

**NORTHAMPTON COUNTY  
JACKSON, NORTH CAROLINA**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2013**



**NORTHAMPTON COUNTY  
JACKSON, NORTH CAROLINA**

**BASIC FINANCIAL STATEMENTS  
JUNE 30, 2013**

**BOARD OF COMMISSIONERS**

**Robert Carter – Chairman**

**Virginia Spruill – Vice-Chair**

**Fannie Greene**

**Chester J. Deloatch, Sr.**

**Joseph Barrett**

**COUNTY MANAGER**

**Wayne Jenkins**

**FINANCE DIRECTOR**

**Dorothy Vick**



# **NORTHAMPTON COUNTY, NORTH CAROLINA**

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

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

## INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners  
Northampton County  
Jackson, North Carolina

### Report On the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise Northampton County's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. 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 of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, 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 as of June 30, 2013, and the respective changes in financial position, and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Law Enforcement Officers' and Other Post-Employment Benefit's Special Separation Allowance 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 the Governmental Accounting Standards Board who considers it to be an essential part of the 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 consist 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 any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Northampton County's basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures; including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget and actual schedules, and supplemental ad valorem tax schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2014 on our consideration of the Northampton County's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northampton County's internal control over financial reporting and compliance.

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

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
March 17, 2014

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## **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, 2013. 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**

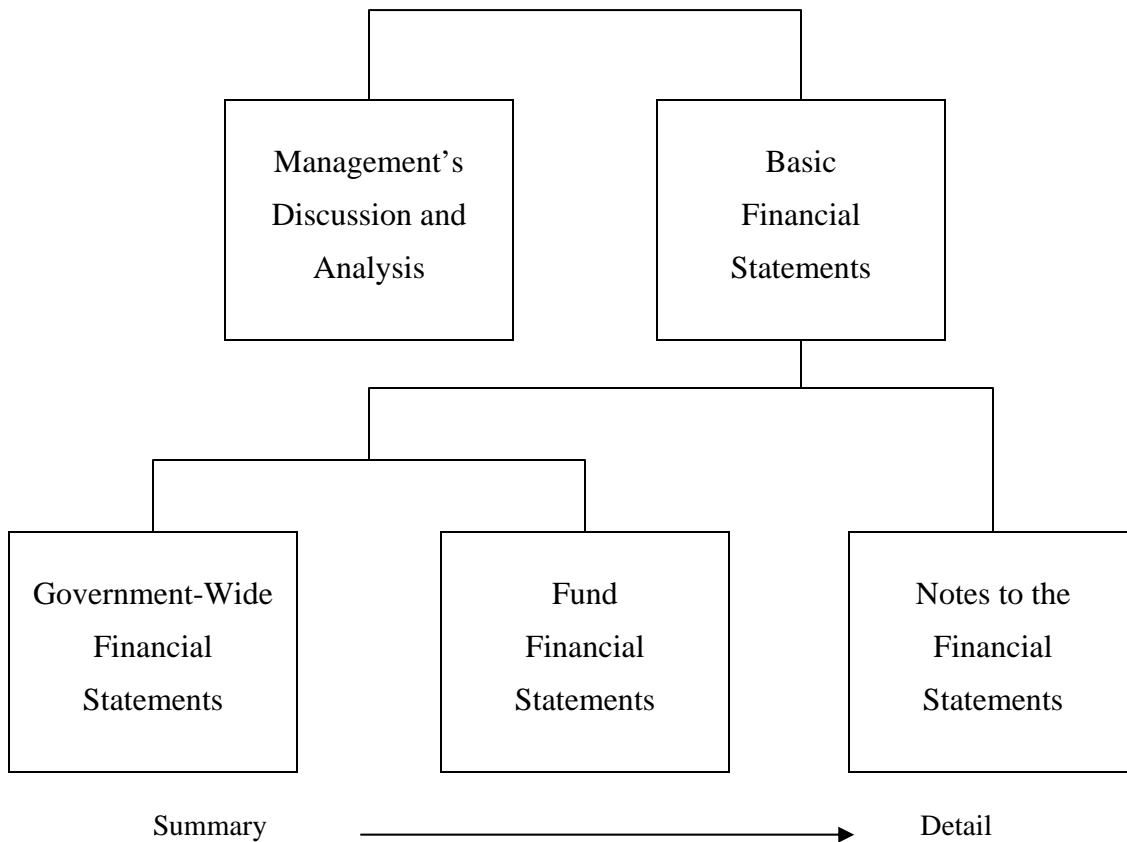
- The assets of Northampton County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$16,237,031 (*net position*).
- The government's total net position increased by \$619,982, primarily due to increased net position in governmental activities.
- As of the close of the current fiscal year, Northampton County's governmental funds reported combined ending fund balances of \$8,977,744, a decrease of \$2,458,381 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,176,627, or 4.33 percent of total General Fund expenditures for the fiscal year.
- Northampton County's total general obligation and installment debt decreased by \$1,078,553 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 position and how they have changed. Net position is the difference between the total of the County's assets and total liabilities and deferred inflows of resources. Measuring net position 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 Position 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 Position 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.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Northampton County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on Schedules 1 and 2 after the notes to the financial statements.

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

As noted earlier, net position may serve, over time, as one useful indicator of a government's financial condition. The assets of Northampton County exceeded liabilities and deferred inflows of resources by \$16,237,031 as of June 30, 2013. The County's net position increased by \$619,982 for the fiscal year ended June 30, 2013. The largest portion of the County's net position reflects the County's net investment in capital assets (e.g. buildings, equipment, and water infrastructure). Northampton County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Northampton County's net investment in 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 Position

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Assets:</b>						
Current and other assets	\$ 13,180,213	\$ 14,708,743	\$ 821,074	\$ 960,898	\$ 14,001,287	\$ 15,669,641
Capital assets	17,110,790	13,879,273	19,480,136	19,907,775	36,590,926	33,787,048
Total assets	<u>30,291,003</u>	<u>28,588,016</u>	<u>20,301,210</u>	<u>20,868,673</u>	<u>50,592,213</u>	<u>49,456,689</u>
<b>Liabilities:</b>						
Current liabilities outstanding	1,354,307	646,744	474,211	337,605	1,828,518	984,349
Long-term liabilities outstanding	23,154,974	23,088,988	9,266,034	9,656,727	32,421,008	32,745,715
Total liabilities	<u>24,509,281</u>	<u>23,735,732</u>	<u>9,740,245</u>	<u>9,994,332</u>	<u>34,249,526</u>	<u>33,730,064</u>
<b>Deferred Inflows of Resources</b>	<u>105,656</u>	<u>109,576</u>	<u>-</u>	<u>-</u>	<u>105,656</u>	<u>109,576</u>
<b>Net Position:</b>						
Net investment in capital assets	9,472,322	8,721,656	10,427,935	10,439,775	19,900,257	19,161,431
Restricted	6,198,416	3,406,736	-	-	6,198,416	3,406,736
Unrestricted	(9,994,672)	(7,385,684)	133,030	434,566	(9,861,642)	(6,951,118)
Total net position	<u>\$ 5,676,066</u>	<u>\$ 4,742,708</u>	<u>\$ 10,560,965</u>	<u>\$ 10,874,341</u>	<u>\$ 16,237,031</u>	<u>\$ 15,617,049</u>

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

- Continued diligence in the collection of property taxes
- Continued low cost of debt due to low interest rates
- Continued conservative budgeting

## Northampton County's Changes in Net Position

**Figure 3**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 3,302,380	\$ 3,596,392	\$ 4,656,992	\$ 4,901,049	\$ 7,959,372	\$ 8,497,441
Operating grants and contributions	7,169,253	6,869,885	-	-	7,169,253	6,869,885
Capital grants and contributions	1,759,183	690,645	-	2,664	1,759,183	693,309
General revenues:						
Property taxes	18,780,667	17,479,471	-	-	18,780,667	17,479,471
Other taxes	1,934,641	1,649,307	-	-	1,934,641	1,649,307
Other	7,159	6,737	212	277	7,371	7,014
Total revenues	<u>32,953,283</u>	<u>30,292,437</u>	<u>4,657,204</u>	<u>4,903,990</u>	<u>37,610,487</u>	<u>35,196,427</u>
<b>Expenses:</b>						
General government	3,785,719	3,557,006	-	-	3,785,719	3,557,006
Public safety	8,620,477	8,071,100	-	-	8,620,477	8,071,100
Transportation	24,000	24,000	-	-	24,000	24,000
Environmental protection	129,043	125,405	-	-	129,043	125,405
Economic and physical development	3,369,456	1,632,673	-	-	3,369,456	1,632,673
Human services	11,353,065	11,280,322	-	-	11,353,065	11,280,322
Cultural and recreation	556,779	508,367	-	-	556,779	508,367
Education	3,691,730	3,694,202	-	-	3,691,730	3,694,202
Interest and fees	489,656	535,949	-	-	489,656	535,949
Water and sewer	-	-	2,711,015	2,576,199	2,711,015	2,576,199
Solid waste	-	-	2,259,565	2,337,932	2,259,565	2,337,932
Total expenses	<u>32,019,925</u>	<u>29,429,024</u>	<u>4,970,580</u>	<u>4,914,131</u>	<u>36,990,505</u>	<u>34,343,155</u>
Increase (decrease) in net position	933,358	863,413	(313,376)	(10,141)	619,982	853,272
<b>Net Position:</b>						
Beginning of year - July 1	<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>
End of year - June 30	<u>\$ 5,676,066</u>	<u>\$ 4,742,708</u>	<u>\$ 10,560,965</u>	<u>\$ 10,874,341</u>	<u>\$ 16,237,031</u>	<u>\$ 15,617,049</u>

**Governmental Activities.** Governmental activities increased the County's net position by \$933,358. Key elements of this increase are as follows:

- Increase in property tax revenues and local option sales tax revenue
- Increase in operating grants and capital grants and contributions revenues
- Increase in sales and services revenue due to additional services provided

**Business-Type Activities.** Business-type activities decreased the County's net position by \$313,376. Key elements of this decrease are as follows:

- Decrease in water and sewer charges for services revenues due to commercial business closings,
- Increase in water and sewer expenses due to capital outlay expenditures for buildings and vehicles,
- Decrease in solid waste services revenues.

### **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 \$2,801,495, while total fund balance was \$7,198,782. The County currently has an available fund balance of 10.3% of General Fund expenditures, while total fund balance represents 26.5% of that same amount.

At June 30, 2013, the governmental funds of Northampton County reported a combined fund balance of \$8,977,744, a 21.5% percent decrease over last year. The General Fund accounted for an increase in fund balance of \$1,957,357, while all other governmental funds combined accounted for a decrease in fund balance of \$4,415,738. Detailed schedules for the General Fund and each governmental fund follow the notes in this financial report.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available, 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants, and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by approximately \$1,004,930, which was 3.5% 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 position for the enterprise funds was a decrease of \$313,376. 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, 2013 totaled \$36,590,926 (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 construction for rescue and maintenance building,
- Purchases of equipment and vehicles.

### Northampton County's Capital Assets

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Construction in progress	\$ 3,845,168	\$ 382,642	\$ -	\$ -	\$ 3,845,168	\$ 382,642
Buildings and land	15,221,492	15,221,492	2,250	2,250	15,223,742	15,223,742
Equipment	1,995,838	1,900,556	475,665	448,060	2,471,503	2,348,616
Vehicles	2,935,823	2,499,493	411,439	355,738	3,347,262	2,855,231
Distribution system	-	-	26,766,233	26,723,233	26,766,233	26,723,233
	23,998,321	20,004,183	27,655,587	27,529,281	51,653,908	47,533,464
Accumulated depreciation	(6,887,531)	(6,124,910)	(8,175,451)	(7,621,506)	(15,062,982)	(13,746,416)
Total	<u>\$ 17,110,790</u>	<u>\$ 13,879,273</u>	<u>\$ 19,480,136</u>	<u>\$ 19,907,775</u>	<u>\$ 36,590,926</u>	<u>\$ 33,787,048</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, 2013, Northampton County had total general obligation and installment debt outstanding of \$27,420,862.

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

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Installment notes payable	\$ 11,498,661	\$ 11,676,415	\$ 55,701	\$ -	\$ 11,554,362	\$ 11,676,415
General obligation bonds	6,870,000	7,355,000	8,996,500	9,468,000	15,866,500	16,823,000
Total	<u>\$ 18,368,661</u>	<u>\$ 19,031,415</u>	<u>\$ 9,052,201</u>	<u>\$ 9,468,000</u>	<u>\$ 27,420,862</u>	<u>\$ 28,499,415</u>

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Northampton County is approximately \$155,000,000.

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, 2013. This was higher than the non-seasonally adjusted State average of 9.6%.

## **Budget Highlights for the Fiscal Year Ending June 30, 2014**

**Governmental Activities.** The General Fund operating budget reflects an increase of approximately 5.1% compared to 2013 funding levels due to the state of the economy.

**Business-Type Activities.** Solid waste revenues are budgeted consistent to those amounts in 2013, given slight operating losses in 2013. Water and sewer revenues are conservatively budgeted compared to actual 2013 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.

