

**NORTHAMPTON COUNTY
JACKSON, NORTH CAROLINA**

BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2012

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

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

NORTHAMPTON COUNTY, NORTH CAROLINA

BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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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 aggregate 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, 2012, 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 87 percent, 81 percent, and 95 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 and the report of the other auditors 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Northampton County, North Carolina, as of June 30, 2012, 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 November 15, 2012 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 Post-Employment 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.
November 15, 2012

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, 2012. 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

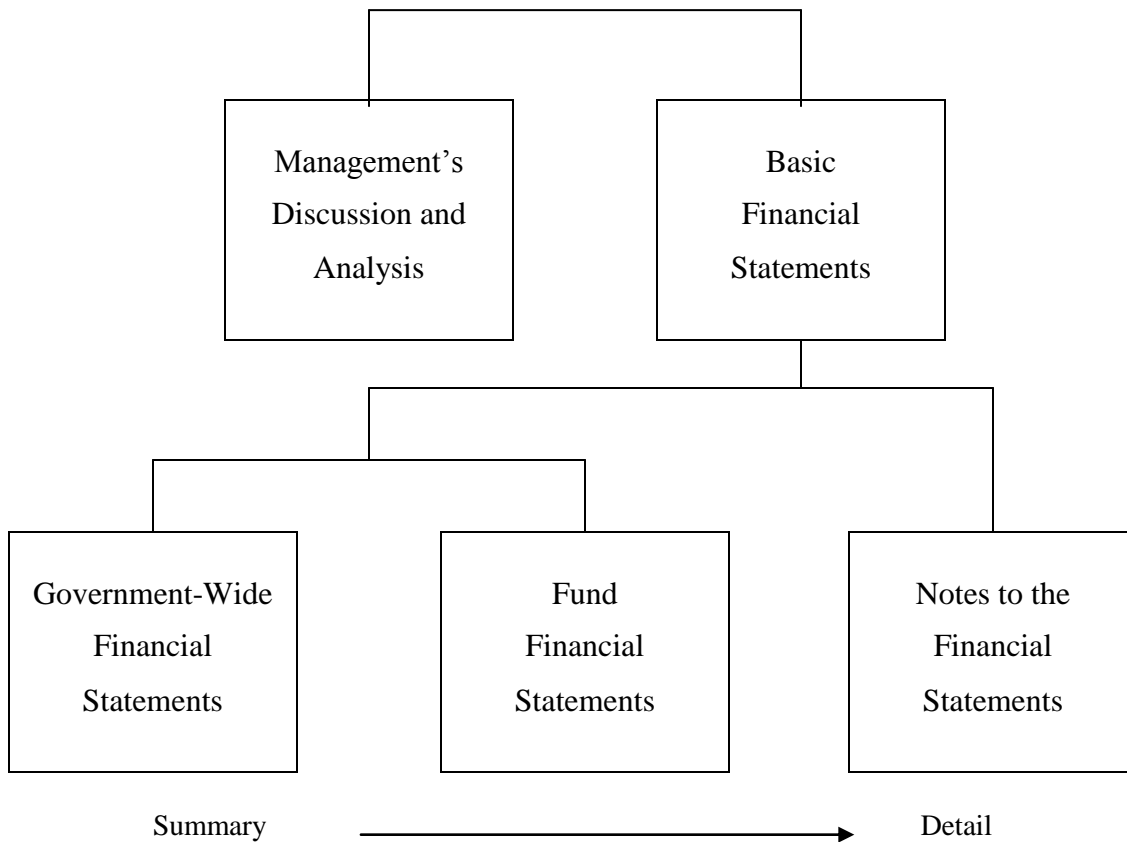
- The assets of Northampton County exceeded its liabilities at the close of the fiscal year by \$15,617,049 (*net assets*).
- As of the close of the current fiscal year, Northampton County's governmental funds reported combined ending fund balances of \$11,436,125, an increase of \$6,960,272 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,772,271, or 9.82 percent of total General Fund expenditures for the fiscal year.
- Northampton County's total general obligation and installment debt increased by \$5,279,315 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 governmental 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 \$15,617,049 as of June 30, 2012. The County's net assets increased by \$853,272 for the fiscal year ended June 30, 2012. 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

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and other assets	\$ 14,708,743	\$ 7,146,855	\$ 960,898	\$ 827,377	\$ 15,669,641	\$ 7,974,232
Capital assets	<u>13,879,273</u>	<u>14,367,861</u>	<u>19,907,775</u>	<u>20,439,740</u>	<u>33,787,048</u>	<u>34,807,601</u>
Total assets	<u>28,588,016</u>	<u>21,514,716</u>	<u>20,868,673</u>	<u>21,267,117</u>	<u>49,456,689</u>	<u>42,781,833</u>
Liabilities:						
Current liabilities outstanding	756,320	1,098,198	337,605	304,560	1,093,925	1,402,758
Long-term liabilities outstanding	<u>23,088,988</u>	<u>16,537,223</u>	<u>9,656,727</u>	<u>10,078,075</u>	<u>32,745,715</u>	<u>26,615,298</u>
Total liabilities	<u>23,845,308</u>	<u>17,635,421</u>	<u>9,994,332</u>	<u>10,382,635</u>	<u>33,839,640</u>	<u>28,018,056</u>
Net Assets:						
Invested in capital assets, net of related debt	8,721,656	8,915,261	10,439,775	10,512,240	19,161,431	19,427,501
Restricted	3,406,736	3,280,253	-	-	3,406,736	3,280,253
Unrestricted	<u>(7,385,684)</u>	<u>(8,316,219)</u>	<u>434,566</u>	<u>372,242</u>	<u>(6,951,118)</u>	<u>(7,943,977)</u>
Total net assets	<u>\$ 4,742,708</u>	<u>\$ 3,879,295</u>	<u>\$ 10,874,341</u>	<u>\$ 10,884,482</u>	<u>\$ 15,617,049</u>	<u>\$ 14,763,777</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.

Northampton County's Changes in Net Assets

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 3,596,392	\$ 3,602,898	\$ 4,901,049	\$ 4,648,489	\$ 8,497,441	\$ 8,251,387
Operating grants and contributions	6,869,885	6,995,860	-	-	6,869,885	6,995,860
Capital grants and contributions	690,645	1,997,329	2,664	16,992	693,309	2,014,321
General revenues:						
Property taxes	17,479,471	16,837,488	-	-	17,479,471	16,837,488
Other taxes	1,649,307	1,562,744	-	-	1,649,307	1,562,744
Other	6,737	8,641	277	528	7,014	9,169
Total revenues	<u>30,292,437</u>	<u>31,004,960</u>	<u>4,903,990</u>	<u>4,666,009</u>	<u>35,196,427</u>	<u>35,670,969</u>
Expenses:						
General government	3,557,006	3,243,821	-	-	3,557,006	3,243,821
Public safety	8,071,100	7,926,097	-	-	8,071,100	7,926,097
Transportation	24,000	24,000	-	-	24,000	24,000
Environmental protection	125,405	120,000	-	-	125,405	120,000
Economic and physical development	1,632,673	1,749,985	-	-	1,632,673	1,749,985
Human services	11,280,322	11,160,356	-	-	11,280,322	11,160,356
Cultural and recreation	508,367	983,618	-	-	508,367	983,618
Education	3,694,202	5,101,504	-	-	3,694,202	5,101,504
Interest and fees	535,949	569,994	-	-	535,949	569,994
Water and sewer	-	-	2,576,199	2,478,462	2,576,199	2,478,462
Solid waste	-	-	2,337,932	2,186,262	2,337,932	2,186,262
Total expenses	<u>29,429,024</u>	<u>30,879,375</u>	<u>4,914,131</u>	<u>4,664,724</u>	<u>34,343,155</u>	<u>35,544,099</u>
Transfers in (out)	<u>-</u>	<u>(150,245)</u>	<u>-</u>	<u>150,245</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	863,413	(24,660)	(10,141)	151,530	853,272	126,870
Net Assets:						
Beginning of year - July 1, as previously stated	3,879,295	3,924,454	10,884,482	10,732,952	14,763,777	14,657,406
Prior period adjustment	-	(20,499)	-	-	-	(20,499)
Beginning of year - July 1, as restated	<u>3,879,295</u>	<u>3,903,955</u>	<u>10,884,482</u>	<u>10,732,952</u>	<u>14,763,777</u>	<u>14,636,907</u>
End of year - June 30	<u>\$ 4,742,708</u>	<u>\$ 3,879,295</u>	<u>\$ 10,874,341</u>	<u>\$ 10,884,482</u>	<u>\$ 15,617,049</u>	<u>\$ 14,763,777</u>

Governmental Activities. Governmental activities increased the County's net assets by \$863,413. Key elements of this decrease are as follows:

- Increase in local option sales tax revenue,
- Decrease in expenses for economic and physical development, cultural and recreational, and education.

Business-Type Activities. Business-type activities decreased the County's net assets by \$10,141. 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 positive cash flows.

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 \$2,522,624, while total fund balance was \$5,241,425. The County currently has an available fund balance of 9.7% of General Fund expenditures, while total fund balance represents 20.1% of that same amount.

At June 30, 2012, the governmental funds of Northampton County reported a combined fund balance of \$11,436,125, a 156% percent increase over last year. The General Fund accounted for an increase in fund balance of \$226,424, while all other governmental funds combined accounted for an increase in fund balance of \$6,733,848. 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 \$979,157, which was 3.6% 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 a decrease of \$10,141. 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, 2012 totaled \$33,787,048 (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:

- Building improvements to the Rescue Building,
- Purchase of an oxygen generator for the jail,
- Cargo van.

Northampton County's Capital Assets (net of depreciation)

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Construction in progress	\$ 382,642	\$ 475,494	\$ -	\$ -	\$ 382,642	\$ 475,494
Buildings and land	15,221,492	14,986,492	2,250	2,250	15,223,742	14,988,742
Equipment	1,900,556	1,842,481	448,060	430,908	2,348,616	2,273,389
Vehicles	2,499,493	2,482,599	355,738	355,738	2,855,231	2,838,337
Distribution system	-	-	26,723,233	26,723,233	26,723,233	26,723,233
	20,004,183	19,787,066	27,529,281	27,512,129	47,533,464	47,299,195
Accumulated depreciation	(6,124,910)	(5,419,205)	(7,621,506)	(7,072,389)	(13,746,416)	(12,491,594)
Total	<u>\$ 13,879,273</u>	<u>\$ 14,367,861</u>	<u>\$ 19,907,775</u>	<u>\$ 20,439,740</u>	<u>\$ 33,787,048</u>	<u>\$ 34,807,601</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, 2012, Northampton County had total general obligation and installment debt outstanding of \$28,499,415.

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

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Installment notes payable	\$ 11,676,415	\$ 5,452,600	\$ -	\$ -	\$ 11,676,415	\$ 5,452,600
General obligation bonds	7,355,000	7,840,000	9,468,000	9,927,500	16,823,000	17,767,500
Total	<u>\$ 19,031,415</u>	<u>\$ 13,292,600</u>	<u>\$ 9,468,000</u>	<u>\$ 9,927,500</u>	<u>\$ 28,499,415</u>	<u>\$ 23,220,100</u>

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

Economic Factors and Next Year's Budgets and Rates

The County was experiencing an unemployment rate of 12.9% at June 30, 2012. This was higher than the non-seasonally adjusted State average of 9.6%.

Budget Highlights for the Fiscal Year Ending June 30, 2013

Governmental Activities. The General Fund operating budget reflects an increase of approximately 5.1% compared to 2012 funding levels due to the state of the economy.

Business-Type Activities. Solid waste revenues are budgeted consistent to those amounts in 2012, given slight operating losses in 2012. Water and sewer revenues are conservatively budgeted compared to actual 2012 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, 2012

				Component Units	
	Primary Government		Total	Northampton County ABC Board	Northampton County Tourism Development Authority
	Governmental Activities	Business-Type Activities			
Assets:					
Current assets:					
Cash and cash equivalents	\$ 3,967,361	\$ 117,809	\$ 4,085,170	\$ 109,093	\$ 29,136
Taxes receivable, net	1,399,221	-	1,399,221	-	-
Accounts receivable, net	2,440,610	602,637	3,043,247	533	3,840
Due from other governments	382,753	-	382,753	-	-
Inventories	-	-	-	108,593	-
Prepaid items	-	-	-	2,047	-
Cash and cash equivalents, restricted	6,518,798	240,452	6,759,250	-	-
Capital assets:					
Land and construction in progress	2,083,442	-	2,083,442	-	-
Other capital assets, net	11,795,831	19,907,775	31,703,606	5,999	-
Total assets	28,588,016	20,868,673	49,456,689	226,265	32,976
Liabilities:					
Current liabilities:					
Accounts payable	566,219	76,180	642,399	92,075	889
Customer deposits	-	240,452	240,452	-	-
Unearned revenues	109,576	16,329	125,905	-	-
Current portion of compensated absences	80,525	4,644	85,169	-	-
Long-term liabilities:					
Non-current portion of compensated absences	724,722	41,796	766,518	-	-
Due within one year	1,200,262	471,500	1,671,762	-	-
Due in more than one year	21,164,004	9,143,431	30,307,435	-	-
Total liabilities	23,845,308	9,994,332	33,839,640	92,075	889
Net Assets:					
Invested in capital assets, net of related debt	8,721,656	10,439,775	19,161,431	5,999	-
Restricted for:					
Restricted for Stabilization by State statute	2,903,864	-	2,903,864	-	3,840
Restricted - other	502,872	-	502,872	66,978	28,247
Unrestricted	(7,385,684)	434,566	(6,951,118)	61,213	-
Total net assets	\$ 4,742,708	\$ 10,874,341	\$ 15,617,049	\$ 134,190	\$ 32,087

