

**NORTHAMPTON COUNTY  
JACKSON, NORTH CAROLINA**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2014**

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

---

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



**NORTHAMPTON COUNTY  
JACKSON, NORTH CAROLINA**

**BASIC FINANCIAL STATEMENTS  
JUNE 30, 2014**

**BOARD OF COMMISSIONERS**

**Robert Carter – Chairman**

**Fannie Greene – Vice-Chair**

**Joseph Barrett**

**Chester J. Deloatch, Sr.**

**Virginia Spruill**

**COUNTY MANAGER**

**Kimberly Turner**

**FINANCE DIRECTOR**

**Dorothy Vick**

*This page left blank intentionally.*

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **TABLE OF CONTENTS**

<b><u>Exhibit</u></b>		<b><u>Page</u></b>
	<b>Independent Auditor's Report</b>	1-3
	<b>Management's Discussion and Analysis</b>	4-12
	<b>Basic Financial Statements:</b>	
	<b>Government-Wide Financial Statements:</b>	
A	Statement of Net Position	13
B	Statement of Activities	14-15
	<b>Fund Financial Statements:</b>	
C	Balance Sheet - Governmental Funds	16
D	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	17
E	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	18
F	Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	19
G	Statement of Net Position - Proprietary Funds	20
H	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	21
I	Statement of Cash Flows - Proprietary Funds	22
J	Statement of Fiduciary Net Position - Fiduciary Funds	23
	<b>Notes to the Financial Statements</b>	24-64

# NORTHAMPTON COUNTY, NORTH CAROLINA

## BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	<b>Required Supplementary Information:</b>	
A-1	Law Enforcement Officers' Special Separation Separation Allowance	65
A-2	Other Post-Employment Benefits- Retiree Health Plan	66
	<b>Supplementary Information:</b>	
	<b>General Fund:</b>	
1	General Fund Consolidated - Statement of Revenues, Expenditures, and Changes in Fund Balances - Actual	67
2	General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	68-80
3	Revaluation Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	81
4	Revolving Loan Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	82
	<b>Major Capital Project Funds:</b>	
5	DSS Building Project Fund - Schedule of Revenues and Expenditures - Budget and Actual	83
6	Enviva Infrastructure Project Fund - Schedule of Revenues and Expenditures - Budget and Actual	84

# NORTHAMPTON COUNTY, NORTH CAROLINA

## BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	<b>Nonmajor Governmental Funds:</b>	
7	Combining Balance Sheet	85
8	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	86
	<b>Nonmajor Special Revenue Funds:</b>	
9	Combining Balance Sheet	87
10	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	88
11	Mid-Atlantic Distribution Park Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	89
12	Emergency Telephone System Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	90
13	Fire District Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	91
14	CDBG Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	92
	<b>Nonmajor Capital Project Funds:</b>	
15	Combining Balance Sheet	93-94
16	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	95-96
17	Wellness and Recreation Centers - Schedule of Revenues and Expenditures - Budget and Actual	97

# NORTHAMPTON COUNTY, NORTH CAROLINA

## BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	<b>Nonmajor Capital Project Funds (continued):</b>	
18	First Responder Training Center - Schedule of Revenues and Expenditures - Budget and Actual	98
19	Capital Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	99
20	Ambulance Capital Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	100
21	EDC Capital Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	101
22	Public Schools Building Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	102
23	EDC Reep Project - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	103
24	Severn Peanut Natural Gas Project - Schedule of Revenues and Expenditures - Budget and Actual	104
25	Nonmajor Debt Service Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	105
	<b>Enterprise Funds:</b>	
26	Water and Sewer Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	106-107



# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **TABLE OF CONTENTS**

<b><u>Schedule</u></b>		<b><u>Page</u></b>
	<b>Enterprise Funds (continued):</b>	
27	Water and Sewer Capital Project - Phase V Water Project - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	108
28	Solid Waste Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	109
	<b>Agency Funds:</b>	
29	Combining Statement of Changes in Assets and Liabilities	110-111
	<b>Additional Financial Data:</b>	
30	General Fund - Schedule of Ad Valorem Taxes Receivable	112
31	Analysis of Current Tax Levy	113
32	Analysis of Current Tax Levy - County-Wide Levy	114
33	Ten Largest Taxpayers	115

*This page left blank intentionally.*

# 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, 2014, 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, 2014, 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 Benefits' 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, other 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, other 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, other 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 6, 2015 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 6, 2015

*This page left blank intentionally.*

## **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, 2014. 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**

