

OCONEE COUNTY, SOUTH CAROLINA

ANNUAL FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT  
For the Year Ended June 30, 1998

**Byerley & Payne**  
**Kirk S. Messick**  
Certified Public Accountants

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Byerley & Payne  
CERTIFIED PUBLIC ACCOUNTANTS, P. A.  
114 WEST NORTH FIRST STREET  
SENECA, SOUTH CAROLINA 29678  
864-882-1937

Kirk S. Messick  
CERTIFIED PUBLIC ACCOUNTANT, P. A.  
P. O. BOX 773  
SENECA, SOUTH CAROLINA 29679  
864-882-5390

INDEPENDENT AUDITORS' REPORT ON  
GENERAL PURPOSE FINANCIAL STATEMENTS

Oconee County Council  
Oconee County  
Walhalla, South Carolina

We have audited the accompanying general purpose financial statements of Oconee County, South Carolina, as of and for the year ended June 30, 1998 as listed in the table of contents. These general purpose financial statements are the responsibility of Oconee County's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Also, the general purpose financial statements referred to above do not include the general fixed assets accounts group and the financial activities of the School District of Oconee County, a component unit of the County. This account group and component unit should be included to conform to generally accepted accounting principles. Information regarding the omitted component unit's assets, revenues, expenditures, and fund balances was not available as of the date of this report. The effects of these departures are not determinable.

In our opinion, except for the effect on the financial statements of the omissions described in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Oconee County, South Carolina as of June 30, 1998 and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

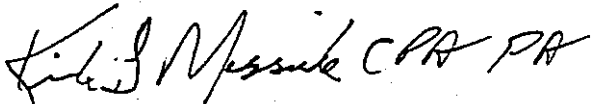
Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents and the schedule of expenditures of federal awards as required by U.S. Office

of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Oconee County, South Carolina. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole except for the effects of the circumstances identified above.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 2, 1998 on our consideration of Oconee County, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.



Byerley & Payne, CPA, PA



Kirk S. Messick, CPA, PA

October 2, 1998

OCONEE COUNTY, SOUTH CAROLINA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1998

ASSETS AND OTHER DEBITS	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Group
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Agency	General Long- Term Debt
Cash and Cash Investments	\$ 13,133,175	\$ 125,563	\$ 1,536,145	\$ (105,818)	\$ 12,231,188	\$ 6,587,355	\$ -
Accounts Receivable	842,137	336,986	-	514,223	245,216	-	-
Property Taxes Receivable	70,774	-	5,596	-	-	121,978	-
Accrued Interest Receivable	73,553	-	-	-	91,852	1,014	-
Due from Other Funds	5,119	-	4,231	-	-	-	-
Inventories	150,332	-	-	-	64,897	-	-
Prepaid Items	-	-	-	-	-	-	-
Restricted Assets - Cash and Cash Investments	-	-	-	-	6,859,573	-	-
Fixed Assets (Net of Accumulated Depreciation)	-	-	-	-	26,658,946	-	-
Amount Available in Debt Service Fund	-	-	-	-	-	-	1,545,972
Amount to be Provided for Retirement of General Long- Term Debt	-	-	-	-	-	-	6,917,040
Amount to be Provided for Future Liability for Annual Leave	-	-	-	-	-	-	135,025
Amount to be Provided for Lease-Purchase Contract	-	-	-	-	-	-	193,223
Amount to be Provided for Payment of Arbitrage Liability	-	-	-	-	-	-	5,453
Total Assets	\$ 14,275,090	\$ 462,549	\$ 1,545,972	\$ 408,405	\$ 46,151,672	\$ 6,710,347	\$ 8,796,713

The Accompanying Notes are an Integral Part of these Financial Statements.

OCONEE COUNTY, SOUTH CAROLINA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1998

LIABILITIES AND OTHER CREDITS	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Group
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Agency	General Long- Term Debt
Accounts Payable	\$ 1,505,737	\$ 124,816	\$ -	\$ 249,722	\$ 436,914	\$ -	\$ -
Accrued Salaries	-	-	-	-	12,517	-	-
Employee Benefits Withheld and Accrued	227,747	-	-	-	-	-	-
Deposits	18,823	-	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-
Due to Other Funds	4,231	-	-	-	106,655	-	-
Deferred Grant Revenue	-	41,566	-	71,457	-	5,119	-
Revenue and General Obligation Bonds Payable, Net of Discount	-	-	-	-	-	-	-
Special Source Revenue	-	-	-	-	9,514,241	-	7,880,000
Bonds Payable	-	-	-	-	-	-	583,012
Funds Held in Escrow	-	20,496	-	41,770	-	512,410	-
Due to Other Taxing Districts and Agencies	-	-	-	-	-	6,192,818	-
Accrued Compensated Absences	-	-	-	-	29,265	-	135,025
Lease-Purchase Contract	-	-	-	-	300,650	-	193,223
Estimated Liability for Landfill Closure and Postclosure Care Costs	-	-	-	-	3,318,912	-	-
Arbitrage Liability Payable	-	-	-	-	-	-	5,453
Total Liabilities	1,756,538	186,878	-	362,949	13,719,154	6,710,347	8,796,713

The Accompanying Notes are an Integral Part of these Financial Statements.



OCONEE COUNTY, SOUTH CAROLINA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 1998

EQUITY AND OTHER CREDITS	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	Account Group
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Agency	General Long- Term Debt
Contributed Capital	-	-	-	-	21,345,560	-	-
Retained Earnings (Deficits)	-	-	-	-	6,062,827	-	-
Reserved for Restricted Assets	-	-	-	-	76,556	-	-
Designated for Subsequent Year's Expenditures	-	-	-	-	4,947,575	-	-
Unreserved	-	-	-	-	-	-	-
Fund Balances	-	-	-	-	-	-	-
Reserved for Encumbrances	3,459,181	15,605	-	19,945	-	-	-
Reserved for Inventories	150,332	-	-	-	-	-	-
Reserved for Debt Service	-	-	1,545,972	-	-	-	-
Unreserved	-	-	-	-	-	-	-
Designated for Subsequent Year's Expenditures	2,237,780	-	-	-	-	-	-
Designated for Pine Street Complex	910,669	-	-	-	-	-	-
Designated for Seneca Health Clinic	600,000	-	-	-	-	-	-
Designated for Health Insurance	894,592	-	-	-	-	-	-
Undesignated	4,265,998	260,066	-	25,511	-	-	-
Total Fund Equity	12,518,552	275,671	1,545,972	45,456	32,432,518	-	-
Total Liabilities and Fund Equity	\$ 14,275,090	\$ 462,549	\$ 1,545,972	\$ 408,405	\$ 46,151,672	\$ 6,710,347	\$ 8,796,713

The Accompanying Notes are an Integral Part of these Financial Statements.

OCONEE COUNTY, SOUTH CAROLINA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 For the Year Ended June 30, 1998

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>REVENUES</b>				
Property Taxes	\$ 17,685,601	\$ -	\$ 1,576,869	\$ -
Intergovernmental Revenues	4,029,432	822,335	-	937,852
Charges for Services	1,873,372	-	-	-
Miscellaneous	-	115,417	-	-
Interest	953,251	-	49,736	-
Total Revenues	<u>24,541,656</u>	<u>937,752</u>	<u>1,626,605</u>	<u>937,852</u>
<b>EXPENDITURES</b>				
General Government	5,552,809	-	-	-
Public Safety	4,601,339	74,534	-	-
Health and Welfare	776,238	178,625	-	-
Highways and Streets	4,781,562	392,681	-	-
Culture and Recreation	1,875,656	271,528	-	-
Economic Development	-	89,648	-	-
Miscellaneous Expenses	489,961	-	-	-
Capital Projects	-	-	-	1,114,722
Debt Service	-	-	-	-
Principal Retirement	-	-	1,133,134	-
Interest and Fiscal Charges	-	-	489,558	-
Total Expenditures	<u>18,077,565</u>	<u>1,007,016</u>	<u>1,622,692</u>	<u>1,114,722</u>
Excess (Deficiency) of Revenues Over Expenditures	6,464,091	69,264	3,913	(176,870)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers to Special Revenue Funds from General Fund	(4,488)	4,488	-	-
Transfers to Capital Projects Funds from General Fund	(195,000)	-	-	195,000
Transfers to Enterprise Funds	(2,740,464)	-	-	(233,299)
Transfers to Debt Service Fund from General Fund	(25,415)	-	25,415	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	3,498,724	73,752	29,328	(215,169)
<b>FUND BALANCES, BEGINNING</b>	<u>9,019,828</u>	<u>340,447</u>	<u>1,516,644</u>	<u>260,625</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 12,518,552</u>	<u>\$ 414,199</u>	<u>\$ 1,545,972</u>	<u>\$ 45,456</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

OCONEE COUNTY, SOUTH CAROLINA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL AND SPECIAL REVENUE FUND TYPES  
 For the Year Ended June 30, 1998

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>						
Property Taxes	\$ 18,695,869	\$ 17,685,601	\$ (1,010,268)	\$ -	\$ -	\$ -
Intergovernmental Revenue	3,194,360	4,029,432	835,072	64,200	822,335	758,135
Charges for Services	1,455,672	1,873,372	417,700	-	-	-
Interest	377,100	953,251	576,151	-	-	-
Miscellaneous Revenues	-	-	-	33,850	115,417	81,567
<b>Total Revenues</b>	<b>23,723,001</b>	<b>24,541,656</b>	<b>818,655</b>	<b>98,050</b>	<b>937,752</b>	<b>839,702</b>
<b>EXPENDITURES</b>						
General Government	8,138,321	5,706,245	2,432,076	-	-	-
Public Safety	5,278,968	4,985,189	293,779	11,950	74,534	(62,584)
Health and Welfare	1,128,167	775,640	352,527	30,750	180,730	(149,980)
Highway and Streets	4,946,784	5,177,798	(231,014)	-	263,013	(263,013)
Culture and Recreation	1,449,323	1,815,998	(366,675)	60,350	235,154	(174,804)
Economic Development	-	-	-	-	89,648	(89,648)
Miscellaneous	477,789	489,961	(12,172)	-	-	-
<b>Total Expenditures</b>	<b>21,419,352</b>	<b>18,950,831</b>	<b>2,468,521</b>	<b>103,050</b>	<b>843,079</b>	<b>(740,029)</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>2,303,649</b>	<b>5,590,825</b>	<b>3,287,176</b>	<b>(5,000)</b>	<b>94,673</b>	<b>99,673</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers to Special Revenue Funds from General Fund	(17,357)	(4,488)	12,869	4,976	4,488	(488)
Transfers to Capital Projects Funds from General Fund	(95,000)	(195,000)	(100,000)	-	-	-
Transfers to Enterprise Funds	(2,740,464)	(2,740,464)	-	-	-	-
Transfers to Debt Service Fund from General Fund	(24,420)	(25,415)	(995)	-	-	-
<b>Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses</b>	<b>(573,592)</b>	<b>2,625,458</b>	<b>3,199,050</b>	<b>(24)</b>	<b>99,161</b>	<b>99,185</b>
<b>FUND BALANCES, BEGINNING</b>	<b>6,433,913</b>	<b>6,433,913</b>	<b>-</b>	<b>160,905</b>	<b>160,905</b>	<b>-</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 5,860,321</b>	<b>\$ 9,059,371</b>	<b>\$ 3,199,050</b>	<b>\$ 160,881</b>	<b>\$ 260,066</b>	<b>\$ 99,185</b>

The Accompanying Notes are an Integral Part of these Financial Statements.

OCONEE COUNTY, SOUTH CAROLINA  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN RETAINED EARNINGS - ALL PROPRIETARY FUND TYPES  
 For the Year Ended June 30, 1998

OPERATING REVENUES	
Outside Customer Sales/Sewerage User Fees	\$ 4,448,908
Intragovernmental Sales	565,627
Miscellaneous Fees	242,319
Grants	30,078
Total Operating Revenues	<u>5,286,932</u>
COSTS OF SALES	
Beginning Inventory	60,651
Production Costs	1,367,741
Cost of Goods Available for Sale	<u>1,428,392</u>
Ending Inventory	28,126
Cost of Sales	<u>1,400,266</u>
Gross Profit	3,886,666
OPERATING EXPENSES	<u>4,726,320</u>
Net Income from Operations	(839,654)
NONOPERATING REVENUES (EXPENSES)	
Interest Income	617,459
Donated Land	86,595
Interest Expense	<u>(513,096)</u>
Net Income (Loss) Before Transfers	(648,696)
TRANSFERS	
From (To) General Fund	<u>2,740,464</u>
Net Income	2,091,768
RETAINED EARNINGS, BEGINNING	<u>8,995,190</u>
RETAINED EARNINGS, ENDING	<u>\$ 11,086,958</u>

The Accompanying Notes are an Integral Part of these Financial Statements.

OCONEE COUNTY, SOUTH CAROLINA  
COMBINED STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES  
For the Year Ended June 30, 1998

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income (Loss) from Operations	\$ (839,654)
Adjustments to Reconcile Operating Income to Net Cash	
Provided by (Used For) Operating Activities	
Depreciation	1,288,405
Amortization	4,624
Net Landfill Closure and Postclosure Care Costs Accrual/Payments	(41,752)
	<u>411,623</u>

Changes in Assets and Liabilities

Decrease in Accounts Receivable	124,581
Decrease in Inventories	35,381
Decrease in Prepaid Expenses	30,261
Increase in Accounts Payable	131,408
Increase in Accrued Salaries	1,148
Decrease in Accrued Compensated Absences	(137)
	<u>734,265</u>

Net Cash Provided by (Used for) Operating Activities

734,265

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Operating Cash Transfers from (to) Other Funds	<u>2,740,464</u>
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Net Cash Provided by (Used for) Non-Capital Financing Activities

2,740,464

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Principal Paid on Capital Lease	(579,995)
Principal Paid on Long-Term Debt	(378,495)
Interest Paid on Long-Term Debt	(521,024)
Acquisition of Capital Assets	(1,403,871)
Capital Contributed from Impact Fees	75,087
Capital Contributed from State, Federal and Private Grants	219,294
	<u>219,294</u>

Net Cash Provided by (Used for) Capital and Related Financing Activities

(2,589,004)

CASH FLOWS FROM INVESTING ACTIVITIES

Net (Purchases) Maturities of Certificates of Deposits	1,612,110
Interest on Investments	666,571
Net Change in Debt Service Reserve Funds	18,730
	<u>18,730</u>

Net Cash Provided by (Used for) Investing Activities

2,297,411

Net Increase (Decrease) in Cash and Cash Equivalents

3,183,136

CASH AND CASH EQUIVALENTS, BEGINNING

12,894,560

CASH AND CASH EQUIVALENTS, ENDING

\$ 16,077,696

NONCASH FINANCING AND INVESTING ACTIVITIES:

Donated Land	<u>\$ 86,595</u>
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OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Oconee County operates under a council-supervisor form of government and provides the following services: public safety, highways and streets, sanitation, health and welfare, culture and recreation, education, public improvements, planning and development, and administrative services. The accounting policies of Oconee County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

Reporting Entity

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The definition of a reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it. Based upon the application of these criteria, the following is a brief review of the potential component units addressed in defining the government's reporting entity.

Included in the reporting entity:

Oconee County Sewer Commission

The County Council is financially accountable for the commission in that they appoint the commission members, review and approve budget requests and adjustments, and are ultimately responsible, absolutely and morally, for its fiscal condition. The financial statements of Oconee Sewer Commission is included in the County's statements. The amounts are blended within the Enterprise Funds. The commission's financial statements for the year ended June 30, 1998 are available for public inspection at the commission's business office.

Component unit not included in the reporting entity:

The School District of Oconee County

The School District of Oconee County is fiscally dependent upon the County. It has a separately elected board and provides services generally within the geographic boundaries of the County. The County must approve the tax levy each year to fund the local property tax portion of the district's budget. It is audited annually by other auditors and a copy of its financial statements can be obtained from the District's office.

