a corresponding amount. A use of fund balance in the amount of \$1,210,500 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 \$3,627,855.

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, 2008, amounts to \$83,112,907 (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 \$1,300,000 were added to infrastructure assets.
- Capital outlay of \$820,000 was made in association with the installation of the jail's new record management system and jail management system (RMS/JMS).

Florence County's Capital Assets
(net of depreciation)

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------------|----------------------------|--------------|-----------------------------|-------------|--------------|--------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Land | \$ 8,462,601 | \$ 8,270,813 | \$2,309,975 | \$2,310,755 | \$10,772,576 | \$10,581,568 |
| Buildings and additions | 38,559,078 | 38,006,123 | - | - | 38,559,078 | 38,006,123 |
| Improvements other than buildings | 4,530,931 | 4,341,648 | 32,071 | 56,618 | 4,563,002 | 4,398,266 |
| Autos and trucks | 2,806,840 | 2,631,735 | 47,500 | 61,750 | 2,854,340 | 2,693,485 |
| Furniture and fixtures | 68,279 | 91,210 | 1,782 | 3,030 | 70,061 | 94,240 |
| Machinery and equipment | 6,976,371 | 7,121,288 | 120,131 | 92,503 | 7,096,502 | 7,213,791 |
| Infrastructure | 19,197,348 | 20,848,998 | - | - | 19,197,348 | 20,848,998 |
| Total | \$80,601,448 | \$81,311,815 | \$2,511,459 | \$2,524,656 | \$83,112,907 | \$83,836,471 |

Additional information on Florence County's capital assets can be found in Note 2 on pages 54 – 56 of this report.

Long-term debt. At the end of the current fiscal year, Florence County had total bonded debt outstanding of \$17,881,167. This entire amount is backed by the full faith and credit of the government. The remainder of Florence County's debt represents revenue bonds, unused vacation pay, 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 | |
|-------------------------------|----------------------------|---------------|-----------------------------|--------|--------------|--------------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| General obligation bonds | \$17,881,167 | \$ 18,801,248 | \$ - | \$ - | \$17,881,167 | \$18,801,248 |
| Certificates of participation | - | 20,125,000 | - | - | - | 20,125,000 |
| Revenue bonds | 2,800,000 | 2,800,000 | - | - | 2,800,000 | 2,800,000 |
| Capital leases | 27,051,004 | 1,747,861 | - | - | 27,051,004 | 1,747,861 |
| Unused vacation pay | 1,582,027 | 1,479,087 | 890 | 890 | 1,582,917 | 1,479,087 |
| Total | \$49,314,198 | \$ 44,953,196 | \$ 890 | \$ 890 | \$49,315,088 | \$44,953,196 |

Florence County's total debt increased by \$4,361,002 (9.7 percent) during the current fiscal year. The key factor in this increase was the refinancing of \$20,125,000 in certificates of participation by the issuance of a \$25,000,000 capital lease. The remaining proceeds of the lease were deposited into the 2008 County Capital Project Fund to be used for future capital projects.

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 \$33,467,760, 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 58 – 69 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for Florence County is currently 6.7%, which is an increase from a rate of 6.1% 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 2008 fiscal year.

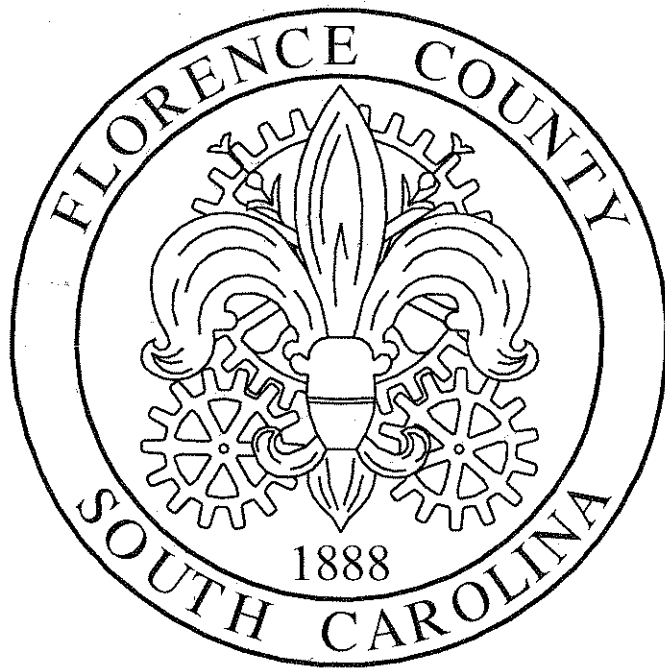
During the current fiscal year, unreserved, undesignated fund balance in the general fund increased to \$16,895,988. A use of fund balance in the amount of \$1,210,500 was budgeted for the current year. However, since during the year expenditures were less than budgetary estimates and revenues exceeded budgetary estimates; fund balance was increased by \$3,652,448.

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, 2008

| | Primary Government | | | Component Unit |
|---|-------------------------|--------------------------|----------------------|---------------------|
| | Governmental Activities | Business-Type Activities | Total | Building Commission |
| ASSETS | | | | |
| Cash and investments | \$ 38,832,180 | \$ 8,933,013 | \$ 47,765,193 | \$ 261,345 |
| Receivables (net of allowance for uncollectibles) | 9,349,948 | 80,446 | 9,430,394 | 771 |
| Inventories | 223,822 | - | 223,822 | - |
| Prepays | 810,496 | - | 810,496 | 12,934 |
| Restricted assets: | | | | |
| Temporarily restricted: | | | | |
| Cash and investments | - | 913,640 | 913,640 | - |
| Note receivable | - | 1,387,104 | 1,387,104 | - |
| Capital assets (net of accumulated depreciation): | | | | |
| Land | 8,462,601 | 2,309,975 | 10,772,576 | 521,180 |
| Buildings and additions | 38,559,078 | - | 38,559,078 | 1,369,685 |
| Improvements other than buildings | 4,530,931 | 32,071 | 4,563,002 | 60,864 |
| Autos and trucks | 2,806,840 | 47,500 | 2,854,340 | - |
| Furniture and fixtures | 68,279 | 1,782 | 70,061 | 29,903 |
| Machinery and equipment | 6,976,371 | 120,131 | 7,096,502 | - |
| Infrastructure | 19,197,348 | - | 19,197,348 | - |
| Total assets | <u>129,817,894</u> | <u>13,825,662</u> | <u>143,643,556</u> | <u>2,256,682</u> |
| LIABILITIES | | | | |
| Accounts payable and other current liabilities | 7,909,741 | 365,788 | 8,275,529 | 31,586 |
| Liabilities payable from restricted assets | - | 913,640 | 913,640 | - |
| Noncurrent liabilities: | | | | |
| Due within one year | 4,548,344 | 890 | 4,549,234 | 27,900 |
| Due in more than one year | 44,765,854 | - | 44,765,854 | 187,639 |
| Total liabilities | <u>57,223,939</u> | <u>1,280,318</u> | <u>58,504,257</u> | <u>247,125</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | 44,993,383 | 2,511,459 | 47,504,842 | 1,766,093 |
| Restricted for: | | | | |
| Debt service | 1,279,467 | - | 1,279,467 | - |
| Unrestricted | 26,321,105 | 10,033,885 | 36,354,990 | 243,464 |
| Total net assets | <u>\$ 72,593,955</u> | <u>\$ 12,545,344</u> | <u>\$ 85,139,299</u> | <u>\$ 2,009,557</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, 2008

| Functions/Programs | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | | Component Unit | |
|--------------------------------------|----------------------|------------------------------------|----------------------------------|---|----------------------------------|-----------------|----------------|------------|
| | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Primary Business-type Activities | Total | Building | Commission |
| Primary government: | | | | | | | | |
| Governmental activities: | | | | | | | | |
| General government | \$ 21,614,850 | \$ 10,084,313 | \$ - | \$ (6,068,329) | \$ - | \$ (6,068,329) | \$ - | \$ - |
| Public safety | 20,256,541 | 1,242,582 | 292,682 | (17,197,070) | - | (17,197,070) | - | - |
| Economic and physical development | 1,059,851 | 43,591 | 125,021 | (891,239) | - | (891,239) | - | - |
| Public works | 7,873,447 | - | 1,907,677 | (2,699,125) | - | (2,699,125) | - | - |
| Health | 5,805,169 | 2,750 | 2,376 | (3,344,472) | - | (3,344,472) | - | - |
| Welfare | 495,905 | - | - | (495,905) | - | (495,905) | - | - |
| Culture and recreation | 8,243,257 | 1,555,792 | 1,050,223 | (5,462,613) | - | (5,462,613) | - | - |
| Education | 2,129,950 | - | - | (2,129,950) | - | (2,129,950) | - | - |
| Interest on long-term debt | 2,525,181 | - | - | (2,525,181) | - | (2,525,181) | - | - |
| Total governmental activities | 70,004,151 | 12,929,028 | 3,377,979 | (40,813,884) | - | (40,813,884) | - | - |
| Business-type activities: | | | | | | | | |
| Utility System | 328,600 | - | - | - | (328,600) | (328,600) | - | - |
| Landfill | 3,842,846 | - | - | - | (2,438,953) | (2,438,953) | - | - |
| E911 System | 407,719 | - | - | - | 79,883 | 79,883 | - | - |
| Total business-type activities | 4,579,165 | - | - | - | (2,687,670) | (2,687,670) | - | - |
| Total primary government | \$ 74,583,316 | \$ 12,929,028 | \$ 3,377,979 | \$ (40,813,884) | \$ (2,687,670) | \$ (43,501,554) | \$ - | \$ - |
| Component unit: | | | | | | | | |
| Building Commission | \$ 1,547,867 | \$ 1,577,150 | \$ - | \$ - | \$ - | \$ - | \$ 29,283 | \$ 29,283 |
| Total component unit | \$ 1,547,867 | \$ 1,577,150 | \$ - | \$ - | \$ - | \$ - | \$ 29,283 | \$ 29,283 |
| General revenues: | | | | | | | | |
| Property taxes | | | | 25,622,363 | - | 25,622,363 | - | - |
| Sales taxes | | | | 11,689,420 | - | 11,689,420 | - | - |
| Fees in lieu of tax | | | | 1,721,742 | - | 1,721,742 | - | - |
| Franchise fees | | | | 650,796 | - | 650,796 | - | - |
| Accommodations tax | | | | 1,787,390 | - | 1,787,390 | - | - |
| Unrestricted investment earnings | | | | 1,837,025 | 452,346 | 2,289,371 | 5,259 | - |
| Transfers | | | | (1,216,099) | 1,216,099 | - | - | - |
| Total general revenues and transfers | | | | 42,092,637 | 1,668,445 | 43,761,082 | 5,259 | - |
| Change in net assets | | | | 1,278,753 | (1,019,225) | 259,528 | 34,542 | - |
| Net assets - beginning | | | | 71,315,202 | 13,564,569 | 84,879,771 | 1,975,015 | - |
| Net assets - ending | | | | \$ 72,593,955 | \$ 12,545,344 | \$ 85,139,299 | \$ 2,009,557 | - |

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

FLORENCE COUNTY, SOUTH CAROLINA

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2008

| | General | Grant Special Revenue Fund | Library Debt Service Fund | 2006 County Capital Project Fund | 2008 County Capital Project Fund | Other Governmental Funds | Total Governmental Funds |
|---------------------------------------|----------------------|----------------------------------|---------------------------------|--|--|--------------------------------|--------------------------------|
| ASSETS AND OTHER DEBITS | | | | | | | |
| Assets: | | | | | | | |
| Cash and investments | \$ 17,827,878 | \$ 3,495,307 | \$ 792,752 | \$ 4,792,827 | \$ 5,233,612 | \$ 6,689,804 | \$ 38,832,180 |
| Receivables: | | | | | | | |
| Property taxes (net) | 21,226 | - | - | - | - | 99,093 | 120,319 |
| Other governmental units and agencies | 5,297,137 | 884,613 | 397,944 | - | - | 767,467 | 7,347,161 |
| Others (net) | 1,759,954 | 6,805 | - | - | - | 115,709 | 1,882,468 |
| Inventory | 91,578 | - | - | - | - | 132,244 | 223,822 |
| Prepays | 810,496 | - | - | - | - | - | 810,496 |
| Due from other funds | 72,836 | - | - | - | - | - | 72,836 |
| Total assets | \$ 25,881,105 | \$ 4,386,725 | \$ 1,190,696 | \$ 4,792,827 | \$ 5,233,612 | \$ 7,804,317 | \$ 49,289,282 |

LIABILITIES AND FUND BALANCES

| | | | | | | | |
|--|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| Liabilities: | | | | | | | |
| Accounts payable | \$ 993,817 | \$ 89,357 | \$ 660 | \$ 188,402 | \$ - | \$ 1,004,775 | \$ 2,277,011 |
| Payroll withholdings and accruals | 1,185,444 | 57,736 | - | - | - | 91,749 | 1,334,929 |
| Other payables | 4,299,801 | - | - | - | - | - | 4,299,801 |
| Due to other funds | - | - | - | - | - | 72,836 | 72,836 |
| Deferred revenues | 1,210,487 | 2,645,022 | - | - | - | 178,006 | 4,033,515 |
| Total liabilities | 7,689,549 | 2,792,115 | 660 | 188,402 | - | 1,347,366 | 12,018,092 |
| Fund balances: | | | | | | | |
| Reserved for debt service reserve | - | - | - | - | - | 625,586 | 625,586 |
| Reserved for encumbrances | 342 | - | - | - | - | - | 342 |
| Reserved for inventory | 62,586 | - | - | - | - | 132,244 | 194,830 |
| Reserved for debt service | - | - | 1,190,036 | - | - | 89,431 | 1,279,467 |
| Unreserved, reported in: | | | | | | | |
| General fund | 18,128,628 | - | - | - | - | - | 18,128,628 |
| Special revenue funds | - | 1,594,610 | - | - | - | 4,618,246 | 6,212,856 |
| Capital project funds | - | - | - | 4,606,425 | 5,233,612 | 991,444 | 10,831,481 |
| Total fund balances | 18,191,556 | 1,594,610 | 1,190,036 | 4,606,425 | 5,233,612 | 6,456,951 | 37,273,190 |
| Total liabilities and fund balances | \$ 25,881,105 | \$ 4,386,725 | \$ 1,190,696 | \$ 4,794,827 | \$ 5,233,612 | \$ 7,804,317 | |

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.
- Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.
- Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Net assets of governmental activities

| | |
|--------------|----------------------|
| | 80,601,448 |
| | 4,033,515 |
| | (49,314,198) |
| Total | \$ 72,593,955 |

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, 2008

| | General | Grant Special Revenue Fund | Library Debt Service Fund | 2006 County Capital Project Fund | 2008 County Capital Project Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|----------------------------------|---------------------------------|--|--|--------------------------------|--------------------------------|
| Revenues: | | | | | | | |
| Taxes | \$ 31,111,747 | \$ 145,778 | \$ 3,663,963 | \$ - | \$ - | \$ 3,711,629 | \$ 38,633,117 |
| Licenses and permits | 1,748,527 | - | - | - | - | 3,266,645 | 5,015,172 |
| Fines and fees | 4,119,248 | - | - | - | - | 1,723,598 | 5,842,846 |
| Intergovernmental | 8,788,308 | 2,137,703 | - | - | - | 1,818,018 | 12,744,029 |
| Sales and other functional revenues | 4,491,437 | - | - | 2,377 | - | - | 4,493,814 |
| Miscellaneous | 1,463,778 | 2,216,236 | 52,032 | 271,343 | 18,142 | 231,678 | 4,253,209 |
| Total revenues | <u>51,723,045</u> | <u>4,499,717</u> | <u>3,715,995</u> | <u>273,720</u> | <u>18,142</u> | <u>10,751,568</u> | <u>70,982,187</u> |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| General government | 18,243,418 | 1,748,165 | - | - | - | 1,026,984 | 21,018,567 |
| Public safety | 15,876,001 | 994,255 | - | - | - | 1,570,228 | 18,440,484 |
| Economic and physical development | - | 83,076 | - | - | - | 856,649 | 939,725 |
| Public works | 1,266,520 | - | - | - | - | 3,610,373 | 4,876,893 |
| Health | 5,307,279 | 185,327 | - | - | - | 5,492,606 | 5,492,606 |
| Welfare | 495,905 | - | - | - | - | - | 495,905 |
| Culture and recreation | 4,812,283 | 1,128,816 | - | - | - | 1,604,333 | 7,545,432 |
| Education | 4,950 | - | - | - | - | 2,125,000 | 2,129,950 |
| Capital outlay | - | - | - | 2,423,858 | 166 | 25,481 | 2,449,505 |
| Debt service: | | | | | | | |
| Principal retirements | - | - | 2,251,777 | - | - | 1,937,651 | 4,189,428 |
| Interest | - | - | 1,750,492 | - | - | 767,630 | 2,518,122 |
| Paying agent fee | - | - | 5,529 | - | - | 1,530 | 7,059 |
| Total expenditures | <u>46,006,356</u> | <u>4,139,639</u> | <u>4,007,798</u> | <u>2,423,858</u> | <u>166</u> | <u>13,525,859</u> | <u>70,103,676</u> |
| Revenues over (under) expenditures | 5,716,689 | 360,078 | (291,803) | (2,150,138) | 17,976 | (2,774,291) | 878,511 |
| Other financing sources (uses): | | | | | | | |
| Issuance of debt | - | - | - | - | 5,215,636 | - | 5,215,636 |
| Proceeds of capital lease | - | - | - | - | - | 1,188,780 | 1,188,780 |
| Transfer in | 1,855,032 | - | - | - | - | 1,897,636 | 3,752,668 |
| Transfer out | (3,943,084) | (196,132) | - | - | - | (829,551) | (4,968,767) |
| Net change in fund balances | 3,628,637 | 163,946 | (291,803) | (2,150,138) | 5,233,612 | (517,426) | 6,066,828 |
| Fund balance - beginning of year | 14,539,108 | 1,430,664 | 1,481,839 | 6,756,563 | - | 6,974,377 | 31,182,551 |
| Change in reserve for inventory | 23,811 | - | - | - | - | - | 23,811 |
| Fund balance - end of year | <u>\$ 18,191,556</u> | <u>\$ 1,594,610</u> | <u>\$ 1,190,036</u> | <u>\$ 4,606,425</u> | <u>\$ 5,233,612</u> | <u>\$ 6,456,951</u> | <u>\$ 37,273,190</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, 2008

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) \$ 6,066,828

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.

Capital outlays (page 28) 2,449,505
Less: depreciation expense (page 55) (6,537,337)
(4,087,832)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets

Disposals of capital assets, net of accumulated depreciation (page 54) (2,959)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Deferred revenues (page 27) 4,033,515
Less: deferred revenues, June 30, 2007 (3,774,032)
259,483

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.

Principle retirements (page 28) 4,189,428
Net increase in vacation pay earned not used (102,940)
Less: issuance of debt (page 28) (5,215,636)
Less: proceeds of capital lease (page 28) (1,188,780)
(2,317,928)

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

1,302,785

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

23,811

Change in net assets of governmental activities (page 26)

\$ 1,244,188

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, 2008

| | Budgeted Amounts | | Actual | Variance with Final Budget - Favorable (Unfavorable) |
|--|-----------------------------|-----------------------------|-----------------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes | \$ 29,325,427 | \$ 29,325,427 | \$ 31,111,747 | \$ 1,786,320 |
| Licenses and permits | 1,584,628 | 1,584,628 | 1,748,527 | 163,899 |
| Fines and fees | 4,213,773 | 4,213,773 | 4,119,248 | (94,525) |
| Intergovernmental | 8,471,663 | 8,546,397 | 8,788,308 | 241,911 |
| Sales and other functional revenues | 3,939,691 | 4,106,941 | 4,491,437 | 384,496 |
| Miscellaneous | 579,000 | 599,000 | 1,463,778 | 864,778 |
| Total revenues | <u>48,114,182</u> | <u>48,376,166</u> | <u>51,723,045</u> | <u>3,346,879</u> |
| Expenditures: | | | | |
| General government | 18,990,318 | 19,065,052 | 18,245,116 | 819,936 |
| Public safety | 15,880,266 | 16,067,516 | 15,876,001 | 191,515 |
| Public works | 1,434,935 | 1,434,935 | 1,266,520 | 168,415 |
| Health | 5,408,507 | 5,408,507 | 5,306,509 | 101,998 |
| Welfare | 514,919 | 514,919 | 495,905 | 19,014 |
| Culture and recreation | 4,806,784 | 4,806,784 | 4,812,137 | (5,353) |
| Education | 4,950 | 4,950 | 4,950 | - |
| Total expenditures | <u>47,040,679</u> | <u>47,302,663</u> | <u>46,007,138</u> | <u>1,295,525</u> |
| Revenues over (under) expenditures | 1,073,503 | 1,073,503 | 5,715,907 | 4,642,404 |
| Other financing sources (uses): | | | | |
| Transfers in | 1,818,901 | 1,818,901 | 1,855,032 | 36,131 |
| Transfers out | (4,102,904) | (4,102,904) | (3,943,084) | 159,820 |
| Net change in fund balance | (1,210,500) | (1,210,500) | 3,627,855 | 4,838,355 |
| Fund balance - beginning of year | <u>\$ 14,529,328</u> | <u>\$ 14,529,328</u> | <u>\$ 14,529,328</u> | <u>\$ -</u> |
| Fund balance - end of year | <u><u>\$ 13,318,828</u></u> | <u><u>\$ 13,318,828</u></u> | <u><u>\$ 18,157,183</u></u> | <u><u>\$ 4,838,355</u></u> |

(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, 2008

(Continued)

| | |
|---------------------------------|-----------------------------|
| Reconciliation of fund balance: | |
| GAAP basis | \$ 18,191,556 |
| Increase (decrease): | |
| Due to expenditures: | |
| Encumbrances | (342) |
| Inventories | (62,586) |
| Cash - Juror fee accounts | <u>28,555</u> |
| Budgetary basis | <u>\$ 18,157,183</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, 2008

| | Business-type Activities - Enterprise Funds | | | Totals |
|---|---|--------------------------------|--------------------------|----------------------|
| | Florence County Utility System | Florence County Landfill | County E911 System | |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and investments | \$ 2,170,817 | \$ 5,691,168 | \$ 1,071,028 | \$ 8,933,013 |
| Receivables: | | | | |
| Due from customers | - | - | 63,819 | 63,819 |
| Intergovernmental | - | 16,627 | - | 16,627 |
| Prepaid expenses | - | - | - | - |
| Inventory | - | - | - | - |
| Total current assets | <u>2,170,817</u> | <u>5,707,795</u> | <u>1,134,847</u> | <u>9,013,459</u> |
| Noncurrent assets: | | | | |
| Restricted cash and investments | - | 913,640 | - | 913,640 |
| Note receivable | 1,387,104 | - | - | 1,387,104 |
| 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 | 752,666 | 801,239 |
| Less accumulated depreciation | - | <u>(2,615,579)</u> | <u>(668,961)</u> | <u>(3,284,540)</u> |
| Total capital assets (net of accumulated depreciation) | - | <u>2,392,356</u> | <u>119,103</u> | <u>2,511,459</u> |
| Total noncurrent assets | <u>1,387,104</u> | <u>3,305,996</u> | <u>119,103</u> | <u>4,812,203</u> |
| Total assets | <u>3,557,921</u> | <u>9,013,791</u> | <u>1,253,950</u> | <u>13,825,662</u> |
| LIABILITIES | | | | |
| Liabilities: | | | | |
| Current liabilities: | | | | |
| Accounts payable | 5 | 341,483 | 20,590 | 362,078 |
| Accrued payroll | - | - | 3,710 | 3,710 |
| Total current liabilities | <u>5</u> | <u>341,483</u> | <u>24,300</u> | <u>365,788</u> |
| Noncurrent liabilities: | | | | |
| Accrued vacation | - | - | 890 | 890 |
| Closure and post-closure costs | - | 913,640 | - | 913,640 |
| Total long-term liabilities | - | <u>913,640</u> | <u>890</u> | <u>914,530</u> |
| Total liabilities | <u>5</u> | <u>1,255,123</u> | <u>25,190</u> | <u>1,280,318</u> |
| NET ASSETS | | | | |
| Invested in capital assets, net of related debt | - | 2,392,356 | 119,103 | 2,511,459 |
| Unrestricted | 3,557,916 | 5,366,312 | 1,109,657 | 10,033,885 |
| Total net assets | <u>\$ 3,557,916</u> | <u>\$ 7,758,668</u> | <u>\$ 1,228,760</u> | <u>\$ 12,545,344</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, 2008

| | Business-type Activities - Enterprise Funds | | | |
|---|---|-----------------------------|--------------------------------|----------------------|
| | Florence County Utility System | Florence County Landfill | Florence County E911 System | Totals |
| Operating revenues: | | | | |
| Charges for services | \$ - | \$ 1,403,893 | \$ 487,602 | \$ 1,891,495 |
| Other revenue | - | - | - | - |
| Total operating revenues | <u>-</u> | <u>1,403,893</u> | <u>487,602</u> | <u>1,891,495</u> |
| Operating expenses: | | | | |
| System maintenance | 328,600 | 3,803,240 | 350,506 | 4,482,346 |
| Depreciation | - | 39,606 | 57,213 | 96,819 |
| Total operating expenses | <u>328,600</u> | <u>3,842,846</u> | <u>407,719</u> | <u>4,579,165</u> |
| Operating income (loss) | <u>(328,600)</u> | <u>(2,438,953)</u> | <u>79,883</u> | <u>(2,687,670)</u> |
| Non operating revenues (expenses): | | | | |
| Interest earned on investments | 86,012 | 302,653 | 46,759 | 435,424 |
| Other | - | - | 16,922 | 16,922 |
| Total nonoperating revenues (expenses) | <u>86,012</u> | <u>302,653</u> | <u>63,681</u> | <u>452,346</u> |
| Income (loss) before operating transfers | (242,588) | (2,136,300) | 143,564 | (2,235,324) |
| Transfers in | - | 2,255,000 | - | 2,255,000 |
| Transfers out | - | (1,000,000) | (38,901) | (1,038,901) |
| Change in net assets | (242,588) | (881,300) | 104,663 | (1,019,225) |
| Net assets - beginning | 3,800,504 | 8,639,968 | 1,124,097 | 13,564,569 |
| Net assets - ending | <u>\$ 3,557,916</u> | <u>\$ 7,758,668</u> | <u>\$ 1,228,760</u> | <u>\$ 12,545,344</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, 2008

| | Business-type Activities - Enterprise Funds | | | |
|--|---|--------------------------------|-----------------------------------|----------------------------|
| | Florence County Utility System | Florence County Landfill | Florence County E911 System | Totals |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Receipts from customers and users | \$ - | \$ 1,400,462 | \$ 490,752 | \$ 1,891,214 |
| Payments to suppliers | (328,600) | (3,804,371) | (259,837) | (4,392,808) |
| Payments to employees | - | - | (86,025) | (86,025) |
| Net cash provided by (used in) operating activities | <u>(328,600)</u> | <u>(2,403,909)</u> | <u>144,890</u> | <u>(2,587,619)</u> |
| CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES: | | | | |
| Transfers in | - | 2,255,000 | - | 2,255,000 |
| Transfers out | - | (1,000,000) | (38,901) | (1,038,901) |
| Net cash provided by non-capital financing activities | <u>-</u> | <u>1,255,000</u> | <u>(38,901)</u> | <u>1,216,099</u> |
| CASH FLOWS FROM CAPITAL and RELATED FINANCING ACTIVITIES: | | | | |
| Payment received on note | 314,085 | - | - | 314,085 |
| Purchase of capital assets | - | - | (83,622) | (83,622) |
| Net cash provided by (used in) financing activities | <u>314,085</u> | <u>-</u> | <u>(83,622)</u> | <u>230,463</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Interest earned on operating funds | 86,012 | 302,653 | 46,759 | 435,424 |
| Other | - | - | 16,922 | 16,922 |
| Net cash provided by investing activities | <u>86,012</u> | <u>302,653</u> | <u>63,681</u> | <u>452,346</u> |
| Net increase (decrease) in cash and restricted cash | 71,497 | (846,256) | 86,048 | (688,711) |
| Cash and restricted cash at beginning of period | <u>2,099,320</u> | <u>7,451,064</u> | <u>984,980</u> | <u>10,535,364</u> |
| Cash and restricted cash at end of period | <u>\$ 2,170,817</u> | <u>\$ 6,604,808</u> | <u>\$ 1,071,028</u> | <u>\$ 9,846,653</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, 2008

Business-type Activities - Enterprise Funds

| | Florence County Utility System | Florence County Landfill | Florence County E911 System | Totals |
|--|--------------------------------------|--------------------------------|-----------------------------------|-----------------------|
| (Continued) | | | | |
| Reconciliation of operating income to net cash provided (used) by operating activities: | | | | |
| Operating income (loss) | \$ (328,600) | \$ (2,438,953) | \$ 79,883 | \$ (2,687,670) |
| Adjustments to reconcile operating loss to net cash provided by (used in) operations: | | | | |
| Depreciation | - | 39,606 | 57,213 | 96,819 |
| Changes in assets and liabilities: | | | | |
| (Increase) decrease in receivables | - | (3,431) | 3,150 | (281) |
| (Increase) decrease in prepaid expenses | - | - | - | - |
| Increase (decrease) in accounts payable | - | (1,131) | 3,831 | 2,700 |
| Increase (decrease) in postclosure costs | - | - | - | - |
| Increase (decrease) in accrued payroll | - | - | 813 | 813 |
| Net cash provided by (used in) operating activities | <u>\$ (328,600)</u> | <u>\$ (2,403,909)</u> | <u>\$ 144,890</u> | <u>\$ (2,587,619)</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, 2008

| | <u>Agency Funds</u> |
|--|-------------------------|
| ASSETS | |
| Cash and investments | \$ 9,517,957 |
| Total assets | <u>\$ 9,517,957</u> |
| LIABILITIES | |
| Due to others | \$ 1,379,426 |
| Due to other taxing units | <u>8,138,531</u> |
| Total liabilities | <u>\$ 9,517,957</u> |
| Reconciliation to combining statements: | |
| Total assets and liabilities per above | \$ 9,517,957 |
| Amount due to other funds - eliminated from basic financial statements | <u>486,619</u> |
| Total assets and liabilities per combining statements (page 89) | <u>\$ 10,004,576</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, 2008

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, 2008

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, 2008. 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, 2008

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, 2008

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 *2006 County Capital Project Fund* accounts for the expenditure of the proceeds of a general obligation bond for various capital projects.