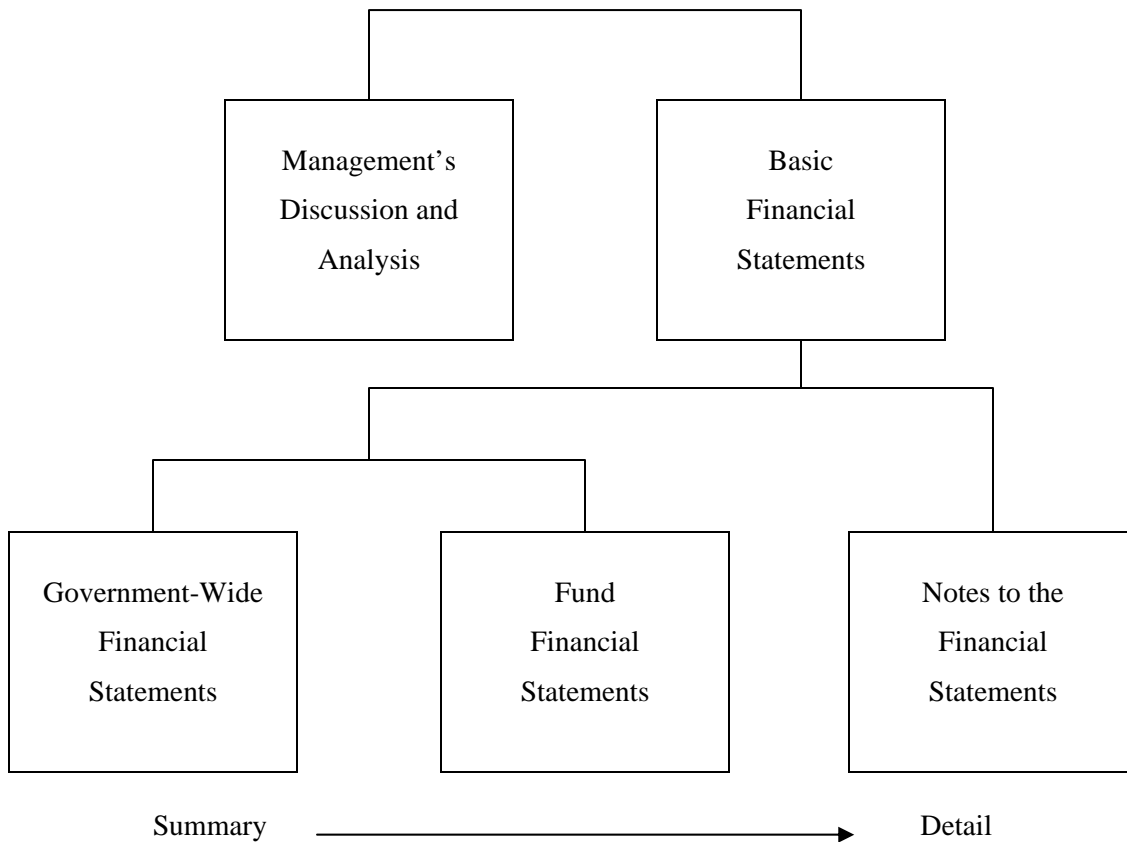
- The assets of Northampton County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$19,003,594 (*net position*).
- The government's total net position increased by \$2,766,563, primarily due to increased net position in governmental activities.
- As of the close of the current fiscal year, Northampton County's governmental funds reported combined ending fund balances of \$9,968,405, an increase of \$990,661 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,104,370, or 14.85 percent of total General Fund expenditures for the fiscal year.
- Northampton County's total general obligation and installment debt increased by \$3,880,284 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 three categories: governmental funds, proprietary funds, and fiduciary 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 \$19,003,594 as of June 30, 2014. The County's net position increased by \$2,766,563 for the fiscal year ended June 30, 2014. 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	
	2014	2013	2014	2013	2014	2013
<b>Assets:</b>						
Current and other assets	\$ 13,242,162	\$ 13,180,213	\$ 1,213,492	\$ 821,074	\$ 14,455,654	\$ 14,001,287
Capital assets	20,517,082	17,110,790	23,383,173	19,480,136	43,900,255	36,590,926
Total assets	<u>33,759,244</u>	<u>30,291,003</u>	<u>24,596,665</u>	<u>20,301,210</u>	<u>58,355,909</u>	<u>50,592,213</u>
<b>Liabilities:</b>						
Current liabilities outstanding	1,056,844	1,354,307	883,399	474,211	1,940,243	1,828,518
Long-term liabilities outstanding	23,364,686	23,154,974	13,955,337	9,266,034	37,320,023	32,421,008
Total liabilities	<u>24,421,530</u>	<u>24,509,281</u>	<u>14,838,736</u>	<u>9,740,245</u>	<u>39,260,266</u>	<u>34,249,526</u>
<b>Deferred Inflows of Resources</b>	<u>92,049</u>	<u>105,656</u>	<u>-</u>	<u>-</u>	<u>92,049</u>	<u>105,656</u>
<b>Net Position:</b>						
Net investment in						
capital assets	9,363,261	9,472,322	9,666,233	10,427,935	19,029,494	19,900,257
Restricted	4,878,936	6,198,416	-	-	4,878,936	6,198,416
Unrestricted	(4,996,532)	(9,994,672)	91,696	133,030	(4,904,836)	(9,861,642)
Total net position	<u>\$ 9,245,665</u>	<u>\$ 5,676,066</u>	<u>\$ 9,757,929</u>	<u>\$ 10,560,965</u>	<u>\$ 19,003,594</u>	<u>\$ 16,237,031</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>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 3,415,923	\$ 3,302,380	\$ 4,542,929	\$ 4,656,992	\$ 7,958,852	\$ 7,959,372
Operating grants and contributions	7,548,606	7,169,253	-	-	7,548,606	7,169,253
Capital grants and contributions	1,895,907	1,759,183	26,313	-	1,922,220	1,759,183
General revenues:						
Property taxes	19,211,476	18,780,667	-	-	19,211,476	18,780,667
Other taxes	1,834,314	1,934,641	-	-	1,834,314	1,934,641
Other	12,764	7,159	843	212	13,607	7,371
Total revenues	<u>33,918,990</u>	<u>32,953,283</u>	<u>4,570,085</u>	<u>4,657,204</u>	<u>38,489,075</u>	<u>37,610,487</u>
<b>Expenses:</b>						
General government	3,590,275	3,785,719	-	-	3,590,275	3,785,719
Public safety	8,999,219	8,620,477	-	-	8,999,219	8,620,477
Transportation	24,000	24,000	-	-	24,000	24,000
Environmental protection	54,000	129,043	-	-	54,000	129,043
Economic and physical development	1,360,596	3,369,456	-	-	1,360,596	3,369,456
Human services	11,040,604	11,353,065	-	-	11,040,604	11,353,065
Cultural and recreation	581,099	556,779	-	-	581,099	556,779
Education	3,828,837	3,691,730	-	-	3,828,837	3,691,730
Interest and fees	870,761	489,656	-	-	870,761	489,656
Water and sewer	-	-	3,090,445	2,711,015	3,090,445	2,711,015
Solid waste	-	-	2,282,676	2,259,565	2,282,676	2,259,565
Total expenses	<u>30,349,391</u>	<u>32,019,925</u>	<u>5,373,121</u>	<u>4,970,580</u>	<u>35,722,512</u>	<u>36,990,505</u>
Increase (decrease) in net position	3,569,599	933,358	(803,036)	(313,376)	2,766,563	619,982
<b>Net Position:</b>						
Beginning of year - July 1	<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>
End of year - June 30	<u>\$ 9,245,665</u>	<u>\$ 5,676,066</u>	<u>\$ 9,757,929</u>	<u>\$ 10,560,965</u>	<u>\$ 19,003,594</u>	<u>\$ 16,237,031</u>

**Governmental Activities.** Governmental activities increased the County's net position by \$3,569,599. 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
- Decrease in expenditures, which related to capital projects

**Business-Type Activities.** Business-type activities decreased the County's net position by \$803,036. 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

### **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 \$6,342,004, while total fund balance was \$9,987,152. The County currently has an available fund balance of 22.2% of General Fund expenditures, while total fund balance represents 34.9% of that same amount.

