

**CITY OF NEWBERRY,
SOUTH CAROLINA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
JUNE 30, 2014**

CITY OF NEWBERRY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2014
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INTRODUCTORY SECTION



CITY OF NEWBERRY

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

November 24, 2014

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, 2014.

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, 2014, 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, 2014, 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. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

"City of Friendly Folks"

Post Office Box 538 • Newberry, South Carolina 29108 • Phone (803) 321-1007 • FAX (803) 321-1009
www.cityofnewberry.com www.visitnewberry.com

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 the 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, 2014, 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 2014-2015 budget preparation, all departments of the City of Newberry were required to submit requests for appropriations to the City Manager by mid-February of 2014. 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 32 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 2014, 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 2014-2015.

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. 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. These upgrades were implemented in fiscal year 2013-2014. In fiscal year 2014 the City also began pursuing streetscape enhancements on College Street adjacent the Oakland Mill Village. This project was over a \$900,000 investment funded through \$400,000 from SCDOT TEP and almost an additional \$600k from our local County Transportation Committee. This project runs .6 miles on College Street and was an effort to link the mill village improvements discussed earlier into the City's Central Business District.

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 2014 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 2014 information, the unassigned portion of the fund balance of the General Fund stood at 78.61 percent of the total audited General Fund expenditures.

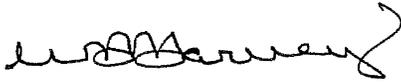
Awards and Acknowledgements

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, 2013. This was the twenty first 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

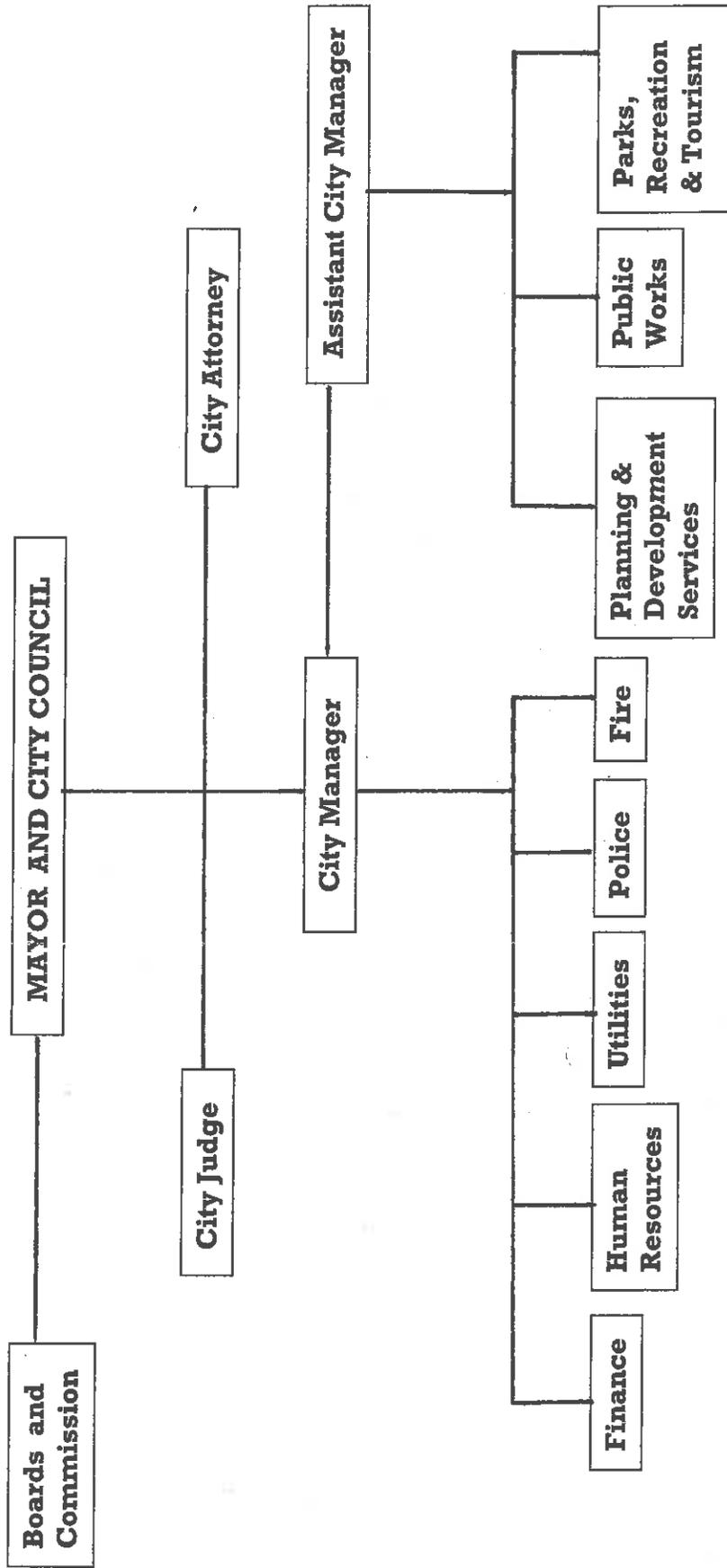
**City of Newberry
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

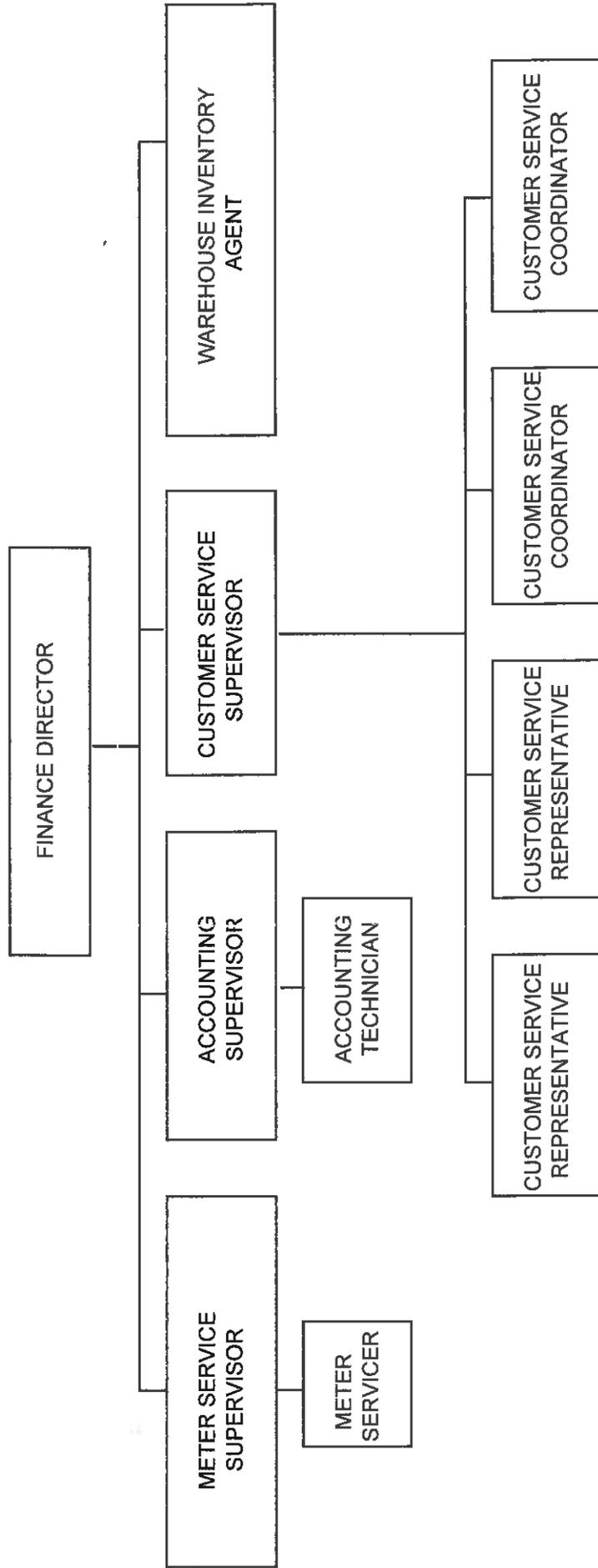
Executive Director/CEO

CITY OF NEWBERRY ORGANIZATION CHART



**City of Newberry
Finance Department
Organizational Chart**

June 30, 2014



CITY OF NEWBERRY, SOUTH CAROLINA

List of Principal Officers

June 30, 2014

<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

*Chief Swindler retired on July 1, 2014. His successor, D. Dennis Brown, began on June 30, 2014.

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, 2014, 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.

Members
American Institute of Certified Public Accountants
S.C. Association of Certified Public Accountants



To the Honorable Mayor and City Council
City of Newberry
November 24, 2014

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, 2014, 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 24, 2014

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

Greenville, South Carolina
November 24, 2014

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, 2014. 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 26 of this report.

Financial Highlights

Key financial highlights for fiscal year 2014 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 \$59,393,548 (net position), an increase in comparison to the previous fiscal year of \$2,418,221 or 4.07 percent. Of this amount, \$25,660,189 is considered unrestricted. Unrestricted net position does not include assets with externally imposed restrictions or restrictions imposed by law. The unrestricted net position of the City's governmental activities are \$8,711,468. The unrestricted net position of the City's business-type activities are \$16,948,721 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 \$9,739,757 and expenditures and other financing uses totaled \$9,808,740 for all governmental funds at the fund level. Accordingly, combined revenues and other financing sources were short of expenditures and other financing uses by \$68,983. As of the close of fiscal year 2014, the City of Newberry's governmental funds reported combined ending fund balances of \$8,658,670. On a combined basis, \$406,013 is considered nonspendable, \$1,139,044 is restricted for specific purposes, \$183,929 has been committed by City Council, \$795,343 has been assigned to specific purposes by management, and \$6,134,341 is unassigned at June 30, 2014.
- At the end of fiscal year 2014, unassigned fund balance for the general fund, the City's principal operating fund, was \$6,150,934, an increase of \$989,016 in comparison to 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 2014, the unassigned portion of fund balance of the City was 78.61 percent of general fund expenditures; therefore the City will transfer the excess of \$908,119 to the General Capital Reserve Fund as the financial policy directs.

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 26-27 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 fifteen 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 fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided on pages 75-88 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, the seizure fund, and, in fiscal year 2014, 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 2014 report, particularly in the statistical section.

The basic governmental fund financial statements can be found on pages 28-32 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 33-36 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-59 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 pages 63-64 of this report.

Other information, including combined and individual fund statements and schedules, begin on page 75 of this report. Statistical tables that provide multi-year historical data begin on page 108.

Government-wide Financial Analysis

The fiscal year 2014 Comprehensive Annual Financial Report (CAFR) is the twelfth 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 2014, the government-wide statements found on pages 26-27 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.

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 \$59,393,548 for fiscal year 2014, an increase of \$2,418,221 in total net position as compared to fiscal year 2013. Net position is reported in three categories: Net investment in capital assets, net of related debt of \$32,305,437, restricted net position of \$1,427,922, and unrestricted net position of \$25,660,189.

The largest portion of the City's net position (54 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, 2014, the City had \$10,000 restricted for the Japanese Gardens permanent fund, \$1,292,583 restricted for utility system debt service, and \$125,339 restricted for maintenance of the utility system.

The balance of unrestricted net assets (\$25,660,189) 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, 2014, with comparative data for fiscal year 2013.

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City of Newberry's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$9,474,155	\$9,617,880	\$20,885,875	\$16,677,877	\$30,360,030	\$26,295,757
Capital assets	8,984,998	8,931,872	47,169,153	43,923,469	56,154,151	52,855,341
Total assets	18,459,153	18,549,752	68,055,028	60,601,346	86,514,181	79,151,098
Long-term liabilities outstanding	1,452,467	1,822,714	17,170,744	17,922,568	18,623,211	19,745,282
Other liabilities	364,530	388,649	8,132,892	2,041,840	8,497,422	2,430,489
Total liabilities	1,816,997	2,211,363	25,303,636	19,964,408	27,120,633	22,175,771
Net assets:						
Net investment in capital assets	7,920,688	7,465,441	24,384,749	26,164,248	32,305,437	33,629,689
Restricted	10,000	10,000	1,417,922	2,013,851	1,427,922	2,023,851
Unrestricted	8,711,468	8,862,948	16,948,721	12,458,839	25,660,189	21,321,787
Total net position	\$16,642,156	\$16,338,389	\$42,751,392	\$40,636,938	\$59,393,548	\$56,975,327

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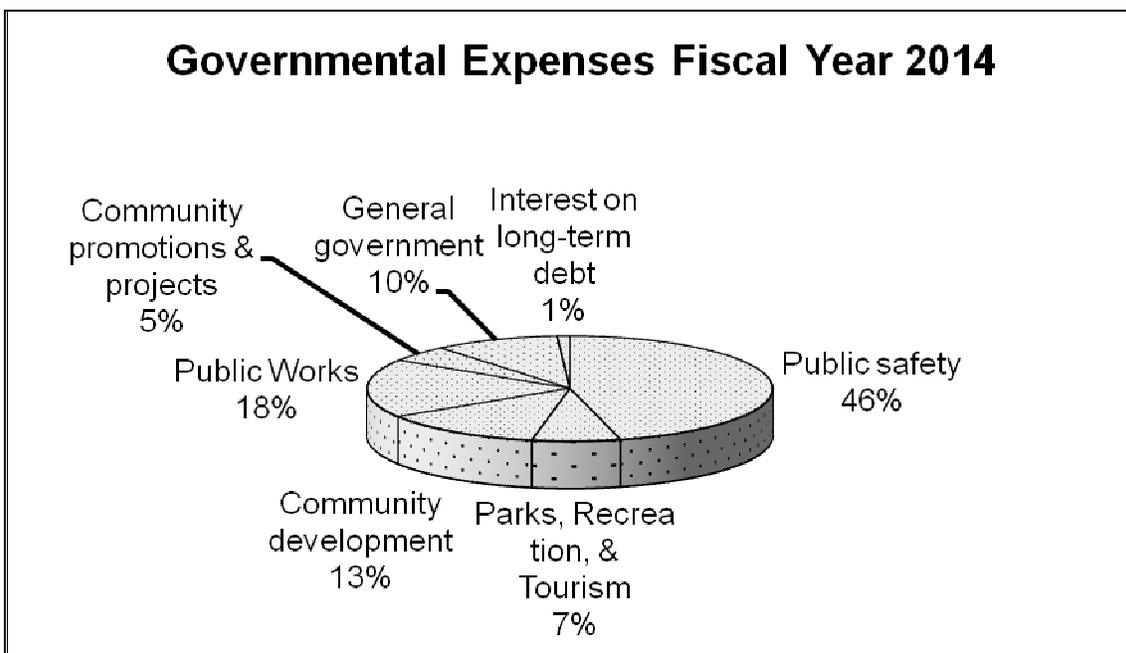
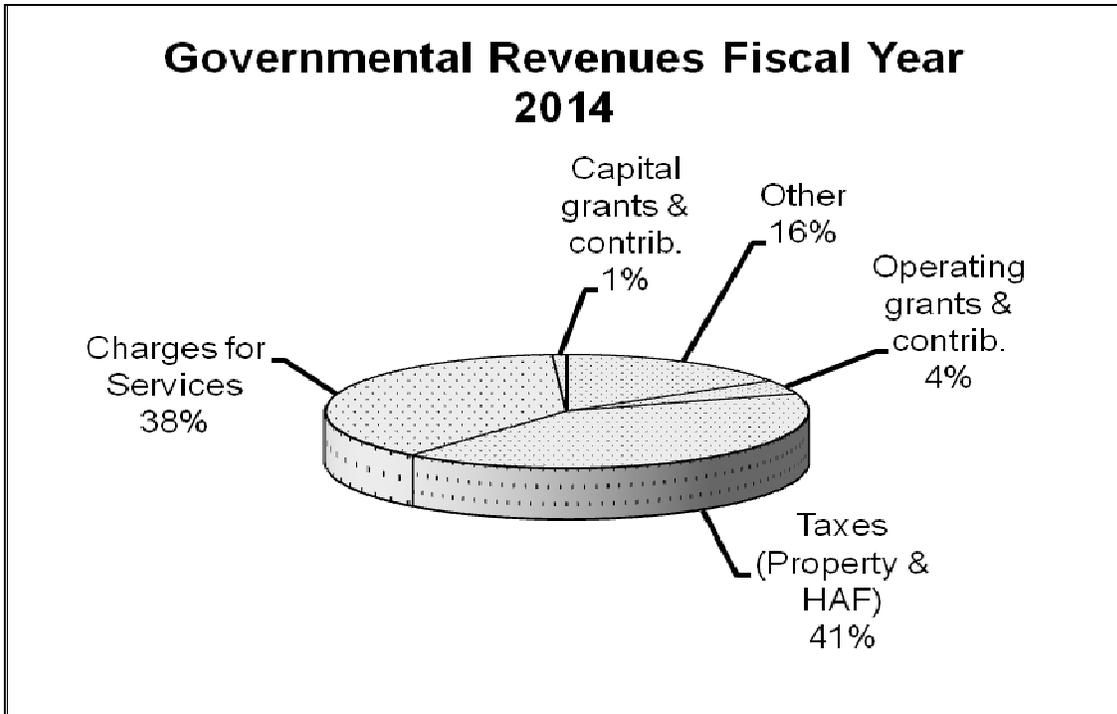
The following table shows a recap of revenues and expenses for fiscal year 2014, with comparative data for fiscal year 2013:

City of Newberry's Statement of Activities

	Governmental		Business-Type		Total	Total
	Activities	Activities	Activities	Activities	2014	2013
	2014	2013	2014	2013	2014	2013
Revenue:						
Program revenues:						
Charges for Services	\$2,875,684	\$2,859,859	\$30,733,794	\$28,066,615	\$33,609,478	\$30,926,474
Operating grants and contributions	309,957	400,786	-	-	309,957	400,786
Capital grants and contributions	66,697	1,964	388,119	180,163	454,816	182,127
General Revenues:						
Taxes	3,115,921	3,361,392	-	-	3,115,921	3,361,392
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Other	1,220,918	1,338,980	145,883	222,443	1,366,801	1,561,423
Total revenues	7,589,177	7,962,981	31,267,796	28,469,221	38,856,973	36,432,202
Expenses:						
General government	910,194	1,642,800	-	-	910,194	1,642,800
Public safety	4,289,783	4,215,389	-	-	4,289,783	4,215,389
Public Works	1,662,670	1,611,683	-	-	1,662,670	1,611,683
Parks, Recreation, & Tourism	616,972	723,463	-	-	616,972	723,463
Community development	1,146,252	516,702	-	-	1,146,252	516,702
Community promotions and projects	486,636	114,612	-	-	486,636	114,612
Interest on long-term debt	38,812	56,824	-	-	38,812	56,824
Combined electric, water, and sewer utilities	-	-	27,287,433	27,053,021	27,287,433	27,053,021
Total expenses	9,151,319	8,881,473	27,287,433	27,053,021	36,438,752	35,934,494
Increase(decrease) in net position before transfers	(1,562,142)	(918,492)	3,980,363	1,416,200	2,418,221	497,708
Transfers	1,865,909	1,817,362	(1,865,909)	(1,817,362)	-	-
Increase in net position	303,767	898,870	2,114,454	(401,162)	2,418,221	497,708
Net position, July 1	16,338,389	15,439,519	40,636,938	41,038,100	56,975,327	56,477,619
Net position, June 30	\$16,642,156	\$16,338,389	\$42,751,392	\$40,636,938	\$59,393,548	\$56,975,327

Governmental activities. Governmental activities increased the City's net position by \$303,767. Compared to governmental activity expenses (\$9,151,319), tax-related revenues (\$3,115,921) covered approximately 34.0 percent, and program revenues (\$3,252,338) covered approximately 35.5 percent. Public Safety activities accounted for the greatest percentage of governmental activities at 46.9 percent. The City was the recipient of grants and contributions in the amount of \$376,654 used to accomplish upgrades and projects. City departments continued to use budgeted funds effectively.

The following graphs show breakdowns by percentages of governmental revenues and expenses.



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 \$31,267,796 were less than total expenses and outgoing transfers of \$29,153,342 yielding a positive change in net position of \$2,114,454 for fiscal year 2014. Of note is the purchase of electricity line item at \$18,254,868, which translates to 66.9 percent of all business-type expenses of \$27,287,433. The size of the purchase of electricity line item can be further appreciated by noting that this single line item is 50.1 percent of total primary government expenses.