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## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2013

				Component Units	
	Primary Government		Total	Northampton County ABC Board	Northampton County Tourism Development Authority
	Governmental Activities	Business-Type Activities			
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 4,029,263	\$ -	\$ 4,029,263	\$ 104,543	\$ 25,072
Taxes receivable, net	1,905,920	-	1,905,920	-	-
Accounts receivable, net	2,851,577	659,766	3,511,343	15	-
Due from other governments	449,721	-	449,721	-	4,108
Inventories	-	-	-	102,643	-
Prepaid items	-	-	-	2,933	-
Internal balance	83,539	(83,539)	-	-	-
Cash and cash equivalents, restricted	3,860,193	244,847	4,105,040	-	-
Capital assets:					
Land and construction in progress	5,545,968	-	5,545,968	-	-
Other capital assets, net	11,564,822	19,480,136	31,044,958	5,120	-
Total assets	30,291,003	20,301,210	50,592,213	215,254	29,180
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	1,269,414	225,597	1,495,011	69,512	109
Payable from restricted assets	-	244,847	244,847	-	-
Current portion of compensated absences	84,893	3,767	88,660	-	-
Long-term liabilities:					
Non-current portion of compensated absences	764,039	33,903	797,942	-	-
Due within one year	8,191,437	492,567	8,684,004	-	-
Due in more than one year	14,199,498	8,739,564	22,939,062	-	-
Total liabilities	24,509,281	9,740,245	34,249,526	69,512	109
<b>Deferred Inflows of Resources:</b>					
Prepaid taxes	105,656	-	105,656	-	-
Total deferred inflows of resources	105,656	-	105,656	-	-
<b>Net Position:</b>					
Net investment in capital assets	9,472,322	10,427,935	19,900,257	5,120	-
Restricted for:					
Restricted for stabilization by State statute	5,556,945	-	5,556,945	-	4,108
Restricted - other	641,471	-	641,471	67,936	24,963
Unrestricted	(9,994,672)	133,030	(9,861,642)	72,686	-
Total net position	\$ 5,676,066	\$ 10,560,965	\$ 16,237,031	\$ 145,742	\$ 29,071

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

# NORTHAMPTON COUNTY, NORTH CAROLINA

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2013

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs:</b>				
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 3,785,719	\$ 466,924	\$ 209,290	\$ -
Public safety	8,620,477	1,264,842	196,408	-
Transportation	24,000	-	53,248	-
Environmental protection	129,043	-	21,052	-
Economic and physical development	3,369,456	46,774	32,300	1,816,119
Human services	11,353,065	1,498,694	6,648,248	-
Cultural and recreational	556,779	25,146	8,707	-
Education	3,691,730	-	-	(56,936)
Interest on long-term debt	489,656	-	-	-
Total governmental activities	<u>32,019,925</u>	<u>3,302,380</u>	<u>7,169,253</u>	<u>1,759,183</u>
<b>Business-Type Activities:</b>				
Water and sewer	2,711,015	2,509,579	-	-
Solid waste	2,259,565	2,147,413	-	-
Total business-type activities	<u>4,970,580</u>	<u>4,656,992</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 36,990,505</u>	<u>\$ 7,959,372</u>	<u>\$ 7,169,253</u>	<u>\$ 1,759,183</u>
<b>Component Units:</b>				
Northampton County ABC Board	<u>\$ 977,198</u>	<u>\$ 988,673</u>	<u>\$ -</u>	<u>\$ -</u>
Northampton County Tourism Development Authority	<u>\$ 42,404</u>	<u>\$ 39,379</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 position

### Net Position:

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 Position				
Primary Government			Component Units	
			Northampton County ABC Board	Northampton County Tourism Development Authority
Governmental Activities	Business-Type Activities	Total		
\$ (3,109,505)	\$ -	\$ (3,109,505)		
(7,159,227)	-	(7,159,227)		
29,248	-	29,248		
(107,991)	-	(107,991)		
(1,474,263)	-	(1,474,263)		
(3,206,123)	-	(3,206,123)		
(522,926)	-	(522,926)		
(3,748,666)	-	(3,748,666)		
(489,656)	-	(489,656)		
<u>(19,789,109)</u>	<u>-</u>	<u>(19,789,109)</u>		
-	(201,436)	(201,436)		
-	(112,152)	(112,152)		
-	(313,588)	(313,588)		
<u>(19,789,109)</u>	<u>(313,588)</u>	<u>(20,102,697)</u>		
			\$ 11,475	
				\$ (3,025)
18,780,667	-	18,780,667	-	-
1,797,247	-	1,797,247	-	-
137,394	-	137,394	-	-
7,159	212	7,371	77	9
<u>20,722,467</u>	<u>212</u>	<u>20,722,679</u>	<u>77</u>	<u>9</u>
933,358	(313,376)	619,982	11,552	(3,016)
<u>4,742,708</u>	<u>10,874,341</u>	<u>15,617,049</u>	<u>134,190</u>	<u>32,087</u>
<u>\$ 5,676,066</u>	<u>\$ 10,560,965</u>	<u>\$ 16,237,031</u>	<u>\$ 145,742</u>	<u>\$ 29,071</u>

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

## NORTHAMPTON COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2013

	Major			Nonmajor	Total
	General Fund	DSS Building Project Fund	Enviva Infrastructure Project	Other Governmental Funds	Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 3,494,592	\$ 63,792	\$ -	\$ 470,879	\$ 4,029,263
Taxes receivable, net	1,803,632	-	-	102,288	1,905,920
Accounts receivable, net	1,861,639	124,709	848,724	16,505	2,851,577
Due from other funds	3,007,406	-	-	169,720	3,177,126
Due from other governments	449,721	-	-	-	449,721
Restricted assets:					
Cash and cash equivalents	-	3,860,193	-	-	3,860,193
Total assets	<u>\$ 10,616,990</u>	<u>\$ 4,048,694</u>	<u>\$ 848,724</u>	<u>\$ 759,392</u>	<u>\$ 16,273,800</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ 417,721	\$ 632,043	\$ 144,724	\$ 74,926	\$ 1,269,414
Due to other funds	169,720	429,754	1,562,296	931,817	3,093,587
Total liabilities	<u>587,441</u>	<u>1,061,797</u>	<u>1,707,020</u>	<u>1,006,743</u>	<u>4,363,001</u>
<b>Deferred Inflows of Resources:</b>					
Taxes receivable	1,803,632	-	-	102,288	1,905,920
Ambulance fees receivable	921,479	-	-	-	921,479
Prepaid taxes	105,656	-	-	-	105,656
Total deferred inflows of resources	<u>2,830,767</u>	<u>-</u>	<u>-</u>	<u>102,288</u>	<u>2,933,055</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	4,397,287	124,709	848,724	186,225	5,556,945
Restricted, other	641,471	2,862,188	-	-	3,503,659
Committed:					
Committed, other	286,177	-	-	178,674	464,851
Assigned:					
Assigned, other	697,220	-	-	34,186	731,406
Unassigned	1,176,627	-	(1,707,020)	(748,724)	(1,279,117)
Total fund balances	<u>7,198,782</u>	<u>2,986,897</u>	<u>(858,296)</u>	<u>(349,639)</u>	<u>8,977,744</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,616,990</u>	<u>\$ 4,048,694</u>	<u>\$ 848,724</u>	<u>\$ 759,392</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	17,110,790
Long-term debt and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(23,239,867)
Deferred inflows of resources for taxes and ambulance fees receivable	2,827,399
Net position of governmental activities (Exhibit A)	<u>\$ 5,676,066</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, 2013

	Major			Nonmajor	Total
	General Fund	DSS Building Project Fund	Enviva Infrastructure Project	Other Governmental Funds	Governmental Funds
<b>Revenues:</b>					
Ad valorem taxes	\$ 17,708,325	\$ -	\$ -	\$ 624,388	\$ 18,332,713
Other taxes and licenses	1,849,387	-	-	-	1,849,387
Unrestricted intergovernmental revenues	85,254	-	-	-	85,254
Restricted intergovernmental revenues	7,146,953	-	1,678,304	103,179	8,928,436
Permits and fees	262,898	-	-	-	262,898
Sales and services	2,889,727	-	-	198,064	3,087,791
Interest earned on investments	3,476	3,554	-	129	7,159
Special project revenue	24,968	-	-	-	24,968
Miscellaneous	105,603	-	-	38,498	144,101
Total revenues	<u>30,076,591</u>	<u>3,554</u>	<u>1,678,304</u>	<u>964,258</u>	<u>32,722,707</u>
<b>Expenditures:</b>					
Current:					
General government	3,521,231	-	-	-	3,521,231
Public safety	7,659,937	-	-	841,112	8,501,049
Transportation	24,000	-	-	-	24,000
Environmental protection	129,043	-	-	-	129,043
Economic and physical development	773,137	-	2,220,234	345,336	3,338,707
Human services	10,984,119	3,462,526	-	-	14,446,645
Cultural and recreational	376,273	-	-	-	376,273
Education	3,522,217	-	-	169,513	3,691,730
Debt service:					
Principal repayments	192,239	-	-	1,008,643	1,200,882
Interest	5,166	-	-	484,490	489,656
Total expenditures	<u>27,187,362</u>	<u>3,462,526</u>	<u>2,220,234</u>	<u>2,849,094</u>	<u>35,719,216</u>
Revenues over (under) expenditures	<u>2,889,229</u>	<u>(3,458,972)</u>	<u>(541,930)</u>	<u>(1,884,836)</u>	<u>(2,996,509)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers (to) from other funds	(1,470,000)	-	-	1,470,000	-
Long-term debt issued	538,128	-	-	-	538,128
Total other financing sources (uses)	<u>(931,872)</u>	<u>-</u>	<u>-</u>	<u>1,470,000</u>	<u>538,128</u>
Net change in fund balances	1,957,357	(3,458,972)	(541,930)	(414,836)	(2,458,381)
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>5,241,425</u>	<u>6,445,869</u>	<u>(316,366)</u>	<u>65,197</u>	<u>11,436,125</u>
End of year - June 30	<u>\$ 7,198,782</u>	<u>\$ 2,986,897</u>	<u>\$ (858,296)</u>	<u>\$ (349,639)</u>	<u>\$ 8,977,744</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, 2013**

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)	\$ (2,458,381)
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	447,954
Ambulance and other miscellaneous revenues	(217,378)
Expenses related to compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(43,685)
Expenses related to other post-employment benefits that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(689,423)
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.	3,994,138
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(762,621)
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.	1,200,882
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.	<u>(538,128)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 933,358</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, 2013**

	<b>Budgeted Amounts</b>			<b>Variance from Final Budget Over/Under</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>Revenues:</b>				
Ad valorem taxes	\$ 17,322,193	\$ 17,322,193	\$ 17,708,325	\$ 386,132
Other taxes and licenses	1,429,400	1,429,400	1,849,387	419,987
Unrestricted intergovernmental revenues	71,000	71,000	85,254	14,254
Restricted intergovernmental revenues	6,959,264	7,573,165	7,146,953	(426,212)
Permits and fees	180,050	180,050	262,898	82,848
Sales and services	2,782,691	3,126,366	2,889,727	(236,639)
Investment earnings	2,000	2,000	3,394	1,394
Special project revenue	-	8,703	24,968	16,265
Miscellaneous	100,041	138,692	105,603	(33,089)
Total revenues	<u>28,846,639</u>	<u>29,851,569</u>	<u>30,076,509</u>	<u>224,940</u>
<b>Expenditures:</b>				
General government	3,693,400	3,759,037	3,519,798	239,239
Public safety	7,222,473	8,416,691	7,659,937	756,754
Transportation	24,000	29,000	24,000	5,000
Environmental protection	120,000	129,043	129,043	-
Economic and physical development	889,392	916,179	773,137	143,042
Human services	11,752,627	12,170,400	10,984,119	1,186,281
Cultural and recreational	364,849	391,388	376,273	15,115
Education	3,631,538	3,631,538	3,522,217	109,321
Debt service:				
Principal repayments	197,465	192,299	192,239	60
Interest	-	5,166	5,166	-
Total expenditures	<u>27,895,744</u>	<u>29,640,741</u>	<u>27,185,929</u>	<u>2,454,812</u>
Revenues over (under) expenditures	<u>950,895</u>	<u>210,828</u>	<u>2,890,580</u>	<u>2,679,752</u>
<b>Other Financing Sources (Uses):</b>				
Transfers (to) from other funds	(1,470,000)	(1,470,000)	(1,470,000)	-
Intrafund transfers	(50,000)	(50,000)	(50,000)	-
Long-term debt issued	-	521,925	538,128	16,203
Appropriated fund balance	669,105	848,847	-	(848,847)
Contingency	(100,000)	(61,600)	-	61,600
Total other financing sources (uses)	<u>(950,895)</u>	<u>(210,828)</u>	<u>(981,872)</u>	<u>(771,044)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,908,708</u>	<u>\$ 1,908,708</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>4,993,944</u>	
End of year - June 30			<u>\$ 6,902,652</u>	

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

## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2013

	Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
<b>Assets:</b>			
Current assets:			
Accounts receivable, net	\$ 625,621	\$ 34,145	\$ 659,766
Due from other funds	398,830	-	398,830
Restricted assets:			
Cash and cash equivalents, restricted	244,847	-	244,847
Total current assets	1,269,298	34,145	1,303,443
Non-current assets:			
Other capital assets, net	19,480,136	-	19,480,136
Total non-current assets	19,480,136	-	19,480,136
Total assets	20,749,434	34,145	20,783,579
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	171,341	54,256	225,597
Due to other funds	50,000	432,369	482,369
Compensated absences - current	2,953	814	3,767
Current portion of long-term debt	492,567	-	492,567
Liabilities payable from restricted assets:			
Customer deposits	244,847	-	244,847
Total current liabilities	961,708	487,439	1,449,147
Non-current liabilities:			
Compensated absences - non-current	26,576	7,327	33,903
Non-current portion of long-term debt	8,559,634	-	8,559,634
Other post-employment benefits	138,615	41,315	179,930
Total non-current liabilities	8,724,825	48,642	8,773,467
Total liabilities	9,686,533	536,081	10,222,614
<b>Net Position:</b>			
Net investment in capital assets	10,427,935	-	10,427,935
Unrestricted	634,966	(501,936)	133,030
Total net position	\$ 11,062,901	\$ (501,936)	\$ 10,560,965

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



## NORTHAMPTON COUNTY, NORTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN FUND NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2013**

	<b>Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 2,471,226	\$ 2,054,148	\$ 4,525,374
Water and sewer taps	13,200	-	13,200
White goods and tire disposal tax	-	26,735	26,735
Solid waste disposal tax	-	10,580	10,580
Other operating revenues	25,153	55,950	81,103
Total operating revenues	<u>2,509,579</u>	<u>2,147,413</u>	<u>4,656,992</u>
<b>Operating Expenses:</b>			
Water distribution and sewage treatment	1,739,009	-	1,739,009
Solid waste	-	2,257,215	2,257,215
Depreciation	551,595	2,350	553,945
Total operating expenses	<u>2,290,604</u>	<u>2,259,565</u>	<u>4,550,169</u>
Operating income (loss)	<u>218,975</u>	<u>(112,152)</u>	<u>106,823</u>
<b>Non-Operating Revenues (Expenses):</b>			
Interest earned on investments	161	51	212
Interest and fees	<u>(420,411)</u>	<u>-</u>	<u>(420,411)</u>
Total non-operating revenues (expenses)	<u>(420,250)</u>	<u>51</u>	<u>(420,199)</u>
Change in net position	(201,275)	(112,101)	(313,376)
<b>Net Position:</b>			
Beginning of year - July 1	<u>11,264,176</u>	<u>(389,835)</u>	<u>10,874,341</u>
End of year - June 30	<u>\$ 11,062,901</u>	<u>\$ (501,936)</u>	<u>\$ 10,560,965</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, 2013**

