

TOWN OF SURFSIDE BEACH
SOUTH CAROLINA

EXECUTIVE SUMMARY

FOR THE YEAR ENDED MARCH 31, 2008

**TOWN OF SURFSIDE BEACH, SOUTH CAROLINA
EXECUTIVE SUMMARY
FOR THE FISCAL YEAR ENDED MARCH 31, 2008**

The Town of Surfside Beach's basic financial statements for the year ended March 31, 2008 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 year. 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 March 31, 2008 are as follows:

ASSETS, LIABILITIES, AND NET ASSETS

	<u>2008</u>
Assets	
Cash and Investments	\$ 7,056,429
Receivables	697,164
Capital Assets, Net of Depreciation	9,532,975
Inventories and Prepaid Items	92,619
Other Assets	<u>40,846</u>
Total Assets	<u>\$ 17,420,033</u>
Liabilities	
Accounts Payable and Accrued Expenses	\$ 301,442
Bail and Drug Bonds Payable	52,498
Unearned Revenues	119,999
Bonds, Note Payable, and Compensated Absences	<u>2,081,682</u>
Total Liabilities	<u>\$ 2,555,621</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	\$ 7,644,361
Restricted	2,093,153
Unrestricted	<u>5,126,898</u>
Total Net Assets	<u><u>\$ 14,864,412</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 fiscal year. Revenues, expenditures, and expenses, where appropriate, are categorized into general revenues, program revenues, and direct expenses.

The total change in net assets for the year ended March 31, 2008 is as follows:

REVENUES, EXPENSES, AND CHANGE IN NET ASSETS

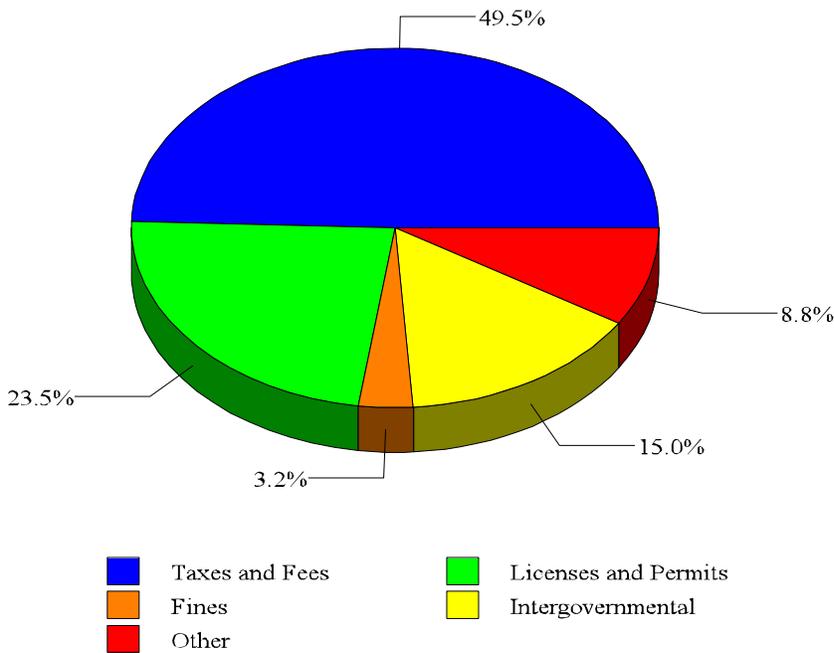
	<u>2008</u>
General Revenues	
Property Taxes	\$ 2,208,501
Local Accommodations Taxes	146,587
Business Licenses	1,548,915
Franchise Taxes	518,911
Hospitality Fees	721,269
Unrestricted Grants and Contributions	759,845
Interest Earnings and Other Revenues	<u>407,053</u>
Total General Revenues	<u>\$ 6,311,081</u>
Program Revenues	
Charges for Services	\$ 1,806,161
Operating Grants and Contributions	69,271
Capital Grants and Contributions	<u>298,645</u>
Total Program Revenues	<u>\$ 2,174,077</u>
Expenses	
Governmental Activities	\$ 5,775,603
Business-Type Activity-Sanitation	<u>1,072,194</u>
Total Expenses	<u>\$ 6,847,797</u>
Change in Net Assets	<u><u>\$ 1,637,361</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>2008</u>
Taxes and Fees	\$ 3,587,894
Licenses and Permits	1,701,548
Fines and Forfeitures	235,078
Intergovernmental	1,087,759
Other Revenues	<u>634,161</u>
Total Governmental Funds Revenues	<u><u>\$ 7,246,440</u></u>