The *2008 County Capital Project Fund* accounts for the expenditure of the proceeds of a capital lease for various capital projects.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Budgetary Data (Continued)

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 ten Special Revenue Funds: Florence-Darlington Technical Education Center and Library Special Revenue Fund, Capital Improvements Special Revenue Fund, Law Library 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 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, 2008

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 | \$ 3,628,637 | \$18,191,556 |
| Increase (decrease): | | |
| Due to expenditures: | | |
| Encumbrances | 574 | (342) |
| Inventories | - | (62,586) |
| Cash - Juror fee accounts | <u>(1,356)</u> | <u>28,555</u> |
| Budgetary basis | <u>\$ 3,627,855</u> | <u>\$18,157,183</u> |

The County does not have budgets for the fiscal year ended June 30, 2008, for the South Carolina Accommodations Tax Special Revenue Fund, the Treasurer Delinquent Tax 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, 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, 2008

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, 2008, \$342 of open purchase orders and contracts were outstanding. These amounts are reported as "Reserved 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, 2008, the County had the following investments and maturities:

| <u>Investment</u> | <u>Maturities</u> | <u>Fair Value</u> |
|-------------------------|---------------------|----------------------|
| Certificates of Deposit | 07/29/08 – 06/20/09 | <u>\$ 37,990,392</u> |
| Total investments | | <u>\$ 37,990,392</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 agency of the Federal government. The County has no investment policy that would further limit its investment choices.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 1. SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 (100.0%).

As of June 30, 2008, the County had the following balances in cash and investments:

| | |
|---|---------------------|
| Cash, including restricted cash and investments | \$10,688,441 |
| Investments | <u>37,990,392</u> |
| Total cash and investments | <u>\$48,678,833</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 |

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2008, are local option sales tax collections in excess of local option sales tax credits applied on property tax notices as follows:

| | |
|----------------------|------------------|
| General Fund | (\$227,480) |
| Debt Service Fund | (106,480) |
| Special Revenue Fund | <u>756,259</u> |
| | <u>\$422,299</u> |

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2008, is \$28,992. Therefore, the total Florence County General Fund inventory balance at June 30, 2008, of \$91,278 is not equally offset by the Florence County General Fund fund balance reserved for inventory of \$62,586. 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, 2008, is the balance required for closure and post-closure costs of the Florence County Landfill.

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 |

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2008, is composed of the following elements:

| | <u>Receivables From Other Governments</u> | <u>Prepaid Vehicle Taxes & Fees</u> | <u>Unearned Grant Revenue</u> | <u>Other</u> |
|-----------------|---|---|---------------------------------------|------------------|
| General fund | \$ 188,622 | \$1,007,684 | \$ - | \$ 14,181 |
| Special revenue | - | 172,927 | 2,645,022 | - |
| Debt service | - | 5,078 | - | - |
| Total | <u>\$ 188,622</u> | <u>\$1,185,689</u> | <u>\$2,645,022</u> | <u>\$ 14,181</u> |

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2008, were as follows:

| | |
|---|-------------|
| General Fund | \$1,232,640 |
| Capital Improvements Special Revenue Fund | 867,247 |
| Treasurer Delinquent Tax Special Revenue Fund | 170,502 |
| Grant Special Revenue Fund | 1,594,610 |
| County General Capital Project Fund | 875,302 |
| 2008 County Capital Project Fund | 5,233,612 |
| Radio System Upgrade Capital Project Fund | 101,442 |
| Hannah/Salem/Friendfield Fire District Capital Project Fund | 228 |
| Johnsonville Fire District Capital Project Fund | 7,549 |
| Howe Springs Fire District Capital Project Fund | 6,923 |
| 2006 County Capital Project Fund | 4,606,425 |

Deficit Fund Balances

The Florence/Darlington TEC Special Revenue Fund and the Energy Management Debt Service Fund had deficit fund balances totaling \$37,346 and \$72,836, respectively, as of June 30, 2008. These deficits will be funded through future operations.

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, 2008, amounted to \$1,582,027 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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2008.

| | <u>Appropriations</u> | <u>Expenditures</u> | <u>Excess</u> |
|--|-----------------------|---------------------|---------------|
| Florence Darlington TEC Special Revenue Fund | \$1,365,737 | \$2,125,000 | \$(759,263) |
| Capital Improvement Special Revenue Fund | 450,000 | 588,593 | (138,593) |
| Howe Springs Fire District Special Revenue Fund | 756,266 | 835,235 | (78,969) |
| Sardis-Timmonsville Fire District Special Revenue Fund | 143,425 | 289,435 | (146,010) |
| Johnsonville Fire District Special Revenue Fund | 239,148 | 283,337 | (44,189) |
| Economic Development Partnership Special Revenue Fund | 460,000 | 736,063 | (276,063) |
| Victim/Witness Assistance Special Revenue Fund | 497,384 | 507,742 | (10,358) |
| Local Accommodations Fee Special Revenue Fund | 2,686,661 | 2,756,417 | (69,756) |

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 Economic Development Partnership 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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

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 \$857,472 for property taxes not related to vehicles. The breakdown of this allowance is as follows:

| | |
|-----------------------|-------------------|
| General Fund | \$ 605,440 |
| Special Revenue Funds | 162,566 |
| Debt Service Funds | 89,466 |
| | <u>\$ 857,472</u> |

Included in the amount shown as property taxes receivable are vehicle taxes receivable net of an allowance for doubtful accounts of \$859,045. The breakdown of this allowance is as follows:

| | |
|-----------------------|-------------------|
| General Fund | \$ 579,261 |
| Special Revenue Funds | 197,970 |
| Debt Service Funds | 81,814 |
| | <u>\$ 859,045</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 | \$5,589,325 | \$ 994,699 |
| Less: allowance for doubtful accounts | <u>852,081</u> | <u>5,347,913</u> | <u>914,253</u> |
| | <u>\$ -</u> | <u>\$ 241,412</u> | <u>\$ 80,446</u> |

Due from Other Governments and Agencies

General Fund amounts due from other governments include the following:

| | |
|----------------------------|--------------------|
| State - taxes and licenses | \$5,022,157 |
| State - other | 206,610 |
| Local municipality | 68,370 |
| | <u>\$5,297,137</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

A. Assets (Continued)

Capital Assets

Capital asset activity for the year ended June 30, 2008, was as follows:

| Primary Government | | | | |
|---|--------------------------|---------------------|-------------------|-----------------------|
| <u>Description</u> | <u>Beginning Balance</u> | <u>Additions</u> | <u>Disposals</u> | <u>Ending Balance</u> |
| Governmental activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 8,270,813 | \$ 191,855 | \$ (67) | \$ 8,462,601 |
| Total capital assets, not being depreciated | <u>8,270,813</u> | <u>191,855</u> | <u>(67)</u> | <u>8,462,601</u> |
| Capital assets being depreciated: | | | | |
| Buildings & additions | 49,058,812 | 1,644,646 | - | 50,703,458 |
| Improvements other than buildings | 5,521,498 | 517,379 | - | 6,038,877 |
| Autos & trucks | 8,637,198 | 1,182,881 | (214,947) | 9,605,132 |
| Furniture & fixtures | 245,015 | - | - | 245,015 |
| Machinery & equipment | 20,280,405 | 1,389,289 | (31,291) | 21,638,403 |
| Infrastructure | <u>51,088,798</u> | <u>903,879</u> | <u>-</u> | <u>51,992,677</u> |
| Total capital assets being depreciated | <u>134,831,726</u> | <u>5,638,074</u> | <u>(246,238)</u> | <u>140,223,562</u> |
| Less accumulated depreciation for: | | | | |
| Buildings & additions | (11,052,689) | (1,091,690) | - | (12,144,379) |
| Improvements other than buildings | (1,179,850) | (328,096) | - | (1,507,946) |
| Autos & trucks | (6,005,463) | (1,004,884) | 212,055 | (6,798,292) |
| Furniture & fixtures | (153,805) | (22,931) | - | (176,736) |
| Machinery & equipment | (13,159,117) | (1,534,206) | 31,291 | (14,662,032) |
| Infrastructure | <u>(30,239,800)</u> | <u>(2,555,530)</u> | <u>-</u> | <u>(32,795,330)</u> |
| Total accumulated depreciation | <u>(61,790,724)</u> | <u>(6,537,337)</u> | <u>243,346</u> | <u>(68,084,715)</u> |
| Total capital assets being depreciated, net | <u>73,041,002</u> | <u>(899,263)</u> | <u>(2,892)</u> | <u>72,138,847</u> |
| Governmental activities capital assets, net | <u>\$ 81,311,815</u> | <u>(\$ 707,408)</u> | <u>(\$ 2,959)</u> | <u>\$ 80,601,448</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

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 | <u>717,617</u> | <u>83,622</u> | <u>-</u> | <u>801,239</u> |
| Total capital assets being depreciated | <u>5,712,377</u> | <u>83,622</u> | <u>-</u> | <u>5,795,999</u> |
| Less accumulated depreciation for: | | | | |
| Land | (155,098) | (780) | - | (155,878) |
| Buildings & additions | (185,721) | - | - | (185,721) |
| Improvements other than buildings | (510,478) | (24,547) | - | (535,025) |
| Autos & trucks | (1,702,231) | (14,250) | - | (1,716,481) |
| Furniture & fixtures | (9,079) | (1,248) | - | (10,327) |
| Machinery & equipment | <u>(625,114)</u> | <u>(55,994)</u> | <u>-</u> | <u>(681,108)</u> |
| Total accumulated depreciation | <u>(3,187,721)</u> | <u>(96,819)</u> | <u>-</u> | <u>(3,284,540)</u> |
| Total capital assets being depreciated, net | <u>2,524,656</u> | <u>(13,197)</u> | <u>-</u> | <u>2,511,459</u> |
| Business-type activities capital assets, net | <u>\$2,524,656</u> | <u>(\$13,197)</u> | <u>\$ -</u> | <u>\$2,511,459</u> |

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

| | |
|---|--------------------|
| Governmental activities: | |
| General government | \$ 594,212 |
| Public safety | 1,816,057 |
| Economic development | 120,126 |
| Public works, including depreciation of infrastructure assets | 2,996,554 |
| Health | 312,563 |
| Culture & recreation | <u>697,825</u> |
| Total depreciation expense – governmental activities | <u>\$6,537,337</u> |
| Business-type activities: | |
| Landfill | \$39,606 |
| E911 | <u>57,213</u> |
| Total depreciation expense – business type activities | <u>\$96,819</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

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 9.21%. 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.

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES on ALL FUNDS (Continued)

The County's contributions to the SCRS for the years ended June 30, 2008, 2007, and 2006 were \$1,578,817, \$1,321,567, and \$1,256,085, respectively, equal to the required contributions for each year. The County's contributions to the SCPORS for the years ended June 30, 2008, 2007, and 2006 were \$863,067, \$841,001, and \$858,602, respectively, equal to the required contributions for each year. Contributions by employees during the year were \$1,097,060 to the SCRS and \$524,293 to the SCPORS. The County's covered payroll for the SCRS and SCPORS was \$16,877,853 and \$8,066,046, respectively. Total current year payroll for all employees was \$25,475,234.

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.

| <u>Years of service</u> | <u>% of coverage paid for by the County</u> |
|-------------------------|---|
| 35 years | 100% |
| 30 years | 90% |
| 25 years | 80% |
| 20 years | 70% |
| 15 years | 60% |

At June 30, 2008, there were 75 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, 2008, were \$211,143.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

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.

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

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 sub-station.

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).

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.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

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, 2008, are comprised of the following individual issues:

| | <u>Interest Rates</u> | <u>Maturity Date</u> | <u>Final Amount Outstanding</u> | <u>Current Maturity of Principal Installments</u> |
|--------------------------|-----------------------|----------------------|---------------------------------|---|
| Johnsonville Fire | | | | |
| District Bonds: | | | | |
| \$500,000, series 2000 | 5.30% | 2009 | \$ 35,000 | \$ 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 | |
| | | | 315,000 | 35,000 |
| Hannah-Salem-Friendfield | | | | |
| Fire District Bonds: | | | | |
| \$430,000, series 2001 | 4.10% | 2009 | \$ 54,000 | \$ 54,000 |
| | 4.10% | 2010 | 57,000 | |
| | 4.10% | 2011 | 60,000 | |
| | 4.10% | 2012 | 63,000 | |
| | | | 234,000 | 54,000 |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

| | <u>Interest Rates</u> | <u>Maturity Date</u> | <u>Final Amount Outstanding</u> | <u>Current Maturity of Principal Installments</u> |
|---------------------------|-----------------------|----------------------|---------------------------------|---|
| Florence County | | | | |
| General Bonds: | | | | |
| \$10,000,000, series 2002 | 4.00% | 2009 | \$ 210,000 | \$ 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>4,420,000</u> | <u>210,000</u> |
| Hannah-Salem-Friendfield | | | | |
| Fire District Bonds: | | | | |
| \$210,000, series 2003 | 4.71% | 2009 | \$ 13,000 | \$ 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>171,000</u> | <u>13,000</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

| | <u>Interest Rates</u> | <u>Maturity Date</u> | <u>Final Amount Outstanding</u> | <u>Current Maturity of Principal Installments</u> |
|--------------------------|---------------------------|--------------------------|---|---|
| Howe Springs Fire | | | | |
| District Bonds: | | | | |
| \$950,000, series 2004 | 4.20% | 2009 | \$ 92,419 | \$ 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>616,104</u> | <u>92,419</u> |
| Florence County | | | | |
| Refunding Bonds: | | | | |
| \$1,123,000, series 2005 | 3.13% | 2009 | \$ 231,410 | \$ 231,410 |
| | 3.13% | 2010 | 238,653 | |
| | | | <u>470,063</u> | <u>231,410</u> |
| Florence County Advance | | | | |
| Refunding Bonds: | | | | |
| \$4,200,000, series 2005 | 3.25% | 2009 | \$ 275,000 | \$ 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>4,105,000</u> | <u>275,000</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

| | <u>Interest Rates</u> | <u>Maturity Date</u> | <u>Final Amount Outstanding</u> | <u>Current Maturity of Principal Installments</u> |
|--|---------------------------|--------------------------|---|---|
| Florence County General | | | | |
| Bonds | | | | |
| \$7,600,000, series 2006 | 3.50% | 2009 | \$ 45,000 | \$ 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>7,550,000</u> | <u>45,000</u> |
| Total general obligation bonds | | | <u>\$17,881,167</u> | <u>\$955,829</u> |
| Amount of long-term liability due within one year, by class: | | | | |
| General obligation bonds | | | \$ 955,829 | |
| Special source revenue bond | | | 494,336 | |
| Capital leases | | | <u>3,098,179</u> | |
| Total | | | <u>\$ 4,548,344</u> | |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

Changes in long-term debt during 2008 are summarized as follows:

| | Long-Term Debt July 1, 2007 | Additions | Retirements | Long-Term Debt June 30, 2008 |
|------------------------------------|-----------------------------------|---------------------|---------------------|---------------------------------------|
| By type of debt: | | | | |
| General obligation bonds | \$18,801,248 | \$ - | \$ 920,081 | \$17,881,167 |
| Revenue bonds | 2,800,000 | - | - | 2,800,000 |
| Certificates of participation | 20,125,000 | - | 20,125,000 | - |
| Capital leases | 1,747,861 | 26,188,780 | 885,637 | 27,051,004 |
| Vacation pay | 1,479,087 | 1,265,786 | 1,162,846 | 1,582,027 |
| Total | <u>\$44,953,196</u> | <u>\$27,454,566</u> | <u>\$23,093,564</u> | <u>\$49,314,198</u> |
| By purpose: | | | | |
| General government: | | | | |
| County general capital projects | \$ 11,970,000 | \$ 5,260,000 | \$ 315,000 | \$16,915,000 |
| County vehicles | 971,114 | 1,188,780 | 696,367 | 1,463,527 |
| County equipment | 41,877 | - | 20,435 | 21,442 |
| Energy management | 734,870 | - | 168,835 | 566,035 |
| Public safety: | | | | |
| Fire protection | 1,516,798 | - | 180,694 | 1,336,104 |
| County jail and radio system | 13,282,500 | 13,028,400 | 13,282,500 | 13,028,400 |
| Economic and physical development: | | | | |
| Economic development | 3,494,450 | - | 224,387 | 3,270,063 |
| Culture & recreation: | | | | |
| County library | 4,620,000 | - | 200,000 | 4,420,000 |
| Civic Center | 6,842,500 | 6,711,600 | 6,842,500 | 6,711,600 |
| Vacation pay | 1,479,087 | 1,265,786 | 1,162,846 | 1,582,027 |
| Total | <u>\$44,953,196</u> | <u>\$27,454,566</u> | <u>\$23,093,564</u> | <u>\$49,314,198</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

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

| Year Ending June 30, | Johnsonville Fire District Bonds | | Hannah/Salem/ Friendfield Fire District Bonds | | Howe Springs Fire District Bonds | |
|-------------------------|---|-----------------|---|-----------------|---|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 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 | 50,000 | 8,215 | 55,000 | 5,417 | 108,951 | 9,344 |
| 2014-2018 | 105,000 | 8,480 | 60,000 | 2,826 | 113,528 | 4,768 |
| 2019-2023 | - | - | - | - | - | - |
| 2024-2028 | - | - | - | - | - | - |
| | <u>\$315,000</u> | <u>\$71,550</u> | <u>\$405,000</u> | <u>\$61,244</u> | <u>\$616,104</u> | <u>\$93,669</u> |

| Year Ending June 30, | Florence County General Bonds | | Florence County Refunding Bonds | |
|-------------------------|--|--------------------|--|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 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 | 785,000 | 408,523 | - | - |
| 2014-2018 | 6,250,000 | 1,454,340 | - | - |
| 2019-2023 | 3,080,000 | 319,043 | - | - |
| 2024-2028 | - | - | - | - |
| | <u>\$11,970,000</u> | <u>\$4,020,946</u> | <u>\$470,063</u> | <u>\$22,183</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

| Year Ending June 30, | Florence County Advance Refunding Bonds | | Totals | |
|-------------------------|--|--------------------|---------------------|--------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 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 | 320,000 | 110,583 | 1,318,951 | 542,082 |
| 2014-2018 | 1,805,000 | 368,656 | 8,333,528 | 1,839,070 |
| 2019-2023 | 820,000 | 49,200 | 3,900,000 | 368,243 |
| 2024-2028 | - | - | - | - |
| | <u>\$4,105,000</u> | <u>\$1,073,333</u> | <u>\$17,881,167</u> | <u>\$5,342,925</u> |

| | General | | Totals |
|------------------|---------------------|--------------------|---------------------|
| | <u>Principal</u> | <u>Interest</u> | |
| Reconciliation: | | | |
| Current portion | \$ 955,829 | \$ 704,612 | \$ 1,660,441 |
| Subsequent years | <u>16,925,338</u> | <u>4,638,313</u> | <u>21,563,651</u> |
| Total | <u>\$17,881,167</u> | <u>\$5,342,925</u> | <u>\$23,224,092</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, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

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

| Year ending | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------|--------------------|------------------|--------------------|
| <u>June 30</u> | | | |
| 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>\$545,280</u> | <u>\$3,345,280</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, 2008

NOTE 2. DETAIL NOTES ON ALL FUNDS (Continued)

On April 30, 2008, the County issued a \$25,000,000 capital lease with a fixed interest rate of 3.52% to refinance the outstanding certificates in the amount of \$17,628,714, including interest, and to pay a swap termination payment in the amount of \$1,933,400. The remaining proceeds of the lease were deposited into the 2008 County Capital Project Fund to be used for various capital projects. The following is a schedule of future minimum lease payments under this capital lease as of June 30, 2008.

| Year ending <u>June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------------------------|---------------------|--------------------|---------------------|
| 2009 | \$ 2,130,000 | \$ 880,000 | \$ 3,010,000 |
| 2010 | 2,205,000 | 805,024 | 3,010,024 |
| 2011 | 2,280,000 | 727,408 | 3,007,408 |
| 2012 | 2,360,000 | 647,152 | 3,007,152 |
| 2013 | 2,445,000 | 564,080 | 3,009,080 |
| 2014-2018 | <u>13,580,000</u> | <u>1,466,784</u> | <u>15,046,784</u> |
| Minimum capital lease payments | <u>\$25,000,000</u> | <u>\$5,090,448</u> | <u>\$30,090,448</u> |

On November 15, 2007, the County entered into a capital lease. The lease bears interest at a rate of 3.40%. Interest payments and principal payments were due quarterly beginning on March 1, 2008, with the first payment being in the amount of \$104,776. The final payment is due December 1, 2010. 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, 2008, is as follows:

| | |
|-----------------------------------|--------------------|
| Improvements other than buildings | \$ 98,000 |
| Autos & trucks | 1,278,937 |
| Machinery & equipment | <u>1,346,176</u> |
| Total | <u>\$2,723,113</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

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, 2008:

| <u>Year ending</u> | <u>June 30</u> |
|--------------------|-------------------|
| 2009 | \$ 41,500 |
| 2010 | 41,500 |
| 2011 | 41,500 |
| 2012 | 41,500 |
| 2013 | 41,500 |
| 2014 | 24,042 |
| | <u>\$ 231,542</u> |

Due to/from other funds

The composition of interfund balances as of June 30, 2008, is as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|-------------------------------------|-----------------|
| General Fund | Energy Management Debt Service Fund | <u>\$72,836</u> |

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

Interfund Transfers

| | <u>Transfer In:</u> | | | <u>Total</u> |
|-----------------|---------------------|------------------------|------------------------------|--------------------|
| | <u>General Fund</u> | <u>Enterprise Fund</u> | <u>Nonmajor Governmental</u> | |
| Transfer out: | | | | |
| General Fund | \$ - | \$2,255,000 | \$1,688,084 | \$3,943,084 |
| Grant Special | | | | |
| Revenue Fund | 196,132 | - | - | 196,132 |
| Enterprise Fund | 1,038,901 | - | - | 1,038,901 |
| Nonmajor | | | | |
| Governmental | <u>619,999</u> | <u>-</u> | <u>209,552</u> | <u>829,551</u> |
| Total | <u>\$1,855,032</u> | <u>\$2,255,000</u> | <u>\$1,897,636</u> | <u>\$6,007,668</u> |

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2008

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 | <u>\$913,640</u> |
|--|------------------|

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, 2008, the minimum future rentals under this lease are \$22,483 annually for 11 years or \$247,313 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, 2008

NOTE 6. NO-COMMITMENT DEBT

At June 30, 2008, 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 \$18,128,628, \$16,895,988 is undesignated. The remaining \$1,232,640 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.

On April 30, 2008, the County issued a \$25,000,000 capital lease with a fixed interest rate of 3.52% to refinance the outstanding certificates in the amount of \$17,628,714, including interest, and to pay a swap termination payment in the amount of \$1,933,400. The remaining proceeds of the lease were deposited into the 2008 County Capital Project Fund to be used for various capital projects.

FLORENCE COUNTY, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

Year Ended June 30, 2008

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 \$1,300,000 each for the fiscal year ended June 30, 2008. It is expected that the City's and County's annual payments will remain approximately \$1,300,000 per year beginning in fiscal year 2009.

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, 2008

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, 2008, 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, 2008. 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.

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 - Timmons ville 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.

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:

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.

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

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, 2008

| | Special Revenue Funds | | | |
|--|------------------------------------|------------------------------------|---------------------------------|------------------------|
| | Florence Darlington TEC Fund | S.C. Accommodations Tax Fund | Capital Improvements Fund | Law Library Fund |
| ASSETS | | | | |
| Assets: | | | | |
| Cash and investments | \$ 88,412 | \$ 92,313 | \$ 973,912 | \$ 52,513 |
| Receivables: | | | | |
| Property taxes (net) | - | - | - | - |
| Other governmental units and agencies | - | 134,365 | - | - |
| Others (net) | - | - | - | - |
| Inventory | - | - | - | - |
| Prepays | - | - | - | - |
| Due from other funds | - | - | - | - |
| Total assets | <u>\$ 88,412</u> | <u>\$ 226,678</u> | <u>\$ 973,912</u> | <u>\$ 52,513</u> |
| LIABILITIES AND FUND EQUITY | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ 81,751 | \$ 106,665 | \$ 1,752 |
| Payroll withholdings and accruals | - | - | - | 774 |
| Other payables | - | - | - | - |
| Due to other funds | - | - | - | - |
| Deferred revenues | 125,758 | - | - | - |
| Total liabilities | <u>125,758</u> | <u>81,751</u> | <u>106,665</u> | <u>2,526</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 | (37,346) | 144,927 | 867,247 | 49,987 |
| Debt service funds | - | - | - | - |
| Capital project funds | - | - | - | - |
| Total fund equity | <u>(37,346)</u> | <u>144,927</u> | <u>867,247</u> | <u>49,987</u> |
| Total liabilities and fund equity | <u>\$ 88,412</u> | <u>\$ 226,678</u> | <u>\$ 973,912</u> | <u>\$ 52,513</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2008

(Continued)

| | Special Revenue Funds | | | |
|--|--|--|-------------------------------------|-------------------------------------|
| | Victim/ Witness Assistance Fund | Treasurer Delinquent Tax Fund | Jail Debt Service O&M Fund | Howe Springs Fire District |
| ASSETS | | | | |
| Assets: | | | | |
| Cash and investments | \$ 181,939 | \$ 178,436 | \$ 898,128 | \$ 18,309 |
| Receivables: | | | | |
| Property taxes (net) | - | - | 80,519 | - |
| Other governmental units and agencies | 11,888 | - | - | - |
| Others (net) | - | - | - | - |
| Inventory | - | - | - | - |
| Prepays | - | - | - | - |
| Due from other funds | - | - | - | - |
| Total assets | <u>\$ 193,827</u> | <u>\$ 178,436</u> | <u>\$ 978,647</u> | <u>\$ 18,309</u> |
| LIABILITIES AND FUND EQUITY | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 13,006 | \$ (50) | \$ 645,550 | \$ - |
| Payroll withholdings and accruals | 13,667 | - | - | - |
| Other payables | - | - | - | - |
| Due to other funds | - | - | - | - |
| Deferred revenues | - | 7,984 | - | - |
| Total liabilities | <u>26,673</u> | <u>7,934</u> | <u>645,550</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 | 167,154 | 170,502 | 333,097 | 18,309 |
| Debt service funds | - | - | - | - |
| Capital project funds | - | - | - | - |
| Total fund equity | <u>167,154</u> | <u>170,502</u> | <u>333,097</u> | <u>18,309</u> |
| Total liabilities and fund equity | <u>\$ 193,827</u> | <u>\$ 178,436</u> | <u>\$ 978,647</u> | <u>\$ 18,309</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2008

(Continued)

| | Special Revenue Funds | | | |
|--|--|----------------------------------|--|---------------------------------|
| | Sardis- Timmons- ville Fire District | Johnsonville Fire District | Economic Development Partnership Fund | Emergency Management Fund |
| ASSETS | | | | |
| Assets: | | | | |
| Cash and investments | \$ 78,526 | \$ 47,121 | \$ 768,001 | \$ 96,840 |
| Receivables: | | | | |
| Property taxes (net) | - | - | - | 9,201 |
| Other governmental units and agencies | - | - | - | - |
| Others (net) | - | - | (657) | - |
| Inventory | - | - | - | - |
| Prepays | - | - | - | - |
| Due from other funds | - | - | - | - |
| Total assets | <u>\$ 78,526</u> | <u>\$ 47,121</u> | <u>\$ 767,344</u> | <u>\$ 106,041</u> |
| LIABILITIES AND FUND EQUITY | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ 2,393 | \$ 97,405 |
| Payroll withholdings and accruals | - | - | 14,906 | - |
| Other payables | - | - | - | - |
| Due to other funds | - | - | - | - |
| Deferred revenues | 18,870 | 20,316 | - | - |
| Total liabilities | <u>18,870</u> | <u>20,316</u> | <u>17,299</u> | <u>97,405</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 | 59,656 | 26,805 | 750,045 | 8,636 |
| Debt service funds | - | - | - | - |
| Capital project funds | - | - | - | - |
| Total fund equity | <u>59,656</u> | <u>26,805</u> | <u>750,045</u> | <u>8,636</u> |
| Total liabilities and fund equity | <u>\$ 78,526</u> | <u>\$ 47,121</u> | <u>\$ 767,344</u> | <u>\$ 106,041</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2008

