

**NORTHAMPTON COUNTY  
JACKSON, NORTH CAROLINA**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2011**



**NORTHAMPTON COUNTY  
JACKSON, NORTH CAROLINA**

**BASIC FINANCIAL STATEMENTS  
JUNE 30, 2011**

**BOARD OF COMMISSIONERS**

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**FINANCE DIRECTOR  
Dorothy Vick**



# NORTHAMPTON COUNTY, NORTH CAROLINA

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# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners  
Northampton County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Northampton County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Northampton County's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. We did not audit the financial statements of the Northampton County ABC Board which represents 91 percent, 87 percent, and 96 percent, respectively, of the assets, net assets, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us and; our opinion, insofar as it relates to the amounts included for the Northampton County ABC Board, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The financial statements of the Northampton County ABC Board and the Northampton County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Northampton County, North Carolina, as of June 30, 2011, and the respective changes in financial position and cash flows, where appropriate thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 9, 2011 on our consideration of Northampton County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance and the Other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide assurance.

Our audit was performed for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements of Northampton County, North Carolina, as a whole. The combining and individual fund financial statements, budget and actual schedules, and supplemental ad valorem tax schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements, budget and actual schedules, and supplemental ad valorem tax schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
December 9, 2011

## **Management's Discussion and Analysis**

As management of Northampton County, we offer readers of Northampton County's financial statements this narrative overview and analysis of the financial activities of Northampton County for the fiscal year ended June 30, 2011. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

### **Financial Highlights**

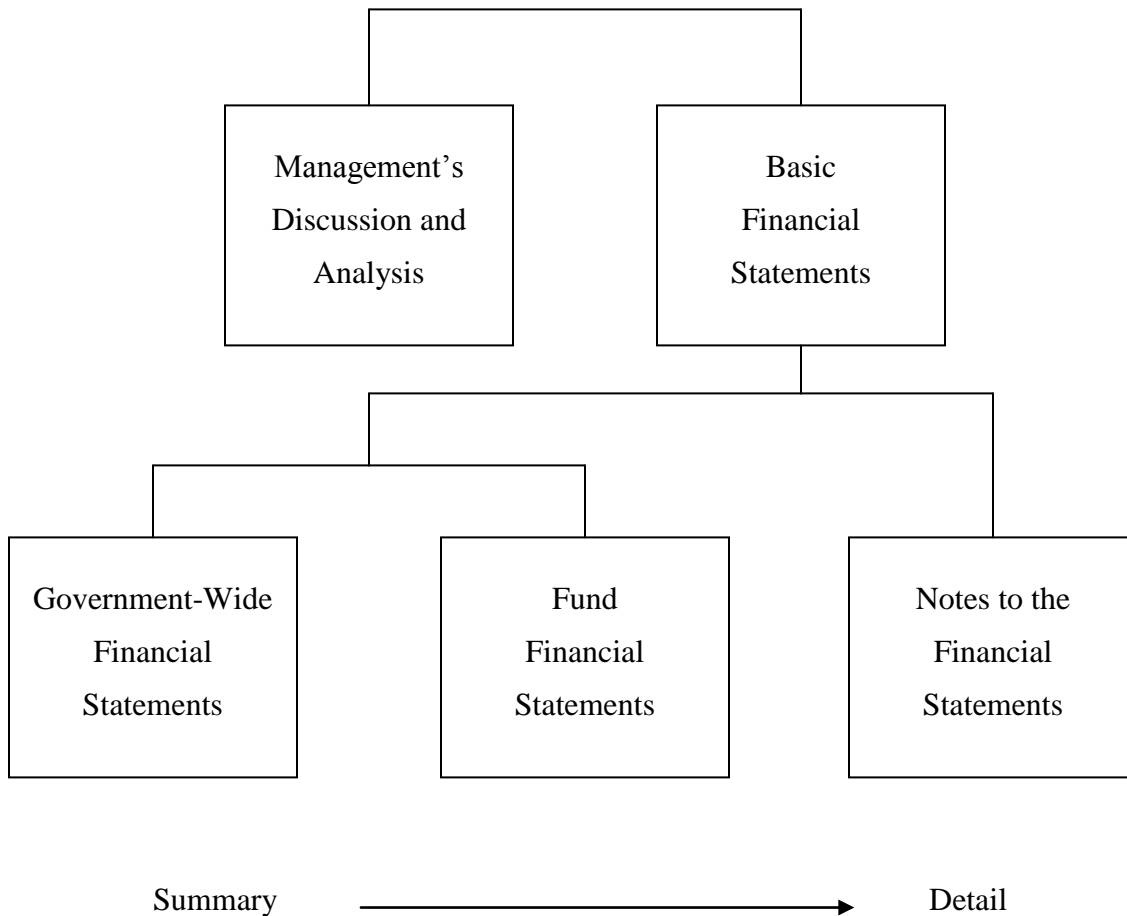
- The assets of Northampton County exceeded its liabilities at the close of the fiscal year by \$14,763,777 (*net assets*).
- As of the close of the current fiscal year, Northampton County's governmental funds reported combined ending fund balances of \$4,475,853, a decrease of \$384,035 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,922,572, or 7.3 percent of total General Fund expenditures for the fiscal year.
- Northampton County's total general obligation and installment debt decreased by \$1,002,828 (4.1%) during the current fiscal year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Northampton County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of the government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Northampton County.

## Required Components of Annual Financial Report

Figure 1



### Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits C through J) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the fund financial statements: 1) the governmental funds statements, 2) the budgetary comparison statements, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's nonmajor governmental funds, which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

## **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net assets and how they have changed. Net assets are the difference between the County's total assets and total liabilities. Measuring net assets is one way to gauge the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities and 2) business-type activities. The governmental activities include most of the County's basic services, such as public safety, human services, education, and general government administration. Property taxes and federal and State grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and solid waste services offered by Northampton County.

The government-wide financial statements are on Exhibits A and B of this report.

## **Fund Financial Statements**

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Northampton County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Northampton County can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds.** Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in-and-out and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Northampton County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

**Proprietary Funds.** Northampton County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Northampton County uses enterprise funds to account for its water and sewer activity and for its landfill operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Northampton County has three fiduciary funds, all of which are agency funds.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start after Exhibit J of this report.

### **Government-Wide Financial Analysis**

As noted earlier, net assets may serve, over time, as one useful indicator of a government's financial condition. The assets of Northampton County exceeded liabilities by \$14,763,777 as of June 30, 2011. The County's net assets increased by \$126,870 for the fiscal year ended June 30, 2011. The largest portion of the County's net assets reflects the County's investment in capital assets (e.g. buildings, equipment, and water infrastructure), less any related debt still outstanding that was issued to acquire those items. Northampton County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Northampton County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

## Northampton County's Net Assets

**Figure 2**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Assets:</b>						
Current and other assets	\$ 7,146,855	\$ 6,795,690	\$ 827,377	\$ 490,630	\$ 7,974,232	\$ 7,286,320
Capital assets	<u>14,367,861</u>	<u>13,765,336</u>	<u>20,439,740</u>	<u>20,978,412</u>	<u>34,807,601</u>	<u>34,743,748</u>
Total assets	<u>21,514,716</u>	<u>20,561,026</u>	<u>21,267,117</u>	<u>21,469,042</u>	<u>42,781,833</u>	<u>42,030,068</u>
<b>Liabilities:</b>						
Current liabilities outstanding	1,098,198	650,924	304,560	238,666	1,402,758	889,590
Long-term liabilities outstanding	<u>16,537,223</u>	<u>15,985,648</u>	<u>10,078,075</u>	<u>10,497,424</u>	<u>26,615,298</u>	<u>26,483,072</u>
Total liabilities	<u>17,635,421</u>	<u>16,636,572</u>	<u>10,382,635</u>	<u>10,736,090</u>	<u>28,018,056</u>	<u>27,372,662</u>
<b>Net Assets:</b>						
Invested in capital assets,						
net of related debt	8,915,261	8,252,908	10,512,240	10,592,912	19,427,501	18,845,820
Restricted	3,280,253	274,734	-	-	3,280,253	274,734
Unrestricted	<u>(8,316,219)</u>	<u>(4,603,188)</u>	<u>372,242</u>	<u>140,040</u>	<u>(7,943,977)</u>	<u>(4,463,148)</u>
Total net assets	<u>\$ 3,879,295</u>	<u>\$ 3,924,454</u>	<u>\$ 10,884,482</u>	<u>\$ 10,732,952</u>	<u>\$ 14,763,777</u>	<u>\$ 14,657,406</u>

Several particular aspects of the County's financial operations positively influenced the total governmental net assets:

- Continued diligence in the collection of property taxes
- Continued low cost of debt due to low interest rates
- Decreases in outstanding debt amounts due to repayment of principal amounts and minimal current year borrowings

## Northampton County's Changes in Net Assets

**Figure 3**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 3,602,898	\$ 3,121,487	\$ 4,648,489	\$ 4,589,313	\$ 8,251,387	\$ 7,710,800
Operating grants and contributions	6,995,860	7,426,482	-	-	6,995,860	7,426,482
Capital grants and contributions	1,997,329	1,049,288	16,992	3,503	2,014,321	1,052,791
General revenues:						
Property taxes	16,837,488	15,086,929	-	-	16,837,488	15,086,929
Other taxes	1,562,744	1,775,627	-	-	1,562,744	1,775,627
Grants and contributions not restricted to specific programs	-	27,940	-	-	-	27,940
Other	8,641	10,754	528	345	9,169	11,099
Total revenues	<u>31,004,960</u>	<u>28,498,507</u>	<u>4,666,009</u>	<u>4,593,161</u>	<u>35,670,969</u>	<u>33,091,668</u>
<b>Expenses:</b>						
General government	3,243,821	3,726,748	-	-	3,243,821	3,726,748
Public safety	7,926,097	6,803,251	-	-	7,926,097	6,803,251
Transportation	24,000	25,459	-	-	24,000	25,459
Environmental protection	120,000	29,000	-	-	120,000	29,000
Economic and physical development	1,749,985	2,097,734	-	-	1,749,985	2,097,734
Human services	11,160,356	10,892,801	-	-	11,160,356	10,892,801
Cultural and recreation	983,618	356,884	-	-	983,618	356,884
Education	5,101,504	4,012,151	-	-	5,101,504	4,012,151
Interest and fees	569,994	603,890	-	-	569,994	603,890
Water and sewer	-	-	2,478,462	2,615,243	2,478,462	2,615,243
Solid waste	-	-	2,186,262	2,224,815	2,186,262	2,224,815
Total expenses	<u>30,879,375</u>	<u>28,547,918</u>	<u>4,664,724</u>	<u>4,840,058</u>	<u>35,544,099</u>	<u>33,387,976</u>
Transfers in (out)	<u>(150,245)</u>	<u>(200,000)</u>	<u>150,245</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	(24,660)	(249,411)	151,530	(46,897)	126,870	(296,308)
<b>Net Assets:</b>						
Beginning of year - July 1, as previously stated	3,924,454	4,173,865	10,732,952	10,779,849	14,657,406	14,953,714
Prior period Adjustment	(20,499)	-	-	-	(20,499)	-
Beginning of Year - July 1, as restated	<u>3,903,955</u>	<u>4,173,865</u>	<u>10,732,952</u>	<u>10,779,849</u>	<u>14,636,907</u>	<u>14,953,714</u>
End of year - June 30	<u>\$ 3,879,295</u>	<u>\$ 3,924,454</u>	<u>\$ 10,884,482</u>	<u>\$ 10,732,952</u>	<u>\$ 14,763,777</u>	<u>\$ 14,657,406</u>



**Governmental Activities.** Governmental activities decreased the County's net assets by \$24,660. Key elements of this decrease are as follows:

- Decrease in operating grants
- Decrease in local option sales tax revenue
- Increase in expenses for education, human services, and public safety

**Business-Type Activities.** Business-type activities increased the County's net assets by \$151,530. Water and sewer revenues and expenses were comparable to the prior year with a slight increase, and the fund generated positive cash flows. Solid waste revenues and expenses were comparable to the prior year, and the fund generated negative cash flows. Solid waste received a transfer from the General Fund of \$150,245, which was a key element in solid waste only reporting a decrease in net assets of \$9,515.

### **Financial Analysis of the County's Funds**

As noted earlier, Northampton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of Northampton County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Northampton County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Northampton County. At the end of the current fiscal year, Northampton County's fund balance available in the General Fund was \$2,669,971, while total fund balance was \$5,015,001. The County currently has an available fund balance of 10.16% of General Fund expenditures, while total fund balance represents 19.09% of that same amount.

At June 30, 2011, the governmental funds of Northampton County reported a combined fund balance of \$4,475,853, a 7.9% percent decrease over last year. The General Fund accounted for an increase in fund balance of \$385,376, while all other governmental funds combined accounted for a decrease in fund balance of \$769,411. Detailed schedules for the General Fund and each governmental fund follow the notes in this financial report.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by approximately \$1,556,934, which was 5.37% more than originally budgeted.

Restricted intergovernmental revenues being budgeted conservatively and the issuance of long-term debt accounted for the primary differences between the originally adopted budget and the final budget.

**Proprietary Funds.** Northampton County's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. The total change in net assets for the enterprise funds was an increase of \$151,530. Other factors concerning the finances of the enterprise funds have already been addressed in the discussion of Northampton County's business-type activities.

### Capital Asset and Debt Administration

**Capital Assets.** Northampton County's capital assets for its governmental and business-type activities as of June 30, 2011 totaled \$34,807,601 (net of accumulated depreciation). These assets include buildings and land, equipment, vehicles, water and sewer systems, and construction in progress.

Major capital asset transactions during the year include:

- Purchase of several new police vehicles
- Replacement of the roof for the jail
- Purchase of copies for multiple departments of the County

#### Northampton County's Capital Assets (net of depreciation)

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Construction in progress	\$ 475,494	\$ -	\$ -	\$ -	\$ 475,494	\$ -
Buildings and land	14,986,492	14,843,912	2,250	2,250	14,988,742	14,846,162
Equipment	1,842,481	1,668,855	430,908	414,493	2,273,389	2,083,348
Vehicles	2,482,599	2,021,082	355,738	355,738	2,838,337	2,376,820
Distribution system	-	-	26,723,233	26,723,233	26,723,233	26,723,233
	19,787,066	18,533,849	27,512,129	27,495,714	47,299,195	46,029,563
Accumulated depreciation	(5,419,205)	(4,768,513)	(7,072,389)	(6,517,302)	(12,491,594)	(11,285,815)
Total	<u>\$ 14,367,861</u>	<u>\$ 13,765,336</u>	<u>\$ 20,439,740</u>	<u>\$ 20,978,412</u>	<u>\$ 34,807,601</u>	<u>\$ 34,743,748</u>

Additional information on the County's capital assets can be found in the Notes to the Basic Financial Statements.

**Long-Term Debt.** As of June 30, 2011, Northampton County had total general obligation and installment debt outstanding of \$23,220,100.

**Northampton County's Outstanding Debt  
Notes Payable and General Obligation Bonds**

**Figure 4**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Installment notes payable	\$ 5,452,600	\$ 5,512,428	\$ -	\$ -	\$ 5,452,600	\$ 5,512,428
General obligation bonds	7,840,000	8,325,000	9,927,500	10,385,500	17,767,500	18,710,500
Total	<u>\$ 13,292,600</u>	<u>\$ 13,837,428</u>	<u>\$ 9,927,500</u>	<u>\$ 10,385,500</u>	<u>\$ 23,220,100</u>	<u>\$ 24,222,928</u>

Additional information regarding Northampton County's long-term debt can be found in Note 3.B of this audited financial report.

**Economic Factors and Next Year's Budgets and Rates**

The County was experiencing an unemployment rate of 12.1% at June 30, 2011. This was higher than the non-seasonally adjusted State average of 10.4%.

**Budget Highlights for the Fiscal Year Ending June 30, 2012**

**Governmental Activities.** The General Fund operating budget is reflects a decrease of approximately 2.6% compared to 2011 funding levels due to the state of the economy.

**Business-Type Activities.** Solid waste revenues are budgeted consistent to those amounts in 2011, given slight operating losses in 2011. Water and sewer revenues are conservatively budgeted compared to actual 2011 amounts due to anticipated decreases in usage due to the state of the economy.

**Requests for Information**

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information (including information related to the Northampton County Tourism Development Authority and the Northampton County ABC Board, the discretely presented component units) should be directed to the Director of Finance, Northampton County, PO Box 663, Jackson, North Carolina 27845.



## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
JUNE 30, 2011

				Component Units	
	Primary Government		Total	Northampton County ABC Board	Northampton County Tourism Development Authority
	Governmental Activities	Business-Type Activities			
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 3,888,935	\$ 98,214	\$ 3,987,149	\$ 77,584	\$ 21,163
Taxes receivable, net	1,103,924	-	1,103,924	-	-
Accounts receivable, net	1,573,909	501,307	2,075,216	2,233	-
Due from other governments	391,515	-	391,515	-	-
Inventories	-	-	-	124,636	-
Prepaid items	-	-	-	1,952	-
Internal balance	-	-	-	-	-
Cash and cash equivalents, restricted	188,572	227,856	416,428	-	-
Capital assets:					
Land and construction in progress	2,026,294	-	2,026,294	-	-
Other capital assets, net	12,341,567	20,439,740	32,781,307	7,050	-
Total assets	21,514,716	21,267,117	42,781,833	213,455	21,163
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	906,790	55,969	962,759	80,465	772
Customer deposits	-	227,856	227,856	-	-
Unearned revenues	117,782	16,329	134,111	-	-
Current portion of compensated absences	73,626	4,406	78,032	-	-
Long-term liabilities:					
Non-current portion of compensated absences	662,635	39,653	702,288	-	-
Due within one year	1,226,591	459,500	1,686,091	-	-
Due in more than one year	14,647,997	9,578,922	24,226,919	-	-
Total liabilities	17,635,421	10,382,635	28,018,056	80,465	772
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	8,915,261	10,512,240	19,427,501	7,050	-
Restricted for:					
Restricted for Stabilization by State statute	2,632,407	-	2,632,407	-	-
Restricted - other	647,846	-	647,846	65,402	20,391
Unrestricted	(8,316,219)	372,242	(7,943,977)	60,538	-
Total net assets	\$ 3,879,295	\$ 10,884,482	\$ 14,763,777	\$ 132,990	\$ 20,391

The accompanying notes are an integral part of the financial statements.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2011

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and Contributions	Grants and Contributions
<b>Functions/Programs:</b>				
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 3,243,821	\$ 473,265	\$ 117,956	\$ -
Public safety	7,926,097	1,071,722	213,154	-
Transportation	24,000	-	64,741	-
Environmental protection	120,000	-	22,377	-
Economic and physical development	1,749,985	63,631	274,594	869,727
Human services	11,160,356	1,974,727	6,293,182	-
Cultural and recreational	983,618	19,553	9,856	197,602
Education	5,101,504	-	-	930,000
Interest on long-term debt	569,994	-	-	-
Total governmental activities	30,879,375	3,602,898	6,995,860	1,997,329
<b>Business-Type Activities:</b>				
Water and sewer	2,478,462	2,639,109	-	-
Solid waste	2,186,262	2,009,380	-	16,992
Total business-type activities	4,664,724	4,648,489	-	16,992
Total primary government	\$ 35,544,099	\$ 8,251,387	\$ 6,995,860	\$ 2,014,321
<b>Component Unit:</b>				
Northampton County ABC Board	\$ 980,328	\$ 984,179	\$ -	\$ -
Northampton County Tourism Development Authority	\$ 39,719	\$ 39,594	\$ -	\$ -

### General Revenues:

#### Taxes:

Ad valorem taxes  
Local option sales tax  
Other taxes and licenses

Interest earned on investments, unrestricted

Total general revenues

Transfers

Total general revenues and transfers

Change in net assets

### Net Assets:

Beginning of year - July 1, as previously stated

Prior period adjustment

Beginning of year - July 1, as restated

End of year - June 30

The accompanying notes are an integral part of the financial statements.

Exhibit B

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
			Northampton County ABC Board	Northampton County Tourism Development Authority
Governmental Activities	Business-Type Activities	Total		
\$ (2,652,600)	\$ -	\$ (2,652,600)		
(6,641,221)	-	(6,641,221)		
40,741	-	40,741		
(97,623)	-	(97,623)		
(542,033)	-	(542,033)		
(2,892,447)	-	(2,892,447)		
(756,607)	-	(756,607)		
(4,171,504)	-	(4,171,504)		
(569,994)	-	(569,994)		
(18,283,288)	-	(18,283,288)		
-	160,647	160,647		
-	(159,890)	(159,890)		
-	757	757		
(18,283,288)	757	(18,282,531)		
			\$ 3,851	
				\$ (125)
16,837,488	-	16,837,488	-	-
1,432,477	-	1,432,477	-	-
130,267	-	130,267	-	-
8,641	528	9,169	105	17
18,408,873	528	18,409,401	105	17
(150,245)	150,245	-	-	-
18,258,628	150,773	18,409,401	105	17
(24,660)	151,530	126,870	3,956	(108)
3,924,454	10,732,952	14,657,406	129,034	20,499
(20,499)	-	(20,499)	-	-
3,903,955	10,732,952	14,636,907	129,034	20,499
\$ 3,879,295	\$ 10,884,482	\$ 14,763,777	\$ 132,990	\$ 20,391

The accompanying notes are an integral part of the financial statements.

## NORTHAMPTON COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2011

	<b>General Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Cash and cash equivalents	\$ 3,410,325	\$ 478,610	\$ 3,888,935
Taxes receivable, net	1,103,924	-	1,103,924
Accounts receivable, net	1,341,067	232,842	1,573,909
Due from other funds	1,079,769	169,720	1,249,489
Due from other governments	391,515	-	391,515
Restricted assets:			
Cash and cash equivalents	188,572	-	188,572
Total assets	<u>\$ 7,515,172</u>	<u>\$ 881,172</u>	<u>\$ 8,396,344</u>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 681,424	\$ 225,366	\$ 906,790
Due to other funds	169,720	1,079,769	1,249,489
Deferred revenues	1,649,027	115,185	1,764,212
Total liabilities	<u>2,500,171</u>	<u>1,420,320</u>	<u>3,920,491</u>
<b>Fund Balances:</b>			
Restricted:			
Stabilization by State statute	2,345,030	287,377	2,632,407
Restricted, other	548,880	98,966	647,846
Committed:			
Committed, other	188,572	216,333	404,905
Assigned:			
Assigned, other	9,947	973	10,920
Unassigned	1,922,572	(1,142,797)	779,775
Total fund balances	<u>5,015,001</u>	<u>(539,148)</u>	<u>4,475,853</u>
Total liabilities and fund balances	<u>\$ 7,515,172</u>	<u>\$ 881,172</u>	

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	14,367,861
Long-term debt and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(16,610,849)
Deferred revenues in the governmental funds are used to offset accounts receivable not expected to be available within 90 days of year-end. These receivables are a component of net assets in the Statement of Net Assets.	1,646,430
Net assets of governmental activities (Exhibit A)	<u>\$ 3,879,295</u>

The accompanying notes are an integral part of the financial statements.



## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Ad valorem taxes	\$ 16,053,109	\$ 583,818	\$ 16,636,927
Other taxes and licenses	1,489,620	-	1,489,620
Unrestricted intergovernmental revenues	73,124	-	73,124
Restricted intergovernmental revenues	6,831,766	2,096,343	8,928,109
Permits and fees	187,054	-	187,054
Sales and services	2,296,735	293,026	2,589,761
Interest earned on investments	8,436	205	8,641
Special project revenue	22,465	-	22,465
Miscellaneous	503,768	122,643	626,411
Total revenues	<u>27,466,077</u>	<u>3,096,035</u>	<u>30,562,112</u>
<b>Expenditures:</b>			
Current:			
General government	3,251,295	-	3,251,295
Public safety	6,711,759	876,577	7,588,336
Transportation	24,000	-	24,000
Environmental protection	120,000	-	120,000
Economic and physical development	758,675	968,284	1,726,959
Human services	10,801,923	475,494	11,277,417
Cultural and recreational	325,509	476,421	801,930
Education	4,086,834	1,014,670	5,101,504
Debt service:			
Principal repayments	185,346	991,482	1,176,828
Interest	7,767	562,227	569,994
Total expenditures	<u>26,273,108</u>	<u>5,365,155</u>	<u>31,638,263</u>
Revenues over (under) expenditures	<u>1,192,969</u>	<u>(2,269,120)</u>	<u>(1,076,151)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers (to) from other funds	(1,649,954)	1,499,709	(150,245)
Sale of assets	210,361	-	210,361
Long-term debt issued	632,000	-	632,000
Total other financing sources (uses)	<u>(807,593)</u>	<u>1,499,709</u>	<u>692,116</u>
Net change in fund balances	385,376	(769,411)	(384,035)
<b>Fund Balances:</b>			
Beginning of year - July 1, as previously stated	4,629,625	250,762	4,880,387
Prior period adjustment	-	(20,499)	(20,499)
Beginning of year - July 1, as restated	<u>4,629,625</u>	<u>230,263</u>	<u>4,859,888</u>
End of year - June 30	<u>\$ 5,015,001</u>	<u>\$ (539,148)</u>	<u>\$ 4,475,853</u>

The accompanying notes are an integral part of the financial statements.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2011**

Amounts reported for governmental activities in the Statement of Activities (Exhibit B)  
are different due to the following items:

Net change in fund balances - total governmental funds (Exhibit D)	\$ (384,035)
Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 90 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types:	
Property taxes	200,561
Ambulance and other miscellaneous revenues	111,318
Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(34,539)
Expenses related to other post-employment benefits that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(1,065,318)
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	1,353,267
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(671,350)
Principal repayments are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.	1,176,828
Proceeds from the issuance of debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, proceeds from the issuance of debt are not a revenue, rather they are an increase in liabilities.	(632,000)
Gain/(loss) on disposal of capital assets is reported in the Statement of Activities; however, proceeds from sale of assets are not affected by gain/(loss) in the governmental funds statement.	<u>(79,392)</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ (24,660)</u>

*The accompanying notes are an integral part of the financial statements.*

## NORTHAMPTON COUNTY, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2011**

	<b>Budgeted Amounts</b>			<b>Variance from Final Budget Over/Under</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Ad valorem taxes	\$ 15,895,697	\$ 15,895,702	\$ 16,053,109	\$ 157,407
Other taxes and licenses	1,705,562	1,690,562	1,489,620	(200,942)
Unrestricted intergovernmental revenues	54,500	69,500	73,124	3,624
Restricted intergovernmental revenues	7,190,645	7,849,152	6,831,766	(1,017,386)
Permits and fees	169,100	169,100	187,054	17,954
Sales and services	3,475,547	2,961,108	2,296,735	(664,373)
Investment earnings	7,700	7,700	8,315	615
Special project revenue	225,000	244,239	22,465	(221,774)
Miscellaneous	70,610	205,924	503,768	297,844
Total revenues	<u>28,794,361</u>	<u>29,092,987</u>	<u>27,465,956</u>	<u>(1,627,031)</u>
<b>Expenditures:</b>				
General government	3,365,861	3,451,494	3,221,104	230,390
Public safety	6,302,720	6,977,245	6,711,759	265,486
Transportation	29,000	29,000	24,000	5,000
Environmental protection	120,000	120,000	120,000	-
Economic and physical development	847,844	874,207	758,675	115,532
Human services	11,946,044	12,594,692	10,801,923	1,792,769
Cultural and recreation	308,312	327,299	325,509	1,790
Education	4,009,000	4,629,810	4,086,834	542,976
Debt service:				
Principal repayments	174,437	198,133	185,346	12,787
Interest	-	7,767	7,767	-
Total expenditures	<u>27,103,218</u>	<u>29,209,647</u>	<u>26,242,917</u>	<u>2,966,730</u>
Revenues over (under) expenditures	<u>1,691,143</u>	<u>(116,660)</u>	<u>1,223,039</u>	<u>1,339,699</u>
<b>Other Financing Sources (Uses):</b>				
Transfers (to) from other funds	(1,721,423)	(1,266,928)	(1,649,954)	(383,026)
Intrafund transfers	(55,000)	(55,000)	(55,000)	-
Sale of assets	-	-	210,361	210,361
Long-term debt issued	-	632,000	632,000	-
Appropriated fund balance	185,280	811,588	-	(811,588)
Contingency	(100,000)	(5,000)	-	5,000
Total other financing sources (uses)	<u>(1,691,143)</u>	<u>116,660</u>	<u>(862,593)</u>	<u>(979,253)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	360,446	<u>\$ 360,446</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>4,456,036</u>	
End of year - June 30			<u>\$ 4,816,482</u>	

*The accompanying notes are an integral part of the financial statements.*

## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2011

	<b>Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>
<b>Assets:</b>			
Current assets:			
Cash and cash equivalents	\$ 49,414	\$ 48,800	\$ 98,214
Accounts receivable, net	485,743	15,564	501,307
Due from other funds	398,830	-	398,830
Restricted assets:			
Cash and cash equivalents, restricted	227,856	-	227,856
Total current assets	1,161,843	64,364	1,226,207
Non-current assets:			
Other capital assets, net	20,433,359	6,381	20,439,740
Total non-current assets	20,433,359	6,381	20,439,740
Total assets	21,595,202	70,745	21,665,947
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	27,147	28,822	55,969
Due to other funds	-	398,830	398,830
Unearned revenue	16,329	-	16,329
Customer deposits	227,856	-	227,856
Compensated absences - current	3,199	1,207	4,406
Current portion of long-term debt	459,500	-	459,500
Total current liabilities	734,031	428,859	1,162,890
Non-current liabilities:			
Compensated absences - non-current	28,793	10,860	39,653
Non-current portion of long-term debt	9,468,000	-	9,468,000
Other post-employment benefits	85,452	25,470	110,922
Total non-current liabilities	9,582,245	36,330	9,618,575
Total liabilities	10,316,276	465,189	10,781,465
<b>Net Assets:</b>			
Invested in capital assets, net of related debt	10,505,859	6,381	10,512,240
Unrestricted	773,067	(400,825)	372,242
Total net assets	\$ 11,278,926	\$ (394,444)	\$ 10,884,482

The accompanying notes are an integral part of the financial statements.

## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN FUND NET ASSETS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
<b>Operating Revenues:</b>			
Charges for services	\$ 2,617,174	\$ 1,931,732	\$ 4,548,906
Water and sewer taps	13,200	-	13,200
White goods and tire disposal tax	-	31,113	31,113
Solid waste disposal tax	-	12,359	12,359
Other operating revenues	8,735	34,176	42,911
Total operating revenues	<u>2,639,109</u>	<u>2,009,380</u>	<u>4,648,489</u>
<b>Operating Expenses:</b>			
Water distribution and sewage treatment	1,472,046	-	1,472,046
Solid waste	-	2,179,585	2,179,585
Depreciation	548,410	6,677	555,087
Total operating expenses	<u>2,020,456</u>	<u>2,186,262</u>	<u>4,206,718</u>
Operating income (loss)	<u>618,653</u>	<u>(176,882)</u>	<u>441,771</u>
<b>Non-Operating Revenues (Expenses):</b>			
Interest earned on investments	398	130	528
Interest and fees	(458,006)	-	(458,006)
Total non-operating revenues (expenses)	<u>(457,608)</u>	<u>130</u>	<u>(457,478)</u>
Income (loss) before capital contributions and transfers	161,045	(176,752)	(15,707)
Capital contributions	-	16,992	16,992
Income (loss) before transfers	<u>161,045</u>	<u>(159,760)</u>	<u>1,285</u>
<b>Transfers:</b>			
Transfers in	-	150,245	150,245
Total transfers	<u>-</u>	<u>150,245</u>	<u>150,245</u>
Change in net assets	161,045	(9,515)	151,530
<b>Net Assets:</b>			
Beginning of year - July 1	<u>11,117,881</u>	<u>(384,929)</u>	<u>10,732,952</u>
End of year - June 30	<u>\$ 11,278,926</u>	<u>\$ (394,444)</u>	<u>\$ 10,884,482</u>

The accompanying notes are an integral part of the financial statements.

## NORTHAMPTON COUNTY, NORTH CAROLINA

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	<b>Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 2,531,486	\$ 2,005,995	\$ 4,537,481
Cash paid for goods and services	(983,690)	(2,010,364)	(2,994,054)
Cash paid to employees for services	(434,407)	(135,166)	(569,573)
Net cash provided (used) by operating activities	<u>1,113,389</u>	<u>(139,535)</u>	<u>973,854</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Transfers in	-	150,245	150,245
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>150,245</u>	<u>150,245</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	(16,415)	-	(16,415)
Principal paid on long-term debt	(458,000)	-	(458,000)
Interest and fees	(458,006)	-	(458,006)
Capital contributions	-	16,992	16,992
Net cash provided (used) by capital and related financing activities	<u>(932,421)</u>	<u>16,992</u>	<u>(915,429)</u>
<b>Cash Flows from Investing Activities:</b>			
Interest on investments	<u>398</u>	<u>130</u>	<u>528</u>
Net increase (decrease) in cash and cash equivalents	181,366	27,832	209,198
<b>Cash and Cash Equivalents:</b>			
Beginning of year - July 1	<u>95,904</u>	<u>20,968</u>	<u>116,872</u>
End of year - June 30	<u>\$ 277,270</u>	<u>\$ 48,800</u>	<u>\$ 326,070</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 618,653	\$ (176,882)	\$ 441,771
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	548,410	6,677	555,087
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(124,160)	(3,389)	(127,549)
Increase (decrease) in accounts payable and accrued liabilities	23,833	25,341	49,174
Increase (decrease) in customer deposits	16,537	-	16,537
Increase (decrease) in accrued vacation pay	1,609	221	1,830
Increase (decrease) in OPEB payable	<u>28,507</u>	<u>8,497</u>	<u>37,004</u>
Net cash provided (used) by operating activities	<u>\$ 1,113,389</u>	<u>\$ (139,535)</u>	<u>\$ 973,854</u>

*The accompanying notes are an integral part of the financial statements.*

## NORTHAMPTON COUNTY, NORTH CAROLINA

## STATEMENT OF FIDUCIARY NET ASSETS

## FIDUCIARY FUNDS

JUNE 30, 2011

	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 163,407
Accounts receivable	<u>1,049,667</u>
Total assets	<u>\$ 1,213,074</u>
<b>Liabilities:</b>	
Intergovernmental payable	\$ 923,985
Accounts payable	<u>289,089</u>
Total liabilities	<u>\$ 1,213,074</u>

*The accompanying notes are an integral part of the financial statements.*

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **1. Summary of Significant Accounting Policies**

The accounting policies of Northampton County (the "County") and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

#### **A. Reporting Entity**

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. One component unit of the County has no financial transactions or account balances; therefore, it does not appear in the combined financial statements. The discretely presented component unit presented below is reported in a separate column in the County's financial statements in order to emphasize that it is legally separate from the County.

