

Bamberg County Audit Highlights FYE June 30, 2021



Presented by:

Joey Preston, County Administrator

Gina Smith, Controller

Bamberg County Council Meeting

March 7, 2022

Audit Results:

County Earned an unmodified (clean) audit opinion

Why does an unmodified audit opinion matter?



- Demonstrates good fiscal stewardship
- Impacts borrowing ability and rates
- Sense of pride to elected officials and employees
- The most important measure of financial stability
- Builds and confirms confidence in management

General Fund Overview

Total
Revenues

\$ 9,609,842

Includes all tax revenues, state and federal support, fees, fines, charges for services, and miscellaneous

Total
Expenditures
and other
Financing
Sources/Uses

\$ 7,768,512

Fund Balance
Increase:
\$ 1,841,330

Fund Balance:
FYE June 30, 2020 - \$3,215,361
FYE June 30, 2021 - \$5,056,692

The information above can be found on page 29 of the Audited Financial Statements.

General Fund Overview

FUND BALANCE \neq CASH

Fund balance is the net of all assets less all liabilities.



When the Asset
Account Increases

When the Liability
Account Increases



More information on the fund balances can be found
on pages 44-45 of the Audited Financial Statement.

General Fund Overview

Budgeted
Revenues -
\$8,262,015

Actual Revenues -
\$9,609,842

Budgeted
Expenditures -
\$8,192,680

Actual Expenditures -
\$7,778,887



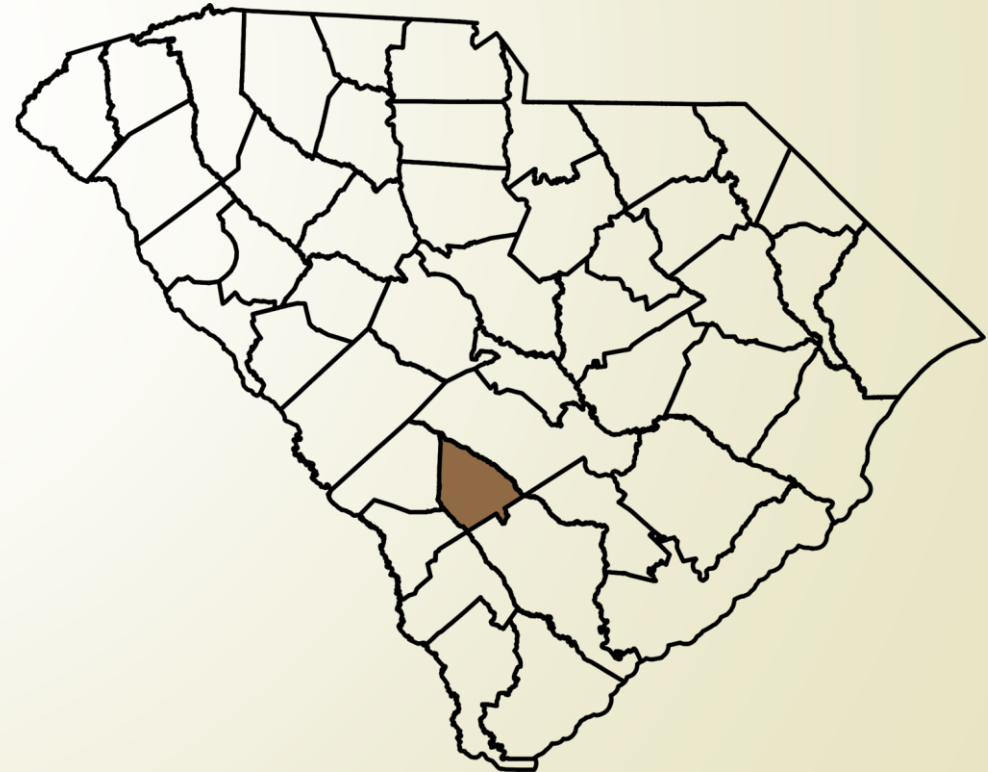
- All accomplished in the 2nd year of the pandemic and unprecedented challenges.
- Pandemic related expenditures in FY20 - \$87,338
- Expenditures in FY21 were \$71,170
- CARES Act Funding Applied for and Received - \$155,344. Received in FY21.
- ARPA funds received of \$1,366,075 in May of 2021

The information above can be found on page 91 of the Audited Financial Statements.

