

**CITY OF NEWBERRY,  
SOUTH CAROLINA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FISCAL YEAR ENDED  
JUNE 30, 2013**



**CITY OF NEWBERRY**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2013**  
**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
<b>INTRODUCTORY SECTION</b>	
LETTER OF TRANSMITTAL	1-6
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	7
ORGANIZATIONAL CHARTS	8-9
PRINCIPAL OFFICERS	10
<b>FINANCIAL SECTION</b>	
INDEPENDENT AUDITOR'S REPORT	11-13
MANAGEMENT'S DISCUSSION AND ANALYSIS	14-26
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
STATEMENT OF NET POSITION	27
STATEMENT OF ACTIVITIES	28
<b>FUND FINANCIAL STATEMENTS</b>	
BALANCE SHEET – GOVERNMENTAL FUNDS	29
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET WITH THE STATEMENT OF NET POSITION	30
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	31

## **FINANCIAL SECTION (CONTINUED)**

### **BASIC FINANCIAL STATEMENTS (CONTINUED)**

#### **FUND FINANCIAL STATEMENTS (CONTINUED)**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	32
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND	33
STATEMENT OF NET POSITION – PROPRIETARY FUND	34-35
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION – PROPRIETARY FUND	36
STATEMENT OF CASH FLOWS – PROPRIETARY FUND	37
NOTES TO THE FINANCIAL STATEMENTS	38-61

### **SUPPLEMENTARY INFORMATION**

#### **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

##### **NONMAJOR GOVERNMENTAL FUNDS**

COMBINING BALANCE SHEET	62
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	63

##### **GENERAL FUND**

COMPARATIVE BALANCE SHEETS	64
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	65-66
SCHEDULE OF REVENUES – BUDGET AND ACTUAL	67
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL	68-77

## SUPPLEMENTARY INFORMATION (CONTINUED)

### COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (CONTINUED)

#### SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET	78-79
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	80-81
NEWBERRY ALLIED NARCOTICS UNIT – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	82
TOURISM FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	83
SPECIAL EVENTS FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	84
STATE ACCOMODATIONS TAX FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	85
CULTURAL ARTS FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	86
COMMUNITY HOUSING/DEVELOPMENT FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	87
STREETSCAPE FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	88
LOCAL HOSPITALITY/ACCOMODATIONS FEE FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	89
VICTIM’S RIGHTS FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	90

## SUPPLEMENTARY INFORMATION (CONTINUED)

### COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (CONTINUED)

#### SPECIAL REVENUE FUNDS (CONTINUED)

VICTIM'S RIGHTS FUND – SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES	91
---	----

#### DEBT SERVICE FUND

COMPARATIVE BALANCE SHEETS	92
----------------------------	----

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – 2008 TIF	93
--	----

#### PERMANENT FUND

COMPARATIVE BALANCE SHEETS	94
----------------------------	----

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	95
--	----

#### ENTERPRISE FUND

COMPARATIVE STATEMENTS OF NET POSITION	96-97
--	-------

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – BUDGET AND ACTUAL	98-99
---	-------

SCHEDULE OF EXPENSES – BUDGET AND ACTUAL	100-105
--	---------

COMPARATIVE STATEMENT OF CASH FLOWS	106-107
-------------------------------------	---------

#### CAPITAL ASSETS – GOVERNMENTAL FUNDS

COMPARATIVE SCHEDULES OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS – BY SOURCE	108
--	-----

SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS – BY FUNCTION AND ACTIVITY	109
---	-----

SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS – BY FUNCTION AND ACTIVITY	110
--	-----

## STATISTICAL SECTION

NET POSITION BY COMPONENT	111
CHANGES IN NET POSITION	112-113
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE	114
FUND BALANCES OF GOVERNMENTAL FUNDS	115
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS	116
UTILITY ENTERPRISE SYSTEM OPERATING REVENUES BY SOURCE	117
GENERAL GOVERNMENT PROPERTY TAX REVENUES BY SOURCE	118
UTILITY CUSTOMER TRENDS – BY SERVICE AND CATEGORY	119
UTILITY ENTERPRISE SYSTEM UNITS SOLD BY SOURCE	120
AVERAGE HISTORIC UTILITY RATES	121
PRINCIPAL UTILITY CUSTOMERS BY TOTAL BILLED	122
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	123
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS	124
PRINCIPAL PROPERTY TAXPAYERS	125
PROPERTY TAX LEVIES AND COLLECTIONS	126
RATIOS OF OUTSTANDING DEBT BY TYPE	127
RATIOS OF GENERAL BONDED DEBT OUTSTANDING	128
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT	129
LEGAL DEBT MARGIN INFORMATION	130
PLEDGED – REVENUE COVERAGE	131-132
DEMOGRAPHIC AND ECONOMIC STATISTICS	133

## STATISTICAL SECTION (CONTINUED)

PRINCIPAL EMPLOYERS	134
BUDGETED FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION	135
OPERATING INDICATORS BY FUNCTION	136
CAPITAL ASSET STATISTICS BY FUNCTION	137



## INTRODUCTORY SECTION



# CITY OF NEWBERRY

---

## S O U T H C A R O L I N A

---

November 25, 2013

The Honorable Mayor, Members of City Council and Citizens of the City of Newberry, South Carolina:

State law requires Newberry City Council to provide for an independent annual audit of all financial records and transactions of the City of Newberry. State law further requires that such audits be made by a certified public accountant or public accountant or firm of such accountants who have no personal interest, direct or indirect, in the fiscal affairs of the City or any of its officers. The report of the audit must be made available for public inspection. Pursuant to these requirements, we hereby issue the comprehensive annual financial report of the City of Newberry (City) for the fiscal year ended June 30, 2013.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by McKinley, Cooper and Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement presentation; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report. In accordance with Government Auditing Standards, the independent auditor issued his report after consideration of the City of Newberry's internal control over financial reporting and on the auditor's test of the City's compliance with certain provisions of laws, regulations, contracts, and grants. That report concerning compliance and internal control is located at the end of the comprehensive annual financial report. Also, a schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S.

---

**"City of Friendly Folks"**

Post Office Box 538 • Newberry, South Carolina 29108 • Phone (803) 321-1007 • FAX (803) 321-1009  
[www.cityofnewberry.com](http://www.cityofnewberry.com) [www.visitnewberrysc.com](http://www.visitnewberrysc.com)

Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Newberry's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The City of Newberry is located in and is the county seat of Newberry County. The City of Newberry's municipal charter was issued in 1832. The City encompasses an area of approximately seven and a half square miles, while Newberry County encompasses an area of six hundred thirty square miles. The population of the City as registered by the 2010 Census is 10,277, and the population of the County as registered by the 2010 Census is 37,508. Within the limitations established by the State of South Carolina, the City of Newberry is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by City Council.

The City of Newberry has operated under the council-manager form of government since 1948. The mayor is elected at-large for a term of four years. Policy-making and legislative authority are vested in City Council consisting of the mayor and six other members. Under the City's current single-member district plan, the City has been divided into six districts, each to be represented by a council member. City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City's manager and attorney. The City Manager is responsible for implementing the policies of City Council, directing day-to-day business and administrative procedures and appointing departmental officials and other City employees. As of June 30, 2013, the City Manager was assisted by nine staff departments, including Economic and Community Development overseen by the Assistant City Manager; Finance; Fire; Human Resources; Parks, Recreation, and Tourism; Planning and Development Services; Police; Public Works; and Utilities.

The City of Newberry provides a full range of services. These services include police and fire protection; sanitation services; the repair and maintenance of City streets and infrastructure; building regulation; planning; economic development and administration; zoning and code enforcement; water, sewer and electric utility services; and recreational and tourism-related activities.

The annual budget serves as the foundation for the City's financial planning and control. For 2013-2014 budget preparation, all departments of the City of Newberry were required to submit requests for appropriations to the City Manager by mid-February of 2013. The City Manager used these requests as the starting point for developing a proposed budget. The City Manager then presented this proposed budget to the Council for review during June. City Council is required to hold public hearings on the proposed budget and to adopt a final budget before July 1, the beginning of the City's fiscal year. The line-item appropriated budget is prepared by fund and department (e.g., General Fund, Finance Department). Expenditures may not exceed budgeted appropriations for each fund except as authorized

by City Council. The City Manager is authorized to transfer amounts between line items within any fund. Transfers between funds require the approval of City Council. Any revisions that increase the total expenditures of any fund also must be approved by City Council. Budget-to-actual comparisons are provided in the report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on page 33 as part of the basic financial statements for the governmental funds.

### **Local Economy and Major Initiatives**

The City of Newberry is located in the central piedmont region of South Carolina. Historically, Newberry was a textile center and the hub of a thriving agricultural region. The decline of the textile industry in the 1970's and 1980's took its toll on the community, and Newberry suffered economically and physically. This decline continued into the mid-1990's at which point an aggressive community revitalization effort was successfully undertaken. Through sustained efforts the community and county as a whole have witnessed tremendous economic growth. Today, Newberry's economic base is diversified and comprised of textiles, agriculture, timber products and wood processing, and food processing. This diversity has enabled the region to weather recent changes in the economy.

In 1999, three manufacturing facilities opened in the Newberry County Industrial Park located adjacent to Interstate 26 at the S.C. Highway 219 interchange. Today the Park hosts international companies such as Caterpillar, Komatsu, Kiswire, Doncasters, Schweitzer-Mauduit, Dalkotech and Olympian Generators. The largest single site is 11.65 total acres. These companies have created hundreds of jobs and a diversified industrial base for the county. In the summer of 2001, Millennium Teleservices invested \$1 million in a state-of-the-art call center on the U. S. Highway 76 bypass within the City of Newberry, and created approximately 200 jobs. In May of 2002, C. H. Guenther & Son, Inc., a San Antonio, Texas based manufacturer and marketer of branded and custom food products, acquired the former Kaiser Roth textile plant on U.S. Highway 76 and invested approximately \$32 million in plant renovations and production systems, and created 145 new jobs. The 227,000 square foot facility, which operates as Pioneer Frozen Foods, serves as a manufacturing plant for the company's line of frozen dough and baked products.

In fiscal year 2004-2005 the City of Newberry completed a series of annexations which resulted in the incorporation of approximately 1,000 acres. This acreage, bound by S. C. Highway 34 to the north, S.C. Highway 219 to the south, and Interstate 26 to the east, is an area with tremendous economic development potential and is expected to become a significant growth corridor for the City. Included in this area is 17 acres of commercial property on S.C. Highway 219 with Interstate-26 visibility. The tract is currently being actively marketed for commercial development. Cracker Barrel Old Country Stores, Inc. has purchased one of the available lots and as of Summer 2013 has not yet developed the property. Staff is encouraged by the performance of the businesses adjacent to the property and is hopeful this will stimulate additional commercial investment in the area.

In 2007, Kraft Foods, the County's largest employer and City's largest electric customer, announced that over a three-year period, the company would invest approximately \$30 million to build a 75,000 square foot addition to the Louis Rich facility, construct additional production lines and make mechanical and electronic improvements to existing processing lines. This expansion resulted in the creation of

approximately 1,279 new jobs and made its Newberry operation one of the largest Kraft Foods-owned facilities in the world.

Much of the current economic momentum in Newberry has its basis in the renovation of the Newberry Opera House, which was completed in the spring of 1998 and the renovated Newberry Firehouse Conference Center (NFCC). The Newberry Opera House, a performing arts and entertainment center is owned by the City but leased to and under the control, operation, and management of the Newberry Opera House Foundation. The Newberry Opera House project is accomplishing what it was intended to do – namely, to serve as a catalyst for economic development. The addition of over thirty new businesses, seven restaurants, seventeen second-floor apartments, a 73-room hotel, and the stimulation of numerous public-private partnerships are evidence of the catalytic impact of the project. The NFCC is adjacent to the Newberry Opera House on McKibben Street, and its planned reuse as a state-of-the-art meeting and special event facility. The City of Newberry received a Community Development Block Grant (CDBG) from the S.C. Department of Commerce in September 2004 to assist with project funding. This 11,500 square foot facility features a warming kitchen, offices for staff, a main assembly space, a decorative lobby, four breakout meeting rooms, and an executive-styled boardroom. Since its opening in September of 2007, the Newberry Firehouse Conference Center has hosted over 500 events ranging from conferences and business meetings to wedding receptions and community gatherings. Despite the recent economic downturn, the Newberry Firehouse Conference Center continues to perform at a high level, and its performance is forecast to continue to improve during fiscal year 2013-2014.

During fiscal year 2008-2009, an exciting opportunity materialized for the City of Newberry and the residents of Oakland neighborhood. American Fiber & Finishing (AF&F) ceased operations within the Oakland Mill on Fair Avenue and sold the property to West Development of Newberry. Beginning in January of 2010, West Development, upon securing Federal funding for the preservation of the historic mill, rehabilitated and adapted it for mixed occupancy. The uses are to include Newberry College dormitories, market rate apartment units and amenities, to possibly include a wellness center, classrooms and complimentary light commercial activities. The first group of Newberry College students occupied the first two floors on the east side of the mill, which has been reserved for student housing, during the summer of 2011. During fiscal year 2011-2012, West Development completed the process of finishing out the student dormitory units on floors three and four of the east wing of the building. The City of Newberry has assisted the developer with the project through the services of a community development consultant currently under contract. Additionally, the City has pursued improvements within the Oakland neighborhood that are designed to create an environment that is conducive to the long-term success of the mill project and the sustained revitalization of the neighborhood. These improvements include \$1.2 million of water and wastewater upgrades, \$1.3 million of functional and aesthetic streetscape enhancements, and \$290,000 of distressed residential property acquisitions and clearances. This initiative is being underwritten by state and federal grants totaling \$2.2 million from the S.C. Department of Commerce and the S.C. State Housing Finance and Development Authority. Additionally, the City has facilitated \$24,000 of housing rehabilitation activity, which was funded by the S.C. State Housing Finance and Development Authority for qualifying owner-occupants, and has secured a \$500,000 Community Development Block Grant (CDBG) to complete the final phase of water and wastewater system upgrades in Oakland neighborhood. Those upgrades will be implemented in fiscal year 2013-2014.

**Long-term financial planning.** A continued emphasis on long range financial planning is a cornerstone of the City's success. Options and strategies introduced and continued in fiscal year 2013 include:

- Continued to promote revitalization and renewal in the City's downtown.
- Continued to monitor housing conditions, particularly in the area of rental housing, and housing needs in the City.
- Continued attention to long-range stabilization of the City's financial condition.
- Continued to promote sound economic development strategies and expansion of the City's utility system.
- Continued to monitor electric industry trends as an important factor in our strategic plan.
- Continued to improve the City's technology infrastructure.
- Continued to promote projects that enhance the quality of life for Newberry citizens.
- Monitored existing services to ensure that the service goals of City Council are met.

### **Relevant Financial Policies**

Newberry City Council formally adopted the City of Newberry's Statement of Financial Policies on June 14, 2011. The Statement of Financial Policies covers budget policies, revenue policies, expenditure policies, capital improvement program policies, capital reserve fund policies, debt policies, interfund transfers/borrowings policies, fund balance policies for the General Fund, and accounting, auditing, and financial reporting policies. Two of the most important changes contained in the Statement of Financial Policies are in the areas of budget policies and fund balance policies.

In fiscal year 2010-2011 the City Manager was provided with expanded authority whereby he may authorize the transfer of appropriations within any fund to achieve the goals of the budget provided that no such transfers increase the total appropriation of any fund. Previously, the City Manager's authority was limited to approval of line item transfers within any department only. The expanded authority will allow the City Manager to respond to events and opportunities which present themselves during the course of the fiscal year while still working to achieve the goals of the budget provided by City Council.

In the area of fund balance policies, the City heretofore had no stated policy. Under the Statement of Financial Policies dated June 14, 2011, the City will strive to maintain the fund balance of the General Fund such that the unassigned portion of fund balance is between 33.0 percent and 67.0 percent of the total audited General Fund expenditures for the most recently audited fiscal year. If, at the end of a fiscal year, the minimum fund balance policy is not met, the City Manager will submit a plan of corrective action to City Council within six months of notification of the shortfall. Unless directed otherwise by City Council, any amount in excess of the maximum will be transferred to the General Capital Reserve Fund, which is used to fund or finance the acquisition of new or replacement capital items. As of receipt of audited fiscal year 2013 information, the unassigned portion of the fund balance of the General Fund stood at 63.02 percent of the total audited General Fund expenditures.

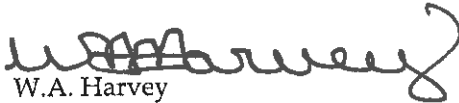
## Awards and Acknowledgements


The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Newberry for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2012. This was the twentieth consecutive year that the government has received 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.

The preparation of this document, our comprehensive annual financial report, was made possible by the dedicated work of many individuals. Our sincere appreciation is extended to all those who have contributed to this endeavor and to the City's Mayor and Council who have continuously encouraged excellence in financial reporting.

Sincerely,

  
W.A. Harvey  
City Manager

  
Shannon D. Smith  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Newberry  
South Carolina**

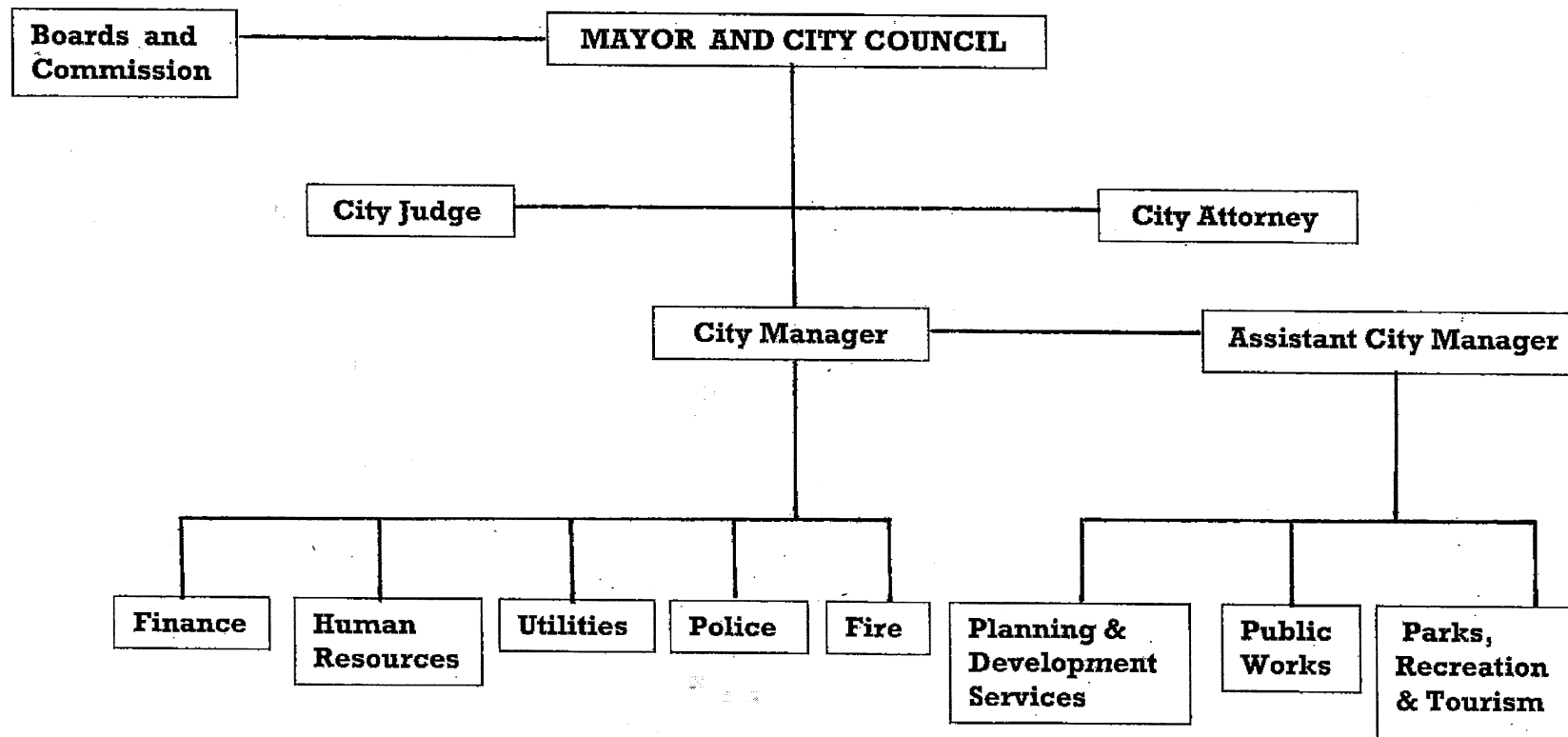
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

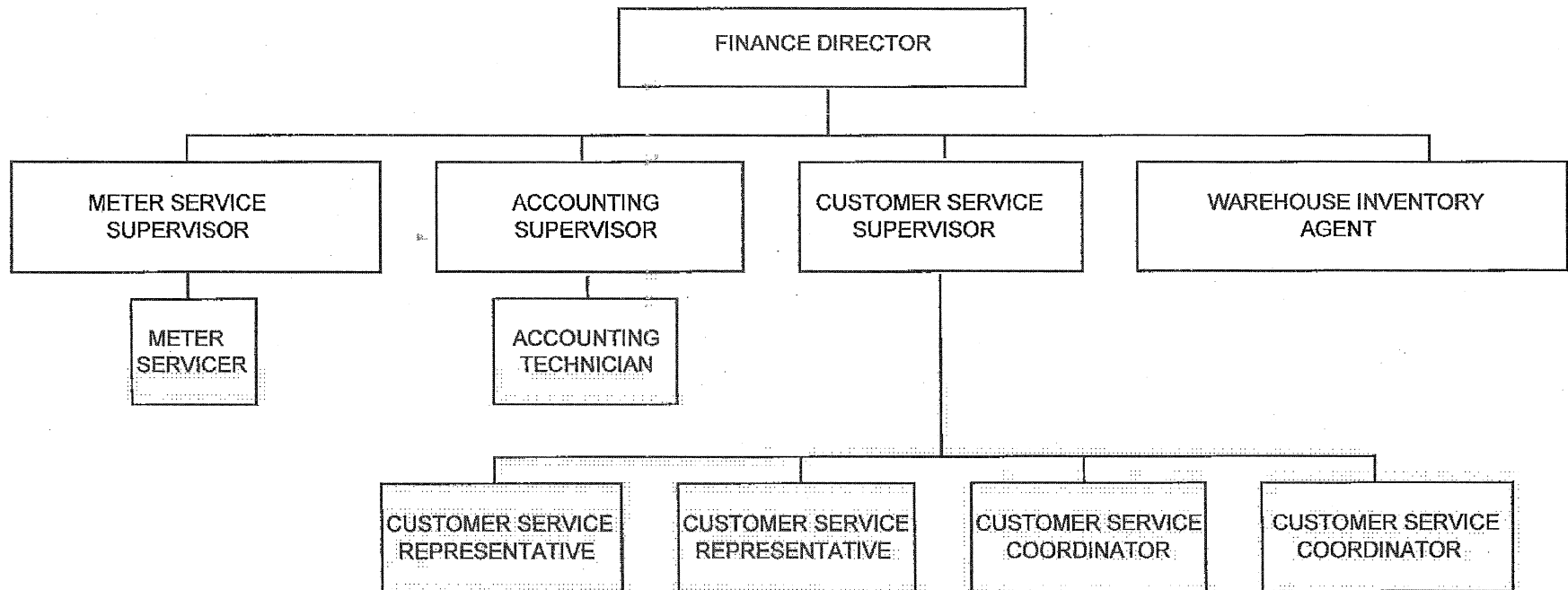


# **CITY OF NEWBERRY ORGANIZATION CHART**



**City of Newberry  
Finance Department  
Organizational Chart**

June 30, 2013



## CITY OF NEWBERRY, SOUTH CAROLINA

### List of Principal Officers

June 30, 2013

<u>Title</u>	<u>Name</u>
Mayor	G. Foster Senn, Jr.
Council Member, District 1	R. Lemont Glasgow
Council Member, District 2	Edwin E. Wicker
Council Member, District 3	Zebbie D. Goudelock
Council Member, District 4	David T. Force
Council Member, District 5	Thomas Louis Boyd
Council Member, District 6	David E. Dubose
City Manager	W.A. Harvey
City Attorney	Robert C. Lake, III
City Recorder	William F. Partridge
Assistant City Manager	Matthew T. DeWitt
City Clerk/Human Resources Director	Tina P. Wicker
Planning and Development Services Director	C. Ward Braswell
Finance Director	Shannon D. Smith
Fire Chief	Keith K. Minick
Utilities Director	Marc D. Regier
Police Chief	L. J. Swindler, Jr.
Public Works Director	Norris M. Bartley
Parks, Recreation, and Tourism Director	Scott S. Sawyer



## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council  
City of Newberry  
Newberry, South Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Newberry, South Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



To the Honorable Mayor and City Council  
City of Newberry  
November 25, 2013

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Newberry, South Carolina as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Newberry, South Carolina's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Honorable Mayor and City Council  
City of Newberry  
November 25, 2013

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*McKinley, Cooper & Co., LLC*

November 25, 2013



## **Management's Discussion and Analysis**

As management of the City of Newberry, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2013. 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 1-6 of this report, and the City of Newberry's financial statements and other information, which begin on page 27 of this report.

### **Financial Highlights**

Key financial highlights for fiscal year 2013 are as follows:

- The assets of the City of Newberry, including all governmental and business-type activities, exceeded its liabilities at the close of the most recent fiscal year by \$56,975,327 (net position), an increase from the previous fiscal year of \$497,708 or .87 percent. Of this amount, \$21,321,787 is considered unrestricted. Unrestricted net position does not include assets with externally imposed restrictions or restrictions imposed by law. The unrestricted net positions of the City's governmental activities are \$8,862,948. The unrestricted net position of the City's business-type activities are \$12,458,839 and may be used to meet the obligations of the City's combined public utility system consisting of electric, water, and sewer services.
- Revenues and other financing sources totaled \$9,930,185 and expenditures and other financing uses totaled \$9,626,028 for all governmental funds at the fund level. Accordingly, combined revenues and other financing sources exceeded expenditures and other financing uses by 3.1 percent (\$304,157). As of the close of fiscal year 2013, the City of Newberry's governmental funds reported combined ending fund balances of \$8,727,653. On a combined basis, approximately \$403,087 is considered nonspendable, \$1,767,069 is restricted for specific purposes, \$484,917 has been committed by City Council, \$910,662 has been assigned to specific purposes by management, and \$5,161,918 is unassigned at June 30, 2013.
- At the end of fiscal year 2013, unassigned fund balance for the general fund, the City's principal operating fund, was \$5,161,918, an increase of \$230,080 from the previous fiscal year.
- The City implemented several financial policies during fiscal year 2011, including a fund balance policy for the general fund. Under the fund balance policy, the City will strive to maintain the fund balance of the general fund such that the unassigned portion of fund balance is equal to a minimum of 33 percent of the total audited general fund expenditures for the previous fiscal year. The City will also strive to ensure that the maximum unassigned portion of the fund balance at any audited fiscal year-end not exceed 67 percent of the most recently audited fiscal year's general fund expenditures. For fiscal year 2013, the unassigned portion of fund balance of the City was 63.02 percent of general fund expenditures.

### **Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City'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 in addition to the basic financial statements themselves. Please

note that the City of Newberry implemented Governmental Accounting Standards Board Statement 34 (GASB 34) for the fiscal year ended June 30, 2003.

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are 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 the City of Newberry include general government; public safety; public works; parks, recreation, and tourism; community development; community promotions and projects; and interest on long-term debt. The business-type activity of the City of Newberry is the combined public utility system (electric, water, and sewer).

The government-wide financial statements include only the City itself (known as the primary government) because the City of Newberry has no component units. The government-wide financial statements can be found on pages 27 - 28 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. The City of Newberry, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Newberry can be divided into two categories: governmental funds and proprietary funds. Traditional users of governmental financial statements will find the fund financial statements familiar. However, under GASB 34, the focus is on major funds, rather than fund types as in pre-GASB 34 reports.

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 financing 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 government-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.

The City maintains fourteen 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 only, since no other governmental fund is considered to be a major fund. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided on pages 78-95 of this report. The City adopts an annual appropriated budget for most of its funds, including its general fund. Annual budgets are not adopted for the volunteer fire fund which can be used only as specified in South Carolina law and, in fiscal year 2013, for the federal equitable sharing fund which saw no activity during the period.

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, was issued in March 2009. This statement is effective for fiscal periods beginning after June 15, 2010. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the five existing governmental fund type definitions. Because of the newness of the post-GASB 54 reporting model, comparative numbers for all facets of this report are not available in the fiscal year 2013 report, particularly in the statistical section.

The basic governmental fund financial statements can be found on pages 29 - 32 of this report.

Proprietary funds. The City of Newberry maintains one enterprise fund, a type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide statements. The City of Newberry uses an enterprise fund to account for its combined public utility system, comprised of electric, water, and sewer operations which were legally combined into one combined public utility system in 1948. Proprietary funds provide the same types of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 34 - 37 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 38-61 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, the report also presents certain required supplementary information in the form of a general fund budgetary comparison. This comparison may be found on page 33 of this report.

Other information, including combined and individual fund statements and schedules, begin on page 62 of this report. Statistical tables that provide multi-year historical data begin on page 111.

## Government-wide Financial Analysis

The fiscal year 2013 Comprehensive Annual Financial Report (CAFR) is the eleventh City of Newberry report issued in compliance with Governmental Accounting Standards Board (GASB) Statement 34. Prior to the implementation of GASB 34 in fiscal year 2003, the City was required to report funds and account groups separately, with no meaningful consolidated statements to accurately reflect the operation and net position of the City as a whole. Under the GASB 34 model for fiscal year 2013, the government-wide statements found on pages 27-28 are reported using the economic resources measurement focus and the accrual basis of accounting, the common method of reporting in today's business world. Following the notes to the financial statements, report users will still find individual fund statements and combined statements in the format found in the City's previous comprehensive annual financial reports. Because of the newness of the post-GASB 34 reporting model, comparative numbers for all facets of this report are not available in the fiscal year 2013 report, particularly in the statistical section. When comparative numbers are accessible, they have been included. Comprehensive annual financial reports in years to come will contain more comparative data that will enable user's greater opportunity for comparative analysis.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Newberry, assets exceeded liabilities by \$56,975,327 for fiscal year 2013, an increase of \$497,708 in total net position from fiscal year 2012. Net position is reported in three categories: Invested in capital assets, net of related debt of \$33,629,689, restricted net position of \$2,023,851, and unrestricted net position of \$21,321,787.

The largest portion of the City's net position (59 percent) reflects its investment in capital assets (e.g. land, building, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Newberry'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.

The category of restricted net assets represents resources that are subject to restrictions that are externally imposed. At June 30, 2013, the City had \$10,000 restricted for the Japanese Gardens permanent fund, \$1,405,107 restricted for utility system debt service, and \$608,744 restricted for maintenance of the utility system.

The balance of unrestricted net assets (\$21,321,787) may be used to meet the City's ongoing obligations to its citizens and creditors.

The following table presents a summary of the City's net position as of June 30, 2013, with comparative data for fiscal year 2012.