#### **Discretely Presented Component Units**

##### **Northampton County Industrial Facilities and Pollution Control Financing Authority**

Northampton County Industrial Facilities and Pollution Control Financing Authority (the "Authority") exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority is governed by a five-member Board of Commissioners, all of whom are appointed by the County Commissioners. The County can remove any Commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

##### **Northampton County ABC Board**

The members of the ABC Board's governing board are appointed by the County. In addition, the ABC Board is required by State statute to distribute its surpluses to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund (discrete presentation). Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at the Northampton County ABC Board, Highway 158 East, Jackson, North Carolina 27845.

##### **Northampton County Tourism Development Authority**

The Northampton County Tourism Development Authority ("Tourism Development Authority") is governed by a five-member Board appointed by the County Commissioners as Tourism Development Authority members' terms expire. The County is authorized by State statute to collect an occupancy tax up to six percent (6%) on gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp,



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

or similar place within the County. Collections are remitted to the Tourism Development Authority, less a 3% administration charge, on a monthly basis. The Tourism Development Authority, which has a June 30 year-end, is presented as if it were a governmental fund type. The County is financially accountable for the Tourism Development Authority, which is reported as a discrete component unit separate from the financial information of the primary government. The Tourism Development Authority did not issue separate financial statements.

### **B. Basis of Presentation**

*Government-Wide Statements.* The Statement of Net Assets and the Statement of Activities display information about the primary government and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities.

Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements.* The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

The County has the following fund categories (further divided by fund type):

### **Governmental Funds**

Governmental funds are used to account for Northampton County's general governmental activities. Governmental funds include the following fund types:

**General Fund.** This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Revaluation Fund and the Revolving Loan Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 these funds are consolidated in the General Fund.

**Special Revenue Funds.** Special revenue funds account for specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The County maintains four special revenue funds: Mid-Atlantic Distribution Park Fund, Emergency Telephone System Fund, Fire District Fund, and CDBG Fund.

**Capital Project Funds.** Capital project funds account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds). The County maintains ten capital project funds: Wellness and Recreation Centers Capital Project Fund, First Responder Training Center Fund, EDC Grant Project Fund, Library Renovations Project Fund, DSS Building Project Fund, Capital Reserve Fund, Ambulance Capital Reserve Fund, EDC Capital Reserve Fund, Public Schools Building Fund, and EDC REEP Project Fund.

**Debt Service Fund.** The Debt Service Fund is used to account for all expenditures for principal and interest for all debt not accounted for in the enterprise funds. The other governmental fund types provide the resources to the Debt Service Fund to make the payments through transfers.

### **Proprietary Funds**

**Enterprise Funds.** Enterprise funds account for those operations that (a) are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be 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. The County has two enterprise funds: the Water and Sewer Fund and the Solid Waste Fund.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### **Fiduciary Funds**

Fiduciary funds account for the assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds include the following funds:

**Agency Funds.** Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains five agency funds: Social Services Fund, which accounts for monies deposited with the Department of Social Services for the benefit of certain individuals; Inmate Trust Fund, which accounts for funds deposited by inmates of the County's jail; Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed and collected by the County for various municipalities within the County; the Rescue Squad Fund, which accounts for rescue squad charges that are billed and collected by the County for the area rescue squads; and 3% Interest Payable to State Fund, which accounts for interest on delinquent motor vehicles taxes which is required to be remitted to the State of North Carolina.

### **Major Funds**

The General Fund, Water and Sewer Fund, and Solid Waste Fund are considered major funds for the year ended June 30, 2011.

### **C. Measurement Focus, Basis of Accounting**

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

*Government-Wide, Proprietary, and Fiduciary Fund Financial Statements.* The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues, rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, the County's vehicle taxes for vehicles registered in the County from March 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements and are offset by deferred revenues.

Sales taxes collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Grant revenues which are unearned at year-end are recorded as unearned revenues. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

### **D. Budgetary Data**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, special revenue funds (excluding the CDBG Fund), and the enterprise funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the special revenue funds listed above, and the capital project funds. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for the General Fund, special revenue funds, enterprise funds, and at the object level for the capital project funds. The County Manager is authorized to transfer appropriations between departments within a fund up to \$5,000; however, any revisions that alter the total expenditures of any fund or exceed \$5,000 must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

### **E. Assets, Liabilities, and Fund Equity**

#### **Deposits and Investments**

All deposits of the County and the ABC Board are made in Board-designated official depositories and are secured as required by G.S. 159-31. The County and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the ABC Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

The County's and the ABC Board's investments with a maturity of more than one year at acquisition and non-money market investments are reported at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earning investment contracts are reported at cost.

### **Cash and Cash Equivalents**

The County pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents.

### **Restricted Assets**

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150.

### **Ad Valorem Taxes Receivable**

In accordance with State law [G.S. 105-347 and G.S. 159-13 (a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1; however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2008.

### **Allowance for Doubtful Accounts**

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

### **Inventory**

The inventory of the County is immaterial; therefore, no amount is recorded.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **Capital Assets**

The County's purchased or constructed capital assets are recorded at original cost or estimated historical cost. Donated assets are recorded at their estimated fair value at the date of donation. Certain items acquired before July 1, 1980, are recorded at an estimated original cost. The total of such estimates is not considered large enough that the errors would be material when capital assets are considered as a whole. Any interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed. Minimum capitalization cost is \$5,000.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

<b><u>Asset</u></b>	<b><u>Estimated Useful Lives</u></b>
Buildings	20-75 years
Equipment	5-10 years
Vehicles	5-10 years
Water distribution system	20-50 years

### **Long-Term Obligations**

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

In fund financial statements, governmental fund types report the face amount of debt issued as an other financing source.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **Net Assets/Fund Balances**

#### **Net Assets**

Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted and unrestricted. Restricted net assets represent constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through State statute.

**Unrestricted Net Assets.** The County has \$7,840,0000 of debt outstanding for the acquisition and construction of public school and community college facilities. The assets related to this debt are not reported in the County's net assets since title to the related assets are held by Northampton County Board of Education.

#### **Fund Balances**

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balance as follows:

**Non-Spendable Fund Balance.** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

**Restricted Fund Balance.** This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>
<i>Restricted for Stabilization by State Statute</i> - portion of fund balance that is restricted by State statute [G.S. 159-8(a)]	\$ 2,345,030	\$ 117,657	\$ 169,720
<b>Restricted - Other:</b>			
<i>Restricted for Public Safety - E911</i> - portion of fund balance that is restricted by revenue source for E911 expenditures	330,576	-	-
<i>Restricted for General Government</i> - portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds' office	76,856	-	-
<i>Restricted for Debt Service</i> - portion of fund balance that is restricted by lender to be maintained in fund balance	141,448	-	-
<i>Restricted for Public Safety - E-911</i> - portion of fund balance that is restricted by revenue source for E911 expenditures	-	98,966	-
	<u>\$ 2,893,910</u>	<u>\$ 216,623</u>	<u>\$ 169,720</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

**Committed Fund Balance.** portion of fund balance that can only be used for specific purpose imposed by majority vote of the County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

	<u>General Fund</u>	<u>Capital Project Funds</u>
<i>Committed for Tax Revaluation</i> - portion of fund balance that is committed by revenue source to pay for property tax revaluation purposes	\$ 188,572	\$ -
<i>Committed for Public Safety</i> - portion of fund balance that is committed for public safety expenditures.	-	755
<i>Committed for Economic Development</i> - portion of fund balance that is committed to pay for economic development expenditures	-	65,082
<i>Committed for Capital Outlay</i> - portion of fund balance that is committed for future capital expenditures	-	131,153
<i>Committed for Education</i> - portion of fund balance that is committed for education expenditures	-	19,343
Total	<u>\$ 188,572</u>	<u>\$ 216,333</u>

**Assigned Fund Balance.** portion of fund balance that the County governing board has budgeted.

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Fund</u>
<i>Assigned for Debt Service</i> - portion of fund balance that is assigned for debt service expenditures	\$ 9,947	\$ -	\$ 103
<i>Assigned for Economic Development</i> - portion of fund balance that is assigned to pay for economic development expenditures	-	870	-
Total	<u>\$ 9,947</u>	<u>\$ 870</u>	<u>\$ 103</u>

**Unassigned Fund Balance.** portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

The County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, and County funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total fund balance - General Fund (Exhibit C)	\$ 5,015,001
Less:	
Stabilization by State statute	<u>(2,345,030)</u>
Available for appropriation	<u>\$ 2,669,971</u>

### **Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balance – Budget and Actual – General Fund to the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds**

A legally budgeted tax Revaluation Fund and Revolving Loan Fund are consolidated into the General Fund for reporting purposes on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Fund (Exhibit D). Fund balance for the General Fund is reconciled as follows:

Fund balance, ending (Exhibit F)	\$ 4,816,482
<b>Revaluation Fund:</b>	
Revenues:	
Investment earnings	114
Expenditures:	
General government	(30,191)
Transfers in - General Fund	55,000
Fund balance, beginning	163,649
<b>Revolving Loan Fund:</b>	
Revenues:	
Investment earnings	7
Fund balance - beginning	<u>9,940</u>
Fund balance - ending (Exhibit D)	<u>\$ 5,015,001</u>

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **F. Revenues, Expenditures, and Expenses**

#### **Compensated Absences**

The vacation policy of the County provides for the accumulation of up to thirty days earned vacation leave, with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide statements.

The County's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the County nor its component unit has any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

### **G. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### **H. Comparative Data/Reclassifications**

Comparative total data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the County's financial position and operations. Comparative totals have not been included on the statements where their inclusion would not provide enhanced understanding of the County's financial position and operations or would cause the statements to be unduly complex or difficult to understand. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **2. Stewardship, Compliance, and Accountability**

#### **A. Excess of Expenditures Over Appropriations**

For the fiscal year ended June 30, 2011, expenditures exceeded the authorized appropriations made by the governing board as follows:

##### **Capital Project Funds:**

Wellness and Recreation Centers Capital Project Fund – \$229,597

EDC Grant Capital Project Fund – \$68,339

Public Schools Building Capital Project Fund – \$2,287,901

**Corrective Action Plan.** Management will more closely monitor budget to ensure that expenditures do not exceed authorized appropriations made by the governing board.

#### **B. Deficit Fund Balance or Net Assets of Individual Funds**

The following funds had deficit fund balances, net assets at June 30, 2011:

##### **Special Revenue Fund:**

Fire District Fund \$274

##### **Capital Project Fund:**

Wellness and Recreation Centers Capital Project Fund - \$350,184

Library Renovations Capital Project Fund - \$223,625

DSS Building Capital Project Fund - \$475,480

##### **Enterprise Fund:**

Solid Waste Fund - \$394,444

**Corrective Action Plan.** Deficits, caused by timing issues, will be eliminated with future revenues. Budgeted transfers will be made in a timely manner to eliminate deficit fund balances at year-end.

### **3. Detail Notes On All Funds**

#### **A. Assets**

##### **Deposits**

All the deposits of the County and the ABC Board are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the County's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State

## **NORTHAMPTON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, these deposits are considered to be held by the County's and the ABC Board's agents in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the ABC Board, or with the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the County and the ABC Board under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

At June 30, 2011, the County's deposits had a carrying amount of \$1,251,178 and a bank balance of \$1,743,522. Of the bank balance, \$283,906 was covered by federal depository insurance, and \$1,459,616 in interest-bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2011, the County had \$1,900 cash on hand.

At June 30, 2011, the Northampton County Tourism Development Authority's deposits had a carrying amount of \$21,163 and a bank balance of \$21,163. Of the bank balance, \$21,163 was covered by federal depository insurance.

#### **Investments**

At June 30, 2011, the County had \$3,313,906 invested with the North Carolina Capital Management Trust's Cash Portfolio which carried a credit rating of AAAM by Standard and Poor's. The County has no policy regarding credit risk.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **Property Tax – Use-Value Assessment On Certain Land**

In accordance with the General Statutes, agriculture, horticulture, and forestland may be taxed by the County at the present use-value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<b>Year Ended</b>				
<b>June 30</b>	<b>Tax</b>	<b>Interest</b>	<b>Total</b>	
2007	\$ 936,722	\$ 306,776	\$ 1,243,498	
2008	955,312	226,887	1,182,199	
2009	939,422	138,565	1,077,987	
2010	1,061,131	61,015	1,122,146	
Total	<u>\$ 3,892,587</u>	<u>\$ 733,243</u>	<u>\$ 4,625,830</u>	

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Receivables

Receivables at Exhibit A at June 30, 2011 were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due From Other Governments</u>	<u>Total</u>
<b>Governmental Activities:</b>				
General	\$ 82,756	\$ 1,926,924	\$ 391,515	\$ 2,401,195
Ambulance	2,357,321	-	-	2,357,321
E911 fees	24,419	-	-	24,419
Fire district	75,185	-	-	75,185
CDBG receivables	133,238	-	-	133,238
DSS receivable	790,990	-	-	790,990
Total receivables	3,463,909	1,926,924	391,515	5,782,348
Allowance for doubtful accounts	(1,890,000)	(823,000)	-	(2,713,000)
Total governmental activities	<u>\$ 1,573,909</u>	<u>\$ 1,103,924</u>	<u>\$ 391,515</u>	<u>\$ 3,069,348</u>
<b>Business-Type Activities:</b>				
Solid Waste	\$ 593,106	\$ -	\$ -	\$ 593,106
Water and Sewer	485,743	-	-	485,743
Total receivables	1,078,849	-	-	1,078,849
Allowance for doubtful accounts	(577,542)	-	-	(577,542)
Total business-type activities	<u>\$ 501,307</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 501,307</u>

Due from other governments consisted of the following:

Local option sales tax	\$ 234,874
Sales tax refund	156,641
Total	<u>\$ 391,515</u>



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Capital Assets

A summary of changes in the County's governmental capital assets follows:

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>
<b>Non-Depreciable Assets:</b>				
Construction in progress	\$ -	\$ 475,494	\$ -	\$ 475,494
Land	1,600,000	-	(49,200)	1,550,800
<b>Depreciable Assets:</b>				
Buildings and improvements	13,243,912	191,780	-	13,435,692
Equipment	1,668,855	173,626	-	1,842,481
Vehicles and motor equipment	<u>2,021,082</u>	<u>512,367</u>	<u>(50,850)</u>	<u>2,482,599</u>
Total capital assets	<u>18,533,849</u>	<u>1,353,267</u>	<u>(100,050)</u>	<u>19,787,066</u>
<b>Less Accumulated Depreciation:</b>				
Buildings and improvements	(2,948,711)	(245,301)	-	(3,194,012)
Equipment	(563,365)	(190,991)	-	(754,356)
Vehicles and motor equipment	<u>(1,256,437)</u>	<u>(235,058)</u>	<u>20,658</u>	<u>(1,470,837)</u>
Total accumulated depreciation	<u>(4,768,513)</u>	<u>\$ (671,350)</u>	<u>\$ 20,658</u>	<u>(5,419,205)</u>
Capital assets, net	<u>\$ 13,765,336</u>			<u>\$ 14,367,861</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

#### Governmental Activities:

General government	\$ 141,269
Public safety	300,531
Economic and physical development	3,311
Human services	52,143
Cultural and recreational	<u>174,096</u>
Total	<u>\$ 671,350</u>

#### Business-Type Activities:

Solid Waste	\$ 548,410
Water and Sewer	<u>6,677</u>
Total	<u>\$ 555,087</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Summary of Proprietary Capital Assets

Capital assets for the proprietary funds of the County at June 30, 2011, are as follows:

	<u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>
<b>Water and Sewer Fund:</b>				
<b>Depreciable Assets:</b>				
Plant and distribution systems	\$ 26,723,233	\$ -	\$ -	\$ 26,723,233
Furniture and equipment	230,888	16,415	-	247,303
Vehicles	201,814	-	-	201,814
Total capital assets	<u>27,155,935</u>	<u>16,415</u>	<u>-</u>	<u>27,172,350</u>
<b>Less Accumulated Depreciation:</b>				
Plant and distribution systems	(5,783,990)	(535,783)	-	(6,319,773)
Furniture and equipment	(218,079)	(5,526)	-	(223,605)
Vehicles	<u>(188,512)</u>	<u>(7,101)</u>	<u>-</u>	<u>(195,613)</u>
Total accumulated depreciation	<u>(6,190,581)</u>	<u>\$ (548,410)</u>	<u>\$ -</u>	<u>(6,738,991)</u>
Total Water and Sewer Fund	<u>\$ 20,965,354</u>			<u>\$ 20,433,359</u>
 <b>Solid Waste Fund:</b>				
<b>Depreciable Assets:</b>				
Buildings	\$ 2,250	\$ -	\$ -	\$ 2,250
Furniture and equipment	183,605	-	-	183,605
Vehicles	<u>153,924</u>	<u>-</u>	<u>-</u>	<u>153,924</u>
Total capital assets	<u>339,779</u>	<u>-</u>	<u>-</u>	<u>339,779</u>
<b>Less Accumulated Depreciation:</b>				
Buildings	(2,250)	-	-	(2,250)
Furniture and equipment	(173,191)	(4,033)	-	(177,224)
Vehicles	<u>(151,280)</u>	<u>(2,644)</u>	<u>-</u>	<u>(153,924)</u>
Total accumulated depreciation	<u>(326,721)</u>	<u>\$ (6,677)</u>	<u>\$ -</u>	<u>(333,398)</u>
Total Solid Waste Fund	<u>\$ 13,058</u>			<u>\$ 6,381</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### B. Liabilities

#### Payables

Payables at Exhibit A at June 30, 2011 were as follows:

	<u>Vendors</u>
<b>Governmental Activities:</b>	
General	\$ 681,424
Other governmental	225,366
Total governmental activities	<u>\$ 906,790</u>
<b>Business-Type Activities:</b>	
Solid Waste	\$ 27,147
Water and Sewer	28,822
Total business-type activities	<u>\$ 55,969</u>

#### Pension Plan Obligations

##### Local Governmental Employees' Retirement System

**Plan Description.** The County contributes to the State-wide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The LGERS is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Funding Policy.** Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.47% and 6.41%, respectively, of annual covered payroll. The contribution requirements of members and of the County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$672,220, \$495,181, and \$482,195, respectively. The contributions made by the County equaled the required contributions for each year.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Law Enforcement Officers' Special Separation Allowance

#### Plan Description

Northampton County administers a public employee retirement system (the *Separation Allowance*), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2010, the Separation Allowance's membership consisted of:

Retirees receiving benefits	1
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	<u>30</u>
Total	<u>31</u>

A separate report was not issued for the Plan.