	<b>Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 2,446,967	\$ 2,140,962	\$ 4,587,929
Cash paid for goods and services	(1,114,716)	(2,119,584)	(3,234,300)
Cash paid to employees for services	(470,615)	(117,663)	(588,278)
Net cash provided (used) by operating activities	<u>861,636</u>	<u>(96,285)</u>	<u>765,351</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Loans from (to) other funds	<u>50,000</u>	<u>33,539</u>	<u>83,539</u>
Net cash provided (used) by non-capital financing activities	<u>50,000</u>	<u>33,539</u>	<u>83,539</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Long-term debt issued	55,701	-	55,701
Acquisition and construction of capital assets	(126,306)	-	(126,306)
Principal paid on long-term debt	(471,500)	-	(471,500)
Interest and fees	(420,411)	-	(420,411)
Net cash provided (used) by capital and related financing activities	<u>(962,516)</u>	<u>-</u>	<u>(962,516)</u>
<b>Cash Flows from Investing Activities:</b>			
Interest on investments	<u>161</u>	<u>51</u>	<u>212</u>
Net increase (decrease) in cash and cash equivalents	(50,719)	(62,695)	(113,414)
<b>Cash and Cash Equivalents:</b>			
Beginning of year - July 1	<u>295,566</u>	<u>62,695</u>	<u>358,261</u>
End of year - June 30	<u>\$ 244,847</u>	<u>\$ -</u>	<u>\$ 244,847</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 218,975	\$ (112,152)	\$ 106,823
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	551,595	2,350	553,945
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(50,678)	(6,451)	(57,129)
Increase (decrease) in accounts payable and accrued liabilities	132,018	17,399	149,417
Increase (decrease) in customer deposits	4,395	-	4,395
Increase (decrease) in accrued vacation pay	(3,762)	(5,008)	(8,770)
Increase (decrease) in OPEB payable	<u>25,422</u>	<u>7,577</u>	<u>32,999</u>
Net cash provided (used) by operating activities	<u>\$ 861,636</u>	<u>\$ (96,285)</u>	<u>\$ 765,351</u>

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

## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSTION  
 FIDUCIARY FUNDS  
 JUNE 30, 2013

	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 108,878
Accounts receivable	<u>1,191,146</u>
Total assets	<u>\$ 1,300,024</u>
<b>Liabilities:</b>	
Intergovernmental payable	\$ 959,727
Accounts payable	<u>340,297</u>
Total liabilities	<u>\$ 1,300,024</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, 2013**

### **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 units presented below are reported in separate columns in the County's financial statements in order to emphasize they are 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, 2013

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, North Carolina 27845.

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

*Government-Wide Statements.* The Statement of Net Position and the Statement of Activities display information about the primary government net position 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, 2013

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

### **Governmental Funds**

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

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

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

**Capital Project Funds.** Capital project funds account for financial resources to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds and trust funds). The County maintains ten capital project funds: Wellness and Recreation Centers Capital Project Fund, First Responder Training Center Fund, 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, 2013**

### **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, Enviva Infrastructure Project, Water and Sewer Fund, and Solid Waste Fund are considered major funds for the year ended June 30, 2013.

### **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, 2013**

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 2012 through February 2013 apply to the fiscal year ended June 30, 2013. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements and are offset by deferred inflows of resources.



# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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.

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 is both restricted and unrestricted net position 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.

### **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, Deferred Inflows and Outflows, 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.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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).

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, 2012.

### **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.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### 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.

The County holds title to certain Northampton County Board of Education properties which have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education after all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Northampton County Board of Education.

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

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

### Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County does not have any item that meets this criterion.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only three items that meet the criterion for this category - prepaid taxes, taxes receivable, and ambulance fees receivable.

### **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 Position.

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

### **Net Position/Fund Balances**

#### **Net Position**

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted and unrestricted. Restricted net position 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.

#### **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, 2013

**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)]	\$4,397,287	\$ 16,505	\$1,143,153
<b>Restricted - Other:</b>			
<i>Restricted for Public Safety - E911</i> - portion of fund balance that is restricted by revenue source for E911 expenditures	267,623	-	-
<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	99,693	-	-
<i>Restricted for Debt Service</i> - portion of fund balance that is restricted by lender to be maintained in fund balance	274,155	-	-
<i>Restricted for Human Service</i> - portion of fund balance that is restricted for construction of a new DSS building	-	-	2,862,188
Total	<u>\$5,038,758</u>	<u>\$ 16,505</u>	<u>\$4,005,341</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

**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.

	<b><u>General Fund</u></b>	<b><u>Capital Project Funds</u></b>
<i>Committed for Tax Revaluation</i> - portion of fund balance that is committed by revenue source to pay for property tax revaluation purposes	\$ 286,177	\$ -
<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	-	131,237
<i>Committed for Education</i> - portion of fund balance that is committed for education expenditures	<u>-</u>	<u>42,894</u>
Total	<u>\$ 286,177</u>	<u>\$ 178,674</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

**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	\$ 9,953	\$ -	\$ 28,238
<i>Assigned for Subsequent Year's Expenditures</i> - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Manager to modify appropriations up to \$5,000 between departments within a fund.	687,267	-	-
<i>Assigned for Economic Development</i> - portion of fund balance that is assigned to pay for economic development expenditures	-	5,948	-
Total	<u>\$ 697,220</u>	<u>\$ 5,948</u>	<u>\$ 28,238</u>

**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.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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)	\$ 7,198,782
Less:	
Stabilization by State statute	<u>(4,397,287)</u>
Available for appropriation	<u>\$ 2,801,495</u>

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

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

Fund balance for the General Fund is reconciled as follows:

Fund balance, ending (Exhibit F)	\$ 6,902,652
<b>Revaluation Fund:</b>	
Revenues:	
Investment earnings	79
Expenditures:	
General government	(1,433)
Transfers in - General Fund	50,000
Fund balance, beginning	237,531
<b>Revolving Loan Fund:</b>	
Revenues:	
Investment earnings	3
Fund balance:	
Beginning of year	<u>9,950</u>
End of year (Exhibit D)	<u>\$ 7,198,782</u>



# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

### **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.

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

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

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

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

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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

#### **A. Deficit Fund Balance or Net Position of Individual Funds**

The following funds had deficit fund balances/net position at June 30, 2013:

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

Emergency Telephone System Fund – \$122,306

Fire District Fund – \$2,332

CDBG Fund – \$1,583

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

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

Enviva Infrastructure Project Fund – \$858,296

Severn Peanut Natural Gas Project Fund – \$239,546

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

Solid Waste Fund – \$501,936

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

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

#### **A. Assets**

##### **Deposits**

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

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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, 2013, the County's deposits had a carrying amount of \$6,056,159 and a bank balance of \$6,825,612. Of the bank balance, \$540,463 was covered by federal depository insurance, and \$6,285,149 was covered by collateral held under the Pooling Method.

At June 30, 2013, the County had \$2,575 cash on hand.

At June 30, 2013, the Northampton County Tourism Development Authority's deposits had a carrying amount of \$25,072 and a bank balance of \$25,072. Of the bank balance, \$25,072 was covered by federal depository insurance.

### **Investments**

At June 30, 2013, the County had \$2,184,447 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.

<b>Tax Year</b>	<b>Tax</b>	<b>Interest</b>	<b>Total</b>
2009	\$ 939,419	\$ 307,660	\$ 1,247,079
2010	951,359	225,948	1,177,307
2011	2,180,389	321,608	2,501,997
2012	2,340,236	134,564	2,474,800
Total	<u>\$ 6,411,403</u>	<u>\$ 989,780</u>	<u>\$ 7,401,183</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### Receivables

Receivables at Exhibit A at June 30, 2013 were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due From Other Governments</u>	<u>Total</u>
<b>Governmental Activities:</b>				
General	\$ 349,910	\$ 2,538,632	\$ 449,721	\$ 3,338,263
Ambulance	1,152,479	-	-	1,152,479
DSS Building receivable	124,709	-	-	124,709
E911 fees	16,505	-	-	16,505
Fire district	-	102,288	-	102,288
Enviva receivables	848,724	-	-	848,724
DSS receivable	<u>590,250</u>	<u>-</u>	<u>-</u>	<u>590,250</u>
Total receivables	3,082,577	2,640,920	449,721	6,173,218
Allowance for doubtful accounts	<u>(231,000)</u>	<u>(735,000)</u>	<u>-</u>	<u>(966,000)</u>
Total governmental activities	<u>\$ 2,851,577</u>	<u>\$ 1,905,920</u>	<u>\$ 449,721</u>	<u>\$ 5,207,218</u>
<b>Business-Type Activities:</b>				
Solid Waste	\$ 735,964	\$ -	\$ -	\$ 735,964
Water and Sewer	<u>625,621</u>	<u>-</u>	<u>-</u>	<u>625,621</u>
Total receivables	1,361,585	-	-	1,361,585
Allowance for doubtful accounts	<u>(701,819)</u>	<u>-</u>	<u>-</u>	<u>(701,819)</u>
Total business-type activities	<u>\$ 659,766</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 659,766</u>

Due from other governments consisted of the following:

Local option sales tax	\$ 347,449
Sales tax refund	<u>102,272</u>
Total	<u>\$ 449,721</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### Capital Assets

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

	<u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>
<b>Non-Depreciable Assets:</b>				
Construction in progress	\$ 382,642	\$ 3,462,526	\$ -	\$ 3,845,168
Land	1,700,800	-	-	1,700,800
<b>Depreciable Assets:</b>				
Buildings and improvements	13,520,692	-	-	13,520,692
Equipment	1,900,556	95,282	-	1,995,838
Vehicles and motor equipment	2,499,493	436,330	-	2,935,823
Total capital assets	<u>20,004,183</u>	<u>3,994,138</u>	<u>-</u>	<u>23,998,321</u>
<b>Less Accumulated Depreciation:</b>				
Buildings and improvements	(3,443,865)	(253,170)	-	(3,697,035)
Equipment	(952,358)	(200,810)	-	(1,153,168)
Vehicles and motor equipment	(1,728,687)	(308,641)	-	(2,037,328)
Total accumulated depreciation	<u>(6,124,910)</u>	<u>\$ (762,621)</u>	<u>\$ -</u>	<u>(6,887,531)</u>
Capital assets, net	<u>\$ 13,879,273</u>			<u>\$ 17,110,790</u>

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

#### Governmental Activities:

General government	\$ 132,785
Public safety	395,550
Economic and physical development	3,667
Human services	56,884
Cultural and recreational	173,735
Total	<u>\$ 762,621</u>

#### Business-Type Activities:

Water and Sewer	\$ 551,595
Solid Waste	2,350
Total	<u>\$ 553,945</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### Summary of Proprietary Capital Assets

Capital assets for the proprietary funds of the County at June 30, 2013 are as follows:

	<u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2013</u>
<b>Water and Sewer Fund:</b>				
<b>Depreciable Assets:</b>				
Plant and distribution systems	\$ 26,723,233	\$ 43,000	\$ -	\$ 26,766,233
Furniture and equipment	264,455	27,605	-	292,060
Vehicles	201,814	55,701	-	257,515
Total capital assets	<u>27,189,502</u>	<u>126,306</u>	<u>-</u>	<u>27,315,808</u>
<b>Less Accumulated Depreciation:</b>				
Plant and distribution systems	(6,855,555)	(535,742)	-	(7,391,297)
Furniture and equipment	(230,153)	(9,384)	-	(239,537)
Vehicles	(198,369)	(6,469)	-	(204,838)
Total accumulated depreciation	<u>(7,284,077)</u>	<u>\$ (551,595)</u>	<u>\$ -</u>	<u>(7,835,672)</u>
Total Water and Sewer Fund	<u>\$ 19,905,425</u>			<u>\$ 19,480,136</u>
<b>Solid Waste Fund:</b>				
<b>Depreciable Assets:</b>				
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>
<b>Less Accumulated Depreciation:</b>				
Buildings	(2,250)	-	-	(2,250)
Furniture and equipment	(181,255)	(2,350)	-	(183,605)
Vehicles	(153,924)	-	-	(153,924)
Total accumulated depreciation	<u>(337,429)</u>	<u>\$ (2,350)</u>	<u>\$ -</u>	<u>(339,779)</u>
Total Solid Waste Fund	<u>\$ 2,350</u>			<u>\$ -</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### B. Liabilities

#### Payables

Payables at Exhibit A at June 30, 2013 were as follows:

	<u>Vendors</u>
<b>Governmental Activities:</b>	
General	\$ 417,721
Other governmental	851,693
Total governmental activities	<u>\$ 1,269,414</u>
<b>Business-Type Activities:</b>	
Solid Waste	\$ 171,341
Water and Sewer	54,256
Total business-type activities	<u>\$ 225,597</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 6.74% and 6.77%, 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, 2013, 2012, and 2011 were \$677,309, \$671,367, and \$672,220, 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, 2013

### 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, 2012, 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>31</u>
Total	<u><u>32</u></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.

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.



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

**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	\$ 27,387
Interest on net pension obligation	15,906
Adjustment to annual required contribution	<u>(19,797)</u>
Annual pension costs	23,496
Contributions made	<u>11,136</u>
Increase (decrease) in net pension obligation	12,360
Net pension obligation:	
Beginning of year - July 1	<u>318,120</u>
End of year - June 30	<u><u>\$ 330,480</u></u>

### Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2011	\$ 25,093	44.38%	\$ 306,085
6/30/2012	23,171	48.06%	318,120
6/30/2013	23,496	47.40%	330,480

**Funded Status and Funding Progress.** As of December 31, 2012, 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 \$195,724. The covered payroll was \$1,048,567, and the ratio of the UAAL to the covered payroll was 18.67 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.

### 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

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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, 2013 were \$56,778, which consisted of \$48,213 from the County and \$8,565 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.

### **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.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

**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 3 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, 2013, the County's required and actual contributions were \$1,482.

### 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.

Membership of the HCB plan consisted of the following at December 31, 2012, the date of the latest actuarial valuation.

Retirees receiving benefits	26
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members, general employees	255
Active plan members, law enforcement officers	<u>27</u>
Total	<u><u>308</u></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.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

The current ARC rate is 9.47% of annual covered payroll. For the current year, the County contributed \$200,748, or 2.06% 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.