Other Funds

- ▶ Fund 021 – E911
- ▶ Fund 023 – Public Works/Road Maintenance
- ▶ Fund 025 – Rural Fire
- ▶ Fund 030 – Capital Projects Sales Tax
- ▶ Fund 032 – DHEC Fund
- ▶ Fund 033 – Capital Reserve Fund
- ▶ Fund 034 – RecoverSC
- ▶ Fund 080 – Debt Service Fund
- ▶ Fund 090 – Enterprise Fund

Descriptions of funds can be found on pages 4-6 and page 38 of the Audited Financial Statement.



Capital Assets

Government Funds

FY21 Additions and Changes	\$ 1,436,113
Changes in Accumulated Depreciation	\$ (704,677)
Net – Asset Balance increase for FY21	\$ 731,436

- ❖ Construction in Progress - \$1,499,140
DS8-HD-LEC Project, E-911 Gutter/Door Upgrade, Airport FBO Upgrade, Sheriff's Storage Warehouse, Downtown Park, Airport Hanger and Terminal Building Upgrades
- ❖ Machinery & Equipment - \$76,583
Airplane Fuel Tank Upgrade and Olympian Generator Repair
- ❖ Infrastructure - \$130,026
Bobcat Landing, Dally Road, McKenna Lane, North Street, Courthouse Paving and 2nd Street Parking
- ❖ Building & Improvements - \$750,053
Rivers Bridge Fire Substation, Courthouse Elevator Renovations, Airport Signage, and Completion of Veteran's Memorial.



Note: Governmental Funds includes General Fund, Capital Project Sales Tax Fund, All Special Revenue Funds, All Capital Project Funds and Debt Service Fund.

Note 8 – Capital Assets begins on page 51 of the Audited Financial Statements.

Capital Assets

Business-Type Activities

FY21 Additions and Changes	\$ 22,688
Changes in Accumulated Depreciation	\$ (75,347)
Net – Asset Balance Decrease for FY21	\$ (52,659)

Note 8 – Capital Assets begins on page 51 of the Audited Financial Statements.

❖ Machinery & equipment - \$ 22,688

Repair of Public Works Scale and Purchase of Cardboard Compactor

- In accordance with Generally Accepted Accounting Principles (GAAP), the initial, individual cost of each asset is decreased annually by an amount based on its estimated, useful life. While this change is shown as a decrease, this decrease does not decrease the cash or bank balances of any account.
- In FY21, the amount the total assets decreased in business activities was more than the amount of new assets, therefore, the net of the FY21 changes is negative.
- More information on Capital Assets policy can be found on page 43 of the Audited Financial Statements.



Internal Control Issues Resolved

Audit Schedule of Findings										
	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12
Material Weakness										
1. Accounting System							x	x	x	x
2. General Ledger Deficiencies & Material Audit Adjustments				x	x	x	x	x	x	x
3. Omission of Component Unit									x	x
4. Preparation of Financial Statements					x	x		x	x	x
5. Detention Center Inmate Funds								x	x	x
6. Capital Assets				x	x	x			x	x
7. Uncollateralized/Uninsured Deposits									x	
8. Internal Control over Family Court Collections			x	x	x					
9. Proper Recording of Transactions				x						
Significant Deficiencies										
1. Segregation of Duties								x	x	x
2. Inadquate Controls Over Assessed Values										x
3. Payroll Issues										x
4. Delinquent Tax Sale Funds				x	x	x				
5. Magistrate Collections	x	x	x	x						
6. Clerk of Court Funds Held	x	x	x	x						
7. Approved Purchasing Policy				x						
Total County of Internal Control Issues	2	2	3	8	5	4	2	5	8	9

Schedule of Findings and Responses found on pages 131-133 of Audited Financial Statement.