- A major factor in the \$2,114,454 increase in net position was that the charges for services revenue increased \$2,667,179. The City's electric supplier, Piedmont Municipal Power Agency, implemented an aggregate wholesale electric rate adjustment effective May 1, 2013 which caused the City to pass along a 6.7 percent electric rate increase on July 1, 2013.
- Small increases in units sold in fiscal year 2014 as compared to fiscal year 2013 were reflected in electric kilowatt-hours (up 3.4 percent). Treated sewer cubic feet and water cubic feet showed a increases of 1.36 percent and 4.8 percent respectively in fiscal year 2014 when compared to fiscal year 2013. Units sold changes were primarily due to weather conditions.
- Fiscal year 2014 saw federal grants revenue in the amount of \$388,119 for the purpose of capital upgrades of the water and sewer systems in the Oakland Mill and the Mollohon sections of the City. This represented a \$207,956 increase in federal grants revenue when compared to fiscal year 2013.

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 \$8,658,670. The City's general fund, with an ending fund balance of \$6,991,481, amounts to 80.7 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 2014, the unassigned fund balance of the general fund was \$6,150,934, representing 88.0 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 \$6,150,934 represents 78.61 percent of total general fund expenditures (\$7,825,097).

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 \$16,948,721 or 39.6 percent of total proprietary fund net position in the amount of \$42,751,392. The City's largest component of proprietary fund net assets is our net investment in capital assets, at \$24,384,749, or 57.0 percent of total net position. Net position restricted for debt service as compared to total net position decreased from fiscal year 2013 from 3.5 percent to 3.0 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 \$69,435 during fiscal year 2014 to reach the final expenditure budget of \$8,428,597. On the expenditure budget side, the largest increase by department of \$22,753 was recorded in the police department, solely due to an employee bonus given mid-year. The only budgetary expenditure decrease (\$3,380) was in the public works street division, primarily due to small equipment purchases being lower than anticipated. There were no budgetary revenue increases or decreases in fiscal year 2014.

During the fiscal year, actual revenues collected exceeded the budget by \$493,572, with the largest variance occurring in the fees in lieu of taxes line item due to revenue received from an intergovernmental agreement to stimulate economic development at the Oakland Mills site. Conversely, actual expenditures were under budget by \$603,500, with the largest variances seen in the public works department street division related to paving and resurfacing. In summary, revenues and other financing sources were 8.3 percent in excess of budgetary estimates and expenditures and other financing uses were 7.7 percent less than budgetary estimates, thus adding \$876,184 to fund balance instead of using \$205,700 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 2014, the City had a combined total of capital assets of \$56,154,151 (net of accumulated depreciation), an increase of \$3,298,810 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

\$230,660 for a commercial front loader in the public works department

\$402,098 for upgrades at the Kendall football field

Business-type Activities

\$2,911,370 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 2014, with comparative data for fiscal year 2013.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land and improvements	\$1,677,916	\$1,720,289	\$389,967	\$393,335	\$2,067,883	\$2,113,624
Buildings, improvements and fixtures	5,620,384	5,212,964	11,286,103	11,860,483	16,906,487	17,073,447
Streets, sidewalks and bridges	672,797	833,450	-	-	672,797	833,450
Motor vehicles and equipment	786,773	769,748	475,835	177,610	1,262,608	947,358
Office furniture and equipment	28,001	33,696	80,432	87,504	108,433	121,200
Other equipment	199,127	361,725	393,262	391,512	592,389	753,237
Traffic controls and fire alarm system	-	-	1	1	1	1
Street Lighting	-	-	43,492	66,789	43,492	66,789
Electric distribution system	-	-	4,672,830	3,414,445	4,672,830	3,414,445
Water distribution system	-	-	10,042,534	10,347,988	10,042,534	10,347,988
Sewer collection system	-	-	14,979,324	15,860,643	14,979,324	15,860,643
Construction in progress	-	-	4,805,373	1,323,159	4,805,373	1,323,159
Total	\$8,984,998	\$8,931,872	\$47,169,153	\$43,923,469	\$56,154,151	\$52,855,341

Additional information on the City's capital assets can be found in Note 5 beginning on page 45 of this report.

Debt Administration. At the end of fiscal year 2014, the City of Newberry had total debt outstanding (bonds, notes, capital leases) of \$18,067,695. 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 2014, with comparative data for fiscal year 2013:

City of Newberry's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Tax increment financing bonds	\$ -	\$281,196	\$ -	\$ -	\$ -	\$ 281,196
Revenue bonds, loan	-	-	17,003,385	17,748,361	17,003,385	17,748,361
Capital leases	1,064,310	1,185,235	-	-	1,064,310	1,185,235
Total	\$1,064,310	\$1,466,431	\$17,003,385	\$17,748,361	\$18,067,695	\$19,214,792

A newly issued capital lease of \$230,660 was for the purchase of a commercial front loader 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 2014, the debt limitation for the City is \$2,133,705, of which none is presently obligated.

Additional information on the City of Newberry's long-term debt as reported for fiscal year 2014 can be found in Note 8 beginning on page 48 of this report.

Economic Factors and Next Year's Budgets and Rates

At June 30, 2014, unemployment for Newberry County stood at 5.2 percent versus 8.1 percent at June 30, 2013. In comparison, the state's unemployment rate at June 30, 2014 was 5.3 percent and the national rate was 6.1 percent. Fiscal year 2014 data from the City of Newberry hospitality and accommodations fund also showed improvement when compared to fiscal year 2013 data. Hospitality gross sales increased 6.1 percent, from \$28.423 million for the year ended June 30, 2013, to \$30.151 million for the year ended June 30, 2014. Accommodations gross sales also showed an increase from \$3.648 million for the year ended June 30, 2013, to \$4.133 million for the year ended June 30, 2014, or 13.3 percent.

The City of Newberry began the budgetary process in January 2014, at which time the uncertain economic conditions forecast for fiscal year 2015 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, 2014, the unassigned fund balance of the general fund was \$6,150,934. The City of Newberry has budgeted a contribution to fund balance for fiscal year 2015 of \$2730. 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 9.88% effective on the July 1, 2014 billing. The electric rate change was necessary primarily to offset a wholesale electric cost increase to the City. Water and sewer rates increased 25% on minimum charges primarily to achieve the City's goal of having each service type (electric, water, and sewer) function in a self-supporting manner.

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, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 8,342,702	\$ 13,990,175	\$ 22,332,877
Receivables (net of allowances for uncollectibles)			
Taxes	155,924	-	155,924
Accounts	-	4,207,943	4,207,943
Grants	1,220	2,766	3,986
Intergovernmental	207,039	2,672	209,711
Other	288,837	50,226	339,063
Internal receivables (payable)	72,420	(72,420)	-
Inventories	51,013	1,202,197	1,253,210
Notes receivable	355,000	-	355,000
Restricted assets			
Cash and cash equivalents	-	1,417,921	1,417,921
Capital assets			
Land and construction in progress	785,620	5,125,717	5,911,337
Other capital assets, net of accumulated depreciation	8,199,378	42,043,436	50,242,814
Other	-	84,395	84,395
Total Assets	<u>18,459,153</u>	<u>68,055,028</u>	<u>86,514,181</u>
Liabilities			
Accounts payable	87,410	2,200,775	2,288,185
Due to other government agencies	35,728	15,610	51,338
Accrued salaries and payroll liabilities	241,392	92,025	333,417
Retainage payable	-	500	500
Accrued interest payable	-	73,982	73,982
Bond anticipation note payable	-	5,750,000	5,750,000
Long-term liabilities			
Due within one year	523,547	960,517	1,484,064
Due in more than one year	928,920	16,210,227	17,139,147
Total Liabilities	<u>1,816,997</u>	<u>25,303,636</u>	<u>27,120,633</u>
Net Position			
Net investment in capital assets	7,920,688	24,384,749	32,305,437
Restricted for			
Expendable			
Debt service	-	1,292,583	1,292,583
Maintenance	-	125,339	125,339
Nonexpendable			
Permanent Fund	10,000	-	10,000
Unrestricted	8,711,468	16,948,721	25,660,189
Total Net Position	<u>\$ 16,642,156</u>	<u>\$ 42,751,392</u>	<u>\$ 59,393,548</u>

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

CITY OF NEWBERRY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		<u>Total</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>
Governmental Activities							
General Government	\$ 910,194	\$ 1,514,666	\$ -	\$ -	\$ 604,472	\$ -	\$ 604,472
Public safety	4,289,783	681,044	115,630	66,697	(3,426,412)	-	(3,426,412)
Public works	1,662,670	623,084	-	-	(1,039,586)	-	(1,039,586)
Parks, recreation, and tourism	616,972	40,860	19,395	-	(556,717)	-	(556,717)
Community development	1,146,252	-	174,932	-	(971,320)	-	(971,320)
Community promotion and projects	486,636	16,030	-	-	(470,606)	-	(470,606)
Interest on long-term debt	38,812	-	-	-	(38,812)	-	(38,812)
Total Governmental Activities	9,151,319	2,875,684	309,957	66,697	(5,898,981)	-	(5,898,981)
Business-Type Activities							
Utility system	27,287,433	30,733,794	-	388,119	-	3,834,480	3,834,480
Total Primary Government	\$ 36,438,752	\$ 33,609,478	\$ 309,957	\$ 454,816	(5,898,981)	3,834,480	(2,064,501)
General Revenues							
Taxes							
Property taxes, levied for general purposes					2,387,834	-	2,387,834
Local hospitality and accommodations fee					728,087	-	728,087
Intergovernmental revenue					1,037,343	143,720	1,181,063
Interest revenue					3,455	2,163	5,618
Miscellaneous					180,120	-	180,120
Transfers					1,865,909	(1,865,909)	-
Total General Revenues and Transfers					6,202,748	(1,720,026)	4,482,722
Change in Net Position					303,767	2,114,454	2,418,221
Net Position, beginning					16,338,389	40,636,938	56,975,327
Net Position, ending					\$ 16,642,156	\$ 42,751,392	\$ 59,393,548

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

FUND FINANCIAL STATEMENTS

CITY OF NEWBERRY
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014

	<u>General</u>	<u>Other Governmental</u>	<u>Totals June 30, 2014</u>
Assets			
Cash and cash equivalents	\$ 6,727,506	\$ 1,615,196	\$ 8,342,702
Receivables (net of allowance for uncollectibles)			
Taxes	155,249	675	155,924
Grants	1,220	-	1,220
Intergovernmental	173,051	33,988	207,039
Interest and other	67,055	221,782	288,837
Notes receivable	-	355,000	355,000
Due from other funds	210,017	41,864	251,881
Inventories	51,013	-	51,013
Total Assets	<u>\$ 7,385,111</u>	<u>\$ 2,268,505</u>	<u>\$ 9,653,616</u>
Liabilities			
Accounts payable	\$ 23,252	\$ 64,158	\$ 87,410
Intergovernmental	35,728	-	35,728
Accrued salaries and payroll liabilities	241,392	-	241,392
Due to other funds	4,055	175,406	179,461
Total Liabilities	<u>304,427</u>	<u>239,564</u>	<u>543,991</u>
Deferred Inflows of Resources			
Unavailable revenues	89,203	361,752	450,955
Total Deferred Inflows of Resources	<u>89,203</u>	<u>361,752</u>	<u>450,955</u>
Fund Balances			
Nonspendable	51,013	355,000	406,013
Restricted	-	1,139,044	1,139,044
Committed	-	183,929	183,929
Assigned	789,534	5,809	795,343
Unassigned	6,150,934	(16,593)	6,134,341
Total Fund Balances	<u>6,991,481</u>	<u>1,667,189</u>	<u>8,658,670</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,385,111</u>	<u>\$ 2,268,505</u>	<u>9,653,616</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, 2014

Fund Balance - Governmental Funds \$ 8,658,670

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	18,842,329	
Accumulated depreciation is	(9,857,331)	8,984,998

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:

Compensated absences payable	(368,864)	
Other post-employment benefits obligation	(19,293)	
Capital lease obligations	(1,064,310)	(1,452,467)

Certain amounts relating to various revenues and receivables are reported as inflows of resources in the governmental funds, as they are not current financial resources.

450,955

Total Net Position - Governmental Activities

\$ 16,642,156

CITY OF NEWBERRY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds June 30, 2014</u>
Revenues			
Taxes	\$ 2,441,841	\$ -	\$ 2,441,841
Licenses, permits and franchise fees	1,514,666	-	1,514,666
Fines, forfeitures and penalties	604,520	56,108	660,628
Charges for services	663,944	744,117	1,408,061
Intergovernmental	1,159,544	274,869	1,434,413
Miscellaneous	59,795	123,780	183,575
Total Revenues	<u>6,444,310</u>	<u>1,198,874</u>	<u>7,643,184</u>
Expenditures			
General government	660,535	-	660,535
Public safety	3,296,945	70,942	3,367,887
Public works	1,432,832	-	1,432,832
Parks, recreation, and tourism	513,382	-	513,382
Community development	-	1,146,252	1,146,252
Non-departmental	1,647,383	365,488	2,012,871
Debt service			
Principal	264,175	368,610	632,785
Interest	9,845	32,351	42,196
Total Expenditures	<u>7,825,097</u>	<u>1,983,643</u>	<u>9,808,740</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,380,787)</u>	<u>(784,769)</u>	<u>(2,165,556)</u>
Other Financing Sources (Uses)			
Capital leases	230,664	-	230,664
Transfers in (out)			
Permanent fund	-	2,613	2,613
Special revenue funds	160,398	247,088	407,486
Utility system fund	1,865,909	-	1,865,909
Debt service fund	-	(410,099)	(410,099)
Total Other Financing Sources (Uses)	<u>2,256,971</u>	<u>(160,398)</u>	<u>2,096,573</u>
Net Change in Fund Balances	876,184	(945,167)	(68,983)
Fund Balances, beginning	<u>6,115,297</u>	<u>2,612,356</u>	<u>8,727,653</u>
Fund Balances, ending	<u>\$ 6,991,481</u>	<u>\$ 1,667,189</u>	<u>\$ 8,658,670</u>

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, 2014

Net Change in Fund Balances - Total Governmental Funds	\$	(68,983)
<p>Amounts reported for Governmental Activities in the Statement of Activities are different because (see Note 1, also)</p>		
<p>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.</p>		
Depreciation expense	\$ (816,676)	
Capital outlay	<u>992,767</u>	176,091
<p>The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position.</p>		
		(122,965)
<p>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.</p>		
		351,589
<p>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.</p>		
		(29,644)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This is the increase in liability of other post-employment benefits.</p>		
		(2,230)
<p>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.</p>		
		281,196
<p>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:</p>		
		3,384
<p>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.</p>		
		(230,664)
<p>Certain amounts relating to various revenues and receivables are reported as inflows of resources in the governmental funds; therefore, revenue is different by:</p>		
		<u>(54,007)</u>
Change in Net Position of Governmental Activities	\$	<u>303,767</u>

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, 2014

Revenues	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Taxes	\$ 2,100,400	\$ 2,100,400	\$ 2,441,841	\$ 341,441
Licenses, permits and franchise fees	1,419,781	1,419,781	1,514,666	94,885
Fines and forfeitures	588,672	588,672	604,520	15,848
Charges for services	641,852	641,852	663,944	22,092
Intergovernmental	1,182,033	1,182,033	1,159,544	(22,489)
Miscellaneous	18,000	18,000	59,795	41,795
Total Revenues	5,950,738	5,950,738	6,444,310	493,572
Expenditures				
General government				
City council	82,243	82,493	79,009	3,484
City manager	235,821	237,424	207,742	29,682
Human resources	94,611	98,614	95,058	3,556
Finance	126,986	127,896	114,036	13,860
City hall	30,880	30,880	28,788	2,092
Planning and development	156,399	158,091	135,902	22,189
Public safety				
Police department	1,859,289	1,882,042	1,827,451	54,591
Justice and Law	473,748	474,549	487,541	(12,992)
Fire department	968,818	985,331	981,953	3,378
Public works				
Public works administration	141,559	145,844	133,187	12,657
Streets	714,130	710,750	506,397	204,353
Sanitation	615,651	626,808	586,624	40,184
Building maintenance	71,655	72,412	70,764	1,648
Garage	141,233	143,009	135,860	7,149
Parks, recreation, and tourism				
Parks, recreation, and tourism	533,454	539,320	513,382	25,938
Non-departmental				
General insurance	91,270	91,270	38,700	52,570
Employee benefits	1,621,743	1,622,192	1,487,535	134,657
Community promotions and projects	121,393	121,393	121,148	245
Capitalized lease payments	278,279	278,279	274,020	4,259
Total Expenditures	8,359,162	8,428,597	7,825,097	603,500
Excess (Deficiency) of Revenues Over Expenditures	(2,408,424)	(2,477,859)	(1,380,787)	1,097,072
Other Financing Sources (Uses)				
Capital leases	245,000	245,000	230,664	(14,336)
Transfers in (out)				
State accommodations tax fund	27,750	27,750	26,898	(852)
Local hospitality/accommodations fund	133,500	133,500	133,500	-
Utility system	1,865,909	1,865,909	1,865,909	-
Total Other Financing Sources (Uses)	2,272,159	2,272,159	2,256,971	(15,188)
Net Change in Fund Balances	(136,265)	(205,700)	876,184	1,081,884
Fund Balances, beginning	6,115,297	6,115,297	6,115,297	-
Fund Balances, ending	\$ 5,979,032	\$ 5,909,597	\$ 6,991,481	\$ 1,081,884

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

**CITY OF NEWBERRY
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 JUNE 30, 2014**

Assets

Current Assets

Cash and cash investments	\$	13,990,175
Receivables (net of allowances for uncollectibles)		
Accounts		4,207,943
Grants		2,766
Intergovernmental		2,672
Other		50,226
Inventory		1,202,197
Restricted assets		
Cash and cash investments		928,627

Total Current Assets

20,384,606

Noncurrent Assets

Capital Assets		
Land and land improvements		437,589
Buildings and fixtures		14,923,233
Office furniture and equipment		211,010
Traffic controls and fire alarm system		185,112
Street Lighting		455,238
Other equipment		781,939
Motor vehicles and equipment		2,231,415
Electric distribution system		13,296,295
Water distribution system		21,089,786
Sewer collection system		32,301,362
Construction in progress		4,805,373

Totals		90,718,352
Less accumulated depreciation		<u>(43,549,199)</u>

Total Capital Assets 47,169,153

Other assets 84,395

Restricted Assets		
Cash and cash investments		<u>489,294</u>

Total Noncurrent Assets 47,742,842

Total Assets 68,127,448

(Continued)

**CITY OF NEWBERRY
 PROPRIETARY FUND
 STATEMENT OF NET POSITION (CONTINUED)
 JUNE 30, 2014**

Liabilities

Current Liabilities

Accounts payable	\$ 2,200,775
Due to other government agencies	15,610
Accrued salaries payable	92,025
Compensated absences payable	105,871
Retainage payable	500
Due to other funds	72,420
Accrued interest payable	73,982
Bond anticipation note payable	5,750,000
Revenue bonds payable	41,403
Loans payable	813,243

Total Current Liabilities 9,165,829

Noncurrent Liabilities

Loans payable	16,038,849
Revenue bonds payable	109,890
Compensated absences payable	52,019
Other post-employment benefit obligation	9,469

Total Noncurrent Liabilities 16,210,227

Total Liabilities 25,376,056

Net Position

Net investment in capital assets 24,384,749

Restricted for

Debt service	1,292,583
Maintenance	125,339

Unrestricted 16,948,721

Total Net Position \$ 42,751,392

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

CITY OF NEWBERRY
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 NET POSITION
 YEAR ENDED JUNE 30, 2014

	Business - Type Activities
	Electric, Water, and Sewer
Operating Revenues	
Charges for sales and services	\$ 30,577,215
Miscellaneous	156,579
	30,733,794
Operating Expenses	
Costs of sales and services	23,376,271
Administration	630,690
Depreciation	2,978,726
	26,985,687
Total Operating Expenses	26,985,687
Operating Income	3,748,107
Nonoperating Revenues (Expenses)	
Interest revenue	2,163
Interest expense, bank management fees and other	(301,746)
County sales tax	143,720
	(155,863)
Total Nonoperating Revenues (Expenses)	(155,863)
Income Before Capital Contributions and Transfers	3,592,244
Capital Contributions	388,119
Transfers In (Out)	
General fund	(1,865,909)
	2,114,454
Change in Net Position	2,114,454
Net Position, beginning	40,636,938
Net Position, ending	\$ 42,751,392

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

**CITY OF NEWBERRY
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2014**

Cash Flows from Operating Activities	
Receipts from customers	\$ 30,110,870
Purchase of electricity	(18,254,868)
Payments to suppliers	(3,743,370)
Payments to employees	(1,845,323)
	<u>6,267,309</u>
Net Cash Provided by Operating Activities	<u>6,267,309</u>
Cash Flows from Noncapital Financing Activities	
Transfers in (out)	(1,865,909)
	<u>(1,865,909)</u>
Net Cash Used in Noncapital Financing Activities	<u>(1,865,909)</u>
Cash Flows from Capital and Related Financing Activities	
Acquisition and construction of capital assets	(6,145,091)
Subsidy from federal grants	431,392
Proceeds from bond anticipation note	5,750,000
Proceeds from capital debt	164,576
County sales tax	143,720
Principal payments on bonds and notes payable	(744,976)
Interest and other fees paid	(294,547)
	<u>(694,926)</u>
Net Cash Used in Capital and Related Financing Activities	<u>(694,926)</u>
Cash Flows from Investing Activities	
Interest on investments	2,157
Principal payments received on notes receivable	49,008
	<u>51,165</u>
Net Cash Provided by Investing Activities	<u>51,165</u>
Net Increase in Cash	3,757,639
Cash and Cash Investments, beginning	<u>11,650,457</u>
Cash and Cash Investments, ending	<u>\$ 15,408,096</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	\$ 3,748,107
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation expense	2,978,726
Changes in assets and liabilities	
Receivables, net	(622,924)
Inventories	(121,113)
Accounts payable	254,465
Due to government agencies	15,610
Accrued expenses and due to other funds	14,438
	<u>6,267,309</u>
Net Cash Provided by Operating Activities	<u>\$ 6,267,309</u>
Noncash Capital Activities	
Acquisition of capital assets on account	<u>\$ 6,224,410</u>

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

CITY OF NEWBERRY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014

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.

