

**TOWN OF SURFSIDE BEACH**  
*SOUTH CAROLINA*

**EXECUTIVE SUMMARY**

**FOR THE YEAR ENDED MARCH 31, 2009**

**TOWN OF SURFSIDE BEACH, SOUTH CAROLINA  
EXECUTIVE SUMMARY  
FOR THE FISCAL YEAR ENDED MARCH 31, 2009**

The Town of Surfside Beach's basic financial statements for the year ended March 31, 2009 are prepared in accordance with generally accepted accounting principles as applicable to governmental entities. Based upon our audit, we have concluded that the Town's financial statements are fairly presented in conformity with these generally accepted accounting principles and have rendered an unqualified opinion on its basic financial statements.

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

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

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

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

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

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

Total assets, liabilities, and net assets as of March 31, 2009 are as follows:

**ASSETS, LIABILITIES, AND NET ASSETS**

	<b><u>2009</u></b>
<b>Assets</b>	
Cash and Investments	\$ 4,858,319
Receivables	581,257
Capital Assets, Net of Depreciation	12,814,573
Inventories and Prepaid Items	75,982
Other Assets	<u>32,538</u>
Total Assets	<u>\$ 18,362,669</u>
<b>Liabilities</b>	
Accounts Payable and Accrued Expenses	\$ 411,094
Bail and Drug Bonds Payable	34,958
Unearned Revenues	18,535
Bonds, Note Payable, and Compensated Absences	<u>1,766,626</u>
Total Liabilities	<u>\$ 2,231,213</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	\$ 11,300,164
Restricted	1,867,568
Unrestricted	<u>2,963,724</u>
Total Net Assets	<u><u>\$ 16,131,456</u></u>

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

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

The total change in net assets for the year ended March 31, 2009 is as follows:

**REVENUES, EXPENSES, AND CHANGE IN NET ASSETS**

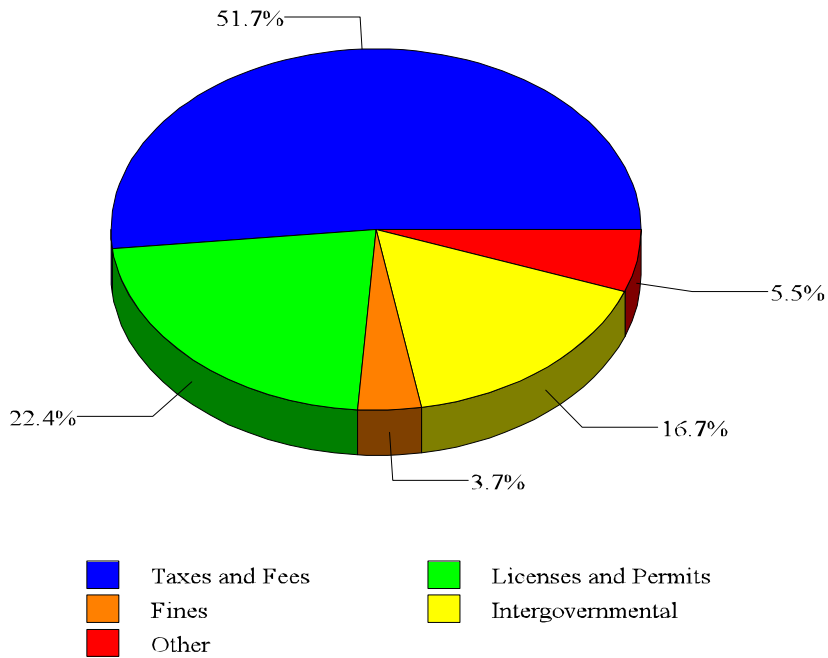
	<u><b>2009</b></u>
General Revenues	
Property Taxes	\$ 2,316,688
Local Accommodations Taxes	139,549
Business Licenses	1,455,823
Franchise Taxes	526,406
Hospitality Fees	669,304
Unrestricted Grants and Contributions	759,823
Interest Earnings and Other Revenues	<u>135,119</u>
Total General Revenues	<u>\$ 6,002,712</u>
Program Revenues	
Charges for Services	\$ 1,854,814
Operating Grants and Contributions	212,262
Capital Grants and Contributions	<u>197,101</u>
Total Program Revenues	<u>\$ 2,264,177</u>
Expenses	
Governmental Activities	\$ 5,929,539
Business-Type Activities	<u>1,070,306</u>
Total Expenses	<u>\$ 6,999,845</u>
Change in Net Assets	<u><u>\$ 1,267,044</u></u>