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

NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2012

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
Functions/Programs:				
Primary Government:				
Governmental Activities:				
General government	\$ 3,557,006	\$ 183,902	\$ 107,565	\$ -
Public safety	8,071,100	1,624,411	287,356	-
Transportation	24,000	-	28,420	-
Environmental protection	125,405	-	75,370	-
Economic and physical development	1,632,673	57,554	232,946	99,388
Human services	11,280,322	1,708,478	6,129,709	-
Cultural and recreational	508,367	22,047	8,519	341,257
Education	3,694,202	-	-	250,000
Interest on long-term debt	535,949	-	-	-
Total governmental activities	<u>29,429,024</u>	<u>3,596,392</u>	<u>6,869,885</u>	<u>690,645</u>
Business-Type Activities:				
Water and sewer	2,576,199	2,561,240	-	-
Solid waste	<u>2,337,932</u>	<u>2,339,809</u>	<u>-</u>	<u>2,664</u>
Total business-type activities	<u>4,914,131</u>	<u>4,901,049</u>	<u>-</u>	<u>2,664</u>
Total primary government	<u>\$ 34,343,155</u>	<u>\$ 8,497,441</u>	<u>\$ 6,869,885</u>	<u>\$ 693,309</u>
Component Units:				
Northampton County ABC Board	<u>\$ 995,565</u>	<u>\$ 996,703</u>	<u>\$ -</u>	<u>\$ -</u>
Northampton County Tourism Development Authority	<u>\$ 36,608</u>	<u>\$ 48,295</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Taxes:

Ad valorem taxes

Local option sales tax

Other taxes and licenses

Interest earned on investments, unrestricted

Total general revenues

Change in net assets

Net Assets:

Beginning of year - July 1

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		
\$ (3,265,539)	\$ -	\$ (3,265,539)		
(6,159,333)	-	(6,159,333)		
4,420	-	4,420		
(50,035)	-	(50,035)		
(1,242,785)	-	(1,242,785)		
(3,442,135)	-	(3,442,135)		
(136,544)	-	(136,544)		
(3,444,202)	-	(3,444,202)		
(535,949)	-	(535,949)		
<u>(18,272,102)</u>	<u>-</u>	<u>(18,272,102)</u>		
-	(14,959)	(14,959)		
-	4,541	4,541		
-	<u>(10,418)</u>	<u>(10,418)</u>		
<u>(18,272,102)</u>	<u>(10,418)</u>	<u>(18,282,520)</u>		
			<u>\$ 1,138</u>	
				<u>\$ 11,687</u>
17,479,471	-	17,479,471	-	-
1,478,076	-	1,478,076	-	-
171,231	-	171,231	-	-
6,737	277	7,014	62	9
<u>19,135,515</u>	<u>277</u>	<u>19,135,792</u>	<u>62</u>	<u>9</u>
863,413	(10,141)	853,272	1,200	11,696
<u>3,879,295</u>	<u>10,884,482</u>	<u>14,763,777</u>	<u>132,990</u>	<u>20,391</u>
<u>\$ 4,742,708</u>	<u>\$ 10,874,341</u>	<u>\$ 15,617,049</u>	<u>\$ 134,190</u>	<u>\$ 32,087</u>

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

NORTHAMPTON COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2012

	General Fund	DSS Building Project Fund	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and cash equivalents	\$ 3,267,970	\$ -	\$ 699,391	\$ 3,967,361
Taxes receivable, net	1,399,221	-	-	1,399,221
Accounts receivable, net	2,315,085	-	125,525	2,440,610
Due from other funds	1,128,383	-	169,720	1,298,103
Due from other governments	382,753	-	-	382,753
Restricted assets:				
Cash and cash equivalents	-	6,518,798	-	6,518,798
Total assets	<u>\$ 8,493,412</u>	<u>\$ 6,518,798</u>	<u>\$ 994,636</u>	<u>\$ 16,006,846</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 486,050	\$ -	\$ 80,169	\$ 566,219
Due to other funds	169,720	72,929	1,055,454	1,298,103
Deferred revenues	2,596,217	-	110,182	2,706,399
Total liabilities	<u>3,251,987</u>	<u>72,929</u>	<u>1,245,805</u>	<u>4,570,721</u>
Fund Balances:				
Restricted:				
Stabilization by State statute	2,718,801	-	185,063	2,903,864
Restricted, other	502,872	6,445,869	-	6,948,741
Committed:				
Committed, other	237,531	-	405,081	642,612
Assigned:				
Assigned, other	9,950	-	18,839	28,789
Unassigned	1,772,271	-	(860,152)	912,119
Total fund balances	<u>5,241,425</u>	<u>6,445,869</u>	<u>(251,169)</u>	<u>11,436,125</u>
Total liabilities and fund balances	<u>\$ 8,493,412</u>	<u>\$ 6,518,798</u>	<u>\$ 994,636</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.	13,879,273
Long-term debt and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(23,169,513)
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.	<u>2,596,823</u>
Net assets of governmental activities (Exhibit A)	<u>\$ 4,742,708</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, 2012

	General Fund	DSS Building Project Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Ad valorem taxes	\$ 16,594,407	\$ -	\$ 606,207	\$ 17,200,614
Other taxes and licenses	1,571,560	-	-	1,571,560
Unrestricted intergovernmental revenues	77,747	-	-	77,747
Restricted intergovernmental revenues	6,637,439	-	904,181	7,541,620
Permits and fees	204,311	-	-	204,311
Sales and services	2,511,889	-	177,524	2,689,413
Interest earned on investments	3,775	2,856	106	6,737
Special project revenue	27,782	-	-	27,782
Miscellaneous	97,119	-	65,500	162,619
Total revenues	<u>27,726,029</u>	<u>2,856</u>	<u>1,753,518</u>	<u>29,482,403</u>
Expenditures:				
Current:				
General government	3,251,742	-	-	3,251,742
Public safety	6,589,792	-	1,012,967	7,602,759
Transportation	24,000	-	-	24,000
Environmental protection	125,405	-	-	125,405
Economic and physical development	784,912	-	765,412	1,550,324
Human services	10,931,746	47,507	-	10,979,253
Cultural and recreational	363,404	-	133,908	497,312
Education	3,694,202	-	-	3,694,202
Debt service:				
Principal repayments	233,106	-	994,079	1,227,185
Interest	14,009	-	521,940	535,949
Total expenditures	<u>26,012,318</u>	<u>47,507</u>	<u>3,428,306</u>	<u>29,488,131</u>
Revenues over (under) expenditures	<u>1,713,711</u>	<u>(44,651)</u>	<u>(1,674,788)</u>	<u>(5,728)</u>
Other Financing Sources (Uses):				
Transfers (to) from other funds	(1,487,287)	-	1,487,287	-
Long-term debt issued	-	6,966,000	-	6,966,000
Total other financing sources (uses)	<u>(1,487,287)</u>	<u>6,966,000</u>	<u>1,487,287</u>	<u>6,966,000</u>
Net change in fund balances	226,424	6,921,349	(187,501)	6,960,272
Fund Balances:				
Beginning of year - July 1	<u>5,015,001</u>	<u>(475,480)</u>	<u>(63,668)</u>	<u>4,475,853</u>
End of year - June 30	<u>\$ 5,241,425</u>	<u>\$ 6,445,869</u>	<u>\$ (251,169)</u>	<u>\$ 11,436,125</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, 2012

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)	\$ 6,960,272
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	278,857
Ambulance and other miscellaneous revenues	671,536
Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(68,986)
Expenses related to other post-employment benefits that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(750,863)
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.	357,476
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(705,705)
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.	1,227,185
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.	(6,966,000)
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>(140,359)</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ 863,413</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, 2012**

	Budgeted Amounts			Variance from Final Budget Over/Under
	Original	Final	Actual	
Revenues:				
Ad valorem taxes	\$ 16,469,871	\$ 16,469,871	\$ 16,594,407	\$ 124,536
Other taxes and licenses	1,308,900	1,308,900	1,571,560	262,660
Unrestricted intergovernmental revenues	71,000	71,000	77,747	6,747
Restricted intergovernmental revenues	6,358,093	7,208,125	6,637,439	(570,686)
Permits and fees	177,950	177,950	204,311	26,361
Sales and services	2,664,999	2,726,299	2,511,889	(214,410)
Investment earnings	5,400	5,400	3,707	(1,693)
Special project revenue	10,000	17,625	27,782	10,157
Miscellaneous	107,027	167,227	97,119	(70,108)
Total revenues	<u>27,173,240</u>	<u>28,152,397</u>	<u>27,725,961</u>	<u>(426,436)</u>
Expenditures:				
General government	3,391,603	3,489,955	3,250,636	239,319
Public safety	6,757,337	6,904,921	6,589,792	315,129
Transportation	24,000	24,000	24,000	-
Environmental protection	120,000	130,000	125,405	4,595
Economic and physical development	779,156	862,726	784,912	77,814
Human services	11,357,920	12,171,974	10,931,746	1,240,228
Cultural and recreational	353,988	388,031	363,404	24,627
Education	3,630,538	3,730,538	3,694,202	36,336
Debt service:				
Principal repayments	163,671	242,962	233,106	9,856
Interest	-	14,009	14,009	-
Total expenditures	<u>26,578,213</u>	<u>27,959,116</u>	<u>26,011,212</u>	<u>1,947,904</u>
Revenues over (under) expenditures	<u>595,027</u>	<u>193,281</u>	<u>1,714,749</u>	<u>1,521,468</u>
Other Financing Sources (Uses):				
Transfers (to) from other funds	(1,487,287)	(1,487,287)	(1,487,287)	-
Intrafund transfers	(50,000)	(50,000)	(50,000)	-
Long-term debt issued	-	16,396	-	(16,396)
Appropriated fund balance	1,042,260	1,328,060	-	(1,328,060)
Contingency	(100,000)	(450)	-	450
Total other financing sources (uses)	<u>(595,027)</u>	<u>(193,281)</u>	<u>(1,537,287)</u>	<u>(1,344,006)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	177,462	<u>\$ 177,462</u>
Fund Balance:				
Beginning of year - July 1			<u>4,816,482</u>	
End of year - June 30			<u>\$ 4,993,944</u>	

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

NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2012

	Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 55,114	\$ 62,695	\$ 117,809
Accounts receivable, net	574,943	27,694	602,637
Due from other funds	398,830	-	398,830
Restricted assets:			
Cash and cash equivalents, restricted	240,452	-	240,452
Total current assets	<u>1,269,339</u>	<u>90,389</u>	<u>1,359,728</u>
Non-current assets:			
Other capital assets, net	19,905,425	2,350	19,907,775
Total non-current assets	<u>19,905,425</u>	<u>2,350</u>	<u>19,907,775</u>
Total assets	<u>21,174,764</u>	<u>92,739</u>	<u>21,267,503</u>
Liabilities:			
Current liabilities:			
Accounts payable	39,323	36,857	76,180
Due to other funds	-	398,830	398,830
Unearned revenue	16,329	-	16,329
Customer deposits	240,452	-	240,452
Compensated absences - current	3,329	1,315	4,644
Current portion of long-term debt	471,500	-	471,500
Total current liabilities	<u>770,933</u>	<u>437,002</u>	<u>1,207,935</u>
Non-current liabilities:			
Compensated absences - non-current	29,962	11,834	41,796
Non-current portion of long-term debt	8,996,500	-	8,996,500
Other post-employment benefits	113,193	33,738	146,931
Total non-current liabilities	<u>9,139,655</u>	<u>45,572</u>	<u>9,185,227</u>
Total liabilities	<u>9,910,588</u>	<u>482,574</u>	<u>10,393,162</u>
Net Assets:			
Invested in capital assets, net of related debt	10,437,425	2,350	10,439,775
Unrestricted	<u>826,751</u>	<u>(392,185)</u>	<u>434,566</u>
Total net assets	<u>\$ 11,264,176</u>	<u>\$ (389,835)</u>	<u>\$ 10,874,341</u>

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, 2012

	Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
Operating Revenues:			
Charges for services	\$ 2,531,098	\$ 2,126,075	\$ 4,657,173
Water and sewer taps	16,132	-	16,132
White goods and tire disposal tax	-	30,825	30,825
Solid waste disposal tax	-	12,908	12,908
Other operating revenues	13,810	170,001	183,811
Total operating revenues	<u>2,561,040</u>	<u>2,339,809</u>	<u>4,900,849</u>
Operating Expenses:			
Water distribution and sewage treatment	1,590,184	-	1,590,184
Solid waste	-	2,333,901	2,333,901
Depreciation	545,086	4,031	549,117
Total operating expenses	<u>2,135,270</u>	<u>2,337,932</u>	<u>4,473,202</u>
Operating income (loss)	<u>425,770</u>	<u>1,877</u>	<u>427,647</u>
Non-Operating Revenues (Expenses):			
Miscellaneous non-operating revenues	200	-	200
Interest earned on investments	209	68	277
Interest and fees	(440,929)	-	(440,929)
Total non-operating revenues (expenses)	<u>(440,520)</u>	<u>68</u>	<u>(440,452)</u>
Income (loss) before capital contributions and transfers	(14,750)	1,945	(12,805)
Capital contributions	<u>-</u>	<u>2,664</u>	<u>2,664</u>
Change in net assets	(14,750)	4,609	(10,141)
Net Assets:			
Beginning of year - July 1	<u>11,278,926</u>	<u>(394,444)</u>	<u>10,884,482</u>
End of year - June 30	<u>\$ 11,264,176</u>	<u>\$ (389,835)</u>	<u>\$ 10,874,341</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, 2012

	Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
Cash Flows from Operating Activities:			
Cash received from customers	\$ 2,484,436	\$ 2,327,683	\$ 4,812,119
Cash paid for goods and services	(1,098,486)	(2,168,407)	(3,266,893)
Cash paid to employees for services	(450,482)	(148,113)	(598,595)
Net cash provided (used) by operating activities	935,468	11,163	946,631
Cash Flows from Non-Capital Financing Activities:			
Non-operating revenues	200	-	200
Net cash provided (used) by non-capital financing activities	200	-	200
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(17,152)	-	(17,152)
Principal paid on long-term debt	(459,500)	-	(459,500)
Interest and fees	(440,929)	-	(440,929)
Capital contributions	-	2,664	2,664
Net cash provided (used) by capital and related financing activities	(917,581)	2,664	(914,917)
Cash Flows from Investing Activities:			
Interest on investments	209	68	277
Net increase (decrease) in cash and cash equivalents	18,296	13,895	32,191
Cash and Cash Equivalents:			
Beginning of year - July 1	277,270	48,800	326,070
End of year - June 30	\$ 295,566	\$ 62,695	\$ 358,261
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 425,770	\$ 1,877	\$ 427,647
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	545,086	4,031	549,117
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(89,200)	(12,130)	(101,330)
Increase (decrease) in accounts payable and accrued liabilities	12,176	8,035	20,211
Increase (decrease) in customer deposits	12,596	-	12,596
Increase (decrease) in accrued vacation pay	1,299	1,082	2,381
Increase (decrease) in OPEB payable	27,741	8,268	36,009
Net cash provided (used) by operating activities	\$ 935,468	\$ 11,163	\$ 946,631

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

NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUNDS

JUNE 30, 2012

	Agency Funds
	<hr/>
Assets:	
Cash and cash equivalents	\$ 109,806
Accounts receivable	<u>1,083,121</u>
Total assets	<u><u>\$ 1,192,927</u></u>
 Liabilities:	
Intergovernmental payable	\$ 895,904
Accounts payable	<u>297,023</u>
Total liabilities	<u><u>\$ 1,192,927</u></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, 2012

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, 2012

or similar place within the County. Collections are remitted to the Tourism Development Authority, less a 3% administration charge, on a monthly basis. The County is financially accountable for the Tourism Development Authority, which is reported as a discretely presented component unit separate from the financial information of the primary government. Complete financial statements for the Tourism Development Authority may be obtained from the entity's administrative offices at the Northampton County Tourism Development Authority, 100 West Jefferson Street, Jackson, NC 27845.

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, 2012

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 twelve 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, EDC REEP Project Fund, Enviva Infrastructure Project, and Severn Peanut Natural Gas Project.

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, 2012

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, DSS Building Project Fund, Water and Sewer Fund, and Solid Waste Fund are considered major funds for the year ended June 30, 2012.

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, 2012

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 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 2011 through February 2012 apply to the fiscal year ended June 30, 2012. 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, 2012

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), certain capital project funds (capital reserve funds), 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, excluding the capital reserve 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, 2012

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. Any unspent debt proceeds are classified as restricted, as their use is restricted for the purpose for which the debt was incurred.

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, 2012

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:

Asset	Estimated Useful Lives
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, 2012

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 \$7,355,000 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, 2012

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)]	\$ 2,718,801	\$ 14,794	\$ 170,269
Restricted - Other:			
<i>Restricted for Public Safety - E911</i> - portion of fund balance that is restricted by revenue source for E911 expenditures	251,128	-	-
<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	85,699	-	-
<i>Restricted for Debt Service</i> - portion of fund balance that is restricted by lender to be maintained in fund balance	166,045	-	-
<i>Restricted for Human Service</i> - portion of fund balance representing unspent debt proceeds, restricted for construction of a new DSS building	-	-	6,445,869
Total	<u>\$ 3,221,673</u>	<u>\$ 14,794</u>	<u>\$6,616,138</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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	\$ 237,531	\$ -
<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	-	3,788
<i>Committed for Capital Outlay</i> - portion of fund balance that is committed for future capital expenditures	-	131,195
<i>Committed for Education</i> - portion of fund balance that is committed for education expenditures	-	269,343
Total	<u>\$ 237,531</u>	<u>\$ 405,081</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	\$ 9,950	\$ -	\$ 16,376
<i>Assigned for Economic Development</i> - portion of fund balance that is assigned to pay for economic development expenditures	-	2,463	-
Total	<u>\$ 9,950</u>	<u>\$ 2,463</u>	<u>\$ 16,376</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

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)	\$ 5,241,425
Less:	
Stabilization by State statute	<u>(2,718,801)</u>
Available for appropriation	<u>\$ 2,522,624</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).

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Fund balance for the General Fund is reconciled as follows:

Fund balance, ending (Exhibit F)	\$ 4,993,944
Revaluation Fund:	
Revenues:	
Investment earnings	65
Expenditures:	
General government	(1,106)
Transfers in - General Fund	50,000
Fund balance, beginning	188,572
Revolving Loan Fund:	
Revenues:	
Investment earnings	3
Fund balance:	
Beginning of year	9,947
End of year (Exhibit D)	<u>\$ 5,241,425</u>

F. Revenues, Expenditures, and Expenses

Compensated Absences

The vacation policy of the County provides for the accumulation of up to thirty (30) 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.

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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.

2. Stewardship, Compliance, and Accountability

A. Deficit Fund Balance or Net Assets of Individual Funds

The following funds had deficit fund balances/net assets at June 30, 2012:

Special Revenue Fund:

Emergency Telephone System Fund – \$105,309

Fire District Fund – \$774

CDBG Fund – \$10,883

Capital Project Fund:

Wellness and Recreation Centers Capital Project Fund – \$366,452

Enviva Infrastructure Project Fund – \$316,366

Severn Peanut Natural Gas Project Fund – \$45,025

Enterprise Fund:

Solid Waste Fund – \$389,835

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.

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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 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, 2012, the County's deposits had a carrying amount of \$7,820,983 and a bank balance of \$8,772,797. Of the bank balance, \$294,764 was covered by federal depository insurance, and \$8,478,033 in interest-bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2012, the County had \$2,675 cash on hand.

At June 30, 2012, the Northampton County Tourism Development Authority's deposits had a carrying amount of \$29,136 and a bank balance of \$29,136. Of the bank balance, \$29,136 was covered by federal depository insurance.

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Investments

At June 30, 2012, the County had \$3,130,568 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.

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.

Year Ended June 30	Tax	Interest	Total
2008	\$ 955,312	\$ 312,865	\$ 1,268,177
2009	939,422	223,113	1,162,535
2010	951,359	140,325	1,091,684
2011	2,180,389	125,372	2,305,761
Total	<u>\$ 5,026,482</u>	<u>\$ 801,675</u>	<u>\$ 5,828,157</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Receivables

Receivables at Exhibit A at June 30, 2012 were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due From Other Governments</u>	<u>Total</u>
Governmental Activities:				
General	\$ 541,517	\$ 2,280,221	\$ 382,753	\$ 3,204,491
Ambulance	3,251,070	-	-	3,251,070
E911 fees	14,794	-	-	14,794
Fire district	90,182	-	-	90,182
CDBG receivables	20,000	-	-	20,000
Enviva Receivables	549	-	-	549
DSS receivable	<u>634,712</u>	<u>-</u>	<u>-</u>	<u>634,712</u>
Total receivables	4,552,824	2,280,221	382,753	7,215,798
Allowance for doubtful accounts	<u>(2,112,214)</u>	<u>(881,000)</u>	<u>-</u>	<u>(2,993,214)</u>
Total governmental activities	<u>\$ 2,440,610</u>	<u>\$ 1,399,221</u>	<u>\$ 382,753</u>	<u>\$ 4,222,584</u>
Business-Type Activities:				
Solid Waste	\$ 672,838	\$ -	\$ -	\$ 672,838
Water and Sewer	<u>574,943</u>	<u>-</u>	<u>-</u>	<u>574,943</u>
Total receivables	1,247,781	-	-	1,247,781
Allowance for doubtful accounts	<u>(645,144)</u>	<u>-</u>	<u>-</u>	<u>(645,144)</u>
Total business-type activities	<u>\$ 602,637</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 602,637</u>

Due from other governments consisted of the following:

Local option sales tax	\$ 258,018
Sales tax refund	<u>124,735</u>
Total	<u>\$ 382,753</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Capital Assets

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

	<u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2012</u>
Non-Depreciable Assets:				
Construction in progress	\$ 475,494	\$ 47,507	\$ (140,359)	\$ 382,642
Land	1,550,800	150,000	-	1,700,800
Depreciable Assets:				
Buildings and improvements	13,435,692	85,000	-	13,520,692
Equipment	1,842,481	58,075	-	1,900,556
Vehicles and motor equipment	2,482,599	16,894	-	2,499,493
Total capital assets	<u>19,787,066</u>	<u>357,476</u>	<u>(140,359)</u>	<u>20,004,183</u>
Less Accumulated Depreciation:				
Buildings and improvements	(3,194,012)	(249,853)	-	(3,443,865)
Equipment	(754,356)	(198,002)	-	(952,358)
Vehicles and motor equipment	<u>(1,470,837)</u>	<u>(257,850)</u>	<u>-</u>	<u>(1,728,687)</u>
Total accumulated depreciation	<u>(5,419,205)</u>	<u>\$ (705,705)</u>	<u>\$ -</u>	<u>(6,124,910)</u>
Capital assets, net	<u>\$ 14,367,861</u>			<u>\$ 13,879,273</u>

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

Governmental Activities:

General government	\$ 140,230
Public safety	334,916
Economic and physical development	52,796
Human services	174,096
Cultural and recreational	3,667
Total	<u>\$ 705,705</u>

Business-Type Activities:

Solid Waste	\$ 545,086
Water and Sewer	4,031
Total	<u>\$ 549,117</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Summary of Proprietary Capital Assets

Capital assets for the proprietary funds of the County at June 30, 2012, are as follows:

	<u>July 1, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2012</u>
Water and Sewer Fund:				
Depreciable Assets:				
Plant and distribution systems	\$ 26,723,233	\$ -	\$ -	\$ 26,723,233
Furniture and equipment	247,303	17,152	-	264,455
Vehicles	201,814	-	-	201,814
Total capital assets	<u>27,172,350</u>	<u>17,152</u>	<u>-</u>	<u>27,189,502</u>
Less Accumulated Depreciation:				
Plant and distribution systems	(6,319,773)	(535,782)	-	(6,855,555)
Furniture and equipment	(223,605)	(6,548)	-	(230,153)
Vehicles	(195,613)	(2,756)	-	(198,369)
Total accumulated depreciation	<u>(6,738,991)</u>	<u>\$ (545,086)</u>	<u>\$ -</u>	<u>(7,284,077)</u>
Total Water and Sewer Fund	<u>\$ 20,433,359</u>			<u>\$ 19,905,425</u>
 Solid Waste Fund:				
Depreciable Assets:				
Buildings	\$ 2,250	\$ -	\$ -	\$ 2,250
Furniture and equipment	183,605	-	-	183,605
Vehicles	153,924	-	-	153,924
Total capital assets	<u>339,779</u>	<u>-</u>	<u>-</u>	<u>339,779</u>
Less Accumulated Depreciation:				
Buildings	(2,250)	-	-	(2,250)
Furniture and equipment	(177,224)	(4,031)	-	(181,255)
Vehicles	(153,924)	-	-	(153,924)
Total accumulated depreciation	<u>(333,398)</u>	<u>\$ (4,031)</u>	<u>\$ -</u>	<u>(337,429)</u>
Total Solid Waste Fund	<u>\$ 6,381</u>			<u>\$ 2,350</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

B. Liabilities

Payables

Payables at Exhibit A at June 30, 2012 were as follows:

	<u>Vendors</u>
Governmental Activities:	
General	\$ 486,050
Other governmental	<u>80,169</u>
Total governmental activities	<u>\$ 566,219</u>
 Business-Type Activities:	
Solid Waste	\$ 39,323
Water and Sewer	<u>36,857</u>
Total business-type activities	<u>\$ 76,180</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, 2012, 2011, and 2010 were \$671,367 \$672,220, and \$495,181, 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, 2012

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 officers are covered by the Separation Allowance. At December 31, 2011, 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>29</u>
Total	<u>30</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, 2012

The annual required contribution for the current year was determined as of December 31, 2011 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, 2011 was 19 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	15,304
Adjustment to annual required contribution	<u>(18,260)</u>
Annual pension costs	23,171
Contributions made	<u>11,136</u>
Increase (decrease) in net pension obligation	12,035
Net pension obligation:	
Beginning of year - July 1	<u>306,085</u>
End of year - June 30	<u>\$ 318,120</u>

<u>Fiscal Year Ended</u>	<u>Pension Cost (APC)</u>	<u>of APC Contributed</u>	<u>Pension Obligation</u>
6/30/2010	\$ 28,737	38.75%	\$ 292,128
6/30/2011	25,093	44.38%	306,085
6/30/2012	23,171	48.06%	318,120

Funded Status and Funding Progress

As of December 31, 2011, 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 \$182,650. The covered payroll was \$1,003,678, and the ratio of the UAAL to the covered payroll was 18.20 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, 2012

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, 2012 were \$59,403, which consisted of \$51,225 from the County and \$8,178 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 No. 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, 2012

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, 2012, the County's required and actual contributions were \$1,401.