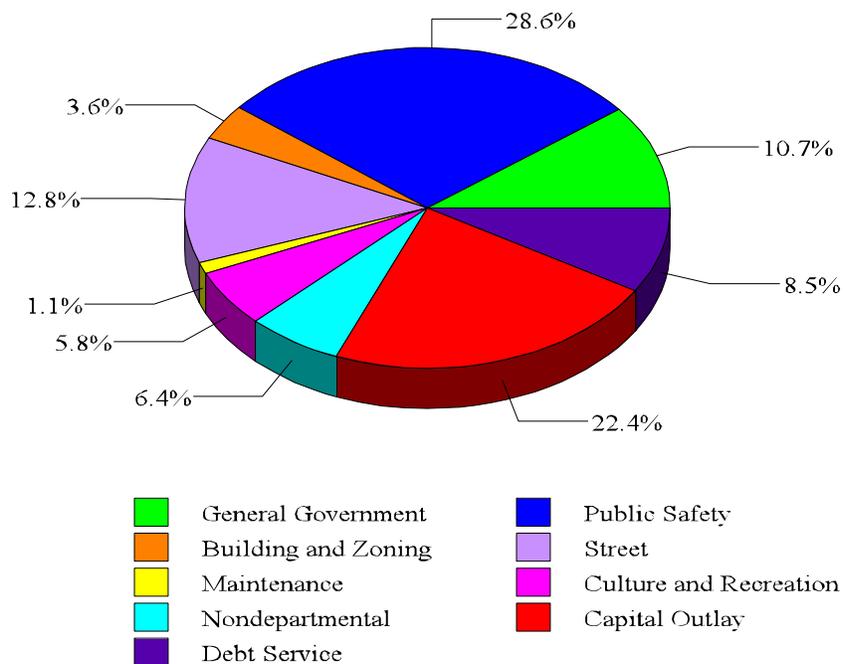


TOWN OF SURFSIDE BEACH, SOUTH CAROLINA GOVERNMENTAL FUND TYPE EXPENDITURES

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>2008</u>
General Government	\$ 806,707
Public Safety	2,155,183
Building and Zoning	273,739
Street	967,011
Intragovernmental Maintenance	85,651
Culture and Recreation	437,305
Non-Departmental	479,198
Capital Outlay	1,693,092
Debt Service	643,810
Total Governmental Funds Expenditures	<u>\$ 7,541,696</u>



**TOWN OF SURFSIDE BEACH, SOUTH CAROLINA
ENTERPRISE FUNDS**

Enterprise Funds account for operations of the Town that are similar to those of businesses in the private sector. The intent is that the costs of providing goods or services are recovered through sales or reimbursements to external users or customers of the Town. Following is an analysis of operations for the year ended March 31, 2008:

SANITATION FUND OPERATIONS

	<u>2008</u>
Revenues and Other Items	
Charges for Sales and Services	\$ 1,164,391
Other Revenues	<u>44,681</u>
Total Revenues and Other Items	<u>\$ 1,209,072</u>
Expenses and Other Items	
Operating Expenses	\$ 1,072,194
Transfers Out, Net	<u>20,000</u>
Total Expenses and Other Items	<u>\$ 1,092,194</u>
Net Income	<u><u>\$ 116,878</u></u>