(Continued)

| | Special Revenue Funds | | | | Debt Service Funds |
|--|---------------------------|--------------------------------------|--|---|---|
| | County Library Fund | Senior Citizens Center Fund | Local Accommodations Fee Fund | Road System Maintenance Fee Fund | Hannah/ Salem/ Friendfield Fire District Fund |
| ASSETS | | | | | |
| Assets: | | | | | |
| Cash and investments | \$ 8,408 | \$ 10,557 | \$ 719,294 | \$ 681,164 | \$ 94,970 |
| Receivables: | | | | | |
| Property taxes (net) | 8,831 | 542 | - | - | - |
| Other governmental units and agencies | - | - | 621,214 | - | - |
| Others (net) | - | - | 116,366 | - | - |
| Inventory | - | - | - | 132,244 | - |
| Prepays | - | - | - | - | - |
| Due from other funds | - | - | - | - | - |
| Total assets | \$ 17,239 | \$ 11,099 | \$ 1,456,874 | \$ 813,408 | \$ 94,970 |
| LIABILITIES AND FUND EQUITY | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ (312) | \$ 10,292 | \$ 5,653 | \$ 29,114 | \$ - |
| Payroll withholdings and accruals | - | - | - | 62,402 | - |
| Other payables | - | - | - | - | - |
| Due to other funds | - | - | - | - | - |
| Deferred revenues | - | - | - | - | - |
| Total liabilities | (312) | 10,292 | 5,653 | 91,516 | - |
| Fund equity: | | | | | |
| Fund balance: | | | | | |
| Reserved for debt service reserve | - | - | - | - | - |
| Reserved for encumbrances | - | - | - | - | - |
| Reserved for inventory | - | - | - | 132,244 | - |
| Reserved for debt service | - | - | - | - | 94,970 |
| Unreserved, reported in: | | | | | |
| Special revenue funds | 17,551 | 807 | 1,451,221 | 589,648 | - |
| Debt service funds | - | - | - | - | - |
| Capital project funds | - | - | - | - | - |
| Total fund equity | 17,551 | 807 | 1,451,221 | 721,892 | 94,970 |
| Total liabilities and fund equity | \$ 17,239 | \$ 11,099 | \$ 1,456,874 | \$ 813,408 | \$ 94,970 |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2008

(Continued)

| | Debt Service Funds | | | |
|--|---------------------------------------|---------------------------------------|----------------------|--|
| | Johnsonville Fire District Fund | Howe Springs Fire District Fund | Civic Center Fund | 2007 Special Source Revenue Bond Debt Service Fund |
| ASSETS | | | | |
| Assets: | | | | |
| Cash and investments | \$ 19,375 | \$ 53,000 | \$ 625,586 | \$ - |
| Receivables: | | | | |
| Property taxes (net) | - | - | - | - |
| Other governmental units and agencies | - | - | - | - |
| Others (net) | - | - | - | - |
| Inventory | - | - | - | - |
| Prepays | - | - | - | - |
| Due from other funds | - | - | - | - |
| Total assets | <u>\$ 19,375</u> | <u>\$ 53,000</u> | <u>\$ 625,586</u> | <u>\$ -</u> |
| LIABILITIES AND FUND EQUITY | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Payroll withholdings and accruals | - | - | - | - |
| Other payables | - | - | - | - |
| Due to other funds | - | - | - | - |
| Deferred revenues | 5,078 | - | - | - |
| Total liabilities | <u>5,078</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund equity: | | | | |
| Fund balance: | | | | |
| Reserved for debt service reserve | - | - | 625,586 | - |
| Reserved for encumbrances | - | - | - | - |
| Reserved for inventory | - | - | - | - |
| Reserved for debt service | 14,297 | 53,000 | - | - |
| Unreserved, reported in: | | | | |
| Special revenue funds | - | - | - | - |
| Debt service funds | - | - | - | - |
| Capital project funds | - | - | - | - |
| Total fund equity | <u>14,297</u> | <u>53,000</u> | <u>625,586</u> | <u>-</u> |
| Total liabilities and fund equity | <u>\$ 19,375</u> | <u>\$ 53,000</u> | <u>\$ 625,586</u> | <u>\$ -</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2008

(Continued)

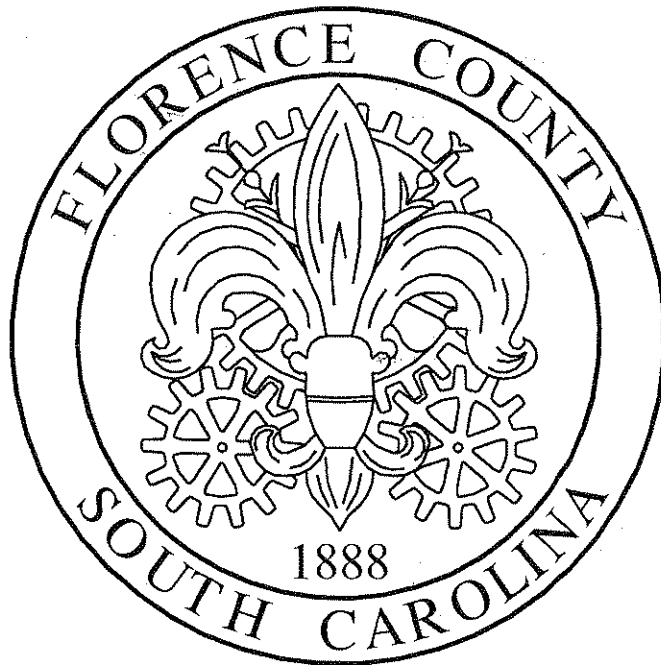
| | Debt Service Funds | | Capital Project Funds | |
|--|------------------------------|-----------------------|---------------------------|---------------------------------|
| | Energy Management Fund | Capital Lease Fund | County General Fund | Radio System Upgrade Fund |
| ASSETS | | | | |
| Assets: | | | | |
| Cash and investments | \$ - | \$ - | \$ 886,858 | \$ 101,442 |
| Receivables: | | | | |
| Property taxes (net) | - | - | - | - |
| Other governmental units and agencies | - | - | - | - |
| Others (net) | - | - | - | - |
| Inventory | - | - | - | - |
| Prepays | - | - | - | - |
| Due from other funds | - | - | - | - |
| Total assets | \$ - | \$ - | \$ 886,858 | \$ 101,442 |
| LIABILITIES AND FUND EQUITY | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ 11,556 | \$ - |
| Payroll withholdings and accruals | - | - | - | - |
| Other payables | - | - | - | - |
| Due to other funds | 72,836 | - | - | - |
| Deferred revenues | - | - | - | - |
| Total liabilities | 72,836 | - | 11,556 | - |
| Fund equity: | | | | |
| Fund balance: | | | | |
| Reserved for debt service reserve | - | - | - | - |
| Reserved for encumbrances | - | - | - | - |
| Reserved for inventory | - | - | - | - |
| Reserved for debt service | (72,836) | - | - | - |
| Unreserved, reported in: | | | | |
| Special revenue funds | - | - | - | - |
| Debt service funds | - | - | - | - |
| Capital project funds | - | - | 875,302 | 101,442 |
| Total fund equity | (72,836) | - | 875,302 | 101,442 |
| Total liabilities and fund equity | \$ - | \$ - | \$ 886,858 | \$ 101,442 |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2008

(Continued)

| | Capital Project Funds | | | Total |
|--|---|---------------------------------------|---------------------------------------|---------------------|
| | Hannah/ Salem/ Friendfield Fire District Fund | Johnsonville Fire District Fund | Howe Springs Fire District Fund | |
| ASSETS | | | | |
| Assets: | | | | |
| Cash and investments | \$ 228 | \$ 7,549 | \$ 6,923 | \$ 6,689,804 |
| Receivables: | | | | |
| Property taxes (net) | - | - | - | 99,093 |
| Other governmental units and agencies | - | - | - | 767,467 |
| Others (net) | - | - | - | 115,709 |
| Inventory | - | - | - | 132,244 |
| Prepays | - | - | - | - |
| Due from other funds | - | - | - | - |
| Total assets | \$ 228 | \$ 7,549 | \$ 6,923 | \$ 7,804,317 |
| LIABILITIES AND FUND EQUITY | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 1,004,775 |
| Payroll withholdings and accruals | - | - | - | 91,749 |
| Other payables | - | - | - | - |
| Due to other funds | - | - | - | 72,836 |
| Deferred revenues | - | - | - | 178,006 |
| Total liabilities | - | - | - | 1,347,366 |
| Fund equity: | | | | |
| Fund balance: | | | | |
| Reserved for debt service reserve | - | - | - | 625,586 |
| Reserved for encumbrances | - | - | - | - |
| Reserved for inventory | - | - | - | 132,244 |
| Reserved for debt service | - | - | - | 89,431 |
| Unreserved, reported in: | | | | |
| Special revenue funds | - | - | - | 4,618,246 |
| Debt service funds | - | - | - | - |
| Capital project funds | 228 | 7,549 | 6,923 | 991,444 |
| Total fund equity | 228 | 7,549 | 6,923 | 6,456,951 |
| Total liabilities and fund equity | \$ 228 | \$ 7,549 | \$ 6,923 | \$ 7,804,317 |



FLORENCE COUNTY, SOUTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2008

| | Special Revenue Funds | | | |
|--|------------------------------------|------------------------------------|---------------------------------|------------------------|
| | Florence Darlington TEC Fund | S.C. Accommodations Tax Fund | Capital Improvements Fund | Law Library Fund |
| Revenues: | | | | |
| Taxes | \$ 2,144,747 | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - |
| Fines and fees | - | - | - | 45,051 |
| Intergovernmental | - | 411,978 | - | - |
| Sales and other functional revenues | - | - | - | - |
| Miscellaneous | 12,883 | 3,694 | - | - |
| Total revenues | <u>2,157,630</u> | <u>415,672</u> | <u>-</u> | <u>45,051</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | 588,593 | 45,034 |
| Public safety | - | - | - | - |
| Economic and physical development | - | 120,585 | - | - |
| Public works | - | - | - | - |
| Health | - | - | - | - |
| Welfare | - | - | - | - |
| Culture and recreation | - | 227,000 | - | - |
| Education | 2,125,000 | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirements | - | - | - | - |
| Interest | - | - | - | - |
| Paying agent fee | - | - | - | - |
| Total expenditures | <u>2,125,000</u> | <u>347,585</u> | <u>588,593</u> | <u>45,034</u> |
| Revenues over (under) expenditures | 32,630 | 68,087 | (588,593) | 17 |
| Other financing sources (uses): | | | | |
| Proceeds of bond issue | - | - | - | - |
| Proceeds of capital lease | - | - | - | - |
| Transfers in | - | - | 450,000 | - |
| Transfers out | - | - | - | - |
| Net change in fund balances | 32,630 | 68,087 | (138,593) | 17 |
| Fund balance - beginning of year | <u>(69,976)</u> | <u>76,840</u> | <u>1,005,840</u> | <u>49,970</u> |
| Fund balance - end of year | <u>\$ (37,346)</u> | <u>\$ 144,927</u> | <u>\$ 867,247</u> | <u>\$ 49,987</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, 2008

(Continued)

| | Special Revenue Funds | | | |
|--|--|--|-------------------------------------|-------------------------------------|
| | Victim/ Witness Assistance Fund | Treasurer Delinquent Tax Fund | Jail Debt Service O&M Fund | Howe Springs Fire District |
| Revenues: | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 808,321 |
| Licenses and permits | - | - | - | - |
| Fines and fees | 302,789 | (1) | - | - |
| Intergovernmental | - | - | - | 25,408 |
| Sales and other functional revenues | - | - | - | - |
| Miscellaneous | 12,225 | - | (21,509) | 2,479 |
| Total revenues | <u>315,014</u> | <u>(1)</u> | <u>(21,509)</u> | <u>836,208</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 323,036 | - | - | - |
| Public safety | 184,706 | - | - | 835,235 |
| 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>507,742</u> | <u>-</u> | <u>-</u> | <u>835,235</u> |
| Revenues over (under) expenditures | (192,728) | (1) | (21,509) | 973 |
| Other financing sources (uses): | | | | |
| Proceeds of bond issue | - | - | - | - |
| Proceeds of capital lease | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Net change in fund balances | (192,728) | (1) | (21,509) | 973 |
| Fund balance - beginning of year | <u>359,882</u> | <u>170,503</u> | <u>354,606</u> | <u>17,336</u> |
| Fund balance - end of year | <u>\$ 167,154</u> | <u>\$ 170,502</u> | <u>\$ 333,097</u> | <u>\$ 18,309</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, 2008

(Continued)

| | Special Revenue Funds | | | |
|--|---|----------------------------------|--|---------------------------------|
| | Sardis- Timmonsville Fire District | Johnsonville Fire District | Economic Development Partnership Fund | Emergency Management Fund |
| Revenues: | | | | |
| Taxes | \$ 252,572 | \$ 238,549 | \$ - | \$ - |
| Licenses and permits | - | - | - | - |
| Fines and fees | - | - | 47,030 | - |
| Intergovernmental | 4,951 | 4,423 | - | - |
| Sales and other functional revenues | - | - | - | - |
| Miscellaneous | 3,014 | 45,352 | 27,752 | - |
| Total revenues | <u>260,537</u> | <u>288,324</u> | <u>74,782</u> | <u>-</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 266,950 | 283,337 | - | - |
| Economic and physical development | - | - | 736,064 | - |
| Public works | - | - | - | - |
| Health | - | - | - | - |
| Welfare | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Education | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal retirements | 22,484 | - | - | - |
| Interest | - | - | - | - |
| Paying agent fee | - | - | - | - |
| Total expenditures | <u>289,434</u> | <u>283,337</u> | <u>736,064</u> | <u>-</u> |
| Revenues over (under) expenditures | (28,897) | 4,987 | (661,282) | - |
| Other financing sources (uses): | | | | |
| Proceeds of bond issue | - | - | - | - |
| Proceeds of capital lease | - | - | - | - |
| Transfers in | - | - | 415,000 | - |
| Transfers out | - | - | - | - |
| Net change in fund balances | (28,897) | 4,987 | (246,282) | - |
| Fund balance - beginning of year | <u>88,553</u> | <u>21,818</u> | <u>996,327</u> | <u>8,636</u> |
| Fund balance - end of year | <u>\$ 59,656</u> | <u>\$ 26,805</u> | <u>\$ 750,045</u> | <u>\$ 8,636</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, 2008

(Continued)

| | Special Revenue Funds | | | | Debt Service Funds |
|--|---------------------------|--------------------------------------|--|---|---|
| | County Library Fund | Senior Citizens Center Fund | Local Accommodations Fee Fund | Road System Maintenance Fee Fund | Hannah/ Salem/ Friendfield Fire District Fund |
| Revenues: | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ 80,801 |
| Licenses and permits | - | - | - | 3,266,645 | - |
| Fines and fees | - | - | 1,328,729 | - | - |
| Intergovernmental | - | - | 1,271,258 | - | - |
| Sales and other functional revenues | - | - | - | - | - |
| Miscellaneous | - | - | 61,266 | 37,092 | 3,320 |
| Total revenues | <u>-</u> | <u>-</u> | <u>2,661,253</u> | <u>3,303,737</u> | <u>84,121</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| General government | - | - | 70,321 | - | - |
| Public safety | - | - | - | - | - |
| Economic and physical development | - | - | - | - | - |
| Public works | - | - | - | 3,610,373 | - |
| Health | - | - | - | - | - |
| Welfare | - | - | - | - | - |
| Culture and recreation | - | - | 1,377,333 | - | - |
| Education | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Debt service: | | | | | |
| Principal retirements | - | - | 873,800 | - | 62,000 |
| Interest | - | - | 433,433 | - | 20,263 |
| Paying agent fee | - | - | 1,530 | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>2,756,417</u> | <u>3,610,373</u> | <u>82,263</u> |
| Revenues over (under) expenditures | - | - | (95,164) | (306,636) | 1,858 |
| Other financing sources (uses): | | | | | |
| Proceeds of bond issue | - | - | - | - | - |
| Proceeds of capital lease | - | - | - | 1,188,780 | - |
| Transfers in | - | - | - | 102,500 | - |
| Transfers out | - | - | (200,000) | (629,551) | - |
| Net change in fund balances | - | - | (295,164) | 355,093 | 1,858 |
| Fund balance - beginning of year | <u>17,551</u> | <u>807</u> | <u>1,746,385</u> | <u>366,799</u> | <u>93,112</u> |
| Fund balance - end of year | <u><u>\$ 17,551</u></u> | <u><u>\$ 807</u></u> | <u><u>\$ 1,451,221</u></u> | <u><u>\$ 721,892</u></u> | <u><u>\$ 94,970</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, 2008

(Continued)

| | Johnsonville Fire District Fund | Howe Springs Fire District Fund | Civic Center Fund | 2007 Special Source Revenue Bond Debt Service Fund |
|--|---------------------------------------|---------------------------------------|----------------------|--|
| Revenues: | | | | |
| Taxes | \$ 41,828 | \$ 144,811 | \$ - | \$ - |
| Licenses and permits | - | - | - | - |
| Fines and fees | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Sales and other functional revenues | - | - | - | - |
| Miscellaneous | 1,052 | 2,123 | - | - |
| Total revenues | <u>42,880</u> | <u>146,934</u> | <u>-</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 | 30,000 | 88,694 | - | - |
| Interest | 18,241 | 29,602 | - | 174,720 |
| Paying agent fee | - | - | - | - |
| Total expenditures | <u>48,241</u> | <u>118,296</u> | <u>-</u> | <u>174,720</u> |
| Revenues over (under) expenditures | (5,361) | 28,638 | - | (174,720) |
| Other financing sources (uses): | | | | |
| Proceeds of bond issue | - | - | - | - |
| Proceeds of capital lease | - | - | - | - |
| Transfers in | - | - | - | 14,510 |
| Transfers out | - | - | - | - |
| Net change in fund balances | (5,361) | 28,638 | - | (160,210) |
| Fund balance - beginning of year | <u>19,658</u> | <u>24,362</u> | <u>625,586</u> | <u>160,210</u> |
| Fund balance - end of year | <u>\$ 14,297</u> | <u>\$ 53,000</u> | <u>\$ 625,586</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, 2008

(Continued)

| | Debt Service Funds | | Capital Project Funds | |
|--|------------------------------|-----------------------|---------------------------|---------------------------------|
| | Energy Management Fund | Capital Lease Fund | County General Fund | Radio System Upgrade Fund |
| Revenues: | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | - | - | - | - |
| Fines and fees | - | - | - | - |
| Intergovernmental | - | - | - | 100,000 |
| Sales and other functional revenues | - | - | - | - |
| Miscellaneous | - | - | 40,165 | 113 |
| Total revenues | <u>-</u> | <u>-</u> | <u>40,165</u> | <u>100,113</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Economic and physical development | - | - | - | - |
| Public works | - | - | - | - |
| Health | - | - | - | - |
| Welfare | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Education | - | - | - | - |
| Capital outlay | - | - | 25,481 | - |
| Debt service: | | | | |
| Principal retirements | 168,835 | 691,838 | - | - |
| Interest | 41,594 | 49,777 | - | - |
| Paying agent fee | - | - | - | - |
| Total expenditures | <u>210,429</u> | <u>741,615</u> | <u>25,481</u> | <u>-</u> |
| Revenues over (under) expenditures | (210,429) | (741,615) | 14,684 | 100,113 |
| Other financing sources (uses): | | | | |
| Proceeds of bond issue | - | - | - | - |
| Proceeds of capital lease | - | - | - | - |
| Transfers in | 174,011 | 741,615 | - | - |
| Transfers out | - | - | - | - |
| Net change in fund balances | (36,418) | - | 14,684 | 100,113 |
| Fund balance - beginning of year | <u>(36,418)</u> | <u>-</u> | <u>860,618</u> | <u>1,329</u> |
| Fund balance - end of year | <u>\$ (72,836)</u> | <u>\$ -</u> | <u>\$ 875,302</u> | <u>\$ 101,442</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, 2008

(Continued)

| | Capital Project Funds | | | Total |
|--|---|---------------------------------------|---------------------------------------|---------------------|
| | Hannah/ Salem/ Friendfield Fire District Fund | Johnsonville Fire District Fund | Howe Springs Fire District Fund | |
| Revenues: | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 3,711,629 |
| Licenses and permits | - | - | - | 3,266,645 |
| Fines and fees | - | - | - | 1,723,598 |
| Intergovernmental | - | - | - | 1,818,018 |
| Sales and other functional revenues | - | - | - | - |
| Miscellaneous | 10 | 338 | 309 | 231,678 |
| Total revenues | 10 | 338 | 309 | 10,751,568 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | 1,026,984 |
| Public safety | - | - | - | 1,570,228 |
| Economic and physical development | - | - | - | 856,649 |
| Public works | - | - | - | 3,610,373 |
| Health | - | - | - | - |
| Welfare | - | - | - | - |
| Culture and recreation | - | - | - | 1,604,333 |
| Education | - | - | - | 2,125,000 |
| Capital outlay | - | - | - | 25,481 |
| Debt service: | | | | |
| Principal retirements | - | - | - | 1,937,651 |
| Interest | - | - | - | 767,630 |
| Paying agent fee | - | - | - | 1,530 |
| Total expenditures | - | - | - | 13,525,859 |
| Revenues over (under) expenditures | 10 | 338 | 309 | (2,774,291) |
| Other financing sources (uses): | | | | |
| Proceeds of bond issue | - | - | - | - |
| Proceeds of capital lease | - | - | - | 1,188,780 |
| Transfers in | - | - | - | 1,897,636 |
| Transfers out | - | - | - | (829,551) |
| Net change in fund balances | 10 | 338 | 309 | (517,426) |
| Fund balance - beginning of year | 218 | 7,211 | 6,614 | 6,974,377 |
| Fund balance - end of year | \$ 228 | \$ 7,549 | \$ 6,923 | \$ 6,456,951 |

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, 2008

| | Agency Funds | | | | | |
|---|---------------------------|-----------------------------------|--------------------------------------|------------------------|-----------------------|--|
| | School General Fund | School Debt Service Fund | School Capital Project Fund | Municipalities Fund | Fire Board Fund | Lynches Lake/Camp Branch Fund |
| ASSETS | | | | | | |
| Cash and investments | \$ 1,196,886 | \$ 3,302,990 | \$ 3,558,434 | \$ 19,319 | \$ 49,411 | \$ 1,130 |
| TOTAL ASSETS | \$ 1,196,886 | \$ 3,302,990 | \$ 3,558,434 | \$ 19,319 | \$ 49,411 | \$ 1,130 |
| LIABILITIES | | | | | | |
| Due to | | | | | | |
| Other funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Others | - | - | - | - | - | - |
| Other taxing units: | | | | | | |
| School District One | 926,897 | 2,060,711 | 3,405,053 | - | - | - |
| School District Two | 46,935 | 289,221 | 1,291 | - | - | - |
| School District Three | 126,706 | 251,903 | 142,250 | - | - | - |
| School District Four | 42,859 | 486,691 | 9,814 | - | - | - |
| School District Five | 53,489 | 214,464 | 26 | - | - | - |
| Municipalities | - | - | - | 19,319 | - | - |
| Fire Boards | - | - | - | - | 49,411 | - |
| Lynches Lake/Camp Branch | - | - | - | - | - | 1,130 |
| Salem Watershed | - | - | - | - | - | - |
| Regional Airport Authority | - | - | - | - | - | - |
| Commission on Alcohol and Drug Abuse | - | - | - | - | - | - |
| Williamsburg County | - | - | - | - | - | - |
| TOTAL LIABILITIES | \$ 1,196,886 | \$ 3,302,990 | \$ 3,558,434 | \$ 19,319 | \$ 49,411 | \$ 1,130 |

| 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 |
|----------------------|---------------------------------|---|---------------------------|-------------------|---------------------|-------------------|----------------------|
| \$ 10,314 | \$ - | \$ - | \$ 42 | \$ 341,218 | \$1,167,207 | \$ 357,619 | \$ 10,004,570 |
| <u>\$ 10,314</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 42</u> | <u>\$ 341,218</u> | <u>\$1,167,207</u> | <u>\$ 357,619</u> | <u>\$ 10,004,570</u> |
| \$ - | \$ - | \$ - | \$ - | \$ 274,174 | \$ 212,445 | \$ - | \$ 486,619 |
| - | - | - | - | 67,044 | 954,762 | 357,619 | 1,379,426 |
| - | - | - | - | - | - | - | 6,392,661 |
| - | - | - | - | - | - | - | 337,446 |
| - | - | - | - | - | - | - | 520,859 |
| - | - | - | - | - | - | - | 539,364 |
| - | - | - | - | - | - | - | 267,979 |
| - | - | - | - | - | - | - | 19,319 |
| - | - | - | - | - | - | - | 49,411 |
| - | - | - | - | - | - | - | 1,130 |
| 10,314 | - | - | - | - | - | - | 10,314 |
| - | - | - | - | - | - | - | - |
| - | - | - | 42 | - | - | - | 42 |
| <u>\$ 10,314</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 42</u> | <u>\$ 341,218</u> | <u>\$1,167,207</u> | <u>\$ 357,619</u> | <u>\$ 10,004,570</u> |

FLORENCE COUNTY, SOUTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL FIDUCIARY FUNDS
Year Ended June 30, 2008

| | 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 | \$ 1,105,404 | \$ 3,181,227 | \$ 1,819,355 | \$ 63,439 | \$ 30,796 | \$ 1,095 |
| Add receipts: | | | | | | |
| Current property taxes | 32,764,389 | 6,927,610 | - | 8,466,322 | 1,693,171 | 6,597 |
| Inventory exemption | 570,369 | 204,288 | - | - | 27,197 | - |
| Vehicle taxes | 9,424,817 | 1,262,511 | - | 1,288,677 | 281,506 | 39 |
| Delinquent property taxes | 2,168,099 | 429,622 | - | 480,836 | 86,568 | 541 |
| Penalties | 50,244 | 22,145 | - | 7,052 | 5,579 | 50 |
| Fee transfer | (22,364) | (1,510) | - | - | - | - |
| State and federal aid | 126,751,377 | 427,399 | - | - | 203,990 | - |
| Interest on investments | 133,910 | 231,485 | 169,858 | - | 7,817 | 228 |
| Proceeds from bond issue | - | - | 2,700,000 | - | - | - |
| State homestead exemption | 19,923,317 | 361,084 | - | - | 90,728 | 692 |
| Fees in lieu of taxes | 2,701,436 | 308,188 | - | 56,177 | 163,726 | - |
| Increase in due to other funds | - | - | - | - | - | - |
| Cash received from others | - | - | - | - | - | - |
| Less local option sales tax credits | - | - | - | (6,854,199) | - | - |
| Total receipts | 194,465,594 | 10,172,822 | 2,869,858 | 3,444,865 | 2,560,282 | 8,147 |
| Less disbursements: | | | | | | |
| Claims paid | 194,224,334 | - | 1,130,779 | 3,475,305 | 2,537,939 | 8,112 |
| Cash paid to others | - | - | - | - | - | - |
| Refunds | 149,778 | 18,585 | - | 13,680 | 3,728 | - |
| Bond principal paid | - | 8,892,634 | - | - | - | - |
| Interest payments | - | 1,132,459 | - | - | - | - |
| Paying agent fee | - | 7,381 | - | - | - | - |
| Total disbursements | 194,374,112 | 10,051,059 | 1,130,779 | 3,488,985 | 2,541,667 | 8,112 |
| Cash due from Treasurer - ending | \$ 1,196,886 | \$ 3,302,990 | \$ 3,558,434 | \$ 19,319 | \$ 49,411 | \$ 1,130 |

| 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 |
|----------------------|---------------------------------|---|---------------------------|-------------------|---------------------|-------------------|---------------------|
| \$ 10,959 | \$ - | \$ - | \$ 23 | \$ 399,293 | \$ 907,408 | \$ 325,141 | \$ 7,844,140 |
| 55,980 | - | - | 3,272,893 | - | - | - | 53,186,962 |
| - | - | - | - | - | - | - | 801,854 |
| 374 | - | - | - | - | - | - | 12,257,924 |
| 5,115 | - | - | - | - | - | - | 3,170,782 |
| 382 | - | - | - | - | - | - | 85,452 |
| - | - | - | - | - | - | - | (23,874) |
| - | - | 234,056 | - | - | - | - | 127,616,821 |
| 1,936 | - | - | - | - | - | - | 545,234 |
| - | - | - | - | - | - | - | 2,700,000 |
| 9,587 | - | - | - | - | - | - | 20,385,408 |
| - | - | - | - | - | - | - | 3,229,526 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 3,506,310 | 7,783,362 | 903,645 | 12,193,317 |
| - | - | - | - | - | - | - | (6,854,199) |
| <u>73,374</u> | <u>-</u> | <u>234,056</u> | <u>3,272,893</u> | <u>3,506,310</u> | <u>7,783,362</u> | <u>903,645</u> | <u>229,295,207</u> |
| 74,018 | - | 234,056 | 3,272,874 | - | - | - | 204,957,417 |
| - | - | - | - | 3,564,385 | 7,523,563 | 871,167 | 11,959,115 |
| - | - | - | - | - | - | - | 185,771 |
| - | - | - | - | - | - | - | 8,892,634 |
| - | - | - | - | - | - | - | 1,132,459 |
| - | - | - | - | - | - | - | 7,381 |
| <u>74,018</u> | <u>-</u> | <u>234,056</u> | <u>3,272,874</u> | <u>3,564,385</u> | <u>7,523,563</u> | <u>871,167</u> | <u>227,134,777</u> |
| <u>\$ 10,314</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 42</u> | <u>\$ 341,218</u> | <u>\$1,167,207</u> | <u>\$ 357,619</u> | <u>\$10,004,570</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, 2008

Florence
City-County
Building
Commission

ASSETS

Current assets:

| | |
|------------------------------|----------------|
| Cash and investments | \$ 261,345 |
| Intergovernmental receivable | 771 |
| Prepaid items | 12,934 |
| Total current assets | <u>275,050</u> |

Noncurrent assets:

| | |
|--|------------------|
| Capital assets (net of accumulated depreciation) | 1,981,632 |
| Total noncurrent assets | <u>1,981,632</u> |

| | |
|--------------|------------------|
| Total assets | <u>2,256,682</u> |
|--------------|------------------|

LIABILITIES

Current liabilities:

| | |
|---|---------------|
| Accounts payable | 2,894 |
| Accrued payroll taxes and employee withholdings | 4,855 |
| Accrued salaries | 1,335 |
| Accumulated unpaid vacation pay | 22,502 |
| Current maturities of long-term debt | 27,900 |
| Total current liabilities | <u>59,486</u> |
| Total liabilities | <u>59,486</u> |

| | |
|---|----------------|
| Long-term debt, less current maturities | <u>187,369</u> |
|---|----------------|

