

Accountants' Report

BEAUFORT COUNTY, SOUTH CAROLINA
REVENUE SHARING FUNDS

Beaufort, South Carolina

June 30, 1974

McKNIGHT, FRAMPTON, BUSKIRK AND CO.

Certified Public Accountants

Beaufort, South Carolina 29902

BEAUFORT COUNTY, SOUTH CAROLINA
ACCOUNTANTS' REPORTS, FINANCIAL STATEMENTS AND
SUPPLEMENTARY DATA
REVENUE SHARING FUNDS

ACCOUNT NO. 41-1-007-007

FOR THE YEAR ENDED JUNE 30, 1974

TABLE OF CONTENTS

	<u>Page</u>
Part I - Financial	
Report - Accountants' Opinion	1
Exhibit "A" - Statement of Revenue, Expenditures and Balance	2
Exhibit "B" - Statement of Expenditures	3
Exhibit "C" - Summary of Data Submitted to the Bureau of the Census	4
- Notes to Financial Statements	5
Part II - Compliance	
Report - Accountants' Opinion	6

GOVERNING BODY

Colden R. Battey, Jr. - Council Chairman
Arthur B. Horne, Jr. - Council Vice-Chairman
Leroy E. Browne - Councilman
Gary B. Fordham - Councilman
William W. Grant, Jr. - Councilman
David Jones - Councilman
Walter I. Rodgers - Councilman
Grady D. Thames - Councilman
Booker T. Washington - Councilman

MC KNIGHT, FRAMPTON, BUSKIRK AND CO.
CERTIFIED PUBLIC ACCOUNTANTS
715 BAY STREET
BEAUFORT, SOUTH CAROLINA 29902

MEMBERS
AMERICAN INSTITUTE OF CPAS
S. C. ASSOCIATION OF CPAS
PHONE (803) 524-3003

OFFICES IN
CHARLESTON
NORTH CHARLESTON
BEAUFORT

DANIEL L. MC KNIGHT, JR., CPA
HENRY W. FRAMPTON, CPA
THOMAS E. BUSKIRK, JR., CPA
HERBERT B. MC GUIRE, JR., CPA
MAX M. TANENBAUM, CPA
DAVID E. THIEM, CPA
DOUGLAS D. KUGLEY, CPA
JOHN A. FENTON, CPA
WILLIAM C. ROBINSON, CPA
ROBERT C. GALLAGER, CPA
NOEL D. THORN, CPA

November 22, 1974

Beaufort County Council
Beaufort, South Carolina 29902

Gentlemen:

We have examined the Revenue Sharing Fund Statement of Revenue, Expenditures and Balance and Statement of Expenditures of Beaufort County, South Carolina for the year ended June 30, 1974 and have compared the financial data for the year ended June 30, 1973 included on Bureau of Census Form RS-9 with audited records of Beaufort County, South Carolina. Our examination was made in accordance with generally accepted auditing standards and the "Audit Guide and Standards for Revenue Sharing Recipients" issued by the Office of Revenue Sharing, U.S. Department of the Treasury, and accordingly included such tests of the accounting records and other such auditing procedures as we considered necessary in the circumstances.

In our opinion, the Statement of Revenue, Expenditures and Balance and Statement of Expenditures present fairly the revenue, expenditures and status of revenue sharing funds of Beaufort County, South Carolina for the year ending June 30, 1974 in conformity with generally accepted accounting principles. Further, except for the adjustments as shown on Exhibit "C" and the possible effect of these differences, and the circumstance explained in Note 2 on the entitlements received, financial data included on the Bureau of Census Form RS-9 for the year ended June 30, 1973 is in agreement with audited records of Beaufort County, South Carolina.

Yours very truly,

McKnight, Frampton, Buskirk and Co.

WCR:GTL:ch

BEAUFORT COUNTY, SOUTH CAROLINA
REVENUE SHARING FUNDS
STATEMENT OF REVENUE, EXPENDITURES AND BALANCE
YEAR ENDED JUNE 30, 1974

Exhibit "A"

	<u>Per Books</u>	<u>Adjustments</u>	<u>Adjusted</u>
Available funds, beginning of year	\$ 670,394.40	\$ - 0 -	\$ 670,394.40
Add revenue: (Note 1)			
Entitlement payments	652,781.00	- 0 -	652,781.00
Interest	39,481.07	4,835.24	44,316.31
Total	<u>692,262.07</u>	<u>4,835.24</u>	<u>697,097.31</u>
Available for obligation during year	1,362,656.47	4,835.24	1,367,491.71
Less expenditures (Note 1)	<u>452,654.58</u>	<u>- 0 -</u>	<u>452,654.58</u>
Available funds, end of year	<u>\$ 910,001.89</u>	<u>\$ 4,835.24</u>	<u>\$ 914,837.13</u>

BEAUFORT COUNTY, SOUTH CAROLINA
 REVENUE SHARING FUNDS
 STATEMENT OF EXPENDITURES
 YEAR ENDED JUNE 30, 1974

Exhibit "B"

	Total Expenditures Per Books - All Applicable To Revenue Sharing Funds	Adjustments	Adjusted	Questioned Costs
Operating/maintenance expenditures:				
Public Transportation	\$ 843.77		\$ 843.77	
Recreation	1,500.00		1,500.00	
Social Services	7,027.17		7,027.17	
Financial Administration	<u>6,988.20</u>		<u>6,988.20</u>	
Total operating/maintenance expenditures	<u>16,359.14</u>	\$ - 0 -	<u>16,359.14</u>	\$ - 0 -
Capital expenditures:				
Public Safety	54,667.75		54,667.75	
Environmental Protection	59,900.00		59,900.00	
Public Transportation	148,542.66		148,542.66	
Health	38,221.00		38,221.00	
Libraries	22,021.21		22,021.21	
Social Services	21,455.40		21,455.40	
Financial Administration	76,681.77		76,681.77	
General Government	<u>14,805.65</u>		<u>14,805.65</u>	
Total capital expenditures	<u>436,295.44</u>	- 0 -	<u>436,295.44</u>	- 0 -
Total expenditures	<u>\$ 452,654.58</u>	<u>\$ - 0 -</u>	<u>\$ 452,654.58</u>	<u>\$ - 0 -</u>