Fund Accounting

The accounts of the County are organized on the basis of funds and one account group, each of which is considered a separate accounting entity. Each fund's operations are accounted for separately with a self-balancing set of accounts composed of its assets, liabilities, fund equity, revenues, and expenditures. For financial statement reporting purposes, the County's funds are grouped into six generic fund types, three broad fund categories and one account group as follows:

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Fund Accounting (Continued)

Governmental Funds

General Fund

The general fund is the general operating fund of the County and is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt including capital lease obligations, principal, interest and related costs.

Capital Projects Funds

Capital projects funds account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Fund Type

Enterprise Funds

Enterprise funds are used to account for operations; (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Fiduciary Fund Type

Agency Funds

Trust and agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds are custodial in nature and such funds may be received and disbursed by the department only in accordance with statutes, ordinances or other regulations. Trust and agency funds do not involve measurements of results of operations.

Account Group

General Long-Term Debt Account Group

The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from governmental funds.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual or modified accrual basis of accounting as recommended by the National Committee on Governmental Accounting and the American Institute of Certified Public Accountants. Basis of accounting refers to when revenues and expenditures are recorded and reported in the financial statements.

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Basis of Accounting (Continued)

Under the modified accrual basis of accounting, revenues are recorded when received except for measurable and available revenues. Property taxes, intergovernmental revenue, and other miscellaneous fees are susceptible to accrual. Expenditures, other than principal and interest on long-term indebtedness, which is recorded when due, are recorded at the time the liabilities are incurred.

Proprietary funds are accounted for using the accrual basis of accounting. The revenue is recognized when earned and expenses are recognized when incurred.

The basis used for each fund in the preparation of the accompanying financial statements is as follows:

Fund	Basis of Accounting
General	Modified Accrual
Special Revenue	Modified Accrual
Capital Projects	Modified Accrual
Debt Service	Modified Accrual
Proprietary	Accrual
Agency	Accrual

Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are not applied in the preparation of the financial statements of the proprietary fund types in accordance with GASB Statement No. 20.

General Fixed Assets

General fixed assets are recorded as expenditures in the General Fund, Special Revenue Funds, and Capital Projects Funds at the time of purchase. The County does not maintain a General Fixed Assets Account Group. Fixed assets consisting of certain improvements including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized as well.

Enterprise Fund Fixed Assets

Additions to Enterprise Fund fixed assets are recorded at cost. Depreciation has been provided using the straight - line method. The estimated useful lives of the various classes of depreciable fixed assets are as follows:

Land and Right-of-Ways	N/A
Buildings, Plant, Improvements, Lines, and Pump Stations	5-50 Years
Machinery and Equipment	3-15 Years
Other Assets	22-50 Years
Construction in Progress	N/A

Budgets and Budgetary Accounting

The County Council adopts annual budgets for the General Fund and Special Revenue Funds of Oconee County.



OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Budgets and Budgetary Accounting (Continued)

The accompanying financial statements and the County records reflect no adjustments for differences between the amount appropriated for expenditure and amounts actually expended, or in estimated revenues and actual revenues. The differences between appropriations and actual expenditures are approved after the end of the year by action of County Council. In the opinion of counsel for the County, this procedure meets statutory requirements relating to over expenditure of line items within the budget.

Oconee County follows the following procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to July 1, the County Supervisor submits to County Council a proposed budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
- b. The proposed budget is discussed at regular meetings of County Council.
- c. After three (3) readings before County Council, the budget ordinance is legally enacted.
- d. After the budget is adopted, department heads may transfer appropriations between salary line items if approved by the supervisor. Departmental non-salary line items appropriations may be transferred upon the approval of the supervisor and county purchasing agent. If transfers between departments are necessary, the County Council must adopt a supplemental budget appropriation.
- e. Formal budgetary integration is employed as a management control device during the year for the General Fund, and Special Revenue Funds. The County does not adopt budgets for the Debt Service Fund nor the Capital Projects Funds.
- f. Budgets for the General Fund and Special Revenue Funds were adopted on a basis consistent with generally accepted accounting principles (GAAP) except that current year encumbrances are considered as expenditures for budgetary purposes. Therefore, current expenditures in the financial statements which include comparisons of budgeted to actual expenditures are prepared on the budgetary basis for comparability.

Statement of Cash Flows

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

Encumbrances

Encumbrances outstanding at year end represent the estimated amount of expenditures ultimately to result if unperformed contracts or unfilled purchase orders at year end were performed or filled. Encumbrance accounting is utilized in the General, Special Revenue, and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balances.

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Inventories

General Fund

Parts inventory is valued at approximate cost using the weighted average method. Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of total assets.

Enterprise Fund

Inventory of the Rock Crusher is priced on the actual cost of production method. Inventory of the Oconee County Sewer Commission is priced at a weighted average unit cost.

Investments

Investments are recorded at fair value.

Pooled Cash and Investments

The County Treasurer pools cash and cash equivalents of certain funds. Separate cash accounts are maintained for accounting purposes to assure the integrity of each fund's cash balance.

Compensated Absences

The County's vacation policy provides that employees accrue (5) to twenty (20) days vacation on each anniversary. Such benefit must be used within twelve (12) months of the date earned, but is vested if termination occurs during any benefit period.

As of June 30, 1998, the liability for vacation pay is \$164,290. The amounts applicable to the Enterprise Funds of \$29,265 have been recorded in that fund and the amount applicable to other funds of \$135,025 has been recorded in the General Long-Term Debt Account Group.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 - GENERAL AND SPECIAL REVENUE FUNDS BUDGET AND ACTUAL COMPARISONS**

The combined statement of revenues, expenditures, and changes in fund balances - budget and actual, general and special revenue fund types is prepared under the basis of accounting used in preparing the budget. Current year encumbrances are treated as expenditures for budgetary purposes. As a result, the General and Special Revenue Funds expenditures reported in the budget and actual statement differ from the expenditures reported on the basis of generally accepted accounting principles (GAAP). Consequently, the General and Special Revenue Funds expenditures budgetary basis are adjusted accordingly to bring them into conformity to generally accepted accounting principles. These differences can be reconciled as follows:

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 2 - GENERAL AND SPECIAL REVENUE FUNDS BUDGET AND ACTUAL  
COMPARISONS (CONTINUED)**

	General Fund	Special Revenue Funds
Expenditures - Budgetary Basis	\$ 18,950,831	\$ 843,079
Prior Year Encumbrances Paid in Current Year	2,585,914	179,542
Current Year Encumbrances Outstanding at Year End	(3,459,180)	(15,605)
Expenditures - GAAP Basis	<u>\$ 18,077,565</u>	<u>\$ 1,007,016</u>

**NOTE 3 - PROPERTY TAXES**

The County levies taxes on property values as determined by the County Assessor. Property taxes levied for the current year include 105.2 mills appropriated for the Oconee County School District's operations, 63.60 mills for general operations of the County and 1.4 mills for the Tri-County Technical College operations. In addition, 4.0 mills, 18.10 mills, and .7 mills are for the repayment of general obligation bonds of Oconee County, Oconee County School District, and Tri-County Technical College, respectively. Oconee County acts as a collection agent for the school district's portion of the tax.

The taxes are levied on October 1 of each year and are payable by January 15. Taxes are delinquent after January 15 and are subject to the following penalties depending upon the collection date:

Collection Date	Penalty
After January 15th	3% of tax
After February 1st	Additional 10% of tax
After March 16th	Additional 5% of tax plus a \$2.00 collection cost

Unpaid delinquent taxes collected within sixty (60) days after June 30, 1998 are reflected as receivables on the accompanying balance sheets in the amount of \$198,348 (County operations \$70,774, County Debt Service \$5,596, School Operations/Debt Service \$120,178, and Tri-County Technical Operations \$1,800.)

The Duke Power Company provides a major source of property tax revenues. During the year ended June 30, 1998, the company paid property taxes in the amount of \$22.4 million based on assessed property value of \$117.3 million. This represents approximately 40% of the total 1996 levy. Approximately \$14.6 million of the amount collected was appropriated for the Oconee County School District and Tri-County Technical College.

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 4 - FIXED ASSETS**

Proprietary Fund fixed assets consisted of the following at June 30, 1998:

	Rock Crusher	Oconee County Sewer Commission	Solid Waste Commission	Total
Land and Right-of-Ways	\$ 319,042	\$ 393,960	\$ 410,748	\$ 1,123,750
Buildings, Plant, Improvements, Lines, and Pump Stations	36,007	25,443,144	3,750,729	29,229,880
Machinery and Equipment	2,917,952	434,095	2,155,464	5,507,511
Other Assets	-	113,275	60,547	173,822
Construction in Progress	-	580,202	618,163	1,198,365
<b>Total Fixed Assets</b>	<b>3,273,001</b>	<b>26,964,676</b>	<b>6,995,651</b>	<b>37,233,328</b>
<b>Less Accumulated Depreciation</b>	<b>(1,943,670)</b>	<b>(7,619,258)</b>	<b>(1,011,454)</b>	<b>(10,574,382)</b>
<b>Net Fixed Assets</b>	<b>\$ 1,329,331</b>	<b>\$ 19,345,418</b>	<b>\$ 5,984,197</b>	<b>\$ 26,658,946</b>

**NOTE 5 - SELF INSURED HEALTH INSURANCE**

The County is self insured for health and dental claims incurred by employees and/or their dependents and retirees, if they are enrolled in the plan. The plan establishes a "Stop Loss" of \$40,000 per person per contract year with a maximum cost to the County of \$1,746,636 for the year ended June 30, 1998. At year-end incurred but unpaid claims equal approximately \$159,902 and are recorded as a liability and expenditure within the General Fund.

**NOTE 6 - RETIREMENT PLANS**

Oconee County contributes to the South Carolina Retirement System (SCRS) and to the Police Officers Retirement System (PORS), cost-sharing multiple-employer defined benefit pension plans administered by the State Budget and Control Board of South Carolina. SCRS and PORS provide retirement and disability benefits, cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefit provisions are established under the authority of Title 9 of the SC Code of Laws. The SCRS and PORS issue a publicly available financial report that includes financial statements and required supplementary information for the retirement systems. These reports may be obtained by writing to South Carolina Retirement System, Post Office Box 11960, Capitol Station, Columbia, South Carolina 29211-1960.

SCRS and PORS members are required to contribute 6.00% and 6.50% respectively of their annual covered salary and the County is required to contribute at an actuarially determined rate. The current rates for SCRS and PORS are 6.85% and 10.70% respectively of annual covered payroll. The contribution requirements of plan members and the County are established and may be amended by the SCRS and PORS. The County's contributions to SCRS and PORS for the years ended June 30, 1998, 1997, 1996 were as follows:

	SCRS	PORS
1998	\$ 390,789	\$ 208,440
1997	\$ 363,314	\$ 192,780
1996	\$ 368,195	\$ 185,147

The above contributions are equal to the required contributions for each year.

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 7 - LONG-TERM DEBT**

The following is a summary of changes in long-term debt for the year ended June 30, 1998:

	Payable at July 1, 1997	Additions	Deductions	Payable at June 30, 1998
<b>Proprietary Funds:</b>				
Revenue Bonds	\$ 2,115,000	\$ -	\$ 95,000	\$ 2,020,000
State Revolving Fund Loan	7,786,609	-	283,495	7,503,114
Capital Lease Obligation	880,645	-	579,995	300,650
Closure and Postclosure Care Costs	3,360,666	227,361	269,115	3,318,912
<b>Total Proprietary Funds</b>	<b>\$ 14,142,920</b>	<b>\$ 227,361</b>	<b>\$ 1,227,605</b>	<b>\$ 13,142,676</b>
	Payable at July 1, 1997	Additions	Deductions	Payable at June 30, 1998
<b>General Long-Term Debt:</b>				
General Obligation Bonds	\$ 8,960,000	\$ -	\$ 1,080,000	\$ 7,880,000
Special Source Revenue Bonds Payable	629,887	-	46,875	583,012
Capital Lease Obligation	199,483	-	6,260	193,223
Accrued Compensated Absences, Net	118,313	16,712	-	135,025
Arbitrage Liability Payable	26,279	-	20,826	5,453
<b>Total General Long-Term Debt</b>	<b>9,933,962</b>	<b>16,712</b>	<b>1,153,961</b>	<b>8,796,713</b>
<b>Total</b>	<b>\$ 24,076,882</b>	<b>\$ 244,073</b>	<b>\$ 2,381,566</b>	<b>\$ 21,939,389</b>

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

Debt service requirements in future years is as follows:

Proprietary Funds:

Serial and Term Revenue Bonds

Year Ending June 30	Interest Rate	Principal	Interest	Total Debt Service
1999	7.100%	\$ 105,000	\$ 155,274	\$ 260,274
2000	7.200%	110,000	147,819	257,819
2001	7.300%	120,000	139,899	259,899
2002	7.400%	130,000	131,139	261,139
2003	7.500%	140,000	121,519	261,519
2004	7.600%	150,000	111,019	261,019
2005	7.875%	160,000	99,619	259,619
2006	7.875%	170,000	87,019	257,019
2007	7.875%	185,000	73,631	258,631
2008	7.875%	200,000	59,063	259,063
2009	7.875%	215,000	43,313	258,313
2010	7.875%	230,000	26,381	256,381
2011	7.875%	105,000	8,269	113,269
Total		<u>\$ 2,020,000</u>	<u>\$ 1,203,964</u>	<u>\$ 3,223,964</u>

State Revolving Fund Loan (Interest rate 4.25%)

Year Ending June 30	Principal	Interest	Total Debt Service
1999	\$ 295,736	\$ 314,211	\$ 609,947
2000	308,507	301,440	609,947
2001	321,829	288,118	609,947
2002	335,726	274,221	609,947
2003	350,224	259,723	609,947
2004	365,347	244,600	609,947
2005	381,124	228,823	609,947
2006	397,581	212,366	609,947
2007	414,750	195,197	609,947
2008	432,659	177,288	609,947
2009	451,343	158,604	609,947
2010	470,833	139,114	609,947
2011	491,164	118,783	609,947
2012	512,374	97,573	609,947
2013	534,499	75,448	609,947
2014	557,580	52,367	609,947
2015	581,657	28,290	609,947
2016	300,181	4,793	304,974
Total	<u>\$ 7,503,114</u>	<u>\$ 3,170,959</u>	<u>\$ 10,674,073</u>

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

General Long-Term Debt:

Serial Bonds of 1991

Year Ending June 30	Interest Rate	Principal	Interest	Total Debt Service
1999	5.80%	\$ 165,000	\$ 4,785	\$ 169,785

Serial Bonds of 1994 (May 1993)

Year Ending June 30	Interest Rate	Principal	Interest	Total Debt Service
1999	4.60%	\$ 145,000	\$ 21,390	\$ 166,390
2000	4.60%	155,000	14,720	169,720
2001	4.60%	165,000	7,590	172,590
Total		\$ 465,000	\$ 43,700	\$ 508,700

Serial Bonds of 1994 (August 1993)

Year Ending June 30	Interest Rate	Principal	Interest	Total Debt Service
1999	4.20%	\$ 690,000	\$ 195,808	\$ 885,808
2000	4.35%	725,000	165,549	890,549
2001	4.50%	760,000	132,680	892,680
2002	4.50%	800,000	97,580	897,580
2003	4.60%	840,000	60,260	900,260
2004	4.60%	890,000	20,470	910,470
Total		\$ 4,705,000	\$ 672,347	\$ 5,377,347