At June 30, 2014, the governmental funds of Northampton County reported a combined fund balance of \$9,968,405, an 11% percent increase over last year. The General Fund accounted for an increase in fund balance of \$2,788,370, while all other governmental funds combined accounted for a decrease in fund balance of \$1,797,709. 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 \$734,578, which was 2.5% 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 \$803,036. 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, 2014 totaled \$43,900,255 (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 DSS building
- Phase V Water Project

### Northampton County's Capital Assets

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Construction in progress	\$ -	\$ 3,845,168	\$ 4,415,908	\$ -	\$ 4,415,908	\$ 3,845,168
Buildings and land	22,657,709	15,221,492	2,250	2,250	22,659,959	15,223,742
Equipment	2,142,240	1,995,838	475,665	475,665	2,617,905	2,471,503
Vehicles	3,254,347	2,935,823	452,547	411,439	3,706,894	3,347,262
Distribution system	-	-	26,766,233	26,766,233	26,766,233	26,766,233
	28,054,296	23,998,321	32,112,603	27,655,587	60,166,899	51,653,908
Accumulated depreciation	(7,537,214)	(6,887,531)	(8,729,430)	(8,175,451)	(16,266,644)	(15,062,982)
Total	\$ 20,517,082	\$ 17,110,790	\$ 23,383,173	\$ 19,480,136	\$ 43,900,255	\$ 36,590,926

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, 2014, Northampton County had total general obligation and installment debt outstanding of \$31,566,761.

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

Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Installment notes payable	\$ 10,888,206	\$ 11,498,661	\$ 75,440	\$ 55,701	\$ 10,963,646	\$ 11,554,362
Capital leases	265,615	-	-	-	265,615	-
General obligation bonds	6,696,000	6,870,000	13,641,500	8,996,500	20,337,500	15,866,500
Total	\$ 17,849,821	\$ 18,368,661	\$ 13,716,940	\$ 9,052,201	\$ 31,566,761	\$ 27,420,862

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 \$164,640,000.

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

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

The County was experiencing an unemployment rate of 7.5% at June 30, 2014. This was higher than the non-seasonally adjusted State average of 9.6%.

## **Budget Highlights for the Fiscal Year Ending June 30, 2015**

**Governmental Activities.** The General Fund operating budget reflects an increase of approximately 2.1% compared to 2014 funding level in order to provide the necessary level of service to the citizens of Northampton County.

**Business-Type Activities.** Solid waste revenues reflects an increase of approximately 2.1 % compared to 2014 funding level. Solid Waste disposal fees were increased in order to provide for the necessary operation of the Solid Waste Fund.

The water and sewer revenue reflect approximately 20% increase over 2014. The water and sewer rates were increased to cover the increase operations and debt service for this fund. The final phase of the County-wide water system was begun in 2014 and will be completed in 2015 fiscal year.

### **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.

*This page left blank intentionally.*



## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2014

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Northampton County ABC Board	Northampton County Tourism Development Authority
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 8,183,505	\$ 494,364	\$ 8,677,869	\$ 106,034	\$ 14,907
Taxes receivable, net	1,393,586	-	1,393,586	-	-
Accounts receivable, net	3,097,635	555,188	3,652,823	-	-
Due from other governments	484,515	-	484,515	-	3,457
Inventories	-	-	-	104,589	-
Prepaid items	-	-	-	2,245	-
Internal balance	82,921	(82,921)	-	-	-
Cash and cash equivalents, restricted	-	246,861	246,861	-	-
Capital assets:					
Land and construction in progress	1,700,800	4,415,908	6,116,708	-	-
Other capital assets, net	18,816,282	18,967,265	37,783,547	10,869	10,381
Total assets	33,759,244	24,596,665	58,355,909	223,737	28,745
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	838,228	589,792	1,428,020	69,262	872
Accrued interest payable	132,016	43,526	175,542	-	-
Payable from restricted assets	-	246,861	246,861	-	-
Current portion of compensated absences	86,600	3,220	89,820	-	-
Long-term liabilities:					
Non-current portion of compensated absences	779,396	28,980	808,376	-	-
Due within one year	1,347,799	565,336	1,913,135	-	-
Due in more than one year	21,237,491	13,361,021	34,598,512	-	-
Total liabilities	24,421,530	14,838,736	39,260,266	69,262	872
<b>Deferred Inflows of Resources:</b>					
Prepaid taxes	92,049	-	92,049	-	-
Total deferred inflows of resources	92,049	-	92,049	-	-
<b>Net Position:</b>					
Net investment in capital assets	9,363,261	9,666,233	19,029,494	10,869	10,381
Restricted for:					
Restricted for stabilization by State statute	4,588,296	-	4,588,296	-	3,457
Restricted - other	290,640	-	290,640	68,582	14,035
Unrestricted	(4,996,532)	91,696	(4,904,836)	75,024	-
Total net position	\$ 9,245,665	\$ 9,757,929	\$ 19,003,594	\$ 154,475	\$ 27,873