Material weakness:
A deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Significant Deficiencies:
A deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

FY21 Significant Deficiencies

10

2021-1 Magistrate Collections

2021-2 Clerk of Court Funds Held

- ▶ Both elected/appointed officials. Finance staff work with them as much as possible and prepare an annual summary of activity at year end to record the activity.
- ▶ **Actions taken for 2021-1 Magistrate Collections** – Magistrate is made aware of issue. Finance staff remains in communication and available for to work to resolve the overages.
- ▶ **Actions taken for 2021-2 Clerk of Court Funds Held** - In December 2020, the former Clerk of Court was presented with a detailed memo from Finance staff with recommendations on how to fix bank account discrepancies that had accumulated over time. Those suggested actions were taken at that time. Beginning in January 2021, the newly elected Clerk of Court reconciles bank accounts on monthly basis and communicates with finance staff if questions arise.



History of Audit Opinions

Audit Opinion History				
Year	Gov-Wide Financial Statements	Fund Financial Statements	# of Issues preventing "Clean" Opinion	Description of Issues
FY21	Unmodified	Unmodified	0	None
FY20	Unmodified	Unmodified	0	None
FY19	Unmodified	Unmodified	0	None
FY18	Unmodified	Unmodified	0	None
FY17	Unmodified	Unmodified	0	None
FY16	Unmodified	Unmodified	0	None
FY15	Unmodified	Unmodified	0	None
FY14	Qualified	Qualified	2	1) Del Tax Sale Accounts, and 2) OPEB Liability (GASB #45)
FY13	Qualified	Qualified	4	1) Hospital, 2) Capital Asset Records, 3) Del Tax Sale Accounts, and 4) Inmate Funds
FY12	Adverse	Qualified	4	1) Hospital, 2) Capital Asset Records, 3) Del Tax Sale Accounts, and 4) Inmate Funds
FY11	Adverse	Unqualified	2	1) Hospital and 2) Capital Asset Records
FY10	Adverse	Unqualified	2	1) Hospital and 2) Capital Asset Records
FY09	Adverse	Unqualified	2	1) Hospital and 2) Capital Asset Records

Explanation of Opinions:

Unmodified
Formerly called unqualified, means "clean." This is what you want to have.

Types of modified opinions (qualified)		
Qualified There is an issue that prevents a "clean" or unqualified opinion.	Adverse Negative opinion	Disclaimer No opinion

Fund Balance History

Fund Balance History

Fund #	Fund	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	Net Change FY20 to FY21
010	General Fund	\$ 369,712	\$ 6,989,474	\$ 2,784,163	\$ 3,238,564	\$ 3,208,164	\$ 3,308,323	\$ 2,898,202	\$ 3,253,838	\$ 3,215,362	\$ 5,056,692	\$ 1,841,330
020	Special Revenue - C Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 276,600	\$ 967,677	\$ 1,142,955	\$ 175,278
021	E911 Tariff	\$ 83,425	\$ 324,954	\$ 276,615	\$ 342,157	\$ 265,526	\$ 113,687	\$ 51,450	\$ (14,260)	\$ (85,901)	\$ (148,662)	\$ (62,761)
023	Road Maintenance Fund	\$ (172,828)	\$ (220,228)	\$ (205,808)	\$ (215,180)	\$ (181,959)	\$ (257,192)	\$ (349,447)	\$ (239,456)	\$ (276,744)	\$ (300,657)	\$ (23,913)
025	Rural Fire Fund	\$ 10,453	\$ 6,531	\$ 64,386	\$ 112,972	\$ 173,702	\$ 253,486	\$ 321,598	\$ 520,041	\$ 585,869	\$ 501,891	\$ (83,978)
030	CPST 1st Imposition	\$ -	\$ 4,913,115	\$ 5,436,735	\$ 5,012,874	\$ 3,514,053	\$ 3,963,488	\$ 4,738,858	\$ 4,925,488	\$ 4,919,253	\$ 4,516,206	\$ (403,047)
030	CPST 2nd Imposition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,005,286	\$ 2,346,161	\$ 2,865,344	\$ 519,183
031	Hospital Fund	\$ (38,123)	\$ (38,123)	\$ (38,123)	\$ (38,123)	\$ (25,268)	\$ (25,268)	\$ (12,268)	\$ -	\$ -	\$ -	\$ -
032	DHEC Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156	\$ 156
033	Capital Reserve Fund	\$ 161,646	\$ 371,834	\$ 418,366	\$ 827,715	\$ 533,315	\$ 558,426	\$ 372,066	\$ 184,139	\$ 433,124	\$ 755,537	\$ 322,413
034	RecoverSC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 778,129	\$ 778,129
080	Debt Service Fund	\$ -	\$ 50,846	\$ 65,194	\$ 75,155	\$ 92,023	\$ 150,885	\$ 195,490	\$ 266,558	\$ 277,719	\$ 290,644	\$ 12,925
	Total Governmental Funds	\$ 414,285	\$ 12,398,403	\$ 8,801,528	\$ 9,356,134	\$ 7,579,556	\$ 8,065,835	\$ 8,215,949	\$ 11,178,234	\$ 12,382,520	\$ 15,458,235	\$ 3,075,715
Business-Type Funds												
090	Landfill/Solid Waste	\$ -	\$ 298,053	\$ 273,298	\$ (426,018)	\$ (403,059)	\$ (411,843)	\$ (357,989)	\$ (436,839)	\$ (358,789)	\$ (522,950)	\$ (164,161)
	Total Business-Type Funds	\$ 548,261	\$ 18,000,659	\$ 15,021,384	\$ 14,920,709	\$ 11,464,322	\$ 12,555,009	\$ 13,473,704	\$ 18,642,907	\$ 20,585,857	\$ 24,643,192	\$ 4,057,335