Serial Bonds of 1996

Year Ending June 30	Interest Rate	Principal	Interest	Total Debt Service
1999	6.60%	\$ 145,000	\$ 135,189	\$ 280,189
2000	6.60%	150,000	125,619	275,619
2001	5.88%	155,000	115,719	270,719
2002	4.65%	160,000	106,613	266,613
2003	4.75%	170,000	99,173	269,173
2004	4.85%	180,000	91,098	271,098
2005	4.95%	185,000	82,368	267,368
2006	5.00%	205,000	73,210	278,210
2007	5.10%	210,000	62,960	272,960
2008	5.20%	225,000	52,250	277,250
2009	5.30%	240,000	40,550	280,550
2010	5.30%	250,000	27,830	277,830
2011	5.40%	270,000	14,580	284,580
Total		\$ 2,545,000	\$ 1,027,159	\$ 3,572,159

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

Special Source Revenue Bonds

Special Source Revenue Bond (Borg-Warner) Series 1996

Year Ending June 30	Interest Rate	Principal	Interest	Total Debt Service
1999	8.61%	\$ 41,781	\$ 50,895	\$ 92,676
2000	8.61%	87,693	47,247	134,940
2001	8.61%	81,307	39,592	120,899
2002	8.61%	74,346	32,494	106,840
2003	8.61%	66,758	26,004	92,762
2004	8.61%	58,488	20,176	78,664
2005	8.61%	56,245	15,071	71,316
2006	8.61%	56,340	10,161	66,501
2007	8.61%	60,054	5,242	65,296
Total		<u>\$ 583,012</u>	<u>\$ 246,882</u>	<u>\$ 829,894</u>

The maximum debt ceiling allowed by state law (South Carolina Constitution Article X, section 14, effective November 30, 1977) is 8% of the assessed value of all taxable property within Oconee County. The County's debt limit and debt margin is as follows:

Assessed Property Valuation	<u>\$ 274,585,503</u>
Debt Limit - Eight Percent of Assessed Value	21,966,840
County Bonds Outstanding June 30, 1998, Issued Subsequent to November 30, 1977	<u>7,880,000</u>
Legal Debt Margin	<u>\$ 14,086,840</u>



OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 8 - INDIVIDUAL FUND INTERFUND RECEIVABLE AND PAYABLE**

Balances at June 30, 1998 were:

Fund	Interfund Receivables	Interfund Payables
General Fund	\$ 5,119	\$ 4,231
Special Revenue Funds	-	-
Debt Service Fund	4,231	-
Agency Funds	-	5,119
Capital Projects Funds	-	-
Enterprise Funds	-	-
<b>Total</b>	<b>\$ 9,350</b>	<b>\$ 9,350</b>

**NOTE 9 - CONTINGENT LIABILITIES**

The County participates in a number of federal and state assisted grant programs. These programs are subject to compliance audits by grantors or their representatives. The audits of these programs for or including the year ended June 30, 1998 have not yet been conducted; therefore, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

**NOTE 10 - CASH, CASH EQUIVALENTS, REPURCHASE AGREEMENT, AND INVESTMENTS**

The State of South Carolina requires that all public monies on deposit be protected by the Federal Deposit Insurance Corporation, or collateralized by obligations of the United States and its agencies, or collateralized by general obligations of the State of South Carolina and its political units.

As of June 30, 1998 the carrying amount of the County's cash, cash equivalents, and repurchase agreement totals:

Cash and Cash Equivalents	\$ 25,050,491
Repurchase Agreement	11,851,042
<b>Total Cash and Cash Equivalents</b>	<b>\$ 36,901,533</b>

The bank balances of the County's cash, cash equivalents, and repurchase agreement totals \$37,537,946 at June 30, 1998. Below is a summary of the insurance and collateralization of these deposits:

	Amount
Insured (FDIC)	\$ 2,110,330
Uninsured:	
Collateral Held by County's Agent in County's Name	35,318,947
Uncollateralized	108,669
<b>Total</b>	<b>\$ 37,537,946</b>

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE 10 - CASH, CASH EQUIVALENTS, REPURCHASE AGREEMENT, AND INVESTMENTS  
(CONTINUED)**

The County entered into a repurchase agreement with a local bank in order to maximize interest on idle cash. As of June 30, 1998, the monies on deposit under the repurchase agreement along with the supporting collateral is as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>
Repurchase Agreement - Securities Held by County's Agent in County's Name	\$ 11,851,042	\$ 11,851,042

The County Sewer Commission has investments with a bond trustee. These funds are invested in obligations of the United States in book entry form. At June 30, 1998, the commission has the following investments:

	<u>Carrying Amount</u>	<u>Market Value</u>
Uninsured:		
U.S. Government Obligations Held by Bond Trustee in the Name of the Commission's Account - Debt Service Reserve Funds	\$ 871,477	\$ 871,477
U.S. Government Obligations Held by Bond Trustee in the Name of the Commission's Account - Debt Service Funds	1,980,992	1,980,992
U.S. Government Obligations Held by Bond Trustee in the Name of the Commission's Account - Bond Proceeds Fund	<u>888</u>	<u>888</u>
Total Investments Held by Bond Trustee	<u>\$ 2,853,357</u>	<u>\$ 2,853,357</u>

The County Solid Waste Commission has investments with a bank trust department. These funds are invested in a treasury money market account. At June 30, 1998, the commission has the following investment:

	<u>Carrying Amount</u>	<u>Market Value</u>
Uninsured:		
Treasury Money Market Account Held by Trust Department in County's Name	\$ 596,067	\$ 596,067

OCONEE COUNTY, SOUTH CAROLINA  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 1998

**NOTE - 11 SEGEMENTS OF ENTERPRISE ACTIVITES**

The Rock Crusher, Oconee County Sewer Commission, and Solid Waste Commission derive the majority of their operating revenues from user charges. The following is a summary of each fund's activities at June 30, 1998:

	Rock Crusher	Oconee County Sewer Commission	Solid Waste Commission
Operating Revenues	\$ 1,726,640	\$ 2,446,649	\$ 517,938
Intragovernmental Sales	565,627	-	-
Grants	-	-	30,078
Operating Expenses	1,209,419	1,458,420	2,165,718
Depreciation and Amortization	190,847	706,250	395,932
Operating Income (Loss)	892,001	281,979	(2,013,634)
Interest Income	37,016	314,550	265,893
Interest Expense	-	481,841	31,255
Donated Land	-	-	86,595
Operating Transfers In	-	-	2,740,464
Operating Transfers Out	-	-	-
Net Income (Loss)	929,017	114,688	1,048,063
Fixed Assets Additions	81,797	319,685	1,084,037
Fixed Assets Deletions	-	-	-
Contributed Capital Additions	-	294,381	-
Net Working Capital	1,066,747	911,183	10,176,527
Total Assets	3,184,010	25,874,033	17,093,629
Bonds and Loans Payable, Long-Term Portion (Net of unamortized discount of \$8,873)	-	9,113,491	-
Total Equity	3,140,686	16,157,047	13,134,785

**NOTE 12 - CAPITAL LEASES**

During the year ended June 30, 1992, the County entered into a capital lease contract for the construction of airplane hangers at the county airport in the amount of \$244,000. The terms of the financing contract are as follows:

Financing Term - 80 quarterly payments (20 years with a balloon payment provision due June, 2002)  
Finance Rate - 9.95% APR adjustable September, 2002  
Payout - \$6,473/quarter: \$25,891/annual

Year Ended June 30	Interest	Principal	Total
1999	\$ 18,928	\$ 6,963	\$ 25,891
2000	18,257	7,634	25,891
2001	17,420	8,471	25,891
2002	16,544	9,347	25,891
Thereafter	91,626	160,808	252,434
Total	\$ 162,775	\$ 193,223	\$ 355,998

**OCONEE COUNTY, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 1998

**NOTE 12 - CAPITAL LEASES (CONTINUED)**

During the year ended June 30, 1995, the County entered into a capital lease contract for the construction and purchase of certain facilities and equipment to be used for solid waste materials processing in the amount of \$2,704,000. The terms of the financing contract are as follows:

Financing Term - 10 semi-annual payments (5 years)  
Finance Rate - 8.141%  
Payout - \$307,983/semi-annual

Year Ended June 30	Interest	Principal	Total
1999			
	\$ 7,333	\$ 300,650	\$ 307,983

**NOTE 13 - CONCENTRATIONS OF CREDIT RISK**

General Fund

Various federal, state, and local agencies owed the General Fund receivables of \$842,137 at June 30, 1998.

Special Revenue Funds

Various federal and state agencies owed the Special Revenue Funds receivables of \$336,986 at June 30, 1998.

Capital Projects Funds

Various federal and state agencies owed the Capital Projects Funds receivables of \$514,223 at June 30, 1998 for the airport expansion project.

Enterprise Funds

Local municipalities, various industrial users, and county agencies owed the Enterprise Funds receivables of \$245,216 at June 30, 1998.

**NOTE 14 - CLOSURE AND POSTCLOSURE CARE COST**

Oconee County assumed operation of the landfill from the City of Seneca in 1977. The landfill's operations were accounted for in the General Fund until June 30, 1993. Since then, the operations have been accounted for in an Enterprise Fund. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. In June 1998, the county closed its landfill. The liability recorded for closure and postclosure care costs total \$3,318,912 at year-end. This amount is based on what it would cost to perform all closure and postclosure care in 1998. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The County uses the financial assurance mechanism to satisfy state regulatory authorities as to its ability to meet the closure and postclosure care cost liability.

**OCONEE COUNTY, SOUTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS**  
For the Year Ended June 30, 1998

**NOTE 15 - RISK MANAGEMENT**

The County 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. Commercial insurance is carried for all these risks. Settled claims resulting from these risks have not exceeded the insurance coverage limits in any of the past three fiscal years.

**NOTE 16 - CONTRIBUTED CAPITAL**

Contributed capital consists of the following at June 30, 1998:

	Oconee County Sewer Commission	Solid Waste Commission	Total
Beginning Balance at July 1, 1997	\$ 13,851,179	\$ 7,200,000	\$ 21,051,179
Additions:			
State, Federal, and Private Grants	219,294	-	219,294
Current Year Impact Fees	75,087	-	75,087
Ending Balance at June 30, 1998	\$ 14,145,560	\$ 7,200,000	\$ 21,345,560

**NOTE 17 - SUBSEQUENT EVENT:**

In early July 1998, the Oconee County Sewer Commission called the outstanding serial and term bonds issued in 1998. Total bond principal redeemed amounted to \$2,020,000.

**NOTE 18 - COUNCIL MEMBERS AND ELECTED OFFICIALS:**

The following individuals are the Council members of the County Council:

	District	Expiration of Term
Harrison E. Orr, Chairman/Supervisor	At Large	December 31, 2000
Tim Hall, III	1	December 31, 1998
J. Harold Thomas	2	December 31, 2000
Harry Hamilton, Vice-Chairman	3	December 31, 1998
Ann H. Hughes	4	December 31, 2000
Charles R. Timms	5	December 31, 2000

The following individual are the elected officials of Oconee County:

	Office	Expiration of Term
Kenneth F. Williams	Auditor	June 30, 2001
Anne C. Dodd	Treasurer (Interim)	December 31, 1998
Mona D. Towe	Tax Collector	December 31, 2000
Sally C. Smith	Clerk of Court	December 31, 2000
Sandra H. Burgess Orr	Probate Judge	December 31, 1998
Karl Addis	Coroner	December 31, 2000
James Singleton	Sheriff	December 31, 2000

OCONEE COUNTY, SOUTH CAROLINA  
GENERAL FUND  
BALANCE SHEET  
June 30, 1998

ASSETS

Cash and Cash Investments	\$ 13,133,175
Accounts Receivable	842,137
Property Taxes Receivable	70,774
Accrued Interest Receivable	73,553
Inventories	150,332
Due from Agency Funds	5,119
	<hr/>
Total Assets	\$ 14,275,090
	<hr/>

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable	\$ 1,505,737
Employee Benefits Withheld and Accrued	227,747
Deposits	18,823
Due to Debt Service Fund	4,231
	<hr/>
Total Liabilities	1,756,538
	<hr/>

FUND BALANCES

Reserved for Encumbrances	3,459,181
Reserved for Inventories	150,332
Unreserved:	
Designated for Subsequent Year's Expenditures	2,237,780
Designated for Pine Street Complex	910,669
Designated for Seneca Health Clinic	600,000
Designated For Health Insurance	894,592
Undesignated	4,265,998
	<hr/>
Total Fund Balances	12,518,552
	<hr/>
Total Liabilities and Fund Balances	\$ 14,275,090
	<hr/>

OCONEE COUNTY, SOUTH CAROLINA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
For the Year Ended June 30, 1998

REVENUES	\$ 24,541,656
EXPENDITURES	<u>18,077,565</u>
Excess (Deficiency) of Revenues Over Expenditures	6,464,091
OTHER FINANCING SOURCES (USES)	<u>(2,965,367)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	3,498,724
FUND BALANCE, BEGINNING	<u>9,019,828</u>
FUND BALANCE, ENDING	<u><u>\$ 12,518,552</u></u>

OCONEE COUNTY, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES  
BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
PROPERTY TAXES	\$ 18,695,869	\$ 17,685,601	\$ (1,010,268)
INTERGOVERNMENTAL REVENUE			
Aid to Subdivision	2,655,867	2,594,174	(61,693)
DSS Child Support - Sheriff's Office	6,500	9,240	2,740
Flood Control	5,347	6,409	1,062
Library	74,485	80,492	6,007
Library Contract	2,909	3,622	713
Registration Board	10,650	9,650	(1,000)
Social Services	16,000	30,782	14,782
Tax Forms	2,300	2,300	-
Veteran's Affairs	10,432	10,717	285
Solicitor's Office	17,615	17,615	-
Probate Judge	1,575	1,575	-
Clerk of Court	1,575	1,575	-
Emergency Preparedness	25,720	26,847	1,127
Rural Fire	80,000	85,884	5,884
Miscellaneous	1,000	2,206	1,206
National Forestry	94,000	113,889	19,889
South Carolina Boating Fines	425	866	441
Shore Patrol	26,430	24,343	(2,087)
Family Court	65,000	106,104	41,104
Accommodation Tax	27,500	28,608	1,108
Sheriff	1,575	1,575	-
Mini - Bottle	56,238	61,688	5,450
Federal - Owned Land	10,558	9,271	(1,287)
Refuge Revenue Sharing	659	-	(659)
Oconee Community Center	-	500,000	500,000
Seneca Health Clinic	-	300,000	300,000
Total Intergovernmental Revenue	3,194,360	4,029,432	835,072



OCONEE COUNTY, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES  
BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
CHARGES FOR SERVICES			
Assessor's Office	\$ 18,000	\$ 26,079	\$ 8,079
County Airport	91,120	166,991	75,871
Clerk of Court	460,000	632,550	172,550
Animal Shelter	2,800	15,060	12,260
Magistrates	399,284	399,830	546
Probate Judge	75,000	90,547	15,547
PRT Commission	203,700	260,998	57,298
Rentals	8,225	8,013	(212)
Sheriff's Civil Fees	5,620	7,725	2,105
Tax Collector's Fees	14,000	9,561	(4,439)
Vital Statistics	16,000	16,438	438
Miscellaneous Income	61,596	120,901	59,305
Law Enforcement Center Housing	7,800	10,725	2,925
Computer Services	3,200	4,207	1,007
Cable TV Franchise Fee	54,000	59,320	5,320
Library Fines and Fees	23,500	30,829	7,329
Master in Equity	5,688	7,459	1,771
Soil and Water	6,139	6,139	-
Total Charges for Services	1,455,672	1,873,372	417,700
INTEREST	377,100	953,251	576,151
Total Revenues	\$ 23,723,001	\$ 24,541,656	\$ 818,655