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	\$ 952,248
Interest on net OPEB obligation	126,466
Adjustment to annual required contribution	<u>(120,815)</u>
Annual OPEB cost (expense)	957,899
Contributions made	<u>(247,837)</u>
Increase (decrease) in net OPEB obligation	710,062
Net OPEB obligation:	
Beginning of year - July 1	<u>3,161,662</u>
End of year - June 30	<u><u>\$ 3,871,724</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 were as follows:

<b>Three-Year Trend Information</b>			
<b>Year Ended June 30</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
2011	\$ 914,520	12.90%	\$ 2,386,825
2012	928,780	16.57%	3,161,662
2013	957,899	25.87%	3,871,724

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

**Funded Status and Funding Progress.** As of December 31, 2012, 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 \$10,052,870. The covered payroll (annual payroll of active employees covered by the plan) was \$10,382,785, and the ratio of the UAAL to the covered payroll was 96.8 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.

**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, 2012 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 8.50 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 pay, on an open basis. The remaining amortization period at December 31, 2012 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.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

### Deferred Outflows and Inflows of Resources

The County does not have deferred outflows of resources.

Deferred inflows of resources at year-end are comprised of the following:

	<u>Unavailable Revenues</u>	<u>Unearned Revenues</u>
Taxes receivable, net	\$ 1,905,920	\$ -
Prepaid taxes	-	105,656
Ambulance fees receivable, net	921,479	-
Total	<u>\$ 2,827,399</u>	<u>\$ 105,656</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.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

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.

### **Claims and Judgments**

At June 30, 2013, 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	\$ 1,162,268
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\$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	100,920
--	---------

\$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	240,000
--	---------

\$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	540,000
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\$1,800,000 USDA Rural Development loan issued May 2008; due in equal annual installments of \$92,646, including interest at 4.125%; final payment due May 2048; secured by facility	1,700,112
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## NORTHAMPTON COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

\$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	55,616
\$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	87,658
\$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	66,755
\$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	41,204
\$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	6,966,000
\$538,128 note issued December 2012; due in three (3) annual payments of \$179,376, plus interest at 1.49%; final payment due November 2015; secured by equipment and vehicles	<u>538,128</u>
Total governmental funds	<u>11,498,661</u>
<b>Business-Type Activities</b>	
<b>Proprietary Funds:</b>	
\$55,701 note issued December 2012; due in three (3) annual payments of \$18,567, plus interest at 1.49%; final payment due November 2015; secured by vehicles;	<u>55,701</u>
Total all funds	<u><u>\$ 11,554,362</u></u>



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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

### Governmental Activities:

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2014	\$ 7,706,437	\$ 271,925	\$ 7,978,362
2015	560,009	156,736	716,745
2016	443,592	135,329	578,921
2017	87,959	122,163	210,122
2018	91,869	118,254	210,123
2019-2023	443,193	532,446	975,639
2024-2028	553,209	422,430	975,639
2029-2033	591,538	288,565	880,103
2034-2038	274,403	188,827	463,230
2039-2043	335,864	127,366	463,230
2044-2048	410,588	52,139	462,727
Total	<u>\$ 11,498,661</u>	<u>\$ 2,416,180</u>	<u>\$ 13,914,841</u>

### Business-Type Activities:

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2014	\$ 18,567	\$ 830	\$ 19,397
2015	18,567	553	19,120
2016	18,567	277	18,844
Total	<u>\$ 55,701</u>	<u>\$ 1,660</u>	<u>\$ 57,361</u>

### General Obligation Indebtedness

The County's general obligation bonds serviced by the General Fund are collateralized by the full faith credit and taxing power of the County. The County has \$6,870,000 of debt outstanding for the acquisition and construction of public school and community college facilities.

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.

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

The County's general obligation bonds payable at June 30, 2013 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% \$ 6,870,000

Total serviced by the General Fund \$ 6,870,000

### **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% \$ 409,500

\$3,700,000 2002 Water Bond issued April 2002; due in annual installments of \$125,000 to \$250,000 through April 1, 2021; interest at 4.70% to 4.80% 1,950,000

\$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% 2,572,000

\$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% 3,755,000

\$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% 310,000

Total serviced by the Water and Sewer Fund \$ 8,996,500

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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

<b>Year Ending June 30</b>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
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	585,000	198,792	512,500	309,815
2019-2023	2,850,000	640,130	2,258,000	1,210,367
2024-2028	1,295,000	96,944	1,810,000	779,710
2029-2033	-	-	1,126,000	401,955
2034-2038	-	-	671,000	231,355
2039-2043	-	-	661,000	82,658
<b>Total</b>	<b>\$ 6,870,000</b>	<b>\$ 1,953,034</b>	<b>\$ 8,996,500</b>	<b>\$ 4,473,596</b>

At June 30, 2013, the County had a legal debt margin of approximately \$155,000,000.

### 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, 2013:

	<b>Balance July 1, 2012</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance June 30, 2013</b>	<b>Current Portion of Balance</b>
<b>Governmental Activities:</b>					
General obligation bonds	\$ 7,355,000	\$ -	\$ (485,000)	\$ 6,870,000	\$ 485,000
Installment note	11,676,415	538,128	(715,882)	11,498,661	7,706,437
Compensated absences	805,247	725,754	(682,069)	848,932	84,893
Net pension obligation	318,120	23,496	(11,136)	330,480	-
Post-employment benefits	3,014,731	913,382	(236,319)	3,691,794	-
<b>Total governmental activities</b>	<b>\$ 23,169,513</b>	<b>\$ 2,200,760</b>	<b>\$ (2,130,406)</b>	<b>\$ 23,239,867</b>	<b>\$ 8,276,330</b>
<b>Business-Type Activities:</b>					
General obligation bonds	\$ 9,468,000	\$ -	\$ (471,500)	\$ 8,996,500	\$ 474,000
Installment note	-	55,701	-	55,701	18,567
Compensated absences	46,440	31,791	(40,561)	37,670	3,767
Post-employment benefits	146,931	44,517	(11,518)	179,930	-
<b>Total business-type activities</b>	<b>\$ 9,661,371</b>	<b>\$ 132,009</b>	<b>\$ (523,579)</b>	<b>\$ 9,269,801</b>	<b>\$ 496,334</b>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

Net pension obligation typically has been liquidated in the General Fund. Compensated absences and post-employment benefits have been liquidated in the General Fund and Enterprise Funds. 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, 2013, there were two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$5,500,000.

### Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2013 is composed of the following elements:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Capital assets	\$ 17,110,790	\$ 19,480,136
Long-term obligations	23,239,867	9,269,801
Compensated absences	(848,932)	(37,670)
Net pension obligation	(330,480)	-
Unfunded OPEB liability	(3,691,794)	(179,930)
Long-term debt for assets not owned by the County	(6,870,000)	-
Unspent debt proceeds	(3,860,193)	-
Long-term debt, net, related to capital assets	7,638,468	9,052,201
Net investment in capital assets	\$ 9,472,322	\$ 10,427,935

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### Interfund Balances and Activities

#### Transfers

	Transfers		Purpose
	From	To	
Operating Transfers			
From/To Other Funds:			
General Fund	\$ 1,470,000	\$ -	Debt service
Debt Service Fund	-	1,484,995	Debt service
Mid-Atlantic Distribution Park Fund	14,995	-	Debt service
Total transfers	\$ 1,484,995	\$ 1,484,995	

#### Due to/Due From Other Funds

<b>Receivable Fund</b>	<b>Payable Fund</b>	<b>Amount</b>	<b>Purpose</b>
General Fund	Wellness/Recreation Centers Capital Project Fund	\$ 366,779	Recreation Center equipment and capital improvements
General Fund	Emergency Telephone System Fund	389,977	Transfer for non-allowable costs
General Fund	Enviva Infrastructure Project Fund	1,562,296	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 Fund	429,754	Land purchase and architect fees
General Fund	Severn Peanut Capital Project Fund	173,478	For operations, cash overdrafts
General Fund	Water and Sewer Fund	50,000	For operations, cash overdrafts
General Fund	Solid Waste Fund	33,539	For operations, cash overdrafts
General Fund	CDBG Fund	1,583	For operations, cash overdrafts
Total		<u>\$3,575,956</u>	

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013**

### **4. Related Organization**

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

### **5. Joint Ventures**

The County participates in a joint venture to operate East Carolina Behavioral Health which serves as an area mental health authority. The County appoints two of the eighteen members to the Board of the Organization. The County has an ongoing financial responsibility for the joint venture because the Organization's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Organization, so no equity interest has been reflected in the financial statements at June 30, 2013. 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, 2013. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$133,010 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, 2013. Complete financial statements for the CPTA can be obtained from the offices at 106 North Main Street, Rich Square, North Carolina 27869.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

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, 2013. The County appropriated \$12,000 to the Airport Authority to supplement its activities. Complete financial statements for the Tri-County Airport Authority can be obtained from the offices at 140 Tri-County Airport Road, Aulander, North Carolina 27805.

The County also participates in the Halifax-Northampton Regional Airport Authority (the "Regional Airport Authority") with two other local governments. Northampton County appoints two members to the nine-member Board of the Regional Airport Authority. The Regional Airport Authority is a joint venture established to develop, maintain, operate, regulate, and improve the Regional Airport. The County has an ongoing financial responsibility for the joint venture because the Regional Airport Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Regional Airport Authority, so no equity interest has been reflected in the financial statements at June 30, 2013. 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, 2013.

### 7. Construction Commitments

The County has an active construction project as of June 30, 2013. The project is for the construction of a new Department of Social Services building. At year-end the County's commitment is as follows:

	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
DSS Building Project Fund	\$ 3,510,033	\$ 3,955,967
Total	<u>\$ 3,510,033</u>	<u>\$ 3,955,967</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

### 8. 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	\$ 25,990,154	\$ 14,847,505
Women, Infants, and Children	289,968	-
Temporary Assistance to Needy Families	233,563	(134)
Foster Care	21,200	5,264
Adoption Assistance	40,362	10,755
LINKS	206	-
State/County Special Assistance for Adults	-	441,447
CWS Adoption Subsidy	-	44,945
State Foster Home	-	2,100
SFHF Maximization	-	1,810
Total	<u>\$ 26,575,453</u>	<u>\$ 15,353,692</u>

### 9. 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.

### 10. Change in Accounting Principles

The County implemented Governmental Accounting Standards Board (GASB) Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement 65, *Items Previously Reported as Assets and Liabilities*, in the fiscal year ending June 30, 2013. In accordance with GASB Statement 63, the Statement of Net Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position. Additionally, GASB Statement 65 requires that deferred costs from the refunding of debt, which were previously deferred and amortized, be presented as deferred outflows of resources.



## NORTHAMPTON COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2013**

## Schedule of Funding Progress

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)					
12/31/2012	\$ -	\$ 195,724		\$ 195,724	0.00%	\$ 1,048,567	18.67%
12/31/2011	-	182,650		182,650	0.00%	1,003,678	18.20%
12/31/2010	-	172,460		172,460	0.00%	1,040,507	16.57%

## Schedule of Employer Contributions

Year Ended June 30	Annual	
	Required Contribution (ARC)	Percentage of ARC Contributed
2013	\$ 27,387	40.66%
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	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, closed
Remaining amortization period	18 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, 2013**

## 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
12/31/2012	\$ -	\$ 10,052,870	\$ 10,052,870	0.00%	\$ 10,382,785	96.82%
12/31/2010	-	10,831,695	10,831,695	0.00%	9,757,690	111.01%
12/31/2008	-	10,090,152	10,090,152	0.00%	9,900,282	101.92%

## Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Amount Contributed By Employer	Percentage of ARC Contributed
2013	\$ 952,248	\$ 247,837	26.03%
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	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value of assets
<b>Actuarial Assumptions:</b>	
Investment rate of return*	4.00%
Medical cost trend rate	8.50% - 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, 2013

	General Fund	Revaluation Fund	Revolving Loan Fund	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 17,708,325	\$ -	\$ -	\$ 17,708,325
Other taxes and licenses	1,849,387	-	-	1,849,387
Unrestricted intergovernmental	85,254	-	-	85,254
Restricted intergovernmental	7,146,953	-	-	7,146,953
Permits and fees	262,898	-	-	262,898
Sales and services	2,889,727	-	-	2,889,727
Investment earnings	3,394	79	3	3,476
Special project revenue	24,968	-	-	24,968
Miscellaneous	105,603	-	-	105,603
Total revenues	<u>30,076,509</u>	<u>79</u>	<u>3</u>	<u>30,076,591</u>
<b>Expenditures:</b>				
Current:				
General government	3,519,798	1,433	-	3,521,231
Public safety	7,659,937	-	-	7,659,937
Transportation	24,000	-	-	24,000
Environmental protection	129,043	-	-	129,043
Economic and physical development	773,137	-	-	773,137
Human services	10,984,119	-	-	10,984,119
Cultural and recreational	376,273	-	-	376,273
Education	3,522,217	-	-	3,522,217
Debt service:				
Principal	192,239	-	-	192,239
Interest	5,166	-	-	5,166
Total expenditures	<u>27,185,929</u>	<u>1,433</u>	<u>-</u>	<u>27,187,362</u>
Revenues over (under) expenditures	<u>2,890,580</u>	<u>(1,354)</u>	<u>3</u>	<u>2,889,229</u>
<b>Other Financing Sources (Uses):</b>				
Transfers (to) from other funds	(1,470,000)	-	-	(1,470,000)
Intrafund transfers	(50,000)	50,000	-	-
Long-term debt issued	538,128	-	-	538,128
Total other financing sources (uses)	<u>(981,872)</u>	<u>50,000</u>	<u>-</u>	<u>(931,872)</u>
Net change in fund balances	1,908,708	48,646	3	1,957,357
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>4,993,944</u>	<u>237,531</u>	<u>9,950</u>	<u>5,241,425</u>
End of year - June 30	<u>\$ 6,902,652</u>	<u>\$ 286,177</u>	<u>\$ 9,953</u>	<u>\$ 7,198,782</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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	2013			2012
	Budget	Actual	Variance Over /Under	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 17,171,665	\$ 17,467,296	\$ 295,631	\$ 16,374,290
Penalties and interest	150,528	241,029	90,501	220,117
Total	17,322,193	17,708,325	386,132	16,594,407
<b>Other Taxes and Licenses:</b>				
Privilege licenses	400	605	205	935
Local option sales tax	1,350,000	1,797,247	447,247	1,478,076
Excise tax	67,800	32,251	(35,549)	28,447
Hold harmless	1,200	7,293	6,093	49,259
Utility franchise tax	10,000	11,991	1,991	14,843
Total	1,429,400	1,849,387	419,987	1,571,560
<b>Unrestricted Intergovernmental:</b>				
Beer and wine tax	65,000	62,795	(2,205)	68,266
Food stamp tax reimbursements	-	7,379	7,379	9,481
Other	6,000	15,080	9,080	-
Total	71,000	85,254	14,254	77,747
<b>Restricted Intergovernmental:</b>				
Federal and State grants	7,449,065	7,012,792	(436,273)	6,530,079
Court facility fees	20,000	34,899	14,899	25,147
Fines and forfeitures	100,000	94,828	(5,172)	77,693
ABC bottles taxes	4,100	4,434	334	4,520
Total	7,573,165	7,146,953	(426,212)	6,637,439
<b>Permits and Fees:</b>				
Building permits	71,950	121,623	49,673	92,659
Register of Deeds	77,000	107,330	30,330	85,732
Other fees	31,100	33,945	2,845	25,920
Total	180,050	262,898	82,848	204,311
<b>Sales and Services:</b>				
Court costs and fees	20,000	24,315	4,315	16,440
Jail fees	15,599	2,107	(13,492)	7,100
Ambulance and rescue squad fees	1,065,000	1,091,444	26,444	615,883
Sheriff's fees	52,700	56,239	3,539	56,822
Health Department fees	1,714,872	1,488,234	(226,638)	1,712,025
Inmate housing	-	5,840	5,840	-
Wellness Center fees	14,300	13,044	(1,256)	13,814
Other fees	243,895	208,504	(35,391)	89,805
Total	3,126,366	2,889,727	(236,639)	2,511,889