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. 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.

Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund. Material bond premiums and discounts, as well as material issuance costs are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums and discounts.

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.

The Justice and Law department of the general fund had an excess of actual expenditures of \$12,992 over budget for the year ended June 30, 2014. Additional State Assessments and payroll costs were incurred related to revenues in excess of anticipated amounts.

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, 2014, the City had deposits and investments as follows:

Deposits with financial institutions	\$	21,235,496
Investments with S.C. Local Government Investment Pool		<u>2,977,485</u>
	\$	<u><u>24,212,981</u></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, 2014, 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, 2014, 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, 2014, consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Receivables		
Property taxes	\$ 201,456	\$ -
Accounts	-	2,819,889
Grants	1,220	2,766
Unbilled accounts	-	2,041,253
Intergovernmental	207,039	2,672
Interest and other	288,837	50,226
Gross receivables	<u>698,552</u>	<u>4,916,806</u>
Less: allowance for uncollectibles	<u>(45,532)</u>	<u>(653,199)</u>
Net Receivables	<u><u>\$ 653,020</u></u>	<u><u>\$ 4,263,607</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, 2014, 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, an unavailable 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, 2014, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 785,620	\$ -	\$ -	\$ 785,620
Total Capital Assets Not Being Depreciated	785,620	-	-	785,620
Capital assets being depreciated:				
Land improvements	1,559,256	-	-	1,559,256
Buildings	7,480,426	598,614	-	8,079,040
Motor vehicles and equipment	4,855,963	385,093	(205,342)	5,035,714
Office furniture and equipment	113,520	-	-	113,520
Other equipment	1,385,171	9,060	-	1,394,231
Streets, sidewalks and bridges	1,998,256	-	(123,308)	1,874,948
Total Capital Assets Being Depreciated	17,392,592	992,767	(328,650)	18,056,709
Less accumulated depreciation:				
Land improvements	624,587	42,373	-	666,960
Buildings	2,267,462	191,194	-	2,458,656
Motor vehicles and equipment	4,086,215	368,068	(205,342)	4,248,941
Office furniture and equipment	79,824	5,695	-	85,519
Other equipment	1,023,446	171,658	-	1,195,104
Streets, sidewalks and bridges	1,164,806	37,688	(343)	1,202,151
Total Accumulated Depreciation	9,246,340	816,676	(205,685)	9,857,331
Total Capital Assets Being Depreciated, Net	8,146,252	176,091	(122,965)	8,199,378
Governmental Activity Capital Assets, Net	\$ 8,931,872	\$ 176,091	\$ (122,965)	\$ 8,984,998

	Beginning Balances	Increases	Decreases	Ending Balances
Business - Type Activities				
Utility Proprietary Fund				
Capital assets not being depreciated				
Land	\$ 320,344	\$ -	\$ -	\$ 320,344
Construction in progress	1,323,159	3,482,214	-	4,805,373
Total Capital Assets Not Being Depreciated	1,643,503	3,482,214	-	5,125,717
Capital assets being depreciated				
Land improvements	117,245	-	-	117,245
Buildings	14,920,533	2,700	-	14,923,233
Motor vehicles and equipment	2,197,258	445,879	(411,722)	2,231,415
Office furniture and equipment	211,010	-	-	211,010
Traffic Controls	185,112	-	-	185,112
Street Lighting	455,238	-	-	455,238
Other equipment	722,424	59,515	-	781,939
Electric distribution system	11,718,731	1,577,564	-	13,296,295
Water distribution system	20,826,983	262,803	-	21,089,786
Sewer collection system	31,907,627	393,735	-	32,301,362
Total Capital Assets Being Depreciated	83,262,161	2,742,196	(411,722)	85,592,635
Less accumulated depreciation				
Land improvements	44,254	3,368	-	47,622
Buildings	3,060,050	577,080	-	3,637,130
Motor vehicles and equipment	2,019,648	147,654	(411,722)	1,755,580
Office furniture and equipment	123,506	7,072	-	130,578
Traffic controls	185,111	-	-	185,111
Street lighting	388,449	23,297	-	411,746
Other equipment	330,912	57,765	-	388,677
Electric distribution system	8,304,286	319,179	-	8,623,465
Water distribution system	10,478,995	568,257	-	11,047,252
Sewer collection system	16,046,984	1,275,054	-	17,322,038
Total Accumulated Depreciation	40,982,195	2,978,726	(411,722)	43,549,199
Total Capital Assets Being Depreciated, Net	42,279,966	(236,530)	-	42,043,436
Business-Type Activities Capital Assets, Net	\$ 43,923,469	\$ 3,245,684	\$ -	\$ 47,169,153

Depreciation expense was charged to functions as follows:

General Government	\$	375,051
Public Safety		186,406
Public Works		230,612
Recreation		24,607
Total	\$	816,676

Depreciation of general infrastructure assets (streets, sidewalks and bridges) in the amount of \$44,379 was included in the public works function.

At June 30, 2014, the City had outstanding construction and purchase commitments. The business-type activity commitment was \$60,334 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 note was paid off during the fiscal year ended June 30, 2014.

Note 7 –Short-term Debt

On August 26, 2013, the City issued a \$5,750,000 Revenue Bond Anticipation Note, Series 2013 (the BAN). The BAN was issued to fund costs associated with improving the City’s combined public utility system. The BAN bears interest at .86% annum. Principal and interest are payable upon maturity, August 26, 2014.

Subsequent to June 30, 2014, the BAN was paid off using proceeds from Revenue Bonds issued in August 2014.

The following is a summary of short-term debt transactions for the year ended June 30, 2014:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Short-term debt					
Business-type Activities:					
Revenue Bond Anticipation Note	\$ -	\$ 5,750,000	\$ -	\$ 5,750,000	\$ 5,750,000

Note 8 – 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, 2014.

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 believes it is in compliance with all significant limitations and restrictions.

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 closed on the Combined Public Utility System Revenue Bond, Series 2009, a State Revolving Fund loan with total available funding, in the amount of \$19,236,065. Total drawn against this loan was \$19,040,506. The loan was funded with \$4,000,000 ARRA grant funds and \$15,040,506 regular SRF funds. The purpose of the loan was 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 2.25% per annum during the year ended June 30, 2014.

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, 2014, 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	\$ 1,859,512
Less Accumulated Depreciation	(1,358,801)
	<u>\$ 500,711</u>

The future minimum lease obligations for equipment as of June 30, 2014, were as follows:

Year Ending June 30,	Governmental Activities
2015	\$ 222,836
2016	94,161
2017	76,751
2018	29,670
Total Minimum Lease Obligation	423,418
Less Amount Representing Interest	(9,039)
Present Value of Future Minimum Lease Payments	<u>\$ 414,379</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
2015	\$ 114,689
2016	114,689
2017	114,689
2018	114,689
2019	114,689
Thereafter	162,477
Total Minimum Lease Payments	735,922
Less Amount Representing Interest	(85,991)
Present Value of Future Minimum Lease Payments	<u>\$ 649,931</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.

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, 2014, \$728,090 in fees were collected. The TIF bond was paid off during the year ended June 30, 2014.

Changes in long-term liabilities for the year ended June 30, 2014, are as follows:

	July 1, 2013	Increases	Decreases	June 30, 2014	Due Within One Year
Governmental Activities					
Compensated Absences	\$ 339,220	\$ 254,398	\$ (224,754)	\$ 368,864	\$ 215,452
Net Other Post-Employment Benefit Obligation	17,063	2,230	-	19,293	-
Capital Lease Obligations	1,185,235	230,664	(351,589)	1,064,310	308,095
Special Assessment Debt	281,196	-	(281,196)	-	-
Total	\$ 1,822,714	\$ 487,292	\$ (857,539)	\$ 1,452,467	\$ 523,547

	July 1, 2013	Increases	Decreases	June 30, 2014	Due Within One Year
Business-Type Activities					
Compensated Absences	\$ 165,754	\$ 114,303	\$ (122,167)	\$ 157,890	\$ 105,871
Other Post-Employment Benefit Obligation	8,453	1,016	-	9,469	-
Revenue Bonds, Series 2007	191,309	-	(40,016)	151,293	41,403
State Revolving Fund Loan	17,557,052	-	(704,960)	16,852,092	813,243
Total	\$ 17,922,568	\$ 115,319	\$ (867,143)	\$ 17,170,744	\$ 960,517

The following schedules reflect future principal and interest requirements of the City's outstanding bonds at June 30, 2014.

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

Revenue Bonds, Series 2007 (1)			
Fiscal Year	Fiscal Year Principal Due	Fiscal Year Interest Due	Total Principal and Interest Due
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
Total	\$ 151,293	\$ 9,881	\$ 161,174

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>
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	885,741	296,785	1,182,526
2020-2024	4,731,336	1,181,294	5,912,630
2025-2029	5,290,655	621,975	5,912,630
2030-2032	2,585,171	75,513	2,660,684
Total	<u>\$ 16,852,092</u>	<u>\$ 3,546,482</u>	<u>\$ 20,398,574</u>

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 for total available funding in the amount of \$19,236,065. Total drawn against this loan was \$19,040,506. The payment initiation date was September 11, 2011. Repayment of principal and interest is due in 80 quarterly installments that began December 1, 2011.

Note 9 – Fund Balance Classifications

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Permanent Fund</u>	<u>Total Governmental Funds</u>
Fund Balances				
Nonspendable				
Inventories	\$ 51,013	\$ -	\$ -	\$ 51,013
Long-term receivable	-	355,000	-	355,000
Restricted				
In accordance with donor stipulations	-	-	10,000	10,000
State accommodations tax	-	50,267	-	50,267
Streetscape	-	394,452	-	394,452
Local hospitality	-	633,812	-	633,812
Victims' rights	-	48,881	-	48,881
Seizure fund	-	1,632	-	1,632
Committed				
NANU	-	21,522	-	21,522
Federal equitable sharing	-	12,764	-	12,764
Tourism	-	80,631	-	80,631
Special events	-	43,423	-	43,423
Cultural arts	-	11,416	-	11,416
Volunteer fire	-	10,118	-	10,118
Victims' rights	-	4,055	-	4,055
Assigned				
Depreciation	789,534	-	-	789,534
Japanese gardens maintenance	-	-	5,809	5,809
Unassigned				
	6,150,934	(16,593)	-	6,134,341
Total	<u>\$ 6,991,481</u>	<u>\$ 1,651,380</u>	<u>\$ 15,809</u>	<u>\$ 8,658,670</u>

Note 10 – Interfund Receivables, Payables, and Transfers

At June 30, 2014, interfund receivables and payables resulting from various interfund transactions were as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 210,017	\$ 4,055
Special Revenue Funds		
Cultural Arts	-	2,397
Victims' Rights	4,055	-
Accommodations Tax	-	11,896
Tourism	10,196	-
Special Events	25,000	-
Local Hospitality	-	161,113
Permanent Fund	2,613	-
Proprietary Fund - Unrestricted	-	72,420
Total	<u>\$ 251,881</u>	<u>\$ 251,881</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, 2014 were as follows:

Transfer Out:	Transfer In			Total
	General Fund	Special Revenue Fund	Permanent Fund	
Proprietary Funds	\$ 1,865,909	\$ -	\$ -	\$ 1,865,909
Special Revenue Funds	160,398	-	2,613	163,011
Debt Service Funds	-	410,099	-	410,099
	<u>\$ 2,026,307</u>	<u>\$ 410,099</u>	<u>\$ 2,613</u>	<u>\$ 2,439,019</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 11 – 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 2014, the cost of power purchased amounted to \$18,254,868. 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 12 – 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 13 – 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 14 – 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 2014, the City contributed \$12,000 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
2014	\$ 15,111	\$ 1,016	\$ (881)	\$ 15,246	\$ 12,000	\$ 3,246	\$ 25,516	\$ 28,762

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

General Fund (.6687)	\$ 19,293
Utility Enterprise (.3313)	9,469
	\$ 28,762

The contribution for the fiscal year ended June 30, 2014, consisted of the following:

Implicitly Subsidized Benefits	\$ 12,000
Total	\$ 12,000

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:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2014	\$ 15,246	78.70%	\$ 28,762
6/30/2013	\$ 15,076	82.20%	\$ 25,516
6/30/2012	\$ 15,040	68.50%	\$ 22,840

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, 2013	\$ -	\$ 198,438	\$ 198,438	0%	\$ 5,399,713	4%
July 1, 2010	\$ -	\$ 222,500	\$ 222,500	0%	\$ 5,739,500	4%

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, 2013
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	4.00% 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 15 – 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 7.5% 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 7.84% of their earnable compensation to the plan. The City is required to contribute 12.44% 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 Contributed	Required	Percent Contributed
2014	\$ 399,593	100%	\$ 270,618	100%
2013	408,899	100%	253,612	100%
2012	372,842	100%	242,735	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, 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 16 – New Pronouncements

The GASB (Government Accounting Standards Board) issued Statement No. 68, *“Accounting and Financial Reporting for Pensions”* in June, 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governmental entities for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.

For those member employers participating in the South Carolina Retirement System or Police Officers Retirement System, financial reporting will require determining each member’s proportionate share of the SCRS/PORS pension liability. The liability will be determined and reported to participating members of SCRS/PORS.

Statement No. 68 is effective for the City for fiscal years beginning after June 15, 2014.

The reporting and disclosure requirements of GASB Statement No. 68 are a significant departure from the current accounting standards of GASB Statement No. 27, as each member’s liability will be reported directly in the financial statements of the member. The potential impact to financial accounting and reporting of the City cannot be determined at this time. Also, no assurance can be made that state law applicable to funding of the Plans will not be amended in the future.

Note 17 – 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, 2014.

Note 18 – Subsequent Events

In August 2014, the City issued \$10,000,000 in utility system bond notes to fund various capital improvements to the City’s water treatment system and the construction of a new electric substation.

Proceeds from the Revenue Bond, Series 2014 were used to pay off the Revenue Bond Anticipation Note, Series 2013, issued in August, 2013.

Subsequent events have been evaluated through the date of the auditor’s report, 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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Permanent</u>	<u>Total June 30, 2014</u>	<u>Total June 30, 2013</u>
Assets					
Cash and investments	\$ 1,602,003	\$ -	\$ 13,193	\$ 1,615,196	\$ 2,624,855
Property taxes receivable, net	-	675	-	675	47,151
Accounts/fees receivable	221,779	-	-	221,779	61,663
Notes receivable	355,000	-	-	355,000	355,000
Due from other governments	33,988	-	-	33,988	38,405
Interest and other	-	-	3	3	19
Due from other funds	39,251	-	2,613	41,864	13,960
Total Assets	<u>\$ 2,252,021</u>	<u>\$ 675</u>	<u>\$ 15,809</u>	<u>\$ 2,268,505</u>	<u>\$ 3,141,053</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 64,158	\$ -	\$ -	\$ 64,158	\$ 14,602
Due to other funds	175,406	-	-	175,406	120,924
Total Liabilities	<u>239,564</u>	<u>-</u>	<u>-</u>	<u>239,564</u>	<u>135,526</u>
Deferred Inflows of Resources					
Unavailable revenues	361,077	675	-	361,752	393,171
Total Deferred Inflows of Resources	<u>361,077</u>	<u>675</u>	<u>-</u>	<u>361,752</u>	<u>393,171</u>
Fund Balances					
Nonspendable	355,000	-	-	355,000	355,000
Restricted	1,129,044	-	10,000	1,139,044	1,767,069
Committed	183,929	-	-	183,929	484,917
Assigned	-	-	5,809	5,809	5,370
Unassigned	(16,593)	-	-	(16,593)	-
Total Fund Balances	<u>1,651,380</u>	<u>-</u>	<u>15,809</u>	<u>1,667,189</u>	<u>2,612,356</u>
Total Liabilities and Fund Balances	<u>\$ 2,252,021</u>	<u>\$ 675</u>	<u>\$ 15,809</u>	<u>\$ 2,268,505</u>	<u>\$ 3,141,053</u>

CITY OF NEWBERRY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Permanent</u>	<u>Total June 30, 2014</u>	<u>Total June 30, 2013</u>
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 425,102
Charges for services	744,117	-	-	744,117	697,385
Intergovernmental	274,869	-	-	274,869	339,694
Fines, forfeitures and penalties	56,108	-	-	56,108	38,647
Donations	27,152	-	-	27,152	19,000
Rental and other	96,425	-	-	96,425	147,701
Interest	42	148	13	203	661
Total Revenues	<u>1,198,713</u>	<u>148</u>	<u>13</u>	<u>1,198,874</u>	<u>1,668,190</u>
Expenditures					
Public safety	70,942	-	-	70,942	85,591
Community development	1,144,065	-	2,187	1,146,252	640,010
Non-departmental	365,273	215	-	365,488	278,999
Debt service					
Principal	87,414	281,196	-	368,610	360,278
Interest	27,275	5,076	-	32,351	45,758
Total Expenditures	<u>1,694,969</u>	<u>286,487</u>	<u>2,187</u>	<u>1,983,643</u>	<u>1,410,636</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(496,256)</u>	<u>(286,339)</u>	<u>(2,174)</u>	<u>(784,769)</u>	<u>257,554</u>
Other Financing Sources (Uses)					
Transfers in (out)	247,088	(410,099)	2,613	(160,398)	(160,146)
Total Other Financing Sources (Uses)	<u>247,088</u>	<u>(410,099)</u>	<u>2,613</u>	<u>(160,398)</u>	<u>(160,146)</u>
Net Change in Fund Balances	<u>(249,168)</u>	<u>(696,438)</u>	<u>439</u>	<u>(945,167)</u>	<u>97,408</u>
Fund Balances, beginning	<u>1,900,548</u>	<u>696,438</u>	<u>15,370</u>	<u>2,612,356</u>	<u>2,514,948</u>
Fund Balances, ending	<u>\$ 1,651,380</u>	<u>\$ -</u>	<u>\$ 15,809</u>	<u>\$ 1,667,189</u>	<u>\$ 2,612,356</u>

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, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
Assets		
Assets		
Cash and investments	\$ 6,727,506	\$ 6,155,327
Receivables (net of allowances for uncollectibles)		
Taxes	155,249	129,807
Intergovernmental	174,271	49,569
Interest receivable	2	-
Other	67,053	65,205
Due from other funds	210,017	152,194
Inventories	51,013	48,087
Total Assets	<u>\$ 7,385,111</u>	<u>\$ 6,600,189</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances		
Liabilities		
Accounts payable	\$ 23,252	\$ 33,537
Intergovernmental	35,728	20,878
Accrued salaries and payroll liabilities	241,392	316,248
Due to other funds	4,055	2,438
Total Liabilities	<u>304,427</u>	<u>373,101</u>
Deferred Inflows of Resources		
Unavailable revenues	89,203	111,791
Total Deferred Inflows of Resources	<u>89,203</u>	<u>111,791</u>
Fund Balances		
Nonspendable	51,013	48,087
Assigned	789,534	905,292
Unassigned	6,150,934	5,161,918
Total Fund Balances	<u>6,991,481</u>	<u>6,115,297</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,385,111</u>	<u>\$ 6,600,189</u>

