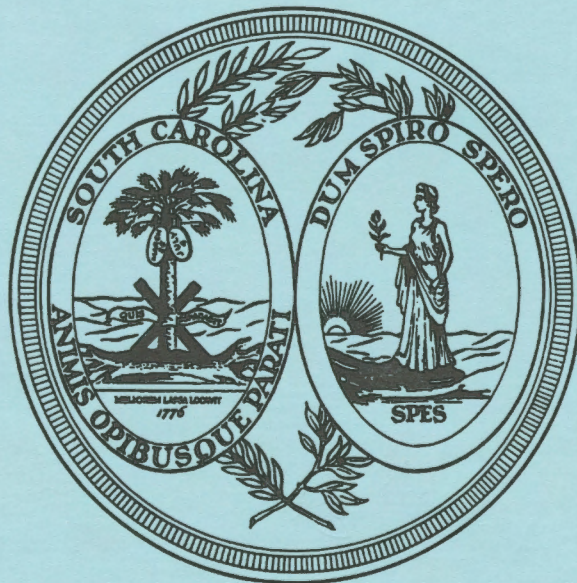


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# SOUTH CAROLINA OLD EXCHANGE BUILDING COMMISSION



## ANNUAL REPORT 1993-1994

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The State of South Carolina



The Old Exchange Building Commission

October 1, 1994

The Honorable Carroll A. Campbell, Jr., Governor  
The Honorable Members of the S.C. General Assembly  
State of South Carolina  
Columbia, South Carolina 29201

Your Excellency, Ladies and Gentlemen:

On Behalf of the Old Exchange Building Commission, it is my pleasure to present to you the annual report of the Old Exchange Building Commission for the fiscal year 1993-1994.

Without your support and assistance, the Commission would not have had a successful year.

Please do not hesitate to call on us if we may be of service.

Respectfully submitted,

Old Exchange Building Commission

Louise T. Burgdorf  
Chairman

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OLD EXCHANGE BUILDING COMMISSION

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Chairman  
Springfield

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Vice-Chairman  
Simpsonville

Mrs. Nancy Pinckney  
Secretary  
Charleston

Capt. John Coussons  
Charleston

Mrs. Ruth Dodds  
Charleston

Mr. Sherman Smith  
Sumter

Mrs. Dean Walker  
Rock Hill

Mrs. Deborah R. Bass  
Columbia  
PRT

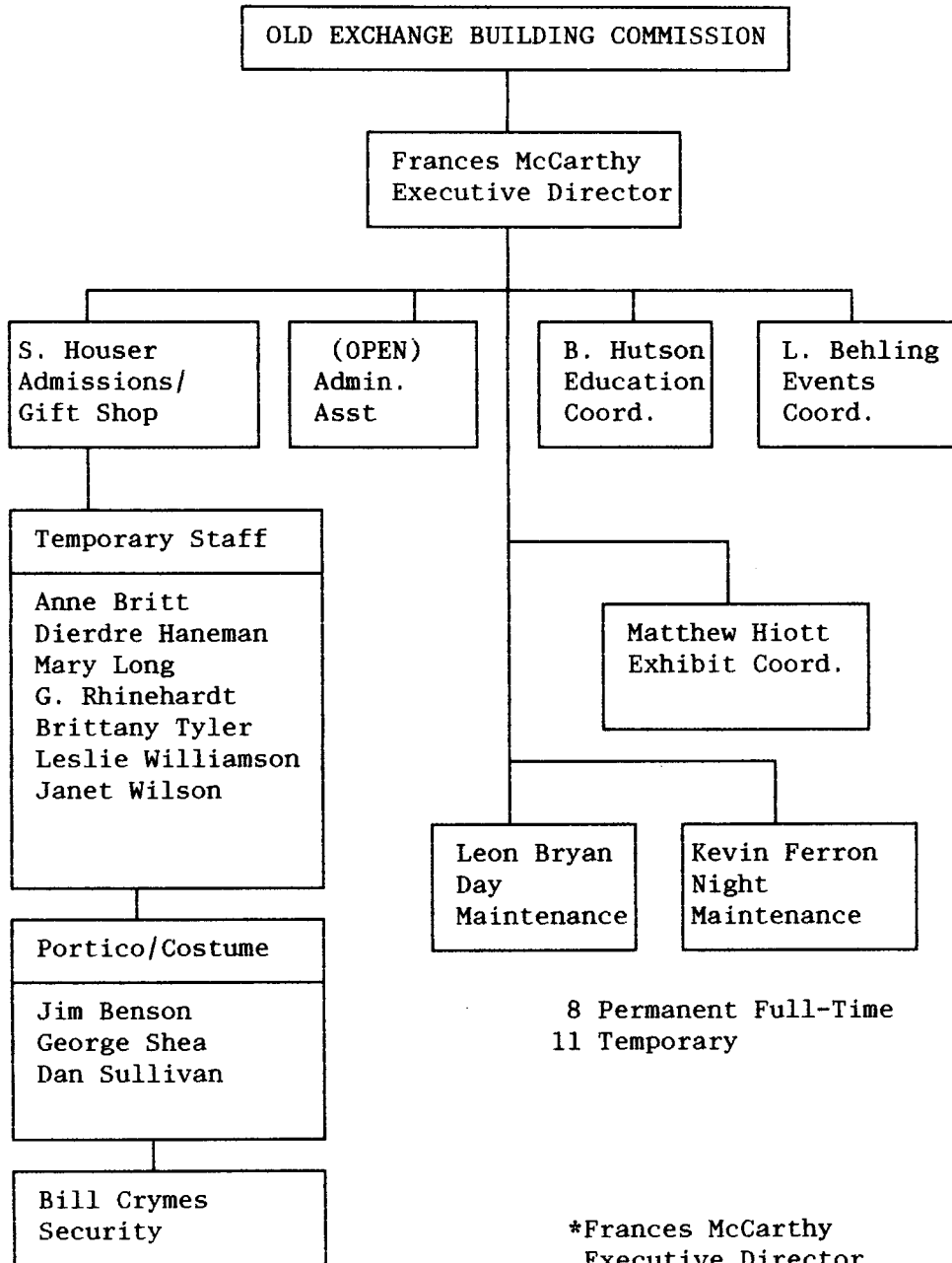
Mrs. Evelyn McGee  
Charleston  
Archives & History