#### Summary of Significant Accounting Policies

*Basis of Accounting.* The County has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

*Method Used to Value Investments.* No funds are set aside to pay benefits and administration costs. These expenditures will be paid as they come due.

#### Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefit payments and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

The annual required contribution for the current year was determined as of December 31, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return and (b) projected salary increases of 4.25 - 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-employment benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2010 was 20 years.

**Annual Pension Cost and Net Pension Obligation.** The County's annual pension costs and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 26,127
Interest on net pension obligation	-
Adjustment to annual required contribution	<u>291,094</u>
Annual pension costs	317,221
Contributions made	<u>11,136</u>
Increase (decrease) in net pension obligation	306,085
Net pension obligation:	
Beginning of year - July 1	<u>-</u>
End of year - June 30	<u>\$ 306,085</u>

### Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2011	\$ 317,221	3.51%	\$ 306,085

### Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$172,460. The covered payroll was \$1,040,507, and the ratio of the UAAL to the covered payroll was 16.57 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of Plan assets are increasing or decreasing, over time, relative to the actuarial accrued liability for benefits.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **Supplemental Retirement Income Plan for Law Enforcement Officers**

**Plan Description.** The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) Plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Funding Policy.** Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year-end June 30, 2011, were \$58,513, which consisted of \$51,385 from the County and \$7,128 from the law enforcement officers.

### **Deferred Compensation Plan**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation plan is not available to employees until termination, retirement, death, or unforeseeable emergency.

The County has complied with changes in the laws which govern the County's Deferred Compensation Plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts which had been deferred by the plan participants were required to be reported as assets of the County. Effective for the current fiscal year and in accordance with GASB Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the County's Deferred Compensation Plan is no longer reported within the County's Agency Funds.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **Registers of Deeds' Supplemental Pension Fund**

**Plan Description.** The County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a non-contributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Funding Policy.** On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2011, the County's required and actual contributions were \$1,116.

### **Other Post-Employment Benefits**

#### **Healthcare Benefits**

**Plan Description.** Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB plan). The HCB plan provides post-employment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have thirty or more years of service, with a minimum of ten years of service with the County, or early retirement at age sixty with twenty-five years of service, with a minimum of twenty years of service with the County. Employees who qualify for a disability retirement benefit and have twenty years of creditable service, ten of which are with the County, are also eligible to participate. The County pays the full cost of coverage for these benefits. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the HCB plan.

## NORTHAMPTON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

Membership of the HCB plan consisted of the following at December 31, 2010, the date of the latest actuarial valuation.

Retirees receiving benefits	24
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members, general employees	241
Active plan members, law enforcement officers	<u>27</u>
Total	<u>292</u>

**Funding Policy.** The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the Board of Commissioners. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

The current ARC rate is 9.47% of annual covered payroll. For the current year, the County contributed \$118,283, or 1.2% of annual covered payroll. The County obtains healthcare coverage through private insurers. There were no contributions made by employees. The County's obligation to contribute to the HCB Plan is established and may be amended by the Board of Commissioners.

**Summary of Significant Accounting Policies.** Post-employment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

**Annual OPEB Cost and Net OPEB Obligation.** The County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the healthcare benefits.

Annual required contribution	\$ 911,676
Interest on net OPEB obligation	63,624
Adjustment to annual required contribution	<u>(60,780)</u>
Annual OPEB cost (expense)	914,520
Contributions made	<u>(118,283)</u>
Increase (decrease) in net OPEB obligation	796,237
Net OPEB obligation:	
Beginning of year - July 1	<u>1,590,588</u>
End of year - June 30	<u><u>\$ 2,386,825</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 were as follows:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 878,724	8.56%	\$ 803,548
2010	878,724	10.43%	1,590,588
2011	914,520	12.90%	2,386,825

**Funded Status and Funding Progress.** As of December 31, 2010, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and; thus, the unfunded actuarial accrued liability (UAAL) was \$10,831,695. The covered payroll (annual payroll of active employees covered by the plan) was \$9,757,690, and the ratio of the UAAL to the covered payroll was 111 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing, over time, relative to the actuarial accrued liabilities for benefits.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

In the December 31, 2010 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 10.50 to 5.00 percent annually. The investment rate included a 3 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010 was 30 years.

### **Other Employee Benefits**

The County has also elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000.

All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. For the fiscal year ended June 30, 2011, the County made contributions to the State for death benefits of \$12,684. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .11% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Deferred Revenues/Unearned Revenues

The balance in deferred revenues on the fund statements and unearned revenues on the government-wide statements at year-end is composed of the following elements:

	<b>Deferred Revenues</b>	<b>Unearned Revenues</b>
Prepaid taxes, not yet earned	\$ 77,782	\$ 77,782
Taxes receivable, net	1,179,109	-
Other receivables, net	467,321	-
CDBG grant revenues unearned	40,000	40,000
Total	<u>\$ 1,764,212</u>	<u>\$ 117,782</u>

### 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. The County participates in two self-funded risk financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property insurance coverage equal to replacement cost values of owned property subject to a limit of \$250 million per occurrence; general, auto, professional, and employment practices liability coverage of \$2 million per occurrence; auto physical damage coverage for owned autos at actual cash value; crime coverage of \$250,000 per occurrence; and workers' compensation coverage up to statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. The pools are reinsured through commercial companies for single occurrence losses in excess of \$500,000 up to a \$2 million limit for general liability coverage; \$750,000 of aggregate annual losses in excess of \$250,000 per occurrence for property, auto physical damage, and crime coverage; and single occurrence losses of \$750,000 for workers' compensation.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year, and settled claims have not exceeded coverage in any of the past three fiscal years.

The County does not carry flood insurance through the NFIP.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance is bonded for \$450,000. The Tax Collector, Sheriff, and Register of Deeds are each individually bonded for \$25,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **Claims and Judgments**

At June 30, 2011, the County was a defendant to various lawsuits. In the opinion of the County's management and the County's attorney, the ultimate outcome of these legal matters will not have a material adverse effect on the County's financial position.

### **Long-Term Obligations**

#### **Installment Notes Payable**

##### **Governmental Activities:**

##### **Governmental Funds:**

\$1,475,430 USDA Rural Development loan issued March 2002; due in equal annual installments of \$94,573, including interest at 4.75%; final payment due March 2032, secured by equipment	\$ 1,236,060
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\$130,570 USDA Rural Development loan issued January 2003; due in equalannual installments of \$8,135, including interest at 4.625%; final payment due January 2033; secured by equipment	107,401
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\$1,200,000 note issued October 2004; due in ten (10) installments of \$120,000, plus interest at 3.62%; final payment due October 2014; secured by land	480,000
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\$1,800,000 note issued May 2006; due in ten (10) annual payments of \$180,000, plus interest at 3.75%; final payment due May 2016; secured by land	900,000
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\$1,800,000 USDA Rural Development loan issued May 2008; due in equal annual installments of \$92,646, including interest at 4.125%; final payment due May 2048; secured by facility	1,742,504
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\$645,515 note issued March 2008; due in five (5) annual payments of \$129,103, plus interest at 3.74%; final payment due March 2013; secured by equipment	258,206
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\$34,800 note issued January 2010; due in three (3) annual payments of \$11,600, plus interest at 3.58%; final payment due January 2013; secured by vehicle	23,200
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## **NORTHAMPTON COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

\$163,000 note issued September 2010; due in three (3) annual installments of \$56,940, including interest of 2.38%; final payment due September 2013; secured by equipment	163,000
\$258,000 note issued January 2011; due in three (3) annual installments of \$89,358, including interest at 1.94%; final payment due January 2014; secured by vehicles	258,000
\$90,000 USDA loan issued March 2011; due in seven (7) annual installments of \$14,995, including interest of 4.00%; final payment due March 2018; secured by equipment	90,000
\$121,000 note issued December 2010; due in three (3) annual payments of \$42,100, including interest of 2.175%; final payment due December 2013; secured by ambulance	121,000
\$96,500 note issued December 2008; due in three (3) annual payments of \$34,339, plus interest at 3.34%; final payment due December 2011; secured by ambulance	33,229
\$100,000 North Carolina Department of Commerce Economic Development Assistance Loan issued April 2008; due in five (5) annual payments of \$20,000; no interest; final payment due July 2013	<u>40,000</u>
Total	<u>\$ 5,452,600</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

Annual debt service payments to maturity for the County's notes payable are as follows:

### Governmental Activities:

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2012	\$ 741,591	\$ 229,836	\$ 971,427
2013	715,262	201,407	916,669
2014	561,681	173,890	735,571
2015	380,633	151,390	532,023
2016	264,216	132,657	396,873
2017-2021	433,881	571,747	1,005,628
2022-2026	506,244	469,394	975,638
2027-2031	631,985	343,653	975,638
2032-2036	354,199	218,702	572,901
2037-2041	309,780	153,450	463,230
2042-2046	379,165	84,065	463,230
2047-2048	173,963	10,826	184,789
Total	<u>\$ 5,452,600</u>	<u>\$ 2,741,017</u>	<u>\$ 8,193,617</u>

### General Obligation Indebtedness

The County's general obligation bonds serviced by the governmental funds are collateralized by the full faith, credit, and taxing power of the County. Northampton County issues general obligation bonds to provide funds for the acquisition and construction of major water and sewer system capital improvements. These bonds, which are recorded in the Water and Sewer Fund, are also collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirements are appropriated when due.

The County's general obligation bonds payable at June 30, 2011 are comprised of the following individual issues:

### General Obligations Bonds

#### Serviced by the General Fund:

\$9,000,000 2005 General Obligation Bonds; due in annual installments  
of \$135,000 to \$585,000 through June 1, 2026, interest at 4.00%  
to 5.00%

\$ 7,840,000

Total serviced by the General Fund

\$ 7,840,000

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **General Obligation Bonds**

#### **Serviced by the Water and Sewer Fund:**

\$492,000 2000 Sanitary Sewer Bond issued March 2000; due in annual installments of \$5,500 to \$22,000 through June 1, 2039, interest at 5.00%	\$ 426,500
\$3,700,000 2002 Water Bond issued April 2002; due in annual installments of \$125,000 to \$250,000 through April 1, 2021, interest at 4.70% to 4.80%	2,450,000
\$2,870,000 2003 Water Bond issued September 2003; due in annual installments of \$32,000 to \$107,000 through June 1, 2043, interest at 4.25%	2,656,000
\$4,835,000 Refunding Series 2005 Water Bonds issued May 2005; due in annual installments of \$105,000 to \$290,000 through June 1, 2030, interest at 3.50% to 4.00%	4,055,000
\$430,000 Public Improvement Series 2005 Water Bonds issued May 2005; due in annual installments of \$15,000 to \$45,000 through June 1, 2025, interest at 4.00% to 5.00%	<u>340,000</u>
Total serviced by the Water and Sewer Fund	<u>\$ 9,927,500</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

<b>Year Ending June 30</b>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2012	\$ 485,000	\$ 325,618	\$ 459,500	\$ 437,919
2013	485,000	303,792	471,500	417,403
2014	485,000	284,392	474,000	396,475
2015	485,000	264,992	486,000	375,438
2016	585,000	245,592	498,000	353,915
2017-2021	2,900,000	876,230	2,593,000	1,432,625
2022-2026	2,415,000	281,828	1,762,500	935,118
2027-2031	-	-	1,614,000	535,109
2032-2036	-	-	625,000	287,100
2037-2041	-	-	688,000	141,495
2042-2043	-	-	256,000	16,320
Total	<u>\$ 7,840,000</u>	<u>\$ 2,582,444</u>	<u>\$ 9,927,500</u>	<u>\$ 5,328,917</u>

At June 30, 2011, the County had a legal debt margin of \$149,000,000.



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Changes in General Long-Term Debt

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2011:

	Balance July 1, 2010	Additions	Retirements	Balance June 30, 2011	Current Portion of Balance
<b>Governmental Activities:</b>					
General obligation bonds	\$ 8,325,000	\$ -	\$ (485,000)	\$ 7,840,000	\$ 485,000
Installment note	5,512,428	632,000	(691,828)	5,452,600	741,591
Compensated absences	701,722	644,487	(609,948)	736,261	73,626
Net pension obligation	-	317,221	(11,136)	306,085	-
Post-employment benefits	1,516,670	872,019	(112,786)	2,275,903	-
Total governmental activities	<u>\$ 16,055,820</u>	<u>\$ 2,465,727</u>	<u>\$ (1,910,698)</u>	<u>\$ 16,610,849</u>	<u>\$ 1,300,217</u>
<b>Business-Type Activities:</b>					
General obligation bonds	\$ 10,385,500	\$ -	\$ (458,000)	\$ 9,927,500	\$ 459,500
Compensated absences	42,229	32,399	(30,569)	44,059	4,406
Post-employment benefits	73,918	42,501	(5,497)	110,922	-
Total business-type activities	<u>\$ 10,501,647</u>	<u>\$ 74,900</u>	<u>\$ (494,066)</u>	<u>\$ 10,082,481</u>	<u>\$ 463,906</u>

Compensated absences, net pension obligation, and post-employment benefits typically have been liquidated in the General Fund. Compensated absences are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

### Conduit Debt Obligations

The County Industrial Facilities and Pollution Control Financing Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed, as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011, there were two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$5,500,000.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Invested in Capital Assets, Net of Related Debt

The total invested in capital assets, net of related debt, at June 30, 2011 is composed of the following elements:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets	\$ 14,367,861	\$ 20,439,740
Long-term debt	16,610,849	10,082,481
Compensated absences	(736,261)	(44,059)
Net pension obligation	(306,085)	-
Unfunded OPEB liability	(2,275,903)	(110,922)
Long-term debt for assets not owned by the County	<u>(7,840,000)</u>	<u>-</u>
Long-term debt, related to capital assets	<u>5,452,600</u>	<u>9,927,500</u>
Invested in capital assets, net of related debt	<u>\$ 8,915,261</u>	<u>\$ 10,512,240</u>

### Interfund Balances and Activities

#### Transfers

	<u>Transfers</u>		
	<u>From</u>	<u>To</u>	<u>Purpose</u>
<b>Operating Transfers</b>			
<b>From/To Other Funds:</b>			
General Fund	\$ 1,649,954	\$ -	
Debt Service Fund	-	1,499,709	Debt Service
Solid Waste Fund	-	150,245	Operations
Mid-Atlantic Distribution Park Fund	34,000	-	
Debt Service Fund	<u>-</u>	<u>34,000</u>	Debt Service
Total transfers	<u>\$ 1,683,954</u>	<u>\$ 1,683,954</u>	

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### Due to/Due From Other Funds

Receivable Fund	Payable Fund	Amount	Purpose
Capital Reserve Fund	General Fund	\$ 169,720	To finance future capital outlay
	Wellness/Recreation Centers		
General Fund	Capital Project Fund	366,779	To finance capital project activity
General Fund	Library Renovation	223,624	Construction and equipment
General Fund	DSS Building Project	475,494	Land purchase and architectural fees
General Fund	CDBG Fund	13,872	For operations, cash overdrafts
Water and Sewer Fund	Solid Waste Fund	398,830	For operations, cash overdrafts
Total		<u>\$ 1,648,319</u>	

#### 4. Related Organization

The County's governing board is responsible for appointing the members of the Board of Choanoke Area Development Association, Choanoke Public Transportation Authority, Roanoke River Basin Association, and the Lake Gaston Weed Control Council, but the County's accountability for these organizations does not extend beyond making these appointments.

#### 5. Joint Ventures

The County participates in a joint venture to operate East Carolina Behavioral Health which serves as an area mental health authority. The County appoints two of the eighteen members to the Board of the Organization. The County has an ongoing financial responsibility for the joint venture because the Organization's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Organization, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$83,614 to the Organization to supplement its activities. Complete financial statements for the Organization can be obtained from the Organization's office at 144 Community College Road, Ahoskie, North Carolina 27910.