NET ASSETS

| | |
|---|----------------|
| Invested in capital assets, net of related debt | 1,766,093 |
| Unrestricted | <u>243,464</u> |

| | |
|------------------|---------------------|
| Total net assets | <u>\$ 2,009,557</u> |
|------------------|---------------------|

FLORENCE COUNTY, SOUTH CAROLINA

COMPONENT UNIT
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET ASSETS
 Year Ended June 30, 2008

| | Florence City-County Building Commission |
|---------------------------------------|---|
| Operating revenues: | |
| Intergovernmental | \$ 1,341,328 |
| Other revenues | <u>235,822</u> |
| Total operating revenues | <u>1,577,150</u> |
| Operating expenses: | |
| Building operation and maintenance | 1,318,409 |
| Depreciation | <u>205,365</u> |
| Total operating expenses | <u>1,523,774</u> |
| Operating income (loss) | <u>53,376</u> |
| Nonoperating revenues (expenses): | |
| Interest income | 5,259 |
| Interest expense | <u>(24,093)</u> |
| Total nonoperating revenue (expenses) | <u>(18,834)</u> |
| Changes in net assets | 34,542 |
| Total net assets - beginning | <u>1,975,015</u> |
| Total net assets - ending | <u><u>\$ 2,009,557</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

COMPONENT UNIT
STATEMENT OF CASH FLOWS
Year Ended June 30, 2008

Florence
City-County
Building
Commission

CASH FLOWS FROM OPERATING ACTIVITIES

| | |
|---|----------------|
| Cash received from operations | \$ 1,582,832 |
| Cash paid to suppliers and employees | (1,306,894) |
| Net cash provided by operating activities | <u>275,938</u> |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

| | |
|--|------------------|
| Acquisition of capital assets | (215,604) |
| Interest paid on long-term debt | (24,093) |
| Principal paid on capital debt | (25,396) |
| Net cash provided (used) by capital and related financing activities | <u>(265,093)</u> |

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|--|--------------|
| Interest received | 5,259 |
| Net cash provided (used) by investing activities | <u>5,259</u> |
| Net increase (decrease) in cash and cash equivalents | 16,104 |

| | |
|------------------------------------|-------------------|
| Cash and cash equivalents, July 1 | 245,241 |
| Cash and cash equivalents, June 30 | <u>\$ 261,345</u> |

Reconciliations of operating income to net cash provided (used) by operating activities:

| | |
|--|------------------|
| Operating income | <u>\$ 53,376</u> |
| Adjustments to reconcile operating loss to net cash provided (used) by operating activities: | |
| Depreciation expense | 205,365 |
| (Increase) decrease in accounts receivable | 5,682 |
| (Increase) decrease in prepaid items | 13,250 |
| Increase (decrease) in accounts payable | 1,615 |
| Increase (decrease) in accrued payroll taxes and employee withholding | 3,262 |
| Increase (decrease) in accrued salaries | (11,814) |
| Increase (decrease) in accumulated unpaid vacation pay | 5,202 |
| Total adjustments | <u>222,562</u> |

| | |
|---|-------------------|
| Net cash provided by operating activities | <u>\$ 275,938</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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------------|---------------------------------|--------------------|--|
| Revenues: | | | |
| Taxes: | | | |
| Property taxes | \$ 1,361,737 | \$ 2,143,687 | \$ 781,950 |
| Penalties | - | 4,668 | 4,668 |
| Less refunds | - | (3,607) | (3,607) |
| Total taxes | <u>1,361,737</u> | <u>2,144,747</u> | <u>783,010</u> |
| Miscellaneous | | | |
| Interest on investments | <u>4,000</u> | <u>12,883</u> | <u>8,883</u> |
| Total miscellaneous | <u>4,000</u> | <u>12,883</u> | <u>8,883</u> |
| Total revenues | <u>1,365,737</u> | <u>2,157,630</u> | <u>791,893</u> |
| Expenditures: | | | |
| Education: | | | |
| Direct assistance - | | | |
| Florence-Darlington TEC | <u>1,365,737</u> | <u>2,125,000</u> | <u>(759,263)</u> |
| Total education | <u>1,365,737</u> | <u>2,125,000</u> | <u>(759,263)</u> |
| Total expenditures | <u>1,365,737</u> | <u>2,125,000</u> | <u>(759,263)</u> |
| Net change in fund balance | <u>\$ -</u> | 32,630 | <u>\$ 32,630</u> |
| Fund balance - beginning of year | | <u>(69,976)</u> | |
| Fund balance - end of year | | <u>\$ (37,346)</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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|--------------------------------------|---------------------------------|--------------------------|--|
| Revenues: | | | |
| Intergovernmental: | | | |
| State aid | \$ - | \$ - | \$ - |
| Total intergovernmental | <u>-</u> | <u>-</u> | <u>-</u> |
| Total revenues | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | |
| General government: | | | |
| Other | 450,000 | 588,593 | (138,593) |
| Total general government | <u>450,000</u> | <u>588,593</u> | <u>(138,593)</u> |
| Total expenditures | <u>450,000</u> | <u>588,593</u> | <u>(138,593)</u> |
| Revenues over (under) expenditures | (450,000) | (588,593) | (138,593) |
| Other financing sources (uses): | | | |
| Operating transfer in | 450,000 | 450,000 | - |
| Operating transfer out | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources (uses) | <u>450,000</u> | <u>450,000</u> | <u>-</u> |
| Net change in fund balance | <u><u>\$ -</u></u> | (138,593) | <u><u>\$ (138,592)</u></u> |
| Fund balance - beginning of year | | <u>1,005,840</u> | |
| Fund balance - end of year | | <u><u>\$ 867,247</u></u> | |

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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------------|---------------------------------|------------------|--|
| Revenues: | | | |
| Fines and fees: | | | |
| Law library surcharge | \$ 50,000 | \$ 45,051 | \$ (4,949) |
| Total fines and fees | <u>50,000</u> | <u>45,051</u> | <u>(4,949)</u> |
| Total revenues | <u>50,000</u> | <u>45,051</u> | <u>(4,949)</u> |
| Expenditures: | | | |
| General government | | | |
| Other | 50,000 | 45,034 | 4,966 |
| Total general government | <u>50,000</u> | <u>45,034</u> | <u>4,966</u> |
| Total expenditures | <u>50,000</u> | <u>45,034</u> | <u>4,966</u> |
| Net change in fund balance | <u>\$ -</u> | 17 | <u>\$ 18</u> |
| Fund balance - beginning of year | | <u>49,970</u> | |
| Fund balance - end of year | | <u>\$ 49,987</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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|---------------------------------|-------------------|--|
| Revenues: | | | |
| Fines and fees | \$ 308,000 | \$ 302,789 | \$ (5,211) |
| Intergovernmental | - | - | - |
| Miscellaneous: | | | |
| Interest on investments | 15,000 | 12,225 | (2,775) |
| Total miscellaneous | 15,000 | 12,225 | (2,775) |
| Total revenues | 323,000 | 315,014 | (7,986) |
| Expenditures: | | | |
| General Government: | | | |
| Clerk of Court | 29,791 | 32,146 | (2,355) |
| Solicitor | 226,603 | 238,928 | (12,325) |
| Magistrates | 2,000 | 1,962 | 38 |
| Other | 50,500 | 50,000 | 500 |
| Total general government | 308,894 | 323,036 | (14,142) |
| Public Safety: | | | |
| Sheriff | 188,490 | 184,706 | 3,784 |
| Total public safety | 188,490 | 184,706 | 3,784 |
| Total expenditures | 497,384 | 507,742 | (10,358) |
| Revenues over (under) expenditures | (174,384) | (192,729) | (18,345) |
| Other financing sources (uses): | | | |
| Transfer out | - | - | - |
| Total other financing sources (uses) | - | - | - |
| Net change in fund balance | \$ (174,384) | (192,729) | \$ (18,345) |
| Fund balance - beginning of year | | 359,882 | |
| Fund balance - end of year | | \$ 167,154 | |

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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|---------------------------------|------------------|--|
| Revenues: | | | |
| Taxes: | | | |
| Property taxes | \$ 755,966 | \$ 807,676 | \$ 51,710 |
| Penalties | - | 2,898 | 2,898 |
| Less refunds | - | (2,252) | (2,252) |
| Total taxes | <u>755,966</u> | <u>808,321</u> | <u>52,355</u> |
| Intergovernmental: | | | |
| State aid | - | 25,408 | 25,408 |
| Total intergovernmental | <u>-</u> | <u>25,408</u> | <u>25,408</u> |
| Miscellaneous | | | |
| Interest on investments | 300 | 2,479 | 2,179 |
| Total miscellaneous | <u>300</u> | <u>2,479</u> | <u>2,179</u> |
| Total revenues | <u>756,266</u> | <u>836,208</u> | <u>79,942</u> |
| Expenditures: | | | |
| Public Safety: | | | |
| Direct assistance - Howe Springs Fire District | 756,266 | 835,235 | (78,969) |
| Total Public Safety | <u>756,266</u> | <u>835,235</u> | <u>(78,969)</u> |
| Total expenditures | <u>756,266</u> | <u>835,235</u> | <u>(78,969)</u> |
| Net change in fund balance | <u>\$ -</u> | 973 | <u>\$ 973</u> |
| Fund balance - beginning of year | | <u>17,336</u> | |
| Fund balance - end of year | | <u>\$ 18,309</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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|---------------------------------|------------------|--|
| Revenues: | | | |
| Taxes: | | | |
| Property taxes | \$ 143,125 | \$ 252,426 | \$ 109,301 |
| Penalties | - | 488 | 488 |
| Less refunds | - | (341) | (341) |
| Total taxes | <u>143,125</u> | <u>252,572</u> | <u>109,447</u> |
| Intergovernmental: | | | |
| State aid | - | 4,951 | 4,951 |
| Total intergovernmental | <u>-</u> | <u>4,951</u> | <u>4,951</u> |
| Miscellaneous | | | |
| Interest on investments | 300 | 3,014 | 2,714 |
| Total miscellaneous | <u>300</u> | <u>3,014</u> | <u>2,714</u> |
| Total revenues | <u>143,425</u> | <u>260,538</u> | <u>117,113</u> |
| Expenditures: | | | |
| Public Safety: | | | |
| Direct assistance - Sardis/ Timmons ville Fire District | 126,425 | 266,951 | (140,526) |
| Debt Service | 17,000 | 22,484 | (5,484) |
| Total Public Safety | <u>143,425</u> | <u>289,435</u> | <u>(146,010)</u> |
| Total expenditures | <u>143,425</u> | <u>289,435</u> | <u>(146,010)</u> |
| Net change in fund balance | <u>\$ -</u> | (28,897) | <u>\$ (28,897)</u> |
| Fund balance - beginning of year | | <u>88,553</u> | |
| Fund balance - end of year | | <u>\$ 59,656</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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------------|---------------------------------|-------------------------|--|
| Revenues: | | | |
| Taxes: | | | |
| Property taxes | \$ 236,148 | \$ 238,299 | \$ 2,151 |
| Penalties | - | 874 | 874 |
| Less refunds | - | (624) | (624) |
| Total taxes | <u>236,148</u> | <u>238,549</u> | <u>2,401</u> |
| Intergovernmental: | | | |
| State aid | - | 4,423 | 4,423 |
| Total intergovernmental | <u>-</u> | <u>4,423</u> | <u>4,423</u> |
| Miscellaneous | | | |
| Other | - | 41,922 | 41,922 |
| Interest on investments | <u>3,000</u> | <u>3,429</u> | <u>429</u> |
| Total miscellaneous | <u>3,000</u> | <u>45,352</u> | <u>42,352</u> |
| Total revenues | <u>239,148</u> | <u>288,324</u> | <u>49,176</u> |
| Expenditures: | | | |
| Public Safety: | | | |
| Direct assistance - Johnsonville | | | |
| Fire District | <u>239,148</u> | <u>283,337</u> | <u>(44,189)</u> |
| Total Public Safety | <u>239,148</u> | <u>283,337</u> | <u>(44,189)</u> |
| Total expenditures | <u>239,148</u> | <u>283,337</u> | <u>(44,189)</u> |
| Net change in fund balance | <u><u>\$ -</u></u> | <u>4,987</u> | <u><u>\$ 4,987</u></u> |
| Fund balance - beginning of year | | <u>21,818</u> | |
| Fund balance - end of year | | <u><u>\$ 26,805</u></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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|---------------------------------|-------------------|--|
| Revenues: | | | |
| Fines and fees: | | | |
| Local contributions | \$ 45,000 | \$ 47,030 | \$ 2,031 |
| Total fines and fees | <u>45,000</u> | <u>47,030</u> | <u>2,031</u> |
| Miscellaneous | | | |
| Interest on investments | - | 27,752 | 27,752 |
| Total miscellaneous | <u>-</u> | <u>27,752</u> | <u>27,752</u> |
| Total revenues | <u>45,000</u> | <u>74,782</u> | <u>29,782</u> |
| Expenditures: | | | |
| Economic and physical development: | | | |
| Economic development promotion | 460,000 | 736,063 | (276,063) |
| Total economic and physical development | <u>460,000</u> | <u>736,063</u> | <u>(276,063)</u> |
| Total expenditures | <u>460,000</u> | <u>736,063</u> | <u>(276,063)</u> |
| Revenues over (under) expenditures | (415,000) | (661,282) | (246,282) |
| Other financing sources (uses): | | | |
| Operating transfer | <u>415,000</u> | <u>415,000</u> | <u>-</u> |
| Total other financing sources (uses) | <u>415,000</u> | <u>415,000</u> | <u>-</u> |
| Net change in fund balance | <u>\$ -</u> | (246,282) | <u>\$ (246,282)</u> |
| Fund balance - beginning of year | | <u>996,327</u> | |
| Fund balance - end of year | | <u>\$ 750,045</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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|---------------------------------|---------------------|--|
| Revenues: | | | |
| Fines and fees | \$ 1,180,000 | \$ 1,328,729 | \$ 148,729 |
| Municipality Revenue | 1,285,831 | 1,271,258 | (14,573) |
| Total fines and fees | 2,465,831 | 2,599,987 | 134,156 |
| Miscellaneous: | | | |
| Interest on investments | 70,000 | 61,266 | (8,734) |
| Total miscellaneous | 70,000 | 61,266 | (8,734) |
| Total revenues | 2,535,831 | 2,661,253 | 125,422 |
| Expenditures: | | | |
| General Government: | | | |
| Other | 80,000 | 70,321 | 9,679 |
| Total general government | 80,000 | 70,321 | 9,679 |
| Culture and recreation | 1,356,661 | 1,377,333 | (20,672) |
| Debt Service: | | | |
| Principal retirements | 825,000 | 873,800 | (48,800) |
| Interest | 425,000 | 433,433 | (8,433) |
| Paying agent fee | - | 1,530 | (1,530) |
| Total debt service | 1,250,000 | 1,308,763 | (58,763) |
| Total expenditures | 2,686,661 | 2,756,417 | (69,756) |
| Revenues over (under) expenditures | (150,830) | (95,164) | 55,665 |
| Other financing sources (uses): | | | |
| Operating transfer out | (200,000) | (200,000) | - |
| Total other financing sources (uses) | (200,000) | (200,000) | - |
| Net change in fund balance | \$ (350,830) | (295,164) | \$ 55,665 |
| Fund balance - beginning of year | | 1,746,385 | |
| Fund balance - end of year | | \$ 1,451,221 | |

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, 2008

| | Original and Final Budget | Actual | Variance Favorable (Unfavorable) |
|--------------------------------------|---------------------------------|-------------------|--|
| Revenues: | | | |
| Licenses and permits | \$ 3,145,696 | \$ 3,266,645 | \$ 120,949 |
| Total licenses and permits | 3,145,696 | 3,266,645 | 120,949 |
| Miscellaneous: | | | |
| Interest on investments | - | 37,092 | 37,092 |
| Total miscellaneous | - | 37,092 | 37,092 |
| Total revenues | 3,145,696 | 3,303,738 | 158,042 |
| Expenditures: | | | |
| Public Works: | | | |
| Public Works operating | 3,625,869 | 3,610,373 | 15,496 |
| Total public works | 3,625,869 | 3,610,373 | 15,496 |
| Total expenditures | 3,625,869 | 3,610,373 | 15,496 |
| Revenues over (under) expenditures | (480,173) | (306,635) | 173,538 |
| Other financing sources (uses): | | | |
| Proceeds of capital lease | 1,188,780 | 1,188,780 | - |
| Operating transfer in | 102,500 | 102,500 | - |
| Operating transfer out | (811,107) | (629,551) | 181,556 |
| Total other financing sources (uses) | 480,173 | 661,729 | 181,556 |
| Net change in fund balance | \$ - | 355,093 | \$ 355,093 |
| Fund balance - beginning of year | | 366,799 | |
| Fund balance - end of year | | \$ 721,892 | |



**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, 2008

Governmental funds capital assets:

| | |
|---|-----------------------|
| Land | \$ 8,462,601 |
| Buildings and additions | 50,703,458 |
| Improvements other than buildings | 6,038,877 |
| Autos and trucks | 9,605,132 |
| Furniture and fixtures | 245,015 |
| Machinery and equipment | 21,638,403 |
| Infrastructure | 51,992,677 |
| Total governmental funds capital assets | <u>\$ 148,686,163</u> |

Investments in governmental funds capital assets by source:

| | |
|---|-----------------------|
| General fund | \$ 90,590,871 |
| Special revenue funds | 31,976,090 |
| Capital project funds | 26,119,202 |
| Total governmental funds capital assets | <u>\$ 148,686,163</u> |

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

June 30, 2008

| Function and Activity | Improvements | | | | | | Total |
|-----------------------------------|------------------|-------------------------|----------------------|-------------------|------------------------|-------------------------|-------------------|
| | Land | Buildings and Additions | Other Than Buildings | Autos and Trucks | Furniture and Fixtures | Machinery and Equipment | |
| General government: | | | | | | | |
| Council | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,116 | \$ - |
| Administrator | 3,393,498 | 41,122 | - | 17,006 | - | 7,943 | - |
| Finance | - | 53,761 | - | - | - | 89,383 | - |
| Treasurer | - | - | 5,340 | 41,695 | - | 20,549 | - |
| Data processing | - | - | 79,202 | - | - | 1,150,790 | - |
| Auditor | - | - | - | 21,331 | - | 13,230 | - |
| Tax assessor | - | - | - | 122,259 | 5,720 | 51,052 | - |
| Planning | - | - | - | 29,160 | - | 15,713 | - |
| Central services | - | - | - | - | - | 143,070 | - |
| Clerk of Court | - | 5,000 | - | - | - | 238,039 | - |
| Court of Common Pleas | - | 12,305 | - | - | - | - | - |
| Solicitor | - | - | - | 17,433 | - | 20,368 | - |
| Human resources management | - | - | - | - | 6,737 | 12,939 | - |
| Family court | - | 37,274 | - | - | 94,989 | 51,837 | - |
| Judge of Probate | - | - | - | - | - | 40,261 | - |
| Public defender | - | - | - | - | - | 11,479 | - |
| Engineering | - | - | - | 13,058 | - | - | - |
| Magistrates' offices | - | 186,726 | - | 22,482 | - | - | - |
| Building inspections | - | - | 353,952 | 352,932 | - | - | - |
| Public services buildings | 304,611 | 3,801,744 | 68,535 | 199,799 | - | 300,547 | - |
| Other | 518,989 | 1,281,537 | 583,040 | 72,891 | - | 7,855 | - |
| Total general government | 4,217,098 | 5,419,469 | 1,090,069 | 910,046 | 107,446 | 6,513,354 | - |
| Public Safety: | | | | | | | |
| Sheriff | 13,258 | 35,477 | 12,841 | 4,271,960 | - | 879,414 | - |
| County Jail | 382,710 | 18,095,893 | - | 260,830 | - | 1,544,806 | - |
| Radio System and Central Dispatch | 9,240 | 343,319 | 9,250 | 224,649 | - | 6,344,270 | - |
| Total public safety | 405,208 | 18,474,689 | 22,091 | 4,757,439 | - | 8,768,490 | - |
| Total | 4,622,306 | 17,894,158 | 1,112,160 | 13,767,485 | 107,446 | 15,281,844 | 18,257,482 |

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

June 30, 2008

| Function and Activity | Land | Buildings and Additions | Improvements Other Than Buildings | Autos and Trucks | Furniture and Fixtures | Machinery and Equipment | Infrastructure | Total |
|---|--------------|-------------------------|-----------------------------------|------------------|------------------------|-------------------------|----------------|----------------|
| Economic Development | 921,034 | 1,130,179 | 1,810,163 | 28,295 | 13,551 | 5,547 | - | 3,908,769 |
| Public Works: | | | | | | | | |
| Central Maintenance | - | 19,798 | 10,400 | 43,728 | - | 22,920 | - | 96,846 |
| Public Works operating | 531,225 | 819,826 | 13,060 | 819,118 | - | 4,867,475 | 51,992,677 | 59,043,381 |
| Total public works | 531,225 | 839,624 | 23,460 | 862,846 | - | 4,890,395 | 51,992,677 | 59,140,227 |
| Health: | | | | | | | | |
| Health department | 115,000 | 2,199,655 | - | - | - | - | - | 2,314,655 |
| Environmental services | - | 248,248 | - | 272,789 | - | 49,003 | - | 570,040 |
| Emergency medical services | 16,650 | 890,094 | - | 1,503,447 | - | 458,096 | - | 2,868,287 |
| Rescue - ambulance squads | - | 15,500 | 32,221 | 705,545 | - | 242,092 | - | 995,358 |
| Coroner | - | - | - | 85,581 | - | 17,191 | - | 102,772 |
| Total health | 131,650 | 3,353,497 | 32,221 | 2,567,362 | - | 766,382 | - | 6,851,112 |
| Culture and Recreation: | | | | | | | | |
| Recreation | 985,490 | 1,653,650 | 2,351,419 | 293,182 | - | 173,469 | - | 5,457,210 |
| Freedom Florence | - | 46,373 | 35,616 | - | - | 14,097 | - | 96,086 |
| Lynches River County Park | 31,370 | 627,588 | 470,326 | 82,895 | - | 61,538 | - | 1,273,717 |
| County Library | 1,239,526 | 19,158,389 | 203,512 | 103,067 | 124,018 | 445,131 | - | 21,273,643 |
| Total culture and recreation | 2,256,386 | 21,486,000 | 3,060,873 | 479,144 | 124,018 | 694,235 | - | 28,100,656 |
| Total governmental funds capital assets | \$ 8,462,601 | \$ 50,703,458 | \$ 6,038,877 | \$ 9,605,132 | \$ 245,015 | \$ 21,638,403 | \$ 51,992,677 | \$ 148,686,163 |

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, 2008

| Function and Activity | Governmental Funds Capital Assets July 1, 2007 | Additions | Deductions | Governmental Funds Capital Assets June 30, 2008 |
|-----------------------------------|---|------------------|---------------|--|
| General government: | | | | |
| Council | \$ 8,116 | \$ - | \$ - | \$ 8,116 |
| Administrator | 3,459,569 | - | - | 3,459,569 |
| Finance | 143,144 | - | - | 143,144 |
| Treasurer | 67,584 | - | - | 67,584 |
| Data processing | 1,090,854 | 139,138 | - | 1,229,992 |
| Auditor | 34,561 | - | - | 34,561 |
| Tax assessor | 193,431 | - | 14,400 | 179,031 |
| Planning | 44,873 | - | - | 44,873 |
| Central services | 143,070 | - | - | 143,070 |
| Clerk of Court | 255,899 | - | 12,860 | 243,039 |
| 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 | - | 14,329 | 22,482 |
| Magistrates' offices | 518,103 | 21,555 | - | 539,658 |
| Building inspections | 414,323 | 466,449 | 26,474 | 854,298 |
| Public services buildings | 4,255,636 | - | - | 4,255,636 |
| Other | 6,211,519 | 502,230 | - | 6,713,749 |
| Total general government | 17,196,173 | 1,129,372 | 68,063 | 18,257,482 |
| Public Safety: | | | | |
| Sheriff | 4,519,115 | 713,830 | 19,995 | 5,212,950 |
| County Jail | 19,346,576 | 937,663 | - | 20,284,239 |
| Radio System and Central Dispatch | 6,653,267 | 277,461 | - | 6,930,728 |
| Total public safety | 30,518,958 | 1,928,954 | 19,995 | 32,427,917 |
| Economic Development | 3,908,769 | - | - | 3,908,769 |
| Public Works: | | | | |
| Central Maintenance | 101,701 | 13,576 | 18,431 | 96,846 |
| Public Works operating | 58,052,105 | 1,027,180 | 35,904 | 59,043,381 |
| Total public works | 58,153,806 | 1,040,756 | 54,335 | 59,140,227 |

**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, 2008

| | Governmental Funds Capital Assets July 1, 2007 | Additions | Deductions | Governmental Funds Capital Assets June 30, 2008 |
|---|---|---------------------|-------------------|--|
| Health: | | | | |
| Health department | 2,314,655 | - | - | 2,314,655 |
| Environmental services | 389,160 | 211,319 | 30,439 | 570,040 |
| Emergency medical services | 2,387,051 | 481,236 | | 2,868,287 |
| Rescue - ambulance squads | 1,068,831 | - | 73,473 | 995,358 |
| Coroner | 63,895 | 38,877 | - | 102,772 |
| Total health | <u>6,223,592</u> | <u>731,432</u> | <u>103,912</u> | <u>6,851,112</u> |
| Culture and Recreation: | | | | |
| Recreation | 5,385,929 | 71,281 | - | 5,457,210 |
| Freedom Florence | 96,086 | - | - | 96,086 |
| Lynches River County Park | 1,008,516 | 265,201 | - | 1,273,717 |
| County Library | 20,610,710 | 662,933 | - | 21,273,643 |
| Total culture and recreation | <u>27,101,241</u> | <u>999,415</u> | <u>-</u> | <u>28,100,656</u> |
| Total governmental funds capital assets | <u>\$ 143,102,539</u> | <u>\$ 5,829,929</u> | <u>\$ 246,305</u> | <u>\$ 148,686,163</u> |

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

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT
Year Ended June 30, 2008

| Description | Issue Interest Rate % | Date Issued | Amount Outstanding 6/30/2007 |
|---|-----------------------------|----------------|------------------------------------|
| Florence County General Bonds | 7.00% | 2000 | \$ 230,000 |
| Subtotal | | | <u>230,000</u> |
| Johnsonville Rural Fire District Bonds | 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 | 55,000 |
| Subtotal | | | <u>345,000</u> |
| Hannah-Salem-Friendfield Fire District Bonds | 4.10% | 2001 | 50,000 |
| | 4.10% | 2001 | 54,000 |
| | 4.10% | 2001 | 57,000 |
| | 4.10% | 2001 | 60,000 |
| | 4.10% | 2001 | 63,000 |
| Subtotal | | | <u>284,000</u> |

(Continued)

| Charges Issued | Retired During Year | Amount Outstanding 6/30/2008 | Next Fiscal Year Requirements | |
|-------------------|------------------------|------------------------------------|----------------------------------|----------|
| | | | Principal | Interest |
| \$ - | \$ 230,000 | \$ - | \$ - | \$ - |
| - | 230,000 | - | - | - |
| - | 30,000 | - | - | - |
| - | - | 35,000 | 35,000 | 18,285 |
| - | - | 40,000 | - | - |
| - | - | 40,000 | - | - |
| - | - | 45,000 | - | - |
| - | - | 50,000 | - | - |
| - | - | 50,000 | - | - |
| - | - | 55,000 | - | - |
| - | 30,000 | 315,000 | 35,000 | 18,285 |
| - | 50,000 | - | - | - |
| - | - | 54,000 | 54,000 | 9,594 |
| - | - | 57,000 | - | - |
| - | - | 60,000 | - | - |
| - | - | 63,000 | - | - |
| - | 50,000 | 234,000 | 54,000 | 9,594 |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT

Year Ended June 30, 2008

| Description | Issue Interest Rate % | Date Issued | Amount Outstanding 6/30/2007 |
|--|-----------------------|-------------|------------------------------|
| (Continued) | | | |
| Florence County General Bonds | 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 | | | 4,620,000 |
| Hannah-Salem-Friendfield Fire District Bonds | 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 | | | 183,000 |

(Continued)

| Charges Issued | Retired During Year | Amount Outstanding 6/30/2008 | Next Fiscal Year Requirements | |
|-------------------|------------------------|------------------------------------|----------------------------------|----------------|
| | | | Principal | Interest |
| (Continued) | | | | |
| \$ - | \$ 200,000 | \$ - | \$ - | \$ - |
| - | - | 210,000 | 210,000 | 195,950 |
| - | - | 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>200,000</u> | <u>4,420,000</u> | <u>210,000</u> | <u>195,950</u> |
| - | 12,000 | - | - | - |
| - | - | 13,000 | 13,000 | 8,054 |
| - | - | 14,000 | - | - |
| - | - | 14,000 | - | - |
| - | - | 15,000 | - | - |
| - | - | 55,000 | - | - |
| - | - | 60,000 | - | - |
| <u>-</u> | <u>12,000</u> | <u>171,000</u> | <u>13,000</u> | <u>8,054</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT
Year Ended June 30, 2008

| Description | Issue Interest Rate % | Date Issued | Amount Outstanding 6/30/2007 |
|---|-----------------------|-------------|------------------------------|
| (Continued) | | | |
| Howe Springs Fire District Bonds | 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 | <u>113,528</u> |
| Subtotal | | | <u>704,798</u> |
| Florence County Refunding Bonds | 3.13% | 2005 | 224,387 |
| | 3.13% | 2005 | 231,410 |
| | 3.13% | 2005 | <u>238,653</u> |
| Subtotal | | | <u>694,450</u> |
| Florence County Advance Refunding Bonds | 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 | <u>420,000</u> |
| Subtotal | | | <u>4,140,000</u> |