Mr. Cameron B. Littlejohn  
Advisor  
Assistant Attorney General  
State of South Carolina  
P.O. Box 11549  
Columbia, S.C. 29211

Ms. Frances McCarthy  
Executive Director  
Old Exchange Building & Provost Dungeon

ORGANIZATIONAL CHART

OLD EXCHANGE AND PROVOST DUNGEON  
122 East Bay Street, Charleston



## THE OLD EXCHANGE BUILDING COMMISSION

The Old Exchange Building Commission was created by 1976 Act No. 678(2); 1977 Act No. 218(1); 1987 Act No. 139(1); 1991 Act No. 84(1); 1991 Act No. 248(6).

The mission statement of the Old Exchange Building is: "The Commission is responsible for the restoration, development, administration and management of the Old Exchange Building. This public building (owned by the DAR) was built between 1768 and 1771, and possesses historical and architectural significance."

### HISTORICAL OVERVIEW

Built in 1771 by the British during the Golden Age of Charles Towne, the Exchange dominated the harbor and became the social, political and economic hub of the bustling 18th century port. From its steps, the independent colony of South Carolina was declared in March 1776. During the Revolution the building was converted to a British prison where American Patriots were held. In 1788, the convention to ratify the United States Constitution met in the Exchange. President George Washington, during his southern tour, addressed an admiring crowd from the front portico and was entertained at a state dinner upstairs in the Great Hall. From 1818 until 1896 the building served both the federal and confederate governments as Charleston's Post Office. In 1913, the U. S. Congress deeded the Exchange to the South Carolina State Society of the National Society of the Daughters of the American Revolution. The Exchange continued to serve the nation by housing various armed services divisions in the twentieth century.

In 1980 the Old Exchange Building was restored to its original eighteenth-century appearance and opened for public use and enjoyment by the citizens of South Carolina and the nation.

The Commission in 1989 entered into an agreement with the City of Charleston for management of daily operations. This agreement has produced positive financial results through effective management. Revenue projections, budget planning and a building maintenance program have ensured a positive cash flow from a facility being presented to the public in a premier manner.

Today, the Old Exchange is open to the public for daily tours, is offering quality programs to the educational system, and, in keeping with its history, makes the Great Hall available for political, business and social gatherings.

**OLD EXCHANGE BUILDING COMMISSION**  
**COMPARATIVE BALANCE SHEET**  
**FOR THE YEAR ENDING JUNE 30, 1993 AND 1994**

<b>ASSETS</b>	<u>1993</u>	<u>1994</u>
Cash	\$ 516,775	\$ 826,801
Due from State Treasurer	<u>0</u>	<u>0</u>
TOTAL ASSETS	\$ <u>516,775</u>	\$ <u>826,801</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 0	\$ 362
Due to the General Fund	35,779	255,527
Building Rental Deposit	<u>24,879</u>	<u>26,434</u>
TOTAL LIABILITIES	\$ <u>60,658</u>	\$ <u>282,323</u>
<b>FUND BALANCE</b>	\$ <u>456,117</u>	\$ <u>544,478</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	\$ <u><u>516,775</u></u>	\$ <u><u>826,801</u></u>

