

TOWN OF SURFSIDE BEACH
SOUTH CAROLINA

EXECUTIVE SUMMARY

FOR THE FIFTEEN MONTHS ENDED JUNE 30, 2010

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TOWN OF SURFSIDE BEACH
SOUTH CAROLINA

EXECUTIVE SUMMARY

FOR THE FIFTEEN MONTHS ENDED JUNE 30, 2010

**TOWN OF SURFSIDE BEACH, SOUTH CAROLINA
EXECUTIVE SUMMARY
FOR THE FIFTEEN MONTHS ENDED JUNE 30, 2010**

The Town of Surfside Beach's basic financial statements for the fifteen months ended June 30, 2010 are prepared in accordance with generally accepted accounting principles as applicable to governmental entities. Based upon our audit, we have concluded that the Town's financial statements are fairly presented in conformity with these generally accepted accounting principles and have rendered an unqualified opinion on its basic financial statements.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used, and evaluating the overall financial statement presentation.

The financial presentation for the Town meets the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34 and related pronouncements. This financial statement presentation provides a comprehensive, entity-wide perspective of the Town's net assets, revenues, expenses, and changes in net assets that replaces the fund perspective previously required.

Enclosed is selected financial information which is presented to provide a summary of the Town's operations for the current fiscal period. This financial information reflects a condensed summary of financial activity and encompasses significant transactions of the Town.

**TOWN OF SURFSIDE BEACH, SOUTH CAROLINA
STATEMENT OF NET ASSETS**

The Statement of Net Assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets.

The Town's assets consist primarily of cash and investments; amounts receivable from taxpayers, sanitation customers, and other governments; and capital assets. Liabilities mainly represent accounts payable, certain accrued expenses, and bonds payable. Net assets, within accounting usage, is the difference between total assets and total liabilities. Theoretically, it represents the amount of cash left on hand in an entity if all assets were liquidated and converted to cash and all liabilities were paid in full.

Total assets, liabilities, and net assets as of June 30, 2010 are as follows:

ASSETS, LIABILITIES, AND NET ASSETS

	<u>2010</u>
Assets	
Cash and Investments	\$ 3,898,496
Receivables	894,016
Capital Assets, Net of Depreciation	15,191,715
Inventories and Prepaid Items	26,593
Other Assets	<u>22,153</u>
Total Assets	<u><u>\$ 20,032,973</u></u>
Liabilities	
Accounts Payable and Accrued Expenses	\$ 546,626
Bail and Drug Bonds Payable	39,005
Unearned Revenues	6,224
Bonds, Note Payable, and Compensated Absences	<u>1,485,565</u>
Total Liabilities	<u><u>\$ 2,077,420</u></u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	\$ 14,010,601
Restricted for Tourism and Drug Enforcement	406,066
Unrestricted	<u>3,538,886</u>
Total Net Assets	<u><u>\$ 17,955,553</u></u>

**TOWN OF SURFSIDE BEACH, SOUTH CAROLINA
STATEMENT OF ACTIVITIES**

The Statement of Activities provides information on the change in net assets during the fifteen months. Revenues, expenditures, and expenses, where appropriate, are categorized into general revenues, program revenues, and direct expenses.

The total change in net assets for the fifteen months ended June 30, 2010 is as follows:

REVENUES, EXPENSES, AND CHANGE IN NET ASSETS

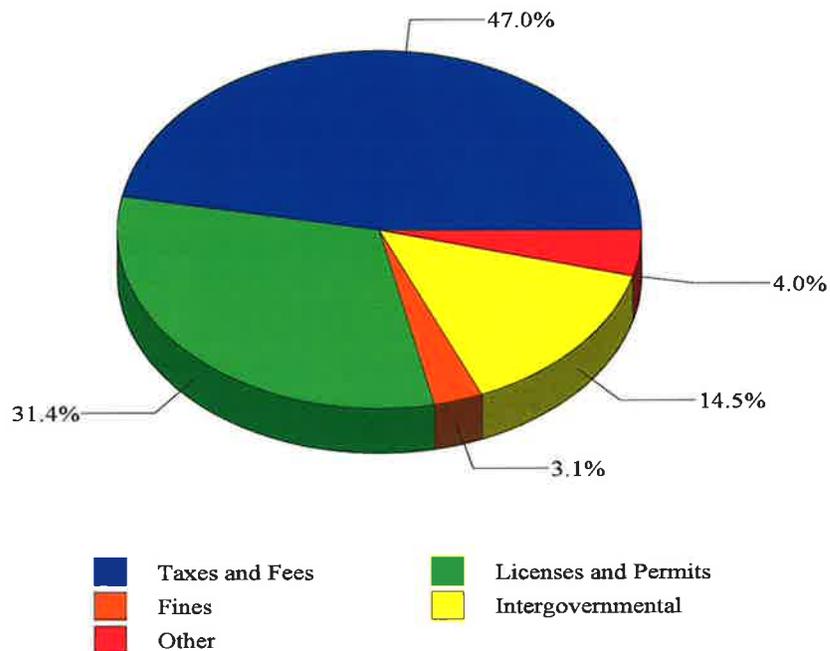
	<u>2010</u>
General Revenues	
Property Taxes	\$ 2,437,909
Local Accommodations Taxes	159,761
Business Licenses	2,628,551
Franchise Taxes	745,808
Hospitality Fees	804,000
Unrestricted Grants and Contributions	811,567
Interest Earnings and Other Revenues	<u>63,171</u>
Total General Revenues	<u>\$ 7,650,767</u>
Program Revenues	
Charges for Services	\$ 2,599,405
Operating Grants and Contributions	207,765
Capital Grants and Contributions	<u>303,818</u>
Total Program Revenues	<u>\$ 3,110,988</u>
Expenses	
Governmental Activities	\$ 7,552,091
Business-Type Activities	<u>1,411,812</u>
Total Expenses	<u>\$ 8,963,903</u>
Change in Net Assets	<u><u>\$ 1,797,852</u></u>

TOWN OF SURFSIDE BEACH, SOUTH CAROLINA GOVERNMENTAL FUND TYPE REVENUES

The Town segregates transactions related to certain functions or activities into separate funds in order to aid financial management and demonstrate legal compliance. Governmental fund types focus on near-term inflows and outflows of spendable resources. The Town utilizes five governmental funds, one of which is the Town's General Fund. Total revenues for the combined governmental fund types are presented below:

REVENUES

	<u>2010</u>
Taxes and Fees	\$ 4,202,538
Licenses and Permits	2,808,169
Fines and Forfeitures	274,998
Intergovernmental	1,300,921
Other Revenues	<u>362,411</u>
Total Governmental Funds Revenues	<u><u>\$ 8,949,037</u></u>



**TOWN OF SURFSIDE BEACH, SOUTH CAROLINA
GOVERNMENTAL FUND TYPE EXPENDITURES**

The General Fund is the general operating fund of the Town and is used to account for all operating expenditures that are not required to be paid or financed by another fund. Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Capital Projects Funds account for the acquisition and/or construction of major capital facilities, such as the Town’s stormwater projects. Total departmental expenditures of the combined governmental fund types are presented below:

EXPENDITURES

	<u>2010</u>
General Government	\$ 1,355,349
Public Safety	2,915,763
Building and Zoning	318,462
Grounds	465,993
Street	861,717
Intragovernmental Maintenance	97,548
Culture and Recreation	430,820
Non-Departmental	320,706
Capital Outlay	3,103,565
Debt Service	<u>417,185</u>
Total Governmental Funds Expenditures	<u><u>\$ 10,287,108</u></u>