The County also participates in a joint venture to operate the Albemarle Regional Library (the "Library") which serves a four-county district. The County appoints three members to the ten-member district Library Board. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$115,960 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the Library's office on 303 West Tyron Street, Winton, North Carolina 27986.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

The County also participates in a joint venture to operate Choanoke Public Transit Authority (CPTA) with two other local governments. Each participating local government appoints three Board members to the nine-member Board of the CPTA. The County has an ongoing indirect financial interest in the joint venture because the CPTA's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in CPTA, so no equity interest has been reflected in the financial statements at June 30, 2011. The County appropriated \$5,000 to the CPTA to supplement its activities. Complete financial statements for the CPTA can be obtained from the offices at 106 North Main Street, Rich Square, North Carolina 27869.

The County also participates in the Tri-County Airport Authority (the "Airport Authority") with two other local governments (Hertford County and Bertie County). The County appoints three members to the nine-member Board of the Airport Authority. The Airport Authority is a joint venture established to develop, maintain, operate, regulate, and improve the Airport Authority. The County has an ongoing financial responsibility for the joint venture because the Airport Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Airport Authority, so no equity interest has been reflected in the financial statements at June 30, 2011. The County appropriated \$12,000 to the Airport Authority to supplement its activities. Complete financial statements for the Tri-County Airport Authority can be obtained from the offices at 140 Tri-County Airport Road, Aulander, North Carolina 27805.

The County also participates in the Halifax-Northampton Regional Airport Authority (the "Regional Airport Authority") with two other local governments. Northampton County appoints two members to the nine-member Board of the Regional Airport Authority. The Regional Airport Authority is a joint venture established to develop, maintain, operate, regulate, and improve the Regional Airport. The County has an ongoing financial responsibility for the joint venture because the Regional Airport Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Regional Airport Authority, so no equity interest has been reflected in the financial statements at June 30, 2011. The County appropriated \$12,000 to the Regional Airport Authority to supplement its activities.

### **6. Jointly Governed Organization**

The County, in conjunction with five other counties, established the Region L Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$8,718 to the Council during the fiscal year ended June 30, 2011.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

### 7. Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations, that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients which do not appear in the general purpose financial statements, because they are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Medicaid	\$ 23,804,371	\$ 9,898,884
Women, Infants, and Children	320,151	-
Temporary Assistance to Needy Families	256,803	(18)
Low Income Home Energy Assistance	338,696	-
Foster Care	10,697	2,469
Adoption Assistance	42,656	10,005
LINKS	2,241	-
State/County Special Assistance for Adults	-	410,382
CWS Adoption Subsidy	-	63,450
State Foster Home	-	8,284
SFHF Maximization	-	11,533

### 8. Summary Disclosure of Significant Commitments and Contingencies

#### Federal and State-Assisted Programs

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011**

### **9. Prior Period Adjustment**

Beginning net assets in the government-wide financial statements were restated due to a change in reporting:

**Governmental Funds:**

Governmental activities	<u>\$ 20,499</u>
-------------------------	------------------

In the current fiscal year, the County determined that the Northampton County Tourism Development Authority needed to be reported as a discretely presented component unit instead of a blended component unit. Beginning net assets for governmental activities (Exhibit B) were restated by \$20,499 due to the change in reporting. Also, beginning fund balance for other governmental funds (Exhibit D) was restated by the same amount due to the change in reporting.

### **10. Subsequent Events**

#### **Hurricane Irene**

In August 2011, as a result of Hurricane Irene, significant damage was done to Northampton County schools, buildings, and property, as well as individual homes and businesses. The impact of the damages on fund balance or retained earnings cannot be determined due to pending FEMA grant requests. No adjustments for the contingency have been recorded in the financial statements as of June 30, 2011.

On October 17, 2011, the County approved the acceptance of a \$2,002,088 grant from the United States Department of Commerce for construction of core infrastructure to serve Enviva, LP.

## NORTHAMPTON COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2011**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued		Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll [(b-a)/c]
		Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)			
12/31/2010	\$ -	\$ 172,460	\$ 172,460	0.00%	\$ 1,040,507	16.57%

**Schedule of Employer Contributions**

Year Ended June 30	Annual	
	Required Contribution (ARC)	Percentage of ARC Contributed
2011	\$ 26,127	42.62%

**Notes to the Required Schedules:**

The information presented above was determined as part of the actuarial valuation at the dates indicated.  
Additional information as of the latest valuation follows:

Valuation date	12/31/2010
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, closed
Remaining amortization period	20 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	5.00%
Projected salary increases *	4.25 - 7.85%
Cost-of-living adjustments	N/A

\* Includes inflation at 3.00%

## NORTHAMPTON COUNTY, NORTH CAROLINA

## OTHER POST-EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN

REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2011

## Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Projected Unit Credit	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll
12/31/2008	\$ -	\$ 10,090,152	\$ 10,090,152	0.00%	\$ 9,900,282	101.9%
12/31/2010	-	10,831,695	10,831,695	0.00%	9,757,690	111.0%

## Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Amount Contributed By Employer	Percentage of ARC Contributed
2009	\$ 878,724	\$ 75,176	8.56%
2010	878,724	91,684	10.43%
2011	911,676	118,284	12.97%

## Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2010
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value of assets
<b>Actuarial Assumptions:</b>	
Investment rate of return*	4.00%
Medical cost trend rate	10.50%-5.00%
Year of Ultimate trend rate	2018

\* Includes inflation at 3.00%



## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - ACTUAL - GENERAL FUND CONSOLIDATED  
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Revaluation Fund	Revolving Loan Fund	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 16,053,109	\$ -	\$ -	\$ 16,053,109
Other taxes and licenses	1,489,620	-	-	1,489,620
Unrestricted intergovernmental	73,124	-	-	73,124
Restricted intergovernmental	6,831,766	-	-	6,831,766
Permits and fees	187,054	-	-	187,054
Sales and services	2,296,735	-	-	2,296,735
Investment earnings	8,315	114	7	8,436
Special project revenue	22,465	-	-	22,465
Miscellaneous	503,768	-	-	503,768
Total revenues	<u>27,465,956</u>	<u>114</u>	<u>7</u>	<u>27,466,077</u>
<b>Expenditures:</b>				
Current:				
General government	3,221,104	30,191	-	3,251,295
Public safety	6,711,759	-	-	6,711,759
Transportation	24,000	-	-	24,000
Environmental protection	120,000	-	-	120,000
Economic and physical development	758,675	-	-	758,675
Human services	10,801,923	-	-	10,801,923
Cultural and recreational	325,509	-	-	325,509
Education	4,086,834	-	-	4,086,834
Debt service:				
Principal	185,346	-	-	185,346
Interest	7,767	-	-	7,767
Total expenditures	<u>26,242,917</u>	<u>30,191</u>	<u>-</u>	<u>26,273,108</u>
Revenues over (under) expenditures	<u>1,223,039</u>	<u>(30,077)</u>	<u>7</u>	<u>1,192,969</u>
<b>Other Financing Sources (Uses):</b>				
Transfers (to) from other funds	(1,649,954)	-	-	(1,649,954)
Intrafund transfers	(55,000)	55,000	-	-
Sale of assets	210,361	-	-	210,361
Long-term debt issued	632,000	-	-	632,000
Total other financing sources (uses)	<u>(862,593)</u>	<u>55,000</u>	<u>-</u>	<u>(807,593)</u>
Net change in fund balances	360,446	24,923	7	385,376
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>4,456,036</u>	<u>163,649</u>	<u>9,940</u>	<u>4,629,625</u>
End of year - June 30	<u>\$ 4,816,482</u>	<u>\$ 188,572</u>	<u>\$ 9,947</u>	<u>\$ 5,015,001</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 15,745,702	\$ 15,862,114	\$ 116,412	\$ 14,223,210
Penalties and interest	150,000	190,995	40,995	163,078
Total	15,895,702	16,053,109	157,407	14,386,288
<b>Other Taxes and Licenses:</b>				
Privilege licenses	400	1,065	665	855
Local option sales tax	1,640,162	1,432,477	(207,685)	1,685,361
Excise tax	50,000	36,281	(13,719)	35,629
Hold harmless	-	9,593	9,593	-
Utility franchise tax	-	10,204	10,204	10,820
Total	1,690,562	1,489,620	(200,942)	1,732,665
<b>Unrestricted Intergovernmental:</b>				
Beer and wine tax	65,000	65,582	582	21,384
Food stamp tax reimbursements	4,500	7,542	3,042	6,556
Total	69,500	73,124	3,624	27,940
<b>Restricted Intergovernmental:</b>				
Federal and State grants	7,665,052	6,714,942	(950,110)	6,983,014
Court facility fees	40,000	30,659	(9,341)	37,664
Fines and forfeitures	140,000	81,519	(58,481)	103,950
ABC bottles taxes	4,100	4,646	546	4,792
Total	7,849,152	6,831,766	(1,017,386)	7,129,420
<b>Permits and Fees:</b>				
Building permits	69,900	76,568	6,668	80,060
Register of Deeds	70,000	78,011	8,011	77,945
Other fees	29,200	32,475	3,275	31,701
Total	169,100	187,054	17,954	189,706

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Sales and Services:</b>				
Court costs and fees	22,000	17,163	(4,837)	19,433
Jail fees	6,000	6,861	861	8,623
Ambulance and rescue squad fees	1,095,097	516,079	(579,018)	631,714
Sheriff's fees	63,800	44,315	(19,485)	43,253
Health Department fees	1,673,091	1,656,246	(16,845)	1,818,999
Inmate housing	30,000	14,360	(15,640)	34,030
Wellness Center fees	5,000	13,378	8,378	6,150
Other fees	66,120	28,333	(37,787)	82,084
Total	2,961,108	2,296,735	(664,373)	2,644,286
<b>Investment Earnings</b>	7,700	8,315	615	10,350
<b>Special Project Revenue:</b>				
Fees and reimbursements	244,239	22,465	(221,774)	35,675
Total	244,239	22,465	(221,774)	35,675
<b>Miscellaneous:</b>				
Reimbursements	10,000	-	(10,000)	-
Miscellaneous DSS	4,458	323,534	319,076	6,296
Other	191,466	180,234	(11,232)	188,815
Total	205,924	503,768	297,844	195,111
Total revenues	29,092,987	27,465,956	(1,627,031)	26,351,441
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries and employee benefits	52,266	52,093		50,359
Other operating expenditures	36,128	31,676		34,095
Total	88,394	83,769	4,625	84,454
<b>Administration:</b>				
Salaries and employee benefits	205,172	204,732		194,576
Other operating expenditures	12,225	11,689		16,923
Total	217,397	216,421	976	211,499

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Human Resources:</b>				
Salaries and employee benefits	128,495	128,071		117,030
Other operating expenditures	31,756	28,563		22,789
Total	160,251	156,634	3,617	139,819
<b>Finance:</b>				
Salaries and employee benefits	263,121	257,490		234,026
Other operating expenditures	168,730	138,026		201,040
Total	431,851	395,516	36,335	435,066
<b>Hospitalization - Retirees:</b>				
Operating expenditures	106,492	106,334	158	91,684
Total	106,492	106,334	158	91,684
<b>Wellness Grant:</b>				
Other operating expenditures	6,430	2,506		2,570
Total	6,430	2,506	3,924	2,570
<b>Taxes:</b>				
Salaries and employee benefits	443,695	442,675		356,677
Other operating expenditures	141,043	139,301		132,743
Total	584,738	581,976	2,762	489,420
<b>Land Records:</b>				
Salaries and employee benefits	143,569	143,134		138,560
Other operating expenditures	19,707	19,148		18,024
Total	163,276	162,282	994	156,584
<b>Legal:</b>				
Other operating expenditures	54,958	50,422	4,536	28,551
Total	54,958	50,422	4,536	28,551
<b>Court Facilities:</b>				
Other operating expenditures	16,948	15,116	1,832	8,898
Total	16,948	15,116	1,832	8,898

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Elections:</b>				
Salaries and employee benefits	106,971	75,104		73,223
Other operating expenditures	48,865	25,275		48,684
Total	155,836	100,379	55,457	121,907
<b>Register of Deeds:</b>				
Salaries and employee benefits	174,802	174,018		166,680
Other operating expenditures	39,329	38,892		37,191
Total	214,131	212,910	1,221	203,871
<b>Public Buildings:</b>				
Salaries and employee benefits	337,749	328,050		333,967
Other operating expenditures	486,016	474,943		577,430
Total	823,765	802,993	20,772	911,397
<b>Management Information Systems:</b>				
Salaries and employee benefits	108,887	78,192		70,769
Other operating expenditures	174,875	157,835		155,294
Total	283,762	236,027	47,735	226,063
<b>Central Garage:</b>				
Salaries and employee benefits	50,440	50,523		38,205
Other operating expenditures	38,225	19,583		24,052
Total	88,665	70,106	18,559	62,257
<b>Central Stores:</b>				
Operating expenditures	54,600	27,713	26,887	34,707
Total	54,600	27,713	26,887	34,707
Total general government	3,451,494	3,221,104	230,390	3,208,747
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and employee benefits	1,606,048	1,558,367		1,476,784
Other operating expenditures	603,970	580,299		289,858
Total	2,210,018	2,138,666	71,352	1,766,642

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Sheriff - Execution Account:</b>				
Operating expenditures	32,000	24,833	7,167	14,402
Total	32,000	24,833	7,167	14,402
<b>Criminal Justice Partnership Program:</b>				
Salaries and employee benefits	61,563	60,577		58,625
Other operating expenditures	42,542	35,874		33,924
Total	104,105	96,451	7,654	92,549
<b>Jail:</b>				
Salaries and employee benefits	870,618	867,293		853,699
Other operating expenditures	433,320	426,025		354,608
Total	1,303,938	1,293,318	10,620	1,208,307
<b>Emergency Communications:</b>				
Salaries and employee benefits	696,800	675,144		628,275
Other operating expenditures	21,285	15,851		15,798
Total	718,085	690,995	27,090	644,073
<b>Emergency Management:</b>				
Salaries and employee benefits	53,099	44,570		46,761
Other operating expenditures	27,069	23,725		67,305
Total	80,168	68,295	11,873	114,066
<b>Fire:</b>				
Assistance to local fire departments	14,500	14,500		14,500
Contribution to N.C. Forestry	88,255	88,207		84,103
Total	102,755	102,707	48	98,603
<b>Building Inspections:</b>				
Salaries and employee benefits	151,180	138,166		147,989
Other operating expenditures	16,938	12,650		13,118
Total	168,118	150,816	17,302	161,107
<b>Medical Examiner:</b>				
Contracted services	11,700	11,700		10,300
Total	11,700	11,700	-	10,300

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **GENERAL FUND**

### **SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**

#### **IN FUND BALANCE - BUDGET AND ACTUAL**

#### **FOR THE YEAR ENDED JUNE 30, 2011**

#### **WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	<b>2011</b>			<b>2010</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Ambulance Services:</b>				
Salaries and employee benefits	1,411,493	1,401,396		1,107,640
Other operating expenditures	742,193	647,607		237,320
Assistance to local rescue units	12,000	12,000		19,000
Total	2,165,686	2,061,003	104,683	1,363,960
<b>Animal Control:</b>				
Salaries and employee benefits	47,522	47,327		45,821
Other operating expenditures	33,150	25,648		21,597
Total	80,672	72,975	7,697	67,418
Total public safety	6,977,245	6,711,759	265,486	5,544,211
<b>Transportation:</b>				
Contribution to CPTA	5,000	-		-
Contribution to Tri-County Airport	24,000	24,000		25,459
Total transportation	29,000	24,000	5,000	25,459
<b>Environmental Protection:</b>				
Contribution to Lake Gaston weed control	116,000	116,000		25,000
Drainage and watershed protection	4,000	4,000		4,000
Total environmental protection	120,000	120,000	-	29,000
<b>Economic and Physical Development:</b>				
<b>Planning and Zoning:</b>				
Salaries and employee benefits	116,525	111,699		108,252
Other operating expenditures	30,750	13,883		12,789
Total	147,275	125,582	21,693	121,041
<b>Economic Development:</b>				
Salaries and employee benefits	154,826	140,858		156,053
Other operating expenditures	201,521	189,684		209,692
COG membership dues	8,718	8,717		8,744
Contribution to Chamber of Commerce	14,200	14,200		12,000
Miscellaneous contributions	500	500		500
Total	379,765	353,959	25,806	386,989

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Economic Development Pass-Through Grants:</b>				
Operating expenditures	-	-		331,980
Total	-	-	-	331,980
<b>Cooperative Extension:</b>				
Salaries and employee benefits	219,300	173,756		182,851
Other operating expenditures	35,082	20,915		18,919
Total	254,382	194,671	59,711	201,770
<b>Environmental Equity Grant</b>				
Operating expenditures	946	373	573	533
Total	946	373	573	533
<b>Soil and Water Conservation:</b>				
Salaries and employee benefits	83,813	78,410		75,224
Other operating expenditures	8,026	5,680		4,870
Total	91,839	84,090	7,749	80,094
Total economic and physical development	874,207	758,675	115,532	1,122,407
<b>Human Services:</b>				
<b>Health:</b>				
Salaries and employee benefits	636,064	599,062		538,182
Other operating expenditures	106,802	72,520		62,214
Total	742,866	671,582	71,284	600,396
<b>Communicable Disease:</b>				
Salaries and employee benefits	16,750	15,857		14,541
Other operating expenditures	930	560		485
Total	17,680	16,417	1,263	15,026
<b>Healthy Carolinian:</b>				
Operating expenditures	8,680	8,680		2,268
Total	8,680	8,680	-	2,268



# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Kate B. Reynolds Grant:</b>				
Salaries and employee benefits	79,491	79,343		60,245
Other operating expenditures	15,349	14,945		34,030
Total	94,840	94,288	552	94,275
<b>Healthy Start Initiative:</b>				
Salaries and employee benefits	86,396	86,376		81,621
Other operating expenditures	30,313	29,438		28,482
Total	116,709	115,814	895	110,103
<b>Folic Acid Grant:</b>				
Other operating expenditures	-	-		57,901
Total	-	-	-	57,901
<b>Immunization Program:</b>				
Salaries and employee benefits	8,772	8,489		8,702
Other operating expenditures	1,208	1,110		7,109
Total	9,980	9,599	381	15,811
<b>Carolina Access III:</b>				
Salaries and employee benefits	286,564	224,923		221,841
Other operating expenditures	42,010	22,197		22,490
Total	328,574	247,120	81,454	244,331
<b>Tuberculosis Program:</b>				
Salaries and employee benefits	22,974	22,735		22,274
Other operating expenditures	7,184	3,508		4,030
Total	30,158	26,243	3,915	26,304
<b>BCBS Grant:</b>				
Other operating expenditures	-	-		1,246
Total	-	-	-	1,246
<b>H1N1 Surveillance:</b>				
Other operating expenditures	-	-		5,642
Total	-	-	-	5,642

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>H1N1 Planning:</b>				
Salaries and employee benefits	9,335	9,035		25,457
Other operating expenditures	6,665	5,770		28,327
Total	16,000	14,805	1,195	53,784
<b>Diabetes Prevention:</b>				
Salaries and employee benefits	4,293	3,553		2,442
Other operating expenditures	7,297	5,178		969
Total	11,590	8,731	2,859	3,411
<b>Community Health Grant:</b>				
Salaries and employee benefits	37,795	17,500		8,030
Other operating expenditures	10,134	4,061		20,668
Total	47,929	21,561	26,368	28,698
<b>H1N1 Implementation:</b>				
Salaries and employee benefits	-	-		17,113
Other operating expenditures	64,000	50,449		54,651
Total	64,000	50,449	13,551	71,764
<b>LHD Smokefree Law:</b>				
Other operating expenditures	-	-		435
Total	-	-	-	435
<b>Health - Jail Site Testing</b>				
Salaries and employee benefits	28,913	28,232		-
Other operating expenditures	9,861	8,952		-
Total	38,774	37,184	1,590	-
<b>First Time Motherhood Initiative:</b>				
Salaries and employee benefits	-	-		5,321
Other operating expenditures	-	-		6,582
Total	-	-	-	11,903

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Breast and Cervical Cancer:</b>				
Salaries and employee benefits	2,128	2,075		8,357
Other operating expenditures	25,466	19,232		21,403
Total	27,594	21,307	6,287	29,760
<b>Home Health:</b>				
Salaries and employee benefits	681,551	629,719		633,061
Other operating expenditures	557,800	383,459		413,123
Total	1,239,351	1,013,178	226,173	1,046,184
<b>Smart Start (NC Partnership):</b>				
Salaries and employee benefits	33,310	33,310		31,922
Other operating expenditures	1,764	1,764		2,252
Total	35,074	35,074	-	34,174
<b>School Site Influenza Project:</b>				
Salaries and employee benefits	-	-		7,954
Other operating expenditures	-	-		2,133
Total	-	-	-	10,087
<b>Health Promotions:</b>				
Salaries and employee benefits	74,264	71,005		38,613
Other operating expenditures	770	606		40
Total	75,034	71,611	3,423	38,653
<b>School Health - Kate B. Reynolds:</b>				
Salaries and employee benefits	22,847	20,753		-
Other operating expenditures	2,469	1,794		-
Total	25,316	22,547	2,769	-
<b>Child Health:</b>				
Salaries and employee benefits	164,079	100,040		99,863
Other operating expenditures	22,777	14,238		15,317
Total	186,856	114,278	72,578	115,180

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Child Services Coordination:</b>				
Salaries and employee benefits	86,857	85,942		83,527
Other operating expenditures	18,789	13,003		14,855
Total	105,646	98,945	6,701	98,382
<b>Maternal Care Coordination:</b>				
Salaries and employee benefits	-	-		37,171
Other operating expenditures	-	-		6,466
Total	-	-	-	43,637
<b>Maternal Child Health:</b>				
Salaries and employee benefits	185,586	171,558		176,506
Other operating expenditures	40,376	26,832		27,294
Total	225,962	198,390	27,572	203,800
<b>Family Planning:</b>				
Salaries and employee benefits	215,763	204,579		197,626
Other operating expenditures	57,520	41,338		40,900
Total	273,283	245,917	27,366	238,526
<b>Health Promotions - Clinical (Adult):</b>				
Salaries and employee benefits	56,121	56,119		59,307
Operating expenditures	5,047	4,626		6,339
Total	61,168	60,745	423	65,646
<b>Health-Head Start:</b>				
Salaries and employee benefits	33,391	33,113		26,514
Other operating expenditures	3,125	2,800		3,409
Total	36,516	35,913	603	29,923
<b>Women, Infants, and Children:</b>				
Salaries and employee benefits	143,585	139,983		105,205
Other operating expenditures	14,555	13,320		19,424
Total	158,140	153,303	4,837	124,629

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Peer Counseling:</b>				
Salaries and employee benefits	4,281	2,951		-
Other operating expenditures	3,719	3,003		35
Total	8,000	5,954	2,046	35
<b>Wise Woman Project:</b>				
Salaries and employee benefits	4,743	4,725		7,834
Other operating expenditures	5,832	5,124		2,903
Total	10,575	9,849	726	10,737
<b>Family Planning Outreach:</b>				
Other operating expenditures	5,299	5,299		4,741
Total	5,299	5,299	-	4,741
<b>Bio-Terrorism Grant:</b>				
Salaries and employee benefits	28,049	25,809		14,658
Operating expenditures	28,981	27,164		31,459
Total	57,030	52,973	4,057	46,117
<b>Environmental Health:</b>				
Salaries and employee benefits	153,035	150,378		151,003
Other operating expenditures	21,077	15,214		12,442
Total	174,112	165,592	8,520	163,445
<b>Elderly and Handicapped:</b>				
Operating expenditures	127,231	113,022	14,209	132,788
<b>Home Delivered Meals:</b>				
Salaries and employee benefits	17,357	16,240		17,986
Other operating expenditures	89,529	77,881		69,827
Total	106,886	94,121	12,765	87,813
<b>HIV Testing:</b>				
Other operating expenditures	-	-		12,294
Total	-	-	-	12,294

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Home and Community Care Block Grant:</b>				
Salaries and employee benefits	8,560	7,834		1,114
Other operating expenditures	91,810	90,104		108,943
Total	100,370	97,938	2,432	110,057
<b>AIDS Control:</b>				
Salaries and employee benefits	25,445	24,809		24,003
Other operating expenditures	1,650	1,295		1,140
Total	27,095	26,104	991	25,143
<b>HIV Non-Traditional Site Testing:</b>				
Salaries and employee benefits	-	-		26,990
Other operating expenditures	-	-		4,904
Total	-	-	-	31,894
Total health	4,594,318	3,964,533	629,785	4,046,943
<b>Mental Health:</b>				
Contribution to mental health center	83,614	83,614		83,614
Total	83,614	83,614	-	83,614
<b>Aging:</b>				
Salaries and employee benefits	51,427	51,031		49,941
Other operating expenditures	5,965	5,557		5,778
Total	57,392	56,588	804	55,719
<b>Care Giver Grant:</b>				
Operating expenditures	19,948	18,477	1,471	16,739
Total	19,948	18,477	1,471	16,739
<b>Veterans Assistance:</b>				
Salaries and employee benefits	41,639	41,466		38,563
Other operating expenditures	5,665	5,321		1,767
Total	47,304	46,787	517	40,330

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
<b>Community Based Alternatives:</b>				
Operating expenditures	136,656	127,056		138,468
Total	136,656	127,056	9,600	138,468
<b>Social Services:</b>				
<b>Administration:</b>				
Salaries and employee benefits	3,610,472	3,539,561		3,192,120
Other operating expenditures	1,745,273	1,234,311		1,289,535
Total	5,355,745	4,773,872	581,873	4,481,655
<b>Program Expenditures:</b>				
<b>Federal and State Expenditures:</b>				
AFDC - FC	120,763	15,606		33,621
Crisis Fuel	405,416	405,466		414,123
Board home	88,844	28,466		55,014
Smart Start daycare	74,213	69,693		76,902
CAP/DA federal and State expenditures	75,000	56,027		54,483
TANF Domestic Violence	14,551	3,723		7,426
Child daycare	946,135	657,805		839,509
TEA Foster Care	70,000	10,926		25,053
Special Adoption assistance	7,200	461		334
Family violence	1,734	1,042		-
Total federal and State expenditures	1,803,856	1,249,215	554,641	1,506,465
<b>County Expenditures:</b>				
Foster Care	857	16		674
Medicaid	5,000	2,986		-
Aid to Blind	2,379	2,335		1,597
OAA/AD	410,943	408,888		406,496
AFDC - FC	3,723	3,378		15,229
General assistance	15,000	7,624		8,159
Board home	30,007	29,606		47,557
Food Stamp issuances	14,955	14,520		11,948
IV-E Adoption assistance	12,195	11,703		8,172
CAP/DA	800	725		-
Total County expenditures	495,859	481,781	14,078	499,832

# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
Total social services	7,655,460	6,504,868	1,150,592	6,487,952
Total human services	12,594,692	10,801,923	1,783,169	10,869,765
<b>Cultural and Recreational:</b>				
<b>Recreation:</b>				
Salaries and employee benefits	155,268	154,930		148,961
Other operating expenditures	43,714	42,263		33,817
Total	198,982	197,193	1,789	182,778
<b>Libraries:</b>				
Contribution to regional library	115,960	115,960		118,143
Total	115,960	115,960	-	118,143
<b>Northampton Cultural Arts:</b>				
Contribution	9,857	9,856		9,778
Total	9,857	9,856	1	9,778
<b>Museums:</b>				
Contribution to museum	2,500	2,500		4,500
Total	2,500	2,500	-	4,500
Total cultural and recreational	327,299	325,509	1,789	315,199
<b>Education:</b>				
Public schools - current expenses	3,500,000	3,500,000		3,555,000
Public schools - capital outlay	964,810	480,315		209,484
Public schools - fines and forfeitures	140,000	81,519		103,950
Community colleges - current	24,000	24,000		24,000
Contribution to educational project	1,000	1,000		-
Total education	4,629,810	4,086,834	542,976	3,892,434
<b>Debt Service:</b>				
Principal retirement	198,133	185,346		219,827
Interest and fees	7,767	7,767		11,908
Total debt service	205,900	193,113	12,787	231,735



# NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over /Under	Actual
Total expenditures	29,209,647	26,242,917	2,957,129	25,238,957
Revenues over (under) expenditures	(116,660)	1,223,039	1,339,699	1,112,484
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds:				
Special revenue funds	384,495	-	(384,495)	-
Debt Service Fund	(1,501,178)	(1,499,709)	1,469	(1,261,419)
Enterprise funds	(150,245)	(150,245)	-	(200,000)
Intrafund transfers:				
Revaluation fund	(55,000)	(55,000)	-	(98,680)
Sale of assets	-	210,361	210,361	-
Long-term debt issued	632,000	632,000	-	34,800
Appropriated fund balance	811,588	-	(811,588)	-
Contingency	(5,000)	-	5,000	-
Total other financing sources (uses)	116,660	(862,593)	(979,253)	(1,525,299)
Net change in fund balance	\$ -	360,446	\$ 360,446	(412,815)
<b>Fund Balance:</b>				
Beginning of year - July 1		4,456,036		4,868,851
End of year - June 30		\$ 4,816,482		\$ 4,456,036

## NORTHAMPTON COUNTY, NORTH CAROLINA

## REVALUATION FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 114	\$ 114	\$ 94
<b>Expenditures:</b>				
Current:				
General government:				
Salaries and employee benefits	-	-	-	65,166
Other operating expenditures	55,000	30,191	24,809	35,142
Total expenditures	55,000	30,191	24,809	100,308
Revenues over (under) expenditures	(55,000)	(30,077)	24,923	(100,214)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	55,000	55,000	-	98,680
Total other financing sources (uses)	55,000	55,000	-	98,680
Net change in fund balance	\$ -	24,923	\$ 24,923	(1,534)
<b>Fund Balance:</b>				
Beginning of year - July 1		163,649		165,183
End of year - June 30		\$ 188,572		\$ 163,649

## NORTHAMPTON COUNTY, NORTH CAROLINA

## REVOLVING LOAN FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 7,000	\$ 7	\$ (6,993)	\$ 5
Miscellaneous	99,000	-	(99,000)	-
Total revenues	106,000	7	(105,993)	5
<b>Other Financing Sources (Uses):</b>				
Transfers from General Fund	285,503	-	(285,503)	-
Transfers from (to) other funds	(800,000)	-	800,000	-
Appropriated fund balance	408,497	-	(408,497)	-
Total other financing sources (uses)	(106,000)	-	106,000	-
Net change in fund balance	\$ -	7	\$ 7	5
<b>Fund Balance:</b>				
Beginning of year - July 1		9,940		9,935
End of year - June 30		\$ 9,947		\$ 9,940

## NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2011

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Project Fund	Debt Service Fund	Total
<b>Assets:</b>				
Cash and cash equivalents	\$ 119,079	\$ 359,428	\$ 103	\$ 478,610
Accounts receivable, net	232,842	-	-	232,842
Due from other funds	-	169,720	-	169,720
Total assets	<u>\$ 351,921</u>	<u>\$ 529,148</u>	<u>\$ 103</u>	<u>\$ 881,172</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 98,879	\$ 126,487	\$ -	\$ 225,366
Due to other funds	13,872	1,065,897	-	1,079,769
Deferred revenue	115,185	-	-	115,185
Total liabilities	<u>227,936</u>	<u>1,192,384</u>	<u>-</u>	<u>1,420,320</u>
<b>Fund Balances:</b>				
<b>Restricted:</b>				
Stabilization by State statute	117,657	169,720	-	287,377
Restricted, other	98,966	-	-	98,966
<b>Committed:</b>				
Committed, other	-	216,333	-	216,333
<b>Assigned:</b>				
Assigned, other	870	-	103	973
Unassigned	(93,508)	(1,049,289)	-	(1,142,797)
Total fund balances	<u>123,985</u>	<u>(663,236)</u>	<u>103</u>	<u>(539,148)</u>
Total liabilities and fund balances	<u>\$ 351,921</u>	<u>\$ 529,148</u>	<u>\$ 103</u>	<u>\$ 881,172</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 583,818	\$ -	\$ -	\$ 583,818
Other taxes and licenses	-	-	-	-
Restricted intergovernmental	164,094	1,932,249	-	2,096,343
Sales and services	293,026	-	-	293,026
Investment earnings	94	111	-	205
Miscellaneous	57,563	65,080	-	122,643
Total revenues	1,098,595	1,997,440	-	3,096,035
<b>Expenditures:</b>				
Current:				
Public safety	876,577	-	-	876,577
Economic and physical development	163,637	804,647	-	968,284
Human services	-	475,494	-	475,494
Cultural and recreational	-	476,421	-	476,421
Education	-	1,014,670	-	1,014,670
Debt service:				
Principal	20,000	-	971,482	991,482
Interest	-	-	562,227	562,227
Total expenditures	1,060,214	2,771,232	1,533,709	5,365,155
Revenues over (under) expenditures	38,381	(773,792)	(1,533,709)	(2,269,120)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	(34,000)	-	1,533,709	1,499,709
Total other financing sources (uses)	(34,000)	-	1,533,709	1,499,709
Net change in fund balances	4,381	(773,792)	-	(769,411)
<b>Fund Balances:</b>				
Beginning of year - July 1	119,604	110,556	103	230,263
End of year - June 30	\$ 123,985	\$ (663,236)	\$ 103	\$ (539,148)