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Revenues					
Taxes	\$ 2,100,400	\$ 2,100,400	\$ 2,441,841	\$ 341,441	\$ 2,245,345
Licenses, permits and franchise fees	1,419,781	1,419,781	1,514,666	94,885	1,575,674
Fines and forfeitures	588,672	588,672	604,520	15,848	557,148
Charges for services	641,852	641,852	663,944	22,092	656,704
Intergovernmental	1,182,033	1,182,033	1,159,544	(22,489)	1,190,932
Miscellaneous	18,000	18,000	59,795	41,795	58,624
Total Revenues	5,950,738	5,950,738	6,444,310	493,572	6,284,427
Expenditures					
General government					
City council	82,243	82,493	79,009	3,484	75,139
City manager	235,821	237,424	207,742	29,682	230,074
Human resources	94,611	98,614	95,058	3,556	93,558
Finance	126,986	127,896	114,036	13,860	114,671
City hall	30,880	30,880	28,788	2,092	29,213
Planning and development	156,399	158,091	135,902	22,189	139,966
Public safety					
Police department	1,859,289	1,882,042	1,827,451	54,591	1,793,871
Justice and law	473,748	474,549	487,541	(12,992)	440,223
Fire department	968,818	985,331	981,953	3,378	972,197
Public works					
Public works administration	141,559	145,844	133,187	12,657	129,435
Streets	714,130	710,750	506,397	204,353	602,838
Sanitation	615,651	626,808	586,624	40,184	501,982
Building maintenance	71,655	72,412	70,764	1,648	44,369
Garage	141,233	143,009	135,860	7,149	135,935
Parks, recreation, and tourism	533,454	539,320	513,382	25,938	973,617
Non-departmental					
General insurance	91,270	91,270	38,700	52,570	68,971
Employee benefits	1,621,743	1,622,192	1,487,535	134,657	1,452,756
Community promotions and projects	121,393	121,393	121,148	245	114,612
Capitalized lease payments	278,279	278,279	274,020	4,259	276,965
Total Expenditures	8,359,162	8,428,597	7,825,097	603,500	8,190,392
Excess (Deficiency) of Revenues Over Expenditures	(2,408,424)	(2,477,859)	(1,380,787)	1,097,072	(1,905,965)

(Continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Other Financing Sources (Uses)					
Capital leases	\$ 245,000	\$ 245,000	\$ 230,664	\$ (14,336)	\$ 135,206
Transfers in (out)					
Japanese Gardens fund	-	-	-	-	(1,550)
State accomodations tax fund	27,750	27,750	26,898	(852)	28,196
Local hospitality/accomodations fund	133,500	133,500	133,500	-	133,500
Utility system	1,865,909	1,865,909	1,865,909	-	1,817,362
Total Other Financing Sources (Uses)	<u>2,272,159</u>	<u>2,272,159</u>	<u>2,256,971</u>	<u>(15,188)</u>	<u>2,112,714</u>
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over Expenditures	(136,265)	(205,700)	876,184	1,081,884	206,749
Fund Balances, beginning	<u>6,115,297</u>	<u>6,115,297</u>	<u>6,115,297</u>	<u>-</u>	<u>5,908,548</u>
Fund Balances, ending	<u>\$ 5,979,032</u>	<u>\$ 5,909,597</u>	<u>\$ 6,991,481</u>	<u>\$ 1,081,884</u>	<u>\$ 6,115,297</u>

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Taxes					
Vehicle property taxes	\$ 162,000	\$ 162,000	\$ 221,491	\$ 59,491	\$ 199,926
Other current property taxes	1,867,000	1,867,000	1,931,466	64,466	1,859,581
Delinquent property tax	55,000	55,000	65,787	10,787	65,351
Tax penalties	15,000	15,000	18,670	3,670	15,373
Fees in lieu of taxes	1,400	1,400	204,427	203,027	105,114
Totals	2,100,400	2,100,400	2,441,841	341,441	2,245,345
Licenses, Permits and Franchise Fees					
Business licenses	1,275,711	1,275,711	1,359,322	83,611	1,405,936
Business license penalties	6,000	6,000	9,852	3,852	6,930
Building/sign permits	38,000	38,000	25,360	(12,640)	48,924
Inspections, lot clearing, zoning	23,820	23,820	24,434	614	35,336
Cable TV	61,500	61,500	80,953	19,453	63,485
Franchise Fees	14,750	14,750	14,745	(5)	15,063
Totals	1,419,781	1,419,781	1,514,666	94,885	1,575,674
Fines and Forfeitures					
Court fines, forfeitures and other	588,672	588,672	604,520	15,848	557,148
Totals	588,672	588,672	604,520	15,848	557,148
Charges for Services					
Recreation revenues	37,500	37,500	40,860	3,360	39,149
Public works charges	604,352	604,352	623,084	18,732	617,555
Totals	641,852	641,852	663,944	22,092	656,704
Intergovernmental					
Federal government					
Grants/receipts	-	-	66,697	66,697	1,964
State of South Carolina					
Merchants' inventory tax	58,392	58,392	58,392	-	58,392
Local government fund	187,916	187,916	223,005	35,089	221,728
Other receipts	265,000	265,000	133,922	(131,078)	209,143
Newberry County and county schools					
Recreation fee	18,000	18,000	19,395	1,395	21,360
County fire contribution	138,725	138,725	115,630	(23,095)	157,277
Other	4,000	4,000	16,600	12,600	6,388
Economic Development Contribution	20,000	20,000	20,000	-	20,000
Clinton Newberry Natural Gas Authority	490,000	490,000	505,903	15,903	494,680
Totals	1,182,033	1,182,033	1,159,544	(22,489)	1,190,932
Miscellaneous Revenues					
Sale of unserviceable equipment	8,000	8,000	13,046	5,046	10,856
Other	7,500	7,500	42,997	35,497	31,116
Interest earned	2,500	2,500	3,252	752	4,702
Insurance reimbursement	-	-	500	500	11,950
Totals	18,000	18,000	59,795	41,795	58,624
Total Revenues	\$ 5,950,738	\$ 5,950,738	\$ 6,444,310	\$ 493,572	\$ 6,284,427

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
General Government					
City Council					
Salaries and wages	\$ 53,694	\$ 53,944	\$ 52,990	\$ 954	\$ 49,696
Overtime	100	100	-	100	-
Printing	1,800	1,800	1,497	303	21
Office supplies	1,200	1,200	969	231	815
Postage	500	500	86	414	528
Membership	350	350	280	70	200
Travel	11,795	11,795	13,147	(1,352)	11,824
Vehicle fuels	-	-	45	(45)	-
Vehicle repair	-	-	16	(16)	-
Telecommunications	3,631	3,631	3,452	179	2,423
Advertising	625	625	1,822	(1,197)	1,420
Rental/lease of equipment	2,048	2,048	841	1,207	1,474
Employee training	1,500	1,500	210	1,290	405
Municipal election	2,500	2,500	-	2,500	5,342
Codification	2,500	2,500	3,654	(1,154)	991
Totals	82,243	82,493	79,009	3,484	75,139
City Manager					
Salaries and wages	208,427	210,030	187,567	22,463	208,351
Printing	300	300	36	264	82
Office supplies	800	800	457	343	578
Postage	400	400	104	296	59
Membership, dues and subscriptions	2,764	2,764	1,638	1,126	1,923
Travel	5,723	5,723	7,795	(2,072)	6,413
Car allowance	9,600	9,600	7,220	2,380	8,136
Telecommunications	2,649	2,649	2,223	426	2,295
Advertising	200	200	-	200	646
Rental/lease of equipment	2,048	2,048	601	1,447	639
Employee training	2,910	2,910	101	2,809	952
Totals	235,821	237,424	207,742	29,682	230,074
Human Resources					
Salaries and wages	87,060	91,063	91,064	(1)	89,279
Printing	900	900	943	(43)	598
Office supplies	700	700	311	389	469
Postage	200	200	133	67	85
Membership, dues and subscriptions	455	455	65	390	65
Travel	1,845	1,845	806	1,039	1,140
Telecommunications	1,823	1,823	1,131	692	1,140
Safety training/hygiene	100	100	-	100	-
Advertising	100	100	-	100	-
Rental/lease of equipment	1,328	1,328	605	723	663
Employee training	100	100	-	100	119
Totals	94,611	98,614	95,058	3,556	93,558

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
General Government (Continued)					
Finance					
Salaries and wages	\$ 75,267	\$ 76,177	\$ 73,418	\$ 2,759	\$ 76,455
Overtime	300	300	-	300	-
Printing	1,100	1,100	907	193	918
Office supplies	3,000	3,000	1,962	1,038	2,014
Postage	3,427	3,427	2,752	675	2,187
Membership, dues and subscriptions	520	520	390	130	390
Travel	1,555	1,555	444	1,111	966
Telecommunications	1,322	1,322	837	485	892
Maintenance contracts	15,430	15,430	12,406	3,024	10,011
Equipment repair	500	500	-	500	-
Small equipment purchases	540	540	-	540	-
Advertising	600	600	221	379	133
Rental/lease of equipment	1,910	1,910	1,675	235	1,663
Employee training	315	315	290	25	256
Auditor	11,250	11,250	10,900	350	11,250
Refunds	250	250	-	250	80
Preparation of taxes	8,200	8,200	7,834	366	7,456
Computer programming	1,500	1,500	-	1,500	-
Totals	126,986	127,896	114,036	13,860	114,671
City Hall					
Service contracts	30,280	30,280	28,299	1,981	28,691
Small equipment purchases	600	600	489	111	522
Totals	30,880	30,880	28,788	2,092	29,213
Planning and Development					
Salaries and wages	101,972	103,664	105,063	(1,399)	103,694
Overtime	-	-	-	-	493
Printing	1,200	1,200	-	1,200	30
Office supplies	2,200	2,200	1,226	974	1,729
Postage	1,000	1,000	270	730	310
Membership, dues and subscriptions	1,290	1,290	657	633	892
Travel	6,635	6,635	2,274	4,361	3,579
Vehicle fuel	2,921	2,921	2,120	801	2,559
Vehicle repair	500	500	231	269	279
Tires and tubes	400	400	-	400	309
Telecommunications	3,980	3,980	3,675	305	3,097
Small hand tools	250	250	185	65	105
Uniforms	800	800	797	3	805
Safety supplies	100	100	20	80	24
Advertising	800	800	155	645	244
Rental/lease of equipment	1,296	1,296	581	715	675
Employee training	2,555	2,555	1,208	1,347	578

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
General Government (Continued)					
Planning and Development (Continued)					
Boards and commissions	\$ 1,000	\$ 1,000	\$ 2,191	\$ (1,191)	\$ 1,120
Refunds	500	500	60	440	30
Code enforcements	25,000	25,000	13,690	11,310	17,915
Computer programming	2,000	2,000	1,499	501	1,499
Totals	156,399	158,091	135,902	22,189	139,966
Public Safety					
Police Department					
Salaries and wages	1,392,691	1,415,444	1,392,856	22,588	1,354,410
Holiday pay	46,624	46,624	47,902	(1,278)	42,657
Training pay	6,000	6,000	5,301	699	7,411
Court pay	500	500	214	286	107
Overtime	6,000	6,000	6,663	(663)	7,465
Callbacks	18,000	18,000	20,370	(2,370)	14,582
Printing	2,205	2,205	460	1,745	677
Office supplies	2,500	2,500	2,730	(230)	2,552
Crime prevention	750	750	519	231	298
Postage	500	500	318	182	297
Membership, dues and subscriptions	3,574	3,574	2,559	1,015	2,769
Travel	2,125	2,125	1,808	317	462
Vehicle fuel	127,017	127,017	113,770	13,247	106,709
Vehicle repair	16,000	16,000	26,360	(10,360)	19,619
Tires and tubes	5,000	5,000	5,346	(346)	5,970
Utilities	16,440	16,440	12,154	4,286	11,398
Telecommunications	13,780	13,780	4,419	9,361	5,180
Maintenance contracts	6,464	6,464	4,926	1,538	6,496
Equipment repair	4,000	4,000	975	3,025	1,095
Building and fixture repairs	3,000	3,000	2,493	507	780
Small hand tools	500	500	243	257	445
Small equipment purchases	29,147	29,147	28,141	1,006	26,285
Uniforms	15,000	15,000	14,782	218	14,637
Safety training/hygiene	2,500	2,500	2,270	230	2,321
Dry cleaning and laundry	2,000	2,000	435	1,565	669
Janitorial services	1,500	1,500	1,370	130	1,374
Medical and lab services	500	500	114	386	377
Prisoner care	3,000	3,000	1,999	1,001	3,150
Advertising	700	700	140	560	554
Rental/lease of equipment	27,072	27,072	25,612	1,460	27,710
Employee training	3,300	3,300	3,257	43	3,346
Photo supplies	200	200	47	153	200
Special investigation	2,700	2,700	-	2,700	2,410
Automotive equipment	98,000	98,000	96,898	1,102	119,459
Totals	1,859,289	1,882,042	1,827,451	54,591	1,793,871

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Public Safety (Continued)					
Justice and Law					
Salaries and wages	\$ 95,738	\$ 96,539	\$ 109,463	\$ (12,924)	\$ 95,238
Overtime	300	300	-	300	-
State assessments	342,027	342,027	352,256	(10,229)	311,366
Printing	1,150	1,150	621	529	791
Office supplies	2,000	2,000	1,740	260	1,224
Postage	1,350	1,350	1,324	26	1,517
Memberships, dues and subscriptions	75	75	65	10	65
Refund of fines	13,000	13,000	14,747	(1,747)	14,719
Travel	1,700	1,700	2,072	(372)	1,489
Jury fees	2,600	2,600	1,890	710	1,470
Telecommunications	406	406	237	169	194
Maintenance contracts	1,800	1,800	1,461	339	1,256
Small equipment purchases	500	500	-	500	-
Rental/lease of equipment	1,980	1,980	1,590	390	1,404
Employee training	460	460	75	385	390
Legal services	8,662	8,662	-	8,662	9,100
Totals	473,748	474,549	487,541	(12,992)	440,223
Fire Department					
Salaries and wages	753,307	769,820	741,330	28,490	773,629
Training pay	6,000	6,000	5,299	701	8,094
Volunteer pay	4,500	4,500	4,474	26	3,170
Overtime	1,000	1,000	39	961	97
Callbacks	10,000	10,000	8,090	1,910	6,319
Printing	1,100	1,100	751	349	753
Office supplies	3,000	3,000	2,227	773	2,034
Postage	650	650	656	(6)	479
Membership, dues and subscriptions	965	965	748	217	440
Travel	5,175	5,175	2,445	2,730	5,411
Vehicle fuel	18,986	18,986	18,136	850	17,993
Vehicle repair	12,000	12,000	17,927	(5,927)	7,937
Tires and tubes	1,000	1,000	342	658	3,386
Utilities	46,468	46,468	30,845	15,623	28,534
Telecommunications	8,504	8,504	3,940	4,564	2,374
Maintenance contracts	17,970	17,970	16,788	1,182	17,005
Equipment repair	4,000	4,000	3,545	455	4,036
Fire extinguishers	750	750	191	559	118
Building and fixture repairs	8,600	8,600	76,749	(68,149)	5,815
Small hand tools	2,500	2,500	2,040	460	1,596
Small equipment purchases	8,500	8,500	4,602	3,898	9,356
Radio supplies and maintenance	7,000	7,000	5,610	1,390	5,353
Uniforms	7,000	7,000	5,892	1,108	7,188
Safety equipment	11,265	11,265	11,987	(722)	8,970

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Public Safety (Continued)					
Fire Department (Continued)					
Safety training/hygiene	\$ 1,530	\$ 1,530	\$ 48	\$ 1,482	\$ 1,245
Dry cleaning and laundry	500	500	271	229	363
Cleaning and sanitation supplies	2,000	2,000	1,887	113	1,973
Janitorial services	350	350	350	-	345
Medical and lab services	500	500	152	348	233
Advertising	500	500	476	24	463
Rental/lease of equipment	2,016	2,016	336	1,680	-
Employee training	2,070	2,070	794	1,276	1,751
Physical exams	4,512	4,512	3,333	1,179	6,455
Fire hose supplies	2,500	2,500	1,228	1,272	628
Boarding supplies	3,000	3,000	2,807	193	2,724
Photo supplies	200	200	-	200	122
Fire investigation unit	400	400	354	46	380
Fire prevention	6,000	6,000	4,087	1,913	5,173
Volunteer firemen	1,900	1,900	597	1,303	1,619
Explorer scout post	600	600	580	20	346
Machines and equipment	-	-	-	-	28,290
Totals	968,818	985,331	981,953	3,378	972,197
Public Works					
Public Works Administration					
Salaries and wages	99,078	103,363	103,362	1	102,851
Overtime	75	75	-	75	44
Printing	400	400	383	17	405
Office supplies	1,180	1,180	754	426	770
Postage	100	100	107	(7)	80
Membership, dues and subscriptions	135	135	10	125	95
Travel	800	800	135	665	396
Vehicle fuel	1,719	1,719	1,181	538	1,340
Vehicle repair	350	350	344	6	425
Tires and tubes	225	225	129	96	344
Utilities	16,320	16,320	14,049	2,271	12,043
Telecommunications	5,434	5,434	2,967	2,467	2,650
Maintenance contracts	6,701	6,701	4,294	2,407	6,174
Equipment repair	300	300	200	100	239
Radio maintenance	150	150	45	105	-
Safety equipment	780	780	763	17	758
Safety training/hygiene	96	96	-	96	-
Cleaning and sanitation	100	100	34	66	-
Advertising	1,465	1,465	207	1,258	221
Rental/lease of equipment	576	576	48	528	-
Employee training	575	575	230	345	600
Building construction	5,000	5,000	3,945	1,055	-
Totals	141,559	145,844	133,187	12,657	129,435

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Public Works (Continued)					
Streets					
Salaries and wages	\$ 290,243	\$ 294,613	\$ 254,616	\$ 39,997	\$ 291,503
Holiday pay	100	100	-	100	-
Overtime	4,900	4,900	4,232	668	3,393
Memberships, dues and subscriptions	35	35	-	35	-
Travel	100	100	-	100	60
Vehicle fuel	28,567	28,567	27,151	1,416	27,610
Vehicle repair	4,500	4,500	3,947	553	3,960
Tires and tubes	5,487	5,487	3,805	1,682	2,878
Equipment repair	20,300	20,300	19,543	757	19,576
Small hand tools	1,200	1,200	949	251	858
Small equipment purchases	9,400	1,650	1,396	254	8,531
Cement and masonry	1,000	1,000	892	108	451
Sidewalk repair	20,000	20,000	9,327	10,673	1,023
Storm drain and pipe	1,000	1,000	990	10	-
Asphalt supplies and gravel	9,460	9,460	8,639	821	7,040
Radio maintenance	250	250	-	250	72
Uniforms	3,050	3,050	1,923	1,127	1,330
Safety equipment	4,000	4,000	3,744	256	3,125
Safety training/hygiene	500	500	142	358	-
Chemicals	9,000	9,000	7,777	1,223	7,815
Signs	5,000	5,000	4,844	156	3,654
Rental/lease of equipment	288	288	-	288	-
Employee training	250	250	-	250	60
General supplies	2,000	2,000	1,856	144	1,633
Rights of way	8,000	8,000	5,501	2,499	14,123
Street paving/resurfacing	265,000	265,000	125,588	139,412	204,143
Machines and equipment	16,000	16,000	15,280	720	-
Shed	4,500	4,500	4,255	245	-
Totals	714,130	710,750	506,397	204,353	602,838
Sanitation					
Salaries and wages	173,394	176,801	177,697	(896)	178,100
Holiday	1,057	1,057	688	369	771
Overtime	9,952	9,952	6,664	3,288	6,294
Vehicle fuel	84,717	84,717	72,535	12,182	73,384
Vehicle repair	20,900	20,900	19,900	1,000	30,395
Tires and tubes	21,303	21,303	20,363	940	18,519
Roll carts	-	17,750	17,317	433	-
Equipment repair	31,500	39,250	38,229	1,021	30,250
Small hand tools	170	170	93	77	12
Small equipment purchases	6,284	6,284	1,132	5,152	5,940
Radio maintenance	350	350	-	350	232
Uniforms	1,525	1,525	752	773	615
Safety equipment	400	400	50	350	116