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

# NORTHAMPTON COUNTY, NORTH CAROLINA

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2014

		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	\$ 3,590,275	\$ 362,992	\$ 351,733	\$ -
Public safety	8,999,219	1,619,790	181,706	-
Transportation	24,000	-	49,475	-
Environmental protection	54,000	-	31,020	-
Economic and physical development	1,360,596	6,820	241,540	1,215,657
Human services	11,040,604	1,413,795	6,643,234	457,450
Cultural and recreational	581,099	12,526	49,898	-
Education	3,828,837	-	-	222,800
Interest on long-term debt	870,761	-	-	-
Total governmental activities	<u>30,349,391</u>	<u>3,415,923</u>	<u>7,548,606</u>	<u>1,895,907</u>
<b>Business-Type Activities:</b>				
Water and sewer	3,090,445	2,333,897	-	-
Solid waste	2,282,676	2,209,032	-	26,313
Total business-type activities	<u>5,373,121</u>	<u>4,542,929</u>	<u>-</u>	<u>26,313</u>
Total primary government	<u>\$ 35,722,512</u>	<u>\$ 7,958,852</u>	<u>\$ 7,548,606</u>	<u>\$ 1,922,220</u>
<b>Component Units:</b>				
Northampton County ABC Board	<u>\$ 959,356</u>	<u>\$ 968,064</u>	<u>\$ -</u>	<u>\$ -</u>
Northampton County Tourism Development Authority	<u>\$ 43,643</u>	<u>\$ 42,424</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		
\$ (2,875,550)	\$ -	\$ (2,875,550)		
(7,197,723)	-	(7,197,723)		
25,475	-	25,475		
(22,980)	-	(22,980)		
103,421	-	103,421		
(2,526,125)	-	(2,526,125)		
(518,675)	-	(518,675)		
(3,606,037)	-	(3,606,037)		
(870,761)	-	(870,761)		
<u>(17,488,955)</u>	<u>-</u>	<u>(17,488,955)</u>		
-	(756,548)	(756,548)		
-	<u>(47,331)</u>	<u>(47,331)</u>		
-	<u>(803,879)</u>	<u>(803,879)</u>		
<u>(17,488,955)</u>	<u>(803,879)</u>	<u>(18,292,834)</u>		
			\$ 8,708	
				\$ (1,219)
19,211,476	-	19,211,476	-	-
1,709,365	-	1,709,365	-	-
124,949	-	124,949	-	-
12,764	843	13,607	25	21
<u>21,058,554</u>	<u>843</u>	<u>21,059,397</u>	<u>25</u>	<u>21</u>
3,569,599	(803,036)	2,766,563	8,733	(1,198)
<u>5,676,066</u>	<u>10,560,965</u>	<u>16,237,031</u>	<u>145,742</u>	<u>29,071</u>
<u>\$ 9,245,665</u>	<u>\$ 9,757,929</u>	<u>\$ 19,003,594</u>	<u>\$ 154,475</u>	<u>\$ 27,873</u>

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

## NORTHAMPTON COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2014

	Major			Nonmajor	
	General Fund	DSS Building Project Fund	Enviva Infrastructure Project	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 7,559,366	\$ 284,634	\$ -	\$ 339,505	\$ 8,183,505
Taxes receivable, net	1,287,420	-	-	106,166	1,393,586
Accounts receivable, net	2,458,976	-	619,949	18,710	3,097,635
Due from other funds	1,651,551	-	-	304,489	1,956,040
Due from other governments	484,515	-	-	-	484,515
Total assets	<u>\$ 13,441,828</u>	<u>\$ 284,634</u>	<u>\$ 619,949</u>	<u>\$ 768,870</u>	<u>\$ 15,115,281</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ 820,824	\$ -	\$ 3,303	\$ 14,101	\$ 838,228
Due to other funds	304,489	429,754	606,795	532,081	1,873,119
Total liabilities	<u>1,125,313</u>	<u>429,754</u>	<u>610,098</u>	<u>546,182</u>	<u>2,711,347</u>
<b>Deferred Inflows of Resources:</b>					
Taxes receivable	1,287,420	-	-	106,166	1,393,586
Ambulance fees receivable	949,894	-	-	-	949,894
Prepaid taxes	92,049	-	-	-	92,049
Total deferred inflows of resources	<u>2,329,363</u>	<u>-</u>	<u>-</u>	<u>106,166</u>	<u>2,435,529</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	3,645,148	-	619,949	323,199	4,588,296
Restricted, other	240,935	-	-	49,705	290,640
Committed:					
Committed, other	299,469	-	-	192,430	491,899
Assigned:					
Assigned, other	697,230	-	-	89,425	786,655
Unassigned	5,104,370	(145,120)	(610,098)	(538,237)	3,810,915
Total fund balances	<u>9,987,152</u>	<u>(145,120)</u>	<u>9,851</u>	<u>116,522</u>	<u>9,968,405</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,441,828</u>	<u>\$ 284,634</u>	<u>\$ 619,949</u>	<u>\$ 768,870</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.	20,517,082
Long-term debt, accrued interest, and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(23,583,302)
Deferred inflows of resources for taxes and ambulance fees receivable	<u>2,343,480</u>
Net position of governmental activities (Exhibit A)	<u>\$ 9,245,665</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, 2014