FY21 Fund Balance information can be found on pages 27, 29, 31-33, and 91-120. Historical information can be found in prior financial statements.

Fund Balance Category History

General Fund

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Restricted	\$ 720,886	\$ 5,664,448	\$ 649,723	\$ 639,094	\$ 805,499	\$ 808,593	\$ 828,161	\$ 604,958	\$ 604,306	\$ 749,354
Assigned	\$ -	\$ 58,816	\$ 286,156	\$ 230,404	\$ 397,915	\$ 341,815	\$ 253,650	\$ 537,865	\$ 250,000	\$ -
Unassigned (Deficit)	\$ (351,174)	\$ 1,266,210	\$ 1,848,284	\$ 2,369,066	\$ 2,004,750	\$ 2,157,915	\$ 1,816,391	\$ 2,111,015	\$ 2,427,426	\$ 4,307,338
Total Fund Balance	\$ 369,712	\$ 6,989,474	\$ 2,784,163	\$ 3,238,564	\$ 3,208,164	\$ 3,308,323	\$ 2,898,202	\$ 3,253,838	\$ 3,281,732	\$ 5,056,692

Category definitions:

(as defined on page 45 of the audit)

Restricted – Amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource providers.

Assigned – Includes amounts that contain self-imposed constraints of the government to be used for a particular purpose such as a subsequent year project budget deficit expected to be covered through fund balance reserves.

Unassigned – Includes amounts that are not considered for any particular purpose. They appear only in the general fund or in another fund as negative fund balances.

FY21 amounts can be found on pages 27. Historical information can be found in prior financial statements.