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Public Works (Continued)					
Sanitation (Continued)					
Safety training/hygiene	\$ 532	\$ 532	\$ 48	\$ 484	\$ 46
Chemicals	250	250	-	250	-
Employee training	25	25	-	25	25
General supplies	542	542	496	46	250
Automotive equipment	245,000	245,000	230,660	14,340	135,206
Machines and equipment	17,750	-	-	-	21,827
Totals	615,651	626,808	586,624	40,184	501,982
Building Maintenance					
Salaries and wages	37,134	37,891	37,925	(34)	38,196
Overtime	150	150	427	(277)	46
Vehicle fuel	3,657	3,657	3,437	220	3,620
Vehicle repair	400	400	237	163	297
Tires and tubes	308	308	285	23	-
Equipment repairs	100	100	43	57	-
Building and fixture repairs	2,100	2,100	1,646	454	1,170
Small hand tools	350	350	143	207	169
Small equipment purchases	425	425	249	176	144
Radio maintenance	50	50	-	50	-
Uniforms	305	305	170	135	172
Safety equipment	125	125	-	125	50
Employee training	25	25	-	25	25
General supplies	526	526	373	153	480
Automotive equipment	26,000	26,000	25,829	171	-
Totals	71,655	72,412	70,764	1,648	44,369
Garage					
Salaries and wages	100,622	102,398	102,397	1	102,667
Overtime	750	750	268	482	165
Membership, dues and subscriptions	125	125	100	25	75
Travel	225	225	16	209	42
Vehicle fuel	2,920	2,920	2,384	536	2,237
Vehicle repair	3,050	1,050	875	175	573
Tires and tubes	416	416	-	416	-
Grease and oil	9,000	11,000	10,730	270	9,713
Telecommunications	1,547	1,547	720	827	602
Disposal	1,500	1,500	831	669	753
Equipment repair	3,800	3,800	3,433	367	2,502
Building and fixture repairs	2,300	2,300	1,973	327	624
Small hand tools	2,000	2,000	1,946	54	1,406
Small equipment purchases	750	750	255	495	3,922
Radio maintenance	150	150	-	150	-
Uniforms	915	915	435	480	405

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Public Works (Continued)					
Garage (Continued)					
Safety equipment	175	175	94	81	53
Safety training/hygiene	150	150	-	150	48
Chemicals	1,700	1,700	1,685	15	2,385
Rental/lease of equipment	288	288	-	288	-
Employee training	850	850	35	815	25
General supplies	8,000	8,000	7,683	317	7,738
Totals	141,233	143,009	135,860	7,149	135,935
Parks, Recreation, and Tourism					
Salaries and wages	352,673	358,539	321,744	36,795	346,799
Overtime	7,500	7,500	6,502	998	3,888
Printing	1,200	1,200	1,047	153	540
Office supplies	1,500	1,500	1,498	2	1,269
Postage	750	750	1,011	(261)	820
Membership, dues and subscriptions	845	845	878	(33)	673
Travel	1,000	1,000	952	48	855
Vehicle fuel	16,899	16,899	13,945	2,954	15,547
Vehicle repair	1,750	1,750	1,723	27	1,334
Tires and tubes	1,200	1,200	1,056	144	1,439
Utilities	29,139	29,139	30,834	(1,695)	30,681
Telecommunications	4,798	4,798	4,644	154	1,724
Maintenance contracts	8,650	8,650	9,759	(1,109)	8,990
Equipment repair	3,500	3,500	3,651	(151)	5,812
Building and fixture repairs	15,000	15,000	17,468	(2,468)	18,285
Landscape repair	2,000	2,000	777	1,223	1,423
Small hand tools	700	700	723	(23)	622
Small equipment purchases	1,500	1,500	1,374	126	749
Uniforms	1,400	1,400	1,315	85	859
Safety training/hygiene	1,500	1,500	1,137	363	1,426
Cleaning and sanitation supplies	850	850	909	(59)	725
Chemicals	3,000	3,000	2,075	925	2,535
Advertising	1,250	1,250	583	667	443
Rental/lease of equipment	3,500	3,500	1,366	2,134	1,482
Employee training	350	350	237	113	105
Football	7,500	7,500	10,652	(3,152)	6,961
Baseball	12,000	12,000	14,972	(2,972)	12,255
Softball	3,500	3,500	5,947	(2,447)	3,553
Basketball	4,000	4,000	3,370	630	3,621
Senior adult programs	3,000	3,000	2,877	123	2,288
Other events	6,000	6,000	5,207	793	5,385
Sports camp	5,000	5,000	2,046	2,954	2,247
Machines and equipment	30,000	30,000	17,495	12,505	-
T Ball Training Field Upgrade	-	-	16	(16)	103,658
Youth Football Field Upgrade	-	-	-	-	280

(continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Year Ended June 30, 2013
	Original	Final			
Parks, Recreation, and Tourism (Continued)					
Vincent Street Park Basketball	\$ -	\$ -	\$ 4,376	\$ (4,376)	\$ 384,344
Memorial Park Upgrade	-	-	19,216	(19,216)	-
Totals	533,454	539,320	513,382	25,938	973,617
Non-Departmental					
General Insurance					
Claims reimbursement	800	800	-	800	-
SCMIRF	90,470	90,470	38,700	51,770	68,971
Totals	91,270	91,270	38,700	52,570	68,971
Employee Benefits					
SC retirement	180,252	180,252	176,045	4,207	179,358
SC police retirement	288,209	288,209	271,618	16,591	255,062
Social security	301,801	302,250	280,475	21,775	283,232
City's share of employee insurance	697,067	697,067	627,853	69,214	612,692
Workers' compensation	89,414	89,414	50,619	38,795	55,563
Workers' comp. deductibles	30,000	30,000	54,346	(24,346)	38,384
Unemployment	6,500	6,500	3,297	3,203	255
Employer/employee relations	15,000	15,000	18,146	(3,146)	21,905
Physical exams	1,500	1,500	1,300	200	873
Wellness program	12,000	12,000	3,836	8,164	5,432
Totals	1,621,743	1,622,192	1,487,535	134,657	1,452,756
Community Promotions and Projects					
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	2,000
Community enhancement	18,000	18,000	24,763	(6,763)	11,922
Economic Dev Contributions	5,000	5,000	5,000	-	5,000
City beautification	75,000	75,000	71,510	3,490	75,815
Parking lot rental	900	900	900	-	900
Regional planning	7,708	7,708	7,708	-	7,708
Totals	121,393	121,393	121,148	245	114,612
Capital lease principal and interest payments	278,279	278,279	274,020	4,259	276,965
Totals	278,279	278,279	274,020	4,259	276,965
Grand Totals	\$ 8,359,162	\$ 8,428,597	\$ 7,825,097	\$ 603,500	\$ 8,190,392

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.

Seizure Fund - This fund is used to account for the revenues and expenditures of the Newberry Allied Narcotics Unit (NANU) before the cases go to trial. Once the case has been adjudicated, the funds are moved to the NANU fund.

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	NANU	Federal Equitable Sharing	Tourism Fund	Special Events Fund	State Accomodations Tax Fund	Cultural Arts Fund
Assets						
Cash and cash investments	\$ 21,528	\$ 12,764	\$ 82,563	\$ 17,090	\$ 28,175	\$ 69,214
Accounts/fees receivable	-	-	-	1,900	-	627
Notes receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	33,988	-
Due from other funds	-	-	10,196	25,000	-	-
Total Assets	\$ 21,528	\$ 12,764	\$ 92,759	\$ 43,990	\$ 62,163	\$ 69,841
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 6	\$ -	\$ 6,051	\$ 567	\$ -	\$ 56,028
Due to other funds	-	-	-	-	11,896	2,397
Total Liabilities	6	-	6,051	567	11,896	58,425
Deferred Inflows of Resources						
Unavailable revenues	-	-	6,077	-	-	-
Total Deferred Inflows of Resources	-	-	6,077	-	-	-
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	50,267	-
Committed	21,522	12,764	80,631	43,423	-	11,416
Unassigned	-	-	-	-	-	-
Total fund balances	21,522	12,764	80,631	43,423	50,267	11,416
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 21,528	\$ 12,764	\$ 92,759	\$ 43,990	\$ 62,163	\$ 69,841

Community Housing/ Development	Streetscape Fund	Local Hospitality Fee Fund	Volunteer Fire	Victim's Rights Fund	Seizure Fund	Totals June 30, 2014	Totals June 30, 2013
\$ 183,474	\$ 395,952	\$ 730,606	\$ 10,118	\$ 48,887	\$ 1,632	\$ 1,602,003	\$ 1,927,026
154,933	-	64,319	-	-	-	221,779	61,663
355,000	-	-	-	-	-	355,000	355,000
-	-	-	-	-	-	33,988	38,405
-	-	-	-	4,055	-	39,251	13,960
\$ 693,407	\$ 395,952	\$ 794,925	\$ 10,118	\$ 52,942	\$ 1,632	\$ 2,252,021	\$ 2,396,054
\$ -	\$ 1,500	\$ -	\$ -	\$ 6	-	\$ 64,158	\$ 14,602
-	-	161,113	-	-	-	175,406	120,924
-	1,500	161,113	-	6	-	239,564	135,526
355,000	-	-	-	-	-	361,077	359,980
355,000	-	-	-	-	-	361,077	359,980
355,000	-	-	-	-	-	355,000	355,000
-	394,452	633,812	-	48,881	1,632	1,129,044	1,060,631
-	-	-	10,118	4,055	-	183,929	484,917
(16,593)	-	-	-	-	-	(16,593)	-
338,407	394,452	633,812	10,118	52,936	1,632	1,651,380	1,900,548
\$ 693,407	\$ 395,952	\$ 794,925	\$ 10,118	\$ 52,942	\$ 1,632	\$ 2,252,021	\$ 2,396,054

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	NANU	Federal Equitable Sharing	Tourism Fund	Special Events Fund	State Accommodations Tax Fund	Cultural Arts Fund
Revenues						
Fees						
Hospitals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accommodations	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Intergovernmental						
Public safety	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Accommodations tax	-	-	-	-	99,521	-
Local						
Other	-	-	-	16,030	-	-
Drug seizure	1,623	-	-	-	-	-
Donations	-	-	-	27,152	-	-
Rental and other	-	-	54,489	-	-	41,936
Interest Income	-	-	-	-	-	-
Total Revenues	<u>1,623</u>	<u>-</u>	<u>54,489</u>	<u>43,182</u>	<u>99,521</u>	<u>41,936</u>
Expenditures						
Grants						
Capital expenditures	-	-	-	-	-	-
Other						
Operating expenditures	11,507	-	344,540	73,491	22,256	258,702
Capital expenditures	-	-	-	-	-	-
Tourism contribution/NOHF	-	-	-	-	-	-
Debt service						
Principal	-	-	87,414	-	-	-
Interest	-	-	27,275	-	-	-
Total Expenditures	<u>11,507</u>	<u>-</u>	<u>459,229</u>	<u>73,491</u>	<u>22,256</u>	<u>258,702</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,884)</u>	<u>-</u>	<u>(404,740)</u>	<u>(30,309)</u>	<u>77,265</u>	<u>(216,766)</u>
Other Financing Sources (Uses)						
Transfers in (out)						
General Fund	-	-	-	-	(26,898)	-
Debt Service Funds - TIF	-	-	-	-	-	-
Permanent Fund	-	-	-	-	-	-
Other Special Revenue Funds	10,001	-	353,648	31,694	(41,653)	207,424
Total Other Financing Sources (Uses)	<u>10,001</u>	<u>-</u>	<u>353,648</u>	<u>31,694</u>	<u>(68,551)</u>	<u>207,424</u>
Fund Balances, beginning	<u>21,405</u>	<u>12,764</u>	<u>131,723</u>	<u>42,038</u>	<u>41,553</u>	<u>20,758</u>
Fund Balances, ending	<u>\$ 21,522</u>	<u>\$ 12,764</u>	<u>\$ 80,631</u>	<u>\$ 43,423</u>	<u>\$ 50,267</u>	<u>\$ 11,416</u>

<u>Community Housing/ Development</u>	<u>Streetscape Fund</u>	<u>Local Hospitality Fee Fund</u>	<u>Volunteer Fire</u>	<u>Victim's Rights Fund</u>	<u>Seizure Fund</u>	<u>Totals June 30, 2014</u>	<u>Totals June 30, 2013</u>
\$ -	\$ -	\$ 603,029	\$ -	\$ -	\$ -	\$ 603,029	\$ 568,451
-	-	124,003	-	-	-	124,003	109,445
-	-	1,055	-	-	-	1,055	2,685
-	-	-	20,416	-	-	20,416	14,882
154,932	-	-	-	-	-	154,932	202,149
-	-	-	-	-	-	99,521	88,929
-	-	-	-	42,852	-	58,882	55,451
-	-	-	-	-	11,633	13,256	-
-	-	-	-	-	-	27,152	19,000
-	-	-	-	-	-	96,425	147,701
33	6	3	-	-	-	42	32
<u>154,965</u>	<u>6</u>	<u>728,090</u>	<u>20,416</u>	<u>42,852</u>	<u>11,633</u>	<u>1,198,713</u>	<u>1,208,725</u>
-	279,082	-	-	-	-	279,082	104,006
-	5,510	-	33,080	59,435	-	808,521	756,347
402,567	-	-	-	-	-	402,567	140,220
-	-	90,110	-	-	-	90,110	2,000
-	-	-	-	-	-	87,414	84,068
-	-	-	-	-	-	27,275	30,621
<u>402,567</u>	<u>284,592</u>	<u>90,110</u>	<u>33,080</u>	<u>59,435</u>	<u>-</u>	<u>1,694,969</u>	<u>1,117,262</u>
<u>(247,602)</u>	<u>(284,586)</u>	<u>637,980</u>	<u>(12,664)</u>	<u>(16,583)</u>	<u>11,633</u>	<u>(496,256)</u>	<u>91,463</u>
-	-	(133,500)	-	-	-	(160,398)	(161,696)
-	-	410,099	-	-	-	410,099	25,000
-	-	(2,613)	-	-	-	(2,613)	-
-	-	(551,113)	-	-	(10,001)	-	-
-	-	(277,127)	-	-	(10,001)	247,088	(136,696)
<u>586,009</u>	<u>679,038</u>	<u>272,959</u>	<u>22,782</u>	<u>69,519</u>	<u>-</u>	<u>1,900,548</u>	<u>1,945,781</u>
<u>\$ 338,407</u>	<u>\$ 394,452</u>	<u>\$ 633,812</u>	<u>\$ 10,118</u>	<u>\$ 52,936</u>	<u>\$ 1,632</u>	<u>\$ 1,651,380</u>	<u>\$ 1,900,548</u>

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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Revenues					
Drug seizure	\$ 5,000	\$ 5,000	\$ 1,623	\$ (3,377)	\$ -
Total Revenues	5,000	5,000	1,623	(3,377)	-
Expenditures					
Drug seizure					
Operating expenditures	19,281	19,281	11,507	7,774	15,281
Total Expenditures	19,281	19,281	11,507	7,774	15,281
Excess (Deficiency) of Revenues Over Expenditures	(14,281)	(14,281)	(9,884)	4,397	(15,281)
Other Financing Sources (Uses)					
Transfers in					
Other special revenue funds	-	-	10,001	10,001	-
Fund Balances, beginning	21,405	21,405	21,405	-	36,686
Fund Balances, ending	\$ 7,124	\$ 7,124	\$ 21,522	\$ 14,398	\$ 21,405

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - TOURISM FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Revenues					
Intergovernmental					
Rental and other	\$ 94,600	\$ 94,600	\$ 54,489	\$ (40,111)	\$ 89,630
Total Revenues	<u>94,600</u>	<u>94,600</u>	<u>54,489</u>	<u>(40,111)</u>	<u>89,630</u>
Expenditures					
Other					
Operating expenditures	327,239	327,239	344,540	(17,301)	347,756
Debt service					
Principal	87,414	87,414	87,414	-	84,068
Interest	27,275	27,275	27,275	-	30,621
Capital expenditures	-	-	-	-	-
Total Expenditures	<u>441,928</u>	<u>441,928</u>	<u>459,229</u>	<u>(17,301)</u>	<u>462,445</u>
Excess (Deficiency) of Revenues Over Expenditures	(347,328)	(347,328)	(404,740)	(57,412)	(372,815)
Other Financing Sources (Uses)					
Transfers in					
Other special revenue funds	334,689	334,689	353,648	18,959	359,199
Fund Balances, beginning	<u>131,723</u>	<u>131,723</u>	<u>131,723</u>	<u>-</u>	<u>145,339</u>
Fund Balances, ending	<u>\$ 119,084</u>	<u>\$ 119,084</u>	<u>\$ 80,631</u>	<u>\$ (38,453)</u>	<u>\$ 131,723</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Revenues					
Local - other	\$ 15,100	\$ 15,100	\$ 16,030	\$ 930	\$ 16,804
Donations	16,000	16,000	27,152	11,152	19,000
Total Revenues	<u>31,100</u>	<u>31,100</u>	<u>43,182</u>	<u>12,082</u>	<u>35,804</u>
Expenditures					
Other					
Operating expenditures	68,500	68,500	73,491	(4,991)	21,152
Total Expenditures	<u>68,500</u>	<u>68,500</u>	<u>73,491</u>	<u>(4,991)</u>	<u>21,152</u>
Excess (Deficiency) of Revenues Over Expenditures	(37,400)	(37,400)	(30,309)	7,091	14,652
Other Financing Sources					
Transfer in					
Other special revenue funds	30,000	30,000	31,694	1,694	5,000
Fund Balances, beginning	<u>42,038</u>	<u>42,038</u>	<u>42,038</u>	<u>-</u>	<u>22,386</u>
Fund Balances, ending	<u>\$ 34,638</u>	<u>\$ 34,638</u>	<u>\$ 43,423</u>	<u>\$ 8,785</u>	<u>\$ 42,038</u>

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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Year Ended June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Intergovernmental					
Accommodations tax	\$ 75,000	\$ 75,000	\$ 99,521	\$ 24,521	\$ 88,929
Total Revenues	<u>75,000</u>	<u>75,000</u>	<u>99,521</u>	<u>24,521</u>	<u>88,929</u>
Expenditures					
Other					
Operating expenditures	-	-	22,256	(22,256)	20,230
Total Expenditures	<u>-</u>	<u>-</u>	<u>22,256</u>	<u>(22,256)</u>	<u>20,230</u>
Excess (Deficiency) of Revenues Over Expenditures	75,000	75,000	77,265	2,265	68,699
Other Financing Sources (Uses)					
Transfer out					
General Fund	(27,750)	(27,750)	(26,898)	852	(28,196)
Other special revenue funds	(52,250)	(52,250)	(41,653)	10,597	(36,842)
Fund Balances, beginning	<u>41,553</u>	<u>41,553</u>	<u>41,553</u>	<u>-</u>	<u>37,892</u>
Fund Balances, ending	<u>\$ 36,553</u>	<u>\$ 36,553</u>	<u>\$ 50,267</u>	<u>\$ 13,714</u>	<u>\$ 41,553</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Revenues					
Newberry Opera House reimbursement	\$ 29,750	\$ 29,750	\$ 15,938	\$ (13,812)	\$ 32,230
Facility fee	25,000	25,000	25,998	998	25,841
Total Revenues	<u>54,750</u>	<u>54,750</u>	<u>41,936</u>	<u>(12,814)</u>	<u>58,071</u>
Expenditures					
Other Operating expenditures	269,172	269,172	258,702	10,470	257,847
Total Expenditures	<u>269,172</u>	<u>269,172</u>	<u>258,702</u>	<u>10,470</u>	<u>257,847</u>
Excess (Deficiency) of Revenues Over Expenditures	(214,422)	(214,422)	(216,766)	(2,344)	(199,776)
Other Financing Sources (Uses)					
Transfers in Other special revenue funds	207,424	207,424	207,424	-	207,424
Fund Balances, beginning	<u>20,758</u>	<u>20,758</u>	<u>20,758</u>	<u>-</u>	<u>13,110</u>
Fund Balances, ending	<u>\$ 13,760</u>	<u>\$ 13,760</u>	<u>\$ 11,416</u>	<u>\$ (2,344)</u>	<u>\$ 20,758</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Year Ended June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Intergovernmental					
Community development	\$ 315,000	\$ 315,000	\$ 154,932	\$ (160,068)	\$ 202,149
Interest income	20	20	33	13	32
Total Revenues	<u>315,020</u>	<u>315,020</u>	<u>154,965</u>	<u>(160,055)</u>	<u>202,181</u>
Expenditures					
Other					
Operating	-	-	-	-	4,469
Capital	505,550	505,550	402,567	102,983	140,220
Total Expenditures	<u>505,550</u>	<u>505,550</u>	<u>402,567</u>	<u>102,983</u>	<u>144,689</u>
Excess (Deficiency) of Revenues Over Expenditures	(190,530)	(190,530)	(247,602)	(57,072)	57,492
Other Financing Sources (Uses)					
Transfer in					
Other special revenue funds	75,000	75,000	-	(75,000)	(586,742)
Fund Balances, beginning	<u>586,009</u>	<u>586,009</u>	<u>586,009</u>	<u>-</u>	<u>1,115,259</u>
Fund Balances, ending	<u>\$ 470,479</u>	<u>\$ 470,479</u>	<u>\$ 338,407</u>	<u>\$ (132,072)</u>	<u>\$ 586,009</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Year Ended June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Interest income	\$ -	\$ -	\$ 6	\$ 6	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>	<u>-</u>
Expenditures					
Grants					
Capital expenditures	-	453,500	279,082	174,418	104,006
Other					
Operating expenditures	-	7,000	5,510	1,490	19,302
Total Expenditures	<u>-</u>	<u>460,500</u>	<u>284,592</u>	<u>175,908</u>	<u>123,308</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(460,500)	(284,586)	175,914	(123,308)
Other Financing Sources (Uses)					
Transfers in					
Other special revenue funds	-	-	-	-	586,742
Fund Balances, beginning	<u>679,038</u>	<u>679,038</u>	<u>679,038</u>	<u>-</u>	<u>215,604</u>
Fund Balances, ending	<u>\$ 679,038</u>	<u>\$ 218,538</u>	<u>\$ 394,452</u>	<u>\$ 175,914</u>	<u>\$ 679,038</u>