(Continued)

| Charges Issued | Retired During Year | Amount Outstanding 6/30/2008 | Next Fiscal Year Requirements | |
|-------------------|------------------------|------------------------------------|----------------------------------|----------|
| | | | Principal | Interest |
| (Continued) | | | | |
| \$ - | \$ 88,694 | \$ - | \$ - | \$ - |
| - | - | 92,419 | 92,419 | 25,876 |
| - | - | 96,301 | - | - |
| - | - | 100,345 | - | - |
| - | - | 104,560 | - | - |
| - | - | 108,951 | - | - |
| - | - | 113,528 | - | - |
| - | 88,694 | 616,104 | 92,419 | 25,876 |
| - | 224,387 | - | - | - |
| - | - | 231,410 | 231,410 | 14,713 |
| - | - | 238,653 | - | - |
| - | 224,387 | 470,063 | 231,410 | 14,713 |
| - | 35,000 | - | - | - |
| - | - | 275,000 | 275,000 | 150,495 |
| - | - | 285,000 | - | - |
| - | - | 295,000 | - | - |
| - | - | 305,000 | - | - |
| - | - | 320,000 | - | - |
| - | - | 335,000 | - | - |
| - | - | 345,000 | - | - |
| - | - | 360,000 | - | - |
| - | - | 375,000 | - | - |
| - | - | 390,000 | - | - |
| - | - | 400,000 | - | - |
| - | - | 420,000 | - | - |
| - | 35,000 | 4,105,000 | 275,000 | 150,495 |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF LONG-TERM DEBT

Year Ended June 30, 2008

| Description | Issue Interest Rate % | Date Issued | Amount Outstanding 6/30/2007 |
|-----------------------------------|-----------------------|-------------|------------------------------|
| (Continued) | | | |
| Florence County General Bonds | 3.50% | 2006 | \$ 50,000 |
| | 3.50% | 2006 | 45,000 |
| | 3.50% | 2006 | 200,000 |
| | 3.50% | 2006 | 205,000 |
| | 3.75% | 2006 | 515,000 |
| | 3.75% | 2006 | 535,000 |
| | 3.75% | 2006 | 760,000 |
| | 3.75% | 2006 | 790,000 |
| | 3.75% | 2006 | 1,020,000 |
| | 3.75% | 2006 | 1,060,000 |
| | 3.75% | 2006 | 1,185,000 |
| | 3.85% | 2006 | <u>1,235,000</u> |
| Subtotal | | | <u>7,600,000</u> |
| Total general bonded indebtedness | | | 18,801,248 |
| Special Source Revenue Bond | 6.24% | 2007 | 2,800,000 |
| Certificates of participation | Variable | 2003 | 20,125,000 |
| Capital leases | 5.66% | 2000 | 734,870 |
| | 4.55% | 2004 | 41,877 |
| | 4.59% | 2004 | 4,924 |
| | 3.41% | 2006 | 231,134 |
| | 3.80% | 2007 | 735,056 |
| | 3.40% | 2008 | - |
| | 3.52% | 2008 | - |
| Vacation pay earned but not used | | | <u>1,479,087</u> |
| Total | | | <u><u>\$ 44,953,196</u></u> |

| Charges Issued | Retired During Year | Amount Outstanding 6/30/2008 | Next Fiscal Year Requirements | |
|----------------------|------------------------|------------------------------------|----------------------------------|---------------------|
| | | | Principal | Interest |
| (Continued) | | | | |
| \$ - | \$ 50,000 | \$ - | \$ - | \$ - |
| - | - | 45,000 | 45,000 | 283,235 |
| - | - | 200,000 | - | - |
| - | - | 205,000 | - | - |
| - | - | 515,000 | - | - |
| - | - | 535,000 | - | - |
| - | - | 760,000 | - | - |
| - | - | 790,000 | - | - |
| - | - | 1,020,000 | - | - |
| - | - | 1,060,000 | - | - |
| - | - | 1,185,000 | - | - |
| - | - | 1,235,000 | - | - |
| - | 50,000 | 7,550,000 | 45,000 | 283,235 |
| - | 920,081 | 17,881,167 | 955,829 | 706,202 |
| - | - | 2,800,000 | 494,336 | 174,720 |
| - | 20,125,000 | - | - | - |
| - | 168,835 | 566,035 | 178,391 | 32,038 |
| - | 20,435 | 21,442 | 21,442 | 1,056 |
| - | 4,924 | - | - | - |
| - | 184,120 | 47,014 | 47,014 | 555 |
| - | 318,983 | 416,073 | 331,278 | 11,127 |
| 1,188,780 | 188,340 | 1,000,440 | 390,054 | 29,051 |
| 25,000,000 | - | 25,000,000 | 2,130,000 | 880,000 |
| 1,265,786 | 1,162,846 | 1,582,027 | - | - |
| <u>\$ 27,454,566</u> | <u>\$ 23,093,564</u> | <u>\$ 49,314,198</u> | <u>\$ 4,548,344</u> | <u>\$ 1,834,749</u> |



ADDITIONAL ACCOMPANYING INFORMATION

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
BALANCE SHEET
June 30, 2008

| ASSETS | |
|--|--|
| Cash and investments | \$ 17,827,878 |
| Receivables: | |
| Property taxes (net) | 21,226 |
| Other governmental units and agencies | 5,297,137 |
| Other (net) | 1,759,954 |
| Prepays | 810,496 |
| Inventory | 91,578 |
| Due from other funds | <u>72,836</u> |
| Total assets | <u><u>\$ 25,881,105</u></u> |
| | |
| LIABILITIES AND FUND EQUITY | |
| Liabilities: | |
| Accounts payable | \$ 993,817 |
| Payroll withholdings and accruals | 1,185,444 |
| Other payables | 4,299,801 |
| Deferred revenues | <u>1,210,487</u> |
| Total liabilities | <u>7,689,549</u> |
| | |
| Fund equity: | |
| Fund balance: | |
| Reserved for encumbrances | 342 |
| Reserved for inventory | 62,586 |
| Unreserved: | |
| Designated for capital improvements | 1,232,640 |
| Undesignated | <u>16,895,988</u> |
| Total fund equity/fund balance | <u>18,191,556</u> |
| Total liabilities and fund equity | <u><u>\$ 25,881,105</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, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|-------------------|-------------------|--|
| Revenues: | | | |
| Taxes | \$ 29,325,427 | \$ 31,111,747 | \$ 1,786,320 |
| Licenses and permits | 1,584,628 | 1,748,527 | 163,899 |
| Fines and fees | 4,213,773 | 4,119,248 | (94,525) |
| Intergovernmental | 8,546,397 | 8,788,308 | 241,911 |
| Sales and other functional revenues | 4,106,941 | 4,491,437 | 384,496 |
| Miscellaneous | 599,000 | 1,463,778 | 864,778 |
| Total revenues | <u>48,376,166</u> | <u>51,723,045</u> | <u>3,346,879</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 19,065,052 | 18,245,116 | 819,936 |
| Public safety | 16,067,516 | 15,876,001 | 191,515 |
| Public works | 1,434,935 | 1,266,520 | 168,415 |
| Health | 5,408,507 | 5,306,509 | 101,998 |
| Welfare | 514,919 | 495,905 | 19,014 |
| Culture and recreation | 4,806,784 | 4,812,137 | (5,353) |
| Education | 4,950 | 4,950 | - |
| Total expenditures | <u>47,302,663</u> | <u>46,007,138</u> | <u>1,295,525</u> |
| Revenues over (under) expenditures | 1,073,503 | 5,715,907 | 4,642,404 |

(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, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------------|-----------------------|-----------------------------|--|
| (Continued) | | | |
| Other financing sources (uses): | | | |
| Operating transfer in | 1,818,901 | 1,855,032 | 36,131 |
| Operating transfer out | <u>(4,102,904)</u> | <u>(3,943,084)</u> | <u>159,820</u> |
| Net change in fund balance | <u>\$ (1,210,500)</u> | 3,627,855 | <u>\$ 4,838,355</u> |
| Fund balance - beginning of year | | <u>14,529,328</u> | |
| Fund balance - end of year | | <u>\$ 18,157,183</u> | |
| Reconciliation of fund balance: | | | |
| GAAP basis | | \$ 18,191,556 | |
| Increase (decrease): | | | |
| Due to expenditures: | | | |
| Encumbrances | | (342) | |
| Inventories | | (62,586) | |
| Cash - Juror fee accounts | | <u>28,555</u> | |
| Budgetary basis | | <u>\$ 18,157,183</u> | |

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|-------------------|-------------------|--|
| General government: | | | |
| County Council | \$ 319,921 | \$ 256,747 | \$ 63,174 |
| Attorney | 85,000 | 73,755 | 11,245 |
| Administrator | 608,366 | 583,424 | 24,942 |
| Finance | 694,915 | 680,434 | 14,481 |
| Treasurer | 1,169,762 | 1,144,014 | 25,748 |
| Data processing | 1,265,302 | 1,224,126 | 41,176 |
| Auditor | 465,975 | 444,480 | 21,495 |
| Tax assessor | 1,161,366 | 1,116,327 | 45,039 |
| Procurement and facilities | 213,694 | 201,500 | 12,194 |
| Clerk of Court | 929,104 | 925,328 | 3,776 |
| Court of Common Pleas | 171,042 | 147,295 | 23,747 |
| Solicitor | 904,990 | 874,385 | 30,605 |
| Human resources management | 228,924 | 218,341 | 10,583 |
| Family court | 649,049 | 636,916 | 12,133 |
| Judge of Probate | 496,938 | 478,657 | 18,281 |
| Public defender | 613,884 | 623,265 | (9,381) |
| Master in Equity | 48,608 | 50,081 | (1,473) |
| Magistrates' offices | 2,067,225 | 2,073,554 | (6,329) |
| Building inspections | 1,762,260 | 1,746,836 | 15,424 |
| GIS | 200,863 | 197,395 | 3,468 |
| Voter registration and election commission | 555,229 | 525,194 | 30,035 |
| Veterans' affairs | 140,667 | 135,178 | 5,489 |
| Public services buildings | 937,642 | 915,543 | 22,099 |
| Senior Citizens Center | 175,493 | 173,297 | 2,196 |
| Lake City Senior Center | 160,000 | 92,752 | 67,248 |
| Direct assistance | 1,293,629 | 1,286,812 | 6,817 |
| Other | 1,745,204 | 1,419,480 | 325,724 |
| Total general government | <u>19,065,052</u> | <u>18,245,116</u> | <u>819,936</u> |
| Public safety: | | | |
| Sheriff's office | 7,735,455 | 7,655,018 | 80,437 |
| County jail | 6,003,525 | 5,985,709 | 17,816 |
| Radio System | 333,943 | 329,120 | 4,823 |
| Central Dispatch | 1,734,909 | 1,654,932 | 79,977 |
| Emergency Preparedness | 244,684 | 236,383 | 8,301 |
| Direct assistance | 15,000 | 14,839 | 161 |
| Total public safety | <u>16,067,516</u> | <u>15,876,001</u> | <u>191,515</u> |
| Public works: | | | |
| Central maintenance | 1,014,935 | 1,024,494 | (9,559) |
| Public works operating | 420,000 | 242,026 | 177,974 |
| Total public works | <u>1,434,935</u> | <u>1,266,520</u> | <u>168,415</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|----------------------|----------------------|--|
| (Continued) | | | |
| Health: | | | |
| Health department | \$ 86,000 | \$ 86,000 | \$ - |
| Environmental services | 584,288 | 590,696 | (6,408) |
| Emergency medical services | 4,064,289 | 3,973,491 | 90,798 |
| Rescue - ambulance squads | 384,811 | 367,746 | 17,065 |
| Coroner | 273,219 | 272,676 | 543 |
| Direct assistance | 15,900 | 15,900 | - |
| Total health | <u>5,408,507</u> | <u>5,306,509</u> | <u>101,998</u> |
| Welfare: | | | |
| Indigent care | 445,139 | 434,572 | 10,567 |
| Social services | 51,780 | 43,333 | 8,447 |
| Direct assistance | 18,000 | 18,000 | - |
| Total welfare | <u>514,919</u> | <u>495,905</u> | <u>19,014</u> |
| Culture and recreation: | | | |
| Library | 3,493,720 | 3,501,279 | (7,559) |
| Recreation | 988,484 | 997,923 | (9,439) |
| Lynches River County Park | 314,580 | 302,935 | 11,645 |
| Museum | 10,000 | 10,000 | - |
| Total culture and recreation | <u>4,806,784</u> | <u>4,812,137</u> | <u>(5,353)</u> |
| Education: | | | |
| Direct assistance | 4,950 | 4,950 | - |
| Total education | <u>4,950</u> | <u>4,950</u> | <u>-</u> |
| Total expenditures | <u>\$ 47,302,663</u> | <u>\$ 46,007,138</u> | <u>\$ 1,295,525</u> |

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF REVENUES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---------------------------------------|-------------------|-------------------|--|
| Taxes: | | | |
| Property tax | \$ 16,221,219 | \$ 17,700,585 | \$ 1,479,366 |
| Sales tax | 11,454,208 | 11,689,420 | 235,212 |
| Fees in lieu of tax | 1,650,000 | 1,721,742 | 71,742 |
| Total taxes | <u>29,325,427</u> | <u>31,111,747</u> | <u>1,786,320</u> |
| Licenses and permits: | | | |
| Tax assessor fees | 16,600 | 11,110 | (5,490) |
| Cable TV fees | 640,000 | 650,796 | 10,796 |
| Scrap tire fees | 4,000 | 4,500 | 500 |
| Building permit fees | 864,528 | 971,985 | 107,457 |
| Landfill permits | 2,000 | 3,681 | 1,681 |
| Planning commission fees | 57,500 | 106,454 | 48,954 |
| Total licenses and permits | <u>1,584,628</u> | <u>1,748,527</u> | <u>163,899</u> |
| Fines and fees: | | | |
| Library fines | 70,000 | 102,609 | 32,609 |
| Tax collector's costs and fees | 464,000 | 429,396 | (34,604) |
| Magistrates' fines | 1,745,000 | 1,789,013 | 44,013 |
| Clerk of Court fines | 80,949 | 41,188 | (39,761) |
| Clerk of Court fees | 1,108,908 | 1,019,511 | (89,397) |
| Master in Equity fees | 73,306 | 110,629 | 37,323 |
| Judge of Probate fees | 245,000 | 219,544 | (25,456) |
| Family court fees | 426,610 | 407,358 | (19,252) |
| Total fines and fees | <u>4,213,773</u> | <u>4,119,248</u> | <u>(94,525)</u> |
| Intergovernmental: | | | |
| Library state and federal | 250,000 | 282,964 | 32,964 |
| State revenue - local government fund | 7,040,000 | 7,248,149 | 208,149 |
| Election commission | 189,734 | 87,214 | (102,520) |
| Veterans' affairs | 10,783 | 6,823 | (3,960) |
| Public defender | 257,000 | 236,141 | (20,859) |
| Solicitor | 180,000 | 158,189 | (21,811) |
| Municipalities | 54,000 | 61,364 | 7,364 |
| Merchant inventory exemption | 356,006 | 356,006 | - |
| Accommodations tax | 46,000 | 46,683 | 683 |
| Others | 162,874 | 304,776 | 141,902 |
| Total intergovernmental | <u>8,546,397</u> | <u>8,788,308</u> | <u>241,911</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF REVENUES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|----------------------|----------------------|--|
| (Continued) | | | |
| Sales and other functional revenues: | | | |
| Rent | \$ 254,800 | \$ 295,595 | \$ 40,795 |
| Hospital reimbursements/MIAF administration | 45,000 | 50,139 | 5,139 |
| Emergency medical services | 2,000,000 | 2,455,571 | 455,571 |
| Recreation | 160,000 | 72,020 | (87,980) |
| Inmate per diem | 1,340,000 | 1,367,401 | 27,401 |
| Sheriff serving fees | 36,000 | 44,195 | 8,195 |
| Commissary sales | 55,000 | 56,351 | 1,351 |
| Inmate telephone system | 80,000 | 77,769 | (2,231) |
| Other | 136,141 | 72,398 | (63,743) |
| Total sales and other functional revenues | 4,106,941 | 4,491,437 | 384,496 |
| Miscellaneous: | | | |
| Interest on investments | 534,000 | 1,123,071 | 589,071 |
| Tax sale escrow accounts held five years | 10,000 | 44,402 | 34,402 |
| Sales of abandoned property | 45,000 | 194,093 | 149,093 |
| Others | 10,000 | 102,212 | 92,212 |
| Total miscellaneous | 599,000 | 1,463,778 | 864,778 |
| Total revenues | \$ 48,376,166 | \$ 51,723,045 | \$ 3,346,879 |

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---------------------------|------------------|------------------|--|
| General government: | | | |
| County Council: | | | |
| Personnel services | \$ 200,671 | \$ 193,845 | \$ 6,826 |
| Supplies | 8,290 | 6,265 | 2,025 |
| Other service and charges | 105,960 | 55,671 | 50,289 |
| Capital outlay | 5,000 | 966 | 4,034 |
| Total County Council | <u>319,921</u> | <u>256,747</u> | <u>63,174</u> |
| Attorney: | | | |
| Other service and charges | 85,000 | 73,755 | 11,245 |
| Total attorney | <u>85,000</u> | <u>73,755</u> | <u>11,245</u> |
| Administrator: | | | |
| Personnel services | 560,032 | 538,351 | 21,681 |
| Supplies | 5,907 | 5,895 | 12 |
| Other service and charges | 27,876 | 24,629 | 3,247 |
| Capital outlay | 14,551 | 14,549 | 2 |
| Total administrator | <u>608,366</u> | <u>583,424</u> | <u>24,942</u> |
| Finance: | | | |
| Personnel services | 562,395 | 562,461 | (66) |
| Supplies | 23,739 | 22,255 | 1,484 |
| Other service and charges | 107,951 | 94,893 | 13,058 |
| Capital outlay | 830 | 825 | 5 |
| Total finance | <u>694,915</u> | <u>680,434</u> | <u>14,481</u> |
| Treasurer: | | | |
| Personnel services | 795,512 | 787,166 | 8,346 |
| Supplies | 69,706 | 66,818 | 2,888 |
| Other service and charges | 302,044 | 289,810 | 12,234 |
| Capital outlay | 2,500 | 220 | 2,280 |
| Total treasurer | <u>1,169,762</u> | <u>1,144,014</u> | <u>25,748</u> |
| Data processing: | | | |
| Personnel services | 429,726 | 429,992 | (266) |
| Supplies | 12,155 | 10,361 | 1,794 |
| Other service and charges | 410,402 | 376,705 | 33,697 |
| Capital outlay | 413,019 | 407,068 | 5,951 |
| Total data processing | <u>1,265,302</u> | <u>1,224,126</u> | <u>41,176</u> |
| Auditor: | | | |
| Personnel services | 428,186 | 416,930 | 11,256 |
| Supplies | 18,780 | 15,059 | 3,721 |
| Other service and charges | 19,009 | 12,491 | 6,518 |
| Capital outlay | - | - | - |
| Total auditor | <u>465,975</u> | <u>444,480</u> | <u>21,495</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|----------------------------------|------------------|------------------|--|
| Tax assessor: | | | |
| Personnel services | 1,057,878 | 1,046,150 | 11,728 |
| Supplies | 13,500 | 13,306 | 194 |
| Other service and charges | 75,798 | 42,689 | 33,109 |
| Capital outlay | 14,190 | 14,182 | 8 |
| Total tax assessor | <u>1,161,366</u> | <u>1,116,327</u> | <u>45,039</u> |
| Procurement & facilities: | | | |
| Personnel services | 197,539 | 191,430 | 6,109 |
| Supplies | 2,150 | 2,087 | 63 |
| Other service and charges | 14,005 | 7,983 | 6,022 |
| Capital outlay | - | - | - |
| Total central services | <u>213,694</u> | <u>201,500</u> | <u>12,194</u> |
| Clerk of Court: | | | |
| Personnel services | 826,083 | 826,915 | (832) |
| Supplies | 45,263 | 41,844 | 3,419 |
| Other service and charges | 56,758 | 55,953 | 805 |
| Capital outlay | 1,000 | 616 | 384 |
| Total Clerk of Court | <u>929,104</u> | <u>925,328</u> | <u>3,776</u> |
| Court of Common Pleas | | | |
| Personnel services | 105,792 | 89,977 | 15,815 |
| Supplies | 206 | - | 206 |
| Other service and charges | 65,044 | 57,318 | 7,726 |
| Total court of common pleas | <u>171,042</u> | <u>147,295</u> | <u>23,747</u> |
| Solicitor: | | | |
| Personnel services | 824,564 | 794,169 | 30,395 |
| Supplies | 14,502 | 14,500 | 2 |
| Other service and charges | 65,924 | 65,716 | 208 |
| Capital outlay | - | - | - |
| Total solicitor | <u>904,990</u> | <u>874,385</u> | <u>30,605</u> |
| Human resources management: | | | |
| Personnel services | 211,338 | 204,503 | 6,835 |
| Supplies | 6,500 | 6,108 | 392 |
| Other service and charges | 11,086 | 7,730 | 3,356 |
| Capital outlay | - | - | - |
| Total human resources management | <u>228,924</u> | <u>218,341</u> | <u>10,583</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|----------------------------|------------------|------------------|--|
| Family court: | | | |
| Personnel services | 569,439 | 558,779 | 10,660 |
| Supplies | 22,970 | 22,973 | (3) |
| Other service and charges | 56,640 | 55,164 | 1,476 |
| Total family court | <u>649,049</u> | <u>636,916</u> | <u>12,133</u> |
| Judge of Probate: | | | |
| Personnel services | 446,988 | 447,722 | (734) |
| Supplies | 10,500 | 7,074 | 3,426 |
| Other service and charges | 39,450 | 23,861 | 15,589 |
| Total Judge of Probate | <u>496,938</u> | <u>478,657</u> | <u>18,281</u> |
| Public defender: | | | |
| Personnel services | 583,334 | 596,630 | (13,296) |
| Supplies | 5,200 | 5,109 | 91 |
| Other service and charges | 24,350 | 20,528 | 3,822 |
| Capital outlay | 1,000 | 998 | 2 |
| Total public defender | <u>613,884</u> | <u>623,265</u> | <u>(9,381)</u> |
| Master in Equity: | | | |
| Personnel services | 48,158 | 49,674 | (1,516) |
| Supplies | 250 | 251 | (1) |
| Other service and charges | 200 | 156 | 44 |
| Total Master in Equity | <u>48,608</u> | <u>50,081</u> | <u>(1,473)</u> |
| Magistrates' Offices | | | |
| Personnel services | 1,756,246 | 1,782,471 | (26,225) |
| Supplies | 33,116 | 30,424 | 2,692 |
| Other service and charges | 248,867 | 231,744 | 17,123 |
| Capital outlay | 28,996 | 28,915 | 81 |
| Total magistrates' offices | <u>2,067,225</u> | <u>2,073,554</u> | <u>(6,329)</u> |
| Building inspections: | | | |
| Personnel services | 1,456,340 | 1,483,649 | (27,309) |
| Supplies | 21,700 | 20,711 | 989 |
| Other service and charges | 205,030 | 186,939 | 18,091 |
| Capital outlay | 79,190 | 55,537 | 23,653 |
| Total building inspections | <u>1,762,260</u> | <u>1,746,836</u> | <u>15,424</u> |
| GIS: | | | |
| Personnel services | 179,613 | 176,442 | 3,171 |
| Supplies | 200 | 178 | 22 |
| Other service and charges | 21,050 | 20,775 | 275 |
| Total GIS | <u>200,863</u> | <u>197,395</u> | <u>3,468</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|--|------------------|------------------|--|
| Voter registration and election commission: | | | |
| Personnel services | 199,508 | 211,020 | (11,512) |
| Supplies | 15,292 | 14,775 | 517 |
| Other service and charges | 338,934 | 298,762 | 40,172 |
| Capital outlay | 1,495 | 637 | 858 |
| Total voter registration and election commission | <u>555,229</u> | <u>525,194</u> | <u>30,035</u> |
| Veterans' affairs: | | | |
| Personnel services | 127,591 | 123,615 | 3,976 |
| Supplies | 995 | 966 | 29 |
| Other service and charges | 12,081 | 10,597 | 1,484 |
| Total veterans' affairs | <u>140,667</u> | <u>135,178</u> | <u>5,489</u> |
| Public services buildings: | | | |
| Personnel services | 265,878 | 274,731 | (8,853) |
| Supplies | 4,907 | 3,768 | 1,139 |
| Other service and charges | 581,327 | 558,708 | 22,619 |
| Capital outlay | 85,530 | 78,336 | 7,194 |
| Total public services buildings | <u>937,642</u> | <u>915,543</u> | <u>22,099</u> |
| Senior Citizens Center: | | | |
| Personnel services | 96,115 | 95,426 | 689 |
| Supplies | 1,906 | 1,870 | 36 |
| Other service and charges | 70,972 | 69,786 | 1,186 |
| Capital outlay | 6,500 | 6,215 | 285 |
| Total Senior Citizens Center | <u>175,493</u> | <u>173,297</u> | <u>2,196</u> |
| Lake City Senior Center: | | | |
| Supplies | 15,000 | 10,491 | 4,509 |
| Other service and charges | 137,000 | 80,880 | 56,120 |
| Capital outlay | 8,000 | 1,381 | 6,619 |
| Total Lake City Senior Center | <u>160,000</u> | <u>92,752</u> | <u>67,248</u> |
| Direct assistance: | | | |
| City-County Complex | 1,180,855 | 1,169,038 | 11,817 |
| Council of Governments | 75,457 | 75,457 | - |
| Senior Citizens Association | 10,000 | 15,000 | (5,000) |
| Pee Dee CAA | 10,000 | 10,000 | - |
| City-County Stadium Commission | 3,500 | 3,500 | - |
| Others | 13,817 | 13,817 | - |
| Total direct assistance | <u>1,293,629</u> | <u>1,286,812</u> | <u>6,817</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------------|--------------------------|--|
| Other: | | | |
| Personnel services | 974,109 | 951,115 | 22,994 |
| Other service and charges | 766,095 | 459,288 | 306,807 |
| Capital outlay | - | 4,077 | (4,077) |
| Direct assistance | 5,000 | 5,000 | - |
| Total other | <u>1,745,204</u> | <u>1,419,480</u> | <u>325,724</u> |
| Total general government | <u>19,065,052</u> | <u>18,245,116</u> | <u>819,936</u> |
| Public safety: | | | |
| Sheriff's office: | | | |
| Personnel services | 5,794,558 | 5,741,324 | 53,234 |
| Supplies | 68,043 | 67,237 | 806 |
| Other service and charges | 1,299,398 | 1,334,262 | (34,864) |
| Capital outlay | 571,703 | 510,442 | 61,261 |
| Direct assistance | 1,753 | 1,753 | - |
| Total sheriff's office | <u>7,735,455</u> | <u>7,655,018</u> | <u>80,437</u> |
| County Jail: | | | |
| Personnel services | 3,845,906 | 3,845,161 | 745 |
| Supplies | 32,252 | 31,739 | 513 |
| Other service and charges | 1,971,541 | 1,954,987 | 16,554 |
| Capital outlay | 153,826 | 153,822 | 4 |
| Total county jail | <u>6,003,525</u> | <u>5,985,709</u> | <u>17,816</u> |
| Radio System: | | | |
| Personnel services | 46,675 | 47,170 | (495) |
| Supplies | 1,400 | 1,395 | 5 |
| Other service and charges | 284,944 | 279,632 | 5,312 |
| Capital outlay | 924 | 923 | 1 |
| Total radio system | <u>333,943</u> | <u>329,120</u> | <u>4,823</u> |
| Central Dispatch: | | | |
| Personnel services | 1,670,521 | 1,592,275 | 78,246 |
| Supplies | 5,213 | 5,059 | 154 |
| Other service and charges | 50,525 | 49,120 | 1,405 |
| Capital outlay | 8,650 | 8,478 | 172 |
| Total central dispatch | <u>1,734,909</u> | <u>1,654,932</u> | <u>79,977</u> |
| Emergency Preparedness: | | | |
| Personnel services | 220,533 | 213,245 | 7,288 |
| Supplies | 1,962 | 1,950 | 12 |
| Other service and charges | 22,149 | 21,149 | 1,000 |
| Capital outlay | 40 | 39 | 1 |
| Total emergency preparedness | <u>244,684</u> | <u>236,383</u> | <u>8,301</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|----------------------------------|--------------------------|--------------------------|--|
| Direct assistance: | | | |
| Rural fire departments | 15,000 | 14,839 | 161 |
| Total direct assistance | <u>15,000</u> | <u>14,839</u> | <u>161</u> |
| Total public safety | <u>16,067,516</u> | <u>15,876,001</u> | <u>191,515</u> |
| Public works: | | | |
| Central maintenance: | | | |
| Supplies | 434 | - | 434 |
| Other service and charges | 1,009,835 | 1,019,828 | (9,993) |
| Capital outlay | 4,666 | 4,666 | - |
| Total central maintenance | <u>1,014,935</u> | <u>1,024,494</u> | <u>(9,559)</u> |
| Public works operating: | | | |
| Personnel services | - | - | - |
| Supplies | - | - | - |
| Other service and charges | 420,000 | 242,026 | 177,974 |
| Total public works operating | <u>420,000</u> | <u>242,026</u> | <u>177,974</u> |
| Total public works | <u>1,434,935</u> | <u>1,266,520</u> | <u>168,415</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 | 406,667 | 411,844 | (5,177) |
| Supplies | 8,274 | 7,752 | 522 |
| Other service and charges | 99,552 | 102,843 | (3,291) |
| Capital outlay | 69,795 | 68,257 | 1,538 |
| Total environmental services | <u>584,288</u> | <u>590,696</u> | <u>(6,408)</u> |
| Emergency medical services: | | | |
| Personnel services | 3,134,257 | 3,041,005 | 93,252 |
| Supplies | 15,146 | 14,963 | 183 |
| Other service and charges | 401,436 | 402,353 | (917) |
| Capital outlay | 513,450 | 515,170 | (1,720) |
| Total emergency medical services | <u>4,064,289</u> | <u>3,973,491</u> | <u>90,798</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---------------------------------|-------------------------|-------------------------|--|
| Rescue - ambulance squads: | | | |
| Supplies | 57,467 | 49,850 | 7,617 |
| Capital outlay | 137,326 | 130,868 | 6,458 |
| Direct assistance | 190,018 | 187,028 | 2,990 |
| Total rescue - ambulance squads | <u>384,811</u> | <u>367,746</u> | <u>17,065</u> |
| Coroner: | | | |
| Personnel services | 181,024 | 183,263 | (2,239) |
| Supplies | 2,500 | 2,251 | 249 |
| Other service and charges | 68,089 | 65,476 | 2,613 |
| Capital outlay | 21,606 | 21,686 | (80) |
| Total coroner | <u>273,219</u> | <u>272,676</u> | <u>543</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>5,408,507</u> | <u>5,306,509</u> | <u>101,998</u> |
| Welfare: | | | |
| Indigent care: | | | |
| Other services and charges | 445,139 | 434,572 | 10,567 |
| Total indigent care | <u>445,139</u> | <u>434,572</u> | <u>10,567</u> |
| Social services: | | | |
| Other services and charges | 51,780 | 43,333 | 8,447 |
| Total social services | <u>51,780</u> | <u>43,333</u> | <u>8,447</u> |
| Direct assistance: | | | |
| Pee Dee Coalition | 10,000 | 10,000 | - |
| Paupers' funerals | 8,000 | 8,000 | - |
| Total direct assistance | <u>18,000</u> | <u>18,000</u> | <u>-</u> |
| Total welfare | <u>514,919</u> | <u>495,905</u> | <u>19,014</u> |
| Culture and recreation: | | | |
| Library: | | | |
| Personnel services | 2,226,327 | 2,262,741 | (36,414) |
| Supplies | 74,974 | 73,531 | 1,443 |
| Other service and charges | 1,104,341 | 1,086,857 | 17,484 |
| Capital outlay | 88,078 | 78,150 | 9,928 |
| Total Library | <u>3,493,720</u> | <u>3,501,279</u> | <u>(7,559)</u> |