## TOWN OF SURFSIDE BEACH, SOUTH CAROLINA GOVERNMENTAL FUND TYPE REVENUES

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

### REVENUES

	<u>2009</u>
Taxes and Fees	\$ 3,639,138
Licenses and Permits	1,574,633
Fines and Forfeitures	263,399
Intergovernmental	1,176,874
Other Revenues	<u>383,701</u>
Total Governmental Funds Revenues	<u><u>\$ 7,037,745</u></u>

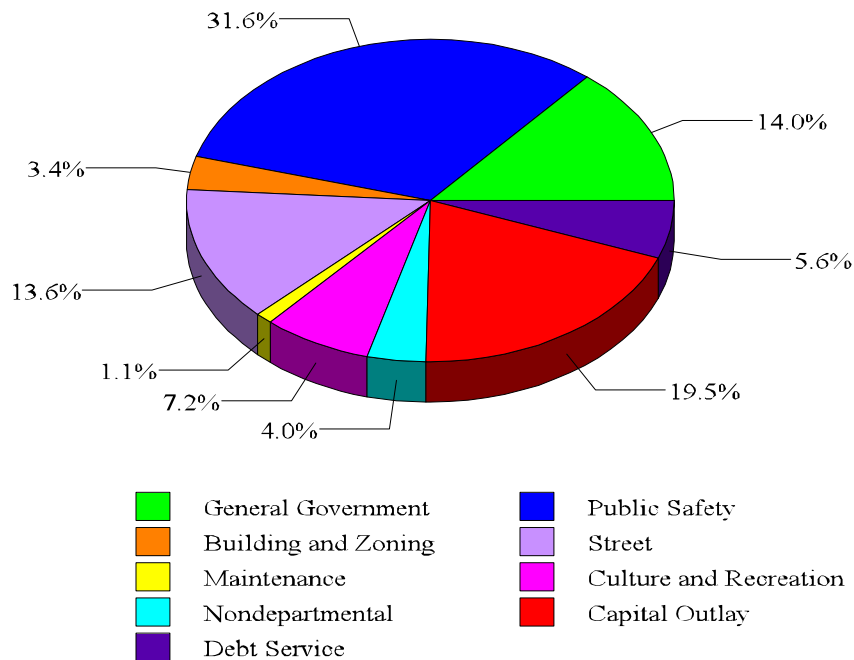


## TOWN OF SURFSIDE BEACH, SOUTH CAROLINA GOVERNMENTAL FUND TYPE EXPENDITURES

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

### EXPENDITURES

	<u>2009</u>
General Government	\$ 1,002,468
Public Safety	2,259,819
Building and Zoning	239,729
Street	969,183
Intragovernmental Maintenance	78,084
Culture and Recreation	512,760
Non-Departmental	284,405
Capital Outlay	1,394,126
Debt Service	400,560
<b>Total Governmental Funds Expenditures</b>	<b><u>\$ 7,141,134</u></b>



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

Enterprise Funds account for operations of the Town that are similar to those of businesses in the private sector. The intent is that the costs of providing goods or services are recovered through sales or reimbursements to external users or customers of the Town. Following is an analysis of operations for the year ended March 31, 2009:

**ENTERPRISE FUND OPERATIONS**

	<u><b>2009</b></u>
Revenues	
Charges for Services - Sanitation	\$ 1,148,643
Admissions and Rentals - Pier	85,314
Other Revenues	<u>1,129</u>
Total Revenues	<u>\$ 1,235,086</u>
Expenses	
Operating Expenses - Sanitation	\$ 962,936
Operating Expenses - Pier	91,070
Interest Paid to General Fund for Pier Purchase	<u>16,300</u>
Total Expenses	<u>\$ 1,070,306</u>
Income Before Transfers	\$ 164,780
Transfers from Other Funds, Net	<u>830,000</u>
Net Income	<u><u>\$ 994,780</u></u>