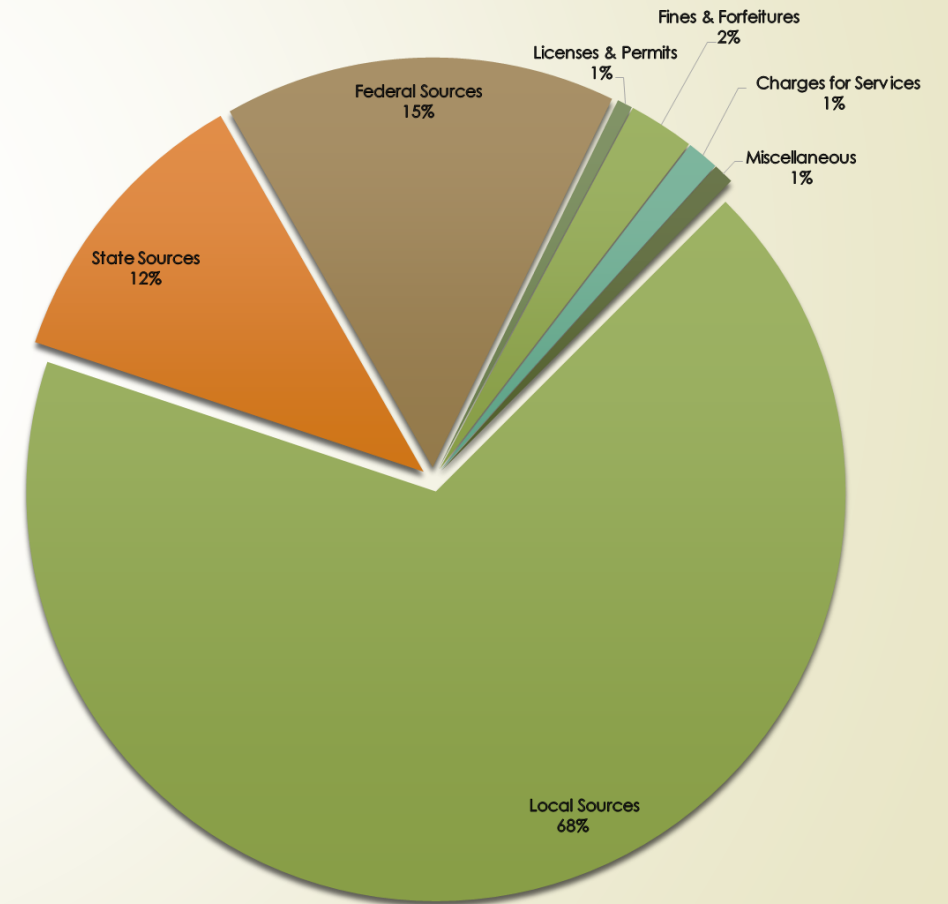
General Fund Revenues

Local Sources

Local Sources

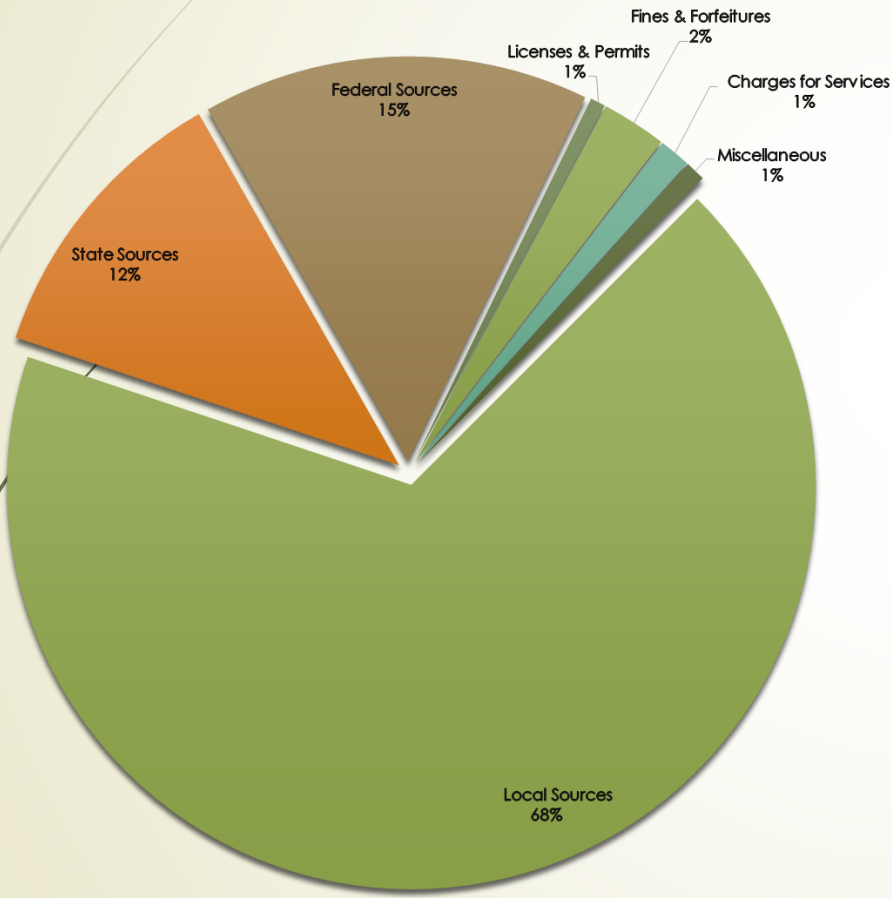
Property Taxes-Real	4,629,089
Property Taxes- Motor Vehicle	587,021
Delinquent Taxes	262,955
LOST	251,940
Delinquent Tax Execution Cost	128,603
Vehicle Decal Income	9,239
Watercraft	7,192
Denmark Tech	24,074
Payment in lieu of taxes	35,724
Municipal tax collection fees	29,169
State motor carrier	124,905
Manufacturer exemption reimbursement	32,137
Merchant's inventory tax	26,475
Homestead exemption reimbursement	350,003
Total Taxes	6,498,526