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, 2012

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	27
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 9.34% of annual covered payroll. For the current year, the County contributed \$153,943, or 1.58% 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 No. 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, 2012

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	\$ 924,513
Interest on net OPEB obligation	95,473
Adjustment to annual required contribution	<u>(91,206)</u>
Annual OPEB cost (expense)	928,780
Contributions made	<u>(153,943)</u>
Increase (decrease) in net OPEB obligation	774,837
Net OPEB obligation:	
Beginning of year - July 1	<u>2,386,825</u>
End of year - June 30	<u><u>\$ 3,161,662</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 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
2012	928,780	16.57%	3,161,662

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, 2012

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, 2012, 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, 2012

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:

	Deferred Revenues	Unearned Revenues
Prepaid taxes, not yet earned	\$ 89,576	\$ 89,576
Taxes receivable, net	1,457,966	-
Other receivables, net	1,138,857	-
CDBG grant revenues unearned	20,000	20,000
Total	<u>\$ 2,706,399</u>	<u>\$ 109,576</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, 2012

Claims and Judgments

At June 30, 2012, 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:

\$1,474,430 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	\$ 1,200,020
\$130,570 USDA Rural Development loan issued January 2003; due in equal annual installments of \$8,135, including interest at 4.625%; final payment due January 2033; secured by equipment	104,233
\$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	360,000
\$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	720,000
\$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	1,721,737
\$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	129,103

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

\$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	11,600
\$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	109,940
\$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	173,647
\$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	78,605
\$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	81,530
\$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	20,000
\$6,996,000 note issued April 2012; due in twenty-three (23) interest only monthly installments of \$8,940; one final payment of \$6,974,940 including interest of 1.5% due April 2014; secured by USDA loan	<u>6,966,000</u>
Total	<u>\$ 11,676,415</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

Governmental Activities:

Year Ending June 30	Principal	Interest	Total
2013	\$ 715,262	\$ 308,683	\$ 1,023,945
2014	7,527,681	263,287	7,790,968
2015	380,633	151,390	532,023
2016	264,216	132,657	396,873
2017	87,959	122,163	210,122
2018-2022	438,396	552,238	990,634
2023-2027	529,204	446,435	975,639
2028-2032	656,729	318,910	975,639
2033-2037	270,478	199,698	470,176
2038-2042	322,558	140,672	463,230
2043-2047	394,806	68,424	463,230
2048	88,493	3,650	92,143
Total	<u>\$ 11,676,415</u>	<u>\$ 2,708,207</u>	<u>\$ 15,356,049</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, 2012 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%

\$ 7,355,000

Total serviced by the General Fund

\$ 7,355,000

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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%	\$ 418,000
\$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%	2,200,000
\$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%	2,615,000
\$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%	3,910,000
\$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>325,000</u>
Total serviced by the Water and Sewer Fund	<u>\$ 9,468,000</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
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	585,000	222,192	500,000	331,908
2018-2022	2,875,000	758,380	2,428,000	1,317,614
2023-2027	1,855,000	177,486	1,785,500	858,249
2028-2032	-	-	1,372,000	463,078
2033-2037	-	-	648,000	259,720
2038-2042	-	-	677,000	111,760
2043	-	-	128,000	5,440
Total	<u>\$ 7,355,000</u>	<u>\$ 2,256,826</u>	<u>\$ 9,468,000</u>	<u>\$ 4,891,000</u>

At June 30, 2012, the County had a legal debt margin of \$154,000,000.

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, 2012:

	Balance July 1, 2011	Additions	Retirements	Balance June 30, 2012	Current Portion of Balance
Governmental Activities:					
General obligation bonds	\$ 7,840,000	\$ -	\$ (485,000)	\$ 7,355,000	\$ 485,000
Installment note	5,452,600	6,966,000	(742,185)	11,676,415	715,262
Compensated absences	736,261	658,198	(589,212)	805,247	80,525
Net pension obligation	306,085	23,171	(11,136)	318,120	-
Post-employment benefits	2,275,903	885,616	(146,788)	3,014,731	-
Total governmental activities	<u>\$ 16,610,849</u>	<u>\$ 8,532,985</u>	<u>\$ (1,974,321)</u>	<u>\$ 23,169,513</u>	<u>\$ 1,280,787</u>
Business-Type Activities:					
General obligation bonds	\$ 9,927,500	\$ -	\$ (459,500)	\$ 9,468,000	\$ 471,500
Compensated absences	44,059	34,243	(31,862)	46,440	4,644
Post-employment benefits	110,922	43,164	(7,155)	146,931	-
Total business-type activities	<u>\$ 10,082,481</u>	<u>\$ 77,407</u>	<u>\$ (498,517)</u>	<u>\$ 9,661,371</u>	<u>\$ 476,144</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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, 2012, there were two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$5,500,000.

Invested in Capital Assets, Net of Related Debt

The total invested in capital assets, net of related debt, at June 30, 2012 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets	<u>\$ 13,879,273</u>	<u>\$ 19,907,775</u>
Long-term obligations	23,169,513	9,661,371
Compensated absences	(805,247)	(46,440)
Net pension obligation	(318,120)	-
Unfunded OPEB liability	(3,014,731)	(146,931)
Long-term debt for assets not owned by the County	(7,355,000)	-
Unspent debt proceeds	<u>(6,518,798)</u>	<u>-</u>
Long-term debt, net, related to capital assets	<u>5,157,617</u>	<u>9,468,000</u>
Invested in capital assets, net of related debt	<u>\$ 8,721,656</u>	<u>\$ 10,439,775</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Interfund Balances and Activities

Transfers

	Transfers		
	From	To	Purpose
Operating Transfers			
From/To Other Funds:			
General Fund	\$ 1,487,287	\$ -	Debt Service
Debt Service Fund	-	1,512,289	Debt Service
Mid-Atlantic Distribution Park Fund	25,002	-	Debt Service
Total transfers	\$ 1,512,289	\$ 1,512,289	

Due to/Due From Other Funds

Receivable Fund	Payable Fund	Amount	Purpose
	Wellness/Recreation Centers		Recreation Center equipment and
General Fund	Capital Project Fund	\$ 366,779	capital improvements
General Fund	E911 System Fund	389,977	Transfer for non-allowable costs
	Enviva Infrastructure		
General Fund	Project Fund	283,615	Short-term cash flows for project
Capital Reserve Fund	General Fund	169,720	To finance future capital outlay
Water and Sewer Fund	Solid Waste Fund	398,830	Operations, reimbursements
General Fund	DSS Building Project	72,929	Land purchase and architect fees
General Fund	Severn Peanut		
	Capital Project Fund	4,200	For operations, cash overdrafts
General Fund	CDBG Fund	10,883	For operations, cash overdrafts
Total		<u>\$ 1,696,933</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.

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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, 2012. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$81,614 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, 2012. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$127,226 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.

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, 2012. 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, 2012. 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.

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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, 2012. 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 (the "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 \$9,090 to the Council during the fiscal year ended June 30, 2012.

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	\$ 25,666,639	\$ 15,468,164
Women, Infants, and Children	331,324	-
Temporary Assistance to Needy Families	245,055	(98)
Low Income Home Energy Assistance	309,601	-
Foster Care	24,579	5,680
Adoption Assistance	41,597	11,204
LINKS	720	-
State/County Special Assistance for Adults	-	430,495
CWS Adoption Subsidy	-	52,792
State Foster Home	-	10,327
SFHF Maximization	-	17,609
Total	<u>\$ 26,619,515</u>	<u>\$ 15,996,173</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2012**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued		Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll [(b-a)/c]
		Liability (AAL) Projected Unit Credit (b)					
12/31/2011	\$ -	\$ 182,650		\$ 182,650	0.00%	\$ 1,003,678	18.20%
12/31/2010	-	172,460		172,460	-	1,040,507	16.57%

Schedule of Employer Contributions		
Year Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2012	\$ 26,127	42.62%
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	12/31/2011
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, closed
Remaining amortization period	19 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, 2012

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
12/31/2010	\$ -	\$ 10,831,695	\$ 10,831,695	0.00%	\$ 9,757,690	111.0%
12/31/2008	-	10,090,152	10,090,152	0.00%	9,900,282	101.9%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Amount Contributed By Employer	Percentage of ARC Contributed
2012	\$ 924,513	\$ 153,943	16.65%
2011	911,676	118,284	12.97%
2010	878,724	91,684	10.43%
2009	878,724	75,176	8.56%

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
Actuarial Assumptions:	
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, 2012

	General Fund	Revaluation Fund	Revolving Loan Fund	Total
Revenues:				
Ad valorem taxes	\$ 16,594,407	\$ -	\$ -	\$ 16,594,407
Other taxes and licenses	1,571,560	-	-	1,571,560
Unrestricted intergovernmental	77,747	-	-	77,747
Restricted intergovernmental	6,637,439	-	-	6,637,439
Permits and fees	204,311	-	-	204,311
Sales and services	2,511,889	-	-	2,511,889
Investment earnings	3,707	65	3	3,775
Special project revenue	27,782	-	-	27,782
Miscellaneous	97,119	-	-	97,119
Total revenues	<u>27,725,961</u>	<u>65</u>	<u>3</u>	<u>27,726,029</u>
Expenditures:				
Current:				
General government	3,250,636	1,106	-	3,251,742
Public safety	6,589,792	-	-	6,589,792
Transportation	24,000	-	-	24,000
Environmental protection	125,405	-	-	125,405
Economic and physical development	784,912	-	-	784,912
Human services	10,931,746	-	-	10,931,746
Cultural and recreational	363,404	-	-	363,404
Education	3,694,202	-	-	3,694,202
Debt service:				
Principal	233,106	-	-	233,106
Interest	14,009	-	-	14,009
Total expenditures	<u>26,011,212</u>	<u>1,106</u>	<u>-</u>	<u>26,012,318</u>
Revenues over (under) expenditures	<u>1,714,749</u>	<u>(1,041)</u>	<u>3</u>	<u>1,713,711</u>
Other Financing Sources (Uses):				
Transfers (to) from other funds	(1,487,287)	-	-	(1,487,287)
Intrafund transfers	(50,000)	50,000	-	-
Total other financing sources (uses)	<u>(1,537,287)</u>	<u>50,000</u>	<u>-</u>	<u>(1,487,287)</u>
Net change in fund balances	177,462	48,959	3	226,424
Fund Balances:				
Beginning of year - July 1	<u>4,816,482</u>	<u>188,572</u>	<u>9,947</u>	<u>5,015,001</u>
End of year - June 30	<u>\$ 4,993,944</u>	<u>\$ 237,531</u>	<u>\$ 9,950</u>	<u>\$ 5,241,425</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, 2012
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Revenues:				
Ad Valorem Taxes:				
Taxes	\$ 16,319,871	\$ 16,374,290	\$ 54,419	\$ 15,862,114
Penalties and interest	150,000	220,117	70,117	190,995
Total	16,469,871	16,594,407	124,536	16,053,109
Other Taxes and Licenses:				
Privilege licenses	400	935	535	1,065
Local option sales tax	1,260,000	1,478,076	218,076	1,432,477
Excise tax	40,000	28,447	(11,553)	36,281
Hold harmless	-	49,259	49,259	9,593
Utility franchise tax	8,500	14,843	6,343	10,204
Total	1,308,900	1,571,560	262,660	1,489,620
Unrestricted Intergovernmental:				
Beer and wine tax	65,000	68,266	3,266	65,582
Food stamp tax reimbursements	6,000	9,481	3,481	7,542
Total	71,000	77,747	6,747	73,124
Restricted Intergovernmental:				
Federal and State grants	7,069,025	6,530,079	(538,946)	6,714,942
Court facility fees	35,000	25,147	(9,853)	30,659
Fines and forfeitures	100,000	77,693	(22,307)	81,519
ABC bottles taxes	4,100	4,520	420	4,646
Total	7,208,125	6,637,439	(570,686)	6,831,766
Permits and Fees:				
Building permits	71,950	92,659	20,709	76,568
Register of Deeds	70,000	85,732	15,732	78,011
Other fees	36,000	25,920	(10,080)	32,475
Total	177,950	204,311	26,361	187,054
Sales and Services:				
Court costs and fees	20,000	16,440	(3,560)	17,163
Jail fees	6,000	7,100	1,100	6,861
Ambulance and rescue squad fees	740,000	615,883	(124,117)	516,079
Sheriff's fees	44,700	56,822	12,122	44,315
Health Department fees	1,702,503	1,712,025	9,522	1,656,246
Inmate housing	53,476	-	(53,476)	14,360
Wellness Center fees	10,400	13,814	3,414	13,378
Other fees	149,220	89,805	(59,415)	28,333
Total	2,726,299	2,511,889	(214,410)	2,296,735
Investment Earnings	5,400	3,707	(1,693)	8,315

NORTHAMPTON COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Special Project Revenue:				
Fees and reimbursements	17,625	27,782	10,157	22,465
Total	17,625	27,782	10,157	22,465
Miscellaneous:				
Miscellaneous DSS	4,229	2,845	(1,384)	323,534
Other	162,998	94,274	(68,724)	180,234
Total	167,227	97,119	(70,108)	503,768
Total revenues	28,152,397	27,725,961	(426,436)	27,465,956
Expenditures:				
General Government:				
Governing Body:				
Salaries and employee benefits	52,520	52,214		52,093
Other operating expenditures	38,190	33,829		31,676
Total	90,710	86,043	4,667	83,769
Administration:				
Salaries and employee benefits	214,587	214,086		204,732
Other operating expenditures	12,500	11,397		11,689
Total	227,087	225,483	1,604	216,421
Human Resources:				
Salaries and employee benefits	135,633	134,007		128,071
Other operating expenditures	31,463	28,011		28,563
Total	167,096	162,018	5,078	156,634
Finance:				
Salaries and employee benefits	316,680	313,953		257,490
Other operating expenditures	252,060	204,304		138,026
Total	568,740	518,257	50,483	395,516
Hospitalization - Retirees:				
Operating expenditures	154,450	153,943	507	106,334
Total	154,450	153,943	507	106,334
Wellness Grant:				
Other operating expenditures	3,924	1,567		2,506
Total	3,924	1,567	2,357	2,506