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Investment Earnings</b>	<u>2,000</u>	<u>3,394</u>	<u>1,394</u>	<u>3,707</u>
<b>Special Project Revenue:</b>				
Fees and reimbursements	<u>8,703</u>	<u>24,968</u>	<u>16,265</u>	<u>27,782</u>
Total	<u>8,703</u>	<u>24,968</u>	<u>16,265</u>	<u>27,782</u>
<b>Miscellaneous:</b>				
Miscellaneous DSS	<u>6,110</u>	<u>6,382</u>	<u>272</u>	<u>2,845</u>
Other	<u>132,582</u>	<u>99,221</u>	<u>(33,361)</u>	<u>94,274</u>
Total	<u>138,692</u>	<u>105,603</u>	<u>(33,089)</u>	<u>97,119</u>
Total revenues	<u>29,851,569</u>	<u>30,076,509</u>	<u>224,940</u>	<u>27,725,961</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries and employee benefits	<u>53,355</u>	<u>48,048</u>		<u>52,214</u>
Other operating expenditures	<u>38,980</u>	<u>36,966</u>		<u>33,829</u>
Total	<u>92,335</u>	<u>85,014</u>	<u>7,321</u>	<u>86,043</u>
<b>Administration:</b>				
Salaries and employee benefits	<u>236,511</u>	<u>235,881</u>		<u>214,086</u>
Other operating expenditures	<u>12,835</u>	<u>9,537</u>		<u>11,397</u>
Total	<u>249,346</u>	<u>245,418</u>	<u>3,928</u>	<u>225,483</u>
<b>Human Resources:</b>				
Salaries and employee benefits	<u>140,482</u>	<u>139,606</u>		<u>134,007</u>
Other operating expenditures	<u>25,759</u>	<u>26,354</u>		<u>28,011</u>
Total	<u>166,241</u>	<u>165,960</u>	<u>281</u>	<u>162,018</u>
<b>Finance:</b>				
Salaries and employee benefits	<u>352,792</u>	<u>352,054</u>		<u>313,953</u>
Other operating expenditures	<u>195,410</u>	<u>193,227</u>		<u>204,304</u>
Total	<u>548,202</u>	<u>545,281</u>	<u>2,921</u>	<u>518,257</u>
<b>Hospitalization - Retirees:</b>				
Operating expenditures	<u>288,761</u>	<u>200,748</u>		<u>153,943</u>
Total	<u>288,761</u>	<u>200,748</u>	<u>88,013</u>	<u>153,943</u>
<b>Wellness Grant:</b>				
Other operating expenditures	<u>2,357</u>	<u>559</u>		<u>1,567</u>
Total	<u>2,357</u>	<u>559</u>	<u>1,798</u>	<u>1,567</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, 2013**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
<b>Taxes:</b>			
Salaries and employee benefits	466,022	455,845	
Other operating expenditures	152,362	142,527	
Total	618,384	598,372	20,012
<b>Land Records:</b>			
Salaries and employee benefits	154,647	153,476	
Other operating expenditures	24,469	22,309	
Total	179,116	175,785	3,331
<b>Legal:</b>			
Other operating expenditures	46,538	26,041	
Total	46,538	26,041	20,497
<b>Court Facilities:</b>			
Other operating expenditures	16,948	15,942	
Total	16,948	15,942	1,006
<b>Elections:</b>			
Salaries and employee benefits	117,425	95,175	
Other operating expenditures	79,277	64,802	
Total	196,702	159,977	36,725
<b>Register of Deeds:</b>			
Salaries and employee benefits	186,775	180,855	
Other operating expenditures	51,975	49,170	
Total	238,750	230,025	8,725
<b>Public Buildings:</b>			
Salaries and employee benefits	348,878	346,536	
Other operating expenditures	355,701	336,065	
Total	704,579	682,601	21,978
<b>Management Information Systems:</b>			
Salaries and employee benefits	58,668	58,401	
Other operating expenditures	233,810	218,431	
Total	292,478	276,832	15,646
<b>Central Garage:</b>			
Salaries and employee benefits	48,240	47,160	
Other operating expenditures	24,260	23,345	
Total	72,500	70,505	1,995

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Central Stores:</b>				
Operating expenditures	45,800	40,738		40,495
Total	45,800	40,738	5,062	40,495
 Total general government	 3,759,037	 3,519,798	 239,239	 3,250,636
 <b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and employee benefits	1,750,400	1,559,147		1,587,267
Other operating expenditures	573,123	495,043		336,855
Total	2,323,523	2,054,190	269,333	1,924,122
 <b>Sheriff - Execution Account:</b>				
Operating expenditures	27,000	22,626		17,553
Total	27,000	22,626	4,374	17,553
 <b>Criminal Justice Partnership Program:</b>				
Salaries and employee benefits	189,796	77,971		62,082
Other operating expenditures	103,096	29,518		31,043
Total	292,892	107,489	185,403	93,125
 <b>Jail:</b>				
Salaries and employee benefits	944,376	906,863		891,234
Other operating expenditures	416,400	345,860		405,945
Total	1,360,776	1,252,723	108,053	1,297,179
 <b>Emergency Communications:</b>				
Salaries and employee benefits	936,916	862,585		731,579
Other operating expenditures	29,115	18,638		22,263
Total	966,031	881,223	84,808	753,842
 <b>911 County:</b>				
Other operating expenditures	91,098	54,312		50,142
Total	91,098	54,312	36,786	50,142
 <b>Emergency Management:</b>				
Salaries and employee benefits	63,546	56,410		63,662
Other operating expenditures	109,905	107,433		38,389
Total	173,451	163,843	9,608	102,051
 <b>Homeland Security:</b>				
Other operating expenditures	1,000	-		-
Total	1,000	-	1,000	-

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
			<b>Actual</b>
<b>Fire:</b>			
Assistance to local fire departments	14,500	14,500	13,650
Contribution to N.C. Forestry	88,778	85,265	85,586
Total	103,278	99,765	99,236
<b>Building Inspections:</b>			
Salaries and employee benefits	161,171	159,229	152,520
Other operating expenditures	19,520	12,693	14,581
Total	180,691	171,922	167,101
<b>Medical Examiner:</b>			
Contracted services	10,000	2,800	7,200
Total	10,000	2,800	7,200
<b>911 Satellite Office:</b>			
Other operating expenditures	-	-	1,125
Total	-	-	1,125
<b>Ambulance Services:</b>			
Salaries and employee benefits	2,169,943	2,154,323	1,794,640
Other operating expenditures	602,640	597,547	199,196
Assistance to local rescue units	13,000	13,000	8,500
Total	2,785,583	2,764,870	2,002,336
<b>Animal Control:</b>			
Salaries and employee benefits	50,993	50,771	48,812
Other operating expenditures	46,375	29,403	25,968
Total	97,368	80,174	74,780
<b>Tobacco Free Living:</b>			
Other operating expenditures	4,000	4,000	-
Total	4,000	4,000	-
Total public safety	8,416,691	7,659,937	6,589,792
<b>Transportation:</b>			
Contribution to Tri-County Airport	29,000	24,000	24,000
Total transportation	29,000	24,000	24,000



**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2013**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
			<b>Actual</b>
<b>Environmental Protection:</b>			
Contribution to Lake Gaston weed control	116,000	116,000	116,000
Drainage and watershed protection	4,000	4,000	4,000
Landfill Pesticide Containers	4,447	4,447	-
Environmental Protection grant expenditures	4,596	4,596	5,405
Total environmental protection	129,043	129,043	-
<b>Economic and Physical Development:</b>			
<b>Planning and Zoning:</b>			
Salaries and employee benefits	123,028	119,358	114,333
Other operating expenditures	34,550	9,979	9,998
Total	157,578	129,337	28,241
<b>Economic Development:</b>			
Salaries and employee benefits	159,457	155,443	146,160
Other operating expenditures	210,532	166,320	195,607
COG membership dues	9,090	9,090	9,090
Contribution to Chamber of Commerce	11,950	11,950	11,550
Miscellaneous contributions	500	500	500
Total	391,529	343,303	48,226
<b>Cooperative Extension:</b>			
Salaries and employee benefits	232,808	196,237	180,433
Other operating expenditures	44,184	29,933	26,139
Total	276,992	226,170	50,822
<b>Environmental Equity Grant:</b>			
Operating expenditures	1,073	-	-
Total	1,073	-	1,073
<b>Soil and Water Conservation:</b>			
Salaries and employee benefits	82,682	68,937	86,251
Other operating expenditures	6,325	5,390	4,851
Total	89,007	74,327	14,680
Total economic and physical development	916,179	773,137	143,042
<b>Human Services:</b>			
<b>Health:</b>			
Salaries and employee benefits	681,623	597,908	584,493
Other operating expenditures	128,660	90,764	68,415
Total	810,283	688,672	121,611

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2013**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Communicable Disease:</b>				
Salaries and employee benefits	14,399	13,776		7,015
Other operating expenditures	925	711		658
Total	15,324	14,487	837	7,673
<b>Kate B. Reynolds Grant:</b>				
Salaries and employee benefits	82,790	80,470		68,870
Other operating expenditures	14,305	10,206		14,395
Total	97,095	90,676	6,419	83,265
<b>Healthy Start Initiative:</b>				
Salaries and employee benefits	82,929	82,071		68,100
Other operating expenditures	105,875	102,255		32,358
Total	188,804	184,326	4,478	100,458
<b>Immunization Program:</b>				
Salaries and employee benefits	8,580	5,217		6,512
Other operating expenditures	2,997	2,488		2,185
Total	11,577	7,705	3,872	8,697
<b>Carolina Access III:</b>				
Salaries and employee benefits	292,606	227,768		215,955
Other operating expenditures	43,447	28,825		19,286
Total	336,053	256,593	79,460	235,241
<b>Tuberculosis Program:</b>				
Salaries and employee benefits	24,944	24,929		19,325
Other operating expenditures	9,452	8,429		4,725
Total	34,396	33,358	1,038	24,050
<b>Motivational Interviewing:</b>				
Other operating expenditures	-	-		5,530
Total	-	-	-	5,530
<b>Diabetes Prevention:</b>				
Salaries and employee benefits	-	-		1,006
Other operating expenditures	-	-		1,853
Total	-	-	-	2,859
<b>Community Health Grant:</b>				
Salaries and employee benefits	-	-		10,317
Other operating expenditures	22,886	22,626		31,481
Total	22,886	22,626	260	41,798

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Health Infection Control:</b>				
Other operating expenditures	-	-		2,330
Total	-	-	-	2,330
<b>Health - Jail Site Testing:</b>				
Salaries and employee benefits	41,702	41,217		29,617
Other operating expenditures	12,530	11,715		14,684
Total	54,232	52,932	1,300	44,301
<b>Pregnancy Care Management:</b>				
Salaries and employee benefits	67,684	66,600		59,382
Other operating expenditures	9,553	4,486		5,709
Total	77,237	71,086	6,151	65,091
<b>Mosquito Control:</b>				
Other operating expenditures	12,373	12,373		2,500
Total	12,373	12,373	-	2,500
<b>Nurse Family Partnership:</b>				
Salaries and employee benefits	339,125	315,007		26,472
Other operating expenditures	245,146	227,500		54,611
Total	584,271	542,507	41,764	81,083
<b>School Nurse Program:</b>				
Salaries and employee benefits	150,000	150,000		116,752
Total	150,000	150,000	-	116,752
<b>Healthy Communities:</b>				
Salaries and employee benefits	11,024	10,828		-
Other operating expenditures	7,661	7,661		-
Total	18,685	18,489	196	-
<b>Health CDC TB:</b>				
Salaries and employee benefits	1,974	1,971		-
Other operating expenditures	3,052	3,051		-
Total	5,026	5,022	4	-
<b>Health - Susan Koman:</b>				
Other operating expenditures	3,500	-		-
Total	3,500	-	3,500	-

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2013**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Breast and Cervical Cancer:</b>				
Salaries and employee benefits	9,794	9,550		9,163
Other operating expenditures	35,539	25,151		22,752
Total	45,333	34,701	10,632	31,915
<b>Home Health:</b>				
Salaries and employee benefits	698,035	646,553		648,694
Other operating expenditures	568,600	339,217		420,226
Total	1,266,635	985,770	280,865	1,068,920
<b>Health Promotions:</b>				
Salaries and employee benefits	-	84		23,257
Total	-	84	(84)	23,257
<b>School Health - Kate B. Reynolds:</b>				
Salaries and employee benefits	34,817	34,624		32,785
Other operating expenditures	4,155	2,219		3,395
Total	38,972	36,843	2,129	36,180
<b>Child Health:</b>				
Salaries and employee benefits	167,369	159,114		169,685
Other operating expenditures	32,851	21,820		15,597
Total	200,220	180,934	19,286	185,282
<b>Child Services Coordination:</b>				
Salaries and employee benefits	57,393	56,900		81,731
Other operating expenditures	15,698	6,919		9,753
Total	73,091	63,819	9,272	91,484
<b>Maternal Child Health:</b>				
Salaries and employee benefits	119,606	13,385		81,018
Other operating expenditures	26,315	18,191		17,163
Total	145,921	31,576	114,345	98,181
<b>Family Planning:</b>				
Salaries and employee benefits	127,721	124,496		156,321
Other operating expenditures	49,765	36,307		31,661
Total	177,486	160,803	16,683	187,982
<b>Health Promotions - Clinical (Adult):</b>				
Salaries and employee benefits	22,262	19,601		9,171
Operating expenditures	7,086	4,898		4,611
Total	29,348	24,499	4,849	13,782