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR SPECIAL REVENUE FUNDS

## COMBINING BALANCE SHEET

JUNE 30, 2011

	<b>Mid-Atlantic Distribution Park Fund</b>	<b>Emergency Telephone System Fund</b>	<b>Fire District Fund</b>	<b>CDBG Fund</b>	<b>Total</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 870	\$ 102,836	\$ 15,373	\$ -	\$ 119,079
Accounts receivable, net	-	24,419	75,185	133,238	232,842
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 870</u>	<u>\$ 127,255</u>	<u>\$ 90,558</u>	<u>\$ 133,238</u>	<u>\$ 351,921</u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 3,870	\$ 15,647	\$ 79,362	\$ 98,879
Due to other funds	-	-	-	13,872	13,872
Deferred revenue	-	-	75,185	40,000	115,185
Total liabilities	<u>-</u>	<u>3,870</u>	<u>90,832</u>	<u>133,234</u>	<u>227,936</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	-	24,419	-	93,238	117,657
Restricted, other	-	98,966	-	-	98,966
Assigned:					
Assigned, other	870	-	-	-	870
Unassigned	-	-	(274)	(93,234)	(93,508)
Total fund balances	<u>870</u>	<u>123,385</u>	<u>(274)</u>	<u>4</u>	<u>123,985</u>
Total liabilities and fund balances	<u>\$ 870</u>	<u>\$ 127,255</u>	<u>\$ 90,558</u>	<u>\$ 133,238</u>	<u>\$ 351,921</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	<b>Mid-Atlantic Distribution Park Fund</b>	<b>Emergency Telephone System Fund</b>	<b>Fire District Fund</b>	<b>CDBG Fund</b>	<b>Total</b>
<b>Revenues:</b>					
Ad valorem taxes	\$ -	\$ -	\$ 583,818	\$ -	\$ 583,818
Restricted intergovernmental	-	-	-	164,094	164,094
Sales and services	-	293,026	-	-	293,026
Investment earnings	19	75	-	-	94
Miscellaneous	34,441	3,122	-	20,000	57,563
Total revenues	<u>34,460</u>	<u>296,223</u>	<u>583,818</u>	<u>184,094</u>	<u>1,098,595</u>
<b>Expenditures:</b>					
Public safety	-	292,725	583,852	-	876,577
Economic and physical development	-	-	-	163,637	163,637
Debt service	-	-	-	20,000	20,000
Total expenditures	<u>-</u>	<u>292,725</u>	<u>583,852</u>	<u>183,637</u>	<u>1,060,214</u>
Revenues over (under) expenditures	<u>34,460</u>	<u>3,498</u>	<u>(34)</u>	<u>457</u>	<u>38,381</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	<u>(34,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,000)</u>
Total other financing sources (uses)	<u>(34,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,000)</u>
Net change in fund balances	460	3,498	(34)	457	4,381
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>410</u>	<u>119,887</u>	<u>(240)</u>	<u>(453)</u>	<u>119,604</u>
End of year - June 30	<u>\$ 870</u>	<u>\$ 123,385</u>	<u>\$ (274)</u>	<u>\$ 4</u>	<u>\$ 123,985</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## MID-ATLANTIC DISTRIBUTION PARK

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 19	\$ 19	\$ 6
Miscellaneous revenue	285,664	34,441	(251,223)	35,105
Total revenues	285,664	34,460	(251,204)	35,111
<b>Expenditures:</b>				
Current:				
Economic and physical development	1,251,954	-	1,251,954	-
Total expenditures	1,251,954	-	1,251,954	-
Revenues over (under) expenditures	(966,290)	34,460	1,000,750	35,111
<b>Other Financing Sources (Uses):</b>				
Long-term debt issued	1,200,000	-	(1,200,000)	-
Transfers in (out)	(55,000)	(34,000)	21,000	(35,000)
Transfers- Intrafund	27,000	-	(27,000)	-
Loan expenditures (closing costs)	(205,710)	-	205,710	-
Total other financing sources (uses)	966,290	(34,000)	(1,000,290)	(35,000)
Net change in fund balance	\$ -	460	\$ 460	111
<b>Fund Balance:</b>				
Beginning of year - July 1		410		299
End of year - June 30		\$ 870		\$ 410



## NORTHAMPTON COUNTY, NORTH CAROLINA

## EMERGENCY TELEPHONE SYSTEM

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Telephone surcharge	\$ 261,661	\$ 293,026	\$ 31,365	\$ 293,026
Investment earnings	-	75	75	76
Miscellaneous	9,013	3,122	(5,891)	1,587
Total revenues	<u>270,674</u>	<u>296,223</u>	<u>25,549</u>	<u>294,689</u>
<b>Expenditures:</b>				
Current:				
Public safety:				
Construction/capital outlay	1,000	-	1,000	202
Other expenditures	<u>426,230</u>	<u>292,725</u>	<u>133,505</u>	<u>390,359</u>
Total expenditures	<u>427,230</u>	<u>292,725</u>	<u>134,505</u>	<u>390,561</u>
Revenues over (under) expenditures	<u>(156,556)</u>	<u>3,498</u>	<u>160,054</u>	<u>(95,872)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	(151,444)	-	151,444	-
Appropriated fund balance	<u>308,000</u>	<u>-</u>	<u>(308,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>156,556</u>	<u>-</u>	<u>(156,556)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>3,498</u>	<u>\$ 3,498</u>	<u>(95,872)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>119,887</u>		<u>215,759</u>
End of year - June 30		<u>\$ 123,385</u>		<u>\$ 119,887</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## FIRE DISTRICT FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Roanoke Wildwood Fire District tax	\$ 178,038	\$ 179,313	\$ 1,275	\$ 176,866
Garysburg Fire District tax	73,349	73,013	(336)	73,174
Gaston Fire District tax	97,209	97,240	31	98,470
Jackson Fire District tax	38,564	38,595	31	37,168
Lasker Fire District tax	24,224	24,393	169	24,400
Seaboard Fire District tax	77,108	77,055	(53)	75,977
Rich Square Fire District tax	60,257	58,646	(1,611)	59,123
Woodland Fire District tax	35,855	35,571	(284)	34,313
Refund of motor vehicle interest	-	(8)	(8)	-
Interest earnings	-	-	-	3
Total revenues	<u>584,604</u>	<u>583,818</u>	<u>(786)</u>	<u>579,494</u>
<b>Expenditures:</b>				
Current:				
Public safety:				
Roanoke Wildwood levy	179,438	179,484	(46)	177,019
Garysburg levy	73,349	72,982	367	73,141
Gaston levy	97,209	97,203	6	98,360
Jackson levy	38,564	38,560	4	37,109
Lasker levy	24,424	24,385	39	24,384
Seaboard Fire District levy	77,108	77,044	64	75,937
Rich Square levy	58,657	58,633	24	59,074
Woodland levy	35,855	35,561	294	34,288
Total expenditures	<u>584,604</u>	<u>583,852</u>	<u>752</u>	<u>579,312</u>
Net change in fund balance	<u>\$ -</u>	(34)	<u>\$ (34)</u>	182
<b>Fund Balance:</b>				
Beginning of year - July 1		(240)		(422)
End of year - June 30		<u>\$ (274)</u>		<u>\$ (240)</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## CDBG FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Restricted intergovernmental:					
Community development	\$ 400,000	\$ 17,834	\$ 152,055	\$ 169,889	\$ (230,111)
Redevelopment assistance	-	-	12,039	12,039	12,039
Miscellaneous	20,000	40,000	20,000	60,000	40,000
Total revenues	420,000	57,834	184,094	241,928	(178,072)
<b>Expenditures:</b>					
Economic development:					
Administration	400,000	18,287	151,948	170,235	229,765
Redevelopment assistance loans	-	-	11,689	11,689	(11,689)
Contributions to other agencies	-	100,000	-	100,000	(100,000)
Debt service:					
Principal	20,000	40,000	20,000	60,000	(40,000)
Total expenditures	420,000	158,287	183,637	341,924	78,076
Revenues over (under) expenditures	-	(100,453)	457	(99,996)	(99,996)
<b>Other Financing Sources (Uses):</b>					
Long-term debt issued	-	100,000	-	100,000	100,000
Total other financing sources (uses)	-	100,000	-	100,000	100,000
Net change in fund balance	\$ -	\$ (453)	457	\$ 4	\$ 4
<b>Fund Balance:</b>					
Beginning of year, July 1			(453)		
End of year, June 30			\$ 4		

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUNDS

### COMBINING BALANCE SHEET

JUNE 30, 2011

	<b>Wellness and Recreation Centers Fund</b>	<b>First Responder Training Center Fund</b>	<b>EDC Project Grant Fund</b>	<b>Library Renovations Project Fund</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 16,595	\$ 755	\$ -	\$ 126,486
Due from other funds	-	-	-	-
Total assets	<u>\$ 16,595</u>	<u>\$ 755</u>	<u>\$ -</u>	<u>\$ 126,486</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 126,487
Due to other funds	366,779	-	-	223,624
Total liabilities	<u>366,779</u>	<u>-</u>	<u>-</u>	<u>350,111</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State statute	-	-	-	-
Restricted, other				
Committed:				
Committed, other	-	755	-	-
Unassigned	(350,184)	-	-	(223,625)
Total fund balances	<u>(350,184)</u>	<u>755</u>	<u>-</u>	<u>(223,625)</u>
Total liabilities and fund balances	<u>\$ 16,595</u>	<u>\$ 755</u>	<u>\$ -</u>	<u>\$ 126,486</u>

Schedule 13

<b>DSS Building Project Fund</b>	<b>Capital Reserve Fund</b>	<b>Ambulance Capital Reserve Fund</b>	<b>EDC Capital Reserve Fund</b>	<b>Public Schools Building Fund</b>	<b>EDC REEP Project Fund</b>	<b>Total</b>
\$ 14	\$ -	\$ 900	\$ 130,253	\$ 19,343	\$ 65,082	\$ 359,428
-	169,720	-	-	-	-	169,720
<u>\$ 14</u>	<u>\$ 169,720</u>	<u>\$ 900</u>	<u>\$ 130,253</u>	<u>\$ 19,343</u>	<u>\$ 65,082</u>	<u>\$ 529,148</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,487
475,494	-	-	-	-	-	1,065,897
<u>475,494</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,192,384</u>
-	169,720	-	-	-	-	169,720
-	-	900	130,253	19,343	65,082	216,333
(475,480)	-	-	-	-	-	(1,049,289)
<u>(475,480)</u>	<u>169,720</u>	<u>900</u>	<u>130,253</u>	<u>19,343</u>	<u>65,082</u>	<u>(663,236)</u>
<u>\$ 14</u>	<u>\$ 169,720</u>	<u>\$ 900</u>	<u>\$ 130,253</u>	<u>\$ 19,343</u>	<u>\$ 65,082</u>	<u>\$ 529,148</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2011

	<b>Wellness and Recreation Centers Fund</b>	<b>First Responder Training Center Fund</b>	<b>EDC Project Grant Fund</b>	<b>Library Renovations Project Fund</b>
<b>Revenues:</b>				
Restricted intergovernmental	\$ -	\$ -	\$ 804,647	\$ 197,602
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>804,647</u>	<u>197,602</u>
<b>Expenditures:</b>				
Current:				
Economic and physical development	-	-	804,647	-
Human services	-	-	-	-
Cultural and recreational	55,194	-	-	421,227
Education	-	-	-	-
Total expenditures	<u>55,194</u>	<u>-</u>	<u>804,647</u>	<u>421,227</u>
Net change in fund balances	(55,194)	-	-	(223,625)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>(294,990)</u>	<u>755</u>	<u>-</u>	<u>-</u>
End of year - June 30	<u>\$ (350,184)</u>	<u>\$ 755</u>	<u>\$ -</u>	<u>\$ (223,625)</u>

Schedule 14

<b>DSS Building Project Fund</b>	<b>Capital Reserve Fund</b>	<b>Ambulance Capital Reserve Fund</b>	<b>EDC Capital Reserve Fund</b>	<b>Public Schools Building Fund</b>	<b>EDC REEP Project Fund</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	\$ 930,000		\$ 1,932,249
14	-	1	94	-	2	111
-	-	-	-	-	65,080	65,080
14	-	1	94	930,000	65,082	1,997,440
-	-	-	-	-	-	804,647
475,494	-	-	-	-	-	475,494
-	-	-	-	-	-	476,421
-	-	-	-	1,014,670	-	1,014,670
475,494	-	-	-	1,014,670	-	2,771,232
(475,480)	-	1	94	(84,670)	65,082	(773,792)
-	169,720	899	130,159	104,013	-	110,556
<u>\$ (475,480)</u>	<u>\$ 169,720</u>	<u>\$ 900</u>	<u>\$ 130,253</u>	<u>\$ 19,343</u>	<u>\$ 65,082</u>	<u>\$ (663,236)</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## WELLNESS AND RECREATION CENTERS

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
USDA grant	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	\$ -
Other grants	599,000	599,000	-	599,000	-
Investment earnings	-	5,146	-	5,146	5,146
Miscellaneous	25,000	26,500	-	26,500	1,500
Total revenues	<u>1,124,000</u>	<u>1,130,646</u>	<u>-</u>	<u>1,130,646</u>	<u>6,646</u>
<b>Expenditures:</b>					
Human services:					
Wellness Center - capital outlay	2,300,000	2,300,000	-	2,300,000	-
Cultural and recreational:					
Recreation Center - capital outlay	<u>2,216,748</u>	<u>2,391,151</u>	<u>55,194</u>	<u>2,446,345</u>	<u>(229,597)</u>
Total expenditures	<u>4,516,748</u>	<u>4,691,151</u>	<u>55,194</u>	<u>4,746,345</u>	<u>(229,597)</u>
Revenues over (under) expenditures	<u>(3,392,748)</u>	<u>(3,560,505)</u>	<u>(55,194)</u>	<u>(3,615,699)</u>	<u>(222,951)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	947,233	820,000	-	820,000	(127,233)
Long-term debt issued	<u>2,445,515</u>	<u>2,445,515</u>	<u>-</u>	<u>2,445,515</u>	<u>-</u>
Total other financing sources (uses)	<u>3,392,748</u>	<u>3,265,515</u>	<u>-</u>	<u>3,265,515</u>	<u>(127,233)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (294,990)</u>	<u>\$ (55,194)</u>	<u>\$ (350,184)</u>	<u>\$ (350,184)</u>



## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## FIRST RESPONDER TRAINING CENTER

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 5	\$ -	\$ 5	\$ 5
Miscellaneous	2,250	2,250	-	2,250	-
Total revenues	2,250	2,255	-	2,255	5
<b>Expenditures:</b>					
Public safety:					
Capital outlay	5,250	4,500	-	4,500	750
Total expenditures	5,250	4,500	-	4,500	750
Revenues over (under) expenditures	(3,000)	(2,245)	-	(2,245)	755
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	3,000	3,000	-	3,000	-
Total other financing sources (uses)	3,000	3,000	-	3,000	-
Net change in fund balance	\$ -	\$ 755	\$ -	\$ 755	\$ 755

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## EDC GRANT PROJECT FUND

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		<b>Actual</b>			
	<b><u>Project</u></b>	<b><u>Prior</u></b>	<b><u>Current</u></b>	<b><u>Total to</u></b>	<b><u>Variance</u></b>
	<b><u>Authorization</u></b>	<b><u>Years</u></b>	<b><u>Year</u></b>	<b><u>Date</u></b>	<b><u>Over/Under</u></b>
<b>Revenues:</b>					
Restricted intergovernmental:					
NCCAR Grant	\$ 200,000	\$ 56,817	\$ -	\$ 56,817	\$ (143,183)
NCDOT reimbursement	1,200,000	899,375	512,147	1,411,522	211,522
NC Rural Center Grant	<u>292,500</u>	<u>-</u>	<u>292,500</u>	<u>292,500</u>	<u>-</u>
Total revenues	<u>1,692,500</u>	<u>956,192</u>	<u>804,647</u>	<u>1,760,839</u>	<u>68,339</u>
<b>Expenditures:</b>					
Economic and physical development:					
Capital outlay	<u>1,692,500</u>	<u>956,192</u>	<u>804,647</u>	<u>1,760,839</u>	<u>(68,339)</u>
Total expenditures	<u>1,692,500</u>	<u>956,192</u>	<u>804,647</u>	<u>1,760,839</u>	<u>(68,339)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## LIBRARY RENOVATIONS PROJECT FUND

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		<u>Actual</u>			
	<u>Project</u>	<u>Prior</u>	<u>Current</u>	<u>Total to</u>	<u>Variance</u>
	<u>Authorization</u>	<u>Years</u>	<u>Year</u>	<u>Date</u>	<u>Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
USDA Grant	\$ 108,000	\$ -	\$ -	\$ -	\$ (108,000)
Golden Leaf Grant	<u>433,902</u>	<u>-</u>	<u>197,602</u>	<u>197,602</u>	<u>(236,300)</u>
Total revenues	<u>541,902</u>	<u>-</u>	<u>197,602</u>	<u>197,602</u>	<u>(344,300)</u>
<b>Expenditures:</b>					
Cultural and recreation:					
Library renovations	<u>541,902</u>	<u>-</u>	<u>421,227</u>	<u>421,227</u>	<u>120,675</u>
Total expenditures	<u>541,902</u>	<u>-</u>	<u>421,227</u>	<u>421,227</u>	<u>120,675</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (223,625)</u>	<u>\$ (223,625)</u>	<u>\$ (223,625)</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## DSS BUILDING PROJECT FUND

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		Actual			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
Investment earnings	\$ -	\$ -	\$ 14	\$ 14	\$ 14
Total revenues	-	-	14	14	14
<b>Expenditures:</b>					
Human services:					
Land	150,000	-	140,359	140,359	9,641
DSS Building	7,316,000	-	335,135	335,135	6,980,865
Total expenditures	7,466,000	-	475,494	475,494	6,990,506
Revenues over (under) expenditures	(7,466,000)	-	(475,480)	(475,480)	6,990,520
<b>Other Financing Sources (Uses):</b>					
Long-term debt issued	7,466,000	-	-	-	(7,466,000)
Total other financing sources (uses)	7,466,000	-	-	-	(7,466,000)
Net change in fund balance	\$ -	\$ -	\$ (475,480)	\$ (475,480)	\$ (475,480)