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<b>GENERAL GOVERNMENT</b>			
Registrations and Elections Board	\$ 85,174	\$ 79,685	\$ 5,489
Boards and Commissions	6,227	5,439	788
Tax Assessor	504,367	470,199	34,168
Clerk of Court	507,380	487,404	19,976
Treasurer	169,351	157,316	12,035
Auditor	175,888	161,510	14,378
Probate Judge	212,979	195,312	17,667
Tax Collector	103,891	100,996	2,895
Public Buildings	538,710	388,410	150,300
Finance Office	131,150	131,970	(820)
Personnel	100,934	87,049	13,885
Computer Department	116,091	104,475	11,616
Board of Assessment Appeals	12,308	3,353	8,955
County Council	86,213	76,838	9,375
Council of Governments	98,495	88,631	9,864
Purchasing	139,382	137,058	2,324
Economic Development Commission	93,997	89,777	4,220
Planning Commission	10,000	1,025	8,975
Delegation	38,238	35,514	2,724
Motor Pool	1,096,498	737,536	358,962
Soil and Water Conservation	30,192	26,864	3,328
County Airport	164,831	246,824	(81,993)
Master in Equity	36,056	36,056	-
Professional Fees	108,238	104,922	3,316
Postage	84,700	73,218	11,482
Other Administrative Expenditures	72,600	90,081	(17,481)
Telephone and Equipment	24,750	22,428	2,322
Pine Street Complex	1,560,652	649,983	910,669
Bonding Employees	9,700	6,716	2,984
Unemployment Insurance	15,000	6,507	8,493
Insurance	313,270	333,200	(19,930)
Non-Department Salaries and Wages	1,486,999	569,949	917,050
Contingencies	4,060	-	4,060
<b>Total General Government</b>	<b>8,138,321</b>	<b>5,706,245</b>	<b>2,432,076</b>
<b>PUBLIC SAFETY</b>			
Sheriff's Department	2,062,002	2,017,496	44,506
Rural Fire Control	657,994	640,420	17,574
Solicitor	208,571	203,309	5,262
Communications	543,011	456,372	86,639
Probation Office	4,638	4,201	437
Coroner	77,470	83,357	(5,887)
Public Defender	49,500	49,500	-
National Defense	4,000	4,000	-
Emergency Preparedness	238,279	222,409	15,870
Magistrates	318,733	304,035	14,698
Law Enforcement Center	1,030,568	942,034	88,534
Circuit Judge	20,000	10,016	9,984
Law Enforcement Computer Center	64,202	48,040	16,162
<b>Total Public Safety</b>	<b>5,278,968</b>	<b>4,985,189</b>	<b>293,779</b>

OCONEE COUNTY, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES  
BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
<b>HEALTH AND WELFARE</b>			
Animal Control	\$ 110,000	\$ 123,229	\$ (13,229)
Hospital - Ambulance	125,000	93,750	31,250
Juvenile Services	35,000	35,000	-
Anderson/Oconee Speech and Hearing	2,000	2,000	-
Anderson/Oconee Council on Aging	37,815	37,815	-
Anderson/Oconee Mental Health	42,000	42,000	-
Charity Medical Services	266,354	265,516	838
Social Services	29,925	13,995	15,930
Disabilities and Special Needs	25,000	25,000	-
Health Department	388,259	73,551	314,708
Veteran's Affairs	64,814	63,784	1,030
Lakeview Rest Home	2,000	-	2,000
Total Health and Welfare	1,128,167	775,640	352,527
<b>HIGHWAYS AND STREETS</b>			
Supervisor	4,646,784	4,612,171	34,613
General Gravel	300,000	565,627	(265,627)
Total Highways and Streets	4,946,784	5,177,798	(231,014)
<b>CULTURE AND RECREATION</b>			
PRT Commission	520,920	487,913	33,007
Arts and Historical Commission	31,329	26,861	4,468
Library	883,074	787,224	95,850
Cooperative Extension Service	4,000	4,000	-
Oconee Community Theatre	10,000	510,000	(500,000)
Total Culture and Recreation	1,449,323	1,815,998	(366,675)
<b>MISCELLANEOUS</b>			
Town Grants - Local Funds	330,952	332,750	(1,798)
Mini - Bottle Appropriation	56,544	60,380	(3,836)
South Carolina Association of Counties	10,948	10,947	1
Rural Fire Insurance Fees	79,345	85,884	(6,539)
Total Miscellaneous	477,789	489,961	(12,172)
Total Expenditures	\$ 21,419,352	\$ 18,950,831	\$ 2,468,521

OCONEE COUNTY, SOUTH CAROLINA  
GENERAL FUND  
SCHEDULE OF OTHER FINANCING SOURCES (USES)  
BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES)			
Transfers from (to) Special Revenue Funds	\$ (17,357)	\$ (4,488)	\$ 12,869
Transfers from (to) Enterprise Funds	(2,740,464)	(2,740,464)	-
Transfers from (to) Debt Service Fund	(24,420)	(25,415)	(995)
Transfers from (to) Capital Projects Funds	(95,000)	(195,000)	(100,000)
Total Other Financing Sources (Uses)	<u>\$ (2,877,241)</u>	<u>\$ (2,965,367)</u>	<u>\$ (88,126)</u>

OCONEE COUNTY, SOUTH CAROLINA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

**ASSETS**

	Lunney Museum	Library Donations	Duke Power Emergency Preparedness	Tourism	Clerk of Court	Emergency Response	Sheriff DEA Funds	Local Emergency Preparedness
Cash	\$ 650	\$ 4,733	\$ 11,225	\$ 72,584	\$ 589	\$ 868	\$ 36,254	\$ 8,851
Accounts Receivable	-	-	-	40,726	-	-	-	-
Total Assets	<u>\$ 650</u>	<u>\$ 4,733</u>	<u>\$ 11,225</u>	<u>\$ 113,310</u>	<u>\$ 589</u>	<u>\$ 868</u>	<u>\$ 36,254</u>	<u>\$ 8,851</u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Funds Held in Escrow	-	-	-	-	-	-	20,496	-
Accounts Payable	-	1,428	892	-	-	-	4,003	-
Deferred Grant Revenue	-	-	-	-	-	-	-	-
Total Liabilities	-	1,428	892	-	-	-	24,499	-

**FUND BALANCES**

Reserved for Encumbrances	-	-	2,105	1,500	-	-	-	-
Undesignated	650	3,305	8,228	111,810	589	868	11,755	8,851
Total Fund Balances	650	3,305	10,333	113,310	589	868	11,755	8,851
Total Liabilities and Fund Balances	<u>\$ 650</u>	<u>\$ 4,733</u>	<u>\$ 11,225</u>	<u>\$ 113,310</u>	<u>\$ 589</u>	<u>\$ 868</u>	<u>\$ 36,254</u>	<u>\$ 8,851</u>

See Independent Auditors' Report.

O'CONNOR COUNTY, SOUTH CAROLINA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

**ASSETS**

	Library Projects	DARE Fund	South Cove Tennis Area	State Roads	Blue Ridge Art Council	Oconee County Sign Committee	Oconee Community Theatre	Local Law Enforcement Block Grant Program	U.S. District Court Community Fund
Cash	\$ -	\$ 583	\$ 6,000	\$ (254,733)	\$ 1,365	\$ 7,000	\$ 20,000	\$ 51,275	\$ 15,719
Accounts Receivable	-	-	-	263,013	-	-	-	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 583</u>	<u>\$ 6,000</u>	<u>\$ 8,280</u>	<u>\$ 1,365</u>	<u>\$ 7,000</u>	<u>\$ 20,000</u>	<u>\$ 51,275</u>	<u>\$ 15,719</u>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Funds Held in Escrow	-	-	-	-	-	-	-	-	-
Accounts Payable	-	-	-	8,280	-	-	-	-	-
Deferred Grant Revenue	-	-	-	-	-	-	-	-	1,900
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,280</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,566</u>	<u>1,900</u>

**FUND BALANCES**

Reserved for Encumbrances	12,000	-	-	-	-	-	-	-	-
Undesignated	(12,000)	583	6,000	-	1,365	7,000	20,000	9,709	13,819
<b>Total Fund Balances</b>	<u>-</u>	<u>583</u>	<u>6,000</u>	<u>-</u>	<u>1,365</u>	<u>7,000</u>	<u>20,000</u>	<u>9,709</u>	<u>13,819</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ 583</u>	<u>\$ 6,000</u>	<u>\$ 8,280</u>	<u>\$ 1,365</u>	<u>\$ 7,000</u>	<u>\$ 20,000</u>	<u>\$ 51,275</u>	<u>\$ 15,719</u>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

	Victims Assistance	CDBG 3-W-96-008	DHEC EMS	CDBG 3-N-97-005	PRT	Total All Funds
<b>ASSETS</b>						
Cash	\$ 53,670	\$ 39,184	\$ 38,174	\$ -	\$ 11,572	\$ 125,563
Accounts Receivable	-	28,720	-	2,235	2,292	336,986
Total Assets	<u>\$ 53,670</u>	<u>\$ 67,904</u>	<u>\$ 38,174</u>	<u>\$ 2,235</u>	<u>\$ 13,864</u>	<u>\$ 462,549</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Funds Held in Escrow	-	-	-	-	-	20,496
Accounts Payable	-	67,904	38,174	2,235	-	124,816
Deferred Grant Revenue	-	-	-	-	-	41,566
Total Liabilities	-	67,904	38,174	2,235	-	186,878
<b>FUND BALANCES</b>						
Reserved for Encumbrances	-	-	-	-	-	15,605
Undesignated	53,670	-	-	-	13,864	260,066
Total Fund Balances	<u>53,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,864</u>	<u>275,671</u>
Total Liabilities and Fund Balances	<u>\$ 53,670</u>	<u>\$ 67,904</u>	<u>\$ 38,174</u>	<u>\$ 2,235</u>	<u>\$ 13,864</u>	<u>\$ 462,549</u>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Lunney Museum	Library Donations	Duke Power Emergency Preparedness	Tourism	Clerk of Court	Emergency Response	State 37-WO-F2947 DHEC Grant
REVENUES							
Intergovernmental - State	\$ -	\$ -	\$ -	\$ 71,240	\$ 560	\$ -	\$ -
Intergovernmental - Federal	-	-	-	-	-	-	-
Miscellaneous	-	28,300	31,172	-	-	-	-
Total Revenues	-	28,300	31,172	71,240	560	-	-
EXPENDITURES							
Public Safety	-	-	-	-	961	-	-
Health and Welfare	-	-	25,166	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-
Culture and Recreation	-	3,915	-	49,563	-	-	-
Economic Development	-	-	-	-	-	-	-
Total Expenditures	-	3,915	25,166	49,563	961	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	24,385	6,006	21,677	(401)	-	-
OTHER FINANCING SOURCES (USES)							
Transfers from (to) Enterprise Fund	-	-	-	-	-	-	-
Transfers from (to) General Fund	-	-	-	-	-	-	(488)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	24,385	6,006	21,677	(401)	-	(488)
FUND BALANCES (DEFICITS), BEGINNING	650	(21,080)	2,222	90,133	990	868	488
FUND BALANCES (DEFICITS), ENDING	\$ 650	\$ 3,305	\$ 8,228	\$ 111,810	\$ 589	\$ 868	\$ -

See Independent Auditors' Report.



OCONEE COUNTY, SOUTH CAROLINA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Sheriff DEA Funds	Local Emergency Preparedness	Library Projects	DARE Fund	South Cove Tennis Area	State Roads	Blue Ridge Art Council
<b>REVENUES</b>							
Intergovernmental - State	\$ 30,814	\$ -	\$ -	\$ -	\$ -	\$ 263,013	\$ -
Intergovernmental - Federal	-	-	20,254	-	-	-	-
Miscellaneous	-	250	-	1,925	-	-	-
<b>Total Revenues</b>	<b>30,814</b>	<b>250</b>	<b>20,254</b>	<b>1,925</b>	<b>-</b>	<b>263,013</b>	<b>-</b>
<b>EXPENDITURES</b>							
Public Safety	38,498	-	-	2,213	-	-	-
Health and Welfare	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	263,013	-
Culture and Recreation	-	-	12,254	-	-	-	-
Economic Development	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>38,498</b>	<b>-</b>	<b>12,254</b>	<b>2,213</b>	<b>-</b>	<b>263,013</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(7,684)</b>	<b>250</b>	<b>8,000</b>	<b>(288)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers from (to) Enterprise Fund	-	-	-	-	-	-	-
Transfers from (to) General Fund	-	-	-	-	-	-	-
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>(7,684)</b>	<b>250</b>	<b>8,000</b>	<b>(288)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS), BEGINNING</b>	<b>19,439</b>	<b>8,601</b>	<b>(20,000)</b>	<b>871</b>	<b>6,000</b>	<b>-</b>	<b>1,365</b>
<b>FUND BALANCES (DEFICITS), ENDING</b>	<b>\$ 11,755</b>	<b>\$ 8,851</b>	<b>\$ (12,000)</b>	<b>\$ 583</b>	<b>\$ 6,000</b>	<b>\$ -</b>	<b>\$ 1,365</b>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES  
IN FUND BALANCES  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Oconee County Sign Committee	Oconee Community Theatre	Local Law Enforcement Block Grant Program	U.S. District Court Community Fund	CDBG 3-W-93-021	CDBG 3-P-95-001	CDBG 3-P-96-001
<b>REVENUES</b>							
Intergovernmental - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental - Federal	-	-	27,901	-	21,660	15,753	50,000
Miscellaneous	-	-	-	-	-	-	-
<b>Total Revenues</b>	-	-	27,901	-	21,660	15,753	50,000
<b>EXPENDITURES</b>							
Public Safety	-	-	26,681	6,181	-	-	-
Health and Welfare	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	26,681	6,181	21,660	15,753	50,000
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	1,220	(6,181)	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers from (to) Enterprise Fund	-	-	-	-	-	-	-
Transfers from (to) General Fund	-	-	4,101	-	-	-	-
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	-	-	5,321	(6,181)	-	-	-
<b>FUND BALANCES (DEFICITS), BEGINNING</b>	7,000	20,000	4,388	20,000	-	-	-
<b>FUND BALANCES (DEFICITS), ENDING</b>	<u>\$ 7,000</u>	<u>\$ 20,000</u>	<u>\$ 9,709</u>	<u>\$ 13,819</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	CDBG 3-W-96-008	CDBG 3-N-97-005	Home Investment Partnership	Victims Assistance	DHEC EMS Grant	HMEP Planning Grant	EMA-97- PA-9707 Grant
<b>REVENUES</b>							
Intergovernmental - State	\$ -	\$ -	\$ -	\$ -	\$ 38,174	\$ -	\$ -
Intergovernmental - Federal	164,847	2,235	106,113	-	-	233	6,038
Miscellaneous	-	-	-	53,670	-	-	-
<b>Total Revenues</b>	<b>164,847</b>	<b>2,235</b>	<b>106,113</b>	<b>53,670</b>	<b>38,174</b>	<b>233</b>	<b>6,038</b>
<b>EXPENDITURES</b>							
Public Safety	-	-	-	-	-	-	-
Health and Welfare	-	-	111,119	-	38,174	233	6,038
Highways and Streets	-	-	-	-	-	-	-
Culture and Recreation	164,847	-	-	-	-	-	-
Economic Development	-	2,235	-	-	-	-	-
<b>Total Expenditures</b>	<b>164,847</b>	<b>2,235</b>	<b>111,119</b>	<b>-</b>	<b>38,174</b>	<b>233</b>	<b>6,038</b>
Excess (Deficiency) of Revenues Over Expenditures	-	-	(5,006)	53,670	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers from (to) Enterprise Fund	-	-	-	-	-	-	-
Transfers from (to) General Fund	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	-	(5,006)	53,670	-	-	-
<b>FUND BALANCES (DEFICITS), BEGINNING</b>	<b>-</b>	<b>-</b>	<b>5,006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS), ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 53,670</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 SPECIAL REVENUE FUNDS  
 COMBINING STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	PRT	Total All Funds
REVENUES		
Intergovernmental - State	\$ 3,500	\$ 407,301
Intergovernmental - Federal	-	415,034
Miscellaneous	100	115,417
Total Revenues	<u>3,600</u>	<u>937,752</u>
EXPENDITURES		
Public Safety	-	74,534
Health and Welfare	-	180,730
Highways and Streets	-	263,013
Culture and Recreation	4,575	235,154
Economic Development	-	89,648
Total Expenditures	<u>4,575</u>	<u>843,079</u>
Excess (Deficiency) of Revenues Over Expenditures	(975)	94,673
OTHER FINANCING SOURCES (USES)		
Transfers from (to) Enterprise Fund	-	-
Transfers from (to) General Fund	875	4,488
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(100)	99,161
FUND BALANCES (DEFICITS), BEGINNING	<u>13,964</u>	<u>160,905</u>
FUND BALANCES (DEFICITS), ENDING	<u>\$ 13,864</u>	<u>\$ 260,066</u>