**City of Newberry's Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 9,617,880	\$ 9,216,761	\$ 16,677,877	\$ 17,999,784	\$ 26,295,757	\$ 27,216,545
Capital assets	8,931,872	8,859,845	43,923,469	43,747,383	52,855,341	52,607,228
Total assets	18,549,752	18,076,606	60,601,346	61,747,167	79,151,098	79,823,773
Long-term liabilities outstanding	1,822,714	2,331,713	17,922,568	18,290,930	19,745,282	20,622,643
Other liabilities	388,649	305,374	2,041,840	2,418,137	2,430,489	2,723,511
Total liabilities	2,211,363	2,637,087	19,964,408	20,709,067	22,175,771	23,346,154
Net position:						
Invested in capital assets, net of related debt	7,465,441	6,905,766	26,164,248	25,406,140	33,629,689	32,311,906
Restricted	10,000	10,000	2,013,851	2,210,843	2,023,851	2,220,843
Unrestricted	8,862,948	8,523,753	12,458,839	13,421,117	21,321,787	21,944,870
Total net position	\$16,338,389	\$ 15,439,519	\$ 40,636,938	\$ 41,038,100	\$ 56,975,327	\$ 56,477,619

**(Remainder of Page Intentionally Blank)**

The following table shows a recap of revenues and expenses for fiscal year 2013, with comparative data for fiscal year 2012:

**City of Newberry's Statement of Activities**

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	<b>Total</b>
	<b>Activities</b>	<b>Activities</b>	<b>Activities</b>	<b>Activities</b>	<b>Total</b>	<b>Total</b>
	2013	2012	2013	2012	2013	2012
<b>Revenue:</b>						
Program revenues:						
Charges for Services	\$ 2,859,859	\$ 2,862,751	\$ 28,066,615	\$ 27,130,430	\$30,926,474	\$ 9,993,181
Operating grants and contributions	400,786	543,951	-	-	400,786	543,951
Capital grants and contributions	1,964	116,421	180,163	401,050	182,127	517,471
General Revenues:						
Taxes	3,361,392	3,201,711	-	-	3,361,392	3,201,711
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Other	1,338,980	1,004,785	222,443	2,993,589	1,561,423	3,998,374
Total revenues	7,962,981	7,729,619	28,469,221	30,525,069	36,432,202	38,254,688
<b>Expenses:</b>						
General government	1,642,800	1,670,245	-	-	1,642,800	1,670,245
Public safety	4,215,389	4,281,619	-	-	4,215,389	4,281,619
Public Works	1,611,683	1,443,578	-	-	1,611,683	1,443,578
Parks, Recreation, & Tourism	723,463	575,679	-	-	723,463	575,679
Community development	516,702	677,786	-	-	516,702	677,786
Community promotions and projects	114,612	87,180	-	-	114,612	87,180
Interest on long-term debt	56,824	74,523	-	-	56,824	74,523
Combined electric, water, and sewer utilities	-	-	27,053,021	24,910,631	27,053,021	24,910,631
Total expenses	8,881,473	8,810,610	27,053,021	24,910,631	35,934,494	33,721,241
<b>Increase(decrease) in net position before transfers</b>	(918,492)	(1,080,991)	1,416,200	5,614,438	497,708	4,533,447
<b>Transfers</b>	1,817,362	1,682,742	(1,817,362)	(1,682,742)	-	-
<b>Increase in net position</b>	898,870	601,751	(401,162)	3,931,696	497,708	4,533,447
<b>Net position, July 1</b>	15,439,519	14,837,768	41,038,100	37,106,404	56,477,619	51,944,172
<b>Net position, June 30</b>	\$ 16,338,389	\$ 15,439,519	\$ 40,636,938	\$ 41,038,100	\$56,975,327	\$ 56,477,619

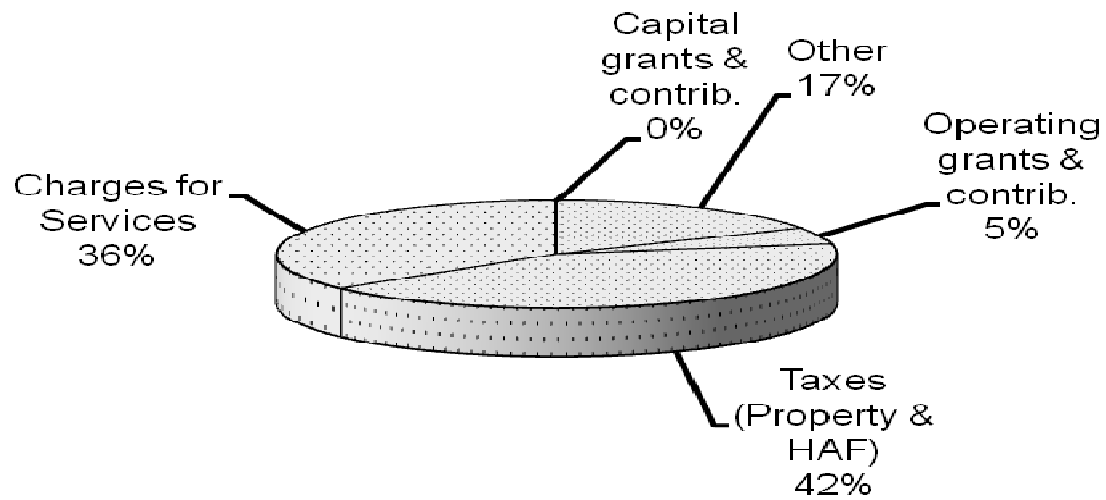
**Governmental activities.** Governmental activities increased the City's net position by \$898,870. Compared to governmental activity expenses (\$8,881,473), tax-related revenues (\$3,361,392) covered approximately 37.8 percent, and program revenues (\$3,262,609) covered approximately 36.7 percent. Public Safety activities accounted for the greatest percentage of governmental activities at 47.5 percent. The City was the recipient of grants and contributions in the amount of \$402,750 used to accomplish upgrades and projects. City departments continued to use budgeted funds effectively. Signs of recovery from the economic recession were visible: (1) business licenses showed an increase of 8.02 percent compared to fiscal year 2012 and a 13.5 percent increase when compared to fiscal year 2011; (2) building permits showed a 10.9 percent increase when compared to fiscal year 2012 and a 70 percent increase when compared to fiscal year 2011.

Most revenue sources met expectations, with the largest variance being associated with court fines.

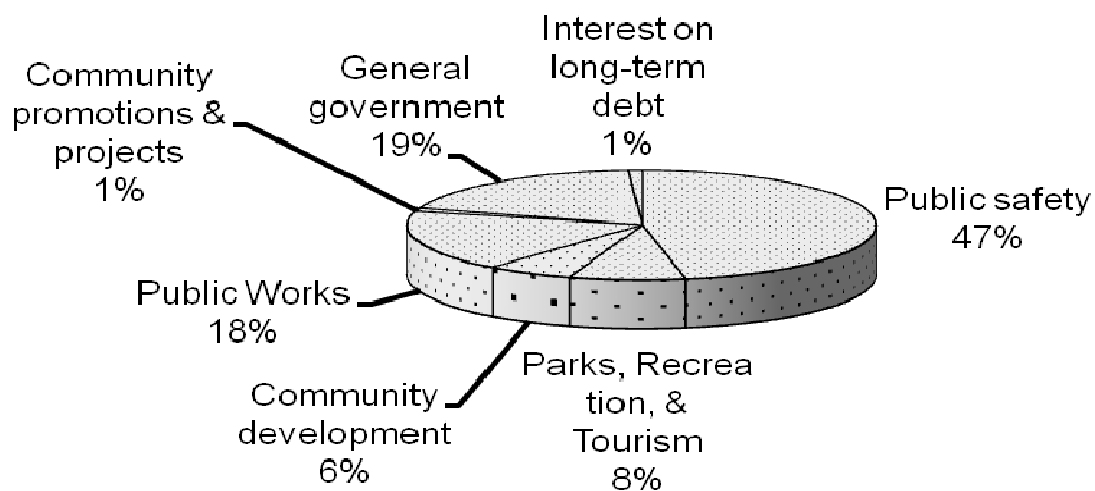
The graphs on the next page show breakdowns by percentages of governmental revenues and expenses.

**(Remainder of Page Intentionally Blank)**

## Governmental Revenues Fiscal Year 2013



## Governmental Expenses Fiscal Year 2013





**Business-type activities.** The sole component of the City's business-type activities is the utility enterprise fund, a combined public utility consisting of electric, water, and sewer services. The total of charges for services, capital grants and contributions, and other general revenue sources at \$28,469,221 were less than total expenses and outgoing transfers of \$28,870,383 yielding a negative change in net position of \$401,162 for fiscal year 2013. Of note is the purchase of electricity line item at \$17,176,358, which translates to 63.5 percent of all business-type expenses of \$27,053,021. The size of the purchase of electricity line item can be further appreciated by noting that this single line item is 50.9 percent of total primary government expenses.

- A major factor in the \$401,162 decrease in net position was that the nondepartmental expenses increased \$1,004,341. The City's electric supplier, Piedmont Municipal Power Agency, implemented an aggregate wholesale electric rate adjustment of 5.9 percent, effective May 1, 2012.
- Small increases in units sold in fiscal year 2013 as compared to fiscal year 2012 were reflected in electric kilowatt-hours (up 1.54 percent). Treated sewer cubic feet and water cubic feet showed a decrease, however, of 1.46 percent and 4.15 percent respectively in fiscal year 2013 when compared to fiscal year 2012. Units sold changes were primarily due to weather conditions.
- Fiscal year 2013 saw federal grants revenue in the amount of \$180,163 for the purpose of capital upgrades of the water and sewer systems in the Oakland Mill and West End sections of the City. This represented a \$220,887 decrease in federal grants revenue when compared to fiscal year 2012.
- Fiscal year 2013 saw the receipt of \$450,910 in loan proceeds from the State Revolving Fund for the purpose of capital upgrades/expansion at the City's wastewater treatment plant, compared to \$4,170,275 in fiscal year 2012.

## **Financial Analysis of the Government's Funds**

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

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Newberry's financing requirements. In fiscal year 2011, GASB 54 was implemented which established five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned. The total of the last three components, which include only resources without a constraint on spending or for which the constraint on spending is imposed by the government itself, may be termed unrestricted fund balance.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$8,727,653. The City's general fund, with an ending fund balance of \$6,115,297 amounts to 70.1 percent of the total ending fund balance of all governmental funds.

The general fund is the chief operating fund of the City of Newberry. At the end of fiscal year 2013, the unassigned fund balance of the general fund was \$5,161,918, representing 84.4 percent of the total fund balance in the general fund. As a measure of the general fund's liquidity, it may be useful to compare the unassigned portion of fund balance to total fund expenditures. Unassigned fund balance of \$5,161,918 represents 63.02 percent of total general fund expenditures (\$8,190,392).

**Proprietary fund.** As previously stated, the City of Newberry's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the combined public utility system (electric, water, and sewer operations) at the end of the fiscal year amounted to \$12,458,839 or 30.7 percent of total proprietary fund net position in the amount of \$40,636,938. The City's largest component of proprietary fund net assets is our investment in capital assets, net of related debt, at \$26,164,248, or 64.4 percent of total net position. Net position restricted for debt service as compared to total net position remained unchanged from fiscal year 2012 at 3.5 percent. Important information related to the State Revolving fund loan is found under the capital assets and debt administration topic found later in this management's discussion and analysis and in the notes to the financial statements. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Newberry's business-type activities.

### **General Fund Budgetary Highlights**

The City's original expenditure budget increased by \$611,520 during fiscal year 2013 to reach the final expenditure budget of \$8,758,560. On the expenditure budget side, the largest increase by department of \$497,505 was recorded in the Parks, Recreation, and Tourism department, in large part due to the \$331,500 increase in the Vincent Street Park Basketball line item. Other line items that contributed to the increase were the T-Ball Training Field Upgrades and the Youth Football Field Upgrades. The largest budgetary expenditure decrease (\$27,000) was in the non-departmental general insurance department, primarily due to credits received on insurance premiums. There were no budgetary revenue increases or decreases in fiscal year 2013.

During the fiscal year, actual revenues collected exceeded the budget by \$350,476, with the largest variance occurring in the business license line item due to an unexpected slowly growing economy. Conversely, actual expenditures were under budget by \$568,168, with the largest variances seen in the police department related to salaries and wages. In summary, revenues and other financing sources were 5.9 percent in excess of budgetary estimates and expenditures and other financing uses were 6.5 percent less than budgetary estimates, thus adding \$206,749 to fund balance instead of using \$698,090 from existing fund balance as reflected in the final budget.

### **Capital Assets and Debt Administration**

**Capital assets.** Prior to implementation of GASB 34 in fiscal year 2003, the City's non-utility capital assets (including infrastructure assets such as streets, sidewalks and bridges) had not been reported nor depreciated in governmental financial statements. Under GASB 34, the City is required to value and report on all non-utility capital assets within the governmental column of the government-wide statements. In compliance with GASB 34, the City of Newberry elected to depreciate capital assets over their estimated useful life. Utility enterprise capital assets continue to be depreciated over their estimated useful life as was done under pre-GASB 34 reports. During FY 2002, the City of Newberry increased its Capital Asset Capitalization Threshold. The new definition increased the monetary threshold on non-infrastructure capital assets from \$1,000 to \$5,000 and the useful life required from 1 to 2 years. The new definition also recognized infrastructure capital assets with a higher monetary threshold of \$10,000.

At the end of fiscal year 2013, the City had a combined total of capital assets of \$52,855,341 (net of accumulated depreciation), an increase of \$248,113 when compared to the previous fiscal year. This investment in capital assets includes land, buildings and improvements, machinery and equipment, utility (electric, water and sewer) facilities, streets, sidewalks and bridges.

Major capital asset events during the current year include the following:

**Governmental Activities -**

\$135,206 for a leaf collection machine in the public works department

**Business-type Activities -**

\$897,735 for the construction of an electric substation

The following table shows a recap of the City's capital assets, net of accumulated depreciation, for fiscal year 2013, with comparative data for fiscal year 2012.

**City of Newberry's Capital Assets (Net of Depreciation)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	2013	2012	2013	2012	2013	2012
Land and improvements	\$ 720,289	\$1,717,352	\$ 393,335	\$ 96,703	\$ 2,113,624	\$2,114,055
Buildings, improvements and fixtures	5,212,964	5,050,449	11,860,483	12,395,630	17,073,447	17,446,079
Streets, sidewalks and bridges	833,450	660,449	-	-	833,450	660,449
Motor vehicles and equipment	769,748	906,455	177,610	256,001	947,358	1,162,456
Office furniture and equipment	33,696	39,391	87,504	94,576	121,200	133,967
Other equipment	361,725	485,749	391,512	188,205	753,237	673,954
Traffic controls and fire alarm system	-	-	1	1	1	1
Street Lighting	-	-	66,789	90,086	66,789	90,086
Electric distribution system	-	-	3,414,445	3,046,573	3,414,445	3,046,573
Water distribution system	-	-	10,347,988	10,391,139	10,347,988	10,391,139
Sewer collection system	-	-	15,860,643	16,610,623	15,860,643	16,610,623
Construction in progress	-	-	1,323,159	277,846	1,323,159	277,846
<b>Total</b>	<b>\$8,931,872</b>	<b>\$8,859,845</b>	<b>\$43,923,469</b>	<b>\$43,747,383</b>	<b>\$52,855,341</b>	<b>\$52,607,228</b>

Additional information on the City's capital assets can be found in Note 5 beginning on page 46 of this report.

**Debt Administration.** At the end of fiscal year 2013, the City of Newberry had total debt outstanding (bonds, notes, capital leases) of \$19,214,792. No part of this amount comprises debt backed by the full faith and credit of the government. All of the City's bonded debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds and tax increment bonds).

The following table shows a recap of the City's outstanding debt for fiscal year 2013, with comparative data for fiscal year 2012:

**City of Newberry's Outstanding Debt**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	2013	2012	2013	2012	2013	2012
Tax increment financing bonds	\$ 281,196	\$ 557,406	\$ -	\$ -	\$ 281,196	\$ 557,406
Revenue bonds, loan	-	-	17,748,361	18,131,243	17,748,361	18,131,243
Capital leases	1,185,235	1,396,673	-	-	1,185,235	1,396,673
<b>Total</b>	<b>\$1,466,431</b>	<b>\$1,954,079</b>	<b>\$17,748,361</b>	<b>\$18,131,243</b>	<b>\$19,214,792</b>	<b>\$20,085,322</b>

A newly issued capital lease of \$135,206 was for the purchase of a leaf collection machine in the public works department. The majority of the debt in the business-type activities was related to the rehabilitation and expansion of the City's wastewater treatment plant financed primarily by a State Revolving Fund loan not to exceed \$19,236,065, plus capitalized interest. This project was completed during fiscal year 2013.

The City of Newberry was last rated by the rating agencies on its uninsured revenue debt in May 1988 and received a "Baa1" rating from Moody's Investor's Service and an "A-" from Standard and Poor's Corporation. The 2003 Combined Public Utility System Refunding Revenue Bond was issued in August 2003 and immediately paid off the 1995 State Revolving Fund Loan and, in October 2003, called and paid off the 1993 Utility Revenue Bond. The pledge for the Tax Increment Revenue (TIF) Bonds is the incremental increase in tax revenue from the tax increment district and available revenues from the Newberry Opera House Foundation, a separate non-profit corporation.

State statutes limit the amount of general obligation debt a governmental entity may issue, without a referendum, to 8 percent of its total assessed valuation. For fiscal year 2013, the debt limitation for the City is \$2,034,214, of which none is presently obligated.

Additional information on the City of Newberry's long-term debt as reported for fiscal year 2013 can be found in Note 7 beginning on page 48 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

At June 30, 2013, unemployment for Newberry County stood at 8.1 percent versus 9.6 percent at June 30, 2012. In comparison, the state's unemployment rate at June 30, 2013 was 8.1 percent and the national rate was 7.6 percent. Fiscal year 2013 data from the City of Newberry hospitality and accommodations fund also showed improvement when compared to fiscal year 2012 data. Hospitality gross sales increased 3.3 percent, from \$27.504 million for the year ended June 30, 2012, to \$28.412 million for the year ended June 30, 2013. Accommodations gross sales also showed an increase from \$3.195 million for the year ended June 30, 2012, to \$3.523 million for the year ended June 30, 2013, or 10.2 percent.

The City of Newberry began the budgetary process in January 2013, at which time the uncertain economic conditions forecast for fiscal year 2014 were considered. A general operating tax of 85.3 mills was approved by City Council. Additionally, a general capital reserve tax rate of 1.1 mills was levied to be used to fund or finance the acquisition of new or replacement capital items as approved by City Council.

At June 30, 2013, the unassigned fund balance of the general fund was \$5,161,918. The City of Newberry has appropriated \$38,265 of fund balance for spending in the FY 2014 original budget. The use of fund balance is being carefully monitored by City administration during the annual budgetary process to prevent dependency on one-time revenues to financially support recurring expenditures.

In the City's utility enterprise fund, City Council increased overall electric rates by approximately 6.70% effective on the July 1, 2013 billing. The electric rate change was necessary primarily to offset a wholesale electric cost increase to the City. The rate increases also continued the City's goal of having each service type (electric, water, and sewer) function in a self-supporting manner. No water or sewer rate change was made.

## **Requests for Information**

This financial report is designed to provide a general overview of the City of Newberry'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 financial information should be addressed to the Finance Director, City of Newberry, P.O. Box 538, Newberry, South Carolina 29108.



## **BASIC FINANCIAL STATEMENTS**





## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**CITY OF NEWBERRY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 8,780,182	\$ 9,636,606	\$ 18,416,788
Receivables (net of allowances for uncollectibles)			
Taxes	176,958	-	176,958
Accounts	-	3,631,406	3,631,406
Grants	1,964	46,039	48,003
Intergovernmental	86,010	167,248	253,258
Other	126,887	3,833	130,720
Internal receivables (payable)	42,792	(42,792)	-
Inventories	48,087	1,081,084	1,129,171
Notes receivable	355,000	-	355,000
Restricted assets			
Cash and cash equivalents	-	2,013,851	2,013,851
Note receivable - Newberry Opera House Foundation	-	49,008	49,008
Capital assets			
Land and construction in progress	785,620	1,643,503	2,429,123
Other capital assets, net of accumulated depreciation	8,146,252	42,279,966	50,426,218
Bond issuance cost (net of accumulated amortization)	-	91,594	91,594
<b>Total Assets</b>	<b>18,549,752</b>	<b>60,601,346</b>	<b>79,151,098</b>
<b>Liabilities</b>			
Accounts payable	48,139	1,890,229	1,938,368
Due to other government agencies	20,878	-	20,878
Accrued salaries and payroll liabilities	316,248	100,367	416,615
Retainage payable	-	10,860	10,860
Accrued interest payable	3,384	40,384	43,768
Long-term liabilities			
Due within one year	811,828	849,503	1,661,331
Due in more than one year	1,010,886	17,073,065	18,083,951
<b>Total Liabilities</b>	<b>2,211,363</b>	<b>19,964,408</b>	<b>22,175,771</b>
<b>Net Position</b>			
Investment in capital assets, net of related debt	7,465,441	26,164,248	33,629,689
Restricted for			
Expendable			
Debt service	-	1,405,107	1,405,107
Maintenance	-	608,744	608,744
Nonexpendable			
Permanent Fund	10,000	-	10,000
Unrestricted	8,862,948	12,458,839	21,321,787
<b>Total Net Position</b>	<b>\$ 16,338,389</b>	<b>\$ 40,636,938</b>	<b>\$ 56,975,327</b>

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

**CITY OF NEWBERRY**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2013**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
	Expenses						
<b>Governmental Activities</b>							
General Government	\$ 1,642,800	\$ 1,575,674	\$ -	\$ -	\$ (67,126)	\$ -	\$ (67,126)
Public safety	4,228,150	610,677	157,277	1,964	(3,458,232)	-	(3,458,232)
Public works	1,611,683	617,555	-	-	(994,128)	-	(994,128)
Parks, recreation, and tourism	723,463	39,149	21,360	-	(662,954)	-	(662,954)
Community development	516,702	-	222,149	-	(294,553)	-	(294,553)
Community promotion and projects	101,851	16,804	-	-	(85,047)	-	(85,047)
Interest on long-term debt	56,824	-	-	-	(56,824)	-	(56,824)
<b>Total Governmental Activities</b>	8,881,473	2,859,859	400,786	1,964	(5,618,864)	-	(5,618,864)
<b>Business-Type Activities</b>							
Utility system	27,053,021	28,066,615	-	180,163	-	1,193,757	1,193,757
<b>Total Primary Government</b>	<u>\$ 35,934,494</u>	<u>\$ 30,926,474</u>	<u>\$ 400,786</u>	<u>\$ 182,127</u>	<u>(5,618,864)</u>	<u>1,193,757</u>	<u>(4,425,107)</u>
<b>General Revenues</b>							
Taxes							
Property taxes, levied for general purposes					2,255,709	-	2,255,709
Property taxes, levied for debt service					425,102	-	425,102
Local hospitality and accommodations fee					680,581	-	680,581
Intergovernmental revenue					1,112,994	219,299	1,332,293
Interest revenue					5,363	3,144	8,507
Miscellaneous					220,623	-	220,623
<b>Transfers</b>					1,817,362	(1,817,362)	-
<b>Total General Revenues and Transfers</b>					6,517,734	(1,594,919)	4,922,815
<b>Change in Net Position</b>					898,870	(401,162)	497,708
<b>Net Position, beginning</b>					15,439,519	41,038,100	56,477,619
<b>Net Position, ending</b>					<u>\$ 16,338,389</u>	<u>\$ 40,636,938</u>	<u>\$ 56,975,327</u>

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

## **FUND FINANCIAL STATEMENTS**

**CITY OF NEWBERRY**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2013**

	<u>General</u>	<u>Other Governmental</u>	<u>Totals June 30, 2013</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 6,155,327	\$ 2,624,855	\$ 8,780,182
Receivables (net of allowance for uncollectibles)			
Taxes	129,807	47,151	176,958
Grants	1,964	-	1,964
Intergovernmental	47,605	38,405	86,010
Interest and other	65,205	61,682	126,887
Notes receivable	-	355,000	355,000
Due from other funds	152,194	13,960	166,154
Inventories	48,087	-	48,087
<b>Total Assets</b>	<u>\$ 6,600,189</u>	<u>\$ 3,141,053</u>	<u>\$ 9,741,242</u>
<b>Liabilities</b>			
Accounts payable	\$ 33,537	\$ 14,602	\$ 48,139
Intergovernmental	20,878	-	20,878
Accrued salaries and payroll liabilities	316,248	-	316,248
Due to other funds	2,438	120,924	123,362
Deferred revenue	111,791	393,171	504,962
<b>Total Liabilities</b>	<u>484,892</u>	<u>528,697</u>	<u>1,013,589</u>
<b>Fund Balances</b>			
Nonspendable	48,087	355,000	403,087
Restricted	-	1,767,069	1,767,069
Committed	-	484,917	484,917
Assigned	905,292	5,370	910,662
Unassigned	5,161,918	-	5,161,918
<b>Total Fund Balances</b>	<u>6,115,297</u>	<u>2,612,356</u>	<u>8,727,653</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 6,600,189</u>	<u>\$ 3,141,053</u>	<u>9,741,242</u>

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

**CITY OF NEWBERRY**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE**  
**SHEET WITH THE STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

<b>Fund Balance - Governmental Funds</b>	\$	8,727,653
--	----	-----------

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital Assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds.

The cost of capital assets is	18,178,212	
Accumulated depreciation is	(9,246,340)	
		8,931,872

Long-term liabilities, including bonds payable and capital lease obligations, are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds balance sheet. Long-term liabilities at year end consist of:

Accrued interest payable	(3,384)	
Compensated absences payable	(339,220)	
Other post-employment benefits obligation	(17,063)	
Capital lease obligations	(1,185,235)	
Revenue bonds payable	(281,196)	
		(1,826,098)

Deferred revenue is not a liability in governmental activities		504,962
--	--	---------

<b>Total Net Position - Governmental Activities</b>	<b>\$</b>	<b>16,338,389</b>
---	-----------	-------------------

**CITY OF NEWBERRY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2013**

	General	Other Governmental Funds	Total Governmental Funds June 30, 2013
<b>Revenues</b>			
Taxes	\$ 2,245,345	\$ 425,102	\$ 2,670,447
Licenses, permits and franchise fees	1,575,674	-	1,575,674
Fines, forfeitures and penalties	557,148	38,647	595,795
Charges for services	656,704	697,385	1,354,089
Intergovernmental	1,190,932	339,694	1,530,626
Miscellaneous	58,624	167,362	225,986
<b>Total Revenues</b>	<b>6,284,427</b>	<b>1,668,190</b>	<b>7,952,617</b>
<b>Expenditures</b>			
General government	682,621	-	682,621
Public safety	3,206,291	85,591	3,291,882
Public works	1,414,559	-	1,414,559
Parks, recreation, and tourism	973,617	-	973,617
Community development	-	640,010	640,010
Non-departmental	1,636,339	278,999	1,915,338
Debt service			
Principal	262,576	360,278	622,854
Interest	14,389	45,758	60,147
<b>Total Expenditures</b>	<b>8,190,392</b>	<b>1,410,636</b>	<b>9,601,028</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(1,905,965)</b>	<b>257,554</b>	<b>(1,648,411)</b>
<b>Other Financing Sources (Uses)</b>			
Capital leases	135,206	-	135,206
Transfers in (out)			
Permanent fund	(1,550)	1,550	-
Special revenue funds	161,696	(136,696)	25,000
Utility system fund	1,817,362	-	1,817,362
Debt service fund	-	(25,000)	(25,000)
<b>Total Other Financing Sources (Uses)</b>	<b>2,112,714</b>	<b>(160,146)</b>	<b>1,952,568</b>
<b>Net Change in Fund Balances</b>	<b>206,749</b>	<b>97,408</b>	<b>304,157</b>
<b>Fund Balances, beginning</b>	<b>5,908,548</b>	<b>2,514,948</b>	<b>8,423,496</b>
<b>Fund Balances, ending</b>	<b>\$ 6,115,297</b>	<b>\$ 2,612,356</b>	<b>\$ 8,727,653</b>

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



**CITY OF NEWBERRY**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2013**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 304,157</b>
Amounts reported for Governmental Activities in the Statement of Activities are different because (see Note 1, also)	
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over the estimated useful lives as annual depreciation expense in the Statement of Activities. This is the amount by which depreciation exceeded capital outlays in the period.	
Depreciation expense	\$ (815,078)
Capital outlay	<u>898,467</u>
	83,389
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position.	(11,362)
Principal payments on capital leases are expenditures in the governmental funds, but they reduce long-term liabilities in the Statement of Net Position and do not affect the Statement of Activities.	346,644
In the Statement of Activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for this item are measured by the amount of financial resources used. This is the decrease in compensated absences.	23,167
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 the governmental funds. This is the increase in liability of other post-employment benefits.	(1,816)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. 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 of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	276,210
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as interest accrues, regardless of when due. Interest on bonds decreased by:	3,323
Issuance of capital lease debt is reported as other financing sources in the governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities.	(135,206)
Deferred revenue is recorded in governmental funds as a reduction in revenue. Deferred revenue is not recorded in the Statement of Activities, therefore, revenue is different by:	<u>10,364</u>
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 898,870</u></b>

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

**CITY OF NEWBERRY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**YEAR ENDED JUNE 30, 2013**

Revenues	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Taxes	\$ 2,101,407	\$ 2,101,407	\$ 2,245,345	\$ 143,938
Licenses, permits and franchise fees	1,357,617	1,357,617	1,575,674	218,057
Fines and forfeitures	627,033	627,033	557,148	(69,885)
Charges for services	643,500	643,500	656,704	13,204
Intergovernmental	1,184,894	1,184,894	1,190,932	6,038
Miscellaneous	19,500	19,500	58,624	39,124
<b>Total Revenues</b>	<b>5,933,951</b>	<b>5,933,951</b>	<b>6,284,427</b>	<b>350,476</b>
<b>Expenditures</b>				
General government				
City council	79,408	82,150	75,139	7,011
City manager	216,883	241,595	230,074	11,521
Human resources	93,515	96,101	93,558	2,543
Finance	124,426	126,671	114,671	12,000
City hall	31,471	31,471	29,213	2,258
Planning and development	165,440	155,745	139,966	15,779
Public safety				
Police department	1,850,147	1,917,815	1,793,871	123,944
Justice and Law	494,941	502,294	440,223	62,071
Fire department	990,033	1,025,859	972,197	53,662
Public works				
Public works administration	134,362	139,057	129,435	9,622
Streets	702,160	697,689	602,838	94,851
Sanitation	509,484	524,961	501,982	22,979
Building maintenance	44,561	45,668	44,369	1,299
Garage	139,207	143,718	135,935	7,783
Parks, recreation, and tourism				
Parks, recreation, and tourism	496,930	994,435	973,617	20,818
Non-departmental				
General insurance	107,717	80,717	68,971	11,746
Employee benefits	1,564,655	1,550,914	1,452,756	98,158
Community promotions and projects	121,393	121,393	114,612	6,781
Capitalized lease payments	280,307	280,307	276,965	3,342
<b>Total Expenditures</b>	<b>8,147,040</b>	<b>8,758,560</b>	<b>8,190,392</b>	<b>568,168</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(2,213,089)</b>	<b>(2,824,609)</b>	<b>(1,905,965)</b>	<b>918,644</b>
<b>Other Financing Sources (Uses)</b>				
Capital leases	150,000	150,000	135,206	(14,794)
Transfers in (out)				
Japanese Gardens fund	(1,550)	(1,550)	(1,550)	-
State accommodations tax fund	27,207	27,207	28,196	989
Local hospitality/accommodations fund	133,500	133,500	133,500	-
Victim's Assistance fund	-	-	-	-
Utility system	1,817,362	1,817,362	1,817,362	-
<b>Total Other Financing Sources (Uses)</b>	<b>2,126,519</b>	<b>2,126,519</b>	<b>2,112,714</b>	<b>(13,805)</b>
<b>Net Change in Fund Balances</b>	<b>(86,570)</b>	<b>(698,090)</b>	<b>206,749</b>	<b>904,839</b>
<b>Fund Balances, beginning</b>	<b>5,908,548</b>	<b>5,908,548</b>	<b>5,908,548</b>	<b>-</b>
<b>Fund Balances, ending</b>	<b>\$ 5,821,978</b>	<b>\$ 5,210,458</b>	<b>\$ 6,115,297</b>	<b>\$ 904,839</b>