	Major			Nonmajor	Total
	General	DSS Building	Enviva	Other	Total
	Fund	Project Fund	Infrastructure	Governmental	Governmental
			Project	Funds	Funds
<b>Revenues:</b>					
Ad valorem taxes	\$ 19,028,814	\$ -	\$ -	\$ 694,996	\$ 19,723,810
Other taxes and licenses	1,765,535	-	-	-	1,765,535
Unrestricted intergovernmental revenues	68,779	-	-	-	68,779
Restricted intergovernmental revenues	7,155,558	457,450	1,036,549	636,388	9,285,945
Permits and fees	216,921	-	-	-	216,921
Sales and services	2,965,969	-	-	224,518	3,190,487
Interest earned on investments	10,598	1,582	-	584	12,764
Special project revenue	30,334	-	-	-	30,334
Miscellaneous	134,195	-	-	24,373	158,568
Total revenues	<u>31,376,703</u>	<u>459,032</u>	<u>1,036,549</u>	<u>1,580,859</u>	<u>34,453,143</u>
<b>Expenditures:</b>					
Current:					
General government	3,476,038	-	-	-	3,476,038
Public safety	7,938,684	-	-	858,852	8,797,536
Transportation	24,000	-	-	-	24,000
Environmental protection	54,000	-	-	-	54,000
Economic and physical development	817,165	-	168,402	345,857	1,331,424
Human services	10,700,399	3,591,049	-	-	14,291,448
Cultural and recreational	401,614	-	-	-	401,614
Education	3,614,137	-	-	214,700	3,828,837
Debt service:					
Principal repayments	7,329,854	-	-	932,582	8,262,436
Interest	8,888	-	-	729,857	738,745
Total expenditures	<u>34,364,779</u>	<u>3,591,049</u>	<u>168,402</u>	<u>3,081,848</u>	<u>41,206,078</u>
Revenues over (under) expenditures	<u>(2,988,076)</u>	<u>(3,132,017)</u>	<u>868,147</u>	<u>(1,500,989)</u>	<u>(6,752,935)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers (to) from other funds	(1,585,150)	-	-	1,585,150	-
Long-term debt issued	7,361,596	-	-	-	7,361,596
Refunding bonds issued	-	-	-	4,527,000	4,527,000
Refunded debt service - principal	-	-	-	(4,145,000)	(4,145,000)
Total other financing sources (uses)	<u>5,776,446</u>	<u>-</u>	<u>-</u>	<u>1,967,150</u>	<u>7,743,596</u>
Net change in fund balances	2,788,370	(3,132,017)	868,147	466,161	990,661
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>7,198,782</u>	<u>2,986,897</u>	<u>(858,296)</u>	<u>(349,639)</u>	<u>8,977,744</u>
End of year - June 30	<u>\$ 9,987,152</u>	<u>\$ (145,120)</u>	<u>\$ 9,851</u>	<u>\$ 116,522</u>	<u>\$ 9,968,405</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, 2014**

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)	\$ 990,661
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	(512,334)
Ambulance and other miscellaneous revenues	28,415
Expenses related to accrued interest, compensated absences that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(149,080)
Expenses related to other post-employment benefits and net pension obligation that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(713,195)
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.	4,224,532
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(768,006)
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.	12,407,436
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.	(11,888,596)
Gain/(loss) on disposal of capital assets is reported in the Statement of Activities. However, proceeds from sale of assets are not affected by gain/(loss) in the governmental funds statement.	<u>(50,234)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 3,569,599</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, 2014**

	<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	\$ 17,168,962	\$ 17,606,346	\$ 19,028,814	\$ 1,422,468
Other taxes and licenses	1,991,400	1,991,400	1,765,535	(225,865)
Unrestricted intergovernmental revenues	78,000	78,000	68,779	(9,221)
Restricted intergovernmental revenues	7,091,252	7,195,238	7,155,558	(39,680)
Permits and fees	183,150	183,150	216,921	33,771
Sales and services	2,828,421	2,950,802	2,965,969	15,167
Investment earnings	1,200	1,200	10,394	9,194
Special project revenue	64,830	78,035	30,334	(47,701)
Miscellaneous	59,387	117,009	134,195	17,186
Total revenues	<u>29,466,602</u>	<u>30,201,180</u>	<u>31,376,499</u>	<u>1,175,319</u>
<b>Expenditures:</b>				
General government	3,668,005	3,934,326	3,439,136	495,190
Public safety	7,865,683	8,503,019	7,938,684	564,335
Transportation	24,000	24,000	24,000	-
Environmental protection	54,000	54,000	54,000	-
Economic and physical development	874,399	946,229	817,165	129,064
Human services	12,072,368	12,123,047	10,700,399	1,422,648
Cultural and recreational	390,786	426,188	401,614	24,574
Education	3,526,988	3,630,137	3,614,137	16,000
Debt service:				
Principal repayments	260,668	7,329,854	7,329,854	-
Interest	-	9,233	8,888	345
Total expenditures	<u>28,736,897</u>	<u>36,980,033</u>	<u>34,327,877</u>	<u>2,652,156</u>
Revenues over (under) expenditures	<u>729,705</u>	<u>(6,778,853)</u>	<u>(2,951,378)</u>	<u>3,827,475</u>
<b>Other Financing Sources (Uses):</b>				
Transfers (to) from other funds	(1,316,972)	(1,323,874)	(1,585,150)	(261,276)
Intrafund transfers	(50,000)	(50,000)	(50,000)	-
Long-term debt issued	-	7,361,596	7,361,596	-
Appropriated fund balance	687,267	791,131	-	(791,131)
Contingency	(50,000)	-	-	-
Total other financing sources (uses)	<u>(729,705)</u>	<u>6,778,853</u>	<u>5,726,446</u>	<u>(1,052,407)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>2,775,068</u>	<u>\$ 2,775,068</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>6,902,652</u>	
End of year - June 30			<u>\$ 9,677,720</u>	

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

## NORTHAMPTON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2014

	<b>Enterprise Funds</b>		
	<b>Water and Sewer Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>
<b>Assets:</b>			
Current assets:			
Cash and cash equivalents	\$ 494,364	\$ -	\$ 494,364
Accounts receivable, net	525,655	29,533	555,188
Due from other funds	398,830	-	398,830
Restricted assets:			
Cash and cash equivalents, restricted	246,861	-	246,861
Total current assets	1,665,710	29,533	1,695,243
Non-current assets:			
Land and construction in progress	4,415,908	-	4,415,908
Other capital assets, net	18,967,265	-	18,967,265
Total non-current assets	23,383,173	-	23,383,173
Total assets	25,048,883	29,533	25,078,416
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	547,795	41,997	589,792
Accrued interest payable	43,526	-	43,526
Due to other funds	-	481,751	481,751
Compensated absences - current	2,428	792	3,220
Current portion of long-term debt	565,336	-	565,336
Liabilities payable from restricted assets:			
Customer deposits	246,861	-	246,861
Total current liabilities	1,405,946	524,540	1,930,486
Non-current liabilities:			
Compensated absences - non-current	21,852	7,128	28,980
Non-current portion of long-term debt	13,151,604	-	13,151,604
Other post-employment benefits	162,285	47,132	209,417
Total non-current liabilities	13,335,741	54,260	13,390,001
Total liabilities	14,741,687	578,800	15,320,487
<b>Net Position:</b>			
Net investment in capital assets	9,666,233	-	9,666,233
Unrestricted	640,963	(549,267)	91,696
Total net position	\$ 10,307,196	\$ (549,267)	\$ 9,757,929