(Continued)

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - BUDGET (BUDGETARY BASIS)
 AND ACTUAL
 Year Ended June 30, 2008

| | Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|-----------------------------|-----------------------------|--|
| Recreation: | | | |
| Personnel services | 418,773 | 426,940 | (8,167) |
| Supplies | 48,325 | 48,598 | (273) |
| Other service and charges | 401,596 | 404,382 | (2,786) |
| Capital outlay | 83,465 | 82,105 | 1,360 |
| Direct assistance | 36,325 | 35,898 | 427 |
| Total recreation | <u>988,484</u> | <u>997,923</u> | <u>(9,439)</u> |
| Lynches River County Park: | | | |
| Personnel services | 157,616 | 187,927 | (30,311) |
| Supplies | 20,997 | 20,965 | 32 |
| Other service and charges | 93,467 | 73,450 | 20,017 |
| Capital outlay | 42,500 | 20,593 | 21,907 |
| Total Lynches River County Park | <u>314,580</u> | <u>302,935</u> | <u>11,645</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>4,806,784</u> | <u>4,812,137</u> | <u>(5,353)</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>\$ 47,302,663</u> | <u>\$ 46,007,138</u> | <u>\$ 1,295,525</u> |



FLORENCE COUNTY, SOUTH CAROLINA

ANALYSIS OF CURRENT LEVY

June 30, 2008

| | |
|-------------------------|----------------------------|
| Original assessment | |
| Regular | \$ 59,367,625 |
| Mill exemption | 627,957 |
| Homestead exemption | 884 |
| Local option sales tax | 12,169,400 |
| School exemption | <u>20,855,893</u> |
| | <u>93,021,759</u> |
| | |
| Additions | |
| Regular | 8,953,248 |
| Mill exemption | 29,230 |
| Homestead exemption | 51,793 |
| Local option sales tax | 1,013,584 |
| School exemption | <u>1,028,562</u> |
| | <u>11,076,417</u> |
| | |
| Abatements | |
| Regular | 7,950,305 |
| Mill exemption | 14,046 |
| Homestead exemption | 41,360 |
| Local option sales tax | 1,000,374 |
| School exemption | <u>487,803</u> |
| | <u>9,493,888</u> |
| | |
| Collections and credits | |
| Regular | 56,067,165 |
| Mill exemption | 642,340 |
| Homestead exemption | 11,317 |
| Local option sales tax | 11,394,876 |
| School exemption | <u>21,396,652</u> |
| | <u>89,512,350</u> |
| | |
| Executions | <u><u>\$ 5,091,938</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF TAXES RECEIVABLE - DELINQUENT

June 30, 2008

| | Uncollected Balance July 1, 2007 | Additions | Collections | Credits (Debits) | Uncollected Balance June 30, 2008 |
|------|---|---------------------|---------------------|---------------------|--|
| 2007 | \$ - | \$ 4,771,522 | \$ 1,734,879 | \$ 644,463 | \$ 2,392,180 |
| 2006 | 2,415,183 | 443,772 | 1,900,449 | 516,340 | 442,166 |
| 2005 | 505,079 | 90,572 | 125,667 | 109,793 | 360,191 |
| 2004 | 437,198 | (302,586) | 21,475 | 105,763 | 7,374 |
| 2003 | 7,565 | 45,905 | 10,352 | 39,723 | 3,395 |
| 2002 | 3,206 | 24,515 | 4,403 | 21,025 | 2,293 |
| 2001 | 399 | 12,424 | 5,924 | 6,899 | - |
| 2000 | 388 | 4,530 | 2,310 | 2,536 | 72 |
| 1999 | 253 | 1,009 | 1,058 | 144 | 60 |
| 1998 | - | 275 | 81 | 194 | - |
| 1997 | - | - | - | - | - |
| | <u>\$ 3,369,271</u> | <u>\$ 5,091,938</u> | <u>\$ 3,806,598</u> | <u>\$ 1,446,880</u> | <u>\$ 3,207,731</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 bonnaed. It includes delinquent taxes and penalties.

The schedule also includes \$2,264,900 of receivables relating to school districts.
Reconciliation follows:

| | |
|--|---------------------|
| Per balance sheet (page 27) | \$ 120,319 |
| Add: | |
| Allowance for delinquent doubtful accounts | 857,472 |
| Fiduciary funds | 2,390,538 |
| Less costs and fees receivable | <u>(160,598)</u> |
| As above | <u>\$ 3,207,731</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 | |
| 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 |
| 2007 | 276,846,394 | 68,453,945 | 12,855,378 | 60,191,283 | 418,347,000 |

* 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, 2007, BY PROPERTY CLASSIFICATION
(UNAUDITED)**

The assessed value of all taxable property in Florence County for Tax Year 2007, according to classification of property, is set forth below:

| Classification of Property | Market Value | Assessment |
|--|------------------------|----------------------|
| Real Estate (Non-manufacturing) Farm | \$ 233,485,088 | \$ 9,559,886 |
| Real Estate (Non-manufacturing) Non-farm | 5,386,644,042 | 259,696,862 |
| Mobile Homes | 174,061,952 | 7,589,646 |
| Business Personal | 56,268,076 | 5,908,149 |
| Watercraft | 27,131,989 | 2,848,860 |
| Aircraft | 7,402,750 | 296,110 |
| Utilities | 247,407,226 | 25,977,760 |
| Manufacturers' Furniture & Fixtures | 158,001,419 | 16,590,150 |
| Manufacturers' Real Estate | 122,432,163 | 12,855,378 |
| Manufacturers' Personal | 153,222,012 | 16,088,312 |
| Railroads | 21,796,848 | 2,070,701 |
| Vehicles | 907,507,413 | 58,865,186 |
| Totals | <u>\$7,495,360,978</u> | <u>\$418,347,000</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:

| Year Ending 12/31 | Exempt Manufacturing Property | Total Assessment Not Exempt | Total Assessment |
|-------------------------|-------------------------------------|--------------------------------|------------------|
| 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 |
| 2007 | 8,498,440 | 409,848,560 | 418,347,000 |

FLORENCE COUNTY, SOUTH CAROLINA

ASSESSED VALUE OF TAXABLE PROPERTY IN FLORENCE COUNTY
TAX YEAR ENDING DECEMBER 31, 2007 BY TAX DISTRICT
(UNAUDITED)

The assessed value of all taxable property in Florence County for tax year 2007, by tax district and according to major category, is set forth below:

| District | Real Property | Personal Property |
|--|----------------|-------------------|
| 100 West Florence Rural Fire District | \$ 66,669,910 | \$ 1,464,707 |
| 110 City of Florence | 107,235,087 | 5,852,168 |
| 120 Town of Quinby | 1,631,115 | 18,977 |
| 130 Howe Springs Fire District | 28,780,955 | 446,210 |
| 140 Windy Hill Fire District | 21,762,604 | 177,087 |
| School District #1 | 226,079,671 | 7,959,149 |
| 200 Hannah-Salem-Friendfield | 2,837,356 | 81,650 |
| 210 Town of Pamplico | 1,407,522 | 439,561 |
| 220 Howe Springs Fire District | 1,053,463 | 9,470 |
| 230 Hannah-Salem-Friendfield | 3,039,294 | 143,870 |
| School District #2 | 8,337,635 | 674,551 |
| 300 South Lynches Fire District | 2,233,751 | 91,206 |
| 301 SLFD/Salem Watershed | 1,802,064 | - |
| 310 South Lynches Fire District | 5,877,572 | 184,950 |
| 311 SLFD/Salem Watershed | 2,022,036 | - |
| 319 SLFD/Joint Ind Park | 53,641 | 649 |
| 320 City of Lake City | 9,928,266 | 151,046 |
| 330 Town of Olanta | 948,820 | 16,104 |
| 340 Town of Coward | 578,033 | 79,076 |
| 341 Town of Coward/Salem Watershed | 89,494 | - |
| 350 Town of Scranton | 338,885 | 6,890 |
| 351 Town of Scranton/Salem Watershed | 484,006 | - |
| 360 SLFD/Lynches Lake Camp Branch | 6,766 | 400 |
| 361 SLFD/Lynches Lake Camp Branch | 45,195 | - |
| 371 SLFD/Lynches Lake Camp Branch | 47,600 | - |
| 380 Olanta Rural Fire District | 1,492,888 | 36,034 |
| 381 ORFD/Salem Watershed | 91,668 | - |
| 390 ORFD/Lynches Lake Camp Branch | 4,073 | 390 |
| 391 ORFD/Lynches Lake Camp Branch | 298,512 | - |
| School District #3 | 26,343,270 | 566,745 |
| 400 Sardis-Timmons ville Fire District | 5,872,193 | 140,602 |
| 410 Town of Timmons ville | 2,631,325 | 30,789 |
| 420 West Florence Rural Fire District | 377,831 | 47,310 |
| School District #4 | 8,881,349 | 218,701 |
| 500 Johnsonville Rural Fire District | 4,670,285 | 113,990 |
| 510 Town of Johnsonville | 2,534,184 | 55,623 |
| School District #5 | 7,204,469 | 169,613 |
| Total County | \$ 276,846,394 | \$ 9,588,759 |

| Tax Commission | Vehicles | Total Assessment |
|----------------------|----------------------|-----------------------|
| \$ 31,273,270 | \$ 17,017,910 | \$ 116,425,797 |
| 14,556,050 | 15,995,850 | 143,639,155 |
| 282,490 | 281,910 | 2,214,492 |
| 4,763,700 | 7,523,795 | 41,514,660 |
| <u>3,272,080</u> | <u>3,457,710</u> | <u>28,669,481</u> |
| 54,147,590 | 44,277,175 | 332,463,585 |
| 1,862,240 | 833,670 | 5,614,916 |
| 320,500 | 381,140 | 2,548,723 |
| 17,240 | 344,380 | 1,424,553 |
| <u>200,240</u> | <u>1,095,940</u> | <u>4,479,344</u> |
| 2,400,220 | 2,655,130 | 14,067,536 |
| 678,826 | 1,025,760 | 4,029,543 |
| - | - | 1,802,064 |
| 2,370,570 | 3,191,810 | 11,624,902 |
| - | - | 2,022,036 |
| 4,123,930 | - | 4,178,220 |
| 2,021,041 | 1,612,090 | 13,712,443 |
| 314,500 | 239,470 | 1,518,894 |
| 90,373 | 94,270 | 841,752 |
| - | - | 89,494 |
| 166,976 | 165,160 | 677,911 |
| - | - | 484,006 |
| - | 1,030 | 8,196 |
| - | - | 45,195 |
| - | - | 47,600 |
| 32,660 | 607,030 | 2,168,612 |
| - | - | 91,668 |
| - | 8,820 | 13,283 |
| - | - | 298,512 |
| <u>9,798,876</u> | <u>6,945,440</u> | <u>43,654,331</u> |
| 1,844,550 | 2,228,961 | 10,086,306 |
| 544,140 | 446,190 | 3,652,444 |
| - | 4,910 | 430,051 |
| <u>2,388,690</u> | <u>2,680,061</u> | <u>14,168,801</u> |
| 3,281,235 | 1,759,170 | 9,824,680 |
| <u>1,030,050</u> | <u>548,210</u> | <u>4,168,067</u> |
| 4,311,285 | 2,307,380 | 13,992,747 |
| <u>\$ 73,046,661</u> | <u>\$ 58,865,186</u> | <u>\$ 418,347,000</u> |

FLORENCE COUNTY, SOUTH CAROLINA

**DETAIL SCHEDULE OF SCHOOL GENERAL FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2008**

| | District One | District Two | District Three |
|---|--------------------------|-------------------------|--------------------------|
| Cash due from Treasurer - beginning | \$ 796,814 | \$ 47,718 | \$ 145,568 |
| Add receipts: | | | |
| Current property taxes | 25,796,896 | 937,312 | 3,814,445 |
| Inventory exemption | 440,969 | 9,789 | 94,239 |
| Vehicle taxes | 6,990,508 | 448,685 | 1,139,935 |
| Delinquent property taxes | 1,513,238 | 96,627 | 327,419 |
| Penalties | 35,747 | 4,656 | 4,117 |
| Fee transfer | - | - | (22,364) |
| State and federal aid | 77,953,356 | 6,826,577 | 26,422,393 |
| Interest on investments | 115,781 | 4,511 | 1,561 |
| State homestead exemption | 15,726,736 | 799,351 | 2,038,344 |
| Fees in lieu of taxes | 1,410,128 | 8,247 | 517,480 |
| Total receipts | <u>129,983,360</u> | <u>9,135,756</u> | <u>34,337,570</u> |
| Less disbursements: | | | |
| Claims paid to School Districts | 129,740,182 | 9,130,558 | 34,335,995 |
| Refunds | 113,095 | 5,981 | 20,437 |
| Total disbursements | <u>129,853,277</u> | <u>9,136,539</u> | <u>34,356,432</u> |
| Cash due from Treasurer - ending | <u>\$ 926,897</u> | <u>\$ 46,935</u> | <u>\$ 126,706</u> |

| District Four | District Five | Total |
|-------------------------|-------------------------|----------------------------|
| <u>\$ 67,262</u> | <u>\$ 48,042</u> | <u>\$ 1,105,404</u> |
| 722,819 | 1,492,918 | 32,764,389 |
| 17,467 | 7,905 | 570,369 |
| 349,963 | 495,725 | 9,424,817 |
| 117,703 | 113,113 | 2,168,099 |
| 1,450 | 4,273 | 50,244 |
| - | - | (22,364) |
| 7,294,929 | 8,254,120 | 126,751,377 |
| 5,906 | 6,151 | 133,910 |
| 565,694 | 793,192 | 19,923,317 |
| <u>749,212</u> | <u>16,370</u> | <u>2,701,436</u> |
| <u>9,825,142</u> | <u>11,183,767</u> | <u>194,465,594</u> |
| 9,845,986 | 11,171,613 | 194,224,334 |
| <u>3,559</u> | <u>6,707</u> | <u>149,778</u> |
| <u>9,849,545</u> | <u>11,178,320</u> | <u>194,374,112</u> |
| <u><u>\$ 42,859</u></u> | <u><u>\$ 53,489</u></u> | <u><u>\$ 1,196,886</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF SCHOOL DEBT SERVICE FUND

CASH DUE FROM TREASURER

Year Ended June 30, 2008

| | District One | District Two | District Three |
|-------------------------------------|---------------------|-------------------|-------------------|
| Cash due from Treasurer - beginning | \$ 1,811,482 | \$ 332,623 | \$ 261,705 |
| Add receipts: | | | |
| Current property taxes | 5,082,151 | 496,421 | 373,914 |
| Inventory exemption | 175,434 | 1,240 | 22,165 |
| Vehicle taxes | 767,003 | 135,841 | 81,587 |
| Delinquent property taxes | 229,954 | 46,579 | 32,711 |
| Fee transfer | - | - | (1,510) |
| State and Federal aid | 427,399 | - | - |
| Penalties | 12,268 | 3,263 | 1,461 |
| Interest on investments | 161,604 | 15,219 | 14,815 |
| Homestead exemption | 203,320 | 49,668 | 29,913 |
| Fees in lieu of taxes | 201,910 | 1,206 | 20,173 |
| Total receipts | <u>7,261,043</u> | <u>749,437</u> | <u>575,229</u> |
| Less disbursements: | | | |
| Bond principal paid | 6,700,000 | 530,481 | 480,000 |
| Interest payments | 297,845 | 259,469 | 102,508 |
| Paying agent fees | 2,120 | 1,060 | 1,040 |
| Refunds | 11,849 | 1,829 | 1,483 |
| Total disbursements | <u>7,011,814</u> | <u>792,839</u> | <u>585,031</u> |
| Cash due from Treasurer - ending | <u>\$ 2,060,711</u> | <u>\$ 289,221</u> | <u>\$ 251,903</u> |

| District Four | District Five | Total |
|--------------------------|--------------------------|----------------------------|
| <u>\$ 503,766</u> | <u>\$ 271,651</u> | <u>\$ 3,181,227</u> |
| 565,597 | 409,527 | 6,927,610 |
| 2,015 | 3,434 | 204,288 |
| 186,468 | 91,612 | 1,262,511 |
| 91,743 | 28,635 | 429,622 |
| - | - | (1,510) |
| - | - | 427,399 |
| 3,084 | 2,069 | 22,145 |
| 25,159 | 14,688 | 231,485 |
| 52,003 | 26,180 | 361,084 |
| <u>81,436</u> | <u>3,463</u> | <u>308,188</u> |
| <u>1,007,505</u> | <u>579,608</u> | <u>10,172,822</u> |
| 715,000 | 467,153 | 8,892,634 |
| 305,307 | 167,330 | 1,132,459 |
| 2,101 | 1,060 | 7,381 |
| <u>2,172</u> | <u>1,252</u> | <u>18,585</u> |
| <u>1,024,580</u> | <u>636,795</u> | <u>10,051,059</u> |
| <u><u>\$ 486,691</u></u> | <u><u>\$ 214,464</u></u> | <u><u>\$ 3,302,990</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF SCHOOL CAPITAL PROJECT FUND
 CASH DUE FROM TREASURER
 Year Ended June 30, 2008

| | District One | District Two | District Three |
|---|-----------------------------------|-------------------------------|---------------------------------|
| Cash due from Treasurer - beginning | <u>\$ 561,900</u> | <u>\$ 1,233</u> | <u>\$ 1,246,862</u> |
| Add receipts: | | | |
| Interest on investments | 148,997 | 58 | 20,270 |
| Proceeds from bond issue | <u>2,700,000</u> | <u>-</u> | <u>-</u> |
| Total receipts | <u>2,848,997</u> | <u>58</u> | <u>20,270</u> |
| Less disbursements: | | | |
| Claims paid to School Districts | <u>5,844</u> | <u>-</u> | <u>1,124,882</u> |
| Total disbursements | <u>5,844</u> | <u>-</u> | <u>1,124,882</u> |
| Cash due from Treasurer - ending | <u><u>\$ 3,405,053</u></u> | <u><u>\$ 1,291</u></u> | <u><u>\$ 142,250</u></u> |

| District Four | District Five | Total |
|------------------------|---------------------|----------------------------|
| <u>\$ 9,375</u> | <u>\$ (15)</u> | <u>\$ 1,819,355</u> |
| 439 | 94 | 169,858 |
| <u>-</u> | <u>-</u> | <u>2,700,000</u> |
| <u>439</u> | <u>94</u> | <u>2,869,858</u> |
| <u>-</u> | <u>53</u> | <u>1,130,779</u> |
| <u>-</u> | <u>53</u> | <u>1,130,779</u> |
| <u>\$ 9,814</u> | <u>\$ 26</u> | <u>\$ 3,558,434</u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF MUNICIPALITIES FUND
 CASH DUE FROM TREASURER
 Year Ended June 30, 2008

| | Florence | Quinby | Pamplico |
|-------------------------------------|-------------|----------|-----------|
| Cash due from Treasurer - beginning | \$ 34,867 | \$ 304 | \$ 727 |
| Add receipts: | | | |
| Current property taxes | 6,380,357 | 18,514 | 168,462 |
| Vehicle taxes | 887,947 | 3,585 | 33,853 |
| Delinquent property taxes | 261,306 | 928 | 10,924 |
| Penalties | 2,778 | - | 51 |
| Fees in lieu of taxes | 56,177 | - | - |
| Less local option sales tax credits | (5,408,873) | (22,941) | (160,888) |
| Total receipts | 2,179,692 | 86 | 52,402 |
| Less disbursements: | | | |
| Payments to municipality | 2,173,566 | 776 | 52,233 |
| Refunds | 9,348 | - | 196 |
| Total disbursements | 2,182,915 | 776 | 52,429 |
| Cash due from Treasurer - ending | \$ 31,644 | \$ (385) | \$ 700 |

| Lake City | Olanta | Coward | Scranton | Timmons ville | Johnsonville | Total |
|--------------------|-----------------|---------------|---------------|------------------|------------------|--------------------|
| <u>\$ 26,930</u> | <u>\$ 12</u> | <u>\$ 131</u> | <u>\$ 190</u> | <u>\$ 361</u> | <u>\$ (83)</u> | <u>\$ 63,439</u> |
| 1,430,244 | 55,759 | - | - | 258,810 | 154,176 | 8,466,322 |
| 275,129 | 12,424 | - | - | 47,812 | 27,927 | 1,288,677 |
| 148,524 | 5,853 | - | - | 37,843 | 15,458 | 480,836 |
| 4,213 | 1 | - | - | 7 | 2 | 7,052 |
| - | - | - | - | - | - | 56,177 |
| <u>(687,068)</u> | <u>(67,841)</u> | <u>-</u> | <u>-</u> | <u>(318,629)</u> | <u>(187,959)</u> | <u>(6,854,199)</u> |
| <u>1,171,042</u> | <u>6,196</u> | <u>-</u> | <u>-</u> | <u>25,843</u> | <u>9,604</u> | <u>3,444,865</u> |
| 1,207,061 | 6,163 | - | - | 26,069 | 9,437 | 3,475,305 |
| <u>4,115</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>21</u> | <u>-</u> | <u>13,680</u> |
| <u>1,211,176</u> | <u>6,163</u> | <u>-</u> | <u>-</u> | <u>26,090</u> | <u>9,437</u> | <u>3,488,985</u> |
| <u>\$ (13,204)</u> | <u>\$ 45</u> | <u>\$ 131</u> | <u>\$ 190</u> | <u>\$ 114</u> | <u>\$ 84</u> | <u>\$ 19,319</u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF FIRE BOARD FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2008

| | South Lynches River Fire District | West Florence Rural Fire District | Windy Hill/ Olanta Rural Fire District | Pamplico Fire District |
|-------------------------------------|---|---|--|------------------------------|
| Cash due from Treasurer - beginning | \$ 10,475 | \$ 15,009 | \$ 665 | \$ 205 |
| Add receipts: | | | | |
| Current property taxes | 385,967 | 582,512 | 602,241 | - |
| Inventory exemption | 11,208 | 15,762 | 227 | - |
| Vehicle taxes | 79,088 | 104,138 | 66,448 | - |
| Delinquent property taxes | 27,462 | 26,957 | 21,610 | - |
| Penalties | 1,257 | 1,044 | 2,393 | - |
| Interest on investments | 1,850 | 2,623 | 2,402 | 5 |
| State aid | 11,823 | 74,875 | 3,963 | 1,207 |
| Homestead exemption | 24,205 | 17,444 | 36,845 | - |
| Fee in lieu of property tax | 90,796 | 159 | 72,771 | - |
| Total receipts | 633,656 | 825,514 | 808,900 | 1,212 |
| Less disbursements: | | | | |
| Claims paid to Fire Board | 633,364 | 826,763 | 785,701 | 1,412 |
| Refunds | 1,374 | 1,474 | 496 | - |
| Penalty abatements | - | - | - | - |
| Total disbursements | 634,738 | 828,237 | 786,197 | 1,412 |
| Cash due from Treasurer - ending | \$ 9,392 | \$ 12,286 | \$ 23,368 | \$ 4 |

| Hannah-Salem-Friendfield Fire District | City of Florence | City of Lake City | City of Scranton | City of Timmonsville | City of Johnsonville | Total |
|--|----------------------|---------------------|---------------------|----------------------|----------------------|-------------------------|
| <u>\$ 3,192</u> | <u>\$ 1,041</u> | <u>\$ 125</u> | <u>\$ 11</u> | <u>\$ 45</u> | <u>\$ 28</u> | <u>\$ 30,796</u> |
| 122,451 | - | - | - | - | - | 1,693,171 |
| - | - | - | - | - | - | 27,197 |
| 31,832 | - | - | - | - | - | 281,506 |
| 10,539 | - | - | - | - | - | 86,568 |
| 885 | - | - | - | - | - | 5,579 |
| 529 | 351 | 35 | 4 | 9 | 9 | 7,817 |
| 4,656 | 92,364 | 9,199 | 964 | 2,442 | 2,497 | 203,990 |
| 12,234 | - | - | - | - | - | 90,728 |
| - | - | - | - | - | - | 163,726 |
| <u>183,126</u> | <u>92,715</u> | <u>9,234</u> | <u>968</u> | <u>2,451</u> | <u>2,506</u> | <u>2,560,282</u> |
| 181,992 | 93,405 | 9,324 | 965 | 2,488 | 2,525 | 2,537,939 |
| 384 | - | - | - | - | - | 3,728 |
| - | - | - | - | - | - | - |
| <u>182,376</u> | <u>93,405</u> | <u>9,324</u> | <u>965</u> | <u>2,488</u> | <u>2,525</u> | <u>2,541,667</u> |
| <u><u>\$ 3,942</u></u> | <u><u>\$ 352</u></u> | <u><u>\$ 35</u></u> | <u><u>\$ 14</u></u> | <u><u>\$ 8</u></u> | <u><u>\$ 10</u></u> | <u><u>\$ 49,411</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF LYNCHES LAKE/CAMP BRANCH FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2008

| | |
|--|-------------------------------|
| Cash due from Treasurer - beginning | <u>\$ 1,095</u> |
| Add receipts: | |
| Current property taxes | 6,597 |
| Vehicle taxes | 39 |
| Delinquent property taxes | 541 |
| Homestead exemption | 692 |
| Penalties | 50 |
| State and federal aid | - |
| Interest on investments | <u>228</u> |
| Total receipts | <u>8,147</u> |
| Less disbursements: | |
| Claims paid to Lynchess Lake/Camp Branch | <u>8,112</u> |
| Total disbursements | <u>8,112</u> |
| Cash due from Treasurer - ending | <u><u>\$ 1,130</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF SALEM WATERSHED FUND

CASH DUE FROM TREASURER

Year Ended June 30, 2008

| | |
|---|--------------------------------|
| Cash due from Treasurer - beginning | \$ 10,959 |
| Add receipts: | |
| Current property taxes | 55,980 |
| Vehicle taxes | 374 |
| Delinquent property taxes | 5,115 |
| Penalties | 382 |
| Homestead exemption | 9,587 |
| Interest on investments | 1,936 |
| Total receipts | <u>73,374</u> |
| Less disbursements: | |
| Claims paid to Salem Watershed | <u>74,018</u> |
| Total disbursements | <u>74,018</u> |
| Cash due from Treasurer - ending | <u><u>\$ 10,315</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF REGIONAL AIRPORT AUTHORITY FUND
CASH DUE TO TREASURER
Year Ended June 30, 2008

| | |
|---------------------------------------|-------------|
| Cash due to Treasurer - beginning | \$ - |
| Add receipts: | |
| Interest on investments | - |
| Total receipts | - |
| Less disbursements: | |
| Refunds | - |
| Total disbursements | - |
| Cash due to Treasurer - ending | \$ - |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF COMMISSION ON ALCOHOL AND DRUG ABUSE FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2008

| | |
|-------------------------------------|---------|
| Cash due from Treasurer - beginning | \$ - |
| Add receipts: | |
| State aid | 234,056 |
| Total receipts | 234,056 |
| Less disbursements: | |
| Claims paid to Commission | 234,056 |
| Total disbursements | 234,056 |
| Cash due from Treasurer - ending | \$ - |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF WILLIAMSBURG COUNTY FUND
CASH DUE FROM TREASURER
Year Ended June 30, 2008

| | |
|---|---------------------|
| Cash due from Treasurer - beginning | <u>\$ 23</u> |
| Add receipts: | |
| Current property taxes | <u>3,272,893</u> |
| Total receipts | <u>3,272,893</u> |
| Less disbursements: | |
| Claims paid to Williamsburg County | <u>3,272,874</u> |
| Total disbursements | <u>3,272,874</u> |
| Cash due from Treasurer - ending | <u><u>\$ 42</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA
DETAIL SCHEDULE OF MAGISTRATE FUND
CASH DUE TO OTHERS
Year Ended June 30, 2008

| | |
|------------------------------------|---------------------------------|
| Cash due to others - beginning | <u>\$ 399,293</u> |
| Add receipts: | |
| Cash received from others | <u>3,506,310</u> |
| Total receipts | <u>3,506,310</u> |
| Less disbursements: | |
| Cash paid to others | <u>3,564,385</u> |
| Total disbursements | <u>3,564,385</u> |
| Cash due to others - ending | <u><u>\$ 341,218</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA
DETAIL SCHEDULE OF CLERK OF COURT FUND
CASH DUE TO OTHERS
Year Ended June 30, 2008

| | |
|------------------------------------|-----------------------------------|
| Cash due to others - beginning | <u>\$ 907,408</u> |
| Add receipts: | |
| Cash received from others | <u>7,783,362</u> |
| Total receipts | <u>7,783,362</u> |
| Less disbursements: | |
| Cash paid to others | <u>7,523,563</u> |
| Total disbursements | <u>7,523,563</u> |
| Cash due to others - ending | <u><u>\$ 1,167,207</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF SHERIFF FUND
CASH DUE TO OTHERS