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Taxes:				
Salaries and employee benefits	457,595	452,410		442,675
Other operating expenditures	127,764	116,384		139,301
Total	585,359	568,794	16,565	581,976
Land Records:				
Salaries and employee benefits	150,212	149,207		143,134
Other operating expenditures	16,010	14,523		19,148
Total	166,222	163,730	2,492	162,282
Legal:				
Other operating expenditures	32,218	26,456	5,762	50,422
Total	32,218	26,456	5,762	50,422
Court Facilities:				
Other operating expenditures	16,948	13,630	3,318	15,116
Total	16,948	13,630	3,318	15,116
Elections:				
Salaries and employee benefits	104,718	67,765		75,104
Other operating expenditures	80,277	44,651		25,275
Total	184,995	112,416	72,579	100,379
Register of Deeds:				
Salaries and employee benefits	184,648	175,472		174,018
Other operating expenditures	39,639	38,330		38,892
Total	224,287	213,802	10,485	212,910
Public Buildings:				
Salaries and employee benefits	358,270	334,329		328,050
Other operating expenditures	344,525	327,928		474,943
Total	702,795	662,257	40,538	802,993
Management Information Systems:				
Salaries and employee benefits	51,923	51,503		78,192
Other operating expenditures	192,045	177,537		157,835
Total	243,968	229,040	14,928	236,027
Central Garage:				
Salaries and employee benefits	52,536	46,302		50,523
Other operating expenditures	21,140	26,403		19,583
Total	73,676	72,705	971	70,106

NORTHAMPTON COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Central Stores:				
Operating expenditures	47,480	40,495	6,985	27,713
Total	47,480	40,495	6,985	27,713
Total general government	3,489,955	3,250,636	239,319	3,221,104
Public Safety:				
Sheriff:				
Salaries and employee benefits	1,671,388	1,587,267		1,558,367
Other operating expenditures	383,189	336,855		580,299
Total	2,054,577	1,924,122	130,455	2,138,666
Sheriff - Execution Account:				
Operating expenditures	27,000	17,553	9,447	24,833
Total	27,000	17,553	9,447	24,833
Criminal Justice Partnership Program:				
Salaries and employee benefits	63,363	62,082		60,577
Other operating expenditures	43,417	31,043		35,874
Total	106,780	93,125	13,655	96,451
Jail:				
Salaries and employee benefits	913,348	891,234		867,293
Other operating expenditures	469,488	405,945		426,025
Total	1,382,836	1,297,179	85,657	1,293,318
Emergency Communications:				
Salaries and employee benefits	752,150	731,579		675,144
Other operating expenditures	27,235	22,263		15,851
Total	779,385	753,842	25,543	690,995
911 County:				
Other operating expenditures	53,600	50,142		-
Total	53,600	50,142	3,458	-
Emergency Management:				
Salaries and employee benefits	63,881	63,662		44,570
Other operating expenditures	40,349	38,389		23,725
Total	104,230	102,051	2,179	68,295
Fire:				
Assistance to local fire departments	14,500	13,650		14,500
Contribution to N.C. Forestry	86,705	85,586		88,207
Total	101,205	99,236	1,969	102,707

NORTHAMPTON COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Building Inspections:				
Salaries and employee benefits	153,422	152,520		138,166
Other operating expenditures	20,049	14,581		12,650
Total	173,471	167,101	6,370	150,816
Medical Examiner:				
Contracted services	10,000	7,200		11,700
Total	10,000	7,200	2,800	11,700
911 Satellite Office:				
Other operating expenditures	3,500	1,125		-
Total	3,500	1,125	2,375	-
Ambulance Services:				
Salaries and employee benefits	1,796,930	1,794,640		1,401,396
Other operating expenditures	206,995	199,196		647,607
Assistance to local rescue units	8,500	8,500		12,000
Total	2,012,425	2,002,336	10,089	2,061,003
Animal Control:				
Salaries and employee benefits	49,137	48,812		47,327
Other operating expenditures	46,775	25,968		25,648
Total	95,912	74,780	21,132	72,975
Total public safety	6,904,921	6,589,792	315,129	6,711,759
Transportation:				
Contribution to Tri-County Airport	24,000	24,000		24,000
Total transportation	24,000	24,000	-	24,000
Environmental Protection:				
Contribution to Lake Gaston weed control	116,000	116,000		116,000
Drainage and watershed protection	4,000	4,000		4,000
Environmental Protection grant expenditures	10,000	5,405		-
Total environmental protection	130,000	125,405	4,595	120,000
Economic and Physical Development: Planning and Zoning:				
Salaries and employee benefits	119,098	114,333		111,699
Other operating expenditures	26,360	9,998		13,883
Total	145,458	124,331	21,127	125,582

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Economic Development:				
Salaries and employee benefits	147,320	146,160		140,858
Other operating expenditures	198,546	195,607		189,684
COG membership dues	9,090	9,090		8,717
Contribution to Chamber of Commerce	11,550	11,550		14,200
Miscellaneous contributions	500	500		500
Total	367,006	362,907	4,099	353,959
Cooperative Extension:				
Salaries and employee benefits	219,985	180,433		173,756
Other operating expenditures	37,702	26,139		20,915
Total	257,687	206,572	51,115	194,671
Environmental Equity Grant				
Operating expenditures	1,073	-	1,073	373
Total	1,073	-	1,073	373
Soil and Water Conservation:				
Salaries and employee benefits	86,558	86,251		78,410
Other operating expenditures	4,944	4,851		5,680
Total	91,502	91,102	400	84,090
Total economic and physical development	862,726	784,912	77,814	758,675
Human Services:				
Health:				
Salaries and employee benefits	645,379	584,493		599,062
Other operating expenditures	116,586	68,415		72,520
Total	761,965	652,908	109,057	671,582
Communicable Disease:				
Salaries and employee benefits	8,259	7,015		15,857
Other operating expenditures	930	658		560
Total	9,189	7,673	1,516	16,417
Healthy Carolinian:				
Operating expenditures	-	-		8,680
Total	-	-	-	8,680
Kate B. Reynolds Grant:				
Salaries and employee benefits	76,521	68,870		79,343
Other operating expenditures	18,590	14,395		14,945
Total	95,111	83,265	11,846	94,288

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Healthy Start Initiative:				
Salaries and employee benefits	78,288	68,100		86,376
Other operating expenditures	32,597	32,358		29,438
Total	110,885	100,458	10,427	115,814
Immunization Program:				
Salaries and employee benefits	8,747	6,512		8,489
Other operating expenditures	2,239	2,185		1,110
Total	10,986	8,697	2,289	9,599
Carolina Access III:				
Salaries and employee benefits	296,136	215,955		224,923
Other operating expenditures	38,150	19,286		22,197
Total	334,286	235,241	99,045	247,120
Tuberculosis Program:				
Salaries and employee benefits	23,506	19,325		22,735
Other operating expenditures	7,274	4,725		3,508
Total	30,780	24,050	6,730	26,243
Motivational Interviewing:				
Other operating expenditures	5,530	5,530		-
Total	5,530	5,530	-	-
H1N1 Planning:				
Salaries and employee benefits	-	-		9,035
Other operating expenditures	-	-		5,770
Total	-	-	-	14,805
Diabetes Prevention:				
Salaries and employee benefits	1,006	1,006		3,553
Other operating expenditures	1,853	1,853		5,178
Total	2,859	2,859	-	8,731
Community Health Grant:				
Salaries and employee benefits	32,888	10,317		17,500
Other operating expenditures	31,794	31,481		4,061
Total	64,682	41,798	22,884	21,561
H1N1 Implementation:				
Other operating expenditures	-	-		50,449
Total	-	-	-	50,449

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Health Infection Control:				
Other operating expenditures	2,330	2,330		-
Total	2,330	2,330	-	-
Health - Jail Site Testing				
Salaries and employee benefits	29,802	29,617		28,232
Other operating expenditures	15,227	14,684		8,952
Total	45,029	44,301	728	37,184
Pregnancy Care Management:				
Salaries and employee benefits	64,266	59,382		-
Other operating expenditures	9,403	5,709		-
Total	73,669	65,091	8,578	-
Rural Health Group:				
Salaries and employee benefits	-	-		-
Other operating expenditures	-	-		-
Total	-	-	-	-
Mosquito Control:				
Other operating expenditures	2,500	2,500		-
Total	2,500	2,500	-	-
Nurse Family Partnership:				
Salaries and employee benefits	185,047	26,472		-
Other operating expenditures	108,755	54,611		-
Total	293,802	81,083	212,719	-
School Nurse Program:				
Salaries and employee benefits	148,650	116,752		-
Other operating expenditures	1,350	-		-
Total	150,000	116,752	33,248	-
Breast and Cervical Cancer:				
Salaries and employee benefits	9,254	9,163		2,075
Other operating expenditures	33,180	22,752		19,232
Total	42,434	31,915	10,519	21,307
Home Health:				
Salaries and employee benefits	697,210	648,694		629,719
Other operating expenditures	590,073	420,226		383,459
Total	1,287,283	1,068,920	218,363	1,013,178

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Smart Start (NC Partnership):				
Salaries and employee benefits	-	-		33,310
Other operating expenditures	-	-		1,764
Total	-	-	-	35,074
Health Promotions:				
Salaries and employee benefits	25,227	23,257		71,005
Other operating expenditures	533	-		606
Total	25,760	23,257	2,503	71,611
School Health - Kate B. Reynolds:				
Salaries and employee benefits	33,090	32,785		20,753
Other operating expenditures	4,586	3,395		1,794
Total	37,676	36,180	1,496	22,547
Child Health:				
Salaries and employee benefits	184,014	169,685		100,040
Other operating expenditures	27,639	15,597		14,238
Total	211,653	185,282	26,371	114,278
Child Services Coordination:				
Salaries and employee benefits	99,489	81,731		85,942
Other operating expenditures	15,835	9,753		13,003
Total	115,324	91,484	23,840	98,945
Maternal Child Health:				
Salaries and employee benefits	136,411	81,018		171,558
Other operating expenditures	27,447	17,163		26,832
Total	163,858	98,181	65,677	198,390
Family Planning:				
Salaries and employee benefits	168,928	156,321		204,579
Other operating expenditures	59,681	31,661		41,338
Total	228,609	187,982	40,627	245,917
Health Promotions - Clinical (Adult):				
Salaries and employee benefits	9,569	9,171		56,119
Operating expenditures	7,162	4,611		4,626
Total	16,731	13,782	2,949	60,745
Health-Head Start:				
Salaries and employee benefits	34,406	34,107		33,113
Other operating expenditures	3,578	2,477		2,800
Total	37,984	36,584	1,400	35,913

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Women, Infants, and Children:				
Salaries and employee benefits	153,239	148,678		139,983
Other operating expenditures	10,557	10,101		13,320
Total	163,796	158,779	5,017	153,303
Peer Counseling:				
Salaries and employee benefits	6,688	6,300		2,951
Other operating expenditures	1,312	1,080		3,003
Total	8,000	7,380	620	5,954
Wise Woman Project:				
Salaries and employee benefits	10,163	10,046		4,725
Other operating expenditures	5,954	3,092		5,124
Total	16,117	13,138	2,979	9,849
Family Planning Outreach:				
Other operating expenditures	5,020	4,247		5,299
Total	5,020	4,247	773	5,299
Bio-Terrorism Grant:				
Salaries and employee benefits	29,949	28,037		25,809
Operating expenditures	18,530	15,168		27,164
Total	48,479	43,205	5,274	52,973
Environmental Health:				
Salaries and employee benefits	156,440	153,795		150,378
Other operating expenditures	17,951	9,570		15,214
Total	174,391	163,365	11,026	165,592
Elderly and Handicapped:				
Operating expenditures	127,231	102,639	24,592	113,022
Home Delivered Meals:				
Salaries and employee benefits	17,907	16,999		16,240
Other operating expenditures	107,545	100,672		77,881
Total	125,452	117,671	7,781	94,121
Home and Community Care Block Grant:				
Salaries and employee benefits	8,045	7,896		7,834
Other operating expenditures	107,143	103,061		90,104
Total	115,188	110,957	4,231	97,938

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
AIDS Control:				
Salaries and employee benefits	26,239	22,775		24,809
Other operating expenditures	1,735	1,032		1,295
Total	27,974	23,807	4,167	26,104
 Total health	 4,972,563	 3,993,291	 979,272	 3,964,533
Mental Health:				
Contribution to mental health center	81,614	81,614		83,614
Total	81,614	81,614	-	83,614
Aging:				
Salaries and employee benefits	52,590	51,688		51,031
Other operating expenditures	4,809	4,165		5,557
Total	57,399	55,853	1,546	56,588
Office of Aging Special Funds:				
Other operating expenditures	1,225	1,221		-
Total	1,225	1,221	4	-
Care Giver Grant:				
Operating expenditures	19,948	19,666	282	18,477
Total	19,948	19,666	282	18,477
Veterans Assistance:				
Salaries and employee benefits	43,467	43,223		41,466
Other operating expenditures	4,623	3,709		5,321
Total	48,090	46,932	1,158	46,787
Community Based Alternatives:				
Operating expenditures	155,576	152,518		127,056
Total	155,576	152,518	3,058	127,056
Social Services:				
Administration:				
Salaries and employee benefits	3,451,921	3,450,778		3,539,561
Other operating expenditures	1,365,929	1,336,224		1,234,311
Total	4,817,850	4,787,002	30,848	4,773,872