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
			<b>Actual</b>
<b>Health-Head Start:</b>			
Salaries and employee benefits	36,311	35,609	34,107
Other operating expenditures	3,455	2,426	2,477
Total	39,766	38,035	1,731
<b>Women, Infants, and Children:</b>			
Salaries and employee benefits	146,981	145,050	148,678
Other operating expenditures	13,297	11,128	10,101
Total	160,278	156,178	4,100
<b>Peer Counseling:</b>			
Salaries and employee benefits	5,449	4,319	6,300
Other operating expenditures	3,304	2,191	1,080
Total	8,753	6,510	2,243
<b>Wise Woman Project:</b>			
Salaries and employee benefits	9,251	9,056	10,046
Other operating expenditures	4,936	3,783	3,092
Total	14,187	12,839	1,348
<b>Family Planning Outreach:</b>			
Other operating expenditures	3,567	3,567	4,247
Total	3,567	3,567	-
<b>Bio-Terrorism Grant:</b>			
Salaries and employee benefits	37,924	36,959	28,037
Operating expenditures	12,418	10,267	15,168
Total	50,342	47,226	3,116
<b>Environmental Health:</b>			
Salaries and employee benefits	162,103	161,167	153,795
Other operating expenditures	24,546	13,697	9,570
Total	186,649	174,864	11,785
<b>Elderly and Handicapped:</b>			
Operating expenditures	133,191	107,841	25,350
<b>Home Delivered Meals:</b>			
Salaries and employee benefits	18,534	16,554	16,999
Other operating expenditures	100,929	81,095	100,672
Total	119,463	97,649	21,814

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2013**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Home and Community Care Block Grant:</b>				
Salaries and employee benefits	9,536	9,512		7,896
Other operating expenditures	103,232	101,497		103,061
Total	112,768	111,009	1,759	110,957
<b>AIDS Control:</b>				
Salaries and employee benefits	27,089	24,824		22,775
Other operating expenditures	1,735	(2,138)		1,032
Total	28,824	22,686	6,138	23,807
Total health	5,256,536	4,448,285	808,251	3,993,291
<b>Mental Health:</b>				
Contribution to mental health center	81,614	81,614		81,614
Total	81,614	81,614	-	81,614
<b>Aging:</b>				
Salaries and employee benefits	55,768	55,473		51,688
Other operating expenditures	5,645	5,055		4,165
Total	61,413	60,528	885	55,853
<b>Office of Aging Special Funds:</b>				
Other operating expenditures	-	200		1,221
Total	-	200	(200)	1,221
<b>Care Giver Grant:</b>				
Operating expenditures	19,948	9,183		19,666
Total	19,948	9,183	10,765	19,666
<b>Veterans Assistance:</b>				
Salaries and employee benefits	45,569	44,837		43,223
Other operating expenditures	6,745	5,125		3,709
Total	52,314	49,962	2,352	46,932
<b>Community Based Alternatives:</b>				
Operating expenditures	118,176	112,843		152,518
Total	118,176	112,843	5,333	152,518
<b>Social Services:</b>				
<b>Administration:</b>				
Salaries and employee benefits	3,254,241	3,344,178		3,450,778
Other operating expenditures	1,331,499	1,249,262		1,336,224
Total	4,585,740	4,593,440	(7,700)	4,787,002

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **GENERAL FUND**

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

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

#### **FOR THE YEAR ENDED JUNE 30, 2013**

#### **WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>		<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
			<b>Actual</b>
<b>Program Expenditures:</b>			
<b>Federal and State Expenditures:</b>			
AFDC - FC	59,778	30,580	35,305
Crisis Fuel	214,377	214,120	308,669
Board home	32,750	2,465	31,320
Smart Start daycare	88,400	87,746	87,041
CAP/DA federal and State expenditures	60,000	57,837	60,142
TANF Domestic Violence	-	-	2,991
Child daycare	926,135	633,401	662,089
Special Adoption assistance	9,600	9,515	1,277
Total Federal and State expenditures	1,391,040	1,035,664	355,376
<b>County Expenditures:</b>			
Foster Care	1,052	-	782
Medicaid	1,000	552	8,980
Aid to Blind	3,939	2,145	2,265
OAA/AD	446,713	443,679	435,089
AFDC - FC	8,418	7,682	8,514
General assistance	10,000	9,886	7,170
Board home	3,593	2,866	25,737
Food Stamp issuances	14,146	10,693	12,098
IV-E Adoption assistance	20,153	20,097	14,402
Low income energy assistance	94,605	94,800	89,778
Total County expenditures	603,619	592,400	11,219
Total social services	6,580,399	6,221,504	358,895
Total human services	12,170,400	10,984,119	1,186,281
<b>Cultural and Recreational:</b>			
<b>Recreation:</b>			
Salaries and employee benefits	192,674	184,450	175,568
Other operating expenditures	51,794	44,915	48,684
Total	244,468	229,365	15,103
<b>Libraries:</b>			
Contribution to regional library	133,010	133,010	127,226
Total	133,010	133,010	-
<b>Northampton Cultural Arts:</b>			
Contribution	8,910	8,898	9,426
Total	8,910	8,898	12

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2013  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Museums:</b>				
Contribution to museum	5,000	5,000		2,500
Total	5,000	5,000	-	2,500
 Total cultural and recreational	 391,388	 376,273	 15,103	 363,404
<b>Education:</b>				
Public schools - current expenses	3,161,538	3,161,538		3,461,538
Public schools - capital outlay	345,000	241,851		130,971
Public schools - fines and forfeitures	100,000	94,828		77,693
Community colleges - current	24,000	24,000		24,000
Contribution to educational project	1,000	-		-
Total education	3,631,538	3,522,217	109,321	3,694,202
<b>Debt Service:</b>				
Principal retirement	192,299	192,239		233,106
Interest and fees	5,166	5,166		14,009
Total debt service	197,465	197,405	60	247,115
 Total expenditures	 29,640,741	 27,185,929	 2,454,800	 26,011,212
 Revenues over (under) expenditures	 210,828	 2,890,580	 2,679,752	 1,714,749
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds:				
Debt Service Fund	(1,470,000)	(1,470,000)	-	(1,487,287)
Intrafund transfers:				
Revaluation fund	(50,000)	(50,000)	-	(50,000)
Long-term debt issued	521,925	538,128	16,203	-
Appropriated fund balance	848,847	-	(848,847)	-
Contingency	(61,600)	-	61,600	-
Total other financing sources (uses)	(210,828)	(981,872)	(771,044)	(1,537,287)
 Net change in fund balance	 \$ -	 1,908,708	 \$ 1,908,708	 177,462
<b>Fund Balance:</b>				
Beginning of year - July 1		4,993,944		4,816,482
 End of year - June 30		 \$ 6,902,652		 \$ 4,993,944



## NORTHAMPTON COUNTY, NORTH CAROLINA

## REVALUATION FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 79	\$ 79	\$ 65
<b>Expenditures:</b>				
Current:				
General government:				
Other operating expenditures	50,000	1,433	48,567	1,106
Total expenditures	50,000	1,433	48,567	1,106
Revenues over (under) expenditures	(50,000)	(1,354)	48,646	(1,041)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	50,000	50,000	-	50,000
Total other financing sources (uses)	50,000	50,000	-	50,000
Net change in fund balance	\$ -	48,646	\$ 48,646	48,959
<b>Fund Balance:</b>				
Beginning of year - July 1		237,531		188,572
End of year - June 30		\$ 286,177		\$ 237,531

## 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, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 7,000	\$ 3	\$ (6,997)	\$ 3
Miscellaneous	99,000	-	(99,000)	-
Total revenues	106,000	3	(105,997)	3
<b>Other Financing Sources (Uses):</b>				
Transfers from General Fund	285,503	-	(285,503)	-
Transfers from (to) other funds	(391,503)	-	391,503	-
Total other financing sources (uses)	(106,000)	-	106,000	-
Net change in fund balance	<u>\$ -</u>	3	<u>\$ 3</u>	3
<b>Fund Balance:</b>				
Beginning of year - July 1		9,950		9,947
End of year - June 30		<u>\$ 9,953</u>		<u>\$ 9,950</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, 2013

		Actual			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
FHA grant	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Investment earnings	-	2,870	3,554	6,424	6,424
Total revenues	<u>500,000</u>	<u>2,870</u>	<u>3,554</u>	<u>6,424</u>	<u>(493,576)</u>
<b>Expenditures:</b>					
Human services:					
Land	150,000	140,359	-	140,359	9,641
DSS Building	<u>7,316,000</u>	<u>382,642</u>	<u>3,462,526</u>	<u>3,845,168</u>	<u>3,470,832</u>
Total expenditures	<u>7,466,000</u>	<u>523,001</u>	<u>3,462,526</u>	<u>3,985,527</u>	<u>3,480,473</u>
Revenues over (under) expenditures	<u>(6,966,000)</u>	<u>(520,131)</u>	<u>(3,458,972)</u>	<u>(3,979,103)</u>	<u>2,986,897</u>
<b>Other Financing Sources (Uses):</b>					
Long-term debt issued	<u>6,966,000</u>	<u>6,966,000</u>	-	<u>6,966,000</u>	-
Total other financing sources (uses)	<u>6,966,000</u>	<u>6,966,000</u>	-	<u>6,966,000</u>	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 6,445,869</u>	<u>\$ (3,458,972)</u>	<u>\$ 2,986,897</u>	<u>\$ 2,986,897</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## MAJOR CAPITAL PROJECT FUND

## ENVIVA INFRASTRUCTURE PROJECT

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Restricted intergovernmental:					
CDBG	\$ 930,000	\$ -	\$ 829,580	\$ 829,580	\$ (100,420)
NC Rural Center	620,000	-	-	-	(620,000)
USDA	2,002,088	-	848,724	848,724	(1,153,364)
Miscellaneous	31,000	18,910	-	18,910	(12,090)
Total revenues	<u>3,583,088</u>	<u>18,910</u>	<u>1,678,304</u>	<u>1,697,214</u>	<u>(1,885,874)</u>
<b>Expenditures:</b>					
Economic and physical development:					
EDA expenditures	2,002,088	119,100	1,628,800	1,747,900	254,188
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	579,589	691,409	(291,409)
General expenditures	31,000	16,508	11,845	28,353	2,647
Total expenditures	<u>3,583,088</u>	<u>335,276</u>	<u>2,220,234</u>	<u>2,555,510</u>	<u>1,027,578</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (316,366)</u>	<u>\$ (541,930)</u>	<u>\$ (858,296)</u>	<u>\$ (858,296)</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2013

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Project Fund	Debt Service Fund	Total
<b>Assets:</b>				
Cash and cash equivalents	\$ 263,640	\$ 179,001	\$ 28,238	\$ 470,879
Accounts receivable, net	118,793	-	-	118,793
Due from other funds	-	169,720	-	169,720
Total assets	<u>\$ 382,433</u>	<u>\$ 348,721</u>	<u>\$ 28,238</u>	<u>\$ 759,392</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 8,858	\$ 66,068	\$ -	\$ 74,926
Due to other funds	391,560	540,257	-	931,817
Total liabilities	<u>400,418</u>	<u>606,325</u>	<u>-</u>	<u>1,006,743</u>
<b>Deferred Inflows of Resources:</b>				
Taxes receivable	102,288	-	-	102,288
Total deferred inflows of resources	<u>102,288</u>	<u>-</u>	<u>-</u>	<u>102,288</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State statute	16,505	169,720	-	186,225
Committed:				
Committed, other	-	178,674	-	178,674
Assigned:				
Assigned, other	5,948	-	28,238	34,186
Unassigned	(142,726)	(605,998)	-	(748,724)
Total fund balances	<u>(120,273)</u>	<u>(257,604)</u>	<u>28,238</u>	<u>(349,639)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 382,433</u>	<u>\$ 348,721</u>	<u>\$ 28,238</u>	<u>\$ 759,392</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Project Funds	Debt Service Fund	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 624,388	\$ -	\$ -	\$ 624,388
Restricted intergovernmental	22,300	80,879	-	103,179
Sales and services	198,064	-	-	198,064
Investment earnings	87	42	-	129
Miscellaneous	38,498	-	-	38,498
Total revenues	<u>883,337</u>	<u>80,921</u>	<u>-</u>	<u>964,258</u>
<b>Expenditures:</b>				
Current:				
Public safety	841,112	-	-	841,112
Economic and physical development	13,000	332,336	-	345,336
Education	-	169,513	-	169,513
Debt service:				
Principal	20,000	-	988,643	1,008,643
Interest	-	-	484,490	484,490
Total expenditures	<u>874,112</u>	<u>501,849</u>	<u>1,473,133</u>	<u>2,849,094</u>
Revenues over (under) expenditures	<u>9,225</u>	<u>(420,928)</u>	<u>(1,473,133)</u>	<u>(1,884,836)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	<u>(14,995)</u>	<u>-</u>	<u>1,484,995</u>	<u>1,470,000</u>
Total other financing sources (uses)	<u>(14,995)</u>	<u>-</u>	<u>1,484,995</u>	<u>1,470,000</u>
Net change in fund balances	(5,770)	(420,928)	11,862	(414,836)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>(114,503)</u>	<u>163,324</u>	<u>16,376</u>	<u>65,197</u>
End of year - June 30	<u>\$ (120,273)</u>	<u>\$ (257,604)</u>	<u>\$ 28,238</u>	<u>\$ (349,639)</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR SPECIAL REVENUE FUNDS

## COMBINING BALANCE SHEET

JUNE 30, 2013

	Mid-Atlantic Distribution Park Fund	Emergency Telephone System Fund	Fire District Fund	CDBG Fund	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ 5,948	\$ 251,166	\$ 6,526	\$ -	\$ 263,640
Accounts receivable, net	-	16,505	102,288	-	118,793
Total assets	<u>\$ 5,948</u>	<u>\$ 267,671</u>	<u>\$ 108,814</u>	<u>\$ -</u>	<u>\$ 382,433</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 8,858	\$ -	\$ 8,858
Due to other funds	-	389,977	-	1,583	391,560
Total liabilities	<u>-</u>	<u>389,977</u>	<u>8,858</u>	<u>1,583</u>	<u>400,418</u>
<b>Deferred Inflows of Resources:</b>					
Taxes receivable	-	-	102,288	-	102,288
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>102,288</u>	<u>-</u>	<u>102,288</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	-	16,505	-	-	16,505
Assigned:					
Assigned, other	5,948	-	-	-	5,948
Unassigned	-	(138,811)	(2,332)	(1,583)	(142,726)
Total fund balances	<u>5,948</u>	<u>(122,306)</u>	<u>(2,332)</u>	<u>(1,583)</u>	<u>(120,273)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,948</u>	<u>\$ 267,671</u>	<u>\$ 108,814</u>	<u>\$ -</u>	<u>\$ 382,433</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, 2013**