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

**CITY OF NEWBERRY  
PROPRIETARY FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2013**

**Assets**

**Current Assets**

Cash and cash investments	\$ 9,636,606
Receivables (net of allowances for uncollectibles)	
Accounts	3,631,406
Grants	46,039
Intergovernmental	167,248
Other	3,833
Inventory	1,081,084
Restricted assets	
Cash and cash investments	785,359

**Total Current Assets**

15,351,575

**Noncurrent Assets**

Capital Assets	
Land and land improvements	437,589
Buildings and fixtures	14,920,533
Office furniture and equipment	211,010
Traffic controls and fire alarm system	185,112
Street Lighting	455,238
Other equipment	722,424
Motor vehicles and equipment	2,197,258
Electric distribution system	11,718,731
Water distribution system	20,826,983
Sewer collection system	31,907,627
Construction in progress	1,323,159

<b>Totals</b>	84,905,664
Less accumulated depreciation	<u>(40,982,195)</u>

**Total Capital Assets** 43,923,469

Bond Issuance Cost 91,594

Restricted Assets

Cash and cash investments	1,228,492
Note receivable - Newberry Opera House Foundation	<u>49,008</u>

**Total Noncurrent Assets**

45,292,563

**Total Assets**

60,644,138

(Continued)

**CITY OF NEWBERRY**  
**PROPRIETARY FUND**  
**STATEMENT OF NET POSITION (CONTINUED)**  
**JUNE 30, 2013**

**Liabilities**

**Current Liabilities**

Accounts payable	\$ 1,890,229
Accrued salaries payable	100,367
Compensated absences payable	104,528
Retainage payable	10,860
Due to other funds	42,792
Accrued interest payable	40,384
Revenue bonds payable	40,016
Loans payable	704,959

<b>Total Current Liabilities</b>	2,934,135
----------------------------------	-----------

**Noncurrent Liabilities**

Loans payable	16,852,093
Revenue bonds payable	151,293
Compensated absences payable	61,226
Other post-employment benefit obligation	8,453

<b>Total Noncurrent Liabilities</b>	17,073,065
-------------------------------------	------------

<b>Total Liabilities</b>	20,007,200
--------------------------	------------

**Net Position**

Invested in Capital Assets, Net of Related Debt	26,164,248
---	------------

Restricted for	
Debt service	1,405,107
Maintenance	608,744

Unrestricted	12,458,839
--------------	------------

<b>Total Net Position</b>	\$ 40,636,938
---------------------------	---------------

**CITY OF NEWBERRY  
PROPRIETARY FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION  
YEAR ENDED JUNE 30, 2013**

	<b>Business - Type Activities</b>
	<b>Electric, Water, and Sewer</b>
<b>Operating Revenues</b>	
Charges for sales and services	\$ 27,896,406
Miscellaneous	170,209
<b>Total Operating Revenues</b>	<b>28,066,615</b>
<b>Operating Expenses</b>	
Costs of sales and services	22,979,472
Administration	530,770
Depreciation	3,035,720
<b>Total Operating Expenses</b>	<b>26,545,962</b>
<b>Operating Income</b>	<b>1,520,653</b>
<b>Nonoperating Revenues (Expenses)</b>	
Interest revenue	3,144
Interest expense, bank management fees and amortization	(507,059)
County sales tax	219,299
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(284,616)</b>
<b>Income Before Capital Contributions and Transfers</b>	<b>1,236,037</b>
Capital Contributions	180,163
<b>Transfers In (Out)</b>	
General fund	(1,817,362)
<b>Change in Net Position</b>	<b>(401,162)</b>
<b>Net Position, beginning</b>	<b>41,038,100</b>
<b>Net Position, ending</b>	<b>\$ 40,636,938</b>

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

**CITY OF NEWBERRY  
PROPRIETARY FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2013**

<b>Cash Flows from Operating Activities</b>	
Receipts from customers	\$ 27,480,260
Purchase of electricity	(17,176,358)
Payments to suppliers	(4,303,210)
Payments to employees	(1,867,664)
	<hr/>
<b>Net Cash Provided by Operating Activities</b>	<hr/> 4,133,028 <hr/>
<b>Cash Flows from Noncapital Financing Activities</b>	
Transfers in (out)	(1,817,362)
	<hr/>
<b>Net Cash Used in Noncapital Financing Activities</b>	<hr/> (1,817,362) <hr/>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Acquisition and construction of capital assets	(3,713,845)
Subsidy from federal grants	161,060
Proceeds from capital debt	1,403,824
County sales tax	219,299
Principal payments on bonds and notes payable	(1,294,044)
Interest and other fees paid	(499,860)
	<hr/>
<b>Net Cash Used in Capital and Related Financing Activities</b>	<hr/> (3,723,566) <hr/>
<b>Cash Flows from Investing Activities</b>	
Interest on investments	3,144
Principal payments received on notes receivable	2,000
	<hr/>
<b>Net Cash Provided by Investing Activities</b>	<hr/> 5,144 <hr/>
<b>Net Decrease in Cash</b>	(1,402,756)
<b>Cash and Cash Investments, beginning</b>	<hr/> 13,053,213 <hr/>
<b>Cash and Cash Investments, ending</b>	<hr/> \$ 11,650,457 <hr/>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
Operating income	\$ 1,520,653
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation expense	3,035,720
Changes in assets and liabilities	
Receivables, net	(586,355)
Inventories	15,445
Accounts payable	112,435
Accrued expenses and due to other funds	35,130
	<hr/>
<b>Net Cash Provided by Operating Activities</b>	<hr/> \$ 4,133,028 <hr/>
<b>Noncash Capital Activities</b>	
Acquisition of capital assets on account	\$ 2,300,644
	<hr/>

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

## CITY OF NEWBERRY

### NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2013

#### **Note 1 – Summary of Significant Accounting Policies**

The City of Newberry adopted the Council-Manager form of government in 1948. The Mayor is elected for a term of four years, and the six Council members serve four year staggered terms. City Council appoints the City Manager to serve as the City's chief administrative officer. The City Manager is responsible for implementing the policies of the City Council, directing business and administrative procedures and appointing departmental officials and certain other City employees. At present the City Manager is assisted by ten staff departments: Economic Development; Public Works; Planning and Development; Parks, Recreation, and Tourism under the direction of the Assistant City Manager; Fire; Police; Utilities; Finance; Human Resources; and Information Services.

The financial statements of the City of Newberry, South Carolina, have been prepared in accordance with accounting principles generally accepted in the United States of America, as applied to governmental units (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The City adopted the following new Governmental Accounting Standards Board (GASB) pronouncements for the year ended June 30, 2013:

***GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements"***. The objective of this statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued before November 30, 1989, which does not conflict with or contradict GASB pronouncements: 1) Financial Accounting Standards Board (FASB) Statements and Interpretations, 2) Accounting Principles Board Opinions, and 3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. The City implemented Statement No. 62, effective for the year ending June 30, 2013, with retroactive application for the year ended June 30, 2012.

***GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position."*** Statement No. 63 standardizes the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed. The financial reporting impact resulting from the implementation of GASB Statement No. 63 is primarily the change in terminology from Net Assets to Net Position. The City implemented Statement No. 63, effective for the year ended June 30, 2013, with retroactive application for the year ended June 30, 2012.

#### **Financial Reporting Entity**

The City's combined financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity include whether: the City

is able to impose its will on the organization, the organization has the potential to impose a financial benefit/burden on the City and there is fiscal dependency by the organization on the City. Based on these criteria, the City of Newberry has no component units.

### **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used such as charges between the government's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and grants and standard revenues 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 fund financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental fund:

The General Fund is the City'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 City reports governmental funds according to GASB 54 fund type definitions. Revised definitions applicable to the City of Newberry are as follows:

Special Revenue Funds are used to account for and report specific revenue sources that are restricted or committed to expenditures for specified current purposes other than debt service or capital projects.

Permanent Funds are used to account for and report specific revenue sources that are restricted to the extent that only earnings, and not principal, may be used to support government programs which benefit the government or its citizens.

The City reports the following major proprietary fund:

The Proprietary Fund accounts for the activities of the Electric, Water and Sewer System.



## Measurement Focus, Basis of Accounting

*Government-wide and Proprietary Fund Financial Statements.* The government-wide and proprietary financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues, except for property taxes, reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes are considered available if collected within fifteen days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

*Proprietary Fund Financial Statements.* The proprietary fund distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The principal operating revenues of the City's enterprise fund are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Nonoperating revenues, specifically receipts from special assessments or property and other taxes levied are used to finance the construction, acquisition or improvement of capital assets.

## Budgetary Control

The City Council adopts an annual budget for the General Fund, certain Special Revenue Funds, Debt Service Fund, Proprietary Fund and Japanese Gardens Fund prior to the beginning of each fiscal year. Annual budgets are not adopted for the Federal Equitable Sharing and Volunteer Fire Special Revenue Funds. The City Manager is authorized to transfer budgeted amounts within any fund as necessary to achieve the goals of the budget provided, however, that no such transfers shall be used to increase the total appropriation of any fund. Any revisions that alter the total expenditures of any fund must be approved by the City Council. For budget administration purposes, the Utility Gross Revenue Fund and any Utility Debt Service or Utility Capital Funds shall be considered a single fund.

Budgeted amounts are reported as originally adopted and as amended by the City Council.

The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund presents a comparison of budgetary data to actual results of operations. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results.

### **Cash and Investments**

Cash includes amounts in demand deposits as well as short-term investments with an original maturity of three months or less when purchased.

State statutes authorize the City to invest in obligations of the U.S. Treasury and its agencies, obligations of the State of South Carolina or any of its political units, banks and savings and loan associations to the extent secured by the FDIC, certificates of deposit and repurchase agreements where the certificates or agreements are collateralized by obligations of the United States or its agencies or by obligations of the State of South Carolina or any of its political units and no load open-end or closed-end management type registered investment companies or investment trusts whose sole investments are in obligations of the U.S. Treasury and its agencies, or in obligations of the State of South Carolina or any of its political units, or in collateralized repurchase agreements.

Deposits (cash and certificates of deposit) are carried at cost, which approximates fair value.

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. Management's intent is to hold all investments to maturity.

### **Inventories**

Inventories in the General Fund consist of expendable supplies held for consumption and are carried on an average cost basis. They are recorded as an expenditure at the time of consumption. The inventories in the Proprietary Fund consist of supplies and are recorded on an average cost basis.

### **Interfund Receivables/Payables**

Short-term amounts owed between funds are classified as "Due to/from Other Funds."

### **Restricted Assets**

Certain proceeds of governmental and business-type activities revenue bonds, as well as certain resources set aside for their repayment and maintenance of capital assets, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants.

### **Capital Assets**

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Donated capital assets are recorded at estimated fair value on the date received.

The City maintains infrastructure asset records consistent with all other capital assets. Infrastructure assets consist of streets, sidewalks and bridges recorded at historical cost estimated by consulting engineers for infrastructure acquired prior to implementation of Statement 34. The City uses a \$10,000 threshold for capitalizing infrastructure assets.

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

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings and Fixtures	50 Years
Equipment	10 Years
Motor Vehicles	5 Years
Electric Distribution System	30 Years
Water Distribution System	40 Years
Sewer Collection System	40 Years
Streets, Sidewalks and Bridges	25 to 45 Years

**Compensated Absences**

The City’s policy allows employees to accumulate unused sick leave to a maximum of eighteen work weeks and vacation leave up to a maximum of six work weeks. Upon termination, any accumulated vacation leave, will be paid to the employee. There will be no payment for unused sick leave. Accordingly, sick pay is charged to expenditures when taken.

The estimated liability for vested vacation leave attributable to the City’s governmental (general fund) and business-type activities (proprietary fund) is recorded as an expense and liability in the respective funds. The estimated liabilities include required salary-related payments.

**Fund Balance**

In accordance with *GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions,”* the City classifies fund balances of the governmental funds in five categories as follows:

***Nonspendable***

Nonspendable fund balances include amounts that are not in spendable form or are legally required to remain intact.

***Restricted***

Restricted fund balances include amounts that have external restrictions by either grantors, debt covenants, laws, or other governments.

### ***Committed***

Committed fund balances include amounts that are committed to a specific purpose by council ordinance. The City Council establishes, by ordinance, a minimum fund balance which is reflected in the fund financial statements as the committed fund balance. In order for the fund balance commitment to be modified, the City Council would have to change that in formal action prior to the end of the fiscal year.

### ***Assigned***

Assigned fund balances include amounts that are constrained by limitations resulting from intended uses as established by City Council or by the City Manager. The City reports assigned fund balance when it appropriates a portion of the fund balance in the next fiscal year's budget. The budget is approved each year in formal action taken by the City Council.

### ***Unassigned***

Unassigned fund balance includes amounts that have not been assigned to any purpose.

Unless specifically designated otherwise, fund expenditures and encumbrances are from restricted fund balance to the extent of restricted fund balance revenue, followed by committed fund balance, assigned fund balance, and unassigned fund balance, respectively.

## **Minimum/Maximum Fund Balance Policy**

The City strives to maintain the fund balance of the General Fund such that the unassigned portion of fund balance is equal to a minimum of 33% of the total audited General Fund expenditures for the previous fiscal year. The City strives to ensure that the maximum unassigned portion of the fund balance at any audited fiscal year-end not exceed 67% of the most recently audited fiscal year's General Fund expenditures. Unless directed otherwise by City Council, any amount in excess of the maximum as defined above will be transferred to the General Capital Reserve account, also known as the General Government Depreciation Reserve Fund, which is assigned for the major repair, replacement, and acquisition of general government capital items.

## **Fund Equity**

Fund equity in the government-wide statements is classified as net position and displayed in three components:

***Net investment in capital assets*** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or any other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

***Restricted net position*** – Consists of net position with constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or are legally restricted through constitutional provisions or enabling legislation.

***Unrestricted net position*** – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

**Statement of Cash Flows**

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

**Estimates**

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 2 – Stewardship, Compliance and Accountability**

**Budgetary Information**

City Council prepares its annual budget on a basis consistent with accounting principles generally accepted in the United States of America for General Fund revenues and expenditures prior to the beginning of each fiscal year. The adopted budget specifies expenditure limits appropriated to each City department. Departmental expenditures may not exceed amounts appropriated without the approval of the City Council and unexpended appropriations lapse at fiscal yearend. Budget amounts reflected in the accompanying financial statements represent the adopted budget and any revisions approved by Council during the fiscal year.

**Note 3 – Deposits and Investments**

The State of South Carolina General Statutes permit the City to invest in certain types of financial instruments. In addition, the State has a Local Government Investment Pool (where the fair value of the position in the pool is the same as the value of the pool shares) which invests in the types of instruments allowed under state laws.

Cash is maintained in demand deposits or savings accounts, certificates of deposits, repurchase agreements, or U.S. Government Securities. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the policy of the City.

As of June 30, 2013, the City had deposits and investments as follows:

Deposits with financial institutions	\$ 20,050,051
Investments with S.C. Local Government	
Investment Pool	3,102,741
	<u>\$ 23,152,792</u>

*Interest rate risk.* In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting its investments to the State’s investment pools which do not normally have maturity dates and can be withdrawn on demand.

*Credit risk.* As of June 30, 2013, in accordance with its investment policy, the City is invested with the S.C. Local Government Investment Pool as overseen by the State, which invests in instruments allowed under state laws. The Investment Pool is not rated. It's a money market type pool, which is fully collateralized, and the underlying securities are held by a third party bank for the pool.

*Concentration of credit risk.* The City's investment policy currently does not involve investment in any individual issuers.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy is that all deposits in excess of federal insurance amounts be collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. As of June 30, 2013, all deposits are either insured or fully collateralized.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In accordance with its investment policy, the City invests in the state investment pool which is not subject to custodial risk.

#### **Note 4 – Receivables**

Current receivables at June 30, 2013, consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Receivables		
Property taxes	\$ 226,557	\$ -
Accounts	-	2,482,189
Grants	1,964	46,039
Unbilled accounts	-	1,718,046
Intergovernmental	86,010	167,248
Interest and other	126,887	3,833
Gross receivables	<u>441,418</u>	<u>4,417,355</u>
Less: allowance for uncollectibles	<u>(49,599)</u>	<u>(568,829)</u>
<b>Net Receivables</b>	<u><u>\$ 391,819</u></u>	<u><u>\$ 3,848,526</u></u>

Property tax is levied on the assessed value listed for all real and personal property owned on December 31 of each year. Liens attach to the property at that time. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

- January 16 through February 1 – 3% of the property taxes
- February 2 through March 16 – additional 7% of the property taxes
- March 17 and thereafter – additional 5% of the property taxes

Current year real property taxes become delinquent on January 16. The levy date for motor vehicle taxes is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month. Properties are listed with the Newberry County Auditor. These liens are for taxes assessed or to be assessed by the City for the year of assessment. A reserve is established for property taxes which have not been collected in four years.

Only a portion of the taxes uncollected at June 30, 2013, are considered available to liquidate current liabilities. The amounts collected within fifteen days after June 30 are considered to be available to liquidate current liabilities. Therefore, a deferred revenue account has been provided equal to the delinquent accounts in excess of the fifteen day period on the balance sheet of the governmental funds.

## Note 5 – Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 785,620	\$ -	\$ -	\$ 785,620
<b>Total Capital Assets Not Being Depreciated</b>	<b>785,620</b>	<b>-</b>	<b>-</b>	<b>785,620</b>
Capital assets being depreciated:				
Land improvements	1,515,396	50,000	(6,140)	1,559,256
Buildings	7,145,802	334,624	-	7,480,426
Motor vehicles and equipment	4,705,045	254,665	(103,747)	4,855,963
Office furniture and equipment	118,545	-	(5,025)	113,520
Other equipment	1,344,242	50,116	(9,187)	1,385,171
Streets, sidewalks and bridges	1,789,194	209,062	-	1,998,256
<b>Total Capital Assets Being Depreciated</b>	<b>16,618,224</b>	<b>898,467</b>	<b>(124,099)</b>	<b>17,392,592</b>
Less accumulated depreciation				
Land improvements	583,664	42,373	(1,450)	624,587
Buildings	2,095,353	172,109	-	2,267,462
Motor vehicles and equipment	3,798,590	384,699	(97,074)	4,086,215
Office furniture and equipment	79,154	5,695	(5,025)	79,824
Other equipment	858,493	174,141	(9,188)	1,023,446
Streets, sidewalks and bridges	1,128,745	36,061	-	1,164,806
<b>Total Accumulated Depreciation</b>	<b>8,543,999</b>	<b>815,078</b>	<b>(112,737)</b>	<b>9,246,340</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>8,074,225</b>	<b>83,389</b>	<b>(11,362)</b>	<b>8,146,252</b>
<b>Governmental Activity Capital Assets, Net</b>	<b>\$ 8,859,845</b>	<b>\$ 83,389</b>	<b>\$ (11,362)</b>	<b>\$ 8,931,872</b>

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Business - Type Activities</b>				
Utility Proprietary Fund				
Capital assets not being depreciated				
Land	\$ 320,344	\$ -	\$ -	\$ 320,344
Construction in progress	277,846	1,074,363	(29,050)	1,323,159
<b>Total Capital Assets Not Being Depreciated</b>	<b>598,190</b>	<b>1,074,363</b>	<b>(29,050)</b>	<b>1,643,503</b>
Capital assets being depreciated				
Land improvements	117,245	-	-	117,245
Buildings	14,878,682	41,851	-	14,920,533
Motor vehicles and equipment	2,168,283	28,975	-	2,197,258
Office furniture and equipment	211,010	-	-	211,010
Traffic Controls	185,112	-	-	185,112
Street Lighting	455,238	-	-	455,238
Other equipment	467,429	254,995	-	722,424
Electric distribution system	10,919,344	799,387	-	11,718,731
Water distribution system	20,286,240	540,743	-	20,826,983
Sewer collection system	31,407,085	500,542	-	31,907,627
<b>Total Capital Assets Being Depreciated</b>	<b>81,095,668</b>	<b>2,166,493</b>	<b>-</b>	<b>83,262,161</b>
Less accumulated depreciation				
Land improvements	40,886	3,368	-	44,254
Buildings	2,483,052	576,998	-	3,060,050
Motor vehicles and equipment	1,912,282	107,366	-	2,019,648
Office furniture and equipment	116,434	7,072	-	123,506
Traffic controls	185,111	-	-	185,111
Street lighting	365,152	23,297	-	388,449
Other equipment	279,224	51,688	-	330,912
Electric distribution system	7,872,771	431,515	-	8,304,286
Water distribution system	9,895,101	583,894	-	10,478,995
Sewer collection system	14,796,462	1,250,522	-	16,046,984
<b>Total Accumulated Depreciation</b>	<b>37,946,475</b>	<b>3,035,720</b>	<b>-</b>	<b>40,982,195</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>43,149,193</b>	<b>(869,227)</b>	<b>-</b>	<b>42,279,966</b>
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 43,747,383</b>	<b>\$ 205,136</b>	<b>\$ (29,050)</b>	<b>\$ 43,923,469</b>



Depreciation expense was charged to functions as follows:

General Government	\$ 367,008
Public Safety	212,957
Public Works	216,864
Recreation	18,249
<b>Total</b>	<u><u>\$ 815,078</u></u>

Depreciation of general infrastructure assets (streets, sidewalks and bridges) in the amount of \$38,135 was included in the public works function.

At June 30, 2013, the City had outstanding construction and purchase commitments. The business-type activity commitment was \$649,662 related to the rehabilitation and expansion of the wastewater treatment plant and other water and sewer projects.

## **Note 6 – Notes Receivable**

### **Governmental Activities**

The City issued a loan of \$330,000 to Newberry Hospital, LLC, a North Carolina limited liability company. The note is non-interest bearing and is to be repaid in annual payments commencing on the December 31 following the thirty-first anniversary of the completion date of the Newberry Senior Housing Apartments, and continuing on each December 31, thereafter. Annual payments will be determined based on certain cash flow factors at the payment date.

The City also issued a loan of \$25,000 to Newberry Hospital, LLC. The note is non-interest bearing and is to be repaid in full on the December 31 following the fifty-first anniversary of the completion date of the Newberry Senior Housing Apartments.

### **Business-type Activities**

The City issued a loan to the Newberry Opera House Foundation during the year ended June 30, 2000. The loan is at 0% interest and payable on demand. At June 30, 2013, the balance of the note receivable is \$49,008.

## **Note 7 – Long-term Debt**

### **General Obligation Bonds**

The City may issue general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City had no outstanding general obligation bonds at June 30, 2013.

## **Compensated Absences**

The City reports a liability for compensated absences representing paid time off made available to employees in connection with vacation leave, sick leave and similar benefits. The general fund is used to liquidate compensated absences incurred in governmental activities.

## **Utility System Revenue Bonds**

The City also issues bonds and notes where the City pledges income derived from the acquired or constructed assets to pay debt service.

There are a number of limitations and restrictions contained in the various revenue bond ordinances. The City is in compliance with all significant limitations and restrictions.

On August 11, 2003, the City issued \$3,585,100 in refunding revenue bonds at a 2.94% interest rate. Proceeds of these bonds plus excess amounts held by the City in debt service accounts were used to payoff the 1996 SRF Notes and were used to call the 1993A bonds on October 1, 2003. As a result of advance refunding, the City reduced its total debt service requirements by \$606,985 which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$261,957.

On December 20, 2007, the City issued \$380,000 combined Public Utility System Revenue Bond, series 2007 at a 3.42% interest rate for the purpose of providing financing related to its combined Public Utility System.

On June 24, 2009, the City of Newberry closed on the Combined Public Utility System Revenue Bond, Series 2009, a State Revolving Fund loan, in the amount of \$19,236,065. The loan is to be funded with \$4,000,000 ARRA grant funds and \$15,236,065 regular SRF funds. The purpose of the loan is to finance the rehabilitation and expansion of the City's wastewater treatment plant. Repayment of the principal and interest is due in 80 quarterly installments, with the first payment made December 1, 2011. The loan carried interest at 2.83% per annum during the year ended June 30, 2013 and was adjusted to 2.25% per annum in July 2013.

Arbitrage provisions of the Internal Revenue Tax Act of 1986 require the City to rebate excess arbitrage earnings from bond proceeds to the federal government. As of June 30, 2013, the City did not have any excess arbitrage earning to be included in accounts payable of the Proprietary Fund.

## **Capital Lease Obligations**

The City leases street maintenance and sanitation equipment and fire trucks through capital leasing arrangements. The assets are recorded as capital assets and as long-term liabilities of governmental activities.

The following is an analysis of leased assets included in capital assets:

	Governmental Activities
Motor Vehicles and Equipment	\$ 1,814,152
Less Accumulated Depreciation	(1,403,445)
	<u>\$ 410,707</u>

The future minimum lease obligations for equipment as of June 30, 2013, were as follows:

Year Ending June 30,	Governmental Activities
2014	\$ 244,349
2015	163,762
2016	34,819
2017	17,409
Total Minimum Lease Obligation	<u>460,339</u>
Less Amount Representing Interest	<u>(12,450)</u>
Present Value of Minimum Lease Payments	<u>\$ 447,889</u>

The City has entered into a lease/purchase financing agreement with a financial institution for the financing of construction renovation to the fire station that formerly served the downtown area of the City in order to convert this facility into a conference center. The lease/purchase agreement stipulates that debt service is designated to be paid from the City's Local Hospitality and Accommodations Tax. The obligation is secured by the conference center facility. Terms of the agreement require annual payments of \$114,689 for 15 years at 3.91% interest beginning December 17, 2005. The following is a schedule of future minimum lease payments and the present value of the net minimum lease payments:

Year ending June 30,	Governmental Activities
2014	\$ 114,689
2015	114,689
2016	114,689
2017	114,689
2018	114,689
Thereafter	277,166
Total Minimum Lease Payments	<u>850,611</u>
Less Amount Representing Interest	<u>(113,265)</u>
Present Value of Future Minimum Lease Payments	<u>\$ 737,346</u>

### Special Assessment Debt

The City entered into a 25 year lease agreement with the Newberry Opera House Foundation in 1996, which authorized the Foundation to renovate the City's historic Opera House property and to mortgage the City's Opera House in order to borrow money for the renovations. During fiscal year

1999, the City issued \$3,250,000 in Tax Increment Revenue Bonds (TIF), Series 1998 at 4.9%, repayable over 15 years to pay off the construction loan, to pay for the costs of the bond issuance and to make certain utility improvements.

In August, 2008, the City issued \$1,357,000 Tax Increment Revenue Refunding Bond, Series 2008, for the purpose of refinancing the 1998 Tax Increment Revenue Bonds. Net proceeds of the issuance were \$1,350,000. The bond bears interest at a fixed rate of 3.61% per annum and is payable on March 1 and September 1 of each year beginning March 1, 2009. Principal is payable each September 1 beginning September 1, 2009, through September 1, 2013 in payments ranging from approximately \$262,000 to \$282,000. The Tax Increment Revenue Bonds, Series 2008 are repaid from revenues generated by operation of the Newberry Opera House Foundation and by tax revenues generated by a special Newberry Downtown Redevelopment Area.

During the year ended June 30, 2001, the City began assessing an additional 2% fee on meals and lodging within the City in order to help, when needed, repay the TIF bonds issued in 1998 and 2008. For the year ended June 30, 2013, \$680,582 in fees were collected.

The City has recorded the outstanding TIF bond in the governmental activities long-term liabilities and the comparable renovations to the Opera House in capital assets since the City retains legal ownership of the property.

Changes in long-term liabilities for the year ended June 30, 2013, are as follows:

	<u>July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2013</u>	<u>Due Within One Year</u>
Governmental Activities					
Compensated Absences	\$ 362,387	\$ 218,478	\$ (241,645)	\$ 339,220	\$ 207,327
Net Other Post-Employment					
Benefit Obligation	15,247	1,816	-	17,063	-
Capital Lease Obligations	1,396,673	135,206	(346,644)	1,185,235	323,305
Special Assessment Debt	557,406	-	(276,210)	281,196	281,196
<b>Total</b>	<u>\$ 2,331,713</u>	<u>\$ 355,500</u>	<u>\$ (864,499)</u>	<u>\$ 1,822,714</u>	<u>\$ 811,828</u>

	<u>July 1, 2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2013</u>	<u>Due Within One Year</u>
Business-Type Activities					
Compensated Absences	\$ 152,094	\$ 118,189	\$ (104,529)	\$ 165,754	\$ 104,528
Other Post-Employment					
Benefit Obligation	7,593	860	-	8,453	-
Revenue Bonds, Series 2007	229,986	-	(38,677)	191,309	40,016
State Revolving Fund Loan	17,901,257	911,162	(1,255,367)	17,557,052	704,959
<b>Total</b>	<u>\$ 18,290,930</u>	<u>\$ 1,030,211</u>	<u>\$ (1,398,573)</u>	<u>\$ 17,922,568</u>	<u>\$ 849,503</u>

The following schedules reflect future principal and interest requirements of the City's outstanding bonds at June 30, 2013.

**CITY OF NEWBERRY**  
**Total Principal and Interest Requirement**  
**of All Outstanding Special Assessment Bonds**

<u>Fiscal Year</u>	<b>Tax Increment Revenue Bonds, Series 2008</b>		
	<u>Fiscal Year Principal Due</u>	<u>Fiscal Year Interest Due</u>	<u>Total Principal and Interest Due</u>
2014	\$ 281,196	\$ 5,075	\$ 286,271
<b>Total</b>	<u>\$ 281,196</u>	<u>\$ 5,075</u>	<u>\$ 286,271</u>

These bonds are the responsibility of the general government.

**Note 1:** All principal payments are due September 1 of each year, with the aggregate interest payments stated above divided between September 1 and March 1 payment date.  
Original Principal: \$1,357,000 (Dated 8-13-08)

**CITY OF NEWBERRY**  
**Total Principal and Interest Requirement**  
**of All Outstanding Combined Public Utility Revenue Bonds**

<b>Revenue Bonds, Series 2007 (1)</b>			
<b>Fiscal Year</b>	<b>Fiscal Year Principal Due</b>	<b>Fiscal Year Interest Due</b>	<b>Total Principal and Interest Due</b>
2014	\$ 40,016	\$ 6,033	\$ 46,049
2015	41,403	4,647	46,050
2016	42,837	3,213	46,050
2017	44,321	1,729	46,050
2018	22,732	292	23,024
<b>Total</b>	<b>\$ 191,309</b>	<b>\$ 15,914</b>	<b>\$ 207,223</b>

These bonds are the responsibility of the Utility Enterprise Fund.

**Note 1:** Principal and interest payments are due January 1, April 1, July 1, and December 1 of each year.  
Original Principal: \$380,000 (Dated 12-20-07)

**CITY OF NEWBERRY**  
**Total Principal and Interest Requirement**  
**of the State Revolving Fund Loan (1)**

<u>Fiscal Year</u>	<u>Fiscal Year Principal Due</u>	<u>Fiscal Year Interest Due</u>	<u>Total Principal and Interest Due</u>
2014	\$ 704,959	\$ 321,728	\$ 1,026,687
2015	813,243	369,283	1,182,526
2016	830,616	351,910	1,182,526
2017	848,480	334,046	1,182,526
2018	866,850	315,676	1,182,526
2019-2023	4,628,545	1,284,085	5,912,630
2024-2028	5,172,456	740,174	5,912,630
2029-2032	3,691,903	151,307	3,843,210
<b>Total</b>	<b>\$ 17,557,052</b>	<b>\$ 3,868,209</b>	<b>\$ 21,425,261</b>

This note payable is the responsibility of the Utility Enterprise Fund.