BEAUFORT COUNTY, SOUTH CAROLINA
SUMMARY OF DATA SUBMITTED TO
BUREAU OF THE CENSUS
FOR THE YEAR ENDED JUNE 30, 1974

Exhibit "C"

<u>Part I - Tax Revenues</u>	<u>Reported to Census</u>	<u>Audit Adjustments</u>	<u>Adjusted</u>
1. Property taxes (Note 2)	\$ 1,248,210.00	\$ - 0 -	\$ 1,248,210.00
2. Licenses, permits and other taxes	195,978.00	(70,958.00) ¹	125,020.00
Total Part I	<u>\$ 1,444,188.00</u>	<u>\$ (70,958.00)</u>	<u>\$ 1,373,230.00</u>
<u>Part II - Intergovernmental Revenue</u>			
From state:			
1. Property tax relief	\$ 6,995.00	\$ - 0 -	\$ 6,995.00
2. Streets and highways	206,920.00	- 0 -	206,920.00
3. State income, insurance, brokerage and bank tax	412,680.00	- 0 -	412,680.00
4. Library	27,758.00	(14,274.00) ²	13,484.00
5. Civil defense	8,446.00	- 0 -	8,446.00
From other local governments	976.00	(976.00) ³	- 0 -
From Federal Government			
1. Library	- 0 -	14,274.00 ²	14,274.00
2. Federal revenue sharing receipts	657,941.00	- 0 -	657,941.00
Total Part II	<u>\$ 1,321,716.00</u>	<u>\$ (976.00)</u>	<u>\$ 1,320,740.00</u>

1. Fees from the Clerk of Courts, Magistrates and Vital Statistics Department, in the amount of \$75,778.00, were reported while licenses and permits, in the amount of \$4,820.00 were not reported:

\$ 75,778.00
(4,820.00)
<u>Net Adjustment \$ 70,958.00</u>

2. Federal funds, in the amount of \$14,274.00, were included in the amount received from the State Government.

3. Reimbursement for City of Beaufort's share of bond coupons paid by Beaufort County.

BEAUFORT COUNTY, SOUTH CAROLINA
REVENUE SHARING FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1974

Note 1: The modified accrual basis of accounting is followed for the accounting of Revenue Sharing Funds. The modification is as follows:

Revenues are recorded on the cash basis while expenditures are recognized upon receipt of vendors' invoices.

Encumbrances and appropriations are not accounted for in Exhibits "A" or "B"; however, as of June 30, 1974 the following material encumbrances and appropriations are presented for informational purposes only:

Appropriation: Construction of Hilton Head Library	\$ 265,000.00
Encumbered appropriation: Needco, Inc. (remaining balance to be expensed for pulverizing system)	<u>302,392.86</u>
Total	<u>\$ 567,392.86</u>

Note 2: Included in the total for property taxes are all taxes collected by the Beaufort County Treasurer's Department excepting those which pertain to the Beaufort County School District. This means that tax millage and front foot assessments levied on public service districts, fire districts, medical clinic districts, etc. are included in total property taxes. The reason for the inclusion of these taxes is that the districts lack the independence necessary to be considered separate governmental entities apart from Beaufort County.

MC KNIGHT, FRAMPTON, BUSKIRK AND CO.
CERTIFIED PUBLIC ACCOUNTANTS
715 BAY STREET
BEAUFORT, SOUTH CAROLINA 29902

DANIEL L. MC KNIGHT, JR., CPA
HENRY W. FRAMPTON, CPA
THOMAS E. BUSKIRK, JR., CPA
HERBERT B. MC GUIRE, JR., CPA
MAX M. TANENBAUM, CPA
DAVID E. THIEM, CPA
DOUGLAS D. KUGLEY, CPA
JOHN A. FENTON, CPA
WILLIAM C. ROBINSON, CPA
ROBERT C. GALLAGER, CPA
NOEL D. THORN, CPA

November 22, 1974

MEMBERS
AMERICAN INSTITUTE OF CPAS
S. C. ASSOCIATION OF CPAS
PHONE (803) 524-3003

OFFICES IN
CHARLESTON
NORTH CHARLESTON
BEAUFORT

Beaufort County Council
Beaufort County, South Carolina

Gentlemen:

We have examined the Revenue Sharing Fund Statement of Revenue, Expenditures and Balance and Statement of Expenditures of Beaufort County, South Carolina for the year ended June 30, 1974 and have compared the financial data for the year ended June 30, 1973 included on Bureau of Census Form RS-9 with the audited records of Beaufort County, South Carolina. Our report thereon, which appears on page 1, is qualified as it pertains to Exhibit "C" for the reasons set forth therein. Our examination was made in accordance with generally accepted auditing standards and the "Audit Guide and Standards for Revenue Sharing Recipients" issued by the Office of Revenue Sharing, U.S. Treasury, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As part of our examination, we made a study of compliance matters as prescribed in Section V.D. of the "Guide" for the year ended June 30, 1974.

Our study of compliance, which related to the requirements cited above, disclosed no conditions which we consider matters of non-compliance.

Yours very truly,

McKnight, Frampton, Buskirk and Co.

WCR:GTL:ch