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, 2014

	Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
<b>Operating Revenues:</b>			
Charges for services	\$ 2,294,045	\$ 2,106,461	\$ 4,400,506
Water and sewer taps	15,000	-	15,000
White goods and tire disposal tax	-	32,575	32,575
Solid waste disposal tax	-	11,335	11,335
Other operating revenues	24,852	58,661	83,513
Total operating revenues	<u>2,333,897</u>	<u>2,209,032</u>	<u>4,542,929</u>
<b>Operating Expenses:</b>			
Water distribution and sewage treatment	1,899,762	-	1,899,762
Solid waste	-	2,282,676	2,282,676
Depreciation	553,979	-	553,979
Total operating expenses	<u>2,453,741</u>	<u>2,282,676</u>	<u>4,736,417</u>
Operating income (loss)	<u>(119,844)</u>	<u>(73,644)</u>	<u>(193,488)</u>
<b>Non-Operating Revenues (Expenses):</b>			
Miscellaneous non-operating revenues	-	-	-
Interest earned on investments	843	-	843
Interest and fees	(636,704)	-	(636,704)
Total non-operating revenues (expenses)	<u>(635,861)</u>	<u>-</u>	<u>(635,861)</u>
Income (loss) before capital contributions	(755,705)	(73,644)	(829,349)
Capital contributions	<u>-</u>	<u>26,313</u>	<u>26,313</u>
Change in net position	(755,705)	(47,331)	(803,036)
<b>Net Position:</b>			
Beginning of year - July 1	<u>11,062,901</u>	<u>(501,936)</u>	<u>10,560,965</u>
End of year - June 30	<u>\$ 10,307,196</u>	<u>\$ (549,267)</u>	<u>\$ 9,757,929</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, 2014

	Enterprise Funds		
	Water and Sewer Fund	Solid Waste Fund	Total
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 2,435,877	\$ 2,213,644	\$ 4,649,521
Cash paid for goods and services	(980,932)	(2,170,759)	(3,151,691)
Cash paid to employees for services	(480,429)	(118,580)	(599,009)
Net cash provided (used) by operating activities	<u>974,516</u>	<u>(75,695)</u>	<u>898,821</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Loans from (to) other funds	-	82,921	82,921
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>82,921</u>	<u>82,921</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Long-term debt issued	4,914,306	-	4,914,306
Refunding bonds issued	4,836,000	-	4,836,000
Acquisition and construction of capital assets	(4,457,016)	-	(4,457,016)
Principal paid on long-term debt	(570,567)	-	(570,567)
Refunded debt service - principal	(4,515,000)	-	(4,515,000)
Interest and fees	(636,704)	-	(636,704)
Capital contributions	-	26,313	26,313
Net cash provided (used) by capital and related financing activities	<u>(428,981)</u>	<u>26,313</u>	<u>(402,668)</u>
<b>Cash Flows from Investing Activities:</b>			
Interest on investments	843	-	843
Net increase (decrease) in cash and cash equivalents	546,378	33,539	579,917
<b>Cash and Cash Equivalents:</b>			
Beginning of year - July 1	<u>194,847</u>	<u>(33,539)</u>	<u>161,308</u>
End of year - June 30	<u>\$ 741,225</u>	<u>\$ -</u>	<u>\$ 741,225</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ (119,844)	\$ (73,644)	\$ (193,488)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	553,979	-	553,979
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	99,966	4,612	104,578
Increase (decrease) in accounts payable and accrued liabilities	376,454	(12,259)	364,195
Increase (decrease) in accrued interest payable	43,526	-	43,526
Increase (decrease) in customer deposits	2,014	-	2,014
Increase (decrease) in accrued vacation pay	(5,249)	(221)	(5,470)
Increase (decrease) in OPEB payable	<u>23,670</u>	<u>5,817</u>	<u>29,487</u>
Net cash provided (used) by operating activities	<u>\$ 974,516</u>	<u>\$ (75,695)</u>	<u>\$ 898,821</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, 2014

	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 133,754
Accounts receivable	<u>391,334</u>
Total assets	<u>\$ 525,088</u>
<b>Liabilities:</b>	
Intergovernmental payable	\$ 149,940
Accounts payable	<u>375,148</u>
Total liabilities	<u>\$ 525,088</u>

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

*This page left blank intentionally.*

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **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, 2014

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, 2014

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 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, 2014**

### **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, 2014.

### **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, 2014**

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 for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, 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 State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in 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, 2014**

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, 2014**

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 totaled \$246,861 in the Water and Sewer Fund.