**Note 1:** On June 24, 2009, the City of Newberry closed on a State Revolving Fund loan in the amount of \$19,236,065. The payment initiation date was September 11, 2011. Repayment of principal and interest is due in 80 quarterly installments that began December 1, 2011. As of June 30, 2013, the City has drawn \$19,040,506 against this loan. The above schedule of principal and interest requirements due represents the pro-rata requirements based on the \$19,040,506 due at June 30, 2013. The City expects to draw the remainder of the proceeds during the next fiscal year as construction on the wastewater treatment plant rehabilitation and expansion is completed.

## Note 8 – Fund Balance Classifications

	General Fund	Special Revenue Funds	Debt Service Fund	Permanent Fund	Total Governmental Funds
Fund Balances					
<b>Nonspendable</b>					
Inventories	\$ 48,087	\$ -	\$ -	\$ -	\$ 48,087
Long-term receivable	-	355,000	-	-	355,000
<b>Restricted</b>					
In accordance with donor stipulations	-	-	-	10,000	10,000
Debt service	-	-	696,438	-	696,438
Victims' rights	-	67,081	-	-	67,081
State accomodations tax	-	41,553	-	-	41,553
Streetscape	-	679,038	-	-	679,038
Local hospitality	-	272,959	-	-	272,959
<b>Committed</b>					
NANU	-	21,405	-	-	21,405
Federal equitable sharing	-	12,764	-	-	12,764
Tourism	-	131,723	-	-	131,723
Special events	-	42,038	-	-	42,038
Cultural arts	-	20,758	-	-	20,758
Community housing/development	-	231,009	-	-	231,009
Volunteer fire	-	22,782	-	-	22,782
Victims' rights	-	2,438	-	-	2,438
<b>Assigned</b>					
Depreciation	867,027	-	-	-	867,027
Japanese gardens maintenance	-	-	-	5,370	5,370
Appropriated in FY14	38,265	-	-	-	38,265
<b>Unassigned</b>	5,161,918	-	-	-	5,161,918
<b>Total</b>	<u>\$ 6,115,297</u>	<u>\$ 1,900,548</u>	<u>\$ 696,438</u>	<u>\$ 15,370</u>	<u>\$ 8,727,653</u>

## Note 9 – Interfund Receivables, Payables, and Transfers

At June 30, 2013, interfund receivables and payables resulting from various interfund transactions were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$ 152,194	\$ 2,438
Special Revenue Funds		
Newberry Allied Narcotics Unit	-	86
Cultural Arts	-	2,547
Victims' Rights	2,438	4,181
Accommodations Tax	-	13,442
Tourism	11,522	-
Community Housing/Development	-	100,668
Proprietary Fund - Unrestricted	-	42,792
<b>Total</b>	<u>\$ 166,154</u>	<u>\$ 166,154</u>



The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers for the year ended June 30, 2013 were as follows:

Transfer Out:	Transfer In			Total
	General Fund	Special Revenue Fund	Permanent Fund	
General Fund	\$ -	\$ -	\$ 1,550	\$ 1,550
Proprietary Funds	1,817,362	-	-	1,817,362
Special Revenue Funds	161,696	-	-	161,696
Debt Service Funds	-	25,000	-	25,000
	<u>\$ 1,979,058</u>	<u>\$ 25,000</u>	<u>\$ 1,550</u>	<u>\$ 2,005,608</u>

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 accounts for in other funds, (3) move revenues from the utility system to the general government to finance various programs benefiting the utility system that the government accounts for in other funds, (4) move tourism related revenues from collecting fund to the expending fund due to legal constraints, or to (5) move other unrestricted revenues to the general fund.

#### **Note 10 – Contingent Liabilities and Commitments**

The City has participated in a number of federally assisted grant programs, principally Community Development Block Grant programs. Grantor agencies reserve the right to perform certain audit work in addition to the work performed by the City's independent auditors. Disallowed costs, if any, resulting from such additional work, would have to be incurred by the City. Management does not believe that any significant costs will be incurred by the City if such additional work should occur.

The City, on behalf of the Proprietary Fund, has entered into a long-term agreement to purchase electrical power from the Piedmont Municipal Power Agency (PMPA), a governmental corporation organized under an act of the State of South Carolina. The agreement expires in 2035 depending on certain contingencies. PMPA's generating capacity is committed to a group of municipalities, who have their own electrical utility operations, of which the City is a participant. Any excess energy is sold on the open market. The City is committed to purchase all electric power from PMPA, with the exception of the City's Southeastern Power Administration's allotment, and has pledged its electric system revenues as security for this commitment to PMPA over the term of the agreement. In fiscal year 2013, the cost of power purchased amounted to \$17,176,358. Because of the nature of the agreement, the aggregate commitments over future years cannot be determined.

During 2007, the City entered into an agreement with The School District of Newberry County for the lease of athletic facilities on the Newberry High School campus in order to supplement the existing facilities and programs of the City. The rent for the term of the lease is \$1 plus certain facility improvements funded by the City in the amount of approximately \$8,000. The lease expires May 31, 2027.

## **Note 11 – Deferred Compensation Plan**

Two optional deferred compensation plans are available to City employees. The plans were created under Internal Revenue Code Sections 457 and 401(k). Employees may withdraw the current value of their contributions when they terminate employment. With approval of the State of South Carolina's Deferred Compensation Commission, employees may also withdraw the current value of their contributions prior to termination of employment if they meet certain requirements.

The requirements differ among the two plans. Compensation deferred under the plans is placed in trust with the State for the contributing employees. The City and State have no liability for losses under the plans.

## **Note 12 – Post-Employment HealthCare Benefits**

Retired employees and survivors are allowed to participate in the health, dental and life insurance programs. The monthly cost of this participation as billed to the City by the State of South Carolina Employee Insurance Program is paid entirely by the retiree or survivor.

## **Note 13 – Post-Employment HealthCare Plan**

### **Plan Description and Funding Policy**

The City is a participant in the State of South Carolina Health Plan for medical and dental coverage, and eligible retirees and their spouses are allowed to continue coverage in accordance with the City of Newberry Other Postemployment Benefits (OPEB) Substantive Plan, a single-employer defined benefit plan. It is the City's policy to periodically review its medical and dental coverage in order to provide the most favorable yet affordable benefits and premiums for City employees and retirees.

The State of South Carolina Health Plan blends the experience of actives and retirees, including spouses and dependents, in determining premiums. Retirees are required by the City to bear both the City share and the participant share of premiums at the blended rate for any coverages elected. The City's exposure is capped under the City's OPEB substantive plan. As a result, the retirees receive an implicit rate subsidy. The required contributions are based on projected pay-as-you-go financing requirements. For fiscal year 2013, the City contributed \$12,400 to the plan. As of July 1, 2011, there were approximately 19 retirees and 5 spouses receiving health benefits from the City's plan. The City's plan does not issue a stand-alone financial report.

### **Annual OPEB Cost and Net OPEB Obligation**

The City's annual other postemployment benefit cost is calculated based on the City's annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities or funding excess over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost of the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the plan.

### Schedule of Employer Contributions

Fiscal Year Ending June 30,	Annual Required Contribution	Interest on Net OPEB Obligation	Adjustment to the ARC	Net OPEB Cost	Actual Contribution	Increase in Net OPEB Obligation	Net OPEB Obligation - Beginning of Year	Net OPEB Obligation - End of Year
2013	\$ 14,900	\$ 1,028	\$ (852)	\$ 15,076	\$ 12,400	\$ 2,676	\$ 22,840	\$ 25,516

The net OPEB obligation by percentage of covered payroll per major fund is as follows:

General Fund (.6687)	\$ 17,063
Utility Enterprise (.3313)	8,453
	<u>\$ 25,516</u>

The contribution for the fiscal year ended June 30, 2013, consisted of the following:

Explicitly Subsidized Benefits	\$ 5,000
Implicitly Subsidized Benefits	7,400
Total	<u>\$ 12,400</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the three latest years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
06/30/2013	\$ 15,076	82.20%	\$ 25,516
06/30/2012	\$ 15,040	68.50%	\$ 22,840
06/30/2011	\$ 14,987	54.00%	\$ 18,100

### Funded Status and Funding Progress

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits and is presented below:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll ( c )	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2010	\$ -	\$ 222,500	\$ 222,500	0%	\$ 5,739,500	4%
July 1, 2007	\$ -	\$ 434,000	\$ 434,000	0%	\$ 5,191,000	8%

### Actuarial Methods and Assumptions

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

The following table summarized actuarial methods and assumptions used:

Valuation Date	July 1, 2010
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percentage of Payroll Amount, Open
Amortization Period	30 years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	4.50% annual returns net of both investment and non-actuarial administrative expenses
Health Cost Trend Assumption	Getzen Trend Model – 8.20% graded to 4.70% over 80 years
Payroll Growth Rate	4.00%
Inflation Rate	2.75%

### **Note 14 – Employee Retirement Systems**

The City provides pension benefits for all full-time employees through the South Carolina Retirement System. The City participates in the following plans:

South Carolina Retirement System (SCRS) membership is composed of full-time general employees who do not belong to the other retirement plans.

Police Officer Retirement System (PORS) membership is composed of full-time employees whose principal duties are the preservation of public order, protection or prevention and control of property destruction by fire.

All full-time employees of the City of Newberry are members of either the SCRS or the PORS.

The South Carolina Retirement System (SCRS) and the Police Officers Retirement System (PORS) are cost sharing, multi-employer defined benefit pension plans administered by the Retirement Division of the SC Public Employee Benefit Authority (SC PEBA). The State Optional Retirement Program (ORP) is a defined contribution plan that is offered as an alternative to certain state, public school, and higher education employees. State ORP participants direct the investment of their funds into a plan administered by one of four investment providers. The SC PEBA assumes no liability for State ORP benefits, as they are the liability of the investment providers and are governed by the terms of contracts issued by them.

Both the SCRS and PORS offer retirement, disability, survivor, and group life insurance benefits to eligible member or beneficiaries. The Plans' provisions are established under Title 9 of the SC Code of Laws. Group life insurance benefits are also available to active State ORP participants. Provided that the actuarial assumed rate of investment return adopted by the Budget and Control Board is at or above 8 percent, each July 1, eligible retired members of the SCRS and the PORS receive an automatic cost-of-living adjustment (COLA) of up to 2 percent if the Consumer Price Index (CPI) as of the previous December 31 is at least 2%. If the CPI increase is less than 2%, the COLA will equal the actual increase in the CPI. The State Budget and Control Board, as trustees of the state's pension trust funds, may approve an additional ad hoc COLA, up to a total COLA of 4%, only if certain funding guidelines have been met. The Plans' provisions are established under Title 9 of the SC Code of Laws which requires both employees and employers to contribute to the Plans. The base contribution rates are set by statute, but are required to be increased by the trustees on the basis of the annual actuarial valuation, if necessary, to maintain a thirty-year amortization period for the Plans' unfunded liabilities.

The SCRS plan members are required to contribute 7.00% of their earnable compensation to the plan. The City is required to contribute 10.45% of participant salary to provide retirement benefits and .15% of participant salary to provide group life benefits. The PORS plan members are required to contribute 7.0% of their earnable compensation to the plan. The City is required to contribute 11.90% of participant salary to provide retirement benefits, .2% to provide accidental death benefits and .2% to provide group life benefits.

The required employer contributions and percentages of amounts contributed for the three latest available years were as follows:

Fiscal Period	SCRS		PORS	
	Required	Percent	Required	Percent
		Contributed		Contributed
2013	\$ 408,899	100%	\$ 253,612	100%
2012	372,842	100%	242,735	100%
2011	375,500	100%	234,014	100%

A Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the SCRS and PORS is publicly available on the South Carolina Retirement System's website at [www.retirement.sc.gov](http://www.retirement.sc.gov), or a copy may be obtained by submitting a request to the South Carolina Retirement Systems, P.O. Box 11960, Columbia, SC 29211-1960.

#### **Note 15 – Risk Management and Retention**

The City 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. These risks are covered through participation in an insurance purchasing public entity risk pool sponsored by the South Carolina Municipal Association. The City pays an annual premium to the pool and may be subject to supplemental premium assessment should pool claims exceed certain levels. Pool claims have not exceeded those levels in any of the past four years.

The City participates in the health insurance plan provided by the State of South Carolina to its employees. The City is responsible for collecting/paying premiums set by the State to the State for this insurance coverage. There is no other potential financial liability for the City.

There have been no significant reductions in insurance coverage during the fiscal year ended June 30, 2013.

#### **Note 16 – Subsequent Events**

In August, 2013, the City issued \$5,750,000 in utility system bond anticipation notes to fund various capital improvements to the City's water treatment system and the construction of a new electric substation. The notes carry interest at .86% with interest and principal due August, 2014. The City anticipates paying off the notes with the issuance of long term combined utility system revenue bonds.

Subsequent events have been evaluated through November 25, 2013, which is the date the financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**





**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**



## **NONMAJOR GOVERNMENTAL FUNDS**



**CITY OF NEWBERRY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Permanent</u>	<u>Total June 30, 2013</u>	<u>Total June 30, 2012</u>
<b>Assets</b>					
Cash and investments	\$ 1,927,026	\$ 682,478	\$ 15,351	\$ 2,624,855	\$ 2,086,521
Property taxes receivable, net	-	47,151	-	47,151	21,750
Accounts/fees receivable	61,663	-	-	61,663	53,216
Notes receivable	355,000	-	-	355,000	355,000
Due from other governments	38,405	-	-	38,405	400,625
Interest and other	-	-	19	19	7
Due from other funds	13,960	-	-	13,960	16,048
<b>Total Assets</b>	<u>\$ 2,396,054</u>	<u>\$ 729,629</u>	<u>\$ 15,370</u>	<u>\$ 3,141,053</u>	<u>\$ 2,933,167</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 14,602	\$ -	\$ -	\$ 14,602	\$ 15,908
Deferred revenue	359,980	33,191	-	393,171	385,889
Due to other funds	120,924	-	-	120,924	16,422
<b>Total Liabilities</b>	<u>495,506</u>	<u>33,191</u>	<u>-</u>	<u>528,697</u>	<u>418,219</u>
<b>Fund Balances</b>					
Nonspendable	355,000	-	-	355,000	355,000
Restricted	1,060,631	696,438	10,000	1,767,069	1,138,747
Committed	484,917	-	-	484,917	1,015,386
Assigned	-	-	5,370	5,370	5,815
<b>Total Fund Balances</b>	<u>1,900,548</u>	<u>696,438</u>	<u>15,370</u>	<u>2,612,356</u>	<u>2,514,948</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,396,054</u>	<u>\$ 729,629</u>	<u>\$ 15,370</u>	<u>\$ 3,141,053</u>	<u>\$ 2,933,167</u>

**CITY OF NEWBERRY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Permanent</b>	<b>Total June 30, 2013</b>	<b>Total June 30, 2012</b>
<b>Revenues</b>					
Property taxes	\$ -	\$ 425,102	\$ -	\$ 425,102	\$ 433,772
Charges for services	697,385	-	-	697,385	656,615
Intergovernmental	305,960	33,734	-	339,694	584,766
Fines, forfeitures and penalties	38,647	-	-	38,647	52,280
Donations	19,000	-	-	19,000	8,100
Rental and other	147,701	-	-	147,701	100,638
Interest	32	597	32	661	568
<b>Total Revenues</b>	<b>1,208,725</b>	<b>459,433</b>	<b>32</b>	<b>1,668,190</b>	<b>1,836,739</b>
<b>Expenditures</b>					
Public safety	85,591	-	-	85,591	74,542
Community development	637,983	-	2,027	640,010	677,786
Non-departmental	278,999	-	-	278,999	285,832
Debt service					
Principal	84,068	276,210	-	360,278	352,162
Interest	30,621	15,137	-	45,758	58,860
<b>Total Expenditures</b>	<b>1,117,262</b>	<b>291,347</b>	<b>2,027</b>	<b>1,410,636</b>	<b>1,449,182</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>91,463</b>	<b>168,086</b>	<b>(1,995)</b>	<b>257,554</b>	<b>387,557</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in (out)	(136,696)	(25,000)	1,550	(160,146)	(159,865)
<b>Total Other Financing Sources (Uses)</b>	<b>(136,696)</b>	<b>(25,000)</b>	<b>1,550</b>	<b>(160,146)</b>	<b>(159,865)</b>
<b>Net Change in Fund Balances</b>	<b>(45,233)</b>	<b>143,086</b>	<b>(445)</b>	<b>97,408</b>	<b>227,692</b>
<b>Fund Balances, beginning</b>	<b>1,945,781</b>	<b>553,352</b>	<b>15,815</b>	<b>2,514,948</b>	<b>2,287,256</b>
<b>Fund Balances, ending</b>	<b>\$ 1,900,548</b>	<b>\$ 696,438</b>	<b>\$ 15,370</b>	<b>\$ 2,612,356</b>	<b>\$ 2,514,948</b>

## **GENERAL FUND**

The General Fund is the City's main operating fund and is used to account for all financial resources traditionally associated with government except those required to be accounted for in another fund.

**CITY OF NEWBERRY  
GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Assets</b>		
<b>Assets</b>		
Cash and investments	\$ 6,155,327	\$ 5,992,974
Receivables (net of allowances for uncollectibles)		
Taxes	129,807	131,106
Intergovernmental	49,569	51,255
Interest receivable	-	9
Other	65,205	40,409
Due from other funds	152,194	43,368
Inventories	48,087	48,400
<b>Total Assets</b>	<u><u>\$ 6,600,189</u></u>	<u><u>\$ 6,307,521</u></u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 33,537	\$ 29,860
Intergovernmental	20,878	32,997
Accrued salaries and payroll liabilities	316,248	219,902
Due to other funds	2,438	7,505
Deferred revenue	111,791	108,709
<b>Total Liabilities</b>	<u>484,892</u>	<u>398,973</u>
<b>Fund Balances</b>		
Nonspendable	48,087	48,400
Assigned	905,292	928,310
Unassigned	5,161,918	4,931,838
<b>Total Fund Balances</b>	<u>6,115,297</u>	<u>5,908,548</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 6,600,189</u></u>	<u><u>\$ 6,307,521</u></u>



**CITY OF NEWBERRY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Revenues</b>					
Taxes	\$ 2,101,407	\$ 2,101,407	\$ 2,245,345	\$ 143,938	\$ 2,141,473
Licenses, permits and franchise fees	1,357,617	1,357,617	1,575,674	218,057	1,479,788
Fines and forfeitures	627,033	627,033	557,148	(69,885)	647,402
Charges for services	643,500	643,500	656,704	13,204	653,921
Intergovernmental	1,184,894	1,184,894	1,190,932	6,038	966,879
Miscellaneous	19,500	19,500	58,624	39,124	24,566
<b>Total Revenues</b>	<b>5,933,951</b>	<b>5,933,951</b>	<b>6,284,427</b>	<b>350,476</b>	<b>5,914,029</b>
<b>Expenditures</b>					
General government					
City council	79,408	82,150	75,139	7,011	70,002
City manager	216,883	241,595	230,074	11,521	206,034
Human resources	93,515	96,101	93,558	2,543	91,174
Finance	124,426	126,671	114,671	12,000	116,704
City hall	31,471	31,471	29,213	2,258	28,190
Planning and development	165,440	155,745	139,966	15,779	207,625
Public safety					
Police department	1,850,147	1,917,815	1,793,871	123,944	1,770,565
Justice and law	494,941	502,294	440,223	62,071	489,897
Fire department	990,033	1,025,859	972,197	53,662	959,831
Public works					
Public works administration	134,362	139,057	129,435	9,622	123,908
Streets	702,160	697,689	602,838	94,851	391,003
Sanitation	509,484	524,961	501,982	22,979	557,091
Building maintenance	44,561	45,668	44,369	1,299	41,664
Garage	139,207	143,718	135,935	7,783	130,483
Parks, recreation, and tourism	496,930	994,435	973,617	20,818	438,325
Non-departmental					
General insurance	107,717	80,717	68,971	11,746	77,274
Employee benefits	1,564,655	1,550,914	1,452,756	98,158	1,403,888
Community promotions and projects	121,393	121,393	114,612	6,781	87,180
Capitalized lease payments	280,307	280,307	276,965	3,342	275,545
<b>Total Expenditures</b>	<b>8,147,040</b>	<b>8,758,560</b>	<b>8,190,392</b>	<b>568,168</b>	<b>7,466,383</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	<b>(2,213,089)</b>	<b>(2,824,609)</b>	<b>(1,905,965)</b>	<b>918,644</b>	<b>(1,552,354)</b>

(Continued)

**CITY OF NEWBERRY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Other Financing Sources (Uses)</b>					
Capital leases	\$ 150,000	\$ 150,000	\$ 135,206	\$ (14,794)	\$ 231,950
Transfers in (out)					
Japanese Gardens fund	(1,550)	(1,550)	(1,550)	-	(1,550)
State accomodations tax fund	27,207	27,207	28,196	989	27,915
Local hospitality/accomodations fund	133,500	133,500	133,500	-	133,500
Utility system	1,817,362	1,817,362	1,817,362	-	1,682,742
<b>Total Other Financing Sources (Uses)</b>	<b>2,126,519</b>	<b>2,126,519</b>	<b>2,112,714</b>	<b>(13,805)</b>	<b>2,074,557</b>
<b>Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures</b>	<b>(86,570)</b>	<b>(698,090)</b>	<b>206,749</b>	<b>904,839</b>	<b>522,203</b>
<b>Fund Balances, beginning</b>	<b>5,908,548</b>	<b>5,908,548</b>	<b>5,908,548</b>	<b>-</b>	<b>5,386,345</b>
<b>Fund Balances, ending</b>	<b>\$ 5,821,978</b>	<b>\$ 5,210,458</b>	<b>\$ 6,115,297</b>	<b>\$ 904,839</b>	<b>\$ 5,908,548</b>

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>Taxes</b>					
Vehicle property taxes	\$ 162,000	\$ 162,000	\$ 199,926	\$ 37,926	\$ 201,910
Other current property taxes	1,867,000	1,867,000	1,859,581	(7,419)	1,845,592
Delinquent property tax	56,007	56,007	65,351	9,344	68,990
Tax penalties	15,000	15,000	15,373	373	21,078
Fees in lieu of taxes	1,400	1,400	105,114	103,714	3,903
<b>Totals</b>	<b>2,101,407</b>	<b>2,101,407</b>	<b>2,245,345</b>	<b>143,938</b>	<b>2,141,473</b>
<b>Licenses, Permits and Franchise Fees</b>					
Business licenses	1,213,537	1,213,537	1,405,936	192,399	1,302,529
Business license penalties	6,000	6,000	6,930	930	5,397
Building/sign permits	38,000	38,000	48,924	10,924	44,098
Inspections, lot clearing, zoning	23,830	23,830	35,336	11,506	50,187
Cable TV	61,500	61,500	63,485	1,985	62,625
Franchise Fees	14,750	14,750	15,063	313	14,952
<b>Totals</b>	<b>1,357,617</b>	<b>1,357,617</b>	<b>1,575,674</b>	<b>218,057</b>	<b>1,479,788</b>
<b>Fines and Forfeitures</b>					
Court fines, forfeitures and other	627,033	627,033	557,148	(69,885)	647,402
<b>Totals</b>	<b>627,033</b>	<b>627,033</b>	<b>557,148</b>	<b>(69,885)</b>	<b>647,402</b>
<b>Charges for Services</b>					
Recreation revenues	36,500	36,500	39,149	2,649	40,132
Public works charges	607,000	607,000	617,555	10,555	613,789
<b>Totals</b>	<b>643,500</b>	<b>643,500</b>	<b>656,704</b>	<b>13,204</b>	<b>653,921</b>
<b>Intergovernmental</b>					
Federal government					
Grants/receipts	-	-	1,964	1,964	30,547
State of South Carolina					
Merchants' inventory tax	58,392	58,392	58,392	-	58,392
Local government fund	189,577	189,577	221,728	32,151	187,916
Other receipts	265,000	265,000	209,143	(55,857)	9,072
Newberry County and county schools					
Recreation fee	18,000	18,000	21,360	3,360	21,272
County fire contribution	138,725	138,725	157,277	18,552	141,325
Other	5,200	5,200	6,388	1,188	5,125
Economic Development Contribution	20,000	20,000	20,000	-	20,000
Clinton Newberry Natural Gas Authority	490,000	490,000	494,680	4,680	493,230
<b>Totals</b>	<b>1,184,894</b>	<b>1,184,894</b>	<b>1,190,932</b>	<b>6,038</b>	<b>966,879</b>
<b>Miscellaneous Revenues</b>					
Sale of unserviceable equipment	9,500	9,500	10,856	1,356	9,491
Other	7,500	7,500	31,116	23,616	9,275
Interest earned	2,500	2,500	4,702	2,202	5,800
Insurance reimbursement	-	-	11,950	11,950	-
<b>Totals</b>	<b>19,500</b>	<b>19,500</b>	<b>58,624</b>	<b>39,124</b>	<b>24,566</b>
<b>Total Revenues</b>	<b>\$ 5,933,951</b>	<b>\$ 5,933,951</b>	<b>\$ 6,284,427</b>	<b>\$ 350,476</b>	<b>\$ 5,914,029</b>

**CITY OF NEWBERRY**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>General Government</b>					
<b>City Council</b>					
Salaries and wages	\$ 51,293	\$ 51,293	\$ 49,696	\$ 1,597	\$ 43,185
Overtime	100	100	-	100	-
Printing	2,000	2,000	21	1,979	2,001
Office supplies	1,500	1,500	815	685	852
Postage	500	500	528	(28)	350
Membership	350	350	200	150	200
Travel	10,350	10,350	11,824	(1,474)	16,613
Telecommunications	2,842	2,842	2,423	419	2,455
Advertising	625	1,125	1,420	(295)	759
Rental/lease of equipment	2,848	2,848	1,474	1,374	1,414
Employee training	1,000	1,000	405	595	50
Municipal election	3,000	5,242	5,342	(100)	-
Codification	3,000	3,000	991	2,009	2,123
<b>Totals</b>	<b>79,408</b>	<b>82,150</b>	<b>75,139</b>	<b>7,011</b>	<b>70,002</b>
<b>City Manager</b>					
Salaries and wages	194,141	216,853	208,351	8,502	185,702
Printing	300	300	82	218	118
Office supplies	800	800	578	222	540
Postage	400	400	59	341	33
Membership, dues and subscriptions	2,000	2,000	1,923	77	1,339
Travel	2,510	4,510	6,413	(1,903)	4,786
Car allowance	9,600	9,600	8,136	1,464	9,653
Telecommunications	3,228	3,228	2,295	933	3,095
Advertising	200	200	646	(446)	-
Rental/lease of equipment	2,704	2,704	639	2,065	768
Employee training	1,000	1,000	952	48	-
<b>Totals</b>	<b>216,883</b>	<b>241,595</b>	<b>230,074</b>	<b>11,521</b>	<b>206,034</b>
<b>Human Resources</b>					
Salaries and wages	86,198	88,784	89,279	(495)	86,737
Printing	900	900	598	302	474
Office supplies	700	700	469	231	743
Postage	200	200	85	115	88
Membership, dues and subscriptions	455	455	65	390	65
Travel	1,845	1,845	1,140	705	991
Telecommunications	1,600	1,600	1,140	460	1,316
Safety training/hygiene	100	100	-	100	-
Advertising	100	100	-	100	-
Rental/lease of equipment	1,317	1,317	663	654	716
Employee training	100	100	119	(19)	44
<b>Totals</b>	<b>93,515</b>	<b>96,101</b>	<b>93,558</b>	<b>2,543</b>	<b>91,174</b>

(Continued)

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>General Government (Continued)</b>					
<b>Finance</b>					
Salaries and wages	\$ 74,519	\$ 76,764	\$ 76,455	\$ 309	\$ 75,314
Overtime	300	300	-	300	-
Printing	885	885	918	(33)	449
Office supplies	3,000	3,000	2,014	986	2,444
Postage	3,350	3,350	2,187	1,163	2,259
Membership, dues and subscriptions	470	470	390	80	340
Travel	1,555	1,555	966	589	853
Telecommunications	1,482	1,482	892	590	1,088
Maintenance contracts	12,000	12,000	10,011	1,989	11,798
Equipment repair	500	500	-	500	514
Small equipment purchases	540	540	-	540	-
Advertising	600	600	133	467	221
Rental/lease of equipment	3,910	3,910	1,663	2,247	1,679
Employee training	315	315	256	59	202
Auditor	11,250	11,250	11,250	-	11,000
Refunds	250	250	80	170	35
Preparation of taxes	8,000	8,000	7,456	544	8,508
Computer programming	1,500	1,500	-	1,500	-
<b>Totals</b>	<b>124,426</b>	<b>126,671</b>	<b>114,671</b>	<b>12,000</b>	<b>116,704</b>
<b>City Hall</b>					
Service contracts	30,871	30,871	28,691	2,180	28,032
Small equipment purchases	600	600	522	78	158
<b>Totals</b>	<b>31,471</b>	<b>31,471</b>	<b>29,213</b>	<b>2,258</b>	<b>28,190</b>
<b>Planning and Development</b>					
Salaries and wages	110,180	106,485	103,694	2,791	153,244
Overtime	-	-	493	(493)	396
Printing	1,200	1,200	30	1,170	190
Office supplies	2,200	2,200	1,729	471	2,504
Postage	1,000	1,000	310	690	392
Membership, dues and subscriptions	1,315	1,315	892	423	917
Travel	6,250	6,250	3,579	2,671	2,859
Vehicle fuel	2,921	2,921	2,559	362	2,268
Vehicle repair	500	500	279	221	831
Tires and tubes	400	400	309	91	328
Utilities - annex	-	-	-	-	2,990
Telecommunications	4,253	4,253	3,097	1,156	2,554
Maintenance contracts	-	-	-	-	5,388
Building and fixture repairs	-	-	-	-	347
Small hand tools	250	250	105	145	42

(Continued)

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>General Government (Continued)</b>					
<b>Planning and Development (Continued)</b>					
Uniforms	\$ 800	\$ 800	\$ 805	\$ (5)	\$ 789
Safety supplies	100	100	24	76	98
Advertising	800	800	244	556	571
Rental/lease of equipment	2,011	2,011	675	1,336	220
Employee training	2,760	2,760	578	2,182	1,374
Boards and commissions	1,000	1,000	1,120	(120)	849
Refunds	500	500	30	470	60
Code enforcements	25,000	19,000	17,915	1,085	26,915
Computer programming	2,000	2,000	1,499	501	1,499
<b>Totals</b>	<b>165,440</b>	<b>155,745</b>	<b>139,966</b>	<b>15,779</b>	<b>207,625</b>
<b>Public Safety</b>					
<b>Police Department</b>					
Salaries and wages	1,393,609	1,437,817	1,354,410	83,407	1,353,808
Holiday pay	50,513	50,513	42,657	7,856	44,555
Training pay	5,500	5,500	7,411	(1,911)	5,260
Court pay	500	500	107	393	241
Overtime	5,500	5,500	7,465	(1,965)	6,900
Callbacks	18,000	18,000	14,582	3,418	16,512
Printing	2,250	2,250	677	1,573	362
Office supplies	2,500	2,500	2,552	(52)	2,304
Crime prevention	750	750	298	452	300
Postage	500	500	297	203	111
Membership, dues and subscriptions	3,574	3,574	2,769	805	2,415
Travel	1,525	1,525	462	1,063	1,286
Vehicle fuel	113,048	113,048	106,709	6,339	113,408
Vehicle repair	16,000	16,000	19,619	(3,619)	19,712
Tires and tubes	5,000	5,000	5,970	(970)	8,973
Utilities	15,509	15,509	11,398	4,111	11,216
Telecommunications	13,680	13,680	5,180	8,500	5,232
Maintenance contracts	6,236	6,236	6,496	(260)	6,595
Equipment repair	4,000	4,000	1,095	2,905	3,458
Building and fixture repairs	3,000	3,000	780	2,220	6,795
Small hand tools	600	600	445	155	22
Small equipment purchases	29,827	29,827	26,285	3,542	27,973
Uniforms	15,000	15,000	14,637	363	14,579
Safety training/hygiene	2,500	2,500	2,321	179	2,552
Dry cleaning and laundry	2,000	2,000	669	1,331	788
Janitorial services	1,500	1,500	1,374	126	1,164
Medical and lab services	500	500	377	123	146
Prisoner care	2,000	2,000	3,150	(1,150)	9,150
Drug dog care	1,000	1,000	-	1,000	-
Advertising	700	700	554	146	350
Rental/lease of equipment	31,126	31,126	27,710	3,416	28,996