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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Year Ended June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Fees					
Hospitality	\$ 560,000	\$ 560,000	\$ 603,029	\$ 43,029	\$ 568,451
Accommodations	102,000	102,000	124,003	22,003	109,445
Penalties	1,075	1,075	1,055	(20)	2,685
Interest income	10	10	3	(7)	-
Total Revenues	<u>663,085</u>	<u>663,085</u>	<u>728,090</u>	<u>65,005</u>	<u>680,581</u>
Expenditures					
Tourism contribution/NOHF	199,609	199,609	90,110	109,499	2,000
Total Expenditures	<u>199,609</u>	<u>199,609</u>	<u>90,110</u>	<u>109,499</u>	<u>2,000</u>
Excess (Deficiency) of Revenues Over Expenditures	463,476	463,476	637,980	174,504	678,581
Other Financing Sources (Uses)					
Transfer in/out					
Debt service funds - TIF	425,000	425,000	410,099	(14,901)	25,000
Permanent fund	(2,613)	(2,613)	(2,613)	-	-
General fund	(133,500)	(133,500)	(133,500)	-	(133,500)
Other special revenue funds	(626,113)	(626,113)	(551,113)	75,000	(534,781)
Fund Balances, beginning	<u>272,959</u>	<u>272,959</u>	<u>272,959</u>	<u>-</u>	<u>237,659</u>
Fund Balances, ending	<u>\$ 399,209</u>	<u>\$ 399,209</u>	<u>\$ 633,812</u>	<u>\$ 234,603</u>	<u>\$ 272,959</u>

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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Year Ended June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Court fines and assessments	\$ 35,450	\$ 35,450	\$ 42,852	\$ 7,402	\$ 38,647
Interest income	-	-	-	-	-
Total Revenues	<u>35,450</u>	<u>35,450</u>	<u>42,852</u>	<u>7,402</u>	<u>38,647</u>
Expenditures					
Drug seizure/other					
Operating expenditures	62,844	62,844	59,435	3,409	57,549
Total Expenditures	<u>62,844</u>	<u>62,844</u>	<u>59,435</u>	<u>3,409</u>	<u>57,549</u>
Excess (Deficiency) of Revenues Over Expenditures	(27,394)	(27,394)	(16,583)	10,811	(18,902)
Fund Balances, beginning	<u>69,519</u>	<u>69,519</u>	<u>69,519</u>	<u>-</u>	<u>88,421</u>
Fund Balances, ending	<u>\$ 42,125</u>	<u>\$ 42,125</u>	<u>\$ 52,936</u>	<u>\$ 10,811</u>	<u>\$ 69,519</u>

CITY OF NEWBERRY
SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES
VICTIM'S RIGHTS FUND
YEAR ENDED JUNE 30, 2014

Municipal Court Revenue to City of Newberry

Court revenue booked in General Fund, excluding Victim's Rights money and other police revenue	\$ 601,707
Court assessments and surcharges to State of South Carolina	(352,256)
Court Refunds	(14,747)
	(352,256)
Net Court Revenue to City of Newberry	\$ 234,704
	234,704

Municipal Court Revenue to State of South Carolina

Court assessments to the State Treasurer	\$ 231,724
DUI assessments to the State Treasurer	292
DUI Spinal Cord Research Surcharges to the State Treasurer	2,430
DUI DPS Pullouts to the State Treasurer	2,430
DUS DPS Pullouts to the State Treasurer	7,281
Drug Surcharges to the State Treasurer	9,266
Law Enforcement Surcharges to State Treasurer	81,939
Criminal Justice Academy Surcharges	16,344
DUI/DUAC Test Conviction Fees	225
Bond Estreatments	325
	325
Total Court Revenue to State Treasurer	\$ 352,256
	352,256

Victim Services

Court assessments allocated to Victim Services	\$ 29,241
Court surcharges allocated to Victim Services	13,611
	42,852
Funds allocated to Victim Services	\$ 42,852
Victim Services expenditures and Transfers	(59,435)
	(16,583)

Excess of Revenues Over (Under) Expenditures (16,583)

Fund Balances, beginning 69,519

Fund Balances, ending \$ 52,936

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, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Assets		
Cash and cash equivalents	\$ -	\$ 682,478
Property taxes receivable (net of allowance for uncollectibles)	<u>675</u>	<u>47,151</u>
Total Assets	<u><u>\$ 675</u></u>	<u><u>\$ 729,629</u></u>
Deferred Inflows of Resources and Fund Balances		
Deferred Inflows of Resources		
Unavailable revenues	<u>\$ 675</u>	<u>\$ 33,191</u>
Total Deferred Inflows of Resources	<u>675</u>	<u>33,191</u>
Fund Balances		
Restricted	<u>-</u>	<u>696,438</u>
Total Deferred Inflows of Resources and Fund Balances	<u><u>\$ 675</u></u>	<u><u>\$ 729,629</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, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>	<u>Year Ended</u> <u>June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Revenues					
Property taxes - current	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)	\$ 403,605
Property taxes - delinquent	-	-	-	-	21,497
School sales tax	-	-	-	-	33,734
Interest	100	100	148	48	597
Total Revenues	<u>5,100</u>	<u>5,100</u>	<u>148</u>	<u>(4,952)</u>	<u>459,433</u>
Expenditures					
Other					
Operating expenditures	-	-	215	(215)	-
Debt service					
Principal	281,196	281,196	281,196	-	276,210
Interest	5,076	5,076	5,076	-	15,137
Total Expenditures	<u>286,272</u>	<u>286,272</u>	<u>286,487</u>	<u>(215)</u>	<u>291,347</u>
Excess (Deficiency) of Revenues					
Over Expenditures	(281,172)	(281,172)	(286,339)	(5,167)	168,086
Other Financing Sources (Uses)					
Transfer out					
Special Revenue Fund	(425,000)	(425,000)	(410,099)	14,901	(25,000)
Fund Balances, beginning	<u>696,438</u>	<u>696,438</u>	<u>696,438</u>	<u>-</u>	<u>553,352</u>
Fund Balances, ending	<u>\$ (9,734)</u>	<u>\$ (9,734)</u>	<u>\$ -</u>	<u>\$ 9,734</u>	<u>\$ 696,438</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, 2014 AND 2013**

	2014	2013
Assets		
Cash and investments	\$ 13,193	\$ 15,351
Interest receivable	3	19
Due from other funds	2,613	-
Total Assets	\$ 15,809	\$ 15,370
 Liabilities and Fund Balances		
Fund Balances		
Restricted	\$ 10,000	\$ 10,000
Assigned	5,809	5,370
Total Liabilities and Fund Balances	\$ 15,809	\$ 15,370

CITY OF NEWBERRY
 JAPANESE GARDENS PERMANENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 YEAR ENDED JUNE 30, 2014
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Revenues					
Interest revenue	\$ 20	\$ 20	\$ 13	\$ (7)	\$ 32
Total revenues	<u>20</u>	<u>20</u>	<u>13</u>	<u>(7)</u>	<u>32</u>
Expenditures					
Maintenance of Japanese Gardens	2,633	2,633	2,187	446	2,027
Total expenditures	<u>2,633</u>	<u>2,633</u>	<u>2,187</u>	<u>446</u>	<u>2,027</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,613)	(2,613)	(2,174)	439	(1,995)
Other Financing Sources (Uses)					
Transfer In Special Revenue Fund	2,613	2,613	2,613	-	1,550
Fund Balances, beginning	<u>15,370</u>	<u>15,370</u>	<u>15,370</u>	<u>-</u>	<u>15,815</u>
Fund Balances, ending	<u>\$ 15,370</u>	<u>\$ 15,370</u>	<u>\$ 15,809</u>	<u>\$ 439</u>	<u>\$ 15,370</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, 2014 AND 2013**

	2014	2013
Assets		
Current Assets		
Cash and cash investments	\$ 13,990,175	\$ 9,636,606
Receivables (net of allowances for uncollectibles)		
Accounts	4,207,943	3,631,406
Grants	2,766	46,039
Intergovernmental	2,672	167,248
Interest receivable	6	-
Other	50,220	3,833
Inventory	1,202,197	1,081,084
Restricted Assets		
Cash and cash investments	928,627	785,359
Total Current Assets	20,384,606	15,351,575
Noncurrent Assets		
Capital Assets		
Land and land improvements	437,589	437,589
Buildings and fixtures	14,923,233	14,920,533
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	781,939	722,424
Motor vehicles and equipment	2,231,415	2,197,258
Electric distribution system	13,296,295	11,718,731
Water distribution system	21,089,786	20,826,983
Sewer collection system	32,301,362	31,907,627
Construction in progress	4,805,373	1,323,159
Totals	90,718,352	84,905,664
Less accumulated depreciation	(43,549,199)	(40,982,195)
Total Capital Assets	47,169,153	43,923,469
Other	84,395	91,594
Restricted assets		
Cash and cash investments	489,294	1,228,492
Note receivable - Newberry Opera House Foundation	-	49,008
Total Noncurrent Assets	47,742,842	45,292,563
Total Assets	68,127,448	60,644,138

(Continued)

**CITY OF NEWBERRY
ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
JUNE 30, 2014 AND 2013**

	2014	2013
Liabilities		
Current Liabilities		
Accounts payable	\$ 2,200,775	\$ 1,890,229
Due to other government agencies	15,610	-
Accrued salaries payable	92,025	100,367
Compensated absences payable	105,871	104,528
Retainage payable	500	10,860
Due to other funds	72,420	42,792
Accrued interest payable	73,982	40,384
Bond anticipation note payable	5,750,000	-
Revenue bonds payable	41,403	40,016
Loans payable	813,243	704,959
	9,165,829	2,934,135
Noncurrent Liabilities		
Loans payable	16,038,849	16,852,093
Revenue bonds payable	109,890	151,293
Compensated absences payable	52,019	61,226
Other post-employment benefit obligation	9,469	8,453
	16,210,227	17,073,065
Total Current Liabilities	9,165,829	2,934,135
Total Noncurrent Liabilities	16,210,227	17,073,065
Total Liabilities	25,376,056	20,007,200
Net Position		
Net investment in capital assets	24,384,749	26,164,248
Restricted for		
Debt service	1,292,583	1,405,107
Maintenance of utility system	125,339	608,744
Unrestricted	16,948,721	12,458,839
	42,751,392	40,636,938
Total Net Position	\$ 42,751,392	\$ 40,636,938

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>	<u>Year Ended</u> <u>June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Operating Revenues					
Connection and reconnection fees	\$ 79,000	\$ 79,000	\$ 119,447	\$ 40,447	\$ 100,156
Water receipts	3,338,850	3,338,850	3,418,488	79,638	3,161,450
Electric receipts	21,907,110	21,907,110	22,717,889	810,779	20,506,598
Sewer receipts	3,332,843	3,332,843	3,490,743	157,900	3,301,286
Sales and use tax	405,000	405,000	482,394	77,394	433,962
Utility penalty	245,000	245,000	296,696	51,696	274,799
Water taps	6,000	6,000	16,800	10,800	54,700
Sewer taps	2,000	2,000	3,000	1,000	32,200
Temporary electric services	7,500	7,500	7,260	(240)	7,040
Newberry Housing Authority	1,086	1,086	1,086	-	1,086
Fire flow access fees	23,000	23,000	23,412	412	23,129
Fiber optic revenue	30,000	30,000	-	(30,000)	-
Other revenue	13,000	13,000	112,029	99,029	125,659
CATV - pole rental	44,550	44,550	44,550	-	44,550
Total Operating Revenues	<u>29,434,939</u>	<u>29,434,939</u>	<u>30,733,794</u>	<u>1,298,855</u>	<u>28,066,615</u>
Operating Expenses					
City Hall	30,123	30,123	23,178	6,945	27,829
Finance	426,377	431,143	408,729	22,414	406,564
Utility administration	184,013	189,723	198,783	(9,060)	96,377
Warehouse	49,886	51,022	48,943	2,079	46,923
Information services	47,811	47,811	43,031	4,780	213,493
Electric distribution	833,446	847,508	763,519	83,989	878,238
Water and sewer maintenance	870,575	874,224	788,632	85,592	815,246
Water production	1,152,367	1,157,173	1,139,126	18,047	1,330,056
Waste treatment	893,002	896,641	900,503	(3,862)	1,047,672
General insurance	105,730	105,730	55,712	50,018	80,031
Employee fringe benefits	787,169	790,058	675,902	114,156	690,015
Nondepartmental	18,435,453	18,423,253	18,960,903	(537,650)	17,877,798
Depreciation	1,700,000	1,700,000	2,978,726	(1,278,726)	3,035,720
Total Operating Expenses	<u>25,515,952</u>	<u>25,544,409</u>	<u>26,985,687</u>	<u>(1,441,278)</u>	<u>26,545,962</u>
Operating Income	<u>3,918,987</u>	<u>3,890,530</u>	<u>3,748,107</u>	<u>(142,423)</u>	<u>1,520,653</u>

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Nonoperating Income (Expenses)					
Interest revenue	\$ 1,800	\$ 1,800	\$ 2,163	\$ 363	\$ 3,144
County sales tax	-	-	143,720	143,720	219,299
Interest expense, bank management fees and other	(1,100)	(1,100)	(301,746)	(300,646)	(507,059)
Total Nonoperating Income (Expenses)	<u>700</u>	<u>700</u>	<u>(155,863)</u>	<u>(156,563)</u>	<u>(284,616)</u>
Income Before Contributions and Transfers	<u>3,919,687</u>	<u>3,891,230</u>	<u>3,592,244</u>	<u>(298,986)</u>	<u>1,236,037</u>
Capital Contributions	-	-	388,119	388,119	180,163
Transfer from (to) General fund	<u>(1,853,709)</u>	<u>(1,865,909)</u>	<u>(1,865,909)</u>	<u>-</u>	<u>(1,817,362)</u>
Change in Net Position	2,065,978	2,025,321	2,114,454	89,133	(401,162)
Net Position, beginning	<u>40,636,938</u>	<u>40,636,938</u>	<u>40,636,938</u>	<u>-</u>	<u>41,038,100</u>
Net Position, ending	<u>\$ 42,702,916</u>	<u>\$ 42,662,259</u>	<u>\$ 42,751,392</u>	<u>\$ 89,133</u>	<u>\$ 40,636,938</u>

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
City Hall					
Utilities	\$ 23,323	\$ 23,323	\$ 20,664	\$ 2,659	\$ 20,811
Building and fixture repair	5,500	5,500	1,024	4,476	5,612
Cleaning and sanitation supplies	1,300	1,300	1,490	(190)	1,406
Totals	30,123	30,123	23,178	6,945	27,829
Finance					
Salaries and wages	310,998	315,764	290,155	25,609	313,467
Overtime	1,200	1,200	16,079	(14,879)	364
Printing	500	500	436	64	454
Office supplies	3,000	3,000	2,713	287	2,267
Postage	35,478	35,478	37,708	(2,230)	34,363
Membership, dues and subscriptions	195	195	60	135	60
Travel	1,745	1,745	42	1,703	44
Vehicle fuel	7,706	7,706	6,128	1,578	6,545
Vehicle repair	1,100	1,100	999	101	563
Tires and tubes	1,000	1,000	767	233	-
Telecommunications	3,783	3,783	1,941	1,842	1,815
Maintenance contracts	35,200	35,200	33,996	1,204	29,575
Equipment repair	750	750	261	489	6
Small hand tools	600	600	510	90	846
Small equipment purchases	895	895	901	(6)	314
Radio supplies	200	200	43	157	100
Uniforms	3,000	3,000	1,733	1,267	2,509
Safety equipment	200	200	-	200	118
Safety training/hygiene	300	300	23	277	-
Advertising	500	500	66	434	-
Rental/lease of equipment	4,422	4,422	2,478	1,944	2,189
Employee training	855	855	480	375	280
Audit	11,250	11,250	11,035	215	10,685
Computer programming	1,500	1,500	175	1,325	-
Totals	426,377	431,143	408,729	22,414	406,564
Utility Administration					
Salaries and wages	155,697	161,407	169,378	(7,971)	76,328
Overtime	150	150	1,104	(954)	-
Printing	250	250	-	250	-
Office supplies	2,400	2,400	1,520	880	1,775
Postage	500	500	324	176	286
Membership, dues and subscriptions	1,000	1,000	-	1,000	60
Travel	2,450	2,450	3,852	(1,402)	607
Vehicle fuel	1,000	1,000	2,195	(1,195)	3,015
Vehicle repair	250	250	4	246	46
Utilities	4,000	4,000	2,717	1,283	2,353
Telecommunications	1,802	1,802	1,587	215	1,722
Maintenance contracts	-	-	-	-	464

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Utility Administration (Continued)					
Small equipment purchases	\$ 750	\$ 750	\$ 15	\$ 735	\$ -
Advertising	7,200	7,200	11,390	(4,190)	5,845
Rent/lease of equipment	1,864	1,864	777	1,087	1,009
Employee training	2,200	2,200	3,323	(1,123)	1,822
Engineering supplies	2,500	2,500	597	1,903	1,045
Totals	184,013	189,723	198,783	(9,060)	96,377
Warehouse					
Salaries and wages	37,135	38,271	39,219	(948)	38,236
Overtime	200	200	-	200	177
Office supplies	1,100	1,100	1,089	11	837
Postage	30	30	2	28	4
Membership, dues and subscriptions	40	40	40	-	40
Travel	25	25	-	25	-
Vehicle fuel (forklift)	73	73	36	37	37
Utilities	4,919	4,919	3,711	1,208	3,108
Telecommunications	1,051	1,051	177	874	185
Maintenance contracts	625	625	729	(104)	729
Equipment repair	50	50	91	(41)	-
Building and fixture repairs	300	300	390	(90)	13
Small equipment purchases	125	125	-	125	-
Safety equipment	25	25	-	25	-
Rental/lease of equipment	288	288	24	264	-
Cost of sales	400	400	-	400	-
Inventory loss	3,500	3,500	3,435	65	3,557
Totals	49,886	51,022	48,943	2,079	46,923
Information Services					
Salaries and wages	-	-	-	-	53,052
Printing	175	175	-	175	-
Office supplies	150	150	194	(44)	120
Postage	350	350	7	343	18
Membership, dues and subscriptions	350	350	190	160	246
Travel	2,825	2,825	2,948	(123)	2,271
Vehicle fuel	500	500	-	500	248
Vehicle repair	400	400	46	354	-
Tires and tubes	500	500	-	500	-
Telecommunications	24,705	24,705	24,778	(73)	4,607
Maintenance contracts	5,000	5,000	4,804	196	1,760
Equipment repair	4,856	4,856	5,308	(452)	4,794
Small equipment purchases	2,000	2,000	1,895	105	1,555
Computers	-	-	-	-	140,970
Rental/lease of equipment	644	644	144	500	519
Employee training	5,356	5,356	2,717	2,639	3,333
Totals	47,811	47,811	43,031	4,780	213,493