### **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, 2013.

### **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, 2014

### 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 items that meet this criterion.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

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 represents 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, 2014

**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)]	\$3,645,148	\$ 153,479	\$ 789,669
<b>Restricted - Other:</b>			
<i>Restricted for Public Safety - E911</i> - portion of fund balance that is restricted by revenue source for E911 expenditures	126,506	49,705	-
<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	52,805	-	-
<i>Restricted for Debt Service</i> - portion of fund balance that is restricted by lender to be maintained in fund balance	<u>61,624</u>	<u>-</u>	<u>-</u>
Total	<u>\$3,886,083</u>	<u>\$ 203,184</u>	<u>\$ 789,669</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

**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>General Fund</b>	<b>Capital Project Funds</b>
<i>Committed for Tax Revaluation</i> - portion of fund balance that is committed by revenue source to pay for property tax revaluation purposes	\$ 299,469	\$ -
<i>Committed for Public Safety</i> - portion of fund balance that is committed for public safety expenditures	-	756
<i>Committed for Economic and Physical Development</i> - portion of fund balance that is committed to pay for economic development expenditures	-	3,791
<i>Committed for Capital Outlay</i> - portion of fund balance that is committed for future capital expenditures	-	136,889
<i>Committed for Education</i> - portion of fund balance that is committed for education expenditures	-	50,994
Total	<u>\$ 299,469</u>	<u>\$ 192,430</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

**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	\$ 9,963	\$ -	\$ 64,776
<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 and Physical Development</i> - portion of fund balance that is assigned to pay for economic development expenditures	-	24,649	-
Total	<u>\$ 697,230</u>	<u>\$ 24,649</u>	<u>\$ 64,776</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, 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, 2014

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)	\$ 9,987,152
Less:	
Stabilization by State statute	(3,645,148)
Available for appropriation	<u>\$ 6,342,004</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)	\$ 9,677,720
<b>Revaluation Fund:</b>	
Revenues:	
Investment earnings	194
Expenditures:	
General government	(36,902)
Transfers in - General Fund	50,000
Fund balance, beginning	286,177
<b>Revolving Loan Fund:</b>	
Revenues:	
Investment earnings	10
Fund balance:	
Beginning of year	9,953
End of year (Exhibit D)	<u>\$ 9,987,152</u>

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **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 County has assumed a first-in, first-out method of using accumulated compensated time. 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.

## **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, 2014:

#### **Special Revenue Funds:**

Fire District Fund – \$5,289

CDBG Fund – \$1,947

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

DSS Building Project Fund – \$145,120

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

Severn Peanut Natural Gas Project Fund – \$164,549

#### **Enterprise Fund:**

Solid Waste Fund – \$549,267

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

**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.

### **B. Excess of Expenditures over Appropriations**

Excess of expenditures over appropriations are in violation of State law. At June 30, 2014, General Fund transfers to other funds exceeded appropriation by \$261,276, in the Public Schools Building Fund expenditures exceeded appropriation by \$64,428, and in the Water Sewer Capital Project Fund transfers to other funds exceeded appropriation by \$362,302. The County plans closer monitoring of the expenditure process to assure adequate appropriations prior to incurring expenditures.

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

#### **A. Assets**

##### **Deposits**

All the deposits of the County 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 agent in the unit's name. 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 these deposits are considered to be held by the County's agent in their name. 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 or with the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the County under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

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

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

At June 30, 2014, the County's deposits had a carrying amount of \$7,908,810 and a bank balance of \$8,510,277. Of the bank balance, \$575,744 was covered by federal depository insurance, and \$7,934,533 was covered by collateral held under the Pooling Method.

At June 30, 2014, the County had \$1,097 cash on hand.

### **Investments**

At June 30, 2014, the County had \$1,148,577 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>
2010	\$ 1,061,131	\$ 347,520	\$ 1,408,651
2011	2,180,389	517,842	2,698,231
2012	2,340,236	345,185	2,685,421
2013	2,345,614	134,873	2,480,487
Total	<u>\$ 7,927,370</u>	<u>\$ 1,345,420</u>	<u>\$ 9,272,790</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### Receivables

Receivables at Exhibit A at June 30, 2014 were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due From Other Governments</u>	<u>Total</u>
<b>Governmental Activities:</b>				
General	\$ 828,234	\$ 2,452,420	\$ 484,515	\$ 3,765,169
Ambulance	1,187,894	-	-	1,187,894
E911 fees	18,710	-	-	18,710
Fire district	-	106,166	-	106,166
Enviva receivables	619,949	-	-	619,949
DSS receivable	680,848	-	-	680,848
Total receivables	3,335,635	2,558,586	484,515	6,378,736
Allowance for doubtful accounts	(238,000)	(1,165,000)	-	(1,403,000)
 Total governmental activities	 <u>\$ 3,097,635</u>	 <u>\$ 1,393,586</u>	 <u>\$ 484,515</u>	 <u>\$ 4,975,736</u>
 <b>Business-Type Activities:</b>				
Solid waste	\$ 799,489	\$ -	\$ -	\$ 799,489
Water and sewer	525,655	-	-	525,655
Total receivables	1,325,144	-	-	1,325,144
Allowance for doubtful accounts	(769,956)	-	-	(769,956)
 Total business-type activities	 <u>\$ 555,188</u>	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ 555,188</u>

Due from other governments consisted of the following:

Local option sales tax	\$ 313,624
Sales tax refund	170,891
Total	<u>\$ 484,515</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### Capital Assets

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

	<u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Change</u>	<u>June 30, 2014</u>
<b>Non-Depreciable Assets:</b>					
Construction in progress	\$ 3,845,168	\$ 3,591,049	\$ -	\$ (7,436,217)	\$ -
Land	1,700,800	-	-	-	1,700,800
<b>Depreciable Assets:</b>					
Buildings and improvements	13,520,692	-	-	7,436,217	20,956,909
Equipment	1,995,838	146,402	-	-	2,142,240
Vehicles and motor equipment	<u>2,935,823</u>	<u>487,081</u>	<u>(168,557)</u>	<u>-</u>	<u>3,254,347</u>
Total capital assets	<u>23,998,321</u>	<u>4,224,532</u>	<u>(168,557)</u>	<u>-</u>	<u>28,054,296</u>
<b>Less Accumulated Depreciation:</b>					
Buildings and improvements	(3,697,035)	(253,170)	-	-	(3,950,205)
Equipment	(1,153,168)	(195,909)	-	-	(1,349,077)
Vehicles and motor equipment	<u>(2,037,328)</u>	<u>(318,927)</u>	<u>118,323</u>	<u>-</u>	<u>(2,237,932)</u>
Total accumulated depreciation	<u>(6,887,531)</u>	<u>\$ (768,006)</u>	<u>\$ 118,323</u>	<u>\$ -</u>	<u>(7,537,214)</u>
Capital assets, net	<u>\$ 17,110,790</u>				<u>\$ 20,517,082</u>