	<b>Mid-Atlantic Distribution Park Fund</b>	<b>Emergency Telephone System Fund</b>	<b>Fire District Fund</b>	<b>CDBG Fund</b>	<b>Total</b>
<b>Revenues:</b>					
Ad valorem taxes	\$ -	\$ -	\$ 624,388	\$ -	\$ 624,388
Restricted intergovernmental	-	-	-	22,300	22,300
Sales and services	-	198,064	-	-	198,064
Investment earnings	4	72	11	-	87
Miscellaneous	18,476	22	-	20,000	38,498
Total revenues	<u>18,480</u>	<u>198,158</u>	<u>624,399</u>	<u>42,300</u>	<u>883,337</u>
<b>Expenditures:</b>					
Public safety	-	215,155	625,957	-	841,112
Economic and physical development	-	-	-	13,000	13,000
Debt service	-	-	-	20,000	20,000
Total expenditures	<u>-</u>	<u>215,155</u>	<u>625,957</u>	<u>33,000</u>	<u>874,112</u>
Revenues over (under) expenditures	<u>18,480</u>	<u>(16,997)</u>	<u>(1,558)</u>	<u>9,300</u>	<u>9,225</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	<u>(14,995)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,995)</u>
Total other financing sources (uses)	<u>(14,995)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,995)</u>
Net change in fund balances	3,485	(16,997)	(1,558)	9,300	(5,770)
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>2,463</u>	<u>(105,309)</u>	<u>(774)</u>	<u>(10,883)</u>	<u>(114,503)</u>
End of year - June 30	<u>\$ 5,948</u>	<u>\$ (122,306)</u>	<u>\$ (2,332)</u>	<u>\$ (1,583)</u>	<u>\$ (120,273)</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, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 4	\$ 4	\$ 5
Miscellaneous revenue	285,664	18,476	(267,188)	26,590
Total revenues	285,664	18,480	(267,184)	26,595
<b>Expenditures:</b>				
Current:				
Economic and physical development	1,251,954	-	1,251,954	-
Total expenditures	1,251,954	-	1,251,954	-
Revenues over (under) expenditures	(966,290)	18,480	984,770	26,595
<b>Other Financing Sources (Uses):</b>				
Long-term debt issued	1,200,000	-	(1,200,000)	-
Transfers in (out)	(55,000)	(14,995)	40,005	(25,002)
Transfers - Intrafund	27,000	-	(27,000)	-
Loan expenditures (closing costs)	(205,710)	-	205,710	-
Total other financing sources (uses)	966,290	(14,995)	(981,285)	(25,002)
Net change in fund balance	\$ -	3,485	\$ 3,485	1,593
<b>Fund Balance:</b>				
Beginning of year - July 1		2,463		870
End of year - June 30		\$ 5,948		\$ 2,463

## 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, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Telephone surcharge	\$ 177,528	\$ 198,064	\$ 20,536	\$ 177,524
Investment earnings	-	72	72	14
Miscellaneous	-	22	22	-
Total revenues	<u>177,528</u>	<u>198,158</u>	<u>20,630</u>	<u>177,538</u>
<b>Expenditures:</b>				
Current:				
Public safety:				
Construction/capital outlay	50,000	41,625	8,375	85,000
Other expenditures	<u>214,000</u>	<u>173,530</u>	<u>40,470</u>	<u>321,232</u>
Total expenditures	<u>264,000</u>	<u>215,155</u>	<u>48,845</u>	<u>406,232</u>
Revenues over (under) expenditures	<u>(86,472)</u>	<u>(16,997)</u>	<u>69,475</u>	<u>(228,694)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	<u>86,472</u>	-	<u>(86,472)</u>	-
Total other financing sources (uses)	<u>86,472</u>	-	<u>(86,472)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(16,997)</u>	<u>\$ (16,997)</u>	<u>(228,694)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>(105,309)</u>		<u>123,385</u>
End of year - June 30		<u>\$ (122,306)</u>		<u>\$ (105,309)</u>

## PSAP RECONCILIATION

## FOR THE YEAR ENDED JUNE 30, 2013

Amounts reported on the Emergency Telephone System Fund budget to actual are different from the PSAP Revenue-Expenditure Report because:

Ending fund balance, reported on Budget-to-Actual	\$ (122,306)
Cumulative prior period revenues and expenditures not reported in the fund schedule (difference in beginning fund balance - budget to actual vs. PSAP Report)	389,960
A portion of 911 revenue reported on budget to actual, not reported on PSAP Report	<u>(31)</u>
Ending balance, PSAP Revenue-Expenditure Report	<u>\$ 267,623</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, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Roanoke Wildwood Fire District tax	\$ 181,790	\$ 180,532	\$ (1,258)	\$ 177,749
Garysburg Fire District tax	73,478	73,435	(43)	72,914
Gaston Fire District tax	136,304	136,081	(223)	101,992
Jackson Fire District tax	39,284	39,229	(55)	37,866
Lasker Fire District tax	25,760	25,568	(192)	24,560
Seaboard Fire District tax	75,620	55,154	(20,466)	77,937
Rich Square Fire District tax	61,274	61,211	(63)	60,268
Woodland Fire District tax	53,222	53,178	(44)	52,921
Interest earnings	-	11	11	28
Total revenues	<u>646,732</u>	<u>624,399</u>	<u>(22,333)</u>	<u>606,235</u>
<b>Expenditures:</b>				
Current:				
Public safety:				
Roanoke Wildwood levy	181,790	181,754	36	177,961
Garysburg levy	73,478	73,452	26	72,936
Gaston levy	136,304	136,245	59	102,065
Jackson levy	39,284	39,277	7	37,945
Lasker levy	25,760	25,683	77	24,580
Seaboard Fire District levy	75,620	55,102	20,518	77,927
Rich Square levy	61,274	61,251	23	60,297
Woodland levy	<u>53,222</u>	<u>53,193</u>	<u>29</u>	<u>53,024</u>
Total expenditures	<u>646,732</u>	<u>625,957</u>	<u>20,775</u>	<u>606,735</u>
Net change in fund balance	\$ -	(1,558)	\$ (1,558)	(500)
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>(774)</u>		<u>(274)</u>
End of year - June 30		<u>\$ (2,332)</u>		<u>\$ (774)</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, 2013

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Restricted intergovernmental:					
Community development	\$ 800,000	\$ 400,000	\$ 12,000	\$ 412,000	\$ (388,000)
Redevelopment assistance	2,335	14,374	-	14,374	12,039
Small Business Entrepreneurial Grant	250,000	-	10,300	10,300	(239,700)
Barrow mill road wastewater	600,000	-	-	-	(600,000)
Miscellaneous	20,000	80,000	20,000	100,000	80,000
Total revenues	<u>1,672,335</u>	<u>494,374</u>	<u>42,300</u>	<u>536,674</u>	<u>(1,135,661)</u>
<b>Expenditures:</b>					
Economic development:					
Administration	800,000	399,728	5,500	405,228	394,772
Redevelopment assistance loans	2,335	11,689	-	11,689	(9,354)
Contributions to other agencies	-	100,000	-	100,000	(100,000)
Small Business Entrepreneurial Grant	250,000	2,980	7,500	10,480	239,520
Barrow mill road wastewater	600,000	10,860	-	10,860	589,140
Debt service:					
Principal	20,000	80,000	20,000	100,000	(80,000)
Total expenditures	<u>1,672,335</u>	<u>605,257</u>	<u>33,000</u>	<u>638,257</u>	<u>1,034,078</u>
Revenues over (under) expenditures	<u>-</u>	<u>(110,883)</u>	<u>9,300</u>	<u>(101,583)</u>	<u>(101,583)</u>
<b>Other Financing Sources (Uses):</b>					
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>\$ (10,883)</u>	<u>9,300</u>	<u>\$ (1,583)</u>	<u>\$ (1,583)</u>
<b>Fund Balance:</b>					
Beginning of year, July 1			<u>(10,883)</u>		
End of year, June 30			<u>\$ (1,583)</u>		

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# NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUNDS

### COMBINING BALANCE SHEET

JUNE 30, 2013

	<b>Wellness and Recreation Centers Fund</b>	<b>First Responder Training Center Fund</b>	<b>Capital Reserve Fund</b>	<b>Ambulance Capital Reserve Fund</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 327	\$ 755	\$ -	\$ 900
Due from other funds	-	-	169,720	-
Total assets	<u>\$ 327</u>	<u>\$ 755</u>	<u>\$ 169,720</u>	<u>\$ 900</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds	366,779	-	-	-
Total liabilities	<u>366,779</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State statute	-	-	169,720	-
Committed:				
Committed, other	-	755	-	900
Unassigned	(366,452)	-	-	-
Total fund balances	<u>(366,452)</u>	<u>755</u>	<u>169,720</u>	<u>900</u>
Total liabilities and fund balances	<u>\$ 327</u>	<u>\$ 755</u>	<u>\$ 169,720</u>	<u>\$ 900</u>

**Schedule 15**

<b>EDC Capital Reserve Fund</b>	<b>Public Schools Building Fund</b>	<b>EDC REEP Project Fund</b>	<b>Severn Peanut Natural Gas Project</b>	<b>Total</b>
\$ 130,337	\$ 42,894	\$ 3,788	\$ -	\$ 179,001
-	-	-	-	169,720
<u>\$ 130,337</u>	<u>\$ 42,894</u>	<u>\$ 3,788</u>	<u>\$ -</u>	<u>\$ 348,721</u>
\$ -	\$ -	\$ -	\$ 66,068	\$ 66,068
-	-	-	173,478	540,257
-	-	-	239,546	606,325
-	-	-	-	169,720
130,337	42,894	3,788	-	178,674
-	-	-	(239,546)	(605,998)
<u>130,337</u>	<u>42,894</u>	<u>3,788</u>	<u>(239,546)</u>	<u>(257,604)</u>
<u>\$ 130,337</u>	<u>\$ 42,894</u>	<u>\$ 3,788</u>	<u>\$ -</u>	<u>\$ 348,721</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, 2013

	<b>Wellness and Recreation Centers Fund</b>	<b>First Responder Training Center Fund</b>	<b>Capital Reserve Fund</b>	<b>Ambulance Capital Reserve Fund</b>
<b>Revenues:</b>				
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Total revenues	-	-	-	-
<b>Expenditures:</b>				
Current:				
Economic and physical development	-	-	-	-
Education	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
<b>Fund Balances:</b>				
Beginning of year - July 1	(366,452)	755	169,720	900
End of year - June 30	<u>\$ (366,452)</u>	<u>\$ 755</u>	<u>\$ 169,720</u>	<u>\$ 900</u>



**Schedule 16**

<b>EDC Capital Reserve Fund</b>	<b>Public Schools Building Fund</b>	<b>EDC REEP Project Fund</b>	<b>Severn Peanut Natural Gas Project</b>	<b>Total</b>
\$ -	\$ (56,936)	\$ -	\$ 137,815	\$ 80,879
42	-	-	-	42
<u>42</u>	<u>(56,936)</u>	<u>-</u>	<u>137,815</u>	<u>80,921</u>
-	-	-	332,336	332,336
-	169,513	-	-	169,513
<u>-</u>	<u>169,513</u>	<u>-</u>	<u>332,336</u>	<u>501,849</u>
42	(226,449)	-	(194,521)	(420,928)
<u>130,295</u>	<u>269,343</u>	<u>3,788</u>	<u>(45,025)</u>	<u>163,324</u>
<u>\$ 130,337</u>	<u>\$ 42,894</u>	<u>\$ 3,788</u>	<u>\$ (239,546)</u>	<u>\$ (257,604)</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, 2013

		<u>Actual</u>			
	<u>Project</u>	<u>Prior</u>	<u>Current</u>	<u>Total to</u>	<u>Variance</u>
	<u>Authorization</u>	<u>Years</u>	<u>Year</u>	<u>Date</u>	<u>Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
USDA Grant	\$ 500,000	\$ 500,000	\$ -	\$ 500,000	\$ -
Other grants	599,000	599,000	-	599,000	-
Investment earnings	-	5,146	-	5,146	5,146
Miscellaneous	<u>25,000</u>	<u>26,500</u>	<u>-</u>	<u>26,500</u>	<u>1,500</u>
Total revenues	<u>1,124,000</u>	<u>1,130,646</u>	<u>-</u>	<u>1,130,646</u>	<u>6,646</u>
<b>Expenditures:</b>					
Human services:					
Wellness Center - capital outlay	2,300,000	2,300,000	-	2,300,000	-
Cultural and recreational:					
Recreation Center - capital outlay	<u>2,462,613</u>	<u>2,462,613</u>	<u>-</u>	<u>2,462,613</u>	<u>-</u>
Total expenditures	<u>4,762,613</u>	<u>4,762,613</u>	<u>-</u>	<u>4,762,613</u>	<u>-</u>
Revenues over (under) expenditures	<u>(3,638,613)</u>	<u>(3,631,967)</u>	<u>-</u>	<u>(3,631,967)</u>	<u>6,646</u>
<b>Other Financing Sources (Uses):</b>					
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>\$ (366,452)</u>	<u>\$ -</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, 2013

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 5	\$ -	\$ 5	\$ 5
Miscellaneous	<u>2,250</u>	<u>2,250</u>	<u>-</u>	<u>2,250</u>	<u>-</u>
Total revenues	<u>2,250</u>	<u>2,255</u>	<u>-</u>	<u>2,255</u>	<u>5</u>
<b>Expenditures:</b>					
Public safety:					
Capital outlay	<u>5,250</u>	<u>4,500</u>	<u>-</u>	<u>4,500</u>	<u>750</u>
Total expenditures	<u>5,250</u>	<u>4,500</u>	<u>-</u>	<u>4,500</u>	<u>750</u>
Revenues over (under) expenditures	<u>(3,000)</u>	<u>(2,245)</u>	<u>-</u>	<u>(2,245)</u>	<u>755</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
Total other financing sources (uses)	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 755</u>	<u>\$ -</u>	<u>\$ 755</u>	<u>\$ 755</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, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Total revenues	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ -	-	\$ -	-
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>169,720</u>		<u>169,720</u>
End of year - June 30		<u>\$ 169,720</u>		<u>\$ 169,720</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUND

## AMBULANCE CAPITAL RESERVE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Total revenues	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ -	-	\$ -	-
<b>Fund Balance:</b>				
Beginning of year - July 1		900		900
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, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 42	\$ 42	\$ 42
Net change in fund balance	<u>\$ -</u>	<u>42</u>	<u>\$ 42</u>	<u>42</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>130,295</u>		<u>130,253</u>
End of year - June 30		<u>\$ 130,337</u>		<u>\$ 130,295</u>

## 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, 2013

		<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
State ADM funds	\$ 3,094,130	\$ 2,569,777	\$ -	\$ 2,569,777	\$ (524,353)
State lottery funds	<u>1,615,188</u>	<u>1,672,124</u>	<u>(56,936)</u>	<u>1,615,188</u>	<u>-</u>
Total revenues	<u>4,709,318</u>	<u>4,241,901</u>	<u>(56,936)</u>	<u>4,184,965</u>	<u>(524,353)</u>
<b>Expenditures:</b>					
Current:					
Education:					
Land purchase	105,000	105,000	-	105,000	-
Renovation of existing buildings	4,428,930	4,109,145	169,513	4,278,658	150,272
Debt service - principal	<u>260,063</u>	<u>260,063</u>	<u>-</u>	<u>260,063</u>	<u>-</u>
Total expenditures	<u>4,793,993</u>	<u>4,474,208</u>	<u>169,513</u>	<u>4,643,721</u>	<u>150,272</u>
Revenues over (under) expenditures	<u>(84,675)</u>	<u>(232,307)</u>	<u>(226,449)</u>	<u>(458,756)</u>	<u>(374,081)</u>
<b>Other Financing Sources (Uses):</b>					
Reimbursement from Board of Education	<u>84,675</u>	<u>501,650</u>	<u>-</u>	<u>501,650</u>	<u>416,975</u>
Total other financing sources (uses)	<u>84,675</u>	<u>501,650</u>	<u>-</u>	<u>501,650</u>	<u>416,975</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 269,343</u>	<u>(226,449)</u>	<u>\$ 42,894</u>	<u>\$ 42,894</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>269,343</u>		
End of year - June 30			<u>\$ 42,894</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, 2013

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



## 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, 2013

		<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
USDA	\$ 630,000	\$ -	\$ 137,815	\$ 137,815	\$ (492,185)
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	<u>2,154,206</u>	<u>-</u>	<u>137,815</u>	<u>137,815</u>	<u>(2,016,391)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Piedmont natural gas expenditures	1,553,206	40,825	176,222	217,047	1,336,159
CDBG expenditures	101,000	4,200	13,585	17,785	83,215
Industrial development expenditures	500,000	-	142,529	142,529	357,471
Total expenditures	<u>2,154,206</u>	<u>45,025</u>	<u>332,336</u>	<u>377,361</u>	<u>1,776,845</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (45,025)</u>	<u>\$ (194,521)</u>	<u>\$ (239,546)</u>	<u>\$ (239,546)</u>

## 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, 2013

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ 3
<b>Expenditures:</b>				
Debt service:				
Principal retirement	989,931	988,643	1,288	974,079
Interest	495,464	484,490	10,974	521,940
Total expenditures	1,485,395	1,473,133	12,262	1,496,019
Revenues over (under) expenditures	(1,485,395)	(1,473,133)	12,262	(1,496,016)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out):				
Special revenue funds	14,995	14,995	-	25,002
General Fund	1,470,400	1,470,000	(400)	1,487,287
Total other financing sources (uses)	1,485,395	1,484,995	(400)	1,512,289
Net change in fund balance	\$ -	11,862	\$ 11,862	16,273
<b>Fund Balance:</b>				
Beginning of year - July 1		16,376		103
End of year - June 30		\$ 28,238		\$ 16,376

**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, 2013**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<b>2013</b>			<b>2012</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Water and sewer sales	\$ 2,497,471	\$ 2,471,226	\$ (26,245)	\$ 2,531,098
Water and sewer taps	12,500	13,200	700	16,132
Other operating revenues	<u>24,737</u>	<u>25,153</u>	<u>416</u>	<u>13,810</u>
Total operating revenues	<u>2,534,708</u>	<u>2,509,579</u>	<u>(25,129)</u>	<u>2,561,040</u>
<b>Non-Operating Revenues:</b>				
Interest earned on investments	<u>500</u>	<u>161</u>	<u>(339)</u>	<u>209</u>
Total revenues	<u>2,535,208</u>	<u>2,509,740</u>	<u>(25,468)</u>	<u>2,561,249</u>
<b>Expenditures:</b>				
Salaries and employee benefits	506,491	492,275	-	479,522
Purchased water	391,000	390,840	-	376,736
Sewage treatment	392,358	391,870	-	306,781
Other operating expenses	496,148	442,364	-	398,105
Capital outlay	126,306	126,306	-	17,152
Debt service:				
Debt principal	471,500	471,500	-	459,500
Interest and fees	<u>427,184</u>	<u>420,411</u>	<u>-</u>	<u>440,929</u>
Total expenditures	<u>2,810,987</u>	<u>2,735,566</u>	<u>75,421</u>	<u>2,478,725</u>
Revenues over (under) expenditures	<u>(275,779)</u>	<u>(225,826)</u>	<u>49,953</u>	<u>82,524</u>
<b>Other Financing Sources (Uses):</b>				
Issuance of long-term debt	55,701	55,701	-	-
Appropriated fund balance	220,078	-	(220,078)	-
Sale of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>200</u>
Total other financing sources (uses)	<u>275,779</u>	<u>55,701</u>	<u>(220,078)</u>	<u>200</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (170,125)</u>	<u>\$ (170,125)</u>	<u>\$ 82,724</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, 2013**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012**

	<u>2013</u>			<u>2012</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Reconciliation from Budgetary Basis</b>				
<b>(Modified Accrual) to Full Accrual:</b>				
Revenues and other financing sources over				
(under) expenditures and other financing uses		\$ (170,125)		\$ 82,724
Long-term debt issued		(55,701)		-
Debt principal		471,500		459,500
Increase in compensated absences		3,762		(1,299)
Increase in other post-employment benefits		(25,422)		(27,741)
Capital outlay		126,306		17,152
Depreciation		<u>(551,595)</u>		<u>(545,086)</u>
Change in net position		<u>\$ (201,275)</u>		<u>\$ (14,750)</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, 2013

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			2012
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Solid waste fees	\$ 2,192,500	\$ 2,054,148	\$ (138,352)	\$ 2,126,075
White goods and tire disposal tax	24,000	26,735	2,735	30,825
Solid waste disposal tax	8,000	10,580	2,580	12,908
Other operating revenues	35,100	55,950	20,850	170,001
Total operating revenues	<u>2,259,600</u>	<u>2,147,413</u>	<u>(112,187)</u>	<u>2,339,809</u>
<b>Non-Operating Revenues:</b>				
Capital contributions	5,000	-	(5,000)	(613)
Interest earned on investments	-	51	51	68
Total non-operating revenues	<u>5,000</u>	<u>51</u>	<u>(4,949)</u>	<u>(545)</u>
Total revenues	<u>2,264,600</u>	<u>2,147,464</u>	<u>(117,136)</u>	<u>2,339,264</u>
<b>Expenditures:</b>				
Salaries and employee benefits	127,010	120,232	6,778	157,467
Solid waste pickup	2,045,455	2,045,454	1	2,017,668
Other operating expenses	92,135	88,960	3,175	146,139
Total expenditures	<u>2,264,600</u>	<u>2,254,646</u>	<u>9,954</u>	<u>2,321,274</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (107,182)</u>	<u>\$ (107,182)</u>	<u>\$ 17,990</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ (107,182)		\$ 17,990
Increase (decrease) in compensated absences		5,008		(1,082)
Increase (decrease) in other post-employment benefits		(7,577)		(8,268)
Depreciation		<u>(2,350)</u>		<u>(4,031)</u>
Change in net position		<u>\$ (112,101)</u>		<u>\$ 4,609</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<b>Social Services:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 20,288	\$ 96,171	\$ 103,103	\$ 13,356
<b>Liabilities:</b>				
Accounts payable	\$ 20,288	\$ 96,171	\$ 103,103	\$ 13,356
<b>Inmate Trust Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 67,013	\$ 41,126	\$ 36,891	\$ 71,248
<b>Liabilities:</b>				
Accounts payable	\$ 67,013	\$ 41,126	\$ 36,891	\$ 71,248
<b>Motor Vehicle Tax:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 18,697	\$ 802,763	\$ 798,945	\$ 22,515
Accounts receivable	188,175	44,601	-	232,776
Total assets	<u>\$ 206,872</u>	<u>\$ 847,364</u>	<u>\$ 798,945</u>	<u>\$ 255,291</u>
<b>Liabilities:</b>				
Accounts payable	<u>\$ 206,872</u>	<u>\$ 847,364</u>	<u>\$ 798,945</u>	<u>\$ 255,291</u>
<b>Rescue Squad:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 2,850	\$ 77,141	\$ 79,589	\$ 402
Accounts receivable	894,946	63,424	-	958,370
Total assets	<u>\$ 897,796</u>	<u>\$ 140,565</u>	<u>\$ 79,589</u>	<u>\$ 958,772</u>
<b>Liabilities:</b>				
Intergovernmental payable	\$ 894,946	\$ 63,424	\$ -	\$ 958,370
Accounts payable	2,850	77,141	79,589	402
Total liabilities	<u>\$ 897,796</u>	<u>\$ 140,565</u>	<u>\$ 79,589</u>	<u>\$ 958,772</u>

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 2013**

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<b>3% Interest Payable to State:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 958	\$ 18,406	\$ 18,007	\$ 1,357
<b>Liabilities:</b>				
Intergovernmental payable	\$ 958	\$ 18,406	\$ 18,007	\$ 1,357
<b>Totals - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 109,806	\$ 1,035,607	\$ 1,036,535	\$ 108,878
Accounts receivable	1,083,121	108,025	-	1,191,146
Total assets	<u>\$ 1,192,927</u>	<u>\$ 1,143,632</u>	<u>\$ 1,036,535</u>	<u>\$ 1,300,024</u>
<b>Liabilities:</b>				
Intergovernmental payable	\$ 895,904	\$ 81,830	\$ 18,007	\$ 959,727
Accounts payable	297,023	1,061,802	1,018,528	340,297
Total liabilities	<u>\$ 1,192,927</u>	<u>\$ 1,143,632</u>	<u>\$ 1,036,535</u>	<u>\$ 1,300,024</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2013

<u>Fiscal Year</u>	<u>Uncollected Balance July 1, 2012</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2013</u>
2012-2013	\$ -	\$ 17,901,292	\$ 16,764,357	\$ 1,136,935
2011-2012	1,059,294	-	556,107	503,187
2010-2011	441,126	-	164,168	276,958
2009-2010	246,835	-	85,006	161,829
2008-2009	139,075	-	30,644	108,431
2007-2008	82,873	-	13,701	69,172
2006-2007	59,566	-	6,990	52,576
2005-2006	49,283	-	3,445	45,838
2004-2005	40,384	-	2,915	37,469
2003-2004	37,136	-	2,068	35,068
2002-2003	35,876	-	35,876	-
Total	<u>\$ 2,191,448</u>	<u>\$ 17,901,292</u>	<u>\$ 17,665,277</u>	<u>2,427,463</u>
Plus: Uncollected taxes on 2012-2013 motor vehicles				111,169
Less: Allowance for uncollectible accounts - General Fund				<u>(735,000)</u>
Ad valorem taxes receivable, net - General Fund				<u>\$ 1,803,632</u>
<b>Reconciliation with Revenues:</b>				
Ad valorem taxes - General Fund				\$ 17,708,325
Reconciling items:				
Interest collected				(241,029)
Taxes written off				35,876
Tax refunds				53,671
Miscellaneous adjustments				<u>108,434</u>
Total collections and credits				<u>\$ 17,665,277</u>



## NORTHAMPTON COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
FOR THE YEAR ENDED JUNE 30, 2013

	County-Wide		Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles
<b>Original Levy:</b>				
Property taxed at current year's rate	\$ 1,919,962,717	\$ 0.92	\$ 17,663,657	\$ 16,305,209
Penalties	-		34,080	34,080
Total	<u>1,919,962,717</u>		<u>17,697,737</u>	<u>16,339,289</u>
<b>Discoveries</b>	<u>26,058,152</u>		<u>239,735</u>	<u>239,735</u>
<b>Abatements</b>	<u>(3,932,609)</u>		<u>(36,180)</u>	<u>(16,494)</u>
Total property valuation	<u>\$ 1,942,088,261</u>			
<b>Net Levy</b>			17,901,292	16,562,530
Uncollected taxes at June 30, 2013			<u>1,136,935</u>	<u>874,761</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 16,764,357</u>	<u>\$ 15,687,769</u>
<b>Current Levy Collection Percentage</b>			<u>93.65%</u>	<u>94.72%</u>

**NORTHAMPTON COUNTY, NORTH CAROLINA****ANALYSIS OF CURRENT TAX LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2013****Secondary Market Disclosures:****Assessed Valuation:**

Assessment ratio	<u>100.00%</u>
Real property	\$ 1,644,618,186
Personal property	194,208,826
Public service companies	<u>103,261,249</u>
Total assessed valuation	<u>\$ 1,942,088,261</u>
Tax rate per \$100	<u>\$ 0.92</u>
Levy (includes discoveries, releases and abatements)	<u>\$ 17,901,292</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

TEN LARGEST TAXPAYERS  
FOR THE YEAR ENDED JUNE 30, 2013

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2012 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Dominion NC Power	Utility	\$ 58,352,549	3.00%
Lowes Home Center	Warehousing/distribution	43,350,351	2.23%
Smithfield Carroll's Farms	Hog processing	22,720,214	1.17%
Georgia Pacific	Chemical Manufacturing	20,615,996	1.06%
West Fraser Inc	Pulp, paper and wood products	17,150,791	0.88%
FIATP Timber LLC	Timber Investment	14,202,316	0.73%
CSX	Railroad	14,642,394	0.75%
Severn Peanut	Agriculture/Nuts	10,217,544	0.53%
North Carolina & Virginia Railroad	Railroad	9,572,304	0.49%
Roanoke Electric Membership Corp.	Utility	7,926,246	0.41%
Total		<u>\$ 218,750,705</u>	<u>11.26%</u>

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