Year Ended June 30, 2008

| | |
|------------------------------------|---------------------------------|
| Cash due to others - beginning | <u>\$ 325,141</u> |
| Add receipts: | |
| Cash received from others | <u>903,645</u> |
| Total receipts | <u>903,645</u> |
| Less disbursements: | |
| Cash paid to others | <u>871,167</u> |
| Total disbursements | <u>871,167</u> |
| Cash due to others - ending | <u><u>\$ 357,619</u></u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF GENERAL FUND
BALANCE SHEET

June 30, 2008

| | General Operations | Treasurer and Tax Sale |
|--|-----------------------------|------------------------------|
| ASSETS | | |
| Cash and investments | \$ 12,686,704 | \$ 3,892,600 |
| Receivables: | | |
| Property taxes (net) | 21,226 | - |
| Other governmental units and agencies | 5,297,137 | - |
| Other (net) | 1,759,954 | - |
| Prepays | 810,496 | - |
| Inventory | 91,578 | - |
| Due from other funds | 72,836 | - |
| | <u>20,739,931</u> | <u>3,892,600</u> |
| Total assets | <u>\$ 20,739,931</u> | <u>\$ 3,892,600</u> |
| LIABILITIES AND FUND EQUITY | | |
| Liabilities: | | |
| Accounts payable | \$ 977,883 | \$ - |
| Payroll withholdings and accruals | 1,185,444 | - |
| Other payables | 352,400 | 3,947,401 |
| Deferred revenues | 1,210,487 | - |
| Total liabilities | <u>3,726,214</u> | <u>3,947,401</u> |
| Fund equity: | | |
| Fund balance: | | |
| Reserved for encumbrances | 342 | - |
| Reserved for inventory | 62,586 | - |
| Unreserved: | | |
| Designated for capital improvements | - | - |
| Undesignated | 16,950,789 | (54,801) |
| Total fund equity/fund balance | <u>17,013,717</u> | <u>(54,801)</u> |
| | <u>20,739,931</u> | <u>3,892,600</u> |
| Total liabilities and fund equity | <u>\$ 20,739,931</u> | <u>\$ 3,892,600</u> |

| Road Paving | Total |
|---------------------|----------------------|
| \$ 1,248,574 | \$ 17,827,878 |
| - | 21,226 |
| - | 5,297,137 |
| - | 1,759,954 |
| - | 810,496 |
| - | 91,578 |
| - | 72,836 |
| <u>\$ 1,248,574</u> | <u>\$ 25,881,105</u> |
| \$ 15,934 | \$ 993,817 |
| - | 1,185,444 |
| - | 4,299,801 |
| - | 1,210,487 |
| <u>15,934</u> | <u>7,689,549</u> |
| - | 342 |
| - | 62,586 |
| 1,232,640 | 1,232,640 |
| - | 16,895,988 |
| <u>1,232,640</u> | <u>18,191,556</u> |
| <u>\$ 1,248,574</u> | <u>\$ 25,881,105</u> |

FLORENCE COUNTY, SOUTH CAROLINA

DETAIL SCHEDULE OF GENERAL FUND
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
Year Ended June 30, 2008

| | General Operations | Treasurer and Tax Sale |
|--|-----------------------------|------------------------------|
| Revenues: | | |
| Taxes | \$ 31,111,747 | \$ - |
| Licenses and permits | 1,748,527 | - |
| Fines and fees | 4,119,248 | - |
| Intergovernmental | 8,788,308 | - |
| Sales and other functional revenues | 4,491,437 | - |
| Miscellaneous | 1,463,778 | - |
| Total revenues | <u>51,723,045</u> | <u>-</u> |
| Expenditures: | | |
| Current: | | |
| General government | 18,243,418 | - |
| Public safety | 15,876,001 | - |
| Public works | 1,024,494 | - |
| Health | 5,307,279 | - |
| Welfare | 495,905 | - |
| Culture and recreation | 4,812,283 | - |
| Education | 4,950 | - |
| Total expenditures | <u>45,764,330</u> | <u>-</u> |
| Revenues over (under) expenditures | 5,958,715 | - |
| Other financing sources (uses): | | |
| Operating transfer in | 1,435,032 | - |
| Operating transfer out | <u>(3,943,084)</u> | <u>-</u> |
| Revenues and other financing sources over (under) expenditures and other financing uses | 3,450,663 | - |
| Fund balance - beginning of year | 13,539,243 | (54,801) |
| Change in reserve for inventory | <u>23,811</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 17,013,717</u> | <u>\$(54,801)</u> |

| Road Paving | Total |
|----------------------------|-----------------------------|
| \$ - | \$ 31,111,747 |
| - | 1,748,527 |
| - | 4,119,248 |
| - | 8,788,308 |
| - | 4,491,437 |
| - | 1,463,778 |
| <u>-</u> | <u>51,723,045</u> |
| - | 18,243,418 |
| - | 15,876,001 |
| 242,026 | 1,266,520 |
| - | 5,307,279 |
| - | 495,905 |
| - | 4,812,283 |
| - | 4,950 |
| <u>242,026</u> | <u>46,006,356</u> |
| (242,026) | 5,716,689 |
| 420,000 | 1,855,032 |
| <u>-</u> | <u>(3,943,084)</u> |
| 177,974 | 3,628,637 |
| 1,054,666 | 14,539,108 |
| <u>-</u> | <u>23,811</u> |
| <u>\$ 1,232,640</u> | <u>\$ 18,191,556</u> |

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - RECONCILIATION OF BUDGETARY
 BASIS TO ACCRUAL BASIS
 Year Ended June 30, 2008

| | Budgetary Basis | Encumbrances | | Juror Fees | Accrual Basis |
|--|--------------------|--------------|--------------|----------------|-------------------|
| | | 6/30/2007 | 6/30/2008 | | |
| General government: | | | | | |
| County Council | \$ 256,747 | \$ - | \$ - | \$ - | \$ 256,747 |
| Attorney | 73,755 | - | - | - | 73,755 |
| Administrator | 583,424 | - | - | - | 583,424 |
| Finance | 680,434 | - | - | - | 680,434 |
| Treasurer | 1,144,014 | - | - | - | 1,144,014 |
| Data processing | 1,224,126 | - | - | - | 1,224,126 |
| Auditor | 444,480 | - | - | - | 444,480 |
| Tax assessor | 1,116,327 | - | - | - | 1,116,327 |
| Support services | 201,500 | - | - | - | 201,500 |
| Clerk of Court | 925,328 | - | (342) | - | 924,986 |
| Court of common pleas | 147,295 | - | - | (2,544) | 144,751 |
| Solicitor | 874,385 | - | - | - | 874,385 |
| Human resources management | 218,341 | - | - | - | 218,341 |
| Family court | 636,916 | - | - | - | 636,916 |
| Judge of Probate | 478,657 | - | - | - | 478,657 |
| Public Defender | 623,265 | - | - | - | 623,265 |
| Master in Equity | 50,081 | - | - | - | 50,081 |
| Magistrates' offices | 2,073,554 | - | - | 1,189 | 2,074,743 |
| Building inspections | 1,746,836 | - | - | - | 1,746,836 |
| GIS | 197,395 | - | - | - | 197,395 |
| Voter registration & election commission | 525,194 | - | - | - | 525,194 |
| Veterans' affairs | 135,178 | - | - | - | 135,178 |
| Public services buildings | 915,543 | - | - | - | 915,543 |
| Senior Citizens Center | 173,297 | - | - | - | 173,297 |
| Lake City Senior Center | 92,752 | - | - | - | 92,752 |
| Direct assistance | 1,286,812 | - | - | - | 1,286,812 |
| Other | 1,419,480 | - | - | - | 1,419,480 |
| Total general government | <u>18,245,116</u> | <u>-</u> | <u>(342)</u> | <u>(1,355)</u> | <u>18,243,419</u> |
| Public safety: | | | | | |
| Sheriff's office | 7,655,018 | - | - | - | 7,655,018 |
| County jail | 5,985,709 | - | - | - | 5,985,709 |
| Radio system | 329,120 | - | - | - | 329,120 |
| Central dispatch | 1,654,932 | - | - | - | 1,654,932 |
| Emergency preparedness | 236,383 | - | - | - | 236,383 |
| Direct assistance | 14,839 | - | - | - | 14,839 |
| Total public safety | <u>15,876,001</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>15,876,001</u> |
| Public works: | | | | | |
| Central maintenance | 1,024,494 | - | - | - | 1,024,494 |
| Public works operating | 242,026 | - | - | - | 242,026 |
| Total public works | <u>1,266,520</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,266,520</u> |

FLORENCE COUNTY, SOUTH CAROLINA

GENERAL FUND
 DETAIL SCHEDULE OF EXPENDITURES - RECONCILIATION OF BUDGETARY
 BASIS TO ACCRUAL BASIS
 Year Ended June 30, 2008

| | Budgetary Basis | Encumbrances | | Juror Fees | Accrual Basis |
|--------------------------------|----------------------|---------------|-----------------|-------------------|----------------------|
| | | 6/30/2007 | 6/30/2008 | | |
| Health: | | | | | |
| Health Department | 86,000 | - | - | - | 86,000 |
| Environmental services | 590,696 | - | - | - | 590,696 |
| Emergency medical services | 3,973,491 | 770 | - | - | 3,974,261 |
| Rescue-ambulance squads | 367,746 | - | - | - | 367,746 |
| Coroner | 272,676 | - | - | - | 272,676 |
| Direct assistance | 15,900 | - | - | - | 15,900 |
| Total health | <u>5,306,509</u> | <u>770</u> | <u>-</u> | <u>-</u> | <u>5,307,279</u> |
| Welfare: | | | | | |
| Indigent care | 434,572 | - | - | - | 434,572 |
| Social Services | 43,333 | - | - | - | 43,333 |
| Direct assistance | 18,000 | - | - | - | 18,000 |
| Total welfare | <u>495,905</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>495,905</u> |
| Culture and recreation: | | | | | |
| Library | 3,501,279 | 146 | - | - | 3,501,425 |
| Recreation | 997,923 | - | - | - | 997,923 |
| Lynches River County Park | 302,935 | - | - | - | 302,935 |
| Direct assistance | 10,000 | - | - | - | 10,000 |
| Total culture and recreation | <u>4,812,137</u> | <u>146</u> | <u>-</u> | <u>-</u> | <u>4,812,283</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>\$ 46,007,138</u> | <u>\$ 916</u> | <u>\$ (342)</u> | <u>\$ (1,355)</u> | <u>\$ 46,006,357</u> |

**FLORENCE COUNTY, SOUTH CAROLINA
LIBRARY SCHEDULE OF REVENUES AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2008**

| SOURCES OF FUNDS | BEGINNING BALANCE | REVENUES | EXPENDITURES | ENDING BALANCE |
|-----------------------------------|----------------------|---------------------|---------------------|-------------------|
| Local Sources: | | | | |
| County or tax appropriation | \$ - | \$ 3,115,852 | \$ 3,115,852 | \$ - |
| Fees and fines | - | 102,609 | 102,609 | - |
| Gifts and donations | - | - | - | - |
| Other local | 291 | 40,177 | 7,368 | 33,100 |
| Total local sources | <u>\$ 291</u> | <u>\$ 3,258,638</u> | <u>\$ 3,225,829</u> | <u>\$ 33,100</u> |
| State Sources: | | | | |
| State aid | - | 282,964 | 282,964 | - |
| Education lottery | 75,725 | 26,285 | 82,595 | 19,415 |
| Capital improvement bond | - | - | - | - |
| Other state | 3,002 | - | 2,271 | 731 |
| Total state sources | <u>\$ 78,727</u> | <u>\$ 309,249</u> | <u>\$ 367,830</u> | <u>\$ 20,146</u> |
| Federal Sources: | | | | |
| Library Services & Technology Act | - | - | - | - |
| Other federal | - | - | - | - |
| Total federal sources | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Total All Sources of Funds | <u>\$ 79,018</u> | <u>\$ 3,567,887</u> | <u>\$ 3,593,659</u> | <u>\$ 53,246</u> |

FLORENCE COUNTY, SOUTH CAROLINA
SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES
VICTIM/WITNESS SPECIAL REVENUE FUND
Year Ended June 30, 2008

| | |
|---|---------------------|
| Magistrate Court Fines | |
| Court fines collected | \$ 1,238,947 |
| Court fines retained by County | <u>1,199,420</u> |
| Court fines remitted to the State Treasurer | <u>\$ 39,527</u> |
| Magistrate Court Assessments | |
| Court assessments collected | \$ 1,447,429 |
| Court assessments retained by County | <u>105,348</u> |
| Court assessments remitted to the State Treasurer | <u>\$ 1,342,080</u> |
| Magistrate Court Surcharges | |
| Court surcharges collected | <u>\$ 128,488</u> |
| Court surcharges retained by County | <u>\$ 128,488</u> |
| General Sessions & Circuit Court Fines | |
| Court fines collected | \$ 101,338 |
| Court fines remitted to solicitor | 13,155 |
| Court fines remitted to municipality | 6,313 |
| Court fines retained by County | <u>24,710</u> |
| Court fines remitted to the State Treasurer | <u>\$ 57,160</u> |
| General Sessions Court Assessments | |
| Court assessments collected | \$ 21,817 |
| Court assessments retained by County | <u>347</u> |
| Court assessments remitted to the State Treasurer | <u>\$ 21,470</u> |
| General Sessions Court Surcharges | |
| Court surcharges collected | <u>\$ 63,680</u> |
| Court surcharges retained by County | <u>\$ 63,680</u> |
| Victim Services | |
| Magistrate Court assessments allocated to Victim Services | \$ 105,348 |
| Magistrate Court surcharges allocated to Victim Services | 128,488 |
| General Sessions Court assessments allocated to Victim Services | 347 |
| General Sessions Court surcharges allocated to Victim Services | 63,680 |
| Investment Income | <u>12,225</u> |
| Funds allocated to Victim Services | 310,089 |
| Victim Services expenditures | <u>(508,446)</u> |
| Funds available for carryforward | <u>\$ (198,357)</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> | 165 |
| Revenue Capacity | |
| <i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i> | 172 |
| 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> | 176 |
| 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> | 180 |
| 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> | 182 |

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 SIX FISCAL YEARS
(accrual basis of accounting)

| | Fiscal Year | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2003* | 2004 | 2005 | 2006 | 2007 | 2008 |
| 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 | \$ 44,993,383 |
| Restricted | 1,133,842 | 920,854 | 1,280,207 | 1,442,329 | 1,742,763 | 1,279,467 |
| Unrestricted | 17,869,108 | 21,939,616 | 15,716,231 | 13,515,623 | 19,840,565 | 26,286,540 |
| Total governmental activities net assets | \$ 65,072,274 | \$ 71,129,263 | \$ 68,873,368 | \$ 68,625,701 | \$ 71,315,202 | \$ 72,559,390 |
| 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 | \$ 2,511,459 |
| Restricted | - | - | - | - | - | - |
| Unrestricted | 17,542,441 | 13,780,071 | 13,647,004 | 12,749,337 | 11,039,913 | 10,033,885 |
| Total business-type activities net assets | \$ 18,119,563 | \$ 16,545,041 | \$ 16,324,724 | \$ 15,375,856 | \$ 13,564,569 | \$ 12,545,344 |
| 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 | \$ 47,504,842 |
| Restricted | 1,133,842 | 920,854 | 1,280,207 | 1,442,329 | 1,742,763 | 1,279,467 |
| Unrestricted | 35,411,549 | 35,719,687 | 29,363,235 | 26,264,960 | 30,880,478 | 36,320,425 |
| Total primary government net assets | \$ 83,191,837 | \$ 87,674,304 | \$ 85,198,092 | \$ 84,001,557 | \$ 84,879,771 | \$ 85,104,734 |

* first year of implementation of GASB Statement No. 34

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

| | Fiscal Year | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2003* | 2004 | 2005 | 2006 | 2007 | 2008 |
| Expenses | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 17,397,616 | \$ 17,060,251 | \$ 18,983,257 | \$ 18,916,067 | \$ 23,184,504 | \$ 21,614,850 |
| Public safety | 16,650,164 | 17,210,001 | 18,469,178 | 19,301,833 | 19,309,987 | 20,256,541 |
| Economic and physical development | 1,668,731 | 3,286,389 | 2,121,195 | 1,824,428 | 1,679,000 | 1,059,851 |
| Public works | 5,383,849 | 5,702,387 | 6,901,483 | 6,793,212 | 6,949,619 | 7,873,447 |
| Health | 4,436,483 | 4,511,934 | 4,654,915 | 4,753,736 | 5,457,357 | 5,805,169 |
| Welfare | 825,928 | 805,823 | 518,207 | 517,884 | 503,269 | 495,905 |
| Culture and recreation | 5,169,485 | 6,213,634 | 7,813,173 | 8,241,848 | 9,398,054 | 8,243,257 |
| Education | 1,567,095 | 657,436 | 2,019,145 | 2,391,420 | 1,559,950 | 2,129,950 |
| Interest on long-term debt | 2,600,252 | 2,607,774 | 2,599,706 | 2,418,282 | 1,982,095 | 2,525,181 |
| Total governmental activities expenses | <u>55,699,603</u> | <u>58,055,629</u> | <u>64,080,259</u> | <u>65,158,710</u> | <u>70,023,835</u> | <u>70,004,151</u> |
| Business-type activities: | | | | | | |
| Utility system | 145,804 | 3,455 | 36,188 | 155,347 | 299,894 | 328,600 |
| Landfill | 2,941,993 | 3,266,528 | 3,197,252 | 3,468,902 | 3,728,778 | 3,842,846 |
| E911 system | 348,565 | 332,345 | 374,461 | 427,095 | 379,351 | 407,719 |
| Total business-type activities expenses | <u>3,436,362</u> | <u>3,602,328</u> | <u>3,607,901</u> | <u>4,051,344</u> | <u>4,408,023</u> | <u>4,579,165</u> |
| Total primary government expenses | <u>\$ 59,135,965</u> | <u>\$ 61,657,957</u> | <u>\$ 67,688,160</u> | <u>\$ 69,210,054</u> | <u>\$ 74,431,858</u> | <u>\$ 74,583,316</u> |
| Program Revenues | | | | | | |
| Governmental activities: | | | | | | |
| Charges for services: | | | | | | |
| General government | \$ 4,923,049 | \$ 5,099,301 | \$ 5,433,385 | \$ 5,562,097 | \$ 5,854,590 | \$ 5,462,208 |
| Public safety | 1,676,250 | 1,807,969 | 1,363,413 | 1,341,402 | 1,591,516 | 1,524,207 |
| Public works | 1,517,777 | 2,924,104 | 3,076,112 | 3,128,996 | 3,223,789 | 3,266,645 |
| Health | 1,592,292 | 1,808,939 | 1,895,012 | 2,079,171 | 2,269,099 | 2,455,571 |
| Culture and recreation | 504,799 | 472,378 | 561,242 | 507,822 | 369,744 | 174,629 |
| Operating grants and contributions | 13,268,183 | 10,113,186 | 10,861,203 | 11,420,110 | 11,612,605 | 12,929,028 |
| Capital grants and contributions | 11,782,510 | 4,683,578 | 2,811,643 | 6,498,642 | 7,441,000 | 3,343,414 |
| Total governmental activities program revenues | <u>35,264,860</u> | <u>26,909,455</u> | <u>26,002,010</u> | <u>30,538,240</u> | <u>32,362,343</u> | <u>29,155,702</u> |
| Business-type activities: | | | | | | |
| Charges for services: | | | | | | |
| Utility system | 69,460 | - | - | - | - | - |
| Landfill | 1,397,846 | 1,278,250 | 1,339,492 | 1,395,077 | 1,384,330 | 1,403,893 |
| E911 system | 548,558 | 523,465 | 554,172 | 461,304 | 495,917 | 487,602 |
| Operating grants and contributions | - | - | - | - | - | - |
| Capital grants and contributions | - | - | - | - | - | - |
| Total business-type activities program revenues | <u>2,015,864</u> | <u>1,801,715</u> | <u>1,893,664</u> | <u>1,856,381</u> | <u>1,880,247</u> | <u>1,891,495</u> |

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

| | Fiscal Year | | | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2003* | 2004 | 2005 | 2006 | 2007 | 2008 |
| Total primary government program revenues | \$ 37,280,724 | \$ 28,711,170 | \$ 27,895,674 | \$ 32,394,621 | \$ 34,242,590 | \$ 31,047,197 |
| Net (expense)/revenue | \$ (20,434,743) | \$ (31,146,174) | \$ (38,078,249) | \$ (34,620,470) | \$ (37,661,492) | \$ (40,848,449) |
| Governmental activities | (1,420,498) | (1,800,613) | (1,714,237) | (2,194,963) | (2,527,776) | (2,687,670) |
| Business-type activities | \$ (21,855,241) | \$ (32,946,787) | \$ (39,792,486) | \$ (36,815,433) | \$ (40,189,268) | \$ (43,536,119) |
| 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 | \$ 25,622,363 |
| Sales taxes | 10,325,244 | 10,795,228 | 11,150,944 | 11,994,857 | 11,236,932 | 11,689,420 |
| Fees in lieu of tax | 1,745,474 | 1,624,918 | 1,626,194 | 1,629,715 | 1,578,149 | 1,721,742 |
| Franchise fees | 460,488 | 496,033 | 356,341 | 554,907 | 641,361 | 650,796 |
| Accommodations tax | 1,481,894 | 1,370,859 | 1,620,143 | 1,614,660 | 2,013,894 | 1,787,390 |
| Unrestricted investment earnings | (621,326) | 362,425 | 629,602 | 1,007,091 | 1,484,911 | 1,837,025 |
| 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) | (1,216,099) |
| Total governmental activities | 30,675,702 | 37,203,163 | 35,822,354 | 34,372,803 | 39,900,993 | 42,092,637 |
| Business-type activities | | | | | | |
| Unrestricted investment earnings | 670,746 | 215,091 | 339,291 | 449,997 | 566,580 | 452,346 |
| Gain on sale of capital assets | 1,568,977 | - | - | - | - | - |
| Transfers | 1,260,000 | 11,000 | 1,154,629 | 796,098 | 149,909 | 1,216,099 |
| Total business-type activities | 3,499,723 | 226,091 | 1,493,920 | 1,246,095 | 716,489 | 1,668,445 |
| Total primary government | \$ 34,175,425 | \$ 37,429,254 | \$ 37,316,274 | \$ 35,618,898 | \$ 40,617,482 | \$ 43,761,082 |
| Change in Net Assets | | | | | | |
| Governmental activities | \$ 10,240,959 | \$ 6,056,989 | \$ (2,255,895) | \$ (247,667) | \$ 2,239,501 | \$ 1,244,188 |
| Business-type activities | 2,079,225 | (1,574,522) | (220,317) | (948,868) | (1,811,287) | (1,019,225) |
| Total primary government | \$ 12,320,184 | \$ 4,482,467 | \$ (2,476,212) | \$ (1,196,535) | \$ 428,214 | \$ 224,963 |

* first year of implementation of GASB Statement No. 34

FLORENCE COUNTY, SOUTH CAROLINA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST SIX 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 |
| 2008 | 25,622,363 | 11,689,420 | 1,721,742 | 650,796 | 1,787,390 | 41,471,711 |

* 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 | 2008 |
| General fund | | | | | | | | | | |
| Reserved | \$ 315,722 | \$ 1,006,025 | \$ 218,703 | \$ 650,669 | \$ 281,329 | \$ 250,981 | \$ 154,882 | \$ 329,258 | \$ 39,691 | \$ 62,928 |
| Unreserved | 12,702,610 | 8,796,939 | 9,009,875 | 9,214,181 | 9,731,692 | 10,608,693 | 9,719,684 | 9,264,222 | 14,499,417 | 18,128,628 |
| Total general fund | <u>\$ 13,018,332</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> | <u>\$ 18,191,556</u> |
| All other governmental funds | | | | | | | | | | |
| Reserved | \$ 5,820,735 | \$ 4,049,958 | \$ 4,741,059 | \$ 4,726,940 | \$ 2,385,015 | \$ 2,172,027 | \$ 2,531,380 | \$ 2,693,502 | \$ 2,494,108 | \$ 2,037,297 |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue funds | 5,742,886 | 9,521,532 | 8,678,662 | 9,818,905 | 10,079,026 | 11,204,206 | 8,555,159 | 6,249,178 | 6,516,782 | 6,178,291 |
| Capital project funds | 47,445 | 6,809,760 | 9,308,421 | 9,603,645 | 22,419,641 | 7,292,739 | 3,599,597 | 3,536,354 | 7,632,553 | 10,831,481 |
| Debt service funds | | (13,329) | | | | | | | | |
| Total all other governmental funds | <u>\$ 11,611,066</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> | <u>\$ 19,047,069</u> |

FLORENCE COUNTY, SOUTH CAROLINA
CHANGES IN 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 | 2008 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 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 | \$ 38,633,117 |
| Licenses and permits | 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 | 5,015,172 |
| Fines and fees | 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 | 5,842,846 |
| Intergovernmental | 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 | 12,744,029 |
| Sales and other functional revenues | 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 | 4,493,814 |
| Miscellaneous | 2,637,347 | 3,031,356 | 3,659,999 | 6,069,754 | 9,555,664 | 1,814,514 | 3,134,556 | 2,918,067 | 4,214,609 | 4,253,209 |
| Total revenues | 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 | 70,982,187 |
| Expenditures | | | | | | | | | | |
| General government | 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 | 21,018,567 |
| Public safety | 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 | 18,440,484 |
| Economic and physical development | 2,509,762 | 3,177,439 | 3,762,717 | 2,509,387 | 1,666,267 | 3,272,623 | 2,051,830 | 1,703,193 | 1,558,319 | 939,725 |
| Public works | 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 | 4,876,893 |
| Health | 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 | 5,492,606 |
| Welfare | 954,800 | 892,138 | 877,164 | 877,417 | 825,928 | 805,823 | 518,207 | 517,884 | 503,269 | 495,905 |
| Culture and recreation | 2,472,294 | 3,785,972 | 4,610,543 | 3,787,197 | 4,909,763 | 5,791,089 | 7,228,758 | 7,642,539 | 8,757,378 | 7,545,432 |
| Education | 1,474,950 | 1,054,950 | 1,169,450 | 2,204,950 | 1,567,436 | 657,436 | 2,019,145 | 1,849,950 | 1,559,950 | 2,129,950 |
| Capital outlay | | 556,562 | 1,791,715 | 3,275,852 | 8,904,905 | 17,163,544 | 3,290,497 | 712,395 | 1,898,246 | 2,449,505 |
| Debt service | | | | | | | | | | |
| Principal | 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 | 4,189,428 |
| Interest | 2,241,138 | 2,144,680 | 2,405,169 | 2,428,503 | 2,581,552 | 2,601,786 | 2,391,420 | 2,118,800 | 1,958,756 | 2,518,122 |
| Paying agent fee | 21,286 | 16,303 | 22,518 | 36,358 | 18,700 | 5,988 | (2,080) | 26,862 | 23,339 | 7,059 |
| Total expenditures | 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 | 70,103,676 |
| Excess of revenues over (under) expenditures | 888,718 | 1,032,716 | 1,629,135 | 2,169,705 | 1,871,068 | (17,420,122) | (7,015,386) | (2,450,828) | 616,895 | 878,511 |
| 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 | 5,215,636 |
| Proceeds of capital lease | | | | 737,630 | 313,160 | 1,219,554 | 1,183,612 | 749,110 | 970,661 | 1,188,780 |
| Transfer in | 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 | 3,752,668 |
| Transfer out | (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) | (4,968,767) |
| Total other financing sources (uses) | (1,888,439) | 4,502,041 | 132,000 | (175,866) | 9,053,160 | 2,368,554 | 28,983 | (46,988) | 8,609,721 | 5,188,317 |
| Net change in fund balances | \$ (999,721) | \$ 5,534,757 | \$ 1,761,135 | \$ 1,993,839 | \$ 10,924,228 | \$ (15,051,566) | \$ (6,986,403) | \$ (2,497,816) | \$ 9,226,616 | \$ 6,066,828 |
| Debt service as a percentage of noncapital expenditures | 10.03% | 8.76% | 9.57% | 10.60% | 11.16% | 17.81% | 15.81% | 11.66% | 10.31% | 11.02% |

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 |
|-------------|---------------|--------------|--------------------|----------------|--------------------|---------------|
| 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 |
| 2008 | 22,783,769 | 11,689,420 | 1,721,742 | 650,796 | 1,787,390 | 38,633,117 |