OCONEE COUNTY, SOUTH CAROLINA  
 LUNNEY MUSEUM SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	-
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	650	650	-
FUND BALANCE (DEFICIT), ENDING	\$ 650	\$ 650	\$ -

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 LIBRARY DONATIONS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Miscellaneous	\$ 3,000	\$ 28,300	\$ 25,300
EXPENDITURES			
Culture and Recreation	3,000	3,915	(915)
Excess (Deficiency) of Revenues Over Expenditures	-	24,385	24,385
FUND BALANCE (DEFICIT), BEGINNING	(21,080)	(21,080)	-
FUND BALANCE (DEFICIT), ENDING	\$ (21,080)	\$ 3,305	\$ 24,385

OCONEE COUNTY, SOUTH CAROLINA  
 DUKE POWER EMERGENCY PREPAREDNESS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Miscellaneous	\$ 30,750	\$ 31,172	\$ 422
EXPENDITURES			
Health and Welfare	30,750	25,166	5,584
Excess (Deficiency) of Revenues Over Expenditures	-	6,006	6,006
FUND BALANCE (DEFICIT), BEGINNING	2,222	2,222	-
FUND BALANCE (DEFICIT), ENDING	\$ 2,222	\$ 8,228	\$ 6,006

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 TOURISM SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - State	\$ 52,250	\$ 71,240	\$ 18,990
EXPENDITURES			
Culture and Recreation	52,250	49,563	2,687
Excess (Deficiency) of Revenues Over Expenditures	-	21,677	21,677
FUND BALANCE (DEFICIT), BEGINNING	90,133	90,133	-
FUND BALANCE (DEFICIT), ENDING	\$ 90,133	\$ 111,810	\$ 21,677

See Independent Auditors' Report.



OCONEE COUNTY, SOUTH CAROLINA  
 CLERK OF COURT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - State	\$ 950	\$ 560	\$ (390)
EXPENDITURES			
Public Safety	950	961	(11)
Excess (Deficiency) of Revenues Over Expenditures	-	(401)	(401)
FUND BALANCE (DEFICIT), BEGINNING	990	990	-
FUND BALANCE (DEFICIT), ENDING	\$ 990	\$ 589	\$ (401)

OCONEE COUNTY, SOUTH CAROLINA  
 EMERGENCY RESPONSE SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	868	868	-
FUND BALANCE (DEFICIT), ENDING	\$ 868	\$ 868	\$ -

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
STATE 37-WO-F2947 DHEC GRANT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers from (to) General Fund	-	(488)	(488)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	(488)	(488)
FUND BALANCE (DEFICIT), BEGINNING	488	488	-
FUND BALANCE (DEFICIT), ENDING	\$ 488	\$ -	\$ (488)

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 SHERIFF DEA FUNDS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - State	\$ 11,000	\$ 30,814	\$ 19,814
EXPENDITURES			
Public Safety	11,000	38,498	(27,498)
Excess (Deficiency) of Revenues Over Expenditures	-	(7,684)	(7,684)
FUND BALANCE (DEFICIT,) BEGINNING	19,439	19,439	-
FUND BALANCE (DEFICIT), ENDING	\$ 19,439	\$ 11,755	\$ (7,684)

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 LOCAL EMERGENCY PREPAREDNESS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Miscellaneous	\$ -	\$ 250	\$ 250
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	250	250
FUND BALANCE (DEFICIT), BEGINNING	8,601	8,601	-
FUND BALANCE (DEFICIT), ENDING	\$ 8,601	\$ 8,851	\$ 250

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 LIBRARY PROJECTS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 20,254	\$ 20,254
EXPENDITURES			
Culture and Recreation	-	12,254	(12,254)
Excess (Deficiency) of Revenues Over Expenditures	-	8,000	8,000
FUND BALANCE (DEFICIT), BEGINNING	(20,000)	(20,000)	-
FUND BALANCE (DEFICIT), ENDING	\$ (20,000)	\$ (12,000)	\$ 8,000

OCONEE COUNTY, SOUTH CAROLINA  
 DARE FUND SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Miscellaneous	\$ -	\$ 1,925	\$ 1,925
EXPENDITURES			
Public Safety	-	2,213	(2,213)
Excess (Deficiency) of Revenues Over Expenditures	-	(288)	(288)
FUND BALANCE (DEFICIT), BEGINNING	871	871	-
FUND BALANCE (DEFICIT), ENDING	\$ 871	\$ 583	\$ (288)

OCONEE COUNTY, SOUTH CAROLINA  
 SOUTH COVE TENNIS AREA SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	6,000	6,000	-
FUND BALANCE (DEFICIT), ENDING	\$ 6,000	\$ 6,000	\$ -



OCONEE COUNTY, SOUTH CAROLINA  
 STATE ROADS SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - State	\$ -	\$ 263,013	\$ 263,013
EXPENDITURES			
Highways and Streets	-	263,013	(263,013)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 BLUE RIDGE ART COUNCIL SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	1,365	1,365	-
FUND BALANCE (DEFICIT), ENDING	\$ 1,365	\$ 1,365	\$ -

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
 OCONEE COUNTY SIGN COMMITTEE SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	7,000	7,000	-
FUND BALANCE (DEFICIT), ENDING	\$ 7,000	\$ 7,000	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 OCONEE COUMMUNITY THEATRE SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	20,000	20,000	-
FUND BALANCE (DEFICIT), ENDING	\$ 20,000	\$ 20,000	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 LOCAL LAW ENFORCEMENT BLOCK GRANT PROGRAM SPECIAL REVENUE FUND  
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 27,901	\$ 27,901
EXPENDITURES			
Public Safety	-	26,681	(26,681)
Excess (Deficiency) of Revenues Over Expenditures	-	1,220	1,220
OTHER FINANCING SOURCES (USES)			
Transfers from (to) General Fund	4,101	4,101	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	4,101	5,321	1,220
FUND BALANCE (DEFICIT), BEGINNING	4,388	4,388	-
FUND BALANCE (DEFICIT), ENDING	\$ 8,489	\$ 9,709	\$ 1,220

See Independent Auditors' Report

OCONEE COUNTY, SOUTH CAROLINA  
 U.S. DISTRICT COURT COMMUNITY FUND SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES			
Public Safety	-	6,181	(6,181)
Excess (Deficiency) of Revenues Over Expenditures	-	(6,181)	(6,181)
FUND BALANCE (DEFICIT), BEGINNING	20,000	20,000	-
FUND BALANCE (DEFICIT), ENDING	\$ 20,000	\$ 13,819	\$ (6,181)

OCONEE COUNTY, SOUTH CAROLINA  
 CDBG 3-W-93-021 SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 21,660	\$ 21,660
EXPENDITURES			
Economic Development	-	21,660	(21,660)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 CDBG 3-P-95-001 SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 15,753	\$ 15,753
EXPENDITURES			
Economic Development	-	15,753	(15,753)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

See Independent Auditors' Report.



OCONEE COUNTY, SOUTH CAROLINA  
 CDBG 3-P-96-001 SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 50,000	\$ 50,000
EXPENDITURES			
Economic Development	-	50,000	(50,000)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 CDBG 3-W-96-008 SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 164,847	\$ 164,847
EXPENDITURES			
Culture and Recreation	-	164,847	(164,847)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 CDBG 3-N-97-005 SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 2,235	\$ 2,235
EXPENDITURES			
Economic Development	-	2,235	(2,235)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 HOME INVESTMENT PARTNERSHIP SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 106,113	\$ 106,113
EXPENDITURES			
Health and Welfare	-	111,119	(111,119)
Excess (Deficiency) of Revenues Over Expenditures	-	(5,006)	(5,006)
FUND BALANCE (DEFICIT), BEGINNING	5,006	5,006	-
FUND BALANCE (DEFICIT), ENDING	\$ 5,006	\$ -	\$ (5,006)

OCONEE COUNTY, SOUTH CAROLINA  
 VICTIMS ASSISTANCE SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Miscellaneous	\$ -	\$ 53,670	\$ 53,670
EXPENDITURES	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	53,670	53,670
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ 53,670	\$ 53,670

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
DHEC EMS GRANT SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - State	\$ -	\$ 38,174	\$ 38,174
EXPENDITURES			
Health and Welfare	-	38,174	(38,174)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 HMEP PLANNING GRANT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 233	\$ 233
EXPENDITURES			
Health and Welfare	-	233	(233)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

OCONEE COUNTY, SOUTH CAROLINA  
 EMA-97-PA-9707 GRANT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - Federal	\$ -	\$ 6,038	\$ 6,038
EXPENDITURES			
Health and Welfare	-	6,038	(6,038)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
FUND BALANCE (DEFICIT), BEGINNING	-	-	-
FUND BALANCE (DEFICIT), ENDING	\$ -	\$ -	\$ -

See Independent Auditors' Report.



OCONEE COUNTY, SOUTH CAROLINA  
 PRT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental - State	\$ -	\$ 3,500	\$ 3,500
Miscellaneous	100	100	-
Total Revenues	100	3,600	3,500
EXPENDITURES			
Culture and Recreation	5,100	4,575	525
Excess (Deficiency) of Revenues Over Expenditures	(5,000)	(975)	4,025
OTHER FINANCING SOURCES (USES)			
Transfer from (to) General Fund	875	875	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(4,125)	(100)	4,025
FUND BALANCE (DEFICIT), BEGINNING	13,964	13,964	-
FUND BALANCE (DEFICIT), ENDING	\$ 9,839	\$ 13,864	\$ 4,025

OCONEE COUNTY, SOUTH CAROLINA  
DEBT SERVICE FUND  
BALANCE SHEET  
June 30, 1998

ASSETS

Cash and Cash Investments	\$	1,536,145
Property Taxes Receivable		5,596
Due from General Fund		4,231
		<hr/>
Total Assets	\$	1,545,972
		<hr/> <hr/>

FUND BALANCE

Reserved for Debt Service	\$	1,545,972
		<hr/>
Total Fund Balance	\$	1,545,972
		<hr/> <hr/>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
For the Year Ended June 30, 1998

REVENUES		
County Property Taxes		\$ 1,407,646
Fees-in-Lieu of Taxes		169,223
Interest Income		<u>49,736</u>
Total Revenues		218,959
EXPENDITURES		
Fiscal Agent's Fees and Expenses	\$ 2,715	
Redemption of Bonds	1,126,875	
Interest on Bonds	467,687	
Payment on Capital Lease	<u>25,415</u>	<u>1,622,692</u>
Excess (Deficiency) of Revenues Over Expenditures		(1,403,733)
OTHER FINANCING SOURCES (USES)		
Transfers from (to) General Fund		<u>25,415</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses		(1,378,318)
FUND BALANCE, BEGINNING		<u>1,516,644</u>
FUND BALANCE, ENDING		<u><u>\$ 138,326</u></u>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

<u>ASSETS</u>	Airport Expansion Projects	Total All Funds
Cash	\$ (105,818)	\$ (105,818)
Accounts Receivable	514,223	514,223
Total Assets	<u>\$ 408,405</u>	<u>\$ 408,405</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Funds Held in Escrow	\$ 41,770	\$ 41,770
Accounts Payable	249,722	249,722
Deferred Grant Revenue	71,457	71,457
Total Liabilities	362,949	362,949
<u>FUND BALANCES</u>		
Reserved for Encumbrances	19,945	19,945
Undesignated	25,511	25,511
Total Fund Balances	<u>45,456</u>	<u>45,456</u>
Total Liabilities and Fund Balances	<u>\$ 408,405</u>	<u>\$ 408,405</u>

OCONEE COUNTY, SOUTH CAROLINA  
CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

	Airport Expansion Projects	Greenfield Sewer Project	Cain Creek Sewer Project	Nason Sewer Project	Total All Funds
<b>REVENUES</b>					
Federal Source Revenue	\$ 659,901	\$ 1,331	\$ 97,507	\$ -	\$ 758,739
State Source Revenue	28,383	93,129	-	41,331	162,843
Local Source Revenue	16,270	-	-	-	16,270
<b>Total Revenues</b>	<b>704,554</b>	<b>94,460</b>	<b>97,507</b>	<b>41,331</b>	<b>937,852</b>
<b>EXPENDITURES</b>					
Construction and Other Costs	1,072,181	-	-	-	1,072,181
<b>Total Expenditures</b>	<b>1,072,181</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,072,181</b>
Excess (Deficiency) of Revenues Over Expenditures	(367,627)	94,460	97,507	41,331	(134,329)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers from (to) Enterprise Fund	-	(94,461)	(97,507)	(41,331)	(233,299)
Transfers from (to) General Fund	195,000	-	-	-	195,000
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(172,627)	(1)	-	-	(172,628)
<b>FUND BALANCES, BEGINNING</b>	<b>198,138</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>198,139</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 25,511</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,511</b>

OCONEE COUNTY, SOUTH CAROLINA  
 AIRPORT EXPANSION PROJECTS  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

REVENUES	
Federal Source Revenue	\$ 659,901
State Source Revenue	28,383
Local Source Revenue	<u>16,270</u>
Total Revenues	<u>704,554</u>
EXPENDITURES	
Construction and Other Costs	<u>1,072,181</u>
Total Expenditures	<u>1,072,181</u>
Excess (Deficiency) of Revenues Over Expenditures	(367,627)
OTHER FINANCING SOURCES (USES)	
Transfers from (to) Enterprise Fund	-
Transfers from (to) General Fund	<u>195,000</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(172,627)
FUND BALANCE, BEGINNING	<u>198,138</u>
FUND BALANCE, ENDING	<u><u>\$ 25,511</u></u>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
GREENFIELD SEWER PROJECT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
(NON-GAAP BUDGETARY BASIS)  
For the Year Ended June 30, 1998

REVENUES	
Federal Source Revenue	\$ 1,331
State Source Revenue	93,129
Local Source Revenue	-
Total Revenues	<u>94,460</u>
EXPENDITURES	
Construction and Other Costs	-
Total Expenditures	<u>-</u>
Excess of (Deficiency) of Revenue Over Expenditures	94,460
OTHER FINANCING SOURCES (USES)	
Transfers from (to) Enterprise Fund	(94,461)
Transfers from (to) General Fund	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(1)
FUND BALANCE, BEGINNING	<u>1</u>
FUND BALANCE, ENDING	<u><u>\$ -</u></u>

OCONEE COUNTY, SOUTH CAROLINA  
 CAIN CREEK SEWER PROJECT  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

<b>REVENUES</b>	
Federal Source Revenue	\$ 97,507
State Source Revenue	-
Local Source Revenue	-
	<hr/>
Total Revenues	97,507
	<hr/>
<b>EXPENDITURES</b>	
Construction and Other Costs	-
	<hr/>
Total Expenditures	-
	<hr/>
Excess of (Deficiency) of Revenue Over Expenditures	97,507
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers from (to) Enterprise Fund	(97,507)
Transfers from (to) General Fund	-
	<hr/>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-
	<hr/>
FUND BALANCE, BEGINNING	-
	<hr/>
FUND BALANCE, ENDING	\$ -
	<hr/>

See Independent Auditors' Report.