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Electric Distribution					
Salaries and wages	\$ 424,884	\$ 438,946	\$ 400,757	\$ 38,189	\$ 426,957
Overtime and holiday pay	25,500	25,500	67,229	(41,729)	43,516
Office supplies	500	500	536	(36)	635
Membership, dues and subscriptions	1,600	1,600	1,478	122	1,502
Travel	3,885	3,885	1,567	2,318	2,475
Vehicle fuel	42,000	42,000	32,889	9,111	36,021
Vehicle repair	20,000	20,000	12,740	7,260	11,039
Tires and tubes	10,000	10,000	7,782	2,218	3,685
Utilities	7,500	7,500	2,701	4,799	2,859
Telecommunications	7,247	7,247	8,698	(1,451)	6,037
Maintenance contracts	90,000	90,000	78,691	11,309	127,539
Contracts - elec. rates/needs	11,000	11,000	9,419	1,581	15,111
Meter testing	5,000	5,000	-	5,000	-
Equipment repair	9,000	9,000	12,526	(3,526)	11,278
Substation repairs	5,000	5,000	339	4,661	-
Building and fixture repairs	2,000	2,000	854	1,146	10,192
Small hand tools	7,500	7,500	9,165	(1,665)	7,699
Small equipment purchases	2,000	2,000	2,840	(840)	3,049
Uniforms	15,000	15,000	13,927	1,073	18,734
Safety equipment	10,000	10,000	6,790	3,210	10,218
Cleaning and sanitation supplies	1,250	1,250	479	771	1,139
Meters and meter parts	5,000	5,000	4,933	67	4,367
Electric materials	75,000	75,000	68,771	6,229	103,897
Advertising	500	500	-	500	139
Rental/lease of equipment	2,080	2,080	769	1,311	1,558
Employee training	12,500	12,500	6,491	6,009	6,996
Engineering	15,000	15,000	2,330	12,670	8,960
Legal expenses	15,000	15,000	137	14,863	12,636
Rights of way	7,500	7,500	8,681	(1,181)	-
Totals	833,446	847,508	763,519	83,989	878,238
Water and Sewer Maintenance					
Salaries and wages	377,627	381,276	321,879	59,397	367,692
Overtime and holiday pay	36,250	36,250	31,349	4,901	31,536
Office supplies	450	450	308	142	578
Postage	150	150	324	(174)	153
Membership, dues and subscriptions	905	905	-	905	480
Travel	5,060	5,060	3,198	1,862	3,506
Vehicle fuel	38,164	38,164	33,854	4,310	35,864
Vehicle repair	15,000	15,000	26,605	(11,605)	21,545
Tires and tubes	6,000	6,000	4,718	1,282	4,836
Utilities	32,152	32,152	35,527	(3,375)	33,266
Telecommunications	6,767	6,767	2,319	4,448	2,231
Maintenance contracts	4,000	4,000	1,493	2,507	1,335
Contract - TV sewer lines	15,000	15,000	924	14,076	9,231
Meter testing	5,000	5,000	540	4,460	-

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Year Ended June 30, 2013</u>
	<u>Original</u>	<u>Final</u>			
Water and Sewer Maintenance					
(Continued)					
Equipment repairs	\$ 25,000	\$ 25,000	\$ 12,071	\$ 12,929	\$ 34,583
Building and fixture repairs	2,000	2,000	1,074	926	1,156
Small hand tools	4,000	4,000	4,275	(275)	5,322
Small equipment purchases	4,000	4,000	232	3,768	6,136
Cement and masonry	60,000	60,000	50,415	9,585	95,679
Uniforms	6,000	6,000	6,717	(717)	6,428
Safety equipment	10,000	10,000	8,842	1,158	10,010
Cleaning and sanitation supplies	1,500	1,500	1,692	(192)	1,375
Chemicals	1,800	1,800	1,343	457	620
Meters and meter parts	10,000	10,000	23,558	(13,558)	7,966
Pipes, fittings and hydrants	103,000	103,000	116,123	(13,123)	94,428
Advertising	800	800	858	(58)	341
Rental/lease of equipment	2,500	2,500	769	1,731	856
Employee training	2,450	2,450	13,224	(10,774)	3,551
Engineering	5,000	5,000	-	5,000	3,647
Rights of way	90,000	90,000	84,401	5,599	30,895
Totals	<u>870,575</u>	<u>874,224</u>	<u>788,632</u>	<u>85,592</u>	<u>815,246</u>
Water Production					
Salaries and wages	315,162	319,968	309,331	10,637	310,624
Overtime and holiday pay	8,000	8,000	6,125	1,875	11,705
Regulatory fees	19,800	19,800	18,464	1,336	18,419
Printing	1,500	1,500	244	1,256	1,133
Office supplies	1,250	1,250	1,013	237	2,800
Postage	1,400	1,400	676	724	594
Membership, dues and subscriptions	2,785	2,785	2,857	(72)	2,919
Travel	750	750	940	(190)	-
Vehicle fuel	3,800	3,800	3,440	360	3,917
Vehicle repair	500	500	655	(155)	242
Tires and tubes	500	500	371	129	64
Diesel Fuel-WTP/WWTP	5,000	5,000	2,182	2,818	338
Utilities	387,898	387,898	430,120	(42,222)	398,233
Telecommunications	3,932	3,932	2,206	1,726	1,973
Maintenance contracts	18,000	18,000	9,190	8,810	12,365
Water tank maintenance	40,000	40,000	29,244	10,756	250,000
Rate study	3,500	3,500	-	3,500	-
Sludge handling contract	23,000	23,000	33,385	(10,385)	24,380
Outside lab testing	2,000	2,000	2,977	(977)	1,588
Equipment repairs	70,000	70,000	61,392	8,608	93,508
Building and fixture repairs	5,000	5,000	4,662	338	5,530
Small hand tools	500	500	29	471	47
Small equipment purchases	1,000	1,000	634	366	954
Uniforms	750	750	313	437	578
Safety equipment	6,000	6,000	5,332	668	6,030
Cleaning and sanitation supplies	1,000	1,000	1,257	(257)	935

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
Water Production (Continued)					
Chemicals	\$ 195,000	\$ 195,000	\$ 180,899	\$ 14,101	\$ 153,092
Medical and lab supplies	20,000	20,000	25,516	(5,516)	22,692
Pipes, fittings and hydrants	1,000	1,000	559	441	2,599
Electrical materials	1,000	1,000	28	972	200
Advertising	500	500	-	500	399
Rental/lease of equipment	2,240	2,240	1,532	708	956
Employee training	2,100	2,100	600	1,500	1,242
Engineering	7,500	7,500	2,953	4,547	-
Totals	1,152,367	1,157,173	1,139,126	18,047	1,330,056
Waste Treatment					
Salaries and wages	240,706	244,345	170,871	73,474	214,130
Overtime and holiday pay	9,750	9,750	6,657	3,093	7,707
Regulatory fees	3,828	3,828	3,391	437	3,480
Office supplies	1,800	1,800	1,537	263	2,946
Postage	363	363	66	297	204
Membership, dues and subscriptions	1,045	1,045	5,233	(4,188)	3,150
Travel	1,600	1,600	2,360	(760)	1,112
Vehicle fuel	5,000	5,000	6,268	(1,268)	5,278
Vehicle repair	500	500	250	250	519
Tires and tubes	500	500	-	500	486
Diesel Fuel WTP/WWTP	12,000	12,000	9,919	2,081	6,932
Utilities	301,888	301,888	328,801	(26,913)	324,134
Telecommunications	4,022	4,022	1,257	2,765	1,219
Maintenance contracts	10,000	10,000	9,804	196	6,668
Rate study	3,500	3,500	-	3,500	-
Sludge handling contract	130,000	130,000	180,924	(50,924)	220,071
Outside Lab Testing	20,000	20,000	14,219	5,781	16,897
Pretreatment program	7,500	7,500	4,240	3,260	5,720
Equipment repairs	40,000	40,000	58,267	(18,267)	106,091
Building and fixture repairs	3,000	3,000	3,881	(881)	13,515
Small hand tools	1,500	1,500	-	1,500	1,136
Small equipment purchases	1,000	1,000	934	66	781
Uniforms	1,000	1,000	970	30	1,145
Safety equipment	1,200	1,200	1,307	(107)	1,656
Safety training/hygiene	500	500	77	423	-
Cleaning and sanitation supplies	1,000	1,000	668	332	934
Chemicals	52,000	52,000	65,308	(13,308)	80,051
Medical and lab supplies	17,000	17,000	13,190	3,810	13,789
Pipes, fittings and hydrants	500	500	1,144	(644)	3,417
Electrical materials	500	500	-	500	1,524
Advertising	300	300	354	(54)	-
Rental/lease of equipment	500	500	188	312	384
Employee training	4,000	4,000	1,442	2,558	2,596
Engineering	5,000	5,000	6,976	(1,976)	-
Extra Legal	10,000	10,000	-	10,000	-
Totals	893,002	896,641	900,503	(3,862)	1,047,672

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2014
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2013)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Year Ended June 30, 2013
	Original	Final			
General Insurance					
Claims reimbursement	\$ 800	\$ 800	\$ -	\$ 800	\$ -
SCMIRF	104,930	104,930	55,712	49,218	80,031
Totals	<u>105,730</u>	<u>105,730</u>	<u>55,712</u>	<u>50,018</u>	<u>80,031</u>
Employee Fringe and Benefits					
SC retirement	205,985	205,985	192,248	13,737	197,993
Social security	148,659	151,548	136,371	15,177	141,256
City's share of employee insurance	331,485	331,485	277,446	54,039	289,651
GASB 45 OPEB expense	5,000	5,000	1,016	3,984	860
Workers' compensation	44,040	44,040	27,314	16,726	9,664
Workers' compensation deductibles	20,000	20,000	26,767	(6,767)	23,138
Unemployment claims	2,000	2,000	-	2,000	-
Employer/employee relations	16,000	16,000	12,663	3,337	10,960
Physical examinations	1,000	1,000	-	1,000	587
Wellness program	13,000	13,000	2,077	10,923	2,245
Compensated absences	-	-	-	-	13,661
Totals	<u>787,169</u>	<u>790,058</u>	<u>675,902</u>	<u>114,156</u>	<u>690,015</u>
Nondepartmental					
Sales and use tax	405,000	405,000	482,592	(77,592)	437,860
Purchase of electricity	17,844,413	17,844,413	18,254,868	(410,455)	17,176,358
SCE&G water contract	24,000	24,000	21,927	2,073	20,207
Streetlight charges	8,801	8,801	8,144	657	8,521
Refunds	10,000	10,000	11,072	(1,072)	9,363
Bad debt expense	100,000	100,000	173,618	(73,618)	186,413
Community enhancement	30,000	17,800	1,201	16,599	31,929
Web site maintenance	10,000	10,000	4,243	5,757	3,909
Lease - Lindsay Drivethru	3,239	3,239	3,238	1	3,238
Totals	<u>18,435,453</u>	<u>18,423,253</u>	<u>18,960,903</u>	<u>(537,650)</u>	<u>17,877,798</u>
Depreciation	<u>1,700,000</u>	<u>1,700,000</u>	<u>2,978,726</u>	<u>(1,278,726)</u>	<u>3,035,720</u>
Grand Totals	<u>\$ 25,515,952</u>	<u>\$ 25,544,409</u>	<u>\$ 26,985,687</u>	<u>\$ (1,441,278)</u>	<u>\$ 26,545,962</u>

CITY OF NEWBERRY
ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Cash Flows from Operating Activities		
Receipts from customers	\$ 30,110,870	\$ 27,480,260
Purchase of electricity	(18,254,868)	(17,176,358)
Payments to suppliers	(3,743,370)	(4,303,210)
Payments to employees	(1,845,323)	(1,867,664)
	<u>6,267,309</u>	<u>4,133,028</u>
Net Cash Provided by Operating Activities		
Cash Flows from Noncapital Financing Activities		
Transfers in (out)	(1,865,909)	(1,817,362)
	<u>(1,865,909)</u>	<u>(1,817,362)</u>
Net Cash Used in Noncapital Financing Activities		
Cash Flows from Capital and Related Financing Activities		
Acquisition and construction of capital assets	(6,145,091)	(3,713,845)
Subsidy from federal grants	431,392	161,060
Proceeds from bond anticipation note	5,750,000	-
Proceeds from capital debt	164,576	1,403,824
County sales tax	143,720	219,299
Principal payments on bonds and notes payable	(744,976)	(1,294,044)
Interest and other fees paid	(294,547)	(499,860)
	<u>(694,926)</u>	<u>(3,723,566)</u>
Net Cash Used in Capital and Related Financing Activities		
Cash Flows from Investing Activities		
Interest on investments	2,157	3,144
Principal payments received on notes receivable	49,008	2,000
	<u>51,165</u>	<u>5,144</u>
Net Cash Provided by Investing Activities		
Net Increase (Decrease) in Cash	3,757,639	(1,402,756)
Cash and Cash Investments, Beginning	<u>11,650,457</u>	<u>13,053,213</u>
Cash and Cash Investments, Ending	<u>\$ 15,408,096</u>	<u>\$ 11,650,457</u>

(Continued)

**CITY OF NEWBERRY
ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013**

	2014	2013
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	\$ 3,748,107	\$ 1,520,653
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	2,978,726	3,035,720
Decrease (increase) in accounts receivable	(576,537)	(608,369)
Decrease (increase) in inventories	(121,113)	15,445
Decrease (increase) in other receivables	(46,387)	22,014
Increase (decrease) in accounts payable	254,465	112,435
Increase (decrease) in due to government agencies	15,610	-
Increase (decrease) in compensated absences	(7,864)	13,660
Increase (decrease) in accrued salaries	(7,326)	14,167
Increase (decrease) in due to other funds	29,628	7,303
	\$ 6,267,309	\$ 4,133,028
Noncash Capital Activities		
Acquisition of capital assets on account	\$ 6,224,410	\$ 2,300,644

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, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
Capital Assets		
Land and improvements	\$ 2,344,876	\$ 2,344,876
Buildings, improvements and fixtures	8,079,040	7,480,426
Streets, sidewalks and bridges	1,874,948	1,998,256
Motor vehicles and equipment	5,035,714	4,855,963
Office furniture and equipment	113,520	113,520
Other equipment	1,394,231	1,385,171
Total Capital Assets	<u>\$ 18,842,329</u>	<u>\$ 18,178,212</u>
Investment in Capital Assets by Source		
General Fund	\$ 8,217,603	\$ 7,932,022
Special Revenue Funds	4,335,365	3,956,829
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	398,293	398,293
Total Investment in Capital Assets	<u>\$ 18,842,329</u>	<u>\$ 18,178,212</u>

CITY OF NEWBERRY
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 2014

Function and Activity	<u>Land and Land Improvements</u>	<u>Building Improvements and Fixtures</u>	<u>Streets, Sidewalks, and Bridges</u>	<u>Motor Vehicle and Equipment</u>	<u>Office Furniture and Equipment</u>	<u>Other Equipment</u>	<u>Total</u>
General Government							
Council	\$ 1,902,395	\$ 7,613,782	\$ -	\$ -	\$ -	\$ 110,980	\$ 9,627,157
Finance	-	-	-	-	11,240	-	11,240
City Hall	-	-	-	-	63,416	8,850	72,266
Planning and development	-	-	-	34,127	-	-	34,127
Telecommunications	-	-	-	-	-	703,376	703,376
Total General Government	<u>1,902,395</u>	<u>7,613,782</u>	<u>-</u>	<u>34,127</u>	<u>74,656</u>	<u>823,206</u>	<u>10,448,166</u>
Public Safety							
Police	-	3,400	-	965,395	38,864	117,257	1,124,916
Fire	-	99,389	-	1,745,930	-	151,261	1,996,580
Justice and law	-	-	-	-	-	7,000	7,000
Total Public Safety	<u>-</u>	<u>102,789</u>	<u>-</u>	<u>2,711,325</u>	<u>38,864</u>	<u>275,518</u>	<u>3,128,496</u>
Public Works							
Administration	-	-	-	20,425	-	23,069	43,494
Streets and drainage	-	4,255	1,874,948	538,001	-	18,108	2,435,312
Sanitation and streets	-	-	-	1,484,793	-	21,827	1,506,620
Building maintenance	-	-	-	45,784	-	-	45,784
Garage	-	-	-	15,353	-	52,026	67,379
Total Public Works	<u>-</u>	<u>4,255</u>	<u>1,874,948</u>	<u>2,104,356</u>	<u>-</u>	<u>115,030</u>	<u>4,098,589</u>
Parks, Recreation and Tourism	<u>442,480</u>	<u>358,216</u>	<u>-</u>	<u>185,905</u>	<u>-</u>	<u>180,477</u>	<u>1,167,078</u>
Total Capital Assets	<u>\$ 2,344,875</u>	<u>\$ 8,079,042</u>	<u>\$ 1,874,948</u>	<u>\$ 5,035,713</u>	<u>\$ 113,520</u>	<u>\$ 1,394,231</u>	<u>\$ 18,842,329</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, 2014

Function and Activity	Capital Assets June 30, 2013	Additions	Deductions	Capital Assets June 30, 2014
General Government				
Council	\$ 9,125,312	\$ 402,098	\$ -	\$ 9,527,410
Finance	11,240	-	-	11,240
City Hall	72,266	-	-	72,266
Planning and development	56,707	-	22,580	34,127
Telecommunications	703,376	-	-	703,376
Total General Government	9,968,901	402,098	22,580	10,348,419
Public Safety				
Police	1,028,019	96,898	-	1,124,917
Fire	1,918,598	77,983	-	1,996,581
Justice and law	7,000	-	-	7,000
Total Public Safety	2,953,617	174,881	-	3,128,498
Public Works				
Administration	43,494	-	-	43,494
Streets and drainage	2,539,087	119,280	123,308	2,535,059
Sanitation and streets	1,447,858	230,660	171,900	1,506,618
Building maintenance	19,955	25,829	-	45,784
Garage	78,241	-	10,862	67,379
Total Public Works	4,128,635	375,769	306,070	4,198,334
Parks, Recreation, and Tourism	1,127,059	40,019	-	1,167,078
Total Capital Assets	\$ 18,178,212	\$ 992,767	\$ 328,650	\$ 18,842,329

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.

	<u>PAGE</u>
Contents	
Financial Trends	108-113
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	114-123
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	124-129
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	130-131
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	132-134
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)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governmental activities										
Net investment in capital assets	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	7,920,688
Restricted	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Unrestricted	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	8,711,468
Total governmental activities net position	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	16,642,156
Business-type activities										
Net investment in capital assets	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	24,384,749
Restricted	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	1,417,922
Unrestricted	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	16,948,721
Total business-type activities net position	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	42,751,392
Primary government										
Net investment in capital assets	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	32,305,437
Restricted	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	1,427,922
Unrestricted	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	25,660,189
Total primary government net position	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	59,393,548

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Expenses										
Governmental activities:										
General government	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	910,194
Public safety	3,293,811	3,474,702	3,825,223	4,190,713	4,071,407	4,373,431	4,222,019	4,281,619	4,228,150	4,289,783
Public works	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	1,662,670
Recreation	504,492	509,442	533,905	579,420	581,708	552,199	564,042	575,679	723,463	616,972
Community development	121,262	188,088	114,662	948,805	785,508	732,863	1,507,326	677,786	516,702	1,146,252
Community promotions	230,180	249,642	234,583	183,867	148,955	101,810	126,390	87,180	101,851	486,636
Interest on long-term debt	109,050	129,897	170,940	156,887	130,055	109,088	91,869	74,523	56,824	38,812
Total governmental activities expenses	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	9,151,319
Business-type activities: Utility system	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	27,287,433
Total primary government expenses	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	36,438,752
Program Revenues										
Governmental activities:										
Charges for services:										
General government	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	1,514,666
Public safety	665,597	557,813	862,315	988,539	791,774	768,505	711,268	720,042	610,677	681,044
Public works	591,701	575,977	579,809	574,127	609,412	611,839	615,684	613,789	617,555	623,084
Parks, Recreation, & Tourism	34,972	35,925	41,177	38,399	38,420	40,873	47,851	40,132	39,149	40,860
Community promotion and projects	-	-	-	2,910	5,395	6,815	6,965	9,000	16,804	16,030
Operating grants and contributions	357,807	148,329	18,000	183,563	180,233	100,667	1,439,932	543,951	400,786	309,957
Capital grants and contributions	-	329,874	114,212	556,620	520,272	35,278	150,918	116,421	1,964	66,697
Total governmental activities program revenues	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	3,252,338
Business-type activities: Utility system										
Charges for services	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	30,733,794
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	340,836	146,006	189,835	132,329	-	433,533	1,665,279	401,050	180,163	388,119
Total business-type activities program revenues	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	31,121,913
Total primary government program revenues	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	34,374,251