(Continued)

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>Public Safety (Continued)</b>					
<b>Police Department (Continued)</b>					
Employee training	\$ 3,300	\$ 3,300	\$ 3,346	\$ (46)	\$ 3,062
Photo supplies	200	200	200	-	197
Special investigation	2,700	2,700	2,410	290	186
Automotive equipment	96,000	119,460	119,459	1	71,957
<b>Totals</b>	<b>1,850,147</b>	<b>1,917,815</b>	<b>1,793,871</b>	<b>123,944</b>	<b>1,770,565</b>
<b>Justice and Law</b>					
Salaries and wages	94,787	97,640	95,238	2,402	94,752
Overtime	300	300	-	300	-
State assessments	364,429	364,429	311,366	53,063	364,861
Printing	1,150	1,150	791	359	750
Office supplies	2,000	2,000	1,224	776	1,298
Postage	1,350	1,350	1,517	(167)	1,089
Memberships, dues and subscriptions	75	75	65	10	65
Refund of fines	12,800	17,300	14,719	2,581	12,897
Travel	1,529	1,529	1,489	40	1,524
Jury fees	2,600	2,600	1,470	1,130	1,530
Telecommunications	1,112	1,112	194	918	228
Maintenance contracts	1,800	1,800	1,256	544	1,435
Small equipment purchases	500	500	-	500	-
Rental/lease of equipment	1,387	1,387	1,404	(17)	1,402
Employee training	460	460	390	70	215
Legal services	8,662	8,662	9,100	(438)	7,851
<b>Totals</b>	<b>494,941</b>	<b>502,294</b>	<b>440,223</b>	<b>62,071</b>	<b>489,897</b>
<b>Fire Department</b>					
Salaries and wages	739,360	777,274	773,629	3,645	736,274
Training pay	6,000	8,900	8,094	806	3,761
Volunteer pay	4,500	3,300	3,170	130	2,117
Overtime	1,000	500	97	403	-
Callbacks	10,000	8,800	6,319	2,481	6,280
Printing	1,100	1,100	753	347	1,016
Office supplies	3,000	2,100	2,034	66	2,145
Postage	650	650	479	171	566
Membership, dues and subscriptions	965	965	440	525	754
Travel	4,731	5,631	5,411	220	1,442
Vehicle fuel	16,832	16,832	17,993	(1,161)	16,654
Vehicle repair	12,000	9,500	7,937	1,563	7,772
Tires and tubes	1,000	3,500	3,386	114	6,743
Utilities	43,838	43,838	28,534	15,304	26,317
Telecommunications	8,820	8,820	2,374	6,446	2,881
Maintenance contracts	17,970	17,970	17,005	965	15,181

(Continued)

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>Public Safety (Continued)</b>					
<b>Fire Department (Continued)</b>					
Equipment repair	\$ 4,000	\$ 5,000	\$ 4,036	\$ 964	\$ 3,268
Fire extinguishers	750	250	118	132	466
Building and fixture repairs	8,600	8,600	5,815	2,785	34,038
Small hand tools	2,500	2,500	1,596	904	1,496
Small equipment purchases	6,600	9,863	9,356	507	7,507
Radio supplies and maintenance	7,000	7,000	5,353	1,647	7,159
Uniforms	7,000	7,500	7,188	312	6,872
Safety equipment	11,265	11,265	8,970	2,295	12,515
Safety training/hygiene	1,530	1,530	1,245	285	1,310
Dry cleaning and laundry	500	500	363	137	219
Cleaning and sanitation supplies	2,000	2,000	1,973	27	1,928
Janitorial services	350	350	345	5	310
Medical and lab services	500	500	233	267	399
Advertising	500	500	463	37	360
Rental/lease of equipment	4,854	4,854	-	4,854	-
Employee training	1,970	1,970	1,751	219	1,030
Physical exams	10,000	7,912	6,455	1,457	4,532
Fire hose supplies	2,500	2,500	628	1,872	6,853
Boarding supplies	3,000	3,000	2,724	276	2,474
Photo supplies	200	200	122	78	-
Fire investigation unit	400	400	380	20	100
Fire prevention	6,000	6,000	5,173	827	5,452
FY 12 FEMA Grant-Smoke Detector	-	-	-	-	29,995
Volunteer firemen	1,900	1,900	1,619	281	1,415
Explorer scout post	400	400	346	54	230
Machines and equipment	33,948	29,685	28,290	1,395	-
<b>Totals</b>	<b>990,033</b>	<b>1,025,859</b>	<b>972,197</b>	<b>53,662</b>	<b>959,831</b>
<b>Public Works</b>					
<b>Public Works Administration</b>					
Salaries and wages	98,096	101,041	102,851	(1,810)	98,639
Overtime	75	75	44	31	-
Printing	400	400	405	(5)	303
Office supplies	1,180	1,180	770	410	1,145
Postage	100	100	80	20	67
Membership, dues and subscriptions	125	125	95	30	125
Travel	925	925	396	529	20
Vehicle fuel	1,719	1,719	1,340	379	1,026
Vehicle repair	350	350	425	(75)	385
Tires and tubes	225	345	344	1	101
Utilities	15,396	15,396	12,043	3,353	11,606
Telecommunications	5,922	5,922	2,650	3,272	2,782
Maintenance contracts	4,996	6,746	6,174	572	4,192
Equipment repair	300	300	239	61	104

(Continued)



CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>Public Works (Continued)</b>					
<b>Public Works Administration (Continued)</b>					
Small equipment purchases	\$ -	\$ -	\$ -	\$ -	\$ 1,873
Radio maintenance	150	150	-	150	-
Safety equipment	780	780	758	22	679
Safety training/hygiene	96	96	-	96	-
Cleaning and sanitation	100	100	-	100	42
Advertising	1,465	1,320	221	1,099	471
Rental/lease of equipment	1,387	1,387	-	1,387	-
Employee training	575	600	600	-	348
<b>Totals</b>	<b>134,362</b>	<b>139,057</b>	<b>129,435</b>	<b>9,622</b>	<b>123,908</b>
<b>Streets</b>					
Salaries and wages	287,630	296,409	291,503	4,906	301,707
Holiday pay	100	100	-	100	-
Overtime	4,900	4,900	3,393	1,507	3,014
Memberships, dues and subscriptions	25	25	-	25	-
Travel	100	100	60	40	-
Vehicle fuel	25,610	25,610	27,610	(2,000)	25,059
Vehicle repair	4,500	4,500	3,960	540	4,451
Tires and tubes	5,487	5,487	2,878	2,609	2,614
High school contract	4,000	-	-	-	2,040
Equipment repair	20,300	20,300	19,576	724	16,207
Small hand tools	1,200	1,200	858	342	1,093
Small equipment purchases	3,900	8,650	8,531	119	5,473
Cement and masonry	1,000	1,000	451	549	515
Sidewalk repair	15,000	15,000	1,023	13,977	2,273
Storm drain and pipe	1,000	1,000	-	1,000	720
Asphalt supplies and gravel	9,460	9,460	7,040	2,420	8,517
Radio maintenance	250	250	72	178	83
Uniforms	1,755	1,755	1,330	425	1,084
Safety equipment	4,000	4,000	3,125	875	1,260
Safety training/hygiene	500	500	-	500	139
Chemicals	9,000	9,000	7,815	1,185	4,632
Signs	5,000	5,000	3,654	1,346	3,591
Rental/lease of equipment	693	693	-	693	-
Employee training	250	250	60	190	180
General supplies	2,000	2,000	1,633	367	1,215
Rights of way	15,500	15,500	14,123	1,377	5,136
Street paving/resurfacing	265,000	265,000	204,143	60,857	-
Auto equipment	14,000	-	-	-	-
<b>Totals</b>	<b>702,160</b>	<b>697,689</b>	<b>602,838</b>	<b>94,851</b>	<b>391,003</b>

(Continued)

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>Public Works (Continued)</b>					
<b>Sanitation</b>					
Salaries and wages	\$ 171,568	\$ 177,045	\$ 178,100	\$ (1,055)	\$ 177,511
Holiday	1,057	1,057	771	286	1,025
Overtime	9,952	9,952	6,294	3,658	7,440
Vehicle fuel	76,840	76,840	73,384	3,456	74,313
Vehicle repair	20,900	30,900	30,395	505	21,564
Tires and tubes	21,303	21,303	18,519	2,784	16,202
Equipment repair	31,500	31,500	30,250	1,250	24,339
Small hand tools	170	170	12	158	29
Small equipment purchases	1,175	1,150	5,940	(4,790)	1,105
Radio maintenance	350	350	232	118	305
Uniforms	945	945	615	330	566
Safety equipment	400	400	116	284	275
Safety training/hygiene	532	532	46	486	-
Chemicals	250	250	-	250	241
Employee training	-	25	25	-	-
General supplies	542	542	250	292	226
Automotive equipment	150,000	150,000	135,206	14,794	231,950
Machines and equipment	22,000	22,000	21,827	173	-
<b>Totals</b>	<b>509,484</b>	<b>524,961</b>	<b>501,982</b>	<b>22,979</b>	<b>557,091</b>
<b>Building Maintenance</b>					
Salaries and wages	36,765	37,872	38,196	(324)	36,078
Overtime	150	150	46	104	46
Vehicle fuel	3,657	3,657	3,620	37	3,161
Vehicle repair	400	400	297	103	318
Tires and tubes	308	308	-	308	320
Equipment repairs	100	100	-	100	16
Building and fixture repairs	1,400	1,400	1,170	230	967
Small hand tools	350	350	169	181	108
Small equipment purchases	425	400	144	256	250
Radio maintenance	50	50	-	50	-
Uniforms	305	305	172	133	97
Safety equipment	125	125	50	75	3
Employee training	-	25	25	-	-
General supplies	526	526	480	46	300
<b>Totals</b>	<b>44,561</b>	<b>45,668</b>	<b>44,369</b>	<b>1,299</b>	<b>41,664</b>
<b>Garage</b>					
Salaries and wages	99,617	102,628	102,667	(39)	100,360
Overtime	750	750	165	585	163
Membership, dues and subscriptions	75	75	75	-	-
Travel	100	100	42	58	-
Vehicle fuel	2,920	2,920	2,237	683	2,011
Vehicle repair	350	600	573	27	670

(Continued)

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>Public Works (Continued)</b>					
<b>Garage (Continued)</b>					
Tires and tubes	\$ 416	\$ 416	\$ -	\$ 416	\$ -
Grease and oil	9,000	10,000	9,713	287	9,510
Telecommunications	1,701	1,701	602	1,099	562
Disposal	1,500	1,500	753	747	1,008
Equipment repair	3,800	3,800	2,502	1,298	2,571
Building and fixture repairs	1,250	1,250	624	626	1,039
Small hand tools	2,000	2,000	1,406	594	2,095
Small equipment purchases	4,935	3,935	3,922	13	1,145
Radio maintenance	150	150	-	150	-
Uniforms	675	675	405	270	416
Safety equipment	175	175	53	122	102
Safety training/hygiene	150	150	48	102	48
Chemicals	1,700	2,450	2,385	65	1,685
Rental/lease of equipment	693	693	-	693	-
Employee training	100	100	25	75	100
General supplies	7,150	7,650	7,738	(88)	6,998
<b>Totals</b>	<b>139,207</b>	<b>143,718</b>	<b>135,935</b>	<b>7,783</b>	<b>130,483</b>
<b>Parks, Recreation, and Tourism</b>					
Salaries and wages	344,168	354,673	346,799	7,874	303,388
Overtime	6,000	6,000	3,888	2,112	7,365
Printing	1,200	1,200	540	660	1,201
Office supplies	1,500	1,500	1,269	231	1,241
Postage	750	750	820	(70)	814
Membership, dues and subscriptions	750	750	673	77	704
Travel	1,100	1,100	855	245	830
Vehicle fuel	14,833	16,333	15,547	786	15,089
Vehicle repair	1,750	1,750	1,334	416	1,329
Tires and tubes	1,200	1,950	1,439	511	1,412
Utilities	27,490	28,990	30,681	(1,691)	26,388
Telecommunications	4,793	4,793	1,724	3,069	2,193
Maintenance contracts	3,995	8,995	8,990	5	2,035
Equipment repair	3,500	3,500	5,812	(2,312)	4,237
Building and fixture repairs	15,000	20,000	18,285	1,715	12,637
Landscape repair	2,000	2,000	1,423	577	1,972
Small hand tools	700	700	622	78	589
Small equipment purchases	1,500	1,500	749	751	1,326
Uniforms	1,250	1,250	859	391	1,343
Safety training/hygiene	1,500	1,500	1,426	74	1,432
Cleaning and sanitation supplies	850	850	725	125	794
Chemicals	3,000	3,000	2,535	465	1,371
Advertising	1,250	1,250	443	807	1,126
Rental/lease of equipment	6,351	2,101	1,482	619	1,269

(Continued)

**CITY OF NEWBERRY**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Parks, Recreation, and Tourism (Continued)</b>					
Employee training	\$ 500	\$ 500	\$ 105	\$ 395	\$ 395
Football	7,500	7,500	6,961	539	5,734
Baseball	12,000	12,000	12,255	(255)	12,851
Softball	3,500	3,500	3,553	(53)	2,075
Basketball	4,000	4,000	3,621	379	3,981
Senior adult programs	3,000	3,000	2,288	712	1,787
Other events	5,000	5,500	5,385	115	9,868
Sports camp	5,000	5,000	2,247	2,753	-
Machines and equipment	10,000	-	-	-	-
Participant's travel	-	-	-	-	529
T Ball Training Field Upgrade	-	63,000	103,658	(40,658)	-
Youth Football Field Upgrade	-	84,500	280	84,220	-
Vincent Street Park Basketball	-	331,500	384,344	(52,844)	-
Oakland Tennis Complex	-	8,000	-	8,000	-
Buildings/resurface courts	-	-	-	-	9,020
<b>Totals</b>	<b>496,930</b>	<b>994,435</b>	<b>973,617</b>	<b>20,818</b>	<b>438,325</b>
<b>Non-Departmental</b>					
<b>General Insurance</b>					
Claims reimbursement	800	800	-	800	305
SCMIRF	106,917	79,917	68,971	10,946	76,969
<b>Totals</b>	<b>107,717</b>	<b>80,717</b>	<b>68,971</b>	<b>11,746</b>	<b>77,274</b>
<b>Employee Benefits</b>					
SC retirement	177,300	177,300	179,358	(2,058)	164,259
SC police retirement	274,841	274,841	255,062	19,779	244,796
Social security	298,895	307,744	283,232	24,512	278,601
City's share of employee insurance	663,873	663,873	612,692	51,181	624,222
Workers' compensation	78,746	63,156	55,563	7,593	43,312
Workers' comp. deductibles	30,000	30,000	38,384	(8,384)	12,706
Unemployment	6,500	3,000	255	2,745	10,197
Employer/employee relations	18,000	20,000	21,905	(1,905)	16,744
Physical exams	1,500	1,500	873	627	1,666
Wellness program	15,000	9,500	5,432	4,068	7,385
<b>Totals</b>	<b>1,564,655</b>	<b>1,550,914</b>	<b>1,452,756</b>	<b>98,158</b>	<b>1,403,888</b>
<b>Community Promotions and Projects</b>					
MASC dues	5,285	5,285	5,267	18	5,267
Council on Aging	6,000	6,000	6,000	-	6,000
City Newsletter	1,500	1,500	-	1,500	-
Newberry Co. LEOA	2,000	2,000	2,000	-	1,500
Community enhancement	18,000	18,000	11,922	6,078	16,436
Economic Dev Contributions	5,000	5,000	5,000	-	-
City beautification	75,000	75,000	75,815	(815)	49,369
Parking lot rental	900	900	900	-	900
<b>Community Promotions and</b>					

(Continued)

CITY OF NEWBERRY  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2012
	Original	Final			
<b>Projects (Continued)</b>					
Regional planning	7,708	7,708	7,708	-	7,708
<b>Totals</b>	121,393	121,393	114,612	6,781	87,180
Capital lease principal and Interest payments	\$ 280,307	\$ 280,307	\$ 276,965	\$ 3,342	\$ 275,545
<b>Totals</b>	280,307	280,307	276,965	3,342	275,545
<b>Grand Totals</b>	<u>\$ 8,147,040</u>	<u>\$ 8,758,560</u>	<u>\$ 8,190,392</u>	<u>\$ 568,168</u>	<u>\$ 7,466,383</u>



## **SPECIAL REVENUE FUNDS**

Special Revenue Funds account for the accumulation and disbursement of restricted resources. The City has the following Special Revenue Funds.

NANU – This fund is used to account for the revenues and expenditures of the Newberry Allied Narcotics Unit (NANU), the City's drug task force.

Federal Equitable Sharing – This fund is used to account for the City's share of federal drug seizure revenues and expenditures.

Tourism Fund – This fund is used to account for the renovations and operations of the conference center and for tourism promotion.

Special Events Fund – This fund is used to account for transactions of the special events of the City such as city festivals.

State Accommodations Tax Fund – This fund is used to account for transactions related to the City's share of money received from the statewide accommodations tax.

Cultural Arts Fund – This fund is used to account for transactions related to certain employees provided to the Newberry Opera House Foundation by contract. The City provides certain employees to operate solely under the direction of the Newberry Opera House Foundation Board of Directors.

Community Housing/Development Fund – This fund is used to account for the transactions related to certain funding sources made available for the purpose of housing rehabilitation and community development.

Streetscape Fund – This fund is used to account for the revenues and expenditures of the street and sidewalk improvement program.

Local Hospitality/Accommodations Fee Fund – This fund is used to account for the money received from the additional 2% fee charged for meals and 3% fee charged for lodging by the City of Newberry.

Volunteer Firemen – This fund is used to account for collection of shared insurance premium rebates from the State of South Carolina and expenditures on behalf of the City's firemen.

Victim's Rights Fund – This fund is used to account for the transactions of the State mandated Victim's Rights program.

CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	NANU	Federal Equitable Sharing	Tourism Fund	Special Events Fund	State Accommodations Tax Fund	Cultural Arts Fund
<b>Assets</b>						
Cash and cash investments	\$ 21,497	\$ 12,764	\$ 131,470	\$ 38,438	\$ 16,590	\$ 30,591
Accounts/fees receivable	-	-	250	3,600	-	765
Notes receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	38,405	-
Other	-	-	-	-	-	-
Due from other funds	-	-	11,522	-	-	-
<b>Total Assets</b>	<u>\$ 21,497</u>	<u>\$ 12,764</u>	<u>\$ 143,242</u>	<u>\$ 42,038</u>	<u>\$ 54,995</u>	<u>\$ 31,356</u>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 6	\$ -	\$ 6,539	\$ -	\$ -	\$ 8,051
Deferred revenue	-	-	4,980	-	-	-
Due to other funds	86	-	-	-	13,442	2,547
<b>Total Liabilities</b>	<u>92</u>	<u>-</u>	<u>11,519</u>	<u>-</u>	<u>13,442</u>	<u>10,598</u>
<b>Fund Balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	41,553	-
Committed	21,405	12,764	131,723	42,038	-	20,758
<b>Total fund balances</b>	<u>21,405</u>	<u>12,764</u>	<u>131,723</u>	<u>42,038</u>	<u>41,553</u>	<u>20,758</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 21,497</u>	<u>\$ 12,764</u>	<u>\$ 143,242</u>	<u>\$ 42,038</u>	<u>\$ 54,995</u>	<u>\$ 31,356</u>



Community Housing/ Development	Streetscape Fund	Local Hospitality Fee Fund	Volunteer Fire	Victim's Rights Fund	Totals June 30, 2013	Totals June 30, 2012
\$ 686,677	\$ 679,038	\$ 215,911	\$ 22,782	\$ 71,268	\$ 1,927,026	\$ 1,519,887
-	-	57,048	-	-	61,663	53,216
355,000	-	-	-	-	355,000	355,000
-	-	-	-	-	38,405	400,625
-	-	-	-	-	-	5
-	-	-	-	2,438	13,960	16,048
<u>\$ 1,041,677</u>	<u>\$ 679,038</u>	<u>\$ 272,959</u>	<u>\$ 22,782</u>	<u>\$ 73,706</u>	<u>\$ 2,396,054</u>	<u>\$ 2,344,781</u>
\$ -	\$ -	\$ -	\$ -	\$ 6	\$ 14,602	\$ 15,908
355,000	-	-	-	-	359,980	366,670
100,668	-	-	-	4,181	120,924	16,422
<u>455,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,187</u>	<u>495,506</u>	<u>399,000</u>
355,000	-	-	-	-	355,000	355,000
-	679,038	272,959	-	67,081	1,060,631	575,395
231,009	-	-	22,782	2,438	484,917	1,015,386
<u>586,009</u>	<u>679,038</u>	<u>272,959</u>	<u>22,782</u>	<u>69,519</u>	<u>1,900,548</u>	<u>1,945,781</u>
<u>\$ 1,041,677</u>	<u>\$ 679,038</u>	<u>\$ 272,959</u>	<u>\$ 22,782</u>	<u>\$ 73,706</u>	<u>\$ 2,396,054</u>	<u>\$ 2,344,781</u>

CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	NANU	Federal Equitable Sharing	Tourism Fund	Special Events Fund	State Accommodations Tax Fund	Cultural Arts Fund
<b>Revenues</b>						
Fees						
Hospitality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accommodations	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Intergovernmental						
Public safety	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Accommodations tax	-	-	-	-	88,929	-
Local						
Other	-	-	-	16,804	-	-
Drug seizure	-	-	-	-	-	-
Donations	-	-	-	19,000	-	-
Rental and other	-	-	89,630	-	-	58,071
Interest Income	-	-	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>89,630</u>	<u>35,804</u>	<u>88,929</u>	<u>58,071</u>
<b>Expenditures</b>						
Grants						
Capital expenditures	-	-	-	-	-	-
Other						
Operating expenditures	15,281	-	347,756	21,152	20,230	257,847
Capital expenditures	-	-	-	-	-	-
Tourism contribution/NOHF	-	-	-	-	-	-
Debt service						
Principal	-	-	84,068	-	-	-
Interest	-	-	30,621	-	-	-
<b>Total Expenditures</b>	<u>15,281</u>	<u>-</u>	<u>462,445</u>	<u>21,152</u>	<u>20,230</u>	<u>257,847</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(15,281)	-	(372,815)	14,652	68,699	(199,776)
<b>Other Financing Sources (Uses)</b>						
Transfers in (out)						
General Fund	-	-	-	-	(28,196)	-
Debt Service Funds - TIF	-	-	-	-	-	-
Other Special Revenue Funds	-	-	359,199	5,000	(36,842)	207,424
<b>Fund Balances, beginning</b>	<u>36,686</u>	<u>12,764</u>	<u>145,339</u>	<u>22,386</u>	<u>37,892</u>	<u>13,110</u>
<b>Fund Balances, ending</b>	<u>\$ 21,405</u>	<u>\$ 12,764</u>	<u>\$ 131,723</u>	<u>\$ 42,038</u>	<u>\$ 41,553</u>	<u>\$ 20,758</u>

Community Housing/ Development	Streetscape Fund	Local Hospitality Fee Fund	Volunteer Fire	Victim's Rights Fund	Totals June 30, 2013	Totals June 30, 2012
\$ -	\$ -	\$ 568,451	\$ -	\$ -	\$ 568,451	\$ 553,643
-	-	109,445	-	-	109,445	92,736
-	-	2,685	-	-	2,685	1,236
-	-	-	14,882	-	14,882	20,360
202,149	-	-	-	-	202,149	361,354
-	-	-	-	-	-	85,874
-	-	-	-	-	88,929	83,296
-	-	-	-	38,647	55,451	53,604
-	-	-	-	-	-	7,676
-	-	-	-	-	19,000	8,100
-	-	-	-	-	147,701	100,638
32	-	-	-	-	32	64
202,181	-	680,581	14,882	38,647	1,208,725	1,368,581
-	104,006	-	-	-	104,006	85,874
4,469	19,302	-	12,761	57,549	756,347	936,656
140,220	-	-	-	-	140,220	11,470
-	-	2,000	-	-	2,000	2,000
-	-	-	-	-	84,068	80,849
-	-	-	-	-	30,621	33,840
144,689	123,308	2,000	12,761	57,549	1,117,262	1,150,689
57,492	(123,308)	678,581	2,121	(18,902)	91,463	217,892
-	-	(133,500)	-	-	(161,696)	(161,415)
-	-	25,000	-	-	25,000	25,000
(586,742)	586,742	(534,781)	-	-	-	-
1,115,259	215,604	237,659	20,661	88,421	1,945,781	1,864,304
\$ 586,009	\$ 679,038	\$ 272,959	\$ 22,782	\$ 69,519	\$ 1,900,548	\$ 1,945,781

CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS - NEWBERRY ALLIED NARCOTICS UNIT  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>Revenues</b>					
Drug seizure	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)	\$ 7,676
<b>Total Revenues</b>	5,000	5,000	-	(5,000)	7,676
<b>Expenditures</b>					
Drug seizure					
Operating expenditures	19,516	19,516	15,281	4,235	9,794
<b>Total Expenditures</b>	19,516	19,516	15,281	4,235	9,794
<b>Excess (Deficiency) of</b>					
<b>Revenues Over Expenditures</b>	(14,516)	(14,516)	(15,281)	(765)	(2,118)
<b>Fund Balances, beginning</b>	36,686	36,686	36,686	-	38,804
<b>Fund Balances, ending</b>	\$ 22,170	\$ 22,170	\$ 21,405	\$ (765)	\$ 36,686

CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS - TOURISM FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Year Ended</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>June 30, 2012</u>
<b>Revenues</b>					
<b>Intergovernmental</b>					
Rental and other	\$ 86,370	\$ 100,370	\$ 89,630	\$ (10,740)	\$ 80,899
<b>Total Revenues</b>	<u>86,370</u>	<u>100,370</u>	<u>89,630</u>	<u>(10,740)</u>	<u>80,899</u>
<b>Expenditures</b>					
Other					
Operating expenditures	322,198	348,861	347,756	1,105	284,095
Debt service					
Principal	84,068	84,068	84,068	-	80,849
Interest	30,621	30,621	30,621	-	33,840
Capital expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,425</u>
<b>Total Expenditures</b>	<u>436,887</u>	<u>463,550</u>	<u>462,445</u>	<u>1,105</u>	<u>406,209</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(350,517)	(363,180)	(372,815)	(9,635)	(325,310)
<b>Other Financing Sources (Uses)</b>					
Transfers in					
Other special revenue funds	340,601	353,264	359,199	5,935	336,678
<b>Fund Balances, beginning</b>	<u>145,339</u>	<u>145,339</u>	<u>145,339</u>	<u>-</u>	<u>133,971</u>
<b>Fund Balances, ending</b>	<u>\$ 135,423</u>	<u>\$ 135,423</u>	<u>\$ 131,723</u>	<u>\$ (3,700)</u>	<u>\$ 145,339</u>

CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS - SPECIAL EVENTS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Revenues</b>					
Local - other	\$ 6,400	\$ 6,400	\$ 16,804	\$ 10,404	\$ 9,000
Donations	5,000	5,000	19,000	14,000	8,100
<b>Total Revenues</b>	<b>11,400</b>	<b>11,400</b>	<b>35,804</b>	<b>24,404</b>	<b>17,100</b>
<b>Expenditures</b>					
Other					
Operating expenditures	19,000	19,000	21,152	(2,152)	15,957
<b>Total Expenditures</b>	<b>19,000</b>	<b>19,000</b>	<b>21,152</b>	<b>(2,152)</b>	<b>15,957</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	(7,600)	(7,600)	14,652	22,252	1,143
<b>Other Financing Sources</b>					
Transfer in					
Other special revenue funds	5,000	5,000	5,000	-	7,518
<b>Fund Balances, beginning</b>	<b>22,386</b>	<b>22,386</b>	<b>22,386</b>	<b>-</b>	<b>13,725</b>
<b>Fund Balances, ending</b>	<b>\$ 19,786</b>	<b>\$ 19,786</b>	<b>\$ 42,038</b>	<b>\$ 22,252</b>	<b>\$ 22,386</b>

**CITY OF NEWBERRY**  
**SPECIAL REVENUE FUNDS - STATE ACCOMMODATIONS TAX FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Revenues</b>					
Intergovernmental					
Accommodations tax	\$ 60,000	\$ 69,197	\$ 88,929	\$ 19,732	\$ 83,296
<b>Total Revenues</b>	<u>60,000</u>	<u>69,197</u>	<u>88,929</u>	<u>19,732</u>	<u>83,296</u>
<b>Expenditures</b>					
Other					
Operating expenditures	-	-	20,230	(20,230)	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>20,230</u>	<u>(20,230)</u>	<u>-</u>
<b>Excess (Deficiency) of</b>					
<b>Revenues Over</b>					
<b>Expenditures</b>	60,000	69,197	68,699	(498)	83,296
<b>Other Financing Sources (Uses)</b>					
Transfer out					
General Fund	(27,207)	(27,207)	(28,196)	(989)	(27,915)
Other special revenue funds	(41,940)	(51,137)	(36,842)	14,295	(53,007)
<b>Fund Balances, beginning</b>	<u>37,892</u>	<u>37,892</u>	<u>37,892</u>	<u>-</u>	<u>35,518</u>
<b>Fund Balances, ending</b>	<u>\$ 28,745</u>	<u>\$ 28,745</u>	<u>\$ 41,553</u>	<u>\$ 12,808</u>	<u>\$ 37,892</u>

CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS - CULTURAL ARTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Year Ended</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>June 30, 2012</u>
<b>Revenues</b>					
Newberry Opera House reimbursement	\$ 23,696	\$ 23,696	\$ 32,230	\$ 8,534	\$ 19,739
Facility fee	25,000	25,000	25,841	841	-
<b>Total Revenues</b>	<u>48,696</u>	<u>48,696</u>	<u>58,071</u>	<u>9,375</u>	<u>19,739</u>
<b>Expenditures</b>					
Other					
Operating expenditures	265,032	265,032	257,847	7,185	267,875
<b>Total Expenditures</b>	<u>265,032</u>	<u>265,032</u>	<u>257,847</u>	<u>7,185</u>	<u>267,875</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(216,336)	(216,336)	(199,776)	16,560	(248,136)
<b>Other Financing Sources (Uses)</b>					
Transfers in					
Other special revenue funds	207,424	207,424	207,424	-	228,236
<b>Fund Balances, beginning</b>	<u>13,110</u>	<u>13,110</u>	<u>13,110</u>	<u>-</u>	<u>33,010</u>
<b>Fund Balances, ending</b>	<u>\$ 4,198</u>	<u>\$ 4,198</u>	<u>\$ 20,758</u>	<u>\$ 16,560</u>	<u>\$ 13,110</u>



CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS - COMMUNITY HOUSING/DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Year Ended</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>June 30, 2012</u>
<b>Revenues</b>					
<b>Intergovernmental</b>					
Community development	\$ 300,000	\$ 300,000	\$ 202,149	\$ (97,851)	\$ 361,354
Interest income	20	20	32	12	63
<b>Total Revenues</b>	<u>300,020</u>	<u>300,020</u>	<u>202,181</u>	<u>(97,839)</u>	<u>361,417</u>
<b>Expenditures</b>					
Other					
Operating	480,550	137,469	4,469	133,000	292,762
Capital	250,000	593,081	140,220	452,861	4,045
<b>Total Expenditures</b>	<u>730,550</u>	<u>730,550</u>	<u>144,689</u>	<u>585,861</u>	<u>296,807</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	(430,530)	(430,530)	57,492	488,022	64,610
<b>Other Financing Sources (Uses)</b>					
Transfer to					
Other special revenue funds	(586,742)	(586,742)	(586,742)	-	-
<b>Fund Balances, beginning</b>	<u>1,115,259</u>	<u>1,115,259</u>	<u>1,115,259</u>	<u>-</u>	<u>1,050,649</u>
<b>Fund Balances, ending</b>	<u>\$ 97,987</u>	<u>\$ 97,987</u>	<u>\$ 586,009</u>	<u>\$ 488,022</u>	<u>\$ 1,115,259</u>

**CITY OF NEWBERRY**  
**SPECIAL REVENUE FUNDS - STREETSCAPE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Revenues</b>					
<b>Intergovernmental</b>					
Community development grant	\$ -	\$ -	\$ -	\$ -	\$ 85,874
<b>Total Revenues</b>	-	-	-	-	85,874
<b>Expenditures</b>					
Grants					
Capital expenditures	545,012	545,012	104,006	441,006	85,874
Other					
Operating expenditures	41,730	41,730	19,302	22,428	1,425
<b>Total Expenditures</b>	586,742	586,742	123,308	463,434	87,299
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(586,742)	(586,742)	(123,308)	463,434	(1,425)
<b>Other Financing Sources (Uses)</b>					
Transfers in					
Other special revenue funds	586,742	586,742	586,742	-	-
<b>Fund Balances, beginning</b>	215,604	215,604	215,604	-	217,029
<b>Fund Balances, ending</b>	\$ 215,604	\$ 215,604	\$ 679,038	\$ 463,434	\$ 215,604

**CITY OF NEWBERRY**  
**SPECIAL REVENUE FUNDS - LOCAL HOSPITALITY/ACCOMMODATIONS FEE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Revenues</b>					
Fees					
Hospitality	\$ 544,070	\$ 544,070	\$ 568,451	\$ 24,381	\$ 553,643
Accommodations	100,186	100,186	109,445	9,259	92,736
Penalties	1,000	1,000	2,685	1,685	1,236
Interest income	25	25	-	(25)	-
<b>Total Revenues</b>	<b>645,281</b>	<b>645,281</b>	<b>680,581</b>	<b>35,300</b>	<b>647,615</b>
<b>Expenditures</b>					
Tourism contribution/NOHF	2,000	2,000	2,000	-	2,000
<b>Total Expenditures</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	<b>643,281</b>	<b>643,281</b>	<b>678,581</b>	<b>35,300</b>	<b>645,615</b>
<b>Other Financing Sources (Uses)</b>					
Transfer in/out					
Debt service funds - TIF	25,000	25,000	25,000	-	25,000
General fund	(133,500)	(133,500)	(133,500)	-	(133,500)
Other special revenue funds	(534,781)	(534,781)	(534,781)	-	(519,425)
<b>Fund Balances, beginning</b>	<b>237,659</b>	<b>237,659</b>	<b>237,659</b>	<b>-</b>	<b>219,969</b>
<b>Fund Balances, ending</b>	<b>\$ 237,659</b>	<b>\$ 237,659</b>	<b>\$ 272,959</b>	<b>\$ 35,300</b>	<b>\$ 237,659</b>

CITY OF NEWBERRY  
SPECIAL REVENUE FUNDS - VICTIM'S RIGHTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Year Ended</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>June 30, 2012</u>
<b>Revenues</b>					
Court fines and assessments	\$ 33,713	\$ 33,713	\$ 38,647	\$ 4,934	\$ 44,604
Interest income	-	-	-	-	1
<b>Total Revenues</b>	<u>33,713</u>	<u>33,713</u>	<u>38,647</u>	<u>4,934</u>	<u>44,605</u>
<b>Expenditures</b>					
Drug seizure/other					
Operating expenditures	62,409	62,409	57,549	4,860	56,088
<b>Total Expenditures</b>	<u>62,409</u>	<u>62,409</u>	<u>57,549</u>	<u>4,860</u>	<u>56,088</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	(28,696)	(28,696)	(18,902)	9,794	(11,483)
<b>Fund Balances, beginning</b>	<u>88,421</u>	<u>88,421</u>	<u>88,421</u>	<u>-</u>	<u>99,904</u>
<b>Fund Balances, ending</b>	<u>\$ 59,725</u>	<u>\$ 59,725</u>	<u>\$ 69,519</u>	<u>\$ 9,794</u>	<u>\$ 88,421</u>

**CITY OF NEWBERRY**  
**SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES**  
**VICTIM'S RIGHTS FUND**  
**YEAR ENDED JUNE 30, 2013**

**Municipal Court Revenue to City of Newberry**

Court revenue booked in General Fund, excluding Victim's Rights money and other police revenue	\$ 553,568
Court assessments and surcharges to State of South Carolina	(311,366)
Court Refunds	(14,719)
	<hr/>
Net Court Revenue to City of Newberry	\$ 227,483
	<hr/> <hr/>

**Municipal Court Revenue to State of South Carolina**

Court assessments to the State Treasurer	\$ 204,402
DUI assessments to the State Treasurer	174
DUI Spinal Cord Research Surcharges to the State Treasurer	1,450
DUI DPS Pullouts to the State Treasurer	1,450
DUS DPS Pullouts to the State Treasurer	6,265
Drug Surcharges to the State Treasurer	8,022
Law Enforcement Surcharges to State Treasurer	74,323
Criminal Justice Academy Surcharges	14,818
DUI/DUAC Test Conviction Fees	171
Bond Estreatments	292
	<hr/>
Total Court Revenue to State Treasurer	\$ 311,367
	<hr/> <hr/>

**Victim Services**

Court assessments allocated to Victim Services	\$ 25,805
Court surcharges allocated to Victim Services	12,842
	<hr/>
Funds allocated to Victim Services	\$ 38,647
Victim Services expenditures and Transfers	(57,549)
	<hr/>

**Excess of Revenues Over (Under) Expenditures** (18,902)

**Other Adjustments** 87

**Fund Balances, beginning** 88,334

**Fund Balances, ending** \$ 69,519



## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the payment of general long-term debt principal and interest.

Series 2008 Tax Increment Revenue (TIF) Bond - This fund is used to account for the activities related to the special assessment bond issue which was issued for the purpose of refinancing the 1998 Tax Increment Revenue Bonds.

**CITY OF NEWBERRY**  
**DEBT SERVICE FUND - 2008 TIF**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 682,478	\$ 550,821
Property taxes receivable (net of allowance for uncollectibles)	<u>47,151</u>	<u>21,750</u>
<b>Total Assets</b>	<u><u>\$ 729,629</u></u>	<u><u>\$ 572,571</u></u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Deferred revenue	<u>\$ 33,191</u>	<u>\$ 19,219</u>
<b>Total Liabilities</b>	33,191	19,219
<b>Fund Balances</b>		
Restricted	<u>696,438</u>	<u>553,352</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 729,629</u></u>	<u><u>\$ 572,571</u></u>



CITY OF NEWBERRY  
DEBT SERVICE FUND - 2008 TIF  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Year Ended</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>June 30, 2012</u>
<b>Revenues</b>					
Property taxes - current	\$ 325,000	\$ 325,000	\$ 403,605	\$ 78,605	\$ 376,913
Property taxes - delinquent	20,000	20,000	21,497	1,497	56,859
School sales tax	20,000	20,000	33,734	13,734	33,882
Interest	200	200	597	397	463
<b>Total Revenues</b>	<u>365,200</u>	<u>365,200</u>	<u>459,433</u>	<u>94,233</u>	<u>468,117</u>
<b>Expenditures</b>					
Debt service					
Principal	276,210	276,210	276,210	-	271,313
Interest	15,137	15,137	15,137	-	25,020
<b>Total Expenditures</b>	<u>291,347</u>	<u>291,347</u>	<u>291,347</u>	<u>-</u>	<u>296,333</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	73,853	73,853	168,086	94,233	171,784
<b>Other Financing Sources (Uses)</b>					
Transfer out					
Special Revenue Fund	(25,000)	(25,000)	(25,000)	-	(25,000)
<b>Fund Balances, beginning</b>	<u>553,352</u>	<u>553,352</u>	<u>553,352</u>	<u>-</u>	<u>406,568</u>
<b>Fund Balances, ending</b>	<u>\$ 602,205</u>	<u>\$ 602,205</u>	<u>\$ 696,438</u>	<u>\$ 94,233</u>	<u>\$ 553,352</u>



## **PERMANENT FUND**

Japanese Gardens - Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used to support government programs which benefit the government or its citizens. The interest portion of the permanent fund can be used to maintain the Japanese Gardens.

**CITY OF NEWBERRY**  
**PERMANENT FUND - JAPANESE GARDENS**  
**COMPARATIVE BALANCE SHEETS**  
**JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Assets</b>		
Cash and investments	\$ 15,351	\$ 15,813
Interest receivable	<u>19</u>	<u>2</u>
<b>Total Assets</b>	<u><u>\$ 15,370</u></u>	<u><u>\$ 15,815</u></u>
 <b>Liabilities and Fund Balances</b>		
<b>Fund Balances</b>		
Restricted	\$ 10,000	\$ 10,000
Assigned	<u>5,370</u>	<u>5,815</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 15,370</u></u>	<u><u>\$ 15,815</u></u>

CITY OF NEWBERRY  
JAPANESE GARDENS PERMANENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Year Ended</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>June 30, 2012</u>
<b>Revenues</b>					
Interest revenue	\$ 30	\$ 30	\$ 32	\$ 2	\$ 41
Total revenues	<u>30</u>	<u>30</u>	<u>32</u>	<u>2</u>	<u>41</u>
<b>Expenditures</b>					
Maintenance of Japanese Gardens	2,607	2,607	2,027	580	2,160
Total expenditures	<u>2,607</u>	<u>2,607</u>	<u>2,027</u>	<u>580</u>	<u>2,160</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(2,577)	(2,577)	(1,995)	582	(2,119)
<b>Other Financing Sources (Uses)</b>					
Transfer In General Fund	1,550	1,550	1,550	-	1,550
<b>Fund Balances, beginning</b>	<u>15,815</u>	<u>15,815</u>	<u>15,815</u>	<u>-</u>	<u>16,384</u>
<b>Fund Balances, ending</b>	<u>\$ 14,788</u>	<u>\$ 14,788</u>	<u>\$ 15,370</u>	<u>\$ 582</u>	<u>\$ 15,815</u>



## **ENTERPRISE FUND**

The Enterprise Fund accounts for operations that are financed and operated in a manner similar to private business enterprise. The intent of the City is that costs of providing goods or services to the general public on a continuing basis will be financed or recovered through user charges.

Utility System - This fund is used to account for the activities of the Electric, Water and Sewer System (a department of the City of Newberry). Activities of the fund include administration, operation and maintenance of the electric, water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for Water and Sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

**CITY OF NEWBERRY  
ENTERPRISE FUND  
COMPARATIVE STATEMENTS OF NET POSITION  
JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash investments	\$ 9,636,606	\$ 10,842,374
Receivables (net of allowances for uncollectibles)		
Accounts	3,631,406	3,023,037
Grants	46,039	26,936
Intergovernmental	167,248	659,910
Interest receivable	-	19
Other	3,833	25,824
Inventory	1,081,084	1,096,529
Restricted Assets		
Cash and cash investments	785,359	879,952
Interest receivable	-	4
<b>Total Current Assets</b>	<u>15,351,575</u>	<u>16,554,585</u>
<b>Noncurrent Assets</b>		
Capital Assets		
Land and land improvements	437,589	437,589
Buildings and fixtures	14,920,533	14,878,682
Office furniture and equipment	211,010	211,010
Traffic controls and fire alarm system	185,112	185,112
Street lighting	455,238	455,238
Other equipment	722,424	467,429
Motor vehicles and equipment	2,197,258	2,168,283
Electric distribution system	11,718,731	10,919,344
Water distribution system	20,826,983	20,286,240
Sewer collection system	31,907,627	31,407,085
Construction in progress	1,323,159	277,846
Totals	84,905,664	81,693,858
Less accumulated depreciation	<u>(40,982,195)</u>	<u>(37,946,475)</u>
Total Capital Assets	43,923,469	43,747,383
Bond issuance cost	91,594	98,793
Restricted assets		
Cash and cash investments	1,228,492	1,330,887
Note receivable - Newberry Opera House Foundation	49,008	51,008
<b>Total Noncurrent Assets</b>	<u>45,292,563</u>	<u>45,228,071</u>
<b>Total Assets</b>	<u>60,644,138</u>	<u>61,782,656</u>

(Continued)



**CITY OF NEWBERRY  
ENTERPRISE FUND  
COMPARATIVE STATEMENTS OF NET POSITION  
JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,890,229	\$ 2,081,401
Accrued salaries payable	100,367	87,060
Compensated absences payable	104,528	125,322
Retainage payable	10,860	210,000
Due to other funds	42,792	35,489
Accrued interest payable	40,384	39,676
Revenue bonds payable	40,016	38,677
Loans payable	704,959	801,603
<b>Total Current Liabilities</b>	<u>2,934,135</u>	<u>3,419,228</u>
<b>Noncurrent Liabilities</b>		
Loans payable	16,852,093	17,099,654
Revenue bonds payable	151,293	191,309
Compensated absences payable	61,226	26,772
Other post-employment benefit obligation	8,453	7,593
<b>Total Noncurrent Liabilities</b>	<u>17,073,065</u>	<u>17,325,328</u>
<b>Total Liabilities</b>	<u>20,007,200</u>	<u>20,744,556</u>
<b>Net Position</b>		
Invested in capital assets, net of related debt	26,164,248	25,406,140
Restricted for		
Debt service	1,405,107	1,405,107
Maintenance of utility system	608,744	805,736
Unrestricted	12,458,839	13,421,117
<b>Total Net Position</b>	<u><u>\$ 40,636,938</u></u>	<u><u>\$ 41,038,100</u></u>

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Operating Revenues</b>					
Connection and reconnection fees	\$ 77,000	\$ 77,000	\$ 100,156	\$ 23,156	\$ 85,871
Water receipts	3,338,850	3,338,850	3,161,450	(177,400)	3,316,013
Electric receipts	20,737,316	20,737,316	20,506,598	(230,718)	19,545,156
Sewer receipts	3,332,843	3,332,843	3,301,286	(31,557)	3,403,206
Sales and use tax	390,000	390,000	433,962	43,962	410,412
Utility penalty	234,600	234,600	274,799	40,199	261,380
Water taps	6,000	6,000	54,700	48,700	21,756
Sewer taps	2,000	2,000	32,200	30,200	7,448
Temporary electric services	7,500	7,500	7,040	(460)	8,870
Newberry Housing Authority	1,086	1,086	1,086	-	1,086
Fire flow access fees	23,000	23,000	23,129	129	23,493
Other revenue	13,000	126,500	125,659	(841)	15,784
CATV - pole rental	29,955	29,955	44,550	14,595	29,955
<b>Total Operating Revenues</b>	<b>28,193,150</b>	<b>28,306,650</b>	<b>28,066,615</b>	<b>(240,035)</b>	<b>27,130,430</b>
<b>Operating Expense</b>					
City Hall	28,803	28,803	27,829	974	28,196
Finance	451,946	462,001	406,564	55,437	442,063
Utility administration	103,608	105,846	96,377	9,469	144,542
Warehouse	49,604	50,713	46,923	3,790	118,250
Information services	75,084	219,902	213,493	6,409	96,839
Electric distribution	899,332	894,884	878,238	16,646	861,197
Water and sewer maintenance	794,843	864,830	815,246	49,584	718,840
Water production	1,214,814	1,412,353	1,330,056	82,297	1,041,888
Waste treatment	870,625	923,957	1,047,672	(123,715)	872,596
General insurance	128,007	83,007	80,031	2,976	94,270
Employee fringe benefits	768,069	752,928	690,015	62,913	655,450
Nondepartmental	17,790,916	17,790,916	17,877,798	(86,882)	16,873,457
Depreciation	1,700,000	1,700,000	3,035,720	(1,335,720)	2,938,892
<b>Total Operating Expenses</b>	<b>24,875,651</b>	<b>25,290,140</b>	<b>26,545,962</b>	<b>(1,255,822)</b>	<b>24,886,480</b>
<b>Operating Income</b>	<b>3,317,499</b>	<b>3,016,510</b>	<b>1,520,653</b>	<b>(1,495,857)</b>	<b>2,243,950</b>

(Continued)

CITY OF NEWBERRY  
ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>	<u>Year Ended</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>	<u>June 30, 2012</u>
<b>Nonoperating Income</b>					
<b>(Expenses)</b>					
Interest revenue	\$ 2,500	\$ 2,500	\$ 3,144	\$ 644	\$ 4,258
County sales tax	-	275,000	219,299	(55,701)	2,989,331
Gain (loss) on extinguishment of capital assets	-	-	-	-	(1,506)
Interest expense, bank management fees and amortization	(1,100)	(1,100)	(507,059)	(505,959)	(22,645)
<b>Total Nonoperating Income</b>	<u>1,400</u>	<u>276,400</u>	<u>(284,616)</u>	<u>(561,016)</u>	<u>2,969,438</u>
<b>(Expenses)</b>					
<b>Income Before Contributions and Transfers</b>	3,318,899	3,292,910	1,236,037	(2,056,873)	5,213,388
<b>Capital Contributions</b>	-	-	180,163	180,163	401,050
<b>Transfer from (to)</b>					
General fund	(1,817,362)	(1,817,362)	(1,817,362)	-	(1,682,742)
<b>Change in Net Position</b>	1,501,537	1,475,548	(401,162)	(1,876,710)	3,931,696
<b>Net Position, beginning</b>	<u>41,038,100</u>	<u>41,038,100</u>	<u>41,038,100</u>	<u>-</u>	<u>37,106,404</u>
<b>Net Position, ending</b>	<u>\$ 42,539,637</u>	<u>\$ 42,513,648</u>	<u>\$ 40,636,938</u>	<u>\$ (1,876,710)</u>	<u>\$ 41,038,100</u>

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>City Hall</b>					
Utilities	\$ 22,003	\$ 22,003	\$ 20,811	\$ 1,192	\$ 18,262
Building and fixture repair	5,500	5,500	5,612	(112)	8,904
Cleaning and sanitation supplies	1,300	1,300	1,406	(106)	1,030
<b>Totals</b>	<b>28,803</b>	<b>28,803</b>	<b>27,829</b>	<b>974</b>	<b>28,196</b>
<b>Finance</b>					
Salaries and wages	333,980	344,035	313,467	30,568	339,829
Overtime	1,200	1,200	364	836	-
Printing	500	500	454	46	-
Office supplies	3,000	3,000	2,267	733	2,582
Postage	34,680	34,680	34,363	317	33,713
Membership, dues and subscriptions	195	195	60	135	60
Travel	1,745	1,745	44	1,701	82
Vehicle fuel	7,706	7,706	6,545	1,161	5,798
Vehicle repair	1,100	1,100	563	537	415
Tires and tubes	1,000	1,000	-	1,000	853
Telecommunications	6,565	6,565	1,815	4,750	1,729
Maintenance contracts	31,355	31,355	29,575	1,780	29,268
Equipment repair	750	750	6	744	217
Small hand tools	1,400	1,400	846	554	684
Small equipment purchases	895	895	314	581	11,241
Radio supplies	200	200	100	100	70
Uniforms	3,000	3,000	2,509	491	2,033
Safety equipment	200	200	118	82	-
Safety training/hygiene	300	300	-	300	-
Advertising	500	500	-	500	346
Rental/lease of equipment	8,070	8,070	2,189	5,881	1,679
Employee training	855	855	280	575	460
Audit	11,250	11,250	10,685	565	11,004
Computer programming	1,500	1,500	-	1,500	-
<b>Totals</b>	<b>451,946</b>	<b>462,001</b>	<b>406,564</b>	<b>55,437</b>	<b>442,063</b>
<b>Utility Administration</b>					
Salaries and wages	74,462	76,700	76,328	372	109,994
Overtime	150	150	-	150	124
Printing	200	200	-	200	218
Office supplies	2,000	2,000	1,775	225	2,354
Postage	600	600	286	314	256
Membership, dues and subscriptions	1,000	1,000	60	940	4,921
Travel	2,450	2,450	607	1,843	2,564
Vehicle fuel	-	2,000	3,015	(1,015)	1,440
Vehicle repair	-	200	46	154	207
Utilities	3,650	3,650	2,353	1,297	2,974
Telecommunications	3,342	1,842	1,722	120	897
Maintenance contracts	-	800	464	336	4,084

(Continued)

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Utility Administration (Continued)</b>					
Building and fixture repairs	\$ -	\$ -	\$ -	\$ -	\$ 1,254
Small equipment purchases	750	750	-	750	345
Advertising	7,200	7,200	5,845	1,355	5,585
Rent/lease of equipment	3,304	1,804	1,009	795	1,114
Employee training	2,500	2,500	1,822	678	661
Engineering supplies	2,000	2,000	1,045	955	5,550
<b>Totals</b>	<b>103,608</b>	<b>105,846</b>	<b>96,377</b>	<b>9,469</b>	<b>144,542</b>
<b>Warehouse</b>					
Salaries and wages	36,765	37,874	38,236	(362)	37,003
Overtime	200	200	177	23	-
Office supplies	1,000	1,000	837	163	860
Postage	30	30	4	26	8
Membership, dues and subscriptions	40	40	40	-	40
Travel	25	25	-	25	-
Vehicle fuel (forklift)	73	73	37	36	23
Utilities	5,086	5,086	3,108	1,978	3,078
Telecommunications	741	741	185	556	205
Maintenance contracts	625	625	729	(104)	604
Equipment repair	50	50	-	50	-
Building and fixture repairs	300	300	13	287	3,358
Small equipment purchases	100	100	-	100	-
Safety equipment	25	25	-	25	-
Rental/lease of equipment	644	644	-	644	-
Cost of sales	400	400	-	400	-
Inventory loss	3,500	3,500	3,557	(57)	73,071
<b>Totals</b>	<b>49,604</b>	<b>50,713</b>	<b>46,923</b>	<b>3,790</b>	<b>118,250</b>
<b>Information Services</b>					
Salaries and wages	47,256	54,974	53,052	1,922	71,932
Printing	175	175	-	175	-
Office supplies	150	150	120	30	259
Postage	350	350	18	332	-
Membership, dues and subscriptions	350	350	246	104	568
Travel	2,825	2,825	2,271	554	2,902
Vehicle fuel	500	500	248	252	632
Vehicle repair	400	-	-	-	159
Tires and tubes	500	-	-	-	-
Telecommunications	4,722	4,722	4,607	115	5,505
Maintenance contracts	5,000	2,000	1,760	240	4,514
Equipment repair	4,856	4,856	4,794	62	5,458
Small equipment purchases	2,000	2,000	1,555	445	3,897
Computers	-	141,000	140,970	30	-
Rental/lease of equipment	644	644	519	125	-
Safety equipment	-	-	-	-	13
Employee training	5,356	5,356	3,333	2,023	1,000
<b>Totals</b>	<b>75,084</b>	<b>219,902</b>	<b>213,493</b>	<b>6,409</b>	<b>96,839</b>

(Continued)

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Electric Distribution</b>					
Salaries and wages	\$ 428,262	\$ 441,875	\$ 426,957	\$ 14,918	\$ 441,157
Overtime and holiday pay	25,500	33,000	43,516	(10,516)	19,479
Office supplies	500	500	635	(135)	570
Membership, dues and subscriptions	1,600	1,600	1,502	98	1,502
Travel	3,885	3,885	2,475	1,410	2,734
Vehicle fuel	34,000	42,439	36,021	6,418	29,941
Vehicle repair	20,000	20,000	11,039	8,961	17,498
Tires and tubes	10,000	10,000	3,685	6,315	7,017
Utilities	14,254	5,254	2,859	2,395	9,360
Telecommunications	6,501	6,501	6,037	464	3,286
Maintenance contracts	120,000	120,000	127,539	(7,539)	104,283
Contracts - elec. rates/needs	11,000	16,000	15,111	889	10,546
Meter testing	9,000	1,500	-	1,500	9,039
Equipment repair	9,000	9,000	11,278	(2,278)	6,616
Substation repairs	7,500	500	-	500	52
Building and fixture repairs	2,000	2,000	10,192	(8,192)	682
Small hand tools	7,500	7,500	7,699	(199)	27,118
Small equipment purchases	2,000	2,000	3,049	(1,049)	2,949
Uniforms	10,000	14,000	18,734	(4,734)	9,872
Safety equipment	8,000	11,000	10,218	782	6,652
Cleaning and sanitation supplies	1,250	1,250	1,139	111	941
Meters and meter parts	5,000	5,000	4,367	633	5,199
Electric materials	100,000	100,000	103,897	(3,897)	125,349
Advertising	500	500	139	361	60
Rental/lease of equipment	2,080	2,080	1,558	522	1,271
Employee training	10,000	2,500	6,996	(4,496)	3,660
Engineering	15,000	15,000	8,960	6,040	3,934
Legal expenses	25,000	20,000	12,636	7,364	10,250
Rights of way	10,000	-	-	-	180
<b>Totals</b>	<b>899,332</b>	<b>894,884</b>	<b>878,238</b>	<b>16,646</b>	<b>861,197</b>
<b>Water and Sewer Maintenance</b>					
Salaries and wages	358,387	401,726	367,692	34,034	317,572
Overtime and holiday pay	36,250	36,250	31,536	4,714	29,809
Office supplies	450	450	578	(128)	571
Postage	150	150	153	(3)	76
Membership, dues and subscriptions	905	905	480	425	394
Travel	5,360	5,360	3,506	1,854	4,061
Vehicle fuel	36,347	36,347	35,864	483	42,307
Vehicle repair	12,000	12,000	21,545	(9,545)	10,833
Tires and tubes	6,000	6,000	4,836	1,164	8,091
Utilities	26,010	26,010	33,266	(7,256)	25,940
Telecommunications	5,961	5,961	2,231	3,730	1,800
Maintenance contracts	3,200	3,200	1,335	1,865	951
Contract - TV sewer lines	15,000	15,000	9,231	5,769	4,660
Meter testing	5,000	-	-	-	3,390

(Continued)

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Water and Sewer Maintenance</b>					
(Continued)					
Equipment repairs	\$ 35,000	\$ 35,000	\$ 34,583	\$ 417	\$ 51,287
Building and fixture repairs	2,000	2,000	1,156	844	360
Small hand tools	4,000	4,000	5,322	(1,322)	3,146
Small equipment purchases	4,000	4,000	6,136	(2,136)	3,859
Cement and masonry	60,000	85,500	95,679	(10,179)	46,398
Uniforms	2,273	8,421	6,428	1,993	5,828
Safety equipment	12,000	12,000	10,010	1,990	8,588
Cleaning and sanitation					
supplies	1,500	1,500	1,375	125	1,066
Chemicals	1,800	1,800	620	1,180	284
Meters and meter parts	10,000	10,000	7,966	2,034	7,528
Pipes, fittings and hydrants	103,000	103,000	94,428	8,572	101,722
Advertising	800	800	341	459	135
Rental/lease of equipment	2,500	2,500	856	1,644	646
Employee training	2,450	2,450	3,551	(1,101)	1,800
Engineering	7,500	7,500	3,647	3,853	-
Rights of way	35,000	35,000	30,895	4,105	35,738
<b>Totals</b>	<b>794,843</b>	<b>864,830</b>	<b>815,246</b>	<b>49,584</b>	<b>718,840</b>
<b>Water Production</b>					
Salaries and wages	339,875	321,479	310,624	10,855	335,228
Overtime and holiday pay	4,000	13,600	11,705	1,895	4,528
Regulatory fees	16,000	18,500	18,419	81	14,665
Printing	1,500	1,500	1,133	367	1,108
Office supplies	1,250	3,250	2,800	450	1,350
Postage	1,400	1,400	594	806	672
Membership, dues and					
subscriptions	585	3,085	2,919	166	555
Travel	750	750	-	750	115
Vehicle fuel	8,973	4,973	3,917	1,056	3,798
Vehicle repair	500	500	242	258	414
Tires and tubes	500	500	64	436	471
Diesel Fuel-WTP/WWTP	10,000	10,000	338	9,662	14,094
Utilities	410,352	410,352	398,233	12,119	381,743
Telecommunications	4,504	2,504	1,973	531	1,968
Maintenance contracts	18,000	18,000	12,365	5,635	11,414
Water tank maintenance	40,000	250,000	250,000	-	-
Rate study	3,500	3,500	-	3,500	546
Sludge handling contract	23,000	23,000	24,380	(1,380)	23,400
Outside lab testing	2,000	2,000	1,588	412	1,158
Equipment repairs	75,000	75,000	93,508	(18,508)	56,199
Building and fixture repairs	5,000	5,000	5,530	(530)	5,286
Small hand tools	500	500	47	453	481
Small equipment purchases	1,000	1,000	954	46	628
Uniforms	750	750	578	172	276
Safety equipment	6,000	8,000	6,030	1,970	5,591
Cleaning and sanitation					
supplies	1,000	1,000	935	65	1,071
Chemicals	200,000	200,000	153,092	46,908	155,728
Medical and lab supplies	18,000	22,335	22,692	(357)	17,253

(Continued)

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**SCHEDULE OF EXPENSES - BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2013**  
**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>	<b>Year Ended</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>	<b>June 30, 2012</b>
<b>Water Production (Continued)</b>					
Pipes, fittings and hydrants	\$ 1,000	\$ 1,000	\$ 2,599	\$ (1,599)	\$ 550
Electrical materials	1,000	1,000	200	800	519
Advertising	500	500	399	101	99
Rental/lease of equipment	4,200	2,200	956	1,244	680
Employee training	1,675	5,175	1,242	3,933	300
Engineering	12,500	-	-	-	-
<b>Totals</b>	<b>1,214,814</b>	<b>1,412,353</b>	<b>1,330,056</b>	<b>82,297</b>	<b>1,041,888</b>
<b>Waste Treatment</b>					
Salaries and wages	223,620	220,752	214,130	6,622	196,569
Overtime and holiday pay	11,100	11,100	7,707	3,393	8,283
Regulatory fees	3,200	3,200	3,480	(280)	3,070
Office supplies	1,800	2,800	2,946	(146)	2,027
Postage	375	375	204	171	363
Membership, dues and subscriptions	600	600	3,150	(2,550)	453
Travel	1,200	3,400	1,112	2,288	781
Vehicle fuel	5,950	5,950	5,278	672	3,149
Vehicle repair	500	500	519	(19)	479
Tires and tubes	500	500	486	14	-
Diesel Fuel WTP/WWTP	26,565	13,565	6,932	6,633	3,525
Utilities	308,600	308,600	324,134	(15,534)	321,470
Telecommunications	3,342	3,342	1,219	2,123	1,641
Maintenance contracts	10,000	8,000	6,668	1,332	9,375
Rate study	3,500	3,500	-	3,500	5,778
Sludge handling contract	120,000	168,000	220,071	(52,071)	160,779
Outside Lab Testing	20,000	20,000	16,897	3,103	15,987
Pretreatment program	8,500	8,500	5,720	2,780	3,590
Equipment repairs	35,000	35,000	106,091	(71,091)	26,925
Building and fixture repairs	3,000	13,300	13,515	(215)	3,027
Small hand tools	1,000	1,000	1,136	(136)	1,685
Small equipment purchases	1,000	1,000	781	219	259
Uniforms	1,000	1,000	1,145	(145)	421
Safety equipment	1,200	1,200	1,656	(456)	1,452
Safety training/hygiene	500	500	-	500	-
Cleaning and sanitation supplies	1,000	1,000	934	66	1,545
Chemicals	50,000	65,000	80,051	(15,051)	51,169
Medical and lab supplies	14,000	11,700	13,789	(2,089)	16,378
Pipes, fittings and hydrants	500	500	3,417	(2,917)	1,410
Electrical materials	500	1,500	1,524	(24)	45
Advertising	300	300	-	300	164
Rental/lease of equipment	3,273	773	384	389	84
Employee training	4,000	2,500	2,596	(96)	2,618
Engineering	5,000	5,000	-	5,000	-
Extra Legal	-	-	-	-	13,905
Contracts - infiltration	-	-	-	-	14,190
<b>Totals</b>	<b>870,625</b>	<b>923,957</b>	<b>1,047,672</b>	<b>(123,715)</b>	<b>872,596</b>