OCONEE COUNTY, SOUTH CAROLINA  
 NASON SEWER PROJECT  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 (NON-GAAP BUDGETARY BASIS)  
 For the Year Ended June 30, 1998

<b>REVENUES</b>	
Federal Source Revenue	\$ -
State Source Revenue	41,331
Local Source Revenue	-
	<hr/>
Total Revenues	41,331
	<hr/>
<b>EXPENDITURES</b>	
Construction and Other Costs	-
	<hr/>
Total Expenditures	-
	<hr/>
Excess of (Deficiency) of Revenue Over Expenditures	41,331
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers from (to) Enterprise Fund	(41,331)
Transfers from (to) General Fund	-
	<hr/>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-
	<hr/>
FUND BALANCE, BEGINNING	-
	<hr/>
FUND BALANCE, ENDING	\$ -
	<hr/>

OCONEE COUNTY, SOUTH CAROLINA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

<u>ASSETS</u>	Rock Crusher	Oconee County Sewer Commission	Solid Waste Commission	Total All Funds
<b>CURRENT ASSETS</b>				
Cash and Cash Investments	\$ 1,055,904	\$ 702,133	\$ 10,473,151	\$ 12,231,188
Accounts Receivables	21,136	212,870	11,210	245,216
Accrued Interest Receivable	4,905	57,943	29,004	91,852
Inventories	28,126	36,771	-	64,897
<b>Total Current Assets</b>	<u>1,110,071</u>	<u>1,009,717</u>	<u>10,513,365</u>	<u>12,633,153</u>
<b>RESTRICTED ASSETS - CASH AND CASH INVESTMENTS</b>				
Debt Service Funds	-	1,980,992	-	1,980,992
Debt Service Reserve Funds	-	871,478	-	871,478
Bond Proceeds Fund	-	888	-	888
Equipment Fund	744,608	-	596,067	1,340,675
Capital Improvements Fund	-	1,963,312	-	1,963,312
Expansion Fund	-	702,228	-	702,228
<b>Total Restricted Assets</b>	<u>744,608</u>	<u>5,518,898</u>	<u>596,067</u>	<u>6,859,573</u>
<b>FIXED ASSETS</b>				
Plant, Property and Equipment	3,273,001	26,271,199	6,363,616	35,907,816
Other Cost	-	693,477	632,035	1,325,512
	<u>3,273,001</u>	<u>26,964,676</u>	<u>6,995,651</u>	<u>37,233,328</u>
<b>Less Accumulated Depreciation</b>	<u>(1,943,670)</u>	<u>(7,619,258)</u>	<u>(1,011,454)</u>	<u>(10,574,382)</u>
<b>Total Fixed Assets</b>	<u>1,329,331</u>	<u>19,345,418</u>	<u>5,984,197</u>	<u>26,658,946</u>
<b>Total Assets</b>	<u>\$ 3,184,010</u>	<u>\$ 25,874,033</u>	<u>\$ 17,093,629</u>	<u>\$ 46,151,672</u>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

<u>LIABILITIES AND FUND EQUITY</u>	Rock Crusher	Oconee County Sewer Commission	Solid Waste Commission	Total All Funds
<b>CURRENT LIABILITIES</b>				
Accounts Payable	\$ 33,731	\$ 86,017	\$ 317,166	\$ 436,914
Accrued Salaries	-	12,517	-	12,517
Accrued Compensated Absences	9,593	-	19,672	29,265
Accrued Interest	-	-	2,444	2,444
Current Portion of Capital Lease	-	-	300,650	300,650
Current Portion of Closure and Postclosure Care Costs	-	-	1,823,005	1,823,005
Total Current Liabilities	<u>43,324</u>	<u>98,534</u>	<u>2,462,937</u>	<u>2,604,795</u>
<b>PAYABLES FORM RESTRICTED ASSETS</b>				
Accrued Interest	-	104,211	-	104,211
Bonds Payable - Current Portion	-	400,750	-	400,750
Total Payables from Restricted Assets	<u>-</u>	<u>504,961</u>	<u>-</u>	<u>504,961</u>
<b>LONG-TERM DEBT</b>				
Closure and Postclosure Care Costs	-	-	3,318,912	3,318,912
Capital Lease Payable	-	-	300,650	300,650
Revenue Bonds and Other Loans	-	9,523,114	-	9,523,114
Less Unamortized Discount	-	(8,873)	-	(8,873)
Less - Current Portion	-	(400,750)	(2,123,655)	(2,524,405)
Total Long-Term Debt	<u>-</u>	<u>9,113,491</u>	<u>1,495,907</u>	<u>10,609,398</u>
Total Liabilities	<u>43,324</u>	<u>9,716,986</u>	<u>3,958,844</u>	<u>13,719,154</u>
<b>FUND EQUITY</b>				
Contributed Capital				
Local Government	-	-	7,200,000	7,200,000
Federal Government - Environmental Protection Agency	-	10,304,175	-	10,304,175
Towns	-	8,398	-	8,398
State, Federal, and Private Grants	-	2,832,945	-	2,832,945
Impact Fees	-	1,000,042	-	1,000,042
Total Contributed Capital	<u>-</u>	<u>14,145,560</u>	<u>7,200,000</u>	<u>21,345,560</u>
Retained Earnings (Deficits)				
Reserved for Restricted Assets	1,751,118	4,311,709	-	6,062,827
Designated for Subsequent Year's Expenses	-	-	76,556	76,556
Unreserved Retained Earnings (Deficits)	<u>1,389,568</u>	<u>(2,300,222)</u>	<u>5,858,229</u>	<u>4,947,575</u>
Total Retained Earnings (Deficits)	<u>3,140,686</u>	<u>2,011,487</u>	<u>5,934,785</u>	<u>11,086,958</u>
Total Fund Equity	<u>3,140,686</u>	<u>16,157,047</u>	<u>13,134,785</u>	<u>32,432,518</u>
Total Liabilities and Fund Equity	<u>\$ 3,184,010</u>	<u>\$ 25,874,033</u>	<u>\$ 17,093,629</u>	<u>\$ 46,151,672</u>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS  
For the Year Ended June 30, 1998

	Rock Crusher	Oconee County Sewer Commission	Solid Waste Commission	Total All Funds
<b>OPERATING REVENUES</b>				
Outside Customer Sales/Sewerage User Fees	\$ 1,726,540	\$ 2,240,768	\$ 481,600	\$ 4,448,908
Intragovernmental Sales	565,627	-	-	565,627
Miscellaneous Fees	100	205,881	36,338	242,319
Grants	-	-	30,078	30,078
<b>Total Operating Revenues</b>	<b>2,292,267</b>	<b>2,446,649</b>	<b>548,016</b>	<b>5,286,932</b>
<b>COST OF SALES</b>				
Beginning Inventory	60,651	-	-	60,651
Production Costs	1,367,741	-	-	1,367,741
Cost of Goods Available for Sale	1,428,392	-	-	1,428,392
Ending Inventory	28,126	-	-	28,126
Cost of Sales	1,400,266	-	-	1,400,266
<b>Gross Profit</b>	<b>892,001</b>	<b>2,446,649</b>	<b>548,016</b>	<b>3,886,666</b>
<b>OPERATING EXPENSES</b>	<b>-</b>	<b>2,164,670</b>	<b>2,561,650</b>	<b>4,726,320</b>
<b>Net Income from Operations</b>	<b>892,001</b>	<b>281,979</b>	<b>(2,013,634)</b>	<b>(839,654)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	37,016	314,550	265,893	617,459
Donated Land	-	-	86,595	86,595
Interest Expense	-	(481,841)	(31,255)	(513,096)
<b>Net Income (Loss) Before Transfers</b>	<b>929,017</b>	<b>114,688</b>	<b>(1,692,401)</b>	<b>(648,696)</b>
<b>TRANSFERS</b>				
From (to) General Fund	-	-	2,740,464	2,740,464
<b>Net Income</b>	<b>929,017</b>	<b>114,688</b>	<b>1,048,063</b>	<b>2,091,768</b>
<b>RETAINED EARNINGS, BEGINNING</b>	<b>2,211,669</b>	<b>1,896,799</b>	<b>4,886,722</b>	<b>8,995,190</b>
<b>RETAINED EARNINGS, ENDING</b>	<b>\$ 3,140,686</b>	<b>\$ 2,011,487</b>	<b>\$ 5,934,785</b>	<b>\$ 11,086,958</b>

OCONEE COUNTY, SOUTH CAROLINA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 1998

	Rock Crusher	Oconee County Sewer Commission	Solid Waste Commission	Total All Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net Income (Loss) from Operations	\$ 892,001	\$ 281,979	\$ (2,013,634)	\$ (839,654)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used For) Operating Activities				
Depreciation	190,847	706,250	391,308	1,288,405
Amortization	-	-	4,624	4,624
Net Landfill Closure and Postclosure Care Costs Accrual/Payments	-	-	(41,752)	(41,752)
	1,082,848	988,229	(1,659,454)	411,623
Changes in Assets and Liabilities				
(Increase) Decrease in Accounts Receivable	(5,757)	140,508	(10,170)	124,581
(Increase) Decrease in Inventories	32,525	2,856	-	35,381
(Increase) Decrease in Prepaid Expenses	-	17,261	13,000	30,261
Increase (Decrease) in Accounts Payable	(17,943)	(157,426)	306,777	131,408
Increase (Decrease) in Accrued Salaries	-	1,148	-	1,148
Increase (Decrease) in Accrued Compensated Absences	(203)	-	66	(137)
Net Cash Provided by (Used for) Operating Activities	1,091,470	992,576	(1,349,781)	734,265
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Operating Cash Transfers from (to) Other Funds	-	-	2,740,464	2,740,464
Net Cash Provided by (Used for) Non-Capital Financing Activities	-	-	2,740,464	2,740,464
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal Paid on Capital Lease	-	-	(579,995)	(579,995)
Principal Paid on Long-Term Debt	-	(378,495)	-	(378,495)
Interest Paid on Long-Term Debt	-	(485,053)	(35,971)	(521,024)
Acquisition of Capital Assets	(81,797)	(320,007)	(1,002,067)	(1,403,871)
Capital Contributed from Impact Fees	-	75,087	-	75,087
Capital Contributed from State, Federal, and Private Grants	-	219,294	-	219,294
Net Cash Provided by (Used for) Capital and Related Financing Activities	(81,797)	(889,174)	(1,618,033)	(2,589,004)
<b>CASH FLOWS PROVIDED FROM INVESTING ACTIVITIES</b>				
Net (Purchases) Maturities of Certificates of Deposit	-	1,612,110	-	1,612,110
Interest on Investments	34,629	369,019	262,923	666,571
Net Change in Debt Service Reserve Funds	-	18,730	-	18,730
Net Cash Provided by (Used for) Investing Activities	34,629	1,999,859	262,923	2,297,411
Net Increase (Decrease) in Cash and Cash Equivalents	1,044,302	2,103,261	35,573	3,183,136
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	756,210	1,104,705	11,033,645	12,894,560
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	\$ 1,800,512	\$ 3,207,966	\$ 11,069,218	\$ 16,077,696
<b>NONCASH FINANCING AND INVESTING ACTIVITIES</b>				
Donated Land	\$ -	\$ -	\$ 86,595	\$ 86,595

OCONEE COUNTY, SOUTH CAROLINA  
ENTERPRISE FUNDS  
SCHEDULE OF PRODUCTION COSTS AND OPERATING EXPENSES  
For the Year Ended June 30, 1998

	Production Costs Rock Crusher	Operating Expenses Oconee County Sewer Commission	Operating Expenses Solid Waste Commission	Total All Funds
Salaries	\$ 383,743	\$ 413,338	\$ 931,226	\$ 1,728,307
Employee Benefits	130,120	118,545	358,397	607,062
Motor Pool	245,575	-	43,876	289,451
Maintenance	116,273	71,110	148,674	336,057
Supplies	-	66,791	-	66,791
Telephone	843	2,068	13,192	16,103
Utilities	41,676	355,951	30,452	428,079
Blasting	215,953	-	-	215,953
Sludge Disposal	-	204,613	-	204,613
Operational - Other	14,788	107,794	196,178	318,760
Depreciation	190,847	706,250	391,308	1,288,405
Amortization	-	-	4,624	4,624
Travel	130	154	-	284
Consultants	675	65,731	800	67,206
Insurance	20,280	23,494	46,211	89,985
Landfill Closure	-	-	374,088	374,088
Miscellaneous	6,838	28,831	22,624	58,293
Total Production Costs and Operating Expenses	\$ 1,367,741	\$ 2,164,670	\$ 2,561,650	\$ 6,094,061

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
AGENCY FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

	Tax Collector Property Sold	Clerk of Court	Judge of Probate	Family Court	Tri-County Technical College	Municipal Tax Collection Fund
					General Fund	
<b>ASSETS</b>						
Cash and Cash Investments	\$ 219,380	\$ 351,638	\$ 12,650	\$ 10,968	\$ -	\$ 28,196
Accrued Interest Receivable	-	-	-	-	-	-
Property Taxes Receivable	-	-	-	-	1,800	-
<b>Total Assets</b>	<b>\$ 219,380</b>	<b>\$ 351,638</b>	<b>\$ 12,650</b>	<b>\$ 10,968</b>	<b>\$ 1,800</b>	<b>\$ 28,196</b>
<b>LIABILITIES</b>						
Due to Other Taxing Districts and Agencies	\$ 214,261	\$ -	\$ -	\$ -	\$ 1,800	\$ 28,196
Due to General Fund	5,119	-	-	-	-	-
Funds Held in Escrow	-	351,638	12,650	10,968	-	-
<b>Total Liabilities</b>	<b>\$ 219,380</b>	<b>\$ 351,638</b>	<b>\$ 12,650</b>	<b>\$ 10,968</b>	<b>\$ 1,800</b>	<b>\$ 28,196</b>

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
AGENCY FUNDS  
COMBINING BALANCE SHEET  
June 30, 1998

ASSETS	Fireman's Insurance and Inspection Fund	School District		Tax Collector - Employment Security Commission	Magistrate Cash Bond/ Juror Fund	Sheriff's Pending Confiscated Funds	Total All Funds
		General Fund	Debt Retirement				
Cash and Cash Investments	\$ 129,524	\$ 350,990	\$ 5,346,624	\$ 231	\$ 10,620	\$ 126,534	\$ 6,587,355
Accrued Interest Receivable	1,014	-	-	-	-	-	1,014
Property Taxes Receivable	-	96,848	23,330	-	-	-	121,978
Total Assets	<u>\$ 130,538</u>	<u>\$ 447,838</u>	<u>\$ 5,369,954</u>	<u>\$ 231</u>	<u>\$ 10,620</u>	<u>\$ 126,534</u>	<u>\$ 6,710,347</u>
LIABILITIES							
Due to Other Taxing Districts and Agencies	\$ 130,538	\$ 447,838	\$ 5,369,954	\$ 231	\$ -	\$ -	\$ 6,192,818
Due to General Fund	-	-	-	-	-	-	5,119
Funds Held in Escrow	-	-	-	-	10,620	126,534	512,410
Total Liabilities	<u>\$ 130,538</u>	<u>\$ 447,838</u>	<u>\$ 5,369,954</u>	<u>\$ 231</u>	<u>\$ 10,620</u>	<u>\$ 126,534</u>	<u>\$ 6,710,347</u>

See Independent Auditors' Report.