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Program Expenditures:				
Federal and State Expenditures:				
AFDC - FC	120,763	35,305		15,606
Crisis Fuel	310,434	308,669		405,466
Board home	36,207	31,320		28,466
Smart Start daycare	87,684	87,041		69,693
CAP/DA federal and State expenditures	75,000	60,142		56,027
TANF Domestic Violence	14,551	2,991		3,723
Child daycare	749,235	662,089		657,805
TEA Foster Care	-	-		10,926
Special Adoption assistance	1,300	1,277		461
Family violence	-	-		1,042
Total Federal and State expenditures	<u>1,395,174</u>	<u>1,188,834</u>	<u>206,340</u>	<u>1,249,215</u>
County Expenditures:				
Foster Care	800	782		16
Medicaid	9,400	8,980		2,986
Aid to Blind	3,939	2,265		2,335
OAA/AD	437,870	435,089		408,888
AFDC - FC	11,073	8,514		3,378
General assistance	8,000	7,170		7,624
Board home	29,007	25,737		29,606
Food Stamp issuances	14,955	12,098		14,520
IV-E Adoption assistance	17,195	14,402		11,703
Low income energy assistance	90,296	89,778		-
CAP/DA	-	-		725
Total County expenditures	<u>622,535</u>	<u>604,815</u>	<u>17,720</u>	<u>481,781</u>
Total social services	<u>6,835,559</u>	<u>6,580,651</u>	<u>254,908</u>	<u>6,504,868</u>
Total human services	<u>12,171,974</u>	<u>10,931,746</u>	<u>1,240,228</u>	<u>10,801,923</u>
Cultural and Recreational:				
Recreation:				
Salaries and employee benefits	192,037	175,568		154,930
Other operating expenditures	56,842	48,684		42,263
Total	<u>248,879</u>	<u>224,252</u>	<u>24,627</u>	<u>197,193</u>
Libraries:				
Contribution to regional library	127,226	127,226		115,960
Total	<u>127,226</u>	<u>127,226</u>	<u>-</u>	<u>115,960</u>
Northampton Cultural Arts:				
Contribution	9,426	9,426		9,856
Total	<u>9,426</u>	<u>9,426</u>	<u>-</u>	<u>9,856</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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over /Under	Actual
Museums:				
Contribution to museum	2,500	2,500		2,500
Total	2,500	2,500	-	2,500
Total cultural and recreational	388,031	363,404	24,627	325,509
Education:				
Public schools - current expenses	3,461,538	3,461,538		3,500,000
Public schools - capital outlay	145,000	130,971		480,315
Public schools - fines and forfeitures	100,000	77,693		81,519
Community colleges - current	24,000	24,000		24,000
Contribution to educational project	-	-		1,000
Total education	3,730,538	3,694,202	36,336	4,086,834
Debt Service:				
Principal retirement	242,962	233,106		185,346
Interest and fees	14,009	14,009		7,767
Total debt service	256,971	247,115	9,856	193,113
Total expenditures	27,959,116	26,011,212	1,947,904	26,242,917
Revenues over (under) expenditures	193,281	1,714,749	1,521,468	1,223,039
Other Financing Sources (Uses):				
Transfers from (to) other funds:				
Special revenue funds	-	-	-	-
Debt Service Fund	(1,487,287)	(1,487,287)	-	(1,499,709)
Enterprise funds	-	-	-	(150,245)
Intrafund transfers:				
Revaluation fund	(50,000)	(50,000)	-	(55,000)
Sale of assets	-	-	-	210,361
Long-term debt issued	16,396	-	(16,396)	632,000
Appropriated fund balance	1,328,060	-	(1,328,060)	-
Contingency	(450)	-	450	-
Total other financing sources (uses)	(193,281)	(1,537,287)	(1,344,006)	(862,593)
Net change in fund balance	\$ -	177,462	\$ 177,462	360,446
Fund Balance:				
Beginning of year - July 1		4,816,482		4,456,036
End of year - June 30		\$ 4,993,944		\$ 4,816,482

NORTHAMPTON COUNTY, NORTH CAROLINA

REVALUATION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	<u>2012</u>			<u>2011</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Investment earnings	\$ -	\$ 65	\$ 65	\$ 114
Expenditures:				
Current:				
General government:				
Other operating expenditures	50,000	1,106	48,894	30,191
Total expenditures	50,000	1,106	48,894	30,191
Revenues over (under) expenditures	(50,000)	(1,041)	48,959	(30,077)
Other Financing Sources (Uses):				
Transfers in (out)	50,000	50,000	-	55,000
Total other financing sources (uses)	50,000	50,000	-	55,000
Net change in fund balance	\$ -	48,959	\$ 48,959	24,923
Fund Balance:				
Beginning of year - July 1		188,572		163,649
End of year - June 30		<u>\$ 237,531</u>		<u>\$ 188,572</u>

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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	<u>2012</u>			<u>2011</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Investment earnings	\$ 7,000	\$ 3	\$ (6,997)	\$ 7
Miscellaneous	<u>99,000</u>	<u>-</u>	<u>(99,000)</u>	<u>-</u>
Total revenues	<u>106,000</u>	<u>3</u>	<u>(105,997)</u>	<u>7</u>
Other Financing Sources (Uses):				
Transfers from General Fund	285,503	-	(285,503)	-
Transfers from (to) other funds	(391,503)	-	391,503	-
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(106,000)</u>	<u>-</u>	<u>106,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>3</u>	<u>\$ 3</u>	<u>7</u>
Fund Balance:				
Beginning of year - July 1		<u>9,947</u>		<u>9,940</u>
End of year - June 30		<u>\$ 9,950</u>		<u>\$ 9,947</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

MAJOR CAPITAL PROJECT FUND

DSS BUILDING PROJECT FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
FHA grant	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Investment earnings	-	14	2,856	2,870	2,870
Total revenues	500,000	14	2,856	2,870	(497,130)
Expenditures:					
Human services:					
Land	150,000	140,359	-	140,359	9,641
DSS Building	7,316,000	335,135	47,507	382,642	6,933,358
Total expenditures	7,466,000	475,494	47,507	523,001	6,942,999
Revenues over (under) expenditures	(6,966,000)	(475,480)	(44,651)	(520,131)	6,445,869
Other Financing Sources (Uses):					
Long-term debt issued	6,966,000	-	6,966,000	6,966,000	-
Total other financing sources (uses)	6,966,000	-	6,966,000	6,966,000	-
Net change in fund balance	\$ -	\$ (475,480)	\$ 6,921,349	\$ 6,445,869	\$ 6,445,869

NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2012

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Project Fund	Debt Service Fund	Total
Assets:				
Cash and cash equivalents	\$ 277,607	\$ 405,408	\$ 16,376	\$ 699,391
Accounts receivable, net	124,976	549	-	125,525
Due from other funds	-	169,720	-	169,720
Total assets	<u>\$ 402,583</u>	<u>\$ 575,677</u>	<u>\$ 16,376</u>	<u>\$ 994,636</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 6,044	\$ 74,125	\$ -	\$ 80,169
Due to other funds	400,860	654,594	-	1,055,454
Deferred revenue	110,182	-	-	110,182
Total liabilities	<u>517,086</u>	<u>728,719</u>	<u>-</u>	<u>1,245,805</u>
Fund Balances:				
Restricted:				
Stabilization by State statute	14,794	170,269	-	185,063
Committed:				
Committed, other	-	405,081	-	405,081
Assigned:				
Assigned, other	2,463	-	16,376	18,839
Unassigned	(131,760)	(728,392)	-	(860,152)
Total fund balances	<u>(114,503)</u>	<u>(153,042)</u>	<u>16,376</u>	<u>(251,169)</u>
Total liabilities and fund balances	<u>\$ 402,583</u>	<u>\$ 575,677</u>	<u>\$ 16,376</u>	<u>\$ 994,636</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total
Revenues:				
Ad valorem taxes	\$ 606,207	\$ -	\$ -	\$ 606,207
Restricted intergovernmental	232,446	671,735	-	904,181
Sales and services	177,524	-	-	177,524
Investment earnings	47	56	3	106
Miscellaneous	46,590	18,910	-	65,500
Total revenues	<u>1,062,814</u>	<u>690,701</u>	<u>3</u>	<u>1,753,518</u>
Expenditures:				
Current:				
Public safety	1,012,967	-	-	1,012,967
Economic and physical development	243,333	522,079	-	765,412
Cultural and recreational	-	133,908	-	133,908
Debt service:				
Principal	20,000	-	974,079	994,079
Interest	-	-	521,940	521,940
Total expenditures	<u>1,276,300</u>	<u>655,987</u>	<u>1,496,019</u>	<u>3,428,306</u>
Revenues over (under) expenditures	<u>(213,486)</u>	<u>34,714</u>	<u>(1,496,016)</u>	<u>(1,674,788)</u>
Other Financing Sources (Uses):				
Transfers in (out)	<u>(25,002)</u>	<u>-</u>	<u>1,512,289</u>	<u>1,487,287</u>
Total other financing sources (uses)	<u>(25,002)</u>	<u>-</u>	<u>1,512,289</u>	<u>1,487,287</u>
Net change in fund balances	(238,488)	34,714	16,273	(187,501)
Fund Balances:				
Beginning of year - July 1	<u>123,985</u>	<u>(187,756)</u>	<u>103</u>	<u>(63,668)</u>
End of year - June 30	<u>\$ (114,503)</u>	<u>\$ (153,042)</u>	<u>\$ 16,376</u>	<u>\$ (251,169)</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2012

	Mid-Atlantic Distribution Park Fund	Emergency Telephone System Fund	Fire District Fund	CDBG Fund	Total
Assets:					
Cash and cash equivalents	\$ 2,463	\$ 270,054	\$ 5,090	\$ -	\$ 277,607
Accounts receivable, net	-	14,794	90,182	20,000	124,976
Total assets	<u>\$ 2,463</u>	<u>\$ 284,848</u>	<u>\$ 95,272</u>	<u>\$ 20,000</u>	<u>\$ 402,583</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ 180	\$ 5,864	\$ -	\$ 6,044
Due to other funds	-	389,977	-	10,883	400,860
Deferred revenue	-	-	90,182	20,000	110,182
Total liabilities	<u>-</u>	<u>390,157</u>	<u>96,046</u>	<u>30,883</u>	<u>517,086</u>
Fund Balances:					
Restricted:					
Stabilization by State statute	-	14,794	-	-	14,794
Assigned:					
Assigned, other	2,463	-	-	-	2,463
Unassigned	-	(120,103)	(774)	(10,883)	(131,760)
Total fund balances	<u>2,463</u>	<u>(105,309)</u>	<u>(774)</u>	<u>(10,883)</u>	<u>(114,503)</u>
Total liabilities and fund balances	<u>\$ 2,463</u>	<u>\$ 284,848</u>	<u>\$ 95,272</u>	<u>\$ 20,000</u>	<u>\$ 402,583</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, 2012

	Mid-Atlantic Distribution Park Fund	Emergency Telephone System Fund	Fire District Fund	CDBG Fund	Total
Revenues:					
Ad valorem taxes	\$ -	\$ -	\$ 606,207	\$ -	\$ 606,207
Restricted intergovernmental	-	-	-	232,446	232,446
Sales and services	-	177,524	-	-	177,524
Investment earnings	5	14	28	-	47
Miscellaneous	26,590	-	-	20,000	46,590
Total revenues	<u>26,595</u>	<u>177,538</u>	<u>606,235</u>	<u>252,446</u>	<u>1,062,814</u>
Expenditures:					
Public safety	-	406,232	606,735	-	1,012,967
Economic and physical development	-	-	-	243,333	243,333
Debt service	-	-	-	20,000	20,000
Total expenditures	<u>-</u>	<u>406,232</u>	<u>606,735</u>	<u>263,333</u>	<u>1,276,300</u>
Revenues over (under) expenditures	<u>26,595</u>	<u>(228,694)</u>	<u>(500)</u>	<u>(10,887)</u>	<u>(213,486)</u>
Other Financing Sources (Uses):					
Transfers in (out)	<u>(25,002)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,002)</u>
Total other financing sources (uses)	<u>(25,002)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,002)</u>
Net change in fund balances	1,593	(228,694)	(500)	(10,887)	(238,488)
Fund Balances:					
Beginning of year - July 1	<u>870</u>	<u>123,385</u>	<u>(274)</u>	<u>4</u>	<u>123,985</u>
End of year - June 30	<u>\$ 2,463</u>	<u>\$ (105,309)</u>	<u>\$ (774)</u>	<u>\$ (10,883)</u>	<u>\$ (114,503)</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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings	\$ -	\$ 5	\$ 5	\$ 19
Miscellaneous revenue	285,664	26,590	(259,074)	34,441
Total revenues	285,664	26,595	(259,069)	34,460
Expenditures:				
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)	26,595	992,885	34,460
Other Financing Sources (Uses):				
Long-term debt issued	1,200,000	-	(1,200,000)	-
Transfers in (out)	(55,000)	(25,002)	29,998	(34,000)
Transfers- Intrafund	27,000	-	(27,000)	-
Loan expenditures (closing costs)	(205,710)	-	205,710	-
Total other financing sources (uses)	966,290	(25,002)	(991,292)	(34,000)
Net change in fund balance	\$ -	1,593	\$ 1,593	460
Fund Balance:				
Beginning of year - July 1		870		410
End of year - June 30		\$ 2,463		\$ 870