(Continued)



CITY OF NEWBERRY  
ENTERPRISE FUND  
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2013  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2012)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2012
<b>General Insurance</b>					
Claims reimbursement	\$ 800	\$ 800	\$ -	\$ 800	\$ -
SCMIRF	127,207	82,207	80,031	2,176	94,270
<b>Totals</b>	<b>128,007</b>	<b>83,007</b>	<b>80,031</b>	<b>2,976</b>	<b>94,270</b>
<b>Employee Fringe and Benefits</b>					
SC retirement	203,627	203,627	197,993	5,634	185,181
Social security	146,957	151,366	141,256	10,110	142,403
City's share of employee insurance	315,700	315,700	289,651	26,049	286,659
GASB 45 OPEB expense	5,000	5,000	860	4,140	1,579
Workers' compensation	38,785	35,010	9,664	25,346	14,889
Workers' compensation deductibles	20,000	20,000	23,138	(3,138)	6,258
Unemployment claims	2,000	2,000	-	2,000	-
Employer/employee relations	19,000	15,225	10,960	4,265	12,809
Physical examinations	1,000	1,000	587	413	1,088
Wellness program	16,000	4,000	2,245	1,755	4,584
Compensated absences	-	-	13,661	(13,661)	-
<b>Totals</b>	<b>768,069</b>	<b>752,928</b>	<b>690,015</b>	<b>62,913</b>	<b>655,450</b>
<b>Nondepartmental</b>					
Sales and use tax	390,000	390,000	437,860	(47,860)	411,201
Purchase of electricity	17,235,698	17,235,698	17,176,358	59,340	16,294,360
SCE&G water contract	24,000	24,000	20,207	3,793	22,449
Streetlight charges	7,979	7,979	8,521	(542)	7,387
Refunds	10,000	10,000	9,363	637	12,603
Bad debt expense	80,000	80,000	186,413	(106,413)	105,324
Community enhancement	30,000	35,000	31,929	3,071	13,495
Web site maintenance	10,000	5,000	3,909	1,091	3,400
Lease - Lindsay Drivethru	3,239	3,239	3,238	1	3,238
<b>Totals</b>	<b>17,790,916</b>	<b>17,790,916</b>	<b>17,877,798</b>	<b>(86,882)</b>	<b>16,873,457</b>
<b>Depreciation</b>	<b>1,700,000</b>	<b>1,700,000</b>	<b>3,035,720</b>	<b>(1,335,720)</b>	<b>2,938,892</b>
<b>Grand Totals</b>	<b>\$ 24,875,651</b>	<b>\$ 25,290,140</b>	<b>\$ 26,545,962</b>	<b>\$ (1,255,822)</b>	<b>\$ 24,886,480</b>

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	\$ 27,480,260	\$ 27,633,820
Purchase of electricity	(17,176,358)	(16,294,360)
Payments to suppliers	(4,303,210)	(3,868,273)
Payments to employees	(1,867,664)	(1,914,713)
<b>Net Cash Provided by Operating Activities</b>	<u>4,133,028</u>	<u>5,556,474</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Transfers in (out)	(1,817,362)	(1,682,742)
<b>Net Cash Used in Noncapital Financing Activities</b>	<u>(1,817,362)</u>	<u>(1,682,742)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(3,713,845)	(9,821,523)
Subsidy from federal grants	161,060	712,502
Proceeds from capital debt	1,403,824	4,095,858
County sales tax	219,299	2,989,331
Principal payments on bonds and notes payable	(1,294,044)	(742,284)
Interest and other fees paid	(499,860)	(9,426)
<b>Net Cash Used in Capital and Related Financing Activities</b>	<u>(3,723,566)</u>	<u>(2,775,542)</u>
<b>Cash Flows from Investing Activities</b>		
Interest on investments	3,144	4,418
Principal payments received on notes receivable	2,000	2,000
<b>Net Cash Provided by Investing Activities</b>	<u>5,144</u>	<u>6,418</u>
<b>Net (Decrease) Increase in Cash</b>	(1,402,756)	1,104,608
<b>Cash and Cash Investments, Beginning</b>	<u>13,053,213</u>	<u>11,948,605</u>
<b>Cash and Cash Investments, Ending</b>	<u><u>\$ 11,650,457</u></u>	<u><u>\$ 13,053,213</u></u>

(Continued)

**CITY OF NEWBERRY**  
**ENTERPRISE FUND**  
**COMPARATIVE STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Reconciliation of Operating Income to</b>		
<b>Net Cash Provided by Operating Activities</b>		
Operating Income	\$ 1,520,653	\$ 2,243,950
Adjustments to reconcile operating income to		
net cash provided by operating activities		
Depreciation	3,035,720	2,938,892
Decrease (increase) in accounts receivable	(608,369)	526,734
Decrease (increase) in inventories	15,445	(29,354)
Decrease (increase) in other receivables	22,014	(23,344)
Increase (decrease) in accounts payable	112,435	(96,456)
Increase (decrease) in compensated absences	13,660	(8,931)
Increase (decrease) in accrued salaries	14,167	5,725
Increase (decrease) in due to other funds	7,303	(742)
	<u>4,133,028</u>	<u>5,556,474</u>
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 4,133,028</u>	<u>\$ 5,556,474</u>
<b>Noncash Capital Activities</b>		
Acquisition of capital assets on account	<u>\$ 2,300,644</u>	<u>\$ 4,960,650</u>



## **CAPITAL ASSETS - GOVERNMENTAL FUNDS**

The Capital Assets - Governmental Funds provide accountability for the City's general capital assets. A capital asset is accounted for in this account when it has been purchased using general governmental resources and is used for general governmental purposes. Assets are recorded at historical cost if purchased, or if historical cost is not available, estimated historical cost, or fair market value on the date donated, if donated.

**CITY OF NEWBERRY**  
**COMPARATIVE SCHEDULES OF CAPITAL ASSETS**  
**USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**BY SOURCE**  
**JUNE 30, 2013 AND 2012**

	<u>2013</u>	<u>2012</u>
<b>Capital Assets</b>		
Land and improvements	\$ 2,344,876	\$ 2,301,016
Buildings, improvements and fixtures	7,480,426	7,145,802
Streets, sidewalks and bridges	1,998,256	1,789,194
Motor vehicles and equipment	4,855,963	4,705,045
Office furniture and equipment	113,520	118,545
Other equipment	<u>1,385,171</u>	<u>1,344,242</u>
<b>Total Capital Assets</b>	<u><u>\$ 18,178,212</u></u>	<u><u>\$ 17,403,844</u></u>
<b>Investment in Capital Assets by Source</b>		
General Fund	\$ 7,932,022	\$ 7,260,672
Special Revenue Funds	3,956,829	3,853,811
Capital Projects Funds	983,603	983,603
Donations	4,533,279	4,533,279
Parking Enterprise Funds	374,186	374,186
Contribution by Utility Enterprise Fund	<u>398,293</u>	<u>398,293</u>
<b>Total Investment in Capital Assets</b>	<u><u>\$ 18,178,212</u></u>	<u><u>\$ 17,403,844</u></u>

**CITY OF NEWBERRY**  
**SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF**  
**GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY**  
**YEAR ENDED JUNE 30, 2013**

Function and Activity	Land and Land Improvements	Building Improvements and Fixtures	Streets, Sidewalks, and Bridges	Motor Vehicle and Equipment	Office Furniture and Equipment	Other Equipment	Total
<b>General Government</b>							
Council	\$ 1,902,395	\$ 7,111,935	\$ -	\$ -	\$ -	\$ 110,980	\$ 9,125,310
Finance	-	-	-	-	11,240	-	11,240
City Hall	-	-	-	-	63,416	8,850	72,266
Planning and development	-	-	-	56,707	-	-	56,707
Telecommunications	-	-	-	-	-	703,376	703,376
<b>Total General Government</b>	<u>1,902,395</u>	<u>7,111,935</u>	<u>-</u>	<u>56,707</u>	<u>74,656</u>	<u>823,206</u>	<u>9,968,899</u>
<b>Public Safety</b>							
Police	-	3,400	-	868,497	38,864	117,258	1,028,019
Fire	-	30,467	-	1,745,930	-	142,201	1,918,598
Justice and law	-	-	-	-	-	7,000	7,000
<b>Total Public Safety</b>	<u>-</u>	<u>33,867</u>	<u>-</u>	<u>2,614,427</u>	<u>38,864</u>	<u>266,459</u>	<u>2,953,617</u>
<b>Public Works</b>							
Administration	-	-	-	20,425	-	23,069	43,494
Streets and drainage	-	-	1,998,256	522,723	-	18,108	2,539,087
Sanitation and streets	-	-	-	1,426,033	-	21,827	1,447,860
Building maintenance	-	-	-	19,955	-	-	19,955
Garage	-	-	-	26,215	-	52,026	78,241
<b>Total Public Works</b>	<u>-</u>	<u>-</u>	<u>1,998,256</u>	<u>2,015,351</u>	<u>-</u>	<u>115,030</u>	<u>4,128,637</u>
<b>Parks, Recreation and Tourism</b>	<u>442,480</u>	<u>334,624</u>	<u>-</u>	<u>169,478</u>	<u>-</u>	<u>180,477</u>	<u>1,127,059</u>
<b>Total Capital Assets</b>	<u>\$ 2,344,875</u>	<u>\$ 7,480,426</u>	<u>\$ 1,998,256</u>	<u>\$ 4,855,963</u>	<u>\$ 113,520</u>	<u>\$ 1,385,172</u>	<u>\$ 18,178,212</u>

**CITY OF NEWBERRY**  
**SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION**  
**OF GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY**  
**YEAR ENDED JUNE 30, 2013**

<b>Function and Activity</b>	<b>Capital Assets June 30, 2012</b>	<b>Additions</b>	<b>Deductions</b>	<b>Capital Assets June 30, 2013</b>
<b>General Government</b>				
Council	\$ 9,125,312	\$ -	\$ -	\$ 9,125,312
Finance	11,240	-	-	11,240
City Hall	72,266	-	-	72,266
Planning and development	56,707	-	-	56,707
Telecommunications	703,376	-	-	703,376
<b>Total General Government</b>	<u>9,968,901</u>	<u>-</u>	<u>-</u>	<u>9,968,901</u>
<b>Public Safety</b>				
Police	1,026,519	119,459	117,959	1,028,019
Fire	1,890,308	28,290	-	1,918,598
Justice and law	7,000	-	-	7,000
<b>Total Public Safety</b>	<u>2,923,827</u>	<u>147,749</u>	<u>117,959</u>	<u>2,953,617</u>
<b>Public Works</b>				
Administration	43,494	-	-	43,494
Streets and drainage	2,330,025	209,062	-	2,539,087
Sanitation and streets	1,290,826	157,032	-	1,447,858
Building maintenance	19,955	-	-	19,955
Garage	78,241	-	-	78,241
<b>Total Public Works</b>	<u>3,762,541</u>	<u>366,094</u>	<u>-</u>	<u>4,128,635</u>
<b>Parks, Recreation, and Tourism</b>	<u>748,575</u>	<u>384,624</u>	<u>6,140</u>	<u>1,127,059</u>
<b>Total Capital Assets</b>	<u>\$ 17,403,844</u>	<u>\$ 898,467</u>	<u>\$ 124,099</u>	<u>\$ 18,178,212</u>



# STATISTICAL SECTION

This part of the City of Newberry'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.

	Page
<b>Contents</b>	
Financial Trends	111-116
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	117-126
These schedules contain information to help the reader assess the government's most significant local revenue source, utility system receipts. Additional data is presented on property tax revenue, the most significant general fund revenue source and a traditional revenue source of interest to readers of this report.	
Debt Capacity	127-132
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.	
Demographic and Economic Information	133-134
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	135-137
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.	
Sources:	Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Newberry**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governmental activities										
Invested in capital assets, net of related debt	3,858,984	4,122,670	3,920,914	5,014,176	5,930,087	6,447,586	6,934,137	7,016,972	6,905,766	7,465,441
Restricted	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Unrestricted	3,352,803	4,001,053	5,667,899	5,215,684	6,001,866	6,777,040	7,299,789	7,810,796	8,523,753	8,862,948
Total governmental activities net position	7,221,787	8,133,723	9,598,813	10,239,860	11,941,953	13,234,626	14,243,926	14,837,768	15,439,519	16,338,389
Business-type activities										
Invested in capital assets, net of related debt	18,640,596	18,650,539	18,614,512	18,755,630	19,853,480	21,938,753	21,001,548	21,973,791	25,406,140	26,164,248
Restricted	1,500,134	969,491	1,051,168	1,528,920	1,634,787	2,758,201	2,473,010	2,352,964	2,210,843	2,013,851
Unrestricted	4,548,809	5,529,050	6,483,586	7,217,461	8,995,983	7,067,335	10,123,565	12,779,649	13,421,117	12,458,839
Total business-type activities net position	24,689,539	25,149,080	26,149,266	27,502,011	30,484,250	31,764,289	33,598,123	37,106,404	41,038,100	40,636,938
Primary government										
Invested in capital assets, net of related debt	22,499,580	22,773,209	22,535,426	23,769,806	25,783,567	28,386,339	27,935,685	28,990,763	32,311,906	33,629,689
Restricted	1,510,134	979,491	1,061,168	1,538,920	1,644,787	2,768,201	2,483,010	2,362,964	2,220,843	2,023,851
Unrestricted	7,901,612	9,530,103	12,151,485	12,433,145	14,997,849	13,844,375	17,423,354	20,590,445	21,944,870	21,321,787
Total primary government net position	31,911,326	33,282,803	35,748,079	37,741,871	42,426,203	44,998,915	47,842,049	51,944,172	56,477,619	56,975,327

**City of Newberry**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Expenses</b>										
Governmental activities:										
General government	969,006	1,005,597	1,030,011	1,445,489	1,314,360	1,189,122	1,483,407	1,659,638	1,670,245	1,642,800
Public safety	3,106,543	3,293,811	3,474,702	3,825,223	4,190,713	4,071,407	4,373,431	4,222,019	4,281,619	4,215,389
Public works	1,331,018	1,281,033	1,377,159	1,382,291	1,341,670	1,538,902	1,090,333	1,336,605	1,443,578	1,611,683
Recreation	480,602	504,492	509,442	533,905	579,420	581,708	552,199	564,042	575,679	723,463
Community development	108,710	121,262	188,088	114,662	948,805	785,508	732,863	1,507,326	677,786	516,702
Community promotions	160,230	230,180	249,642	234,583	183,867	148,955	101,810	126,390	87,180	114,612
Interest on long-term debt	119,846	109,050	129,897	170,940	156,887	130,055	109,088	91,869	74,523	56,824
Total governmental activities expenses	6,275,955	6,545,425	6,958,941	7,707,093	8,715,722	8,445,657	8,443,131	9,507,889	8,810,610	8,881,473
Business-type activities: Utility system	21,736,601	17,887,156	18,420,267	19,046,776	19,981,290	21,029,294	21,434,088	22,714,292	24,910,631	27,053,021
Total primary government expenses	28,012,556	24,432,581	25,379,208	26,753,869	28,697,012	29,474,951	29,877,219	32,222,181	33,721,241	35,934,494
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	1,187,358	1,200,276	1,301,029	1,437,771	1,468,790	1,401,080	1,379,518	1,377,432	1,479,788	1,575,674
Public safety	481,017	665,597	557,813	862,315	988,539	791,774	768,505	711,268	720,042	610,677
Public works	334,424	591,701	575,977	579,809	574,127	609,412	611,839	615,684	613,789	617,555
Parks, Recreation, & Tourism	41,782	34,972	35,925	41,177	38,399	38,420	40,873	47,851	40,132	39,149
Community promotion and projects	-	-	-	-	2,910	5,395	6,815	6,965	9,000	16,804
Operating grants and contributions	96,065	357,807	148,329	18,000	183,563	180,233	100,667	1,439,932	543,951	400,786
Capital grants and contributions	-	-	329,874	114,212	556,620	520,272	35,278	150,918	116,421	1,964
Total governmental activities program revenues	2,140,646	2,850,353	2,948,947	3,053,284	3,812,948	3,546,586	2,943,495	4,350,050	3,523,123	3,262,609
Business-type activities: Utility system										
Charges for services	19,382,534	18,896,660	19,995,736	20,767,125	22,071,963	23,023,588	24,134,113	25,817,383	27,130,430	28,066,615
Operating grants and contributions	15,536	-	-	-	-	-	-	-	-	-
Capital grants and contributions	367,484	340,836	146,006	189,835	132,329	-	433,533	1,665,279	401,050	180,163
Total business-type activities program revenues	19,765,554	19,237,496	20,141,742	20,956,960	22,204,292	23,023,588	24,567,646	27,482,662	27,531,480	28,246,778
Total primary government program revenues	21,906,200	22,087,849	23,090,689	24,010,244	26,017,240	26,570,174	27,511,141	31,832,712	31,054,603	31,509,387

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net (expense)/revenue										
Governmental activities	(4,135,309)	(3,695,072)	(4,009,994)	(4,653,809)	(4,902,774)	(4,899,071)	(5,499,636)	(5,157,839)	(5,287,487)	(5,618,864)
Business-type activities	(1,971,047)	1,350,340	1,721,475	1,910,184	2,223,002	1,994,294	3,133,558	4,768,370	2,620,849	1,193,757
Total primary government net expense	(6,106,356)	(2,344,732)	(2,288,519)	(2,743,625)	(2,679,772)	(2,904,777)	(2,366,078)	(389,469)	(2,666,638)	(4,425,107)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes	1,905,091	1,783,419	2,091,233	2,181,578	2,324,532	2,481,874	2,470,075	2,475,538	2,554,096	2,680,811
Local hospitality and accommodation fee	396,926	442,297	481,809	545,207	557,636	553,178	592,269	639,843	647,615	680,581
Intergovernmental revenue	1,302,367	1,179,810	1,708,424	1,098,074	1,861,027	1,741,740	1,957,652	905,362	870,913	1,112,994
Interest revenue	22,402	51,539	160,413	199,890	115,620	36,020	19,172	10,978	6,368	5,363
Miscellaneous	25,961	188,712	128,074	189,407	536,811	114,830	152,988	231,043	127,504	220,623
Transfers	952,194	961,231	905,131	1,080,700	1,209,241	1,264,102	1,316,780	1,488,917	1,682,742	1,817,362
Total governmental activities	4,604,941	4,607,008	5,475,084	5,294,856	6,604,867	6,191,744	6,508,936	5,751,681	5,889,238	6,517,734
Business-type activities:										
Intergovernmental revenue	-	-	-	234,805	1,773,933	491,261	-	217,650	2,989,331	219,299
Interest revenue	51,836	70,432	183,842	273,621	194,545	58,586	17,056	11,178	4,258	3,144
Miscellaneous	-	-	-	14,835	-	-	-	-	-	-
Transfers	(952,194)	(961,231)	(905,131)	(1,080,700)	(1,209,241)	(1,264,102)	(1,316,780)	(1,488,917)	(1,682,742)	(1,817,362)
Total business-type activities	(900,358)	(890,799)	(721,289)	(557,439)	759,237	(714,255)	(1,299,724)	(1,260,089)	1,310,847	(1,594,919)
Total primary government	3,704,583	3,716,209	4,753,795	4,737,417	7,364,104	5,477,489	5,209,212	4,491,592	7,200,085	4,922,815
<b>Change in Net Position</b>										
Government activities	469,632	911,936	1,465,090	641,047	1,702,093	1,292,673	1,009,300	593,842	601,751	898,870
Business-type activities	(2,871,405)	459,541	1,000,186	1,352,745	2,982,239	1,280,039	1,833,834	3,508,281	3,931,696	(401,162)
Total primary government	(2,401,773)	1,371,477	2,465,276	1,993,792	4,684,332	2,572,712	2,843,134	4,102,123	4,533,447	497,708

**City of Newberry**  
**Governmental Activities Tax Revenues By Source**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

<u>Fiscal Year</u>	<u>Property Tax \$</u>
2004	1,905,091
2005	1,783,419
2006	2,091,233
2007	2,181,578
2008	2,324,532
2009	2,481,874
2010	2,470,075
2011	2,475,538
2012	2,554,096
2013	2,680,811

**City of Newberry**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years (1)**  
**(modified accrual basis of accounting)**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General fund										
Nonspendable	-	-	-	-	-	-	-	52,070	48,400	48,087
Reserved	-	-	-	-	-	-	-	-	-	-
Restricted								-	-	-
Unreserved	2,879,588	3,190,209	3,680,919	4,262,543	4,601,905	4,963,913	5,115,849	-	-	-
Unrestricted:										
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	1,007,002	928,310	905,292
Unassigned	-	-	-	-	-	-	-	4,327,273	4,931,838	5,161,918
Total general fund	2,879,588	3,190,209	3,680,919	4,262,543	4,601,905	4,963,913	5,115,849	5,386,345	5,908,548	6,115,297
All other governmental funds										
Nonspendable	-	-	-	-	-	-	-	355,000	355,000	355,000
Reserved	10,000	10,000	10,000	10,000	10,000	10,000	10,000	-	-	-
Restricted	-	-	-	-	-	-	-	984,603	1,138,747	1,767,069
Unreserved, reported in:										
Special revenue funds	569,944	632,182	1,787,283	675,608	1,064,410	1,430,335	1,714,026	-	-	-
Debt service fund	(30,486)	(39,795)	34,444	98,419	188,685	242,505	305,775	-	-	-
Permanent fund	2,821	1,969	2,783	4,544	6,382	6,713	6,899	-	-	-
Unrestricted:								-	-	-
Committed	-	-	-	-	-	-	-	941,269	1,015,386	484,917
Assigned	-	-	-	-	-	-	-	6,384	5,815	5,370
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	552,279	604,356	1,834,510	788,571	1,269,477	1,689,553	2,036,700	2,287,256	2,514,948	2,612,356
Total all governmental funds	3,431,867	3,794,565	5,515,429	5,051,114	5,871,382	6,653,466	7,152,549	7,673,601	8,423,496	8,727,653

(1) Reporting coincides with GASB 54 implementation in 2011. GASB 54 eliminated the reserved and unreserved classifications and replaced them with Nonspendable, Restricted, and Unrestricted. Within the Unrestricted category three classifications of fund balance were created: Committed, Assigned, and Unassigned.

**City of Newberry**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>										
Taxes	1,791,784	1,850,080	2,130,995	2,143,143	2,319,513	2,472,998	2,461,415	2,473,486	2,575,245	2,670,447
Licenses, permits and franchise fees	1,187,358	1,200,276	1,301,029	1,437,771	1,468,790	1,401,080	1,379,518	1,377,432	1,479,788	1,575,674
Fines and forfeitures	481,017	665,597	597,539	923,200	975,649	778,615	755,361	696,552	699,682	595,795
Charges for service	773,132	1,068,970	1,095,606	1,172,337	1,173,072	1,206,405	1,251,796	1,310,343	1,310,536	1,354,089
Intergovernmental	1,390,932	1,537,617	2,184,202	1,244,364	2,614,366	2,455,404	2,106,741	2,510,928	1,551,645	1,530,626
Miscellaneous	55,863	248,867	296,892	308,190	258,360	150,850	172,160	242,021	133,872	225,986
Total revenues	5,680,086	6,571,407	7,606,263	7,229,005	8,809,750	8,465,352	8,126,991	8,610,762	7,750,768	7,952,617
<b>Expenditures</b>										
General government	628,223	645,494	663,899	828,763	835,483	940,889	883,930	857,462	719,729	682,621
Public safety	2,529,513	3,311,386	2,590,447	2,933,901	3,394,144	3,117,160	3,405,480	3,270,866	3,294,835	3,291,882
Public works	1,219,816	1,121,842	1,156,509	1,192,851	1,336,113	1,408,313	1,232,928	1,126,769	1,244,149	1,414,559
Recreation	421,594	439,768	392,754	409,275	454,591	465,227	430,531	422,809	438,325	973,617
Community development	99,849	435,301	1,189,674	1,182,894	948,805	785,508	732,863	1,507,326	677,786	640,010
Nondepartmental	1,200,264	1,513,303	1,654,863	1,736,804	1,782,737	1,764,466	1,746,100	1,823,470	1,854,174	1,915,338
Debt Service										
Principal	334,698	333,719	410,502	487,063	518,789	518,492	592,055	595,425	608,779	622,854
Interest	132,323	122,874	164,111	174,369	160,561	139,615	112,237	95,077	77,788	60,147
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures, including capital	6,566,280	7,923,687	8,222,759	8,945,920	9,431,223	9,139,670	9,136,124	9,699,204	8,915,565	9,601,028
Total capital expenditures only	448,644	1,199,977	1,450,870	1,427,464	1,349,556	962,229	894,970	427,369	325,710	898,467
Excess of revenues over (under) expenditures	(886,194)	(1,352,280)	(616,496)	(1,716,915)	(621,473)	(674,318)	(1,009,133)	(1,088,442)	(1,164,797)	(1,648,411)
<b>Other financing sources (uses)</b>										
Transfers in	1,107,967	961,231	1,030,980	1,207,385	1,254,419	1,291,948	1,342,433	1,513,917	1,707,742	1,842,362
Transfers out	(155,773)	-	(125,849)	(126,685)	(45,178)	(27,846)	(25,653)	(25,000)	(25,000)	(25,000)
Issuance of debt/construction loan/costs	217,050	753,747	1,432,229	171,900	232,500	1,542,300	191,436	120,577	231,950	135,206
Repayment of debt/construction loan/costs	-	-	-	-	-	(1,350,000)	-	-	-	-
Total other financing sources (uses)	1,169,244	1,714,978	2,337,360	1,252,600	1,441,741	1,456,402	1,508,216	1,609,494	1,914,692	1,952,568
Net change in fund balances	283,050	362,698	1,720,864	(464,315)	820,268	782,084	499,083	521,052	749,895	304,157
Debt service as a percentage of noncapital expenditures	7.6%	6.8%	8.5%	8.8%	8.4%	8.0%	8.5%	7.4%	8.0%	7.8%

**City of Newberry**  
**Utility Enterprise System (1) Operating Revenues By Source**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Electric Receipts</b>	<b>Percent of Total</b>	<b>Water Receipts</b>	<b>Percent of Total</b>	<b>Sewer Receipts</b>	<b>Percent of Total</b>	<b>Other Operating Revenue</b>	<b>Percent of Total</b>	<b>Total Combined Public Utility Operating Revenue</b>
	\$		\$		\$		\$		\$
2004	13,340,502	68.8%	3,073,167	15.9%	2,098,611	10.8%	868,490	4.5%	19,380,771
2005	13,293,635	70.3%	2,725,743	14.4%	2,195,893	11.6%	681,389	3.6%	18,896,660
2006	14,089,562	70.5%	2,854,328	14.3%	2,342,721	11.7%	709,125	3.5%	19,995,736
2007	14,527,809	70.0%	2,932,711	14.1%	2,549,842	12.3%	756,763	3.6%	20,767,125
2008	15,443,718	70.0%	3,101,255	14.1%	2,754,515	12.5%	772,475	3.5%	22,071,963
2009	15,934,946	69.2%	3,218,926	14.0%	3,023,405	13.1%	846,311	3.7%	23,023,588
2010	17,070,818	70.7%	3,134,316	13.0%	3,164,150	13.1%	764,829	3.2%	24,134,113
2011	18,460,059	71.5%	3,321,964	12.9%	3,219,202	12.5%	816,158	3.2%	25,817,383
2012	19,545,156	72.0%	3,316,013	12.2%	3,403,206	12.5%	866,055	3.2%	27,130,430
2013	20,506,598	73.1%	3,161,450	11.3%	3,301,286	11.8%	1,097,281	3.9%	28,066,615

(1) By Resolution adopted on August 27, 1948, Newberry City Council combined the existing Waterworks System, the existing Sewer System and the existing Electrical Distribution System into one system designated as the Combined Public Utility System of the City of Newberry. Since the systems are legally treated as one system, debt covenants are applied to the combined revenues.



**City of Newberry**  
**General Government Property Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

<b>Fiscal Year</b>	<b>General Fund Property Tax</b>	<b>Debt Service Fund Property Tax</b>	<b>Total Property Tax</b>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
2004	1,686,385	105,399	1,791,784
2005	1,678,379	171,701	1,850,080
2006	1,879,017	251,978	2,130,995
2007	1,902,399	240,744	2,143,143
2008	1,991,822	327,691	2,319,513
2009	2,113,261	359,737	2,472,998
2010	2,093,574	367,841	2,461,415
2011	2,079,774	393,712	2,473,486
2012	2,120,324	433,772	2,554,096
2013	2,255,709	425,102	2,680,811

**City of Newberry, South Carolina**  
**Utility Customer Trends - By Service and Category**  
**Last Ten Years**

	<u>June 2004</u>	<u>June 2005</u>	<u>June 2006</u>	<u>June 2007</u>	<u>June 2008</u>	<u>June 2009</u>	<u>June 2010</u>	<u>June 2011</u>	<u>June 2012</u>	<u>June 2013</u>
Electric Customers:										
Residential	3,992	4,012	4,016	4,055	4,045	4,102	4,054	4,030	4,050	4,066
Commercial	845	848	861	874	859	862	873	872	863	868
Industrial	13	13	12	12	12	13	13	13	12	12
Total	4,850	4,873	4,889	4,941	4,916	4,977	4,940	4,915	4,925	4,946
Water Customers:										
Residential	4,092	4,072	4,088	4,103	4,096	4,147	4,108	4,087	4,096	4,113
Commercial	703	715	731	740	740	743	756	760	748	755
Industrial	24	24	25	25	26	26	26	26	27	28
Total	4,819	4,811	4,844	4,868	4,862	4,916	4,890	4,873	4,871	4,896
Sewer Customers:										
Residential	3,548	3,543	3,552	3,572	3,564	3,602	3,576	3,559	3,561	3,575
Commercial	555	561	576	578	570	573	575	579	578	580
Industrial	21	21	21	21	22	22	21	21	21	21
Total	4,124	4,125	4,149	4,171	4,156	4,197	4,172	4,159	4,160	4,176
Total Number Utility Customers (1)	-	5,829	5,865	5,895	5,881	5,946	5,893	5,877	5,873	5,899

(1) The City serves some customers with only electric, only water or only sewer; therefore, total customers billed is based on number of utility bills produced and is not a mathematical computation.