Local Revenue Sources on Page 97 of Audited Financial Statements.



General Fund Revenues

Intergovernmental



Intergovernmental Revenue Sources on
Page 97 of Audited Financial Statements.

Intergovernmental

State Sources

Accommodations Tax	111,736
Local Gov't Fund	650,331
State Assistance	75,565
State Election Board stipend reimbursement	13,870
Reimbursement for election costs	20,410
Service Officer Supplement	4,798
Grants	179,094
State pension funding allocation	61,210

Federal Sources

DSS Clerk of Court	36,443
DSS-Sheriff	2,030
DSS IVD Incentives	74,479
DSS-Rent/Utilities reimbursement	7,261
American Rescue Plan	1,366,078

Total Intergovernmental	2,603,305
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General Fund Revenues

Other Sources

Licenses & Permits	
Moving and other permits	10,425
Franchise fees	2,705
Building permits	44,740
Total licenses & permits	57,870

Fines & Forfeitures	
Clerk of Court fines & fees	138,347
Magistrate fines & fees	102,768
Sex offender registration fees	2,180
Victim's Advocate funds	5,572
Service fees	1,037
Total fines & forfeitures	249,904

Charges for Services	
Probate fees	37,366
Municipal inmate housing	14,586
Tower rent	69,912
Total charges for services	121,864

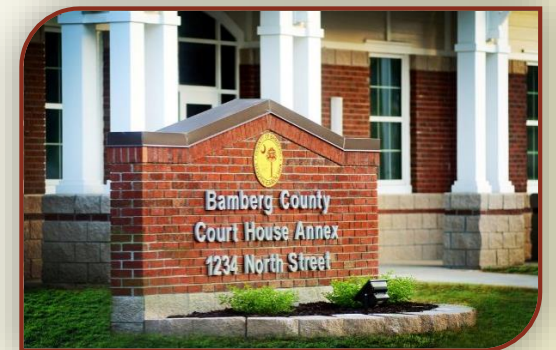
Miscellaneous	
Investment income	4,629
Misc revenue	4,576
Forfeited Land Commission sales & interest	38,756
GIS mapping	2,145
Reimbursement from Municipal Judge	18,484
Detention Center phone	4,353
Detention Center concessions commissions	5,430
Total Miscellaneous	78,373

Other Revenue Sources on Page 97-98 of
Audited Financial Statements.

General Fund Expenditures

General Government

General Government	
Administration	295,304
Auditor	122,031
Treasurer	215,175
Assessor	262,979
Building/Planning	98,447
Voter Registration	191,338
Delinquent Tax Collector	146,872
Finance	483,791
County Attorney	178,340
Contingency	28,112
Contractual Services & Utilities	843,117
Unallocated Benefits	4,680
County Council	230,601
Buildings & Grounds	338,401
Veterans Affairs	29,265
Information Technology	183,076
Mosquito Control	3,960
Total General Government	3,655,489



General Government Expenditures on Page 99-103 of Audited Financial Statements.

General Fund Expenditures

Judicial & Public Safety

Judicial	
Clerk of Court	305,553
Probate Judge	144,672
Magistrate	235,310
Public Defender	32,500
Solicitor	81,730
Total Judicial	799,765
Public Safety	
Sheriff	1,052,641
Detention Center	938,556
Coroner	80,670
E911	40,382
Dispatching	401,606
Total Public Safety	2,513,855



Judicial and Public Safety Expenditures on Page 104-107 of Audited Financial Statements.