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 |
|---------------------------|------------------------------------|--------------------------------|--|--|------------------------------------|-----------------------------|--------------------------------------|---|
| | | | | | | | | |
| 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 | 217,888,421 | 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 | 6,307,702,576 | 6.15% |
| 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% |
| 2008 | 68,453,945 | 276,846,394 | 81,545,101 | 8,498,440 | 418,347,000 | 76.90 | 7,495,360,978 | 5.69% |

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

| | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| COUNTY (WIDE) TAX RATES | | | | | | | | | | |
| General County | 21.8 | 21.8 | 27.2 | 28.0 | 28.0 | 28.0 | 28.0 | 28.0 | 28.0 | 29.9 |
| Jail | 31.5 | 31.5 | 30.5 | 31.5 | 31.5 | 31.5 | 30.5 | 30.5 | 36.5 | 39.0 |
| Emergency Management | 5.8 | 5.8 | 4.9 | 5.0 | 5.0 | 5.0 | 6.0 | 6.0 | - | - |
| Florence-Darlington Technical College | 4.9 | 3.4 | 3.4 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.8 |
| County Library | 7.9 | 7.9 | 4.7 | 5.0 | 5.0 | 5.0 | - | - | - | - |
| Senior Citizens Center | 0.9 | 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 |
| West Florence Rural Fire District | 6.5 | - | - | - | - | - | - | - | - | - |
| Windy Hill/Olanta Rural Fire District | 20.5 | - | - | - | - | - | - | - | - | - |
| Howe Springs Fire District | 21.7 | 21.0 | 11.9 | 12.7 | 10.0 | 9.0 | 10.0 | 10.0 | 9.0 | 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-Timmonsville 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 | 28.1 | 26.6 | 26.2 | 25.0 | 24.4 | 23.0 | 22.0 | 18.0 | 17.0 | 13.0 |
| Hannah-Salem Friendfield | 26.0 | 23.0 | 23.0 | 23.0 | 23.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| SCHOOL DISTRICT TAX RATES | | | | | | | | | | |
| Florence - School District #1 | 176.5 | 166.0 | 156.6 | 162.0 | 158.2 | 145.6 | 123.3 | 113.4 | 111.2 | 109.9 |
| Pamplico - School District #2 | 220.4 | 216.9 | 218.2 | 212.3 | 188.8 | 187.2 | 174.3 | 167.6 | 169.7 | 190.8 |
| Lake City - School District #3 | 175.5 | 170.8 | 163.3 | 158.3 | 152.9 | 151.4 | 142.0 | 132.5 | 141.6 | 131.8 |
| Timmonsville - School District #4 | 192.7 | 201.9 | 237.4 | 156.2 | 189.3 | 191.3 | 187.5 | 192.0 | 225.2 | 190.6 |
| Johnsonville - School District #5 | 250.9 | 242.6 | 242.2 | 247.7 | 234.1 | 231.8 | 211.7 | 203.4 | 198.0 | 191.8 |
| CITY TAX RATES | | | | | | | | | | |
| Florence | 54.9 | 54.9 | 54.9 | 60.8 | 60.8 | 60.8 | 60.8 | 60.8 | 60.8 | 68.4 |
| Quinby | 12.3 | 12.3 | 12.5 | 12.5 | 12.5 | 12.5 | 12.3 | 12.3 | 12.3 | 13.6 |
| Pamplico | 90.8 | 88.0 | 87.8 | 88.0 | 88.0 | 88.0 | 88.0 | 88.0 | 88.0 | 87.4 |
| Lake City | 165.9 | 165.9 | 165.9 | 165.9 | 165.9 | 150.3 | 150.3 | 150.3 | 150.3 | 150.3 |
| Olanta | 55.1 | 55.1 | 55.1 | 55.1 | 55.1 | 55.1 | 55.1 | 55.1 | 60.0 | 60.0 |
| Timmonsville | 105.5 | 105.5 | 105.5 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 |
| Johnsonville | 50.1 | 50.1 | 50.1 | 52.8 | 52.8 | 52.8 | 52.8 | 52.8 | 52.8 | 55.3 |
| Coward | - | - | - | - | - | - | - | - | - | - |
| Scranton | - | - | - | - | - | - | - | - | - | - |
| SPECIAL TAX DISTRICT - OTHER | | | | | | | | | | |
| Lynches Lake | 19.6 | 19.1 | 19.3 | 19.4 | 19.4 | 19.4 | 19.4 | 10.0 | 10.0 | 10.0 |
| Salem Polecat | 16.6 | 16.9 | 16.5 | 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, 2008

| Taxpayer | 2008 | | | 1999 | | |
|-------------------------------------|----------------------|------|----------------------------------|----------------------|------|----------------------------------|
| | Taxes Levied | Rank | Percentage of Total Taxes Levied | Taxes Levied | Rank | Percentage of Total Taxes Levied |
| Carolina Power and Light | \$ 2,592,296 | 1 | 2.74% | \$ 1,167,783 | 3 | 2.30% |
| QHG of South Carolina | 2,373,474 | 2 | 2.51% | 1,523,089 | 2 | 3.00% |
| Nanya Plastics | 2,203,763 | 3 | 2.33% | 3,429,475 | 1 | 6.75% |
| Bell South Communications | 1,290,015 | 4 | 1.36% | 960,175 | 5 | 1.89% |
| Smurfit/Stone Container Corporation | 1,002,874 | 5 | 1.06% | 675,540 | 7 | 1.33% |
| McLeod Regional Medical Center | 987,462 | 6 | 1.04% | 530,239 | 9 | 1.04% |
| Preit/Rubin | 728,345 | 7 | 0.77% | - | - | - |
| Dupont/Tejijn | 649,169 | 8 | 0.69% | 907,172 | 6 | 1.78% |
| SCE&G | 567,046 | 9 | 0.60% | - | - | - |
| Wellman, Inc. | 549,666 | 10 | 0.58% | 1,065,586 | 4 | 2.10% |
| Amana Co, LP | - | - | - | 624,206 | 8 | 1.23% |
| Byrd Properties | - | - | - | 336,404 | 10 | 0.66% |
| Totals | \$ 12,944,110 | | 13.68% | \$ 11,219,669 | | 22.07% |

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 Fiscal Year of the Levy | | Collections in Susequent Years | Total Collections to Date | |
|--|--------------------------------------|---|--------------------|-----------------------------------|---------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 1999 | \$ 50,833,725 | \$ 49,519,970 | 97.42% | \$ 826,489 | \$ 50,346,459 | 99.04% |
| 2000 | 59,170,642 | 57,391,744 | 96.99% | 1,195,484 | 58,587,228 | 99.01% |
| 2001 | 59,942,898 | 57,936,662 | 96.65% | 1,349,913 | 59,286,575 | 98.91% |
| 2002 | 62,375,147 | 60,107,099 | 96.36% | 1,519,163 | 61,626,262 | 98.80% |
| 2003 | 71,845,588 | 69,220,745 | 96.35% | 1,673,864 | 70,894,609 | 98.68% |
| 2004 | 73,968,999 | 71,295,252 | 96.39% | 1,617,496 | 72,912,748 | 98.57% |
| 2005 | 76,747,871 | 74,031,016 | 96.46% | 1,750,776 | 75,781,792 | 98.74% |
| 2006 | 82,509,229 | 79,705,936 | 96.60% | 1,551,746 | 81,257,682 | 98.48% |
| 2007 | 25,850,962 | 25,246,830 | 97.66% | 387,705 | 25,634,535 | 99.16% |
| 2008 | 25,854,174 | 25,121,390 | 97.17% | - | 25,121,390 | 97.17% |

(1) For years prior to 2007, County-only levy information is unavailable.
Fiscal year 2007-2008 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 | | | | | |
| 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 | 1.62% | 404 | |
| 2002 | 8,000,734 | - | 30,830,000 | - | 9,775,000 | - | | 48,605,734 | 1.50% | 385 | |
| 2003 | 17,421,430 | - | 29,515,000 | 2,034,399 | - | - | | 48,970,829 | 1.47% | 385 | |
| 2004 | 15,462,044 | - | 27,290,000 | 2,345,338 | - | - | | 45,097,382 | 1.28% | 352 | |
| 2005 | 12,835,605 | - | 24,985,000 | 2,357,242 | - | - | | 40,177,847 | 1.08% | 311 | |
| 2006 | 12,042,944 | - | 22,600,000 | 1,839,455 | - | - | | 36,482,399 | N/A | 281 | |
| 2007 | 18,801,248 | 2,800,000 | 20,125,000 | 1,747,861 | - | - | | 43,474,109 | N/A | 332 | |
| 2008 | 17,881,167 | 2,800,000 | - | 27,051,004 | - | - | | 47,732,171 | N/A | 362 | |

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 180 for personal income and population data.
N/A - Information on Personal Income not available

**FLORENCE COUNTY, SOUTH CAROLINA
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

| <u>Fiscal Year</u> | <u>General Obligation Bonds</u> | <u>Less: Amounts Available in Debt Service Fund</u> | <u>Total</u> | <u>Percentage of Estimated Actual Taxable Value of Property</u> | <u>Per Capita</u> |
|------------------------|---|---|--------------|---|-----------------------|
| 1999 | \$ 1,251,581 | \$ 582,125 | \$ 669,456 | 0.01% | 5 |
| 2000 | 6,988,298 | 370,038 | 6,618,260 | 0.11% | 53 |
| 2001 | 8,225,015 | 1,061,139 | 7,163,876 | 0.12% | 57 |
| 2002 | 8,000,734 | 1,047,020 | 6,953,714 | 0.11% | 56 |
| 2003 | 17,421,430 | 1,133,842 | 16,287,588 | 0.26% | 130 |
| 2004 | 15,462,044 | 920,854 | 14,541,190 | 0.23% | 116 |
| 2005 | 12,835,605 | 1,280,207 | 11,555,398 | 0.18% | 92 |
| 2006 | 12,042,944 | 1,442,329 | 10,600,615 | 0.15% | 85 |
| 2007 | 18,801,248 | 1,742,763 | 17,058,485 | 0.23% | 136 |
| 2008 | 17,881,167 | 1,279,467 | 16,601,700 | 0.22% | 133 |

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 172 for property value data.

See the Schedule of Demographic and Economic Statistics on page 180 for population data.

FLORENCE COUNTY, SOUTH CAROLINA
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF JUNE 30, 2008

| <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 | \$ 7,827,000 | 100.00% | \$ 7,827,000 |
| Florence School District #2 | 5,350,000 | 100.00% | 5,350,000 |
| Florence School District #3 | 2,520,000 | 100.00% | 2,520,000 |
| Florence School District #4 | 7,370,000 | 100.00% | 7,370,000 |
| Florence School District #5 | 4,063,838 | 100.00% | 4,063,838 |
| Subtotal, overlapping debt | | | <u>27,130,838</u> |
| Florence County, South Carolina direct debt | | | <u>47,732,171</u> |
| Direct and overlapping debt | | | <u>\$ 74,863,009</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

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt limit | \$ 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 | \$ 33,467,760 |
| Total net debt applicable to limit | <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> | <u>17,881,167</u> |
| Legal debt margin | <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> | <u>\$ 15,586,593</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 5.11% | 23.64% | 26.31% | 26.55% | 57.94% | 51.22% | 42.20% | 37.01% | 56.83% | 53.43% |

Legal Debt Margin Calculation for Fiscal Year 2007

| | |
|---|-----------------------|
| Assessed value | \$ 409,848,560 |
| Add back: exempt manuf. property | <u>8,498,440</u> |
| Total assessed value | <u>\$ 418,347,000</u> |
| Debt limit (8% of total assessed value) | 33,467,760 |
| Debt applicable to limit: | |
| General obligation bonds | <u>17,881,167</u> |
| Total net debt applicable to limit | <u>17,881,167</u> |
| Legal debt margin | <u>\$ 15,586,593</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 |
|----------------|-----------------------|--|--|---------------------------------|
| 1999 | 125,252 | 2,792,619 | 22,296 | 5.5% |
| 2000 | 125,600 | 2,993,679 | 23,835 | 4.7% |
| 2001 | 125,761 | 3,131,252 | 24,898 | 5.8% |
| 2002 | 126,255 | 3,230,094 | 25,584 | 7.0% |
| 2003 | 127,038 | 3,330,932 | 26,220 | 8.1% |
| 2004 | 128,055 | 3,534,756 | 27,603 | 8.8% |
| 2005 | 129,037 | 3,710,535 | 28,756 | 8.4% |
| 2006 | 129,924 | N/A | N/A | 8.5% |
| 2007 | 130,852 | N/A | N/A | 6.1% |
| 2008 | 131,886 | N/A | N/A | 6.7% |

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
 CURRENT YEAR (1) AND EIGHT YEARS AGO (1)

| Employer | 2008 | | | 2000 | | |
|---------------------------------|---------------|------|---------------------------------------|---------------|------|---------------------------------------|
| | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| McLeod Regional Medical Center | 3,151 | 1 | 5.32% | 3,900 | 1 | 6.43% |
| Florence School District One | 1,718 | 2 | 2.90% | 1,800 | 3 | 2.97% |
| Carolinas Hospital System | 1,640 | 3 | 2.77% | 1,800 | 4 | 2.97% |
| Honda of South Carolina | 1,625 | 4 | 2.74% | - | - | - |
| Palmetto Gov't Benefits/TRICARE | 1,600 | 5 | 2.70% | 1,850 | 2 | 3.05% |
| JP Morgan Chase | 1,150 | 6 | 1.94% | 784 | 9 | 1.29% |
| Florence County | 898 | 7 | 1.52% | 650 | 10 | 1.07% |
| Nan Ya Plastics | 860 | 8 | 1.45% | 840 | 8 | 1.38% |
| The Assurant Group | 675 | 9 | 1.14% | - | - | - |
| ESAB Welding and Cutting | 650 | 10 | 1.10% | 1,008 | 6 | 1.66% |
| Wellman, Inc. | - | - | - | 1,335 | 5 | 2.20% |
| Amana Refrigeration | - | - | - | 855 | 7 | 1.41% |
| Total | 13,967 | | 23.57% | 14,822 | | 24.44% |

(1) Most recent available information is for 2008 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 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|
| General government | 226 | 245 | 258 | 262 | 264 | 267 | 276 | 284 | 281 | 288 |
| Public safety | 247 | 258 | 259 | 267 | 265 | 264 | 267 | 274 | 270 | 269 |
| Economic and physical development | 3 | 3 | 4 | 5 | 4 | 4 | 4 | 4 | 4 | 4 |
| Public works | 48 | 47 | 48 | 49 | 49 | 49 | 49 | 49 | 49 | 49 |
| Health | 61 | 75 | 76 | 79 | 79 | 79 | 79 | 82 | 82 | 82 |
| Culture and recreation | 41 | 42 | 48 | 48 | 48 | 130 | 141 | 156 | 156 | 85 |
| Utility System | 13 | 13 | 15 | 15 | 15 | - | - | - | - | - |
| Landfill | 10 | 10 | 10 | - | - | - | - | - | - | - |
| E911 System | 2 | 1 | 1 | 3 | 3 | 3 | 2 | 2 | 2 | 2 |
| Total | 651 | 694 | 719 | 728 | 727 | 796 | 818 | 851 | 844 | 779 |

Source: Florence County Budget

Notes: In 2000 there was an expansion 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 2008 the County gave back the operation of the City of Florence athletic programs to the City of Florence.

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

| Function | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|-------------------------------|------|------|---------|---------|---------|---------|---------|---------|---------|---------|
| Public safety | | | | | | | | | | |
| Jail average daily population | 376 | 370 | 379 | 409 | 415 | 391 | 411 | 472 | 508 | 495 |
| 911 calls dispatched | N/A | N/A | 104,707 | 110,415 | 147,377 | 150,560 | 147,964 | 172,934 | 178,736 | 176,290 |
| Public works | | | | | | | | | | |
| Road miles plowed | N/A | N/A | N/A | 14,632 | 14,154 | 14,567 | 15,301 | 14,716 | 17,262 | 14,232 |
| Feet of pipe installed | N/A | N/A | N/A | 6,316 | 6,242 | 5,462 | 6,796 | 4,098 | 3,232 | 3,634 |
| Signs installed/repaired | N/A | N/A | N/A | 1,657 | 2,049 | 1,859 | 2,442 | 2,563 | 2,793 | 2,205 |
| Health | | | | | | | | | | |
| EMS transports | N/A | N/A | N/A | 9,149 | 8,930 | 9,097 | 9,444 | 9,678 | 10,281 | 11,080 |

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 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|---------------------------|------|------|------|-------|-------|-------|-------|-------|-------|-------|
| 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 | 604.2 | 606.2 | 614.5 | 618.3 | 622.5 | 621.7 | 623.7 |
| Health | | | | | | | | | | |
| EMS stations | 2 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Ambulances | 7 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Culture and recreation | | | | | | | | | | |
| Libraries | 1 | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Acres of parks | 16.9 | 16.9 | 16.9 | 49.2 | 653.1 | 658.7 | 696.6 | 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

Baird & Company CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

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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, 2008, which collectively comprise Florence County's basic financial statements and have issued our report thereon dated December 11, 2008. 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 audit, 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 11, 2008.

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 11, 2008

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, 2008. 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 in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of 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, 2008.

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 11, 2008

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2008

| 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 | | |
| Probate Microfilm | SC Archives | | 89.003 | \$ 849 | \$ 849 | \$ - | \$ - | \$ (2,698) | \$ 1,962 | \$ 1,962 | \$ - | \$ - | \$ 1,962 |
| Total Department of National Archives | | | | 849 | 3,811 | - | (2,698) | 1,962 | 1,962 | - | - | - | 1,962 |
| Department of Agriculture | | | | | | | | | | | | | |
| Agriculture Tech | USDA | 267517439801 | 10.769 | 40,000 | 10,545 | - | 975 | 9,570 | 10,545 | 975 | - | - | 9,570 |
| Passed Through South Carolina Forestry Commission | | | | | | | | | | | | | |
| Lynches River Park | SC Forestry | 2006U9 | 10.664 | 4,500 | 2,954 | 5,328 | 1,059 | 7,223 | 7,223 | - | - | - | 7,223 |
| Total Department of Agriculture | | | | | 13,499 | 5,328 | 2,034 | 16,793 | 17,768 | 975 | - | - | 16,793 |
| Department of Transportation | | | | | | | | | | | | | |
| HMEP | S.C. Emergency Prep. Division | | 20.703 | 1,000 | 1,000 | 251 | - | 1,251 | 1,251 | - | - | - | 1,251 |
| HMEP | S.C. Emergency Prep. Division | | 20.703 | 6,000 | - | 1,504 | - | 7,504 | 7,504 | - | - | - | 7,504 |
| Mass Transit | SCDOT | MT-7H306-77 | 20.505 | 60,239 | 42,107 | 9,607 | 9,069 | 42,645 | 42,645 | - | - | - | 42,645 |
| Total Department of Transportation | | | | | 43,107 | 11,362 | 9,069 | 6,000 | 51,400 | - | - | - | 51,400 |

FLORENCE COUNTY, SOUTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2008

| Program/ Grant | Grant Agency | Grant Number | Federal CFDA Number | Total Grant/ Loan Amount | Program/Grant Revenue | | | Program/Grant Expenditures | | | | | | |
|--|-------------------------------|-----------------|---------------------------|-----------------------------------|-----------------------|---------------------|--|--|---------|-----------------------|-------------------------------|---------------------------|------|---------|
| | | | | | Cash Receipts | Program Receipts | Less: Beginning (Deferred) Receivable | Add: Ending (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 | \$ - | \$ 5,161 | \$ 5,161 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| EMPG | S.C. Emergency Prep. Division | 7EMPG01 | 97,042 | 35,425 | 2,558 | 86,990 | - | 24,250 | 113,798 | 113,798 | - | - | - | 113,798 |
| EMPG | S.C. Emergency Prep. Division | 8EMPG01 | 97,042 | 42,111 | 13,999 | - | - | - | 13,999 | 13,999 | - | - | - | 13,999 |
| Passed Through State Law Enforcement Division | | | | | | | | | | | | | | |
| Buffer Zone | SLED | 5BZPP16 | 97,078 | 50,000 | - | 16,355 | 16,355 | - | - | - | 480 | - | - | - |
| County Homeland Security | SLED | 5SHSP21 | 97,067 | 288,946 | - | (7) | (7) | - | - | - | - | - | - | - |
| Law Enforcement Terrorist Prevention | SLED | 5LETP21 | 97,067 | 67,656 | - | (2) | (2) | - | - | - | - | - | - | - |
| Type III Incident | SLED | 6SHSP15 | 97,067 | 125,000 | 123,218 | 25,661 | 5,559 | 6,113 | 149,433 | 148,540 | - | - | 893 | 149,433 |
| Law Enforcement | SLED | 7SHSP15 | 97,067 | 87,500 | - | - | - | 14,095 | 14,095 | 13,608 | - | - | 487 | 14,095 |
| Total Department of Homeland Security | | | | | 139,775 | 134,158 | 27,066 | 44,458 | 291,325 | 290,425 | 480 | 1,380 | | 291,325 |
| Department of Health & Human Services | | | | | | | | | | | | | | |
| Child Support Enforcement Program | SCDSS | C70021C | 93,563 | 392,645 | 57,617 | - | 57,617 | - | - | 7,021 | 7,021 | - | - | - |
| Child Support Enforcement Program Service of Process | SCDSS | C70067C | 93,563 | 44,088 | 3,251 | - | 3,251 | - | - | - | - | - | - | - |

FLORENCE COUNTY, SOUTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2008

| 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 |
| Child Support Enforcement Program Service of Process | SCDSS | C80067C | 93.563 | \$ 38,742 | \$ 35,739 | \$ 18,411 | \$ - | \$ 3,003 | \$ 57,153 | \$ 55,371 | \$ - | \$ 1,782 | \$ 57,153 |
| Child Support Enforcement Program | SCDSS | C80021C | 93.563 | 401,072 | 366,380 | 188,741 | - | 34,691 | 589,812 | 526,236 | - | 63,576 | 589,812 |
| County Expense Reimbursement | SCDSS | - | 93.667 | 196,915 | 196,915 | - | - | - | 196,915 | 196,915 | - | - | 196,915 |
| Total Department of Health and Human Services | | | | 659,902 | 207,152 | 60,868 | 37,694 | 843,880 | 785,543 | 7,021 | 65,358 | 843,880 | |
| Department of HUD: | | | | | | | | | | | | | |
| Passed Through South Carolina Department of Commerce | | | | | | | | | | | | | |
| CDBG:McCall Farms Dept of Comm | | 4-N-02-011 | 14.228 | 265,000 | 1,743 | - | 105 | 558 | 2,196 | 1,637 | - | 559 | 2,196 |
| CDBG:Johnson Controls | | 4-ED-06-003 | 14.228 | 265,000 | 40,428 | - | 2,543 | 907 | 38,792 | 40,428 | 2,543 | 907 | 38,792 |
| Total Department of HUD | | | | 42,171 | - | 2,648 | 1,465 | 40,988 | 42,065 | 2,543 | 1,466 | 40,988 | |
| Department of Justice: | | | | | | | | | | | | | |
| E. Byrnes JAG | USDOJ | 2007-DJ- BX-0719 | 16.58 | 61,862 | 61,858 | - | - | 4 | 61,862 | 61,862 | - | - | 61,862 |
| Drug Court | USDOJ | 2003-DC- BX-0032 | 16.585 | 499,697 | - | 13,678 | - | - | 13,678 | 13,678 | - | - | 13,678 |
| Bulletproof vests | USDOJ | | 16.607 | 8,955 | 8,955 | 9,644 | - | - | 18,599 | 18,599 | - | - | 18,599 |
| Passed Through State Department of Public Safety | | | | | | | | | | | | | |
| CDV | SCDPS | 1G07036 | 16.738 | 68,422 | 68,422 | 4,853 | - | 13,008 | 86,283 | 83,763 | - | 2,520 | 86,283 |

FLORENCE COUNTY, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2008

| 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 |
| Juvenile Crime Investigator | SCDPS | 1G07054 | 16.738 | \$ 69,615 | \$ 4,923 | \$ - | \$ 13,258 | \$ 87,796 | \$ 85,776 | \$ - | \$ 2,020 | \$ 87,796 |
| School Resource Officer | SCDPS | 1G06048 | 16.738 | 32,288 | 11,189 | 11,189 | - | - | 1,257 | 1,257 | - | - |
| Total Department of Justice | | | | 208,850 | 44,287 | 11,189 | 26,270 | 268,218 | 264,935 | 1,257 | 4,540 | 268,218 |
| Department of the Interior: | | | | | | | | | | | | |
| Pictometry | USGS | | 15.808 | 26,700 | 13,494 | - | 18,901 | 59,095 | 59,095 | - | - | 59,095 |
| Total Department of the Interior | | | | 26,700 | 13,494 | - | 18,901 | 59,095 | 59,095 | - | - | 59,095 |
| Total Federal Assistance | | | | 1,134,853 | 419,592 | 112,874 | 132,090 | 1,573,661 | 1,513,193 | 12,276 | 72,744 | 1,573,661 |
| State Assistance: | | | | | | | | | | | | |
| Local Paving | SCDOT | | 36984 | 210,000 | 100,000 | - | (72,665) | 27,335 | 23,345 | - | 3,990 | 27,335 |
| Library State Aid | State | FY 08 | | 282,962 | 3,225,445 | - | - | 3,508,407 | 3,437,312 | - | 71,095 | 3,508,407 |
| Lake City Pedestrian Pathway | SCDOT | | | 200,000 | - | 32,406 | 139,382 | 277,980 | 274,980 | - | 3,000 | 277,980 |
| Florence County Transportation Commission | SCDOT | | | 40,257 | - | (28,304) | (24,329) | 3,975 | 3,975 | - | - | 3,975 |
| Water & Sewer Infrastructure | Coordinating Council for Economic Development | WTS07210211 | | 80,000 | - | - | (40) | 55,741 | 55,741 | - | - | 55,741 |
| Lake City Library | State Library | | | 750,000 | - | (42,317) | (2,868) | 39,449 | 106,099 | 66,650 | - | 39,449 |
| Library Computer Technology | Lottery | | | 118,546 | 26,265 | (75,725) | (19,415) | 82,595 | 89,968 | 9,697 | 2,324 | 82,595 |

FLORENCE COUNTY, SOUTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 YEAR ENDED JUNE 30, 2008

| 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 | Disbursements | Less: Beginning Accrual | Add: Ending Accrual | Expenditures | |
| PAC HUG | State Library | | | 26,172 | - | - | (3,002) | (731) | 2,271 | 2,195 | - | - | 76 | 2,271 |
| Used Oil | SCDHEC | 21W007 | | \$ 43,600 | \$ 225 | \$ - | \$ 225 | \$ - | \$ - | \$ 225 | \$ 225 | \$ - | \$ - | \$ - |
| Competitive Grants | SCB&CB | 320 | | 360,000 | 240,000 | - | (91,000) | (205,850) | 125,150 | 125,150 | - | - | - | 125,150 |
| Johnsonville Library | State Library | | | 550,000 | 550,000 | - | - | (449,496) | 100,504 | 100,504 | - | - | - | 100,504 |
| Used Oil | SCDHEC | 21W008 | | 6,225 | 820 | - | - | - | 820 | 820 | - | - | - | 820 |
| GIA DUI | SCDHEC | | | 1,280 | 1,140 | - | - | - | 1,140 | 1,140 | - | - | - | 1,140 |
| Palmetto Pride | SCDHEC | 2007 | | 2,300 | - | 180 | (2,300) | - | 2,480 | 2,480 | - | - | - | 2,480 |
| Olanita Library | State Library | | | 250,000 | - | 125,000 | (375,000) | (399,138) | 100,862 | 100,862 | - | - | 60 | 100,862 |
| Lynches River Interpretive Center | SCPRT | 45-01073 | | 250,000 | - | 244,129 | (300,131) | (173,441) | 370,819 | 418,701 | 51,569 | 3,687 | - | 370,819 |
| CDV DUI | | | | 72,723 | 55,922 | - | - | (326) | 55,596 | 52,834 | - | - | 2,762 | 55,596 |
| 800 Radio System | SCEMD | | | 1,230 | - | - | - | 1,230 | 1,230 | 1,230 | - | - | - | 1,230 |
| First Responders | SCB&CB | | | 157,142 | 157,142 | - | - | (2,900) | 154,242 | 154,242 | - | - | - | 154,242 |
| EMS GIA | SCDHEC | | | 31,403 | 31,403 | 907 | - | - | 32,310 | 32,310 | - | - | - | 32,310 |
| Total State Assistance | | | | 1,546,399 | 3,721,946 | (885,148) | (1,210,587) | 4,942,906 | 4,984,053 | 128,141 | 86,994 | 4,942,906 | | |
| Total Federal and State Assistance | | | | \$ 2,681,252 | \$ 4,141,538 | \$ (772,274) | \$ (1,078,497) | \$ 6,516,567 | \$ 6,497,246 | \$ 140,417 | \$ 159,738 | \$ 6,516,567 | | |

**FLORENCE COUNTY, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2008**

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 significant deficiencies in internal controls over financial reporting.
- C. Our audit of the financial statements disclosed no instances of noncompliance that are material to the financial statements.
- D. Our audit of compliance with the types of compliance requirements applicable to the County's major programs disclosed no significant deficiencies in internal controls over compliance.
- E. An unqualified opinion was issued on Florence County, South Carolina's compliance with requirements applicable to its major federal programs.
- F. Our audit disclosed no audit findings which relate to the federal awards which are required to be reported under section 510(a) of OMB Circular A-133..
- G. Major federal programs for Florence County, South Carolina for the fiscal year ended June 30, 2008 are:

| <u>Program Name</u> | <u>CFDA#</u> |
|----------------------------------|--------------|
| Homeland Security Grant Program | 97.067 |
| Justice Assistance Grant Program | 16.738 |

- 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, 2008 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, 2008 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, 2008

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, 2008.

**FLORENCE COUNTY, SOUTH CAROLINA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2008**

There were no audit findings reported for the year ended June 30, 2007, which require a response for the year ended June 30, 2008.