**City of Newberry**  
**Utility Enterprise System Units Sold By Source**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Electric Kilowatt-hours</b>	<b>Percent Change</b>	<b>Water Cubic Feet</b>	<b>Percent Change</b>	<b>Treated Sewer Cubic Feet</b>	<b>Percent Change</b>
2004	169,664,320	-0.14%	218,340,050	-3.56%	87,962,128	-1.67%
2005	172,980,472	1.95%	203,002,743 (1)	-7.02%	88,825,908	0.98%
2006	179,829,708	3.96%	197,139,999	-2.89%	95,283,833	7.27%
2007	179,341,477	-0.27%	194,384,996	-1.40%	97,589,068	2.42%
2008	194,261,115	8.32%	211,047,410	8.57%	103,006,055	5.55%
2009	191,986,260	-1.17%	217,003,940	2.82%	101,462,795	-1.50%
2010	200,113,268	4.23%	208,160,667	-4.08%	100,458,848	-0.99%
2011	202,835,368	1.36%	211,586,103	1.65%	100,905,062	0.44%
2012	198,169,681	-2.30%	214,979,829	1.60%	103,618,422	2.69%
2013	201,221,934	1.54%	206,061,293	-4.15%	102,109,788	-1.46%

NOTE: Percent change is attributable to the combination of growth and weather conditions.

(1) One of the City's largest water customers, Newberry County Water and Sewer Authority, brought fully online its own water treatment plant during fiscal year 2005, thus lowering the amount of water it purchased from the City.

**City of Newberry, South Carolina**  
**Average Historic Utility Rates (1)**  
**Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Electric</u>	<u>Percent Increase</u>	<u>Water</u>	<u>Percent Increase</u>	<u>Sewer</u>	<u>Percent Increase</u>	<u>TOTAL</u>	<u>Percent Increase</u>
	\$	%	\$	%	\$	%	\$	%
2004	88.14	0.51	17.27	0.00	20.48	5.03	125.89	1.15
2005	89.89	1.99	17.27	0.00	21.51	5.03	128.67	2.21
2006	89.89	0.00	17.87	3.47	22.46	4.42	130.22	1.20
2007	91.51	1.80	18.47	3.36	23.44	4.36	133.42	2.46
2008	92.50	1.08	18.47	0.00	24.61	4.99	135.58	1.62
2009	94.55	2.22	18.47	0.00	26.54	7.84	139.56	2.94
2010	99.59	5.33	18.47	0.00	28.52	7.46	146.58	5.03
2011	104.89	5.32	19.29	4.44	28.52	0.00	152.70	4.18
2012	111.05	5.87	19.29	0.00	29.30	2.73	159.64	4.54
2013 (2)	116.30	4.73	19.29	0.00	29.30	0.00	164.89	3.29

(1) This table shows the in-City residential electric, water and sewer charges, based upon the rates in effect at the end of the fiscal years shown, with charges calculated based upon usage of 988 kWh per month for electric (exclusive of wholesale power cost adjustments), 776 cubic feet for water and 776 cubic feet for sewer, and the percentage increase in charges in such fiscal years for such levels of usage.

(2) Rates reflected for June 30, 2013. An overall increase of 4.5% on electricity became effective on the July 1, 2012 billing (fiscal year 2013). Additionally, please note that an overall rate increase of 6.70% on electricity became effective on the July 1, 2013 billing (fiscal year 2014).

**City of Newberry**  
**Principal Utility Customers by Total Billed (1)**  
**June 30, 2013**

<b>Customer</b>	<b>Fiscal Year 2013</b>			<b>Fiscal Year 2004</b>		
	<b>Total Billed</b>	<b>Rank</b>	<b>Percentage of Total Operating Revenue (2)</b>	<b>Total Billed</b>	<b>Rank</b>	<b>Percentage of Total Operating Revenue (3)</b>
	\$			\$		
Louis Rich	7,985,942	1	28.45%	3,836,394	1	19.79%
Newberry College	930,909	2	3.32%	515,057	3	2.66%
Saluda Commission of Public Works	865,647	3	3.08%	669,622	2	3.46%
ISE	689,469	4	2.46%	488,335	5	2.52%
Newberry County Memorial Hospital	646,309	5	2.30%	477,688	6	2.46%
Shakespeare	525,179	6	1.87%	392,159	7	2.02%
Packaging Corp. of America, Inc.	453,588	7	1.62%	321,560	8	1.66%
Newberry Housing Authority-Grant Homes	431,253	8	1.54%	171,451	10	0.88%
Newberry High School	282,283	9	1.01%	205,085	9	1.06%
Newberry County Water & Sewer	223,303	10	0.80%	506,888	4	2.62%
<b>Total</b>	<b>13,033,882</b>		<b>46.44%</b>	<b>7,584,239</b>		<b>39.13%</b>

(1) Source: City of Newberry utility records. Excludes utility billing records for City's own property.

(2) Total audited operating revenue for fiscal year 2013 is - \$ 28,066,615

(3) Total audited operating revenue for fiscal year 2004 is - \$ 19,380,770

**City of Newberry**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year	Tax Year	Real Property (2)			Personal Property (3)			Total Taxable Assessed Value	Total Direct Tax Rate (4)	Estimated Actual Taxable Value (5)	Assessed Value as a Percentage of Actual Value
		Residential Property	Commercial Property	Total Real Property	Motor Vehicles	Other Personal Property	Total Personal Property				
		\$	\$	\$	\$	\$	\$	\$	\$	\$	
2004	2003	Not Available	Not Available	11,641,550	Not Available	Not Available	6,650,430	18,291,980	94.00	310,825,886	5.88%
2005	2004	4,914,640	6,779,900	11,694,540	3,003,260	3,628,340	6,631,600	18,326,140	94.00	313,079,010	5.85%
2006	2005	4,949,970	7,386,260	12,336,230	4,112,215	3,419,720	7,531,935	19,868,165	96.50	342,195,769	5.81%
2007 (1)	2006	7,228,310	9,214,640	16,442,950	2,364,620	3,878,970	6,243,590	22,686,540	86.00	414,017,506	5.48%
2008	2007	7,203,750	9,294,700	16,498,450	2,426,050	3,867,140	6,293,190	22,791,640	89.70	416,595,391	5.47%
2009	2008	7,296,220	9,424,580	16,720,800	2,212,970	3,910,130	6,123,100	22,843,900	93.30	419,076,036	5.45%
2010	2009	7,266,060	10,117,980	17,384,040	1,871,629	3,734,910	5,606,539	22,990,579	93.30	422,539,353	5.44%
2011 (1)	2010	7,952,070	11,181,930	19,134,000	1,762,588	3,999,010	5,761,598	24,895,598	83.90	458,062,070	5.43%
2012	2011	7,880,400	11,371,050	19,251,450	2,243,050	3,871,390	6,114,440	25,365,890	86.40	466,215,780	5.44%
2013	2012	7,823,720	11,542,680	19,366,400	2,175,000	3,886,280	6,061,280	25,427,680	86.40	466,206,521	5.45%

(1) Reassessment.

(2) Source: Newberry County Auditor. \$971,640 in assessed value (\$17,699,083 in estimated actual value) was legally required to be allocated to the Tax Increment Financing District and is not included in the above information. Values related to tax-exempt property are not maintained. The breakdown between residential and commercial real property has not been reported for prior years and is stated beginning in fiscal year 2005. \$217,090 in assessed value was legally required to be allocated to the FILOT (Oakland Mill Dev.) and is not included in the above information.

(3) Source: Newberry County Auditor. All years include assessed value of \$688,710 for Merchant's Inventory, now paid by the State of South Carolina, instead of local taxpayers to the City. The breakdown between residential and commercial real property has not been reported for prior years and this is stated beginning in fiscal year 2005.

(4) Tax rates are per \$1,000 of assessed value.

(5) Source: Newberry County Auditor.

**City of Newberry  
Property Tax Rates  
(Per \$1000 of Assessed Value)  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

		Overlapping Rates										Total Direct & Overlapping Rates
		City of Newberry			Newberry County (1)			Newberry County School District (1)				
Fiscal Year	Tax Year	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Other (1)	
2004	2003	94.0	0.0	94.0	114.3	1.5	115.8	179.5	50.6	230.1	3.1	443.0
2005	2004	94.0	0.0	94.0	114.3	4.2	118.5	185.5	41.7	227.2	3.3	443.0
2006	2005	96.5	0.0	96.5	114.3	11.0	125.3	192.3	53.0	245.3	3.4	470.5
2007 (2)	2006	86.0	0.0	86.0	135.5	9.8	145.3	182.1	53.0	235.1	6.6	473.0
2008	2007	89.7	0.0	89.7	138.0	10.9	148.9	190.0	53.0	243.0	7.1	488.7
2009	2008	93.3	0.0	93.3	141.3	10.4	151.7	194.0	53.0	247.0	7.3	499.3
2010	2009	93.3	0.0	93.3	144.3	4.4	148.7	194.0	53.0	247.0	7.3	496.3
2011 (2)	2010	83.9	0.0	83.9	136.3	6.6	142.9	184.8	53.0	237.8	6.3	470.9
2012	2011	85.3	1.1	86.4	131.2	7.8	139.0	186.8	53.0	239.8	6.2	471.4
2013	2012	85.3	1.1	86.4	128.6	7.3	135.9	186.8	53.0	239.8	6.3	468.4

(1) Source: Newberry County Auditor.

(2) Reassessment.

**City of Newberry**  
**Principal Property Taxpayers (1)**  
**June 30, 2013**

<u><b>Taxpayer</b></u>	<u><b>Fiscal Year 2013 (Tax Year 2012)</b></u>			<u><b>Fiscal Year 2004 (Tax Year 2003)</b></u>		
	<u><b>Taxable Assessed Value</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total Taxable Assessed Value (2)</b></u>	<u><b>Taxable Assessed Value</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total Taxable Assessed Value (3)</b></u>
	\$			\$		
ISE Newberry Inc.	395,320	1	1.55%	674,220	1	3.66%
Lowe's Home Centers	346,410	2	1.36%	-		-
Bellsouth Tele. Inc.	330,940	3	1.30%	654,850	2	3.55%
Wal-Mart Real Est.	320,490	4	1.26%	264,620	3	1.44%
Newberry Dev. LLC	232,390	5	0.91%	-		-
Newberry Atrium	228,530	6	0.90%	-		-
Loves Travel Stops	208,450	7	0.82%	-		-
AT&T Mobility	194,110	8	0.76%	-		-
Duke Energy Corp.	181,090	9	0.71%	159,890	5	0.87%
West/Hobby LLC	162,310	10	0.64%	128,550	9	-
Wal-Mart Stores East, Inc.	-		-	112,130	10	0.61%
Ellett Brothers Inc.	-		-	139,400	6	0.76%
Glimcher Properties Lmt. Prtsh.	-		-	135,060	8	0.73%
Glimcher Properties Ltd.	-		-	246,950	4	1.34%
White Oak Manor Inc.	-		-	138,040	7	0.75%
<b>Total</b>	<b>2,600,040</b>		<b>10.23%</b>	<b>2,653,710</b>		<b>14.40%</b>

(1) Source: Newberry County Auditor.

(2) Total assessed valuation for tax year 2012 is - \$25,427,680

(3) Total assessed valuation for tax year 2003 is - \$18,426,150



**City of Newberry**  
**Property Tax Levies and Collections (1)**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>Total Tax Levy for Fiscal Year (2)</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections/ Adjustments in Subsequent Years</b>	<b>Total Collections to Date</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
		\$	\$		\$	\$	
2004	2003	1,654,707	1,610,741	97.3%	41,720	1,652,461	99.9%
2005	2004	1,657,919	1,609,570	97.1%	47,045	1,656,615	99.9%
2006	2005	1,862,082	1,795,145	96.4%	62,337	1,857,482	99.8%
2007	2006	1,928,695	1,842,532	95.5%	80,758	1,923,290	99.7%
2008	2007	2,016,572	1,926,514	95.5%	82,067	2,008,581	99.6%
2009	2008	2,097,729	2,013,278	96.0%	73,498	2,086,776	99.5%
2010	2009	2,105,093	2,021,030	96.0%	65,942	2,086,972	99.1%
2011	2010	2,070,696	1,993,244	96.3%	-	1,993,244	96.3%
2012	2011	2,148,678	2,047,502	95.3%	16,078	2,063,580	96.0%
2013	2012	2,152,240	2,059,507	95.7%	10,253	2,069,760	96.2%

(1) Category includes tax collections for real and personal property as reflected in the general fund for all fiscal years, for current taxes and delinquent taxes respectively. TIF debt service fund tax collections are excluded.

(2) Total tax levy excludes Merchant's Inventory Reimbursement paid by the State of South Carolina to the City on \$688,710 assessed value. Total tax levy also excludes Tax Increment Financing (TIF) debt service collected via City of Newberry, Newberry County and Newberry County School District tax levies.

**City of Newberry**  
**Ratios of Outstanding Debt by Type (1)**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Assessment Bonds (2)	Capital Leases	CPU Bonds (3)	Capital Leases			
	\$	\$	\$	\$	\$	\$		\$
2004	-	(360,000)	277,264	3,585,100	-	3,502,364	2.1%	331
2005	-	(555,000)	892,292	3,092,978	-	3,430,270	2.0%	324
2006	-	2,020,000	2,114,018	2,562,741	-	6,696,759	3.7%	622
2007	-	1,810,000	2,008,856	2,016,356	-	5,835,212	3.1%	537
2008	-	1,585,000	1,947,567	1,826,632	-	5,359,199	2.8%	492
2009	-	1,357,000	1,849,375	1,211,222	-	4,417,597	2.3%	405
2010	-	1,095,222	1,710,534	8,863,797	-	11,669,553	6.1%	1055
2011	-	828,719	1,502,189	14,703,252	-	17,034,160	8.5%	1658
2012	-	557,406	1,396,673	18,131,243	-	20,085,322	10.8%	1944
2013	-	281,196	1,185,235	17,748,361	-	19,214,792	8.7%	1874

(1) Details of the City's outstanding debt can be found in the notes to the financial statements.

(2) Composed of 1998 Tax Increment Financing Bond (fiscal years 2002-2008), which was refinanced as the 2008 Tax Increment Revenue Refunding Bond in August 2008 (fiscal year 2009-2013).

(3) Composed of Combined Public Utility (CPU) debt as follows: 2007 CPU Bond for fiscal years 2008-2013, 2003 CPU Bond for fiscal years 2004-2012, 1993A Bond and SRF Loan for fiscal years 2002-2003, and 2009 State Revolving Loan for fiscal years 2010-2013.

**City of Newberry**  
**Ratios of General Bonded Debt Outstanding (1)**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	\$	\$	\$		\$

Note:                   The City of Newberry had no general bonded debt outstanding in the last 10 years.

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**City of Newberry**  
**Schedule of Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2013**

**Direct Debt**

City of Newberry:	
General Obligation Debt	\$ -
Special Assessment Debt	281,196
Capital Lease Obligations	1,185,235
Total Direct Debt	<u>1,466,431</u>

**Overlapping Debt**

Newberry County, South Carolina Overlapping Debt:	
General Obligation Debt (1)	2,297,176
Estimated % of debt applicable to the City of Newberry (2)	19.54%
Total Overlapping Debt	<u>448,868</u>
 Total Direct and Overlapping Debt	 <u><u>\$ 1,915,299</u></u>

(1) Source: Newberry County Treasurer

Breakdown of Newberry County's outstanding general obligation debt follows:

1995 County General Obligation Bond	\$	Paid Out
2000 County General Obligation Bond	\$	Paid Out
2007 County General Obligation Bond	\$	395,000
2007A County General Obligation Bond	\$	545,782
2010A County General Obligation Bond	\$	768,000
2010B County General Obligation Bond	\$	276,728
2010C County General Obligation Bond	\$	311,666
	<u>\$</u>	<u>2,297,176</u>

(2) The percentage of general obligation debt applicable to the City of Newberry is based on the percentage of assessed valuation of property located in the City. Newberry County assessed valuation, per the Newberry County Auditor, is \$130,118,407. City of Newberry assessed valuation from the table within this statistical section labeled "Assessed Value and Estimated Actual Value of Taxable Property" is \$25,427,680

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by City of Newberry residents and businesses. This process recognizes that, when considering the City'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.

**City of Newberry**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit - 8 percent of total assessed value	\$ 1,463,358	\$ 1,497,511	\$ 1,620,690	\$ 1,860,383	\$ 1,879,930	\$ 1,889,629	\$ 1,904,442	\$ 2,066,179	\$ 2,104,971	\$ 2,111,946
Total net debt applicable to limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal debt margin	\$ 1,463,358	\$ 1,497,511	\$ 1,620,690	\$ 1,860,383	\$ 1,879,930	\$ 1,889,629	\$ 1,904,442	\$ 2,066,179	\$ 2,104,971	\$ 2,111,946
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2013**

Assessed Value - general	\$ 25,427,680
Assessed Value - tax increment financing district	971,640
Total assessed value	<u>26,399,320</u>
Debt limit (8% of total assessed value)	2,111,946
Debt applicable to limit:	
Total general obligation bonds	<u>-</u>
Legal debt margin	<u><u>\$ 2,111,946</u></u>

**City of Newberry, South Carolina**  
**Pledged-Revenue Coverage**  
**Tax Increment Financing (TIF) Bond (1)**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>TIF Revenue</b>	<b>Contribution (to)/from City Local Hospitality/ Accommodations Fund (2)</b>	<b>Debt Issuance Expenditures</b>	<b>Amount Available for Debt Service</b>	<b>Debt Service Requirements</b>			<b>Coverage (3)</b>
					<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
	\$	\$	\$	\$	\$	\$	\$	
2004	105,699	112,668	-	218,367	185,000	122,868	307,868	0.71
2005	171,891	127,358	-	299,249	195,000	113,558	308,558	0.97
2006	252,270	125,849	-	378,119	200,000	103,880	303,880	1.24
2007	241,125	126,685	-	367,810	210,000	93,835	303,835	1.21
2008	335,266	63,178	-	398,444	225,000	83,178	308,178	1.29
2009	382,625	(27,846)	-	354,779	235,000	65,959	300,959	1.18
2010	394,963	(25,653)	-	369,310	261,778	44,262	306,040	1.21
2011	427,023	(25,000)	-	402,023	266,503	34,727	301,230	1.33
2012	468,117	(25,000)	-	443,117	271,313	25,020	296,333	1.50
2013	459,433	(25,000)	-	434,433	276,210	15,137	291,347	1.49

(1) The City refinanced the 1998 TIF Bond at a 4.90% interest rate with the 2008 TIF Bond at a 3.61% interest rate in August 2008. The 2008 TIF Bond principal included \$7,000 for debt issuance expenditures plus \$1,350,000 required to pay off the 1998 TIF Bond.

(2) The debt is to be serviced by the tax dollars generated by the tax increment financing district in accordance with State law and contributions from the Newberry Opera House, the renovation of which was partially financed by the proceeds of the bond. While the Newberry Opera House has been a major success as a performing arts center and has covered its operational expenses, there has been no surplus generated from which to make up the difference between the tax revenue and the debt service requirements. The City made annual contributions from its Local Hospitality/Accommodations Fund to the TIF debt service fund from fiscal year 2001 through fiscal year 2008 of this table, with partial repayment from the TIF debt service fund to the Local Hospitality/Accommodations Fund shown in fiscal years 2009-2013.

(3) There is no coverage requirement above the annual principal and interest for the TIF bond.

**City of Newberry, South Carolina  
Pledged-Revenue Coverage  
Combined Public Utility System  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>System Operating Revenues (1)</b>	<b>System Operating Expenses (2)</b>	<b>Amount Available for Debt Service</b>	<b>Audited Debt Service</b>			<b>Coverage (3)</b>
				<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
	\$	\$	\$	\$	\$	\$	
2004	19,380,770	16,046,641	3,334,129	1,315,532	154,103	1,469,635	2.27
2005	18,896,660	15,765,976	3,130,684	492,122	114,595	606,717	5.16
2006	19,995,736	16,647,305	3,348,431	530,237	99,367	629,604	5.32
2007	20,767,125	17,231,152	3,535,973	546,385	83,425	629,810	5.61
2008	22,071,963	18,013,050	4,058,913	569,724	73,867	643,591	6.31
2009 (4)	23,023,588	19,068,587	3,955,001	615,410	83,514	698,924	5.66
2010 (4)	24,134,113	19,652,401	4,481,712	635,481	44,839	680,320	6.59
2011 (4)	25,817,383	20,953,464	4,863,919	254,100	33,594	287,694	16.91
2012 (4)	27,130,430	21,947,588	5,182,842	742,284	414,851	1,157,135	4.48
2013	28,066,615	23,510,242	4,556,373	1,294,044	530,972	1,825,016	2.50

(1) Exclusive of interest earnings and non-operating income.

(2) Exclusive of depreciation and non-operating expenses.

(3) Debt Service Requirements for 2007 Bond (FY2008-2013), 2003 Bond (FY 2004-2012), and 2009 South Carolina Water Pollution Control Revolving Fund (SRF) Loan (FY 2012-2013). Coverage stated is by fiscal year. Bond indentures require coverage of 120% of annual principal and interest.

(4) The City's 2009 South Carolina Water Pollution Control Revolving Fund (SRF) Loan in the amount of \$19,002,796 plus capitalized interest, if any, was closed on June 24, 2009, with loan activity beginning in FY 2010. The first payment due date was December 1, 2011 (FY 2012).

**City of Newberry, South Carolina**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>(1) Population</b>	<b>(2) Personal Income</b> \$	<b>(3) Per Capita Personal Income</b> \$	<b>(4) Median Household Income</b> \$	<b>(5) Median Age</b>	<b>(6) Education Level In Years of Formal Schooling</b>	<b>(7) School Enrollment</b>	<b>(8) Unemployment Rate</b> %
2004	10,591	168,259,217	15,887	29,464	33.8	12.6	5,858	6.9
2005	10,595	173,609,670	16,386	30,264	33.8	12.6	5,678	6.5
2006	10,761	181,699,485	16,885	31,065	33.8	12.6	5,743	7.3
2007	10,874	189,033,616	17,384	31,865	33.8	12.6	5,733	6.1
2008	10,893	194,799,519	17,883	32,665	33.8	12.6	5,766	7.3
2009	10,907	189,421,869	17,367	35,119	33.8	12.6	5,736	13.0
2010	11,061	191,709,252	17,332	35,187	35.0	12.6	5,695	10.8
2011	10,277	200,360,392	19,496	41,023	39.0	12.7	5,595	10.5
2012	10,332	186,554,592	18,056	36,381	33.3	12.9	5,621	9.6
2013	10,255	221,969,475	21,645	37,491	34.2	12.9	5,717	8.1

- (1) Estimates by City of Newberry Finance Department for fiscal years 2002-2005. Estimates by South Carolina Budget and Control Board for fiscal years 2006-2013.
- (2) Mathematical computation of per capita personal income multiplied by population.
- (3) Estimates by City of Newberry Finance Department for fiscal years 2002-2008. Fiscal years 2009-2013 estimates from Central Midlands Council of Governments.
- (4) Estimates by City of Newberry Finance Department for fiscal years 2002-2008. Fiscal years 2009-2013 estimates from Central Midlands Council of Governments.
- (5) Estimates by City of Newberry Finance Department for fiscal years 2002-2009. Fiscal year 2010-2013 estimates from Central Midlands Council of Governments.
- (6) Sources: Estimates by City of Newberry Finance Department based on 2000 Census for fiscal years 2002-2010. Estimate by Newberry County School District for 2011-2013.
- (7) Source: Newberry County School District.
- (8) Source: South Carolina Department of Employment and Workforce.



**CITY OF NEWBERRY  
PRINCIPAL EMPLOYERS (1)  
CURRENT YEAR AND NINE YEARS AGO (2)**

EMPLOYER	2013			2004		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT (3)	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT (4)
Louis Rich (*)	2800	1	17.08%	1387	1	8.05%
Newberry County School District (**)	860	2	5.25%			
Newberry County Memorial Hospital (**)	507	3	3.09%			
Caterpillar, Inc. (*)	375	4	2.29%			
Georgia Pacific (*)	369	5	2.25%	287	4	1.67%
Newberry College	320	6	1.95%			
Wal-Mart	250	7	1.53%			
County of Newberry	205	8	1.25%			
Komatsu (*)	200	9	1.22%			
Springfield Place/JF Hawkins	161	10	0.98%			
Shakespeare Composite Structures (*)				282	5	1.64%
McKechnie Vehicle Components (*)				171	7	0.99%
American Fiber and Finishing (*)				306	3	1.78%
International Paper (*)				178	6	1.03%
Renfro (*)				560	2	3.25%
West Point (*)						
Sea Pro Boats (*)				160	8	0.93%
ISE America				150	9	0.87%
PCA (*)				110	10	0.64%

(1) Listing of principal employers of Newberry County provided since no listing compiled of principal employers inside City only. A single asterisk (\*) is used to denote employers principally located outside the City limits and double asterisks (\*\*) are used to denote employers with principal locations both inside and outside the City limits. No asterisk is used when the employer is principally located inside the City limits. For comparison, the City of Newberry currently has 165 employees. Current year's data derived from Newberry County Chamber of Commerce records. Data for earlier year derived primarily from bond official statements, as available.

(2) Data presented is from September, 2004, the closest comparison available to nine years ago.

(3) Percentage calculated using total Newberry County employment from the 2010 Census - 16,393

(4) Percentage calculated using total Newberry County employment from the 2000 Census - 17,234

**CITY OF NEWBERRY**  
**BUDGETED FULL-TIME EQUIVALENT CITY OF NEWBERRY EMPLOYEES BY FUNCTION (1)**  
**LAST TEN FISCAL YEARS**

FUNCTION	BUDGETED FULL-TIME EQUIVALENT EMPLOYEES									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
City Council	7	7	7	7	7	7	7	7	7	7
City Administration (2)	4	4	4	4	4	4	4	4	4	4
Finance	3.5	4	4	4	4	4	4	2	2	2
Planning and Development	2	2.5	3	4	4	4	4	4	2	2
Public Safety										
Police										
Officers	28	28	31	32	32	32	32	32	32	32
Civilians	3	3	3	3	3	3	3	3	3	3
Justice and Law Civilians	1.75	1.75	3.2	3.2	3.2	3.8	3.8	3.8	3.8	3.8
Fire (3)										
Firefighters and Officers	19	19	19	19	19	19	19	19	19	19
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works										
Public Works Administration	2	2	2	2	2	2	2	2	2	2
Streets	10	10	10	10	10	10	10	10	10	9
Sanitation	8	7	7	7	7	5	5	5	5	5
Building Maintenance	2	2	2	2	2	2	1	1	1	1
Garage	3	3	3	3	3	3	3	3	3	3
Recreation	9.5	11	14	14	10	13	13	13	14	14
Utility System										
Administration/Finance/Warehouse/										
Information Services	11	11	11	11	12	13	13	15	13	13
Electric	12	12	12	12	11	11	11	11	9	9
Water/Sewer Maintenance	11	11	11	11	11	11	11	11	11	11
Water Plant	9	9	9	9	9	9	9	9	8	8
Wastetreatment Plant	6	6	6	6	6	6	6	6	6	6
Total	152.75	154.25	162.2	164.2	160.2	162.8	161.8	161.8	155.8	154.8

(1) Source: City of Newberry Human Resources Director

(2) City Administration comprised of City Manager and Human Resource departments.

(3) In addition to City staff, there were 20 Volunteer Firefighter positions in fiscal year 2013.

**CITY OF NEWBERRY**  
**OPERATING INDICATORS BY FUNCTION (1)**  
**LAST TEN FISCAL YEARS**

FUNCTION	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government (2)										
Finance										
Businesses with licenses (for last completed calendar year)	1,099	1,192	1,114	1,147	1,166	1,169	1,143	1,140	1,133	1,132
Planning and Development										
New construction values per building permits	\$ 5,088,814	\$ 8,362,652	\$ 20,031,345	\$ 20,250,479	\$ 12,229,166	\$ 6,720,921	\$ 805,603	\$ 1,594,436	\$ 721,880	\$ 5,408,294
Public Safety										
Police										
Incidences	9,477	11,811	11,277	11,814	12,901	12,742	11,492	11,373	11,355	11,215
Arrests and traffic violations	4,095	5,997	5,207	8,251	7,015	6,304	6,454	6,069	6,564	5,210
Parking violations	212	277	245	272	429	542	351	310	53	78
Fire										
Volunteer personnel	21	19	16	18	15	14	18	16	12	14
Calls answered	540	643	593	543	501	491	493	541	951	852
Inspections	100	353	497	583	761	739	595	603	559	525
Public Works (3)										
Streets										
Streets resurfaced (miles)	2.23	1.04	1.2	0.90	0.93	1.64	0.51	-	2.13	1.09
Sanitation										
Refuse collected in tons per year	7,277	7,387	8,138	8,707	8,228	7,615	7,715	7,493	7,213	7,119
Recreation										
# Participants residing within City limits	803	854	792	805	729	942	859	990	961	946
# Participants residing outside City limits	296	301	209	233	320	338	349	417	369	347
# Participants total	1,099	1,155	1,001	1,038	1,049	1,280	1,208	1,407	1,330	1,293
Utility System										
Electric										
Maximum monthly non-coincident purchased demand (kW)	35,783	31,308	34,714	30,670	30,697	31,314	32,243	32,243	31,606	31,606
Water										
Average production (gallons per day)	5,049,025	4,488,442	4,677,914 (4)	4,543,934	4,797,981	4,959,345	5,051,292	5,245,412	4,873,655	4,300,980
Sewer										
Average treatment (gallons per day)	2,186,575	2,255,724	2,310,800	2,390,000	2,200,000	2,342,925	2,921,639 (5)	2,462,896 (5)	2,650,000 (5)	2,650,000

(1) Source: Various City of Newberry departments.

(2) General government comprised of City Council, City Manager, Human Resources, Finance and Planning and Development Services, for some of which there are no indicators presently available.

(3) Public Works comprised of Public Works Administration, Street, Sanitation, Building Maintenance and Garage, for some of which there are no indicators presently available.

(4) Newberry County Water and Sewer Authority opened its treatment plant during fiscal year 2005. For comparison purposes, the Authority's fiscal year 2004 total usage was an estimated 866,133 gallons per day.

(5) The majority of the increase in treated gallons per day attributed to infiltration. The City began an infiltration study during fiscal year 2011.

**CITY OF NEWBERRY**  
**CAPITAL ASSET STATISTICS BY FUNCTION (1)**  
**LAST TEN FISCAL YEARS**

FUNCTION (2)	FISCAL YEAR									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	35	37	32	31	38	38	38	38	40	40
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Fire trucks	5	6	6	6	7	7	7	7	7	7
Public Works (3)										
Streets										
Streets within City (miles)	84	84	84	84	84	87	87	87	87	87
Sanitation										
Packer trucks	4	5	5	5	5	5	5	5	5	5
Recreation										
Parks	15	15	15	15	15	15	15	15	15	15
Parks acreage	100	100	100	100	100	100	100	100	100	100
Utility System										
Electric										
Miles of primary conductor	247	247	247	253	255	259	260	260	260	260
Miles of secondary conductor	86	86	87	88	89	91	92	93	93	93
Water										
Miles of water main lines	125	125	125	125	126	127	127	127	127	127
Fire hydrants	477	479	481	481	482	482	483	486	493	500
Maximum daily production capacity (gallons)	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000
Sewer										
Miles of sanitary sewer main lines	123	123	123	124	124	124	124	124	124	124
Maximum daily treatment capacity (gallons)	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000

(1) Source: Various City of Newberry departments.

(2) No capital asset indicators are available for General Government function.

(3) Public Works comprised of Public Works Administration, Street, Sanitation, Building Maintenance and Garage departments, for some of which there are no indicators available.