General Fund Expenditures

Economic Development, Culture & Recreation, and Health & Welfare

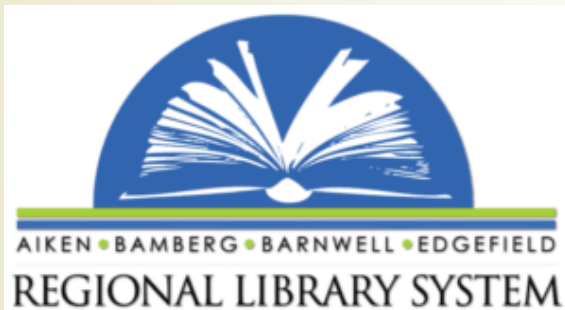
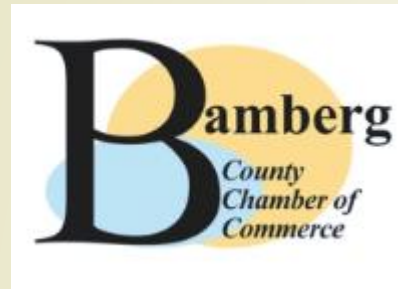
Economic Development	
Southern Carolina Alliance	50,000
Total Economic Development	50,000
Culture and Recreation	
Location recreation & tourism	10,195
ABBE regional library	136,800
Total Economic Development	146,995
Health & Welfare	
EMS/Rescue	450,000
Total Health & Welfare	450,000

Found on Page 108 of Audited Financial Statements.



General Fund Expenditures

Miscellaneous



Miscellaneous

Contract Agencies:

Lower Savannah Council of Gov'ts	15,115
SC Association of Counties	6,697
National Association of Counties	450
Soil & Water Conservation District	0
Willow Swamp Contract	0
Mary Ann Morris Animal Society	29,000

Non-Contract Agencies:

Medically Indigent Assistance Fund	25,667
Health Department	5,708
Chamber of Commerce	1,600
Tri-County Comm. Alcohol & Drug Abuse	1,800
Western Carolina Higher Ed Comm.	0
OCAB-Community Action	1,800
Denmark Technical College	0
Clemson Extension	1,100
Bamberg County Council on Aging	64,000
Bamberg Co. DSS-Emergency Relief	8,646
Cheese & Cracker Box	0
Little Swamp Community Center	1,200

Total Miscellaneous 162,783



Found on Page 108 of
Audited Financial Statements.

General Fund

Comparing Revenue to Expenditures



From pages 96-97 of the
Financial Statements.

Note 21 – Prior Period Adjustment found on
Page 88-89 of the Financial Statements.

Fund Balance at 6/30/20	\$ 3,281,732
<u>Revenues</u>	
Local Sources	6,498,526
Intergovernmental	2,603,305
Licenses & Permits	57,870
Charges for Services	121,864
Fines & Forfeitures	249,904
Miscellaneous	78,373
Total Revenues	9,609,842
<u>Expenditures</u>	
General Government	3,655,489
Judicial	799,765
Public Safety	2,513,855
Economic Development	50,000
Culture & Recreation	146,995
Miscellaneous	162,783
Health & Welfare	450,000
Total Expenditures	7,778,887
<u>Other Financing Sources (Uses)</u>	
Transfers in (out)	10,375
Total Other Fin. Sources	10,375
Prior Period Adjustment	(66,370)
Fund Balance at 6/30/21	\$ 5,056,692

Fund 021

E911

Fund Balance at 6/30/20		\$	(85,901)
<u>Revenues</u>			
Charges for services	28,510		
Intergovernmental-State	121,096		
Interest Income	448		
Total Revenues			150,054
<u>Expenditures</u>			
Departmental Expenses	223,190		
Total Expenditures			223,190
<u>Other Financing Sources (Uses)</u>			
Transfers in from General Fund			10,375
Total Other Fin. Sources			10,375
Fund Balance at 6/30/21		\$	(148,662)



From pages 114 & 116 of
the Financial Statements.