OCONEE COUNTY, SOUTH CAROLINA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Year Ended June 30, 1998

	Balance July 1, 1997	Additions	Deductions	Balance June 30, 1998
<u>Tax Collector Property Sold</u>				
ASSETS				
Cash and Cash Investments	\$ 139,923	\$ 206,318	\$ 126,861	\$ 219,380
LIABILITIES				
Due to General Fund	\$ 5,197	\$ 1,466	\$ 1,544	\$ 5,119
Due to Other Taxing Districts and Agencies	134,726	204,852	125,317	214,261
Total Liabilities	\$ 139,923	\$ 206,318	\$ 126,861	\$ 219,380
<u>Clerk of Court</u>				
ASSETS				
Cash and Cash Investments	\$ 48,173	\$ 1,301,155	\$ 997,690	\$ 351,638
LIABILITIES				
Funds Held in Escrow	\$ 48,173	\$ 1,301,155	\$ 997,690	\$ 351,638
<u>Judge of Probate</u>				
ASSETS				
Cash and Cash Investments	\$ 21,544	\$ 307	\$ 9,201	\$ 12,650
LIABILITIES				
Funds Held in Escrow	\$ 21,544	\$ 307	\$ 9,201	\$ 12,650
<u>Family Court</u>				
ASSETS				
Cash and Cash Investments	\$ 10,741	\$ 3,623,009	\$ (3,622,782)	\$ 10,968
LIABILITIES				
Funds Held in Escrow	\$ 10,741	\$ 3,623,009	\$ (3,622,782)	\$ 10,968

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Year Ended June 30, 1998

	Balance July 1, 1997	Additions	Deductions	Balance June 30, 1998
<u>Tri-County Technical College</u>				
<u>General Fund</u>				
ASSETS				
Cash and Cash Investments	\$ -	\$ 427,461	\$ 427,461	\$ -
Property Taxes Receivable	970	428,291	427,461	1,800
Total Assets	\$ 970	\$ 855,752	\$ 854,922	\$ 1,800
LIABILITIES				
Due to Other Taxing Districts and Agencies	\$ 970	\$ 428,291	\$ 427,461	\$ 1,800
<u>Municipal Tax Collection Fund</u>				
ASSETS				
Cash and Cash Investments	\$ 28,725	\$ 1,666,971	\$ 1,667,500	\$ 28,196
LIABILITIES				
Due to Other Taxing Districts and Agencies	\$ 28,725	\$ 1,666,971	\$ 1,667,500	\$ 28,196
<u>Fireman's Insurance and Inspection Fund</u>				
ASSETS				
Cash and Cash Investments	\$ 141,966	\$ 149,080	\$ 161,522	\$ 129,524
Accrued Interest Receivable	936	1,014	936	1,014
Total Assets	\$ 142,902	\$ 150,094	\$ 162,458	\$ 130,538
LIABILITIES				
Due to Other Taxing Districts and Agencies	\$ 142,902	\$ 150,094	\$ 162,458	\$ 130,538
<u>School District General Fund</u>				
ASSETS				
Cash and Cash Investments	\$ 311,359	\$ 31,944,154	\$ 31,904,523	\$ 350,990
Property Taxes Receivable	36,116	32,026,512	31,965,780	96,848
Total Assets	\$ 347,475	\$ 63,970,666	\$ 63,870,303	\$ 447,838
LIABILITIES				
Due to Other Taxing Districts and Agencies	\$ 347,475	\$ 32,026,512	\$ 31,926,149	\$ 447,838

OCONEE COUNTY, SOUTH CAROLINA  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
For the Year Ended June 30, 1998

	Balance July 1, 1997	Additions	Deductions	Balance June 30, 1998
<u>School District Debt Retirement</u>				
ASSETS				
Cash and Cash Investments	\$ 5,367,672	\$ 5,730,953	\$ 5,752,001	\$ 5,346,624
Accrued Interest Receivable	21,896	-	21,896	-
Property Taxes Receivable	12,797	5,497,869	5,487,336	23,330
Total Assets	<u>\$ 5,402,365</u>	<u>\$ 11,228,822</u>	<u>\$ 11,261,233</u>	<u>\$ 5,369,954</u>
LIABILITIES				
Due to Other Taxing Districts and Agencies	<u>\$ 5,402,365</u>	<u>\$ 5,741,486</u>	<u>\$ 5,773,897</u>	<u>\$ 5,369,954</u>
<u>Tax Collector - Employment Security Commission</u>				
ASSETS				
Cash and Cash Investments	<u>\$ 231</u>	<u>\$ 1,731</u>	<u>\$ 1,731</u>	<u>\$ 231</u>
LIABILITIES				
Due to Other Taxing Districts and Agencies	<u>\$ 231</u>	<u>\$ 1,731</u>	<u>\$ 1,731</u>	<u>\$ 231</u>
<u>Magistrate Cash Bond/ Juror Fund</u>				
ASSETS				
Cash and Cash Investments	<u>\$ 1,866</u>	<u>\$ 107,972</u>	<u>\$ 99,218</u>	<u>\$ 10,620</u>
LIABILITIES				
Funds Held in Escrow	<u>\$ 1,866</u>	<u>\$ 107,972</u>	<u>\$ 99,218</u>	<u>\$ 10,620</u>
<u>Sheriff's Pending Confiscated Funds</u>				
ASSETS				
Cash and Cash Investments	<u>\$ 117,296</u>	<u>\$ 51,864</u>	<u>\$ 42,626</u>	<u>\$ 126,534</u>
LIABILITIES				
Funds Held in Escrow	<u>\$ 117,296</u>	<u>\$ 51,864</u>	<u>\$ 42,626</u>	<u>\$ 126,534</u>

OCONEE COUNTY, SOUTH CAROLINA  
STATEMENT OF GENERAL LONG-TERM DEBT  
June 30, 1998

AMOUNT AVAILABLE AND TO BE PROVIDED  
FOR RETIREMENT OF GENERAL LONG-TERM DEBT

Amount Available in Debt Service Fund	\$ 1,545,972
Amount to be Provided for General Long-Term Debt	6,917,040
Amount to be Provided for Future Liability for Annual Leave	135,025
Amount to be Provided for Lease-Purchase Contract	193,223
Amount to be Provided for Payment of Arbitrage Liability	<u>5,453</u>
 Total Available and to be Provided	 <u><u>\$ 8,796,713</u></u>

GENERAL LONG-TERM DEBT PAYABLE

General Obligation Bonds Payable	\$ 7,880,000
Accrued Compensated Absences	135,025
Lease-Purchase Contract Payable	193,223
Special Source Revenue Bonds Payable	583,012
Arbitrage Liability Payable	<u>5,453</u>
 Total General Long-Term Debt Payable	 <u><u>\$ 8,796,713</u></u>

OCONEE COUNTY, SOUTH CAROLINA  
STATEMENT OF SCHOOL DISTRICT BONDS OUTSTANDING  
For the Year Ended June 30, 1998

DESCRIPTION	Year Ending June 30	Interest Rate	Principal	Interest	Total Debt Service
Oconee County School					
District General Obligation	1999	6.00%	\$ 1,910,000	\$ 254,595	\$ 2,164,595
Refunding and School Building	2000	6.10%	2,035,000	139,995	2,174,995
Bonds of 1991 (See Note Below)	2001	6.10%	260,000	15,860	275,860
Total			4,205,000	410,450	4,615,450
Oconee County School	1999	8.50%	950,000	1,102,813	2,052,813
District General Obligation	2000	5.50%	975,000	1,022,063	1,997,063
Refunding and School Building	2001	4.50%	1,025,000	968,438	1,993,438
Bonds of 1995 (See Note Below)	2002	4.50%	1,075,000	922,313	1,997,313
	2003	4.60%	1,125,000	873,938	1,998,938
	2004	4.60%	1,175,000	822,188	1,997,188
	2005	4.75%	1,225,000	768,138	1,993,138
	2006	4.80%	1,275,000	709,950	1,984,950
	2007	4.90%	1,325,000	648,750	1,973,750
	2008	5.00%	1,400,000	583,825	1,983,825
	2009	5.10%	1,475,000	513,825	1,988,825
	2010	5.10%	1,550,000	438,600	1,988,600
	2011	5.10%	1,625,000	359,550	1,984,550
	2012	5.10%	1,725,000	276,675	2,001,675
	2013	5.10%	1,800,000	188,700	1,988,700
	2014	5.10%	1,900,000	96,900	1,996,900
Total			21,625,000	10,296,666	31,921,666

NOTE: This statement is compiled from the related bond documents and is included here for County Council analysis.

OCONEE COUNTY, SOUTH CAROLINA  
STATEMENT OF SCHOOL DISTRICT BONDS OUTSTANDING  
For the Year Ended June 30, 1998

<u>DESCRIPTION</u>	<u>Year Ending June 30</u>	<u>Interest Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
Oconee County School District General Obligation Bonds of 1995 (See Note Below)	1999	6.50%	670,000	893,473	1,563,473
	2000	6.50%	710,000	848,623	1,558,623
	2001	6.50%	750,000	801,173	1,551,173
	2002	6.50%	795,000	750,960	1,545,960
	2003	6.50%	840,000	697,823	1,537,823
	2004	6.50%	890,000	641,598	1,531,598
	2005	4.65%	945,000	590,701	1,535,701
	2006	4.75%	1,000,000	544,980	1,544,980
	2007	4.80%	1,055,000	495,910	1,550,910
	2008	4.90%	1,120,000	443,150	1,563,150
	2009	5.00%	1,185,000	386,085	1,571,085
	2010	5.00%	1,255,000	325,085	1,580,085
	2011	5.00%	1,325,000	260,585	1,585,585
	2012	5.10%	1,405,000	191,633	1,596,633
	2013	5.10%	1,485,000	117,938	1,602,938
	2014	5.10%	1,570,000	40,035	1,610,035
Total			17,000,000	8,029,752	25,029,752
Grand Total			\$ 42,830,000	\$ 18,736,868	\$ 61,566,868

NOTE: This statement is compiled from the related bond documents and is included here for County Council analysis.

OCONEE COUNTY, SOUTH CAROLINA  
OCONEE COUNTY LIBRARY  
STATEMENT OF REVENUES AND EXPENDITURES  
(FOR STATE LIBRARY REQUIREMENTS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
COUNTY REVENUES			
Library Fees	\$ 23,500	\$ 30,829	\$ 7,329
Library Gifts	3,000	28,300	25,300
Total County Revenues	26,500	59,129	32,629
COUNTY EXPENDITURES			
Salaries	481,730	452,924	28,806
Social Security	36,787	34,219	2,568
Employee Benefits	92,055	90,111	1,944
Travel	5,075	4,967	108
Maintenance	30,724	22,837	7,887
Operational	17,890	16,516	1,374
Rentals	1,190	1,075	115
Postage	3,975	3,908	67
Books	70,000	69,433	567
Magazines and Newspapers	4,400	3,612	788
Audio Visual	10,000	10,688	(688)
Telephone	13,687	12,366	1,321
Utilities	50,500	44,357	6,143
Dues	625	595	30
Miscellaneous	3,000	3,915	(915)
Grant to Independent Agencies	1,600	1,597	3
Schools/Seminars	1,600	682	918
Data Processing	12,555	11,960	595
Capital Expenditures	14,160	13,261	899
Vehicle	2,060	773	1,287
Total County Expenditures	853,613	799,796	53,817
Excess (Deficiency) of Revenue Over Expenditures - County	\$ (827,113)	\$ (740,667)	\$ 86,446

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
OCONEE COUNTY LIBRARY  
STATEMENT OF REVENUES AND EXPENDITURES  
(FOR STATE LIBRARY REQUIREMENTS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
FEDERAL AID - LIBRARY SERVICES PROGRAM - CFDA 84.034 TITLE I PROJECT III - A FIELD SERVICES			
Federal Revenues	\$ 20,000	\$ 20,000	\$ -
Expenditures - Bookmobile	20,000	20,000	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	\$ -
FEDERAL AID - LIBRARY SERVICES PROGRAM - CFDA 84.034 TITLE I PROJECT III - b CAREER EDUCATION			
Federal Revenues	\$ 254	\$ 254	\$ -
Expenditures - Education	254	254	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ -	\$ -
NUCLEAR REGULATORY COMMISSION			
Revenues	\$ 2,909	\$ 3,622	\$ 713
Expenditures - NRC - Records	2,909	2,909	-
Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ 713	\$ 713
STATE AID			
State Aid to County and Regional Libraries Revenue	\$ 74,485	\$ 80,492	\$ 6,007
Expenditures			
Books	60,000	60,000	-
Magazines and Newspapers	10,000	10,000	-
Audio Visual	8,492	8,492	-
Capital Expenditures	2,000	2,000	-
Total Expenditures	80,492	80,492	-
Excess (Deficiency) of Revenues Over Expenditures	\$ (6,007)	\$ -	\$ 6,007

See Independent Auditors' Report.



OCONEE COUNTY, SOUTH CAROLINA  
COUNTY AIRPORT  
STATEMENT OF REVENUES AND EXPENDITURES  
(FOR FEDERAL AVIATION ADMINISTRATION REQUIREMENTS)  
For the Year Ended June 30, 1998

	Budget	Actual	Variance Favorable (Unfavorable)
COUNTY REVENUES			
County Airport Revenue	\$ 91,120	\$ 166,991	\$ 75,871
COUNTY EXPENDITURES			
Salaries	82,617	82,939	(322)
Social Security	6,320	6,199	121
Employee Benefits	8,830	8,908	(78)
Travel	522	404	118
Maintenance	12,477	12,150	327
Equipment Maintenance	4,879	4,204	675
Professional	11,100	10,287	813
Operational	2,474	1,962	512
Postage	150	151	(1)
Leased Equipment	12,089	12,705	(616)
Telephone	1,936	1,530	406
Utilities	6,260	5,519	741
Schools/Seminars	1,460	1,241	219
Miscellaneous	1,719	846	873
Capital Expenditures	15,990	14,652	1,338
Aviation and Jet Fuel	-	88,378	(88,378)
Hanger Debt Service	24,420	25,415	(995)
Total County Expenditures	193,243	277,490	(84,247)
Excess (Deficiency) of Revenue Over Expenditures - County	\$ (102,123)	\$ (110,499)	\$ (8,376)

See Independent Auditors' Report.

OCONEE COUNTY, SOUTH CAROLINA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 1998

FEDERAL AWARDS	Federal CFDA Numbers	Pass-Through Grantor's Numbers	Disbursements/ Expenditures
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
Community Development Block Grants - State's Program Passed Through South Carolina Budget and Control Board *	14.228	3-N-94-030	\$ 1,331
Community Development Block Grants - State's Program Passed Through South Carolina Department of Commerce *	14.228	3-N-97-005	2,235
Community Development Block Grants - State's Program Passed Through South Carolina Department of Commerce *	14.228	3-P-96-001	50,000
Community Development Block Grants - State's Program Passed Through South Carolina Department of Commerce *	14.228	3-P-95-001	15,753
Community Development Block Grants - State's Program Passed Through South Carolina Department of Commerce *	14.228	3-W-93-021	21,660
Community Development Block Grants - State's Program Passed Through South Carolina Department of Commerce *	14.228	3-W-96-008	164,847
Home Investment Partnership Passed Through South Carolina State Housing Finance and Development Authority	14.239	M96-SG450196	106,113
Total Department of Housing and Urban Development			<u>361,939</u>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Child Support Enforcement Title IV - D Program Passed Through South Carolina Department of Social Services:			
Transaction Reimbursement	93.563	N/A	73,686
Incentive Payments	93.563	N/A	22,758
Filing Fees	93.563	N/A	9,660
Sheriff's Office Service of Process Payments	93.563	N/A	9,240
Family Preservation and Support Services Program, Temporary Assistance for Needy Families Program, Child Support Enforcement Title IV-D Program, Child Welfare Services State Grants Program, Foster Care Title IV-E Program, Adoption Assistance Program, Social Services Block Grant Program, Medical Assistance Program, and State Administrative Matching Grants for Food Stamp Program Passed Through South Carolina Department of Social Services County DSS Administrative Expense	93.556 93.558 93.563 93.645 93.658 93.659 93.667 93.778 10.561	N/A	30,782
Total Department of Health and Human Services			<u>146,126</u>
<b>DEPARTMENT OF AGRICULTURE</b>			
Appalachian Regional Development	23.001	SC-12240-95-I- 214-0630	97,507
Total Department of Agriculture			<u>97,507</u>
<b>FEDERAL EMERGENCY MANAGEMENT AGENCY</b>			
Emergency Management State and Local Assistance Program Passed Through South Carolina Emergency Preparedness Division	83.534	EMA-97-PA-9707	6,038
Emergency Management State and Local Assistance Program Passed Through South Carolina Emergency Preparedness Division	83.534	EMA-98-PA9817	26,847
Total Federal Emergency Management Agency			<u>32,885</u>
<b>DEPARTMENT OF EDUCATION</b>			
Library Services Program Passed Through South Carolina State Library Title I Project III - A Field Services Title I Project III - B Career Education	84.034 84.034	FY96 FY97	20,000 254
Total Department of Education			<u>20,254</u>
<b>DEPARTMENT OF COMMERCE</b>			
Economic Development Grants for Public Works and Infrastructure Development	11.300	04-01-04174.52	138,315
Total Department of Commerce			<u>138,315</u>
<b>DEPARTMENT OF TRANSPORTATION</b>			
Airport Improvement Program*	20.106	3-45-0016-05 3-45-0016-06	563,764
Total Department of Transportation			<u>563,764</u>
<b>DEPARTMENT OF JUSTICE</b>			
Local Law Enforcement Block Grants Program	16.592	96-LB-VX-3067	26,682
Total Department of Justice			<u>26,682</u>
Total Federal Awards			<u>\$ 1,387,472</u>

\*Denotes a Major Program

See Independent Auditors' Report

**OCONEE COUNTY, SOUTH CAROLINA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 1998**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The expenditures listed in the schedule of expenditures of federal awards are recorded when incurred for governmental and proprietary funds.