**OLD EXCHANGE BUILDING COMMISSION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDING JUNE 30, 1993 AND 1994**

	<u>1993</u>	<u>1994</u>
Total Revenues	\$ 526,580	\$ 558,857
Expenditures		
Personnel Services	\$ 170,577	\$ 180,990
Education Expense	0	25,104
Repairs and Maintenance	15,394	29,842
Administrative Expenses	35,128	31,409
Utilities	29,657	33,326
Rental and Tourism	27,624	26,229
Support Services	15,293	15,645
General Building Expenses	9,952	12,013
Resale Purchases	73,945	63,703
Furnishings	1,349	3,470
Architect & Engineering	16,693	43,815
Construction	<u>0</u>	<u>4,950</u>
Total Expenditures	\$ 395,612	\$ 470,496
Excess of Revenues over Expenditures	\$ 130,968	\$ 88,361



OLD EXCHANGE BUILDING COMMISSION  
SCHEDULE OF STATE ASSISTANCE  
FOR THE YEAR ENDING JUNE 30, 1994

TITLE	BUDGETED APPROPRIATION	EXPENDITURES
Contractual Services	\$ 112,613	\$ 112,613
Per Diem	<u>1,500</u>	<u>1,050</u>
	\$ 114,113	\$ 113,663

**OLD EXCHANGE BUILDING COMMISSION**  
**SOURCES OF REVENUE**  
**FOR THE YEAR ENDING JUNE 30, 1993 AND 1994**

	<u>1993</u>	<u>1994</u>
Admissions	\$ 170,036	\$ 194,165
Education Group Admissions	22,079	22,889
State Appropriation	110,868	110,040
Gift Shop Sales	97,250	117,488
Building Rental	68,240	66,835
Security Fees	3,931	10,005
Costumed Guide Fees	3,325	3,778
Forfeited Damage Deposits	225	1,347
Miscellaneous	36,836	15,028
Interest	<u>13,790</u>	<u>17,282</u>
TOTAL	\$ 526,580	\$ 558,857

OLD EXCHANGE BUILDING  
NOTES TO FINANCIAL STATEMENT  
JUNE 30, 1993 AND 1994

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Note 1 - Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements have been prepared on an accrual basis.

Fund Accounting:

To ensure observance of limitations and restrictions placed on the use of resources available to the Commission, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are separated into funds that are in accordance with specified activities or objectives. Separate accounts are maintained for each fund.

General Fixed Assets:

Fixed assets are recorded as expenditures of the general operating fund upon acquisition and subsequently capitalized at actual cost in the general fixed asset account group. In accordance with the generally accepted accounting principles prescribed for governmental funds, a provision for depreciation of general fixed assets is not recorded.

Contract Accounting:

The Old Exchange Building Commission is a State Commission that was established by Act 678 of the General Assembly and amended by R-270 in 1977. The Commission executed a management agreement with the City of Charleston on August 31, 1989, which was ratified by the State Budget and Control Board on December 20, 1989. This agreement transferred operative and administrative control of the Building to the City of Charleston (see Note 3, Page 11).

To help support the Building and the educational programs, the Building is rented to individuals and organizations for receptions, dinners, seminars and other appropriate uses. Under the terms of the rental contracts, a deposit of one-half the rental charge is due upon signing the contract. Since the contracts are signed months or years in advance, these deposits are held in escrow until three days before the rental, at which time these deposits become earned revenue. As such, the balance sheet includes deferred revenues which consist of deposits for events to be held after June 30, 1993 and 1994. All revenues earned and to be carried over for use in subsequent years are shown as the Fund Balance.

Note 2 - Retirement Plan:

As of June 30, 1993 and 1994 respectively, all full-time employees were covered by the South Carolina Retirement System.

Note 3 - Significant Events:

The Commission entered into a management agreement with the City of Charleston to assume responsibility for the daily operations of the Old Exchange Building, including tours and third-party rentals. All state appropriations to the Exchange Commission, with the exception of funds set aside for travel and per diem expenses for the Commission members, are transferred to the City of Charleston. These funds, along with all revenues generated by the City as the result of visitation and rentals, will be used in the operations and maintenance of the building, and/or improvements to the building and its contents. If the management agreement is not renewed or is terminated, these funds will be transferred to the Commission.

The financial records of the City of Charleston are audited annually at the close of the City's fiscal year on December 31. The financial information presented in this report is for the period ending June 30, 1993 and 1994, and contains information which has not yet been subjected to normal audit testing procedures and verifications. Accordingly, the information contained herein is not complete without reference to the City of Charleston's comprehensive annual financial report (CAFR) for the year ending December 31, 1993 and 1994, and the report to be issued upon the close of the City's present fiscal year on December 31, 1994.



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Total Printing Cost	\$ <u>158.59</u>