Fund 023

Public Works/ Road Maintenance

Fund Balance at 6/30/20		\$ (276,744)
<u>Revenues</u>		
Road User Fee	399,199	
Aviation Fuel Sales	4,217	
Hanger Lease Revenue	3,600	
Intergovernmental-Federal	6,800	
Miscellaneous	289	
Interest income	2	
Total Revenues		414,107
<u>Expenditures</u>		
Departmental Expenditures	451,690	
Total Expenditures		451,690
<u>Other Financing Sources (Uses)</u>		
Transfers In	13,670	
Total Other Fin. Sources		13,670
Fund Balance at 6/30/21		\$ (300,657)



From page 109 of the Financial Statements.

Fund 025

Rural Fire



Fund Balance at 6/30/20		\$	585,869
<u>Revenues</u>			
Property Taxes	457,544		
Debt Proceeds	90,000		
Transfer In	10,762		
Interest Income	317		
Total Revenues			558,623
<u>Expenditures</u>			
Operational expenditures	310,071		
Capital Outlay	171,720		
Debt Svc-Principal	134,869		
Debt Svc-Interest	25,941		
Total Expenditures			642,601
Fund Balance at 6/30/21		\$	501,891

From page 117 of the
Financial Statements.

Fund 030

Capital Projects Sales Tax



Fund Balance at 6/30/20		\$ 7,265,414
Revenues		
Debt Proceeds-BAN	1,686,760	
Debt Proceeds-Mini Bonds	159,000	
FILOT Collections	345,617	
CPST Collections	1,123,944	
Interest Income	1,848	
Total Revenues		3,317,169
Expenditures		
Insurance	-	
Debt Issuance Costs	35,375	
Projects:	-	
Courthouse Annex	-	
Veteran's Memorial	-	
Olar Community Bldg.	-	
Ehrhardt Downtown/Town Hall	-	
DSS/HD/LEC Project	799,371	
Total Expenditures		834,746
Debt Service		
Principal	2,241,760	
Interest	351,114	
Total Debt Service		2,592,874
Prior Period Adjustment (Note 21)	226,587	
Fund Balance at 6/30/21		\$ 7,381,550



From pages 110-111 of
the Financial Statements.

Fund 033

Capital Reserve Fund



Fund Balance at 6/30/20	\$ 433,125
<u>Revenues</u>	
Capital Lease Proceeds	121,240
Sale of Capital Asset Proceeds	114,655
Property Taxes	888,806
Grant Income	-
Insurance Recoveries	865
Interest Income	274
Total Revenues	1,125,840
<u>Expenditures</u>	
Capital Outlay:	
Capital expenditures	243,849
Debt Service - Principal	404,523
Debt Service - Interest	21,277
Total Expenditures	669,649
<u>Other Financing Sources (Uses)</u>	
To Fund 090 for lease payments on eqpt	(133,779)
Total Other Fin. Sources	(133,779)
Fund Balance at 6/30/21	\$ 755,537

From page 112 of the Financial Statements.

Fund 080

Debt Service Fund



Fund Balance at 6/30/20		\$ 277,719
<u>Revenues</u>		
Property Taxes	368,930	
Interest Income	35	
Total Revenues		368,965
<u>Expenditures</u>		
Reserve Requirement		
Debt Service:		
Principal Payments	306,666	
Interest Payments	69,110	
Total Expenditures		375,776
<u>Other Financing Sources (Uses)</u>		
Transfers Out	19,736	
Total Other Fin. Sources		19,736
Fund Balance at 6/30/21		\$ 290,644



From page 120 of the
Financial Statements.

Fund 090

Enterprise Fund

Net Position at 6/30/20	\$ (358,789)
Revenues	
Landfill Fees	475,681
Solid Waste Fee	472,683
Operating Grants-Landfill & Solid Waste	9,860
Operating Grants-Litter Control	6,776
Operating Grants-KAB	3,226
Miscellaneous income	4,042
Total Revenues	972,268
Expenditures	
Landfill/Solid Waste Dept Expenditures	1,093,195
Litter Control	61,147
Keep America Beautiful Dept Expend.	71,697
Total Expenditures	1,226,039
Other Financing Sources (Uses)	
Transfer In from Fund 033- Eqpt lease pmts	89,610
Total Other Fin. Sources	89,610
Net Position at 6/30/21	\$ (522,950)



From page 31 of the Financial Statements.

Thank you for your continued support and guidance.