Byerley & Payne  
CERTIFIED PUBLIC ACCOUNTANTS, P.A.  
114 WEST NORTH FIRST STREET  
SENECA, SOUTH CAROLINA 29678  
864-882-1937

Kirk S. Messick  
CERTIFIED PUBLIC ACCOUNTANT, P.A.  
P.O. BOX 773  
SENECA, SOUTH CAROLINA 29679  
864-882-5390

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT*  
*AUDITING STANDARDS*

Oconee County Council  
Oconee County  
Walhalla, South Carolina

We have audited the general purpose financial statements of Oconee County, South Carolina as of and for the year ended June 30, 1998, and have issued our report thereon dated October 2, 1998. Our opinion in that report was qualified because of the exclusion of the general fixed assets account group and a component unit of the County. 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.

Compliance

As part of obtaining assurance about whether Oconee County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings and questioned costs as item 98-1.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Oconee County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting in its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Oconee County's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 98-2, and 98-3.

A material weakness is a condition in which the design of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 98-2 and 98-3 to be material weaknesses.

This report is intended for the information of council, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Byerley & Payne, CPA, PA*

Byerley & Payne, CPA, PA

*Kirk S. Messick CPA PA*

Kirk S. Messick, CPA, PA

October 2, 1998

Byerley & Payne  
CERTIFIED PUBLIC ACCOUNTANTS, P.A.  
114 WEST NORTH FIRST STREET  
SENECA, SOUTH CAROLINA 29678  
864-882-1937

Kirk S. Messick  
CERTIFIED PUBLIC ACCOUNTANT, P.A.  
P.O. BOX 773  
SENECA, SOUTH CAROLINA 29679  
864-882-5390

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Oconee County Council  
Oconee County  
Walhalla, South Carolina

Compliance

We have audited the compliance of Oconee County, South Carolina with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1998. Oconee County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Oconee County's management. Our responsibility is to express an opinion on Oconee County's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Oconee County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Oconee County's compliance with those requirements.

In our opinion, Oconee County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

Internal Control Over Compliance

The management of Oconee County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Oconee County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would

be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Council, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Byerley & Payne, CPA, PA*

Byerley & Payne, CPA, PA

*Kirk S. Messick CPA PA*

Kirk S. Messick, CPA, PA

October 2, 1998

OCONEE COUNTY, SOUTH CAROLINA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended June 30, 1998

Part I - Summary of Auditors' Results

Financial Statement Items

A qualified opinion was issued because the County did not include the general fixed assets account group and a component unit of the County in the general purpose financial statements. Two reportable conditions are included in this report with all being material weaknesses. The County also had one material instance of noncompliance regarding proper collateralization of its funds.

Single Audit Items

No reportable conditions in internal controls over major programs were noted during the audit, and an unqualified opinion was issued on the County's compliance for its major program. No audit findings were found that require reporting under Section 510(a). The County had two major program during its fiscal year ended June 30, 1998 as follows:

CFDA #: 14.228

Name: Community Development Block Grants - State's Program  
Federal Agency: Department of Housing and Urban Development

CFDA #: 20.106

Name: Airport Improvement Program  
Federal Agency: Department of Transportation

The type A program threshold level amounted to \$300,000. The County was not a low risk auditee under Section 530.

Part II - Findings Relating to the Financial Statements Audited  
in Accordance with Government Auditing Standards

Material Noncompliance

98-1 - The State of South Carolina requires that all public monies on deposit must be protected by the Federal Deposit Insurance Corporation, or collateralized by obligations of the United States and its agencies, or collateralized by general obligations of the State of South Carolina and its political units. At year end, Oconee County had deposits of \$108,669 that were not insured or collateralized by the above referenced securities. Currently, the County is in the process of ensuring that all deposits are appropriately collateralized.

Material Weaknesses in Internal Control

98-2 - We found that fixed assets records for the general fixed assets account group detailing date acquired, actual cost, or estimated historical cost of assets are not maintained on a current basis. We recommend that the County establish and maintain such detailed cost records.

98-3 - Persons responsible for depositing funds and signing checks also reconcile some monthly bank statements. This condition is not a good segregation of accounting duties. We recommend that a person independent of the deposit and check signing functions reconcile monthly bank statements.

Part III - Findings and Questioned Costs for  
Federal Awards Under Section 510 (a)

None to report.



Fiscal Year 1997-1998  
Supplemental Information for  
Annual Report

### Tax Collection Record

The following table shows the record of levies and collections of Oconee County of ad valorem taxes for the 1997-1998 Fiscal Year:

Calendar Year	Fiscal Year	Taxes Levied	Current Taxes Collected	Percentage Current Collected	Delinquent Taxes Collected	Total Taxes Collected	Percent of Total Tax Collection to Total Tax Levy
1997	1998	\$ 18,679,961	\$ 18,499,506	99.0%	\$ 425,825	\$ 18,925,331	100.1%

Source: Oconee County Treasurer's Office

The following table sets forth the annual County tax millage assessed for the 1997-1998 Fiscal Year:

Fiscal Year	Operations Levy	Debt Service Levy	Capital Improvements Levy	Total Levy
1997-1998	63.6	4.0	0	67.6

Source: Oconee County Auditor's Office

### Top Ten Taxpayers

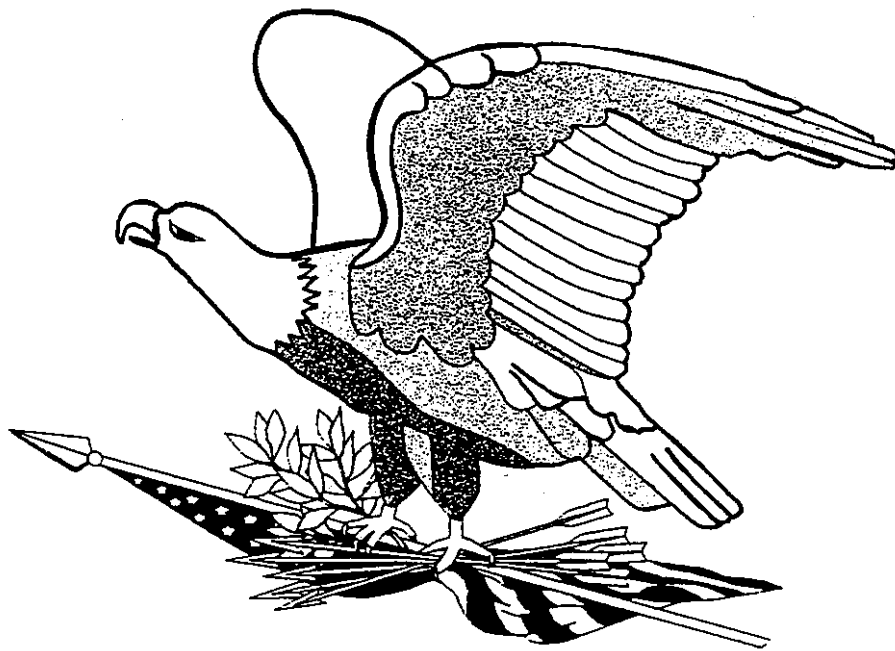
The following is a list of the top ten taxpayers for Oconee County for the 1997-1998 Fiscal Year:

Duke Power	\$ 7,219,853
Blue Ridge Electric	\$ 180,010
Bellsouth	\$ 205,427
Westpoint Stevens	\$ 207,747
Schlumberger	\$ 83,708
Englehard	\$ 87,507
Dunlop	\$ 52,390
Amoco Fibers	\$ 78,882
W R Grace	\$ 50 *
U S Engine Valve	\$ 41,483

\* Majority of taxes paid went to school levy.

Source: Oconee County Auditor's Office

**OCONEE COUNTY  
COUNCIL  
ORDINANCE 98-6**



**THE 1998-1999  
COUNTY BUDGET  
ORDINANCE**

## FISCAL YEAR 1998-1999

BUDGET CODE	SUMMARY DEPARTMENT	AMOUNT
(10) LOCAL AND GENERAL FUNDS		
02	COUNTY GRANTS	\$ 761,831.00
03	COMPUTER TAX-CENTER	\$ 217,133.00
04	SHERIFF'S DEPARTMENT	\$ 2,366,379.00
05	RURAL FIRE CONTROL	\$ 685,680.00
06	ARTS AND HISTORICAL COMMISSION	\$ 31,729.00
07	GENERAL EXPENSE	\$ 3,774,486.00
08	SOIL AND WATER CONSERVATION	\$ 34,818.00
09	AERONAUTICS COMMISSION	\$ 352,325.00
10	LIBRARY	\$ 902,699.00
11	ANIMAL CONTROL	\$ 110,000.00
12	MOTOR POOL	\$ 1,126,012.00
13	REGISTRATION & ELECTIONS	\$ 122,937.00
15	BOARDS AND COMMISSIONS	\$ 6,227.00
16	SOLICITOR	\$ 228,233.00
17	ASSESSOR	\$ 495,931.00
18	PARKS, RECREATION & TOURISM DEPARTMENT (PRT)	\$ 575,684.00
19	CLERK OF COURT	\$ 596,018.00
20	TREASURER	\$ 148,237.00
21	AUDITOR	\$ 184,420.00
22	SUPERVISOR	\$ 3,796,830.00
23	PROBATE JUDGE	\$ 214,206.00
25	TAX COLLECTOR	\$ 113,589.00
26	PUBLIC BUILDINGS	\$ 746,778.00
27	CORONER	\$ 77,228.00
28	PERSONNEL	\$ 137,948.00
29	FUND DISTRIBUTION	\$ 145,000.00
30	DISTRIBUTION FOR BOND SINKING FUND	\$ 1,238,223.00
31	COMMUNICATIONS	\$ 598,107.00
33	JUVENILE SERVICES	\$ 35,000.00
34	PROBATION OFFICE	\$ 4,638.00
36	FINANCE OFFICE	\$ 167,859.00
37	BUILDING CODES DEPARTMENT	\$ 230,641.00
39	BOARD OF ASSESSMENT APPEALS	\$ 12,308.00
43	OLEC COMPUTER	\$ 60,825.00
45	COUNTY COUNCIL	\$ 95,005.00
49	SWC TRANSFER/TO ENTERPRISE & CAPITAL PROJECT	\$ 3,198,458.00
50	CHARITY MEDICAL	\$ 280,030.00
53	EMERGENCY PREPAREDNESS	\$ 202,417.00
55	DEPARTMENT OF SOCIAL SERVICES (DSS)	\$ 22,293.00
56	PURCHASING	\$ 140,948.00
57	HEALTH DEPARTMENT	\$ 382,169.00
58	ECONOMIC DEVELOPMENT COMMISSION	\$ 98,897.00
59	VETERANS AFFAIRS	\$ 65,743.00

OCONEE COUNTY

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FISCAL YEAR 1998-1999

BUDGET CODE	SUMMARY DEPARTMENT	AMOUNT
(10) LOCAL AND GENERAL FUND		
60	MAGISTRATE	\$ 336,230.00
61	PLANNING COMMISSION	\$ 9,400.00
74	LAW ENFORCEMENT CENTER	\$ 1,068,639.00
77	DELEGATION	\$ 36,227.00
00	TOTAL BUDGET FISCAL YEAR JULY 01, 1998 THROUGH JUNE 30, 1999	\$26,236,415.00

10	LOCAL REVENUES	\$23,016,374.00
20	STATE REVENUES	\$ 2,954,416.00
40	FEDERAL REVENUES	\$ 265,625.00
00	TOTAL GENERAL FUND REVENUES JULY 01, 1998 THROUGH JUNE 30, 1999	\$26,236,415.00

(12) CAPITAL PROJECTS FUND		AMOUNT
REVENUES		
LOCAL BORROWED FOR HANGER		194,322.00
TOTAL REVENUE (LOCAL)		\$ 194,322.00

EXPENDITURES		
LOCAL		\$ 194,322.00
TOTAL EXPENDITURES (LOCAL)		\$ 194,322.00

OCONEE COUNTY

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FISCAL YEAR 1998-1999

(13) SPECIAL REVENUES

	AMOUNT
REVENUES	\$ 102,151.00
EXPENDITURES	
DEPARTMENT EXPENSE	\$ 102,151.00
TOTAL SPECIAL REVENUES EXPENDITURES	\$ 102,151.00

(14) AGENCY FUNDS

REVENUES	
SCHOOL TAXES (OPERATIONAL)	\$34,477,167.00
NATIONAL FORESTRY - SCHOOL	\$ 113,800.00
TOTAL SCHOOLS OPERATIONAL	\$34,590,967.00
SCHOOL TAXES (BONDS)	\$ 5,782,881.00
TRI COUNTY TEC	\$ 470,712.00
TRI COUNTY TEC (BONDS)	\$ 280,189.00
TOTAL AGENCY REVENUES	\$41,124,749.00
EXPENDITURES	
32 SCHOOL (OPERATIONAL)	\$34,477,167.00
32 NATIONAL FORESTRY	\$ 113,800.00
TOTAL SCHOOL OPERATIONAL	\$34,590,967.00
32 SCHOOL BONDS	\$ 5,782,881.00
35 TRI COUNTY TEC	\$ 470,712.00
TRI COUNTY TEC (BONDS)	\$ 280,189.00
TOTAL AGENCY EXPENDITURES	\$41,124,749.00

OCONEE COUNTY

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FISCAL YEAR 1998-1999

(16) ENTERPRISE FUND SOLID WASTE

AMOUNT

REVENUES

FUND BALANCE CARRY FORWARD	\$ 126,233.00
TRANSFER FROM GENERAL FUND	\$ 3,198,458.00
OTHER REVENUE	\$ 507,455.00
<b>TOTAL SWC REVENUES</b>	<b>\$ 3,832,146.00</b>

EXPENDITURES

SWC EXPENDITURES	\$ 3,832,146.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,832,146.00</b>

(17) ENTERPRISE FUND ROCK CRUSHER

ROCK CRUSHER REVENUES	\$ 1,580,219.00
ROCK CRUSHER EXPENDITURES	\$ 1,580,219.00