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## CAPITAL RESERVE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	<u>2011</u>			<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<b>Other Financing Sources (Uses):</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	\$ -	-
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>169,720</u>		<u>169,720</u>
End of year - June 30		<u>\$ 169,720</u>		<u>\$ 169,720</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## AMBULANCE CAPITAL RESERVE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	<u>2011</u>			<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 1	\$ 1	\$ -
Revenues over (under) expenditures	-	1	1	-
<b>Other Financing Sources (Uses):</b>				
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	1	\$ 1	-
<b>Fund Balance:</b>				
Beginning of year - July 1		899		899
End of year - June 30		\$ 900		\$ 899

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## EDC CAPITAL RESERVE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 5,448	\$ 94	\$ (5,354)	\$ 72
<b>Expenditures:</b>				
Current:				
Economic and physical development:				
Professional services	12,500	-	12,500	-
Other operating expenditures	114,700	-	114,700	-
Total expenditures	127,200	-	127,200	-
Revenues over (under) expenditures	(121,752)	94	121,846	72
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	(25,518)	-	25,518	-
Intrafund transfers	(52,500)	-	52,500	-
Appropriated fund balance	199,770	-	(199,770)	-
Total other financing sources (uses)	121,752	-	(121,752)	-
Net change in fund balance	\$ -	94	\$ 94	72
<b>Fund Balance:</b>				
Beginning of year - July 1		130,159		130,087
End of year - June 30		\$ 130,253		\$ 130,159

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## PUBLIC SCHOOLS BUILDING FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
State ADM funds	\$ 1,276,554	\$ 2,359,777	\$ 210,000	\$ 2,569,777	\$ 1,293,223
State lottery funds	<u>825,078</u>	<u>702,124</u>	<u>720,000</u>	<u>1,422,124</u>	<u>597,046</u>
Total revenues	<u>2,101,632</u>	<u>3,061,901</u>	<u>930,000</u>	<u>3,991,901</u>	<u>1,890,269</u>
<b>Expenditures:</b>					
Current:					
Education:					
Land purchase	105,000	105,000	-	105,000	-
Renovation of existing buildings	1,821,244	3,094,475	1,014,670	4,109,145	(2,287,901)
Debt service - principal	<u>260,063</u>	<u>260,063</u>	<u>-</u>	<u>260,063</u>	<u>-</u>
Total expenditures	<u>2,186,307</u>	<u>3,459,538</u>	<u>1,014,670</u>	<u>4,474,208</u>	<u>(2,287,901)</u>
Revenues over (under) expenditures	<u>(84,675)</u>	<u>(397,637)</u>	<u>(84,670)</u>	<u>(482,307)</u>	<u>(397,632)</u>
<b>Other Financing Sources (Uses):</b>					
Reimbursement from Board of Education	<u>84,675</u>	<u>501,650</u>	<u>-</u>	<u>501,650</u>	<u>416,975</u>
Total other financing sources (uses)	<u>84,675</u>	<u>501,650</u>	<u>-</u>	<u>501,650</u>	<u>416,975</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 104,013</u>	<u>(84,670)</u>	<u>\$ 19,343</u>	<u>\$ 19,343</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>104,013</u>		
End of year - June 30			<u>\$ 19,343</u>		



## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## EDC REEP PROJECT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Investment earnings	\$ -	\$ -	\$ 2	\$ 2	\$ 2
Miscellaneous	285,580	-	65,080	65,080	(220,500)
Total revenues	285,580	-	65,082	65,082	(220,498)
<b>Expenditures:</b>					
Current:					
Economic and physical development:					
Infrastructure	285,580	-	-	-	285,580
Total expenditures	285,580	-	-	-	285,580
Net change in fund balance	\$ -	\$ -	\$ 65,082	\$ 65,082	\$ 65,082

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR DEBT SERVICE FUND

SCHEDULE OF REVENUES AND EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ 16
Total revenues	-	-	-	16
<b>Expenditures:</b>				
Debt service:				
Principal retirement	971,482	971,482	-	704,452
Interest	579,696	562,227	17,469	591,982
Total expenditures	1,551,178	1,533,709	17,469	1,296,434
Revenues over (under) expenditures	(1,551,178)	(1,533,709)	17,469	(1,296,418)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out):				
Special revenue funds	35,000	34,000	(1,000)	35,000
General Fund	1,516,178	1,499,709	(16,469)	1,261,419
Total other financing sources (uses)	1,551,178	1,533,709	(17,469)	1,296,419
Net change in fund balance	\$ -	-	\$ -	1
<b>Fund Balance:</b>				
Beginning of year - July 1		103		102
End of year - June 30		\$ 103		\$ 103

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**ENTERPRISE FUND - WATER AND SEWER FUND**

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**

**FOR THE YEAR ENDED JUNE 30, 2011**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	<b>2011</b>			<b>2010</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Water and sewer sales	\$ 2,400,363	\$ 2,617,174	\$ 216,811	\$ 2,548,763
Water and sewer taps	28,500	13,200	(15,300)	19,800
Other operating revenues	10,460	8,735	(1,725)	13,417
Total operating revenues	<u>2,439,323</u>	<u>2,639,109</u>	<u>199,786</u>	<u>2,581,980</u>
<b>Non-Operating Revenues:</b>				
Interest earned on investments	<u>500</u>	<u>398</u>	<u>(102)</u>	<u>264</u>
Total revenues	<u>2,439,823</u>	<u>2,639,507</u>	<u>199,684</u>	<u>2,582,244</u>
<b>Expenditures:</b>				
Salaries and employee benefits	501,756	464,523	-	461,910
Purchased water	367,162	367,057	-	329,080
Sewage treatment	262,595	256,867	-	347,511
Other operating expenses	375,808	353,483	-	419,674
Capital outlay	16,415	16,415	-	-
Debt service:				
Debt principal	458,000	458,000	-	445,500
Interest and fees	<u>458,087</u>	<u>458,006</u>	<u>-</u>	<u>480,114</u>
Total expenditures	<u>2,439,823</u>	<u>2,374,351</u>	<u>65,472</u>	<u>2,483,789</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 265,156</u>	<u>\$ 265,156</u>	<u>\$ 98,455</u>

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**ENTERPRISE FUND - WATER AND SEWER FUND**

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)**

**FOR THE YEAR ENDED JUNE 30, 2011**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	<u>2011</u>			<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Reconciliation from Budgetary Basis</b>				
<b>(Modified Accrual) to Full Accrual:</b>				
Revenues and other financing sources over				
(under) expenditures and other financing uses		\$ 265,156		\$ 98,455
Debt principal		458,000		445,500
Increase in compensated absences		(1,609)		608
Increase in other post-employment benefits		(28,507)		(28,177)
Capital outlay		16,415		-
Depreciation		<u>(548,410)</u>		<u>(549,385)</u>
Net income (loss), excluding				
 Total Water and Sewer Capital Projects		 \$ 161,045		 \$ (32,999)

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**ENTERPRISE FUND - SOLID WASTE FUND**

**SCHEDULE OF REVENUES AND EXPENDITURES -**

**BUDGET AND ACTUAL (NON-GAAP)**

**FOR THE YEAR ENDED JUNE 30, 2011**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	<b>2011</b>			<b>2010</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Solid waste fees	\$ 1,946,051	\$ 1,931,732	\$ (14,319)	\$ 1,931,935
White goods and tire disposal tax	26,000	31,113	5,113	30,244
Solid waste disposal tax	5,000	12,359	7,359	12,566
Other operating revenues	31,400	34,176	2,776	32,588
Total operating revenues	<u>2,008,451</u>	<u>2,009,380</u>	<u>929</u>	<u>2,007,333</u>
<b>Non-Operating Revenues:</b>				
Capital contributions	10,000	16,992	6,992	3,503
Interest earned on investments	<u>6,000</u>	<u>130</u>	<u>(5,870)</u>	<u>81</u>
Total non-operating revenues	<u>16,000</u>	<u>17,122</u>	<u>1,122</u>	<u>3,584</u>
Total revenues	<u>2,024,451</u>	<u>2,026,502</u>	<u>2,051</u>	<u>2,010,917</u>
<b>Expenditures:</b>				
Salaries and employee benefits	145,185	143,888	1,297	139,731
Solid waste pickup	1,976,783	1,976,389	394	1,996,381
Other operating expenses	<u>52,728</u>	<u>50,590</u>	<u>2,138</u>	<u>73,574</u>
Total expenditures	<u>2,174,696</u>	<u>2,170,867</u>	<u>3,829</u>	<u>2,209,686</u>
Revenues over (under) expenditures	<u>(150,245)</u>	<u>(144,365)</u>	<u>5,880</u>	<u>(198,769)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out) - General Fund	<u>150,245</u>	<u>150,245</u>	<u>-</u>	<u>200,000</u>
Total other financing sources (uses)	<u>150,245</u>	<u>150,245</u>	<u>-</u>	<u>200,000</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 5,880</u>	<u>\$ 5,880</u>	<u>\$ 1,231</u>

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**ENTERPRISE FUND - SOLID WASTE FUND  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	<u>2011</u>			<u>2010</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 5,880		\$ 1,231
Increase in compensated absences		(221)		(55)
Increase in other post-employment benefits		(8,497)		(8,398)
Depreciation		<u>(6,677)</u>		<u>(6,676)</u>
Change in net assets		<u>\$ (9,515)</u>		<u>\$ (13,898)</u>

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
<b>Social Services:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 15,460	\$ 195,447	\$ 183,090	\$ 27,817
<b>Liabilities:</b>				
Accounts payable	\$ 15,460	\$ 195,447	\$ 183,090	\$ 27,817
<b>Inmate Trust Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 51,576	\$ 37,712	\$ 32,270	\$ 57,018
<b>Liabilities:</b>				
Accounts payable	\$ 51,576	\$ 37,712	\$ 32,270	\$ 57,018
<b>Motor Vehicle Tax:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 3,553	\$ 581,998	\$ 527,802	\$ 57,749
Accounts receivable	106,539	20,335	-	126,874
Total assets	\$ 110,092	\$ 602,333	\$ 527,802	\$ 184,623
<b>Liabilities:</b>				
Accounts payable	\$ 110,092	\$ 602,333	\$ 527,802	\$ 184,623
Total liabilities	\$ 110,092	\$ 602,333	\$ 527,802	\$ 184,623
<b>Rescue Squad:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 6,875	\$ 170,304	\$ 157,548	\$ 19,631
Accounts receivable	729,774	193,019	-	922,793
Total assets	\$ 736,649	\$ 363,323	\$ 157,548	\$ 942,424
<b>Liabilities:</b>				
Intergovernmental payable	\$ 729,774	\$ 193,019	\$ -	\$ 922,793
Accounts payable	6,875	170,304	157,548	19,631
Total liabilities	\$ 736,649	\$ 363,323	\$ 157,548	\$ 942,424

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 2011**

	<b><u>Balance</u></b> <b><u>July 1, 2010</u></b>	<b><u>Additions</u></b>	<b><u>Deductions</u></b>	<b><u>Balance</u></b> <b><u>June 30, 2011</u></b>
<b>3% Interest Payable to State:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ <u>1,301</u>	\$ <u>14,696</u>	\$ <u>14,805</u>	\$ <u>1,192</u>
<b>Liabilities:</b>				
Intergovernmental payable	\$ <u>1,301</u>	\$ <u>14,696</u>	\$ <u>14,805</u>	\$ <u>1,192</u>
<b>Totals - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 78,765	\$ 1,000,157	\$ 915,515	\$ 163,407
Accounts receivable	<u>836,313</u>	<u>213,354</u>	<u>-</u>	<u>1,049,667</u>
Total assets	\$ <u>915,078</u>	\$ <u>1,213,511</u>	\$ <u>915,515</u>	\$ <u>1,213,074</u>
<b>Liabilities:</b>				
Intergovernmental payable	\$ 731,075	\$ 207,715	\$ 14,805	\$ 923,985
Accounts payable	<u>184,003</u>	<u>1,005,796</u>	<u>900,710</u>	<u>289,089</u>
Total liabilities	\$ <u>915,078</u>	\$ <u>1,213,511</u>	\$ <u>915,515</u>	\$ <u>1,213,074</u>



## NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2011

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2010</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2011</u>
2010-2011	\$ -	\$ 16,220,110	\$ 15,323,903	\$ 896,207
2009-2010	766,321	-	402,414	363,907
2008-2009	297,043	-	95,281	201,762
2007-2008	145,392	-	36,600	108,792
2006-2007	92,204	-	15,636	76,568
2005-2006	64,790	-	8,509	56,281
2004-2005	48,799	-	3,518	45,281
2003-2004	42,015	-	2,051	39,964
2002-2003	39,958	-	1,785	38,173
2001-2002	24,045	-	941	23,104
2000-2001	19,674	-	19,674	-
Total	<u>\$ 1,540,241</u>	<u>\$ 16,220,110</u>	<u>\$ 15,910,312</u>	1,850,039
Plus: Uncollected taxes on 2010-2011 motor vehicles				76,885
Less: Allowance for uncollectible accounts - General Fund				<u>(823,000)</u>
Ad valorem taxes receivable, net - General Fund				<u>\$ 1,103,924</u>
<b>Reconciliation with Revenues:</b>				
Ad valorem taxes - General Fund				\$ 16,053,109
Reconciling items:				
Interest collected				(190,995)
Taxes written off				19,674
Tax refunds				58,979
Miscellaneous adjustments				<u>(30,455)</u>
Total collections and credits				<u>\$ 15,910,312</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
FOR THE YEAR ENDED JUNE 30, 2011

				Total Levy	
	County-Wide			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rate	Total Levy		
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 1,842,966,092	\$ 0.87	\$ 16,033,805	\$ 14,903,623	\$ 1,130,182
Penalties	-		29,818	29,818	-
Total	<u>1,842,966,092</u>		<u>16,063,623</u>	<u>14,933,441</u>	<u>1,130,182</u>
<b>Discoveries</b>	<u>18,791,494</u>		<u>163,486</u>	<u>163,486</u>	<u>-</u>
<b>Deferred tax on secondary use property</b>	<u>2,907,011</u>		<u>25,291</u>	<u>25,291</u>	<u>-</u>
<b>Abatements</b>	<u>(3,711,494)</u>		<u>(32,290)</u>	<u>(12,620)</u>	<u>(19,670)</u>
Total property valuation	<u>\$ 1,860,953,103</u>				
<b>Net Levy</b>			16,220,110	15,109,598	1,110,512
Uncollected taxes at June 30, 2011			<u>896,207</u>	<u>696,825</u>	<u>199,382</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 15,323,903</u>	<u>\$ 14,412,773</u>	<u>\$ 911,130</u>
<b>Current Levy Collection Percentage</b>			<u>94.47%</u>	<u>95.39%</u>	<u>82.05%</u>

**NORTHAMPTON COUNTY, NORTH CAROLINA****ANALYSIS OF CURRENT TAX LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2011****Secondary Market Disclosures:****Assessed Valuation:**

Assessment ratio	<u>100%</u>
Real property	\$ 1,574,323,973
Personal property	186,095,310
Public service companies	<u>100,533,820</u>
Total assessed valuation	<u>\$ 1,860,953,103</u>
Tax rate per \$100	<u>\$ 0.87</u>
Levy (includes discoveries, releases and abatements)	<u>\$ 16,220,110</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

TEN LARGEST TAXPAYERS  
FOR THE YEAR ENDED JUNE 30, 2011

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2010 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dominion NC Power	Utility	\$ 58,576,981	3.15%
Lowe's Home Center	Warehousing/distribution	49,835,916	2.68%
Smithfield Carroll's Farms	Hog processing	21,791,260	1.17%
Georgia Pacific	Chemical manufacturing	19,071,762	1.02%
West Fraser, Inc.	Pulp, paper, and wood products	16,846,941	0.91%
CSX	Railroad	10,522,694	0.57%
North Carolina & Virginia Railroad	Railroad	9,448,962	0.51%
Roanoke Electric Membership Corp.	Utility	8,522,182	0.46%
Severn Peanut	Agriculture/nuts	8,230,893	0.44%
FIATP Timber, LLC	Timber Investment	7,987,503	0.43%
Total		<u>\$ 210,835,094</u>	<u>11.33%</u>

**NORTHAMPTON COUNTY TOURISM DEVELOPMENT AUTHORITY**  
**(A COMPONENT UNIT OF NORTHAMPTON COUNTY, NORTH CAROLINA)**

**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	<b>2011</b>			<b>2010</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Other taxes and licenses	\$ 42,000	\$ 39,594	\$ (2,406)	\$ 42,962
Investment earnings	-	17	17	12
Total revenues	<u>42,000</u>	<u>39,611</u>	<u>(2,389)</u>	<u>42,974</u>
<b>Expenditures:</b>				
Current:				
Economic and physical development:				
Professional services	-	-	-	-
Other operating expenditures	<u>45,622</u>	<u>39,719</u>	<u>5,903</u>	<u>39,093</u>
Total expenditures	<u>45,622</u>	<u>39,719</u>	<u>5,903</u>	<u>39,093</u>
Revenues over (under) expenditures	<u>(3,622)</u>	<u>(108)</u>	<u>3,514</u>	<u>3,881</u>
<b>Other Financing Sources (Uses):</b>				
Transfers out	(1,260)	-	1,260	-
Appropriated fund balance	<u>4,882</u>	-	<u>(4,882)</u>	-
Total other financing sources (uses)	<u>3,622</u>	-	<u>(3,622)</u>	-
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(108)</u>	<u>\$ (108)</u>	<u>3,881</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>20,499</u>		<u>16,618</u>
End of year - June 30		<u>\$ 20,391</u>		<u>\$ 20,499</u>