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net (expense)/revenue										
Governmental activities	(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)	(5,898,981)
Business-type activities	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	3,834,480
Total primary government net expense	(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)	(2,064,501)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	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	2,387,834
Local hospitality and accommodation fee	442,297	481,809	545,207	557,636	553,178	592,269	639,843	647,615	680,581	728,087
Intergovernmental revenue	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	1,037,343
Interest revenue	51,539	160,413	199,890	115,620	36,020	19,172	10,978	6,368	5,363	3,455
Miscellaneous	188,712	128,074	189,407	536,811	114,830	152,988	231,043	127,504	220,623	180,120
Transfers	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	1,865,909
Total governmental activities	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	6,202,748
Business-type activities:										
Intergovernmental revenue	-	-	234,805	1,773,933	491,261	-	217,650	2,989,331	219,299	143,720
Interest revenue	70,432	183,842	273,621	194,545	58,586	17,056	11,178	4,258	3,144	2,163
Miscellaneous	-	-	14,835	-	-	-	-	-	-	-
Transfers	(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)	(1,865,909)
Total business-type activities	(890,799)	(721,289)	(557,439)	759,237	(714,255)	(1,299,724)	(1,260,089)	1,310,847	(1,594,919)	(1,720,026)
Total primary government	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	4,482,722
Change in Net Position										
Government activities	911,936	1,465,090	641,047	1,702,093	1,292,673	1,009,300	593,842	601,751	898,870	303,767
Business-type activities	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)	2,114,454
Total primary government	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	2,418,221

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> <u>\$</u>
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
2014	2,387,834

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General fund										
Nonspendable	-	-	-	-	-	-	52,070	48,400	48,087	51,013
Reserved	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Unreserved	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	789,534
Unassigned	-	-	-	-	-	-	4,327,273	4,931,838	5,161,918	6,150,934
Total general fund	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	6,991,481
All other governmental funds										
Nonspendable	-	-	-	-	-	-	355,000	355,000	355,000	355,000
Reserved	10,000	10,000	10,000	10,000	10,000	10,000	-	-	-	-
Restricted	-	-	-	-	-	-	984,603	1,138,747	1,767,069	1,139,044
Unreserved, reported in:										
Special revenue funds	632,182	1,787,283	675,608	1,064,410	1,430,335	1,714,026	-	-	-	-
Debt service fund	(39,795)	34,444	98,419	188,685	242,505	305,775	-	-	-	-
Permanent fund	1,969	2,783	4,544	6,382	6,713	6,899	-	-	-	-
Unrestricted:										
Committed	-	-	-	-	-	-	941,269	1,015,386	484,917	183,929
Assigned	-	-	-	-	-	-	6,384	5,815	5,370	5,809
Unassigned	-	-	-	-	-	-	-	-	-	(16,593)
Total all other governmental funds	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	1,667,189
Total all governmental funds	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	8,658,670

(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 Years									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues										
Taxes	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	2,441,841
Licenses, permits and franchise fees	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	1,514,666
Fines and forfeitures	665,597	597,539	923,200	975,649	778,615	755,361	696,552	699,682	595,795	660,628
Charges for service	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	1,408,061
Intergovernmental	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	1,434,413
Miscellaneous	248,867	296,892	308,190	258,360	150,850	172,160	242,021	133,872	225,986	183,575
Total revenues	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	7,643,184
Expenditures										
General government	645,494	663,899	828,763	835,483	940,889	883,930	857,462	719,729	682,621	660,535
Public safety	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	3,367,887
Public works	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	1,432,832
Recreation	439,768	392,754	409,275	454,591	465,227	430,531	422,809	438,325	973,617	513,382
Community development	435,301	1,189,674	1,182,894	948,805	785,508	732,863	1,507,326	677,786	640,010	1,146,252
Nondepartmental	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	2,012,871
Debt Service										
Principal	333,719	410,502	487,063	518,789	518,492	592,055	595,425	608,779	622,854	632,785
Interest	122,874	164,111	174,369	160,561	139,615	112,237	95,077	77,788	60,147	42,196
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures, including capital	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	9,808,740
Total capital expenditures only	1,199,977	1,450,870	1,427,464	1,349,556	962,229	894,970	427,369	325,710	898,467	992,767
Excess of revenues over (under) expenditures	(1,352,280)	(616,496)	(1,716,915)	(621,473)	(674,318)	(1,009,133)	(1,088,442)	(1,164,797)	(1,648,411)	(2,165,556)
Other financing sources (uses)										
Transfers in	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	2,276,008
Transfers out	-	(125,849)	(126,685)	(45,178)	(27,846)	(25,653)	(25,000)	(25,000)	(25,000)	(410,099)
Issuance of debt/construction loan/costs	753,747	1,432,229	171,900	232,500	1,542,300	191,436	120,577	231,950	135,206	230,664
Repayment of debt/construction loan/costs	-	-	-	-	(1,350,000)	-	-	-	-	-
Total other financing sources (uses)	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	2,096,573
Net change in fund balances	362,698	1,720,864	(464,315)	820,268	782,084	499,083	521,052	749,895	304,157	(68,983)
Debt service as a percentage of noncapital expenditures	6.8%	8.5%	8.8%	8.4%	8.0%	8.5%	7.4%	8.0%	7.8%	7.7%

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

Fiscal Years	Electric Receipts	Percent of Total	Water Receipts	Percent of Total	Sewer Receipts	Percent of Total	Other Operating Revenue	Percent of Total	Total Combined Public Utility Operating Revenue
	\$		\$		\$		\$		\$
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
2014	22,717,889	73.9%	3,418,488	11.1%	3,490,743	11.4%	1,106,674	3.6%	30,733,794

(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)

Fiscal Years	General Fund Property Tax	Debt Service Fund Property Tax (1)	Total Property Tax
	\$	\$	\$
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
2014	2,387,834	-	2,387,834

(1) 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).

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

	June 2005	June 2006	June 2007	June 2008	June 2009	June 2010	June 2011	June 2012	June 2013	June 2014
Electric Customers:										
Residential	4,012	4,016	4,055	4,045	4,102	4,054	4,030	4,050	4,066	4,091
Commercial	848	861	874	859	862	873	872	863	868	891
Industrial	13	12	12	12	13	13	13	12	12	12
Total	4,873	4,889	4,941	4,916	4,977	4,940	4,915	4,925	4,946	4,994
Water Customers:										
Residential	4,072	4,088	4,103	4,096	4,147	4,108	4,087	4,096	4,113	4,148
Commercial	715	731	740	740	743	756	760	748	755	751
Industrial	24	25	25	26	26	26	26	27	28	28
Total	4,811	4,844	4,868	4,862	4,916	4,890	4,873	4,871	4,896	4,927
Sewer Customers:										
Residential	3,543	3,552	3,572	3,564	3,602	3,576	3,559	3,561	3,575	3,607
Commercial	561	576	578	570	573	575	579	578	580	577
Industrial	21	21	21	22	22	21	21	21	21	21
Total	4,125	4,149	4,171	4,156	4,197	4,172	4,159	4,160	4,176	4,205
Total Number Utility Customers (1)	5,829	5,865	5,895	5,881	5,946	5,893	5,877	5,873	5,899	5,933

(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

Fiscal Years	Electric Kilowatt-hours	Percent Change	Water Cubic Feet	Percent Change	Treated Sewer Cubic Feet	Percent Change
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%
2014	208,077,428	3.41%	215,930,242	4.79%	103,502,712	1.36%

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**

Fiscal Years	Electric	Percent Increase	Water	Percent Increase	Sewer	Percent Increase	TOTAL	Percent Increase
	\$	%	\$	%	\$	%	\$	%
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	116.30	4.73	19.29	0.00	29.30	0.00	164.89	3.29
2014 (2)	124.37	6.94	19.29	0.00	29.30	0.00	172.96	4.89

(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, 2014. An overall increase of 6.7% on electricity became effective on the July 1, 2013 billing (fiscal year 2014). Additionally, please note that an overall rate increase of 9.88% on electricity, 25% on water, and 25% on sewer became effective on the July 1, 2014 billing (fiscal year 2015).

City of Newberry
Principal Utility Customers by Total Billed (1)
June 30, 2014

<u>Customer</u>	<u>Fiscal Year 2014</u>			<u>Fiscal Year 2005</u>		
	<u>Total Billed</u> \$	<u>Rank</u>	<u>Percentage of Total Operating Revenue (2)</u>	<u>Total Billed</u> \$	<u>Rank</u>	<u>Percentage of Total Operating Revenue (3)</u>
Louis Rich	8,794,112	1	28.61%	3,744,700	1	19.82%
Saluda Commission of Public Works	1,336,759	2	4.35%	621,559	2	3.29%
Newberry College	992,049	3	3.23%	492,771	3	2.61%
ISE	687,245	4	2.24%	485,633	4	2.57%
Newberry County Memorial Hospital	681,286	5	2.22%	480,257	5	2.54%
Shakespeare	534,947	6	1.74%	379,122	6	2.01%
Newberry Housing Authority-Grant Homes	487,379	7	1.59%	336,347	7	1.78%
Packaging Corp. of America, Inc.	476,232	8	1.55%	315,804	8	1.67%
Newberry High School	267,249	9	0.87%	204,842	10	1.08%
Newberry County Water & Sewer	252,207	10	0.82%	227,145	9	1.20%
Total	14,509,465		47.21%	7,288,180		38.57%

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

(2) Total audited operating revenue for fiscal year 2014 is \$ 30,733,794

(3) Total audited operating revenue for fiscal year 2005 is \$ 18,896,660

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

Fiscal Years	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				
		\$	\$	\$	\$	\$	\$	\$	\$	\$	
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%
2014	2013	7,907,890	12,883,190	20,791,080	2,418,910	3,461,320	5,880,230	26,671,310	86.40	490,978,910	5.43%

(1) Reassessment.

(2) Source: Newberry County Auditor. Prior to 2014 \$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**

		<u>Overlapping Rates</u>										
		<u>City of Newberry</u>			<u>Newberry County (1)</u>			<u>Newberry County School District (1)</u>				<u>Total</u>
<u>Fiscal</u>	<u>Tax</u>	<u>Operating</u>	<u>Debt</u>	<u>Total</u>	<u>Operating</u>	<u>Debt</u>	<u>Total</u>	<u>Operating</u>	<u>Debt</u>	<u>Total</u>	<u>Other (1)</u>	<u>Direct &</u>
<u>Years</u>	<u>Year</u>	<u>Millage</u>	<u>Service</u>	<u>City</u>	<u>Millage</u>	<u>Service</u>	<u>County</u>	<u>Millage</u>	<u>Service</u>	<u>School</u>	<u>Overlapping</u>	
												<u>Rates</u>
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
2014	2013	85.3	1.1	86.4	128.7	8.8	137.5	186.8	53.0	239.8	6.7	470.4

(1) Source: Newberry County Auditor.

(2) Reassessment.

**City of Newberry
Principal Property Taxpayers (1)
June 30, 2014**

<u>Taxpayer</u>	<u>Fiscal Year 2014 (Tax Year 2013)</u>			<u>Fiscal Year 2005 (Tax Year 2004)</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value (2)</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Taxable Assessed Value (3)</u>
	\$			\$		
ISE Newberry Inc.	528,560	1	1.98%	610,720	2	3.33%
Lowe's Home Centers	346,410	2	1.30%	-		-
Wal-Mart Real Est.	320,490	3	1.20%	264,620	3	1.44%
Bellsouth Telecomm Inc.	314,880	4	1.18%	637,710	1	3.48%
Newberry Investments LLC	233,260	5	0.87%	-		-
Newberry Developments LLC	232,390	6	0.87%	-		-
Newberry Atrium	228,530	7	0.86%	-		0.00%
Love's Travel Stop	208,450	8	0.78%	-		0.00%
Billye L West	199,000	9	0.75%	-		0.00%
Duke Energy Corp.	188,680	10	0.71%	162,940	5	0.89%
Newberry Federal Savings Bank	-		0.00%	96,000	10	0.52%
Ellett Brothers Inc.	-		0.00%	142,160	6	0.78%
Glimcher Properties Lmt. Prtsh.	-		0.00%	135,060	8	0.74%
Glimcher Properties	-		0.00%	246,950	4	1.35%
White Oak Manor Inc.	-		0.00%	138,040	7	0.75%
West/Hobby LLC	-		0.00%	128,550	9	0.70%
Total	2,800,650		10.50%	2,562,750		13.98%

(1) Source: Newberry County Auditor.

(2) Total assessed valuation for tax year 2014 is \$26,671,310

(3) Total assessed valuation for tax year 2005 is \$18,326,140

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

<u>Fiscal Years</u>	<u>Tax Year</u>	<u>Total Tax Levy for Fiscal Year (2)</u> \$	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections/ Adjustments in Subsequent Years</u> \$	<u>Total Collections to Date</u>	
			<u>Amount</u> \$	<u>Percentage of Levy</u>		<u>Amount</u> \$	<u>Percentage of Levy</u>
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%
2014	2013	2,257,248	2,152,957	95.4%	21,811	2,174,768	96.4%

(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 Years	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			
	\$	\$	\$	\$	\$	\$		\$
2005	-	(195,000)	892,292	3,092,978	-	3,790,270	2.2%	358
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
2014	-	-	1,064,310	17,003,385	-	18,067,695	10.6%	1762

(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 2008-2014, 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 2010-2014.

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

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

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, 2014

Direct Debt

City of Newberry:	
General Obligation Debt	\$ -
Special Assessment Debt	-
Capital Lease Obligations	1,064,310
Total Direct Debt	<u>1,064,310</u>

Overlapping Debt

Newberry County, South Carolina Overlapping Debt:	
General Obligation Debt (1)	1,231,223
Estimated % of debt applicable to the City of Newberry (2)	19.98%
Total Overlapping Debt	<u>245,998</u>
 Total Direct and Overlapping Debt	 <u><u>\$ 1,310,308</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	\$ 325,000
2007A County General Obligation Bond	\$ 444,415
2010A County General Obligation Bond	\$ 151,570
2010B County General Obligation Bond	\$ 286,238
2013A County General Obligation Bond	\$ 24,000
	<u>\$ 1,231,223</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 \$133,456,673. City of Newberry assessed valuation from the table within this statistical section labeled "Assessed Value and Estimated Actual Value of Taxable Property" is \$26,671,310.

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 Years									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt Limit - 8 percent of total assessed value	\$ 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	\$ 2,133,705
Total net debt applicable to limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal debt margin	\$ 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	\$ 2,133,705
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 2014

Assessed Value - general	\$ 26,671,310
Assessed Value - tax increment financing district	-
Total assessed value	<u>26,671,310</u>
Debt limit (8% of total assessed value)	2,133,705
Debt applicable to limit:	
Total general obligation bonds	<u>-</u>
Legal debt margin	<u><u>\$ 2,133,705</u></u>

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

Fiscal Years	TIF Revenue	Contribution (to)/from City Local Hospitality/ Accommodations Fund (2)	Debt Issuance Expenditures	Amount Available for Debt Service	Debt Service Requirements			Coverage (3)
					Principal	Interest	Total	
	\$	\$	\$	\$	\$	\$	\$	
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
2014	148	(410,099)	-	(409,951)	281,196	5,076	286,272	-1.43

(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 2009-2014. The TIF account was closed in fiscal year 2014.

(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

Fiscal Years	System Operating Revenues (1)	System Operating Expenses (2)	Amount Available for Debt Service	Audited Debt Service			Coverage (3)
				Principal	Interest	Total	
	\$	\$	\$	\$	\$	\$	
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
2014	30,733,794	24,006,961	6,726,833	744,976	178,292	923,268	7.29

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

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

(3) Debt Service Requirements for 2007 Bond (FY2008-2014), 2003 Bond (FY 2004-2012), and 2009 South Carolina Water Pollution Control Revolving Fund (SRF) Loan (FY 2012-2014). 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

Fiscal Years	(1) Population	(2) Personal Income \$	(3) Per Capita Personal Income \$	(4) Median Household Income \$	(5) Median Age	(6) Education Level In Years of Formal Schooling	(7) School Enrollment	(8) Unemployment Rate %
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
2014	10,256	169,654,752	16,542	30,318	34.0	12.9	5,616	5.2

- (1) Estimates by City of Newberry Finance Department for fiscal years 2002-2005. Estimates by South Carolina Budget and Control Board for fiscal years 2006-2014.
- (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 2009-2014 estimates from Central Midlands Council of Governments.
- (4) Estimates by City of Newberry Finance Department for fiscal years 2002-2008. Fiscal years 2009-2014 estimates from Central Midlands Council of Governments.
- (5) Estimates by City of Newberry Finance Department for fiscal years 2002-2009. Fiscal year 2010-2014 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 2011-2014.
- (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	2014			2005		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT (3)	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT (4)
Louis Rich (*)	2500	1	15.25%	1230	1	7.14%
Newberry County School District (**)	830	2	5.06%	840	2	4.87%
Caterpillar, Inc. (*)	400	3	2.44%			
Georgia Pacific (*)	369	4	2.25%	275	5	1.60%
Newberry County Memorial Hospital (**)	327	5	1.99%	435	4	2.52%
Wal-Mart	260	6	1.59%			
County of Newberry	213	7	1.30%	180	7	1.04%
Newberry College	174	8	1.06%	170	9	0.99%
Pioneer Foods (*)	170	9	1.04%			
Shakespeare Composite Structures (*)	150	10	0.92%	165	10	0.96%
Komatsu (*)			0.00%			
Springfield Place/JF Hawkins						
McKechnie Vehicle Components (*)				175	8	1.02%
American Fiber and Finishing (*)						
International Paper (*)						
Renfro (*)				530	3	3.08%
Sea Pro Boats (*)				250	6	1.45%
ISE America						
PCA (*)						

(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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
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	4	4	4	4	4	4	2	2	2	2
Planning and Development	2.5	3	4	4	4	4	4	2	2	2
Public Safety										
Police										
Officers	28	31	32	32	32	32	32	32	32	32
Civilians	3	3	3	3	3	3	3	3	3	3
Justice and Law Civilians	1.75	3.2	3.2	3.2	3.8	3.8	3.8	3.8	3.8	3.8
Fire (3)										
Firefighters and Officers	19	19	19	19	19	19	19	19	19	20
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	9	10
Sanitation	7	7	7	7	5	5	5	5	5	5
Building Maintenance	2	2	2	2	2	1	1	1	1	1
Garage	3	3	3	3	3	3	3	3	3	3
Recreation	11	14	14	10	13	13	13	14	14	12
Utility System										
Administration/Finance/Warehouse/ Information Services	11	11	11	12	13	13	15	13	13	14
Electric	12	12	12	11	11	11	11	9	9	9
Water/Sewer Maintenance	11	11	11	11	11	11	11	11	11	9
Water Plant	9	9	9	9	9	9	9	8	8	9
Wastetreatment Plant	6	6	6	6	6	6	6	6	6	4
Total	154.25	162.2	164.2	160.2	162.8	161.8	161.8	155.8	154.8	152.8

- (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 21 Volunteer Firefighter positions in fiscal year 2014.

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

FUNCTION	FISCAL YEARS									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General Government (2)										
Finance										
Businesses with licenses (for last completed calendar year)	1,192	1,114	1,147	1,166	1,169	1,143	1,140	1,133	1,132	1,090
Planning and Development										
New construction values per building permits	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	658,393
Public Safety										
Police										
Incidences	11,811	11,277	11,814	12,901	12,742	11,492	11,373	11,355	11,215	11,988
Arrests and traffic violations	5,997	5,207	8,251	7,015	6,304	6,454	6,069	6,564	5,210	5,973
Parking violations	277	245	272	429	542	351	310	53	78	108
Fire										
Volunteer personnel	19	16	18	15	14	18	16	12	14	12
Calls answered	643	593	543	501	491	493	541	951	852	803
Inspections	353	497	583	761	739	595	603	559	525	507
Public Works (3)										
Streets										
Streets resurfaced (miles)	1.04	1.2	0.90	0.93	1.64	0.51	-	2.13	1.09	0.20
Sanitation										
Refuse collected in tons per year	7,387	8,138	8,707	8,228	7,615	7,715	7,493	7,213	7,119	7,197
Recreation										
# Participants residing within City limits	854	792	805	729	942	859	990	961	946	867
# Participants residing outside City limits	301	209	233	320	338	349	417	369	347	296
# Participants total	1,155	1,001	1,038	1,049	1,280	1,208	1,407	1,330	1,293	1,163
Utility System										
Electric										
Maximum monthly non-coincident purchased demand (kW)	31,308	34,714	30,670	30,697	31,314	32,243	32,243	31,606	31,606	41,851
Water										
Average production (gallons per day)	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	5,500,000
Sewer										
Average treatment (gallons per day)	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	2,650,000	2,820,000

(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 YEARS									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	37	32	31	38	38	38	38	40	40	40
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Fire trucks	6	6	6	7	7	7	7	7	7	7
Public Works (3)										
Streets										
Streets within City (miles)	84	84	84	84	87	87	87	87	87	87
Sanitation										
Packer trucks	5	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	253	255	259	260	260	260	260	260
Miles of secondary conductor	86	87	88	89	91	92	93	93	93	93
Water										
Miles of water main lines	125	125	125	126	127	127	127	127	127	127
Fire hydrants	479	481	481	482	482	483	486	493	500	598
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	124	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	5,000,000

(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.