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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Telephone surcharge	\$ 261,661	\$ 177,524	\$ (84,137)	\$ 293,026
Investment earnings	-	14	14	75
Miscellaneous	9,013	-	(9,013)	3,122
Total revenues	<u>270,674</u>	<u>177,538</u>	<u>(93,136)</u>	<u>296,223</u>
Expenditures:				
Current:				
Public safety:				
Construction/capital outlay	86,000	85,000	1,000	-
Other expenditures	<u>434,572</u>	<u>321,232</u>	<u>113,340</u>	<u>292,725</u>
Total expenditures	<u>520,572</u>	<u>406,232</u>	<u>114,340</u>	<u>292,725</u>
Revenues over (under) expenditures	<u>(249,898)</u>	<u>(228,694)</u>	<u>21,204</u>	<u>3,498</u>
Other Financing Sources (Uses):				
Transfers in (out)	(134,760)	-	134,760	-
Appropriated fund balance	<u>384,658</u>	<u>-</u>	<u>(384,658)</u>	<u>-</u>
Total other financing sources (uses)	<u>249,898</u>	<u>-</u>	<u>(249,898)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(228,694)</u>	<u>\$ (228,694)</u>	<u>3,498</u>
Fund Balance:				
Beginning of year - July 1		<u>123,385</u>		<u>119,887</u>
End of year - June 30		<u>\$ (105,309)</u>		<u>\$ 123,385</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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Roanoke Wildwood Fire District tax	\$ 178,394	\$ 177,749	\$ (645)	\$ 179,313
Garysburg Fire District tax	73,454	72,914	(540)	73,013
Gaston Fire District tax	103,478	101,992	(1,486)	97,240
Jackson Fire District tax	38,024	37,866	(158)	38,595
Lasker Fire District tax	24,856	24,560	(296)	24,393
Seaboard Fire District tax	78,509	77,937	(572)	77,055
Rich Square Fire District tax	60,453	60,268	(185)	58,646
Woodland Fire District tax	53,743	52,921	(822)	35,571
Refund of motor vehicle interest	-	-	-	(8)
Interest earnings	-	28	28	-
Total revenues	<u>610,911</u>	<u>606,235</u>	<u>(4,676)</u>	<u>583,818</u>
Expenditures:				
Current:				
Public safety:				
Roanoke Wildwood levy	178,394	177,961	433	179,484
Garysburg levy	73,454	72,936	518	72,982
Gaston levy	103,478	102,065	1,413	97,203
Jackson levy	38,024	37,945	79	38,560
Lasker levy	24,856	24,580	276	24,385
Seaboard Fire District levy	78,509	77,927	582	77,044
Rich Square levy	60,453	60,297	156	58,633
Woodland levy	53,743	53,024	719	35,561
Total expenditures	<u>610,911</u>	<u>606,735</u>	<u>4,176</u>	<u>583,852</u>
Net change in fund balance	<u>\$ -</u>	<u>(500)</u>	<u>\$ (500)</u>	<u>(34)</u>
Fund Balance:				
Beginning of year - July 1		<u>(274)</u>		<u>(240)</u>
End of year - June 30		<u>\$ (774)</u>		<u>\$ (274)</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, 2012

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
Community development	\$ 400,000	\$ 169,889	\$ 230,111	\$ 400,000	\$ -
Redevelopment assistance	2,335	12,039	2,335	14,374	12,039
Small business entrepreneual grant	250,000	-	-	-	(250,000)
Barrow mill road wastewater	600,000	-	-	-	(600,000)
Miscellaneous	20,000	60,000	20,000	80,000	60,000
Total revenues	<u>1,272,335</u>	<u>241,928</u>	<u>252,446</u>	<u>494,374</u>	<u>(777,961)</u>
Expenditures:					
Economic development:					
Administration	402,335	170,235	222,863	393,098	9,237
Redevelopment assistance loans	-	11,689	6,630	18,319	(18,319)
Contributions to other agencies	-	100,000	-	100,000	(100,000)
Small business entrepreneual grant	250,000	-	2,980	2,980	247,020
Barrow mill road wastewater	600,000	-	10,860	10,860	589,140
Debt service:					
Principal	20,000	60,000	20,000	80,000	(60,000)
Total expenditures	<u>1,272,335</u>	<u>341,924</u>	<u>263,333</u>	<u>605,257</u>	<u>667,078</u>
Revenues over (under) expenditures	<u>-</u>	<u>(99,996)</u>	<u>(10,887)</u>	<u>(110,883)</u>	<u>(110,883)</u>
Other Financing Sources (Uses):					
Long-term debt issued	-	100,000	-	100,000	100,000
Total other financing sources (uses)	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 4</u>	<u>(10,887)</u>	<u>\$ (10,883)</u>	<u>\$ (10,883)</u>
Fund Balance:					
Beginning of year, July 1			<u>4</u>		
End of year, June 30			<u>\$ (10,883)</u>		

NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS

COMBINING BALANCE SHEET

JUNE 30, 2012

	Wellness and Recreation Centers Fund	First Responder Training Center Fund	EDC Project Grant Fund	Library Renovations Project Fund	Capital Reserve Fund
Assets:					
Cash and cash equivalents	\$ 327	\$ 755	\$ -	\$ -	\$ -
Accounts receivable, net	-	-	-	-	-
Due from other funds	-	-	-	-	169,720
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>169,720</u>
Total assets	<u>\$ 327</u>	<u>\$ 755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,720</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	366,779	-	-	-	-
	<u>366,779</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>366,779</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted:					
Stabilization by State statute	-	-	-	-	169,720
Committed:					
Committed, other	-	755	-	-	-
Unassigned	(366,452)	-	-	-	-
	<u>(366,452)</u>	<u>755</u>	<u>-</u>	<u>-</u>	<u>169,720</u>
Total fund balances	<u>(366,452)</u>	<u>755</u>	<u>-</u>	<u>-</u>	<u>169,720</u>
Total liabilities and fund balances	<u>\$ 327</u>	<u>\$ 755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,720</u>

Schedule 14

Ambulance Capital Reserve Fund	EDC Capital Reserve Fund	Public Schools Building Fund	EDC REEP Project Fund	Enviva Infrastructure Project	Severn Peanut Natural Gas Project	Total
\$ 900	\$ 130,295	\$ 269,343	\$ 3,788	\$ -	\$ -	\$ 405,408
-	-	-	-	549	-	549
-	-	-	-	-	-	169,720
<u>\$ 900</u>	<u>\$ 130,295</u>	<u>\$ 269,343</u>	<u>\$ 3,788</u>	<u>\$ 549</u>	<u>\$ -</u>	<u>\$ 575,677</u>
\$ -	\$ -	\$ -	\$ -	\$ 33,300	\$ 40,825	\$ 74,125
-	-	-	-	283,615	4,200	654,594
-	-	-	-	316,915	45,025	728,719
-	-	-	-	549	-	170,269
900	130,295	269,343	3,788	-	-	405,081
-	-	-	-	(316,915)	(45,025)	(728,392)
<u>900</u>	<u>130,295</u>	<u>269,343</u>	<u>3,788</u>	<u>(316,366)</u>	<u>(45,025)</u>	<u>(153,042)</u>
<u>\$ 900</u>	<u>\$ 130,295</u>	<u>\$ 269,343</u>	<u>\$ 3,788</u>	<u>\$ 549</u>	<u>\$ -</u>	<u>\$ 575,677</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, 2012

	Wellness and Recreation Centers Fund	First Responder Training Center Fund	EDC Project Grant Fund	Library Renovations Project Fund	Capital Reserve Fund
Revenues:					
Restricted intergovernmental	\$ -	\$ -	\$ 80,478	\$ 341,257	\$ -
Investment earnings	-	-	-	8	-
Miscellaneous	-	-	-	-	-
Total revenues	-	-	80,478	341,265	-
Expenditures:					
Current:					
Economic and physical development	-	-	80,478	-	-
Cultural and recreational	16,268	-	-	117,640	-
Total expenditures	16,268	-	80,478	117,640	-
Net change in fund balances	(16,268)	-	-	223,625	-
Fund Balances:					
Beginning of year - July 1	(350,184)	755	-	(223,625)	169,720
End of year - June 30	<u>\$ (366,452)</u>	<u>\$ 755</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 169,720</u>

Schedule 15

<u>Ambulance Capital Reserve Fund</u>	<u>EDC Capital Reserve Fund</u>	<u>Public Schools Building Fund</u>	<u>EDC REEP Project Fund</u>	<u>Enviva Infrastructure Project</u>	<u>Severn Peanut Natural Gas Project</u>	<u>Total</u>
\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 671,735
-	42	-	6	-	-	56
-	-	-	-	18,910	-	18,910
-	42	250,000	6	18,910	-	690,701
-	-	-	61,300	335,276	45,025	522,079
-	-	-	-	-	-	133,908
-	-	-	61,300	335,276	45,025	655,987
-	42	250,000	(61,294)	(316,366)	(45,025)	34,714
900	130,253	19,343	65,082	-	-	(187,756)
<u>\$ 900</u>	<u>\$ 130,295</u>	<u>\$ 269,343</u>	<u>\$ 3,788</u>	<u>\$ (316,366)</u>	<u>\$ (45,025)</u>	<u>\$ (153,042)</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, 2012

		<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>
Revenues:					
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>
Expenditures:					
Human services:					
Wellness Center - capital outlay	2,300,000	2,300,000	-	2,300,000	-
Cultural and recreational:					
Recreation Center - capital outlay	<u>2,462,613</u>	<u>2,446,345</u>	<u>16,268</u>	<u>2,462,613</u>	<u>-</u>
Total expenditures	<u>4,762,613</u>	<u>4,746,345</u>	<u>16,268</u>	<u>4,762,613</u>	<u>-</u>
Revenues over (under) expenditures	<u>(3,638,613)</u>	<u>(3,615,699)</u>	<u>(16,268)</u>	<u>(3,631,967)</u>	<u>6,646</u>
Other Financing Sources (Uses):					
Transfers in (out)	1,193,098	820,000	-	820,000	(373,098)
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>3,638,613</u>	<u>3,265,515</u>	<u>-</u>	<u>3,265,515</u>	<u>(373,098)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (350,184)</u>	<u>\$ (16,268)</u>	<u>\$ (366,452)</u>	<u>\$ (366,452)</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, 2012

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Investment earnings	\$ -	\$ 5	\$ -	\$ 5	\$ 5
Miscellaneous	2,250	2,250	-	2,250	-
Total revenues	2,250	2,255	-	2,255	5
Expenditures:					
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
Other Financing Sources (Uses):					
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, 2012

		Actual			
	<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>
Revenues:					
Restricted intergovernmental:					
NCCAR Grant	\$ 200,000	\$ 56,817	\$ -	\$ 56,817	\$ (143,183)
NCDOT reimbursement	1,200,000	1,411,522	80,478	1,492,000	292,000
NC Rural Center Grant	<u>292,500</u>	<u>292,500</u>	<u>-</u>	<u>292,500</u>	<u>-</u>
Total revenues	<u>1,692,500</u>	<u>1,760,839</u>	<u>80,478</u>	<u>1,841,317</u>	<u>148,817</u>
Expenditures:					
Economic and physical development:					
Capital outlay	<u>1,692,500</u>	<u>1,760,839</u>	<u>80,478</u>	<u>1,841,317</u>	<u>(148,817)</u>
Total expenditures	<u>1,692,500</u>	<u>1,760,839</u>	<u>80,478</u>	<u>1,841,317</u>	<u>(148,817)</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, 2012

		Actual			
	<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>
Revenues:					
Restricted intergovernmental:					
USDA Grant	\$ 108,000	\$ -	\$ 108,000	\$ 108,000	\$ -
Golden Leaf Grant	433,902	197,602	233,257	430,859	(3,043)
Investment earnings	-	-	8	8	8
Total revenues	<u>541,902</u>	<u>197,602</u>	<u>341,265</u>	<u>538,867</u>	<u>(3,035)</u>
Expenditures:					
Cultural and recreation:					
Library renovations	<u>541,902</u>	<u>421,227</u>	<u>117,640</u>	<u>538,867</u>	<u>3,035</u>
Total expenditures	<u>541,902</u>	<u>421,227</u>	<u>117,640</u>	<u>538,867</u>	<u>3,035</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (223,625)</u>	<u>\$ 223,625</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	<u>2012</u>			<u>2011</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Total revenues	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance:				
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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	<u>2012</u>			<u>2011</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Investment earnings	\$ -	\$ -	\$ -	\$ 1
Net change in fund balance	\$ -	-	\$ -	1
Fund Balance:				
Beginning of year - July 1		<u>900</u>		<u>899</u>
End of year - June 30		<u>\$ 900</u>		<u>\$ 900</u>

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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings	\$ 5,448	\$ 42	\$ (5,406)	\$ 94
Expenditures:				
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)	42	121,794	94
Other Financing Sources (Uses):				
Transfers in (out)	(25,518)	-	25,518	-
Appropriated fund balance	147,270	-	(147,270)	-
Total other financing sources (uses)	121,752	-	(121,752)	-
Net change in fund balance	\$ -	42	\$ 42	94
Fund Balance:				
Beginning of year - July 1		130,253		130,159
End of year - June 30		\$ 130,295		\$ 130,253

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, 2012

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
State ADM funds	\$ 3,094,130	\$ 2,569,777	\$ -	\$ 2,569,777	\$ (524,353)
State lottery funds	1,672,124	1,422,124	250,000	1,672,124	-
Total revenues	<u>4,766,254</u>	<u>3,991,901</u>	<u>250,000</u>	<u>4,241,901</u>	<u>(524,353)</u>
Expenditures:					
Current:					
Education:					
Land purchase	105,000	105,000	-	105,000	-
Renovation of existing buildings	4,485,866	4,109,145	-	4,109,145	376,721
Debt service - principal	<u>260,063</u>	<u>260,063</u>	<u>-</u>	<u>260,063</u>	<u>-</u>
Total expenditures	<u>4,850,929</u>	<u>4,474,208</u>	<u>-</u>	<u>4,474,208</u>	<u>376,721</u>
Revenues over (under) expenditures	<u>(84,675)</u>	<u>(482,307)</u>	<u>250,000</u>	<u>(232,307)</u>	<u>(147,632)</u>
Other Financing Sources (Uses):					
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>\$ 19,343</u>	<u>250,000</u>	<u>\$ 269,343</u>	<u>\$ 269,343</u>
Fund Balance:					
Beginning of year - July 1			<u>19,343</u>		
End of year - June 30			<u>\$ 269,343</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, 2012

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Investment earnings	\$ -	\$ 2	\$ 6	\$ 8	\$ 8
Miscellaneous	285,580	65,080	-	65,080	(220,500)
Total revenues	285,580	65,082	6	65,088	(220,492)
Expenditures:					
Current:					
Economic and physical development:					
Infrastructure	285,580	-	61,300	61,300	224,280
Total expenditures	285,580	-	61,300	61,300	224,280
Net change in fund balance	\$ -	\$ 65,082	\$ (61,294)	\$ 3,788	\$ 3,788

NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUND

ENVIVA INFRASTRUCTURE PROJECT

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

		<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>
Revenues:					
Restricted intergovernmental:					
CDBG	\$ 930,000	\$ -	\$ -	\$ -	\$ (930,000)
NC Rural Center	620,000	-	-	-	(620,000)
USDA	2,002,088	-	-	-	(2,002,088)
Miscellaneous	31,000	-	18,910	18,910	(12,090)
Total revenues	<u>3,583,088</u>	<u>-</u>	<u>18,910</u>	<u>18,910</u>	<u>(3,564,178)</u>
Expenditures:					
Economic and physical development:					
EDA expenditures	2,002,088	-	119,100	119,100	1,882,988
CDBG expenditures	930,000	-	87,848	87,848	842,152
NC Rural center expenditures	220,000	-	-	-	220,000
Access road expenditures	400,000	-	111,820	111,820	288,180
General expenditures	31,000	-	16,508	16,508	14,492
Total expenditures	<u>3,583,088</u>	<u>-</u>	<u>335,276</u>	<u>335,276</u>	<u>3,247,812</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (316,366)</u>	<u>\$ (316,366)</u>	<u>\$ (316,366)</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUND

SEVERN PEANUT NATURAL GAS PROJECT

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
USDA	\$ 630,000	\$ -	\$ -	\$ -	\$ (630,000)
Industrial Development Grant	500,000	-	-	-	(500,000)
NC Rural Center Grant	420,000	-	-	-	(420,000)
Piedmont Natural Gas Grant	604,206	-	-	-	(604,206)
Total revenues	2,154,206	-	-	-	(2,154,206)
Expenditures:					
Economic and physical development:					
Piedmont natural gas expenditures	2,053,206	-	40,825	40,825	2,012,381
CDBG expenditures	101,000	-	4,200	4,200	96,800
Total expenditures	2,154,206	-	45,025	45,025	2,109,181
Net change in fund balance	\$ -	\$ -	\$ (45,025)	\$ (45,025)	\$ (45,025)

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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings	\$ -	\$ 3	\$ 3	\$ -
Total revenues	-	3	3	-
Expenditures:				
Debt service:				
Principal retirement	974,079	974,079	-	971,482
Interest	538,210	521,940	16,270	562,227
Total expenditures	1,512,289	1,496,019	16,270	1,533,709
Revenues over (under) expenditures	(1,512,289)	(1,496,016)	16,273	(1,533,709)
Other Financing Sources (Uses):				
Transfers in (out):				
Special revenue funds	25,002	25,002	-	34,000
General Fund	1,487,287	1,487,287	-	1,499,709
Total other financing sources (uses)	1,512,289	1,512,289	-	1,533,709
Net change in fund balance	\$ -	16,273	\$ 16,273	-
Fund Balance:				
Beginning of year - July 1		103		103
End of year - June 30		\$ 16,376		\$ 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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	2012			2011
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating Revenues:				
Water and sewer sales	\$ 2,487,670	\$ 2,531,098	\$ 43,428	\$ 2,617,174
Water and sewer taps	12,500	16,132	3,632	13,200
Other operating revenues	11,723	13,810	2,087	8,735
Total operating revenues	<u>2,511,893</u>	<u>2,561,040</u>	<u>49,147</u>	<u>2,639,109</u>
Non-Operating Revenues:				
Interest earned on investments	<u>500</u>	<u>209</u>	<u>(291)</u>	<u>398</u>
Total revenues	<u>2,512,393</u>	<u>2,561,249</u>	<u>48,856</u>	<u>2,639,507</u>
Expenditures:				
Salaries and employee benefits	491,097	479,522	-	464,523
Purchased water	377,000	376,736	-	367,057
Sewage treatment	307,325	306,781	-	256,867
Other operating expenses	419,150	398,105	-	353,483
Capital outlay	17,152	17,152	-	16,415
Debt service:				
Debt principal	459,500	459,500	-	458,000
Interest and fees	441,169	440,929	-	458,006
Total expenditures	<u>2,512,393</u>	<u>2,478,725</u>	<u>33,668</u>	<u>2,374,351</u>
Revenues over (under) expenditures	<u>-</u>	<u>82,524</u>	<u>82,524</u>	<u>265,156</u>
Other Financing Sources (Uses):				
Sale of assets	<u>-</u>	<u>200</u>	<u>200</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>200</u>	<u>200</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 82,724</u>	<u>\$ 82,724</u>	<u>\$ 265,156</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, 2012

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011

	<u>2012</u>			<u>2011</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Reconciliation from Budgetary Basis				
(Modified Accrual) to Full Accrual:				
Revenues and other financing sources over				
(under) expenditures and other financing uses		\$ 82,724		\$ 265,156
Debt principal		459,500		458,000
Increase in compensated absences		(1,299)		(1,609)
Increase in other post-employment benefits		(27,741)		(28,507)
Capital outlay		17,152		16,415
Depreciation		<u>(545,086)</u>		<u>(548,410)</u>
Change in net assets, GAAP Basis		<u>\$ (14,750)</u>		<u>\$ 161,045</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, 2012
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012			2011
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating Revenues:				
Solid waste fees	\$ 2,190,118	\$ 2,126,075	\$ (64,043)	\$ 1,931,732
White goods and tire disposal tax	24,000	30,825	6,825	31,113
Solid waste disposal tax	7,000	12,908	5,908	12,359
Other operating revenues	97,625	170,001	72,376	34,176
Total operating revenues	<u>2,318,743</u>	<u>2,339,809</u>	<u>21,066</u>	<u>2,009,380</u>
Non-Operating Revenues:				
Capital contributions	5,000	(613)	(5,613)	16,992
Interest earned on investments	-	68	68	130
Total non-operating revenues	<u>5,000</u>	<u>(545)</u>	<u>(5,545)</u>	<u>17,122</u>
Total revenues	<u>2,323,743</u>	<u>2,339,264</u>	<u>15,521</u>	<u>2,026,502</u>
Expenditures:				
Salaries and employee benefits	157,995	157,467	528	143,888
Solid waste pickup	2,018,328	2,017,668	660	1,976,389
Other operating expenses	147,420	146,139	1,281	50,590
Total expenditures	<u>2,323,743</u>	<u>2,321,274</u>	<u>2,469</u>	<u>2,170,867</u>
Revenues over (under) expenditures	<u>-</u>	<u>17,990</u>	<u>17,990</u>	<u>(144,365)</u>
Other Financing Sources (Uses):				
Transfers in (out) - General Fund	-	-	-	150,245
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,245</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 17,990</u>	<u>\$ 17,990</u>	<u>\$ 5,880</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, 2012
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<u>2012</u>			<u>2011</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Reconciliation from Budgetary Basis				
(Modified Accrual) to Full Accrual:				
Revenues and other financing sources over				
(under) expenditures and other financing uses		\$ 17,990		\$ 5,880
Increase (decrease) in compensated absences		(1,082)		(221)
Increase (decrease) in other post-employment benefits		(8,268)		(8,497)
Depreciation		<u>(4,031)</u>		<u>(6,677)</u>
Change in net assets		<u>\$ 4,609</u>		<u>\$ (9,515)</u>

NORTHAMPTON COUNTY, NORTH CAROLINA

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2012</u>
Social Services:				
Assets:				
Cash and cash equivalents	\$ 27,817	\$ 95,890	\$ 103,419	\$ 20,288
Liabilities:				
Accounts payable	\$ 27,817	\$ 95,890	\$ 103,419	\$ 20,288
Inmate Trust Fund:				
Assets:				
Cash and cash equivalents	\$ 57,018	\$ 38,323	\$ 28,328	\$ 67,013
Liabilities:				
Accounts payable	\$ 57,018	\$ 38,323	\$ 28,328	\$ 67,013
Motor Vehicle Tax:				
Assets:				
Cash and cash equivalents	\$ 57,749	\$ 780,375	\$ 819,427	\$ 18,697
Accounts receivable	126,874	61,301	-	188,175
Total assets	\$ 184,623	\$ 841,676	\$ 819,427	\$ 206,872
Liabilities:				
Accounts payable	\$ 184,623	\$ 841,676	\$ 819,427	\$ 206,872
Total liabilities	\$ 184,623	\$ 841,676	\$ 819,427	\$ 206,872
Rescue Squad:				
Assets:				
Cash and cash equivalents	\$ 19,631	\$ 47,376	\$ 64,157	\$ 2,850
Accounts receivable	922,793	-	27,847	894,946
Total assets	\$ 942,424	\$ 47,376	\$ 92,004	\$ 897,796
Liabilities:				
Intergovernmental payable	\$ 922,793	\$ -	\$ 27,847	\$ 894,946
Accounts payable	19,631	47,376	64,157	2,850
Total liabilities	\$ 942,424	\$ 47,376	\$ 92,004	\$ 897,796

NORTHAMPTON COUNTY, NORTH CAROLINA

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2012</u>
3% Interest Payable to State:				
Assets:				
Cash and cash equivalents	\$ 1,192	\$ 15,231	\$ 15,465	\$ 958
Liabilities:				
Intergovernmental payable	\$ 1,192	\$ 15,231	\$ 15,465	\$ 958
Totals - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 163,407	\$ 977,195	\$ 1,030,796	\$ 109,806
Accounts receivable	1,049,667	61,301	27,847	1,083,121
Total assets	\$ 1,213,074	\$ 1,038,496	\$ 1,058,643	\$ 1,192,927
Liabilities:				
Intergovernmental payable	\$ 923,985	\$ 15,231	\$ 43,312	\$ 895,904
Accounts payable	289,089	1,023,265	1,015,331	297,023
Total liabilities	\$ 1,213,074	\$ 1,038,496	\$ 1,058,643	\$ 1,192,927

NORTHAMPTON COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2012

Fiscal Year	Uncollected Balance July 1, 2011	Additions	Collections and Credits	Uncollected Balance June 30, 2012
2011-2012	\$ -	\$ 16,767,746	\$ 15,708,452	\$ 1,059,294
2010-2011	896,207	-	455,081	441,126
2009-2010	363,907	-	117,072	246,835
2008-2009	201,762	-	62,687	139,075
2007-2008	109,792	-	26,919	82,873
2006-2007	75,568	-	16,002	59,566
2005-2006	56,281	-	6,998	49,283
2004-2005	45,281	-	4,897	40,384
2003-2004	39,964	-	2,828	37,136
2002-2003	38,173	-	2,297	35,876
2001-2002	23,104	-	23,104	-
Total	<u>\$ 1,850,039</u>	<u>\$ 16,767,746</u>	<u>\$ 16,426,337</u>	2,191,448

Plus: Uncollected taxes on 2011-2012 motor vehicles

88,773

Less: Allowance for uncollectible accounts - General Fund

(881,000)

Ad valorem taxes receivable, net - General Fund

\$ 1,399,221**Reconciliation with Revenues:**

Ad valorem taxes - General Fund

\$ 16,594,407

Reconciling items:

Interest collected

(220,117)

Taxes written off

23,104

Tax refunds

55,957

Miscellaneous adjustments

(27,014)

Total collections and credits

\$ 16,426,337

NORTHAMPTON COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
FOR THE YEAR ENDED JUNE 30, 2012

	County-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 1,912,248,621	\$ 0.87	\$ 16,636,563	\$ 15,399,285	\$ 1,237,278
Penalties	-		21,749	21,749	-
Total	<u>1,912,248,621</u>		<u>16,658,312</u>	<u>15,421,034</u>	<u>1,237,278</u>
Discoveries	<u>9,828,851</u>		<u>85,511</u>	<u>85,511</u>	<u>-</u>
Deferred Tax On Secondary Use Property	<u>4,946,437</u>		<u>43,034</u>	<u>43,034</u>	<u>-</u>
Abatements	<u>(2,196,667)</u>		<u>(19,111)</u>	<u>(5,008)</u>	<u>(14,103)</u>
Total property valuation	<u>\$ 1,924,827,241</u>				
Net Levy			16,767,746	15,544,571	1,223,175
Uncollected taxes at June 30, 2012			<u>1,059,294</u>	<u>822,515</u>	<u>236,779</u>
Current Year's Taxes Collected			<u>\$ 15,708,452</u>	<u>\$ 14,722,056</u>	<u>\$ 986,396</u>
Current Levy Collection Percentage			<u>93.68%</u>	<u>94.71%</u>	<u>80.64%</u>

NORTHAMPTON COUNTY, NORTH CAROLINA**ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
FOR THE YEAR ENDED JUNE 30, 2012****Secondary Market Disclosures:****Assessed Valuation:**

Assessment ratio	<u>100.00%</u>
Real property	\$ 1,629,525,704
Personal property	192,482,724
Public service companies	<u>102,818,813</u>
Total assessed valuation	<u><u>\$ 1,924,827,241</u></u>
Tax rate per \$100	<u>\$ 0.87</u>
Levy (includes discoveries, releases and abatements)	<u>\$ 16,767,746</u>

NORTHAMPTON COUNTY, NORTH CAROLINA**TEN LARGEST TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2011 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dominion NC Power	Utility	\$ 58,738,149	3.05%
Lowe's Home Center	Warehousing/distribution	43,692,195	2.27%
Smithfield Carroll's Farms	Hog processing	23,116,646	1.20%
Georgia Pacific	Chemical manufacturing	19,327,169	1.00%
West Fraser, Inc.	Pulp, paper, and wood products	18,377,208	0.95%
FIATP Timber, LLC	Timber Investment	14,319,364	0.74%
CSX	Railroad	13,753,273	0.71%
Severn Peanut	Agriculture/nuts	10,139,730	0.53%
North Carolina and Virginia Railroad	Railroad	9,300,432	0.48%
Roanoke Electric Membership Corp.	Utility	8,321,798	0.43%
Total		<u>\$ 219,085,964</u>	<u>11.38%</u>