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

#### Governmental Activities:

General government	\$ 127,739
Public safety	413,726
Economic and physical development	3,155
Human services	52,917
Cultural and recreational	<u>170,469</u>
Total	<u>\$ 768,006</u>

#### Business-Type Activities:

Water and sewer	<u>\$ 553,979</u>
Total	<u>\$ 553,979</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### Summary of Proprietary Capital Assets

Capital assets for the proprietary funds of the County at June 30, 2014 are as follows:

	<u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
<b>Water and Sewer Fund:</b>				
<b>Non-Depreciable Assets:</b>				
Construction in progress	\$ -	\$ 4,415,908	\$ -	\$ 4,415,908
<b>Depreciable Assets:</b>				
Plant and distribution systems	26,766,233	-	-	26,766,233
Furniture and equipment	292,060	-	-	292,060
Vehicles	257,515	41,108	-	298,623
Total capital assets	<u>27,315,808</u>	<u>4,457,016</u>	<u>-</u>	<u>31,772,824</u>
<b>Less Accumulated Depreciation:</b>				
Plant and distribution systems	(7,391,297)	(536,023)	-	(7,927,320)
Furniture and equipment	(239,537)	(9,642)	-	(249,179)
Vehicles	(204,838)	(8,314)	-	(213,152)
Total accumulated depreciation	<u>(7,835,672)</u>	<u>\$ (553,979)</u>	<u>\$ -</u>	<u>(8,389,651)</u>
Total Water and Sewer Fund	<u>\$ 19,480,136</u>			<u>\$ 23,383,173</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	(183,605)	-	-	(183,605)
Vehicles	(153,924)	-	-	(153,924)
Total accumulated depreciation	<u>(339,779)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(339,779)</u>
Total Solid Waste Fund	<u>\$ -</u>			<u>\$ -</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### B. Liabilities

#### Payables

Payables at Exhibit A at June 30, 2014 were as follows:

<u>Type of Payable</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Trade payables	\$ 828,373	\$ 588,960	\$ 1,417,333
Accrued expenses and withholdings	9,855	832	10,687
Total	<u>\$ 838,228</u>	<u>\$ 589,792</u>	<u>\$ 1,428,020</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 7.07% and 7.28%, 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, 2014, 2013, and 2012 were \$716,651, \$677,309, and \$671,367, 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, 2014

### 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, 2013, the Separation Allowance's membership consisted of:

Retirees receiving benefits	2
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	31
Total	<u>33</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, 2012 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 dollar of projected payroll on a closed basis. The remaining amortization period at December 31, 2012 was 18 years.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

**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	\$ 29,974
Interest on net pension obligation	16,524
Adjustment to annual required contribution	<u>(26,925)</u>
Annual pension cost	19,573
Contributions made	<u>18,453</u>
Increase (decrease) in net pension obligation	1,120
Net pension obligation:	
Beginning of year - July 1	<u>330,480</u>
End of year - June 30	<u><u>\$ 331,600</u></u>

### Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2012	\$ 23,171	48.06%	\$ 318,120
6/30/2013	23,496	47.40%	330,480
6/30/2014	19,573	94.28%	331,600

**Funded Status and Funding Progress.** As of December 31, 2013, 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 \$239,273. The covered payroll was \$1,171,023, and the ratio of the UAAL to the covered payroll was 20.43 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, 2014**

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, 2014 were \$61,939, which consisted of \$52,614 from the County and \$9,325 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.

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

**Plan Description.** The County also contributes to the Register 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, 2014

**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, 2014, the County's required and actual contributions were \$1,353.

### 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 twenty years of service with the County, or early retirement at age sixty with twenty years of service with the County. The County will pay the total cost of continued health insurance for the retiring employee up to the time the employee becomes eligible for Medicare, at which time the County will pay the premiums for the standard Medicare supplement policy as provided by the County. For employees hired on or after July 1, 2013 and forward, the County will pay 50% of the total cost of continued individual health insurance up to a maximum of \$350.00 monthly for the retiring employee until such time as the employee becomes eligible for Medicare. The County will not pay for a Medicare supplemental policy. 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	27
Total	<u>308</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, 2014

The current ARC rate is 9.17% of annual covered payroll. For the current year, the County contributed \$217,607, or 2.10% 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	154,869
Adjustment to annual required contribution	<u>(147,948)</u>
Annual OPEB cost (expense)	959,169
Contributions made	<u>(217,607)</u>
Increase (decrease) in net OPEB obligation	741,562
Net OPEB obligation:	
Beginning of year - July 1	<u>3,871,724</u>
End of year - June 30	<u><u>\$ 4,613,286</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 were as follows:

<b>Three-Year Trend Information</b>			
<b>Year Ended</b>	<b>Annual</b>	<b>Percentage of</b>	<b>Net</b>
<b>June 30</b>	<b>OPEB Cost</b>	<b>Annual OPEB</b>	<b>OPEB</b>
		<b>Cost Contributed</b>	<b>Obligation</b>
2012	\$ 928,780	16.57%	\$ 3,161,662
2013	957,899	25.87%	3,871,724
2014	959,169	22.69%	4,613,286

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

**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 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. Because all death benefit payments are made from the Death Benefit Plan, and not by the County, the County does not determine the number of

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

eligible participants. 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. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separates rates are set for employees not engaged in law enforcement and law enforcement officers. The County considers these contributions to be immaterial.

For the fiscal year ended June 30, 2014, the County made contributions to the State for death benefits of \$0. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.00% and 0.00% of covered payroll, respectively.

Due to a surplus in the death benefit, a decision was made by the State to temporarily stop employer contributions to the LGERS Death Benefit Plan beginning July 1, 2012. A temporary relief period based on the number of years the employer has contributed as of December 31, 2010 was established. The period of reprieve is determined separately for law enforcement officers. The County will have a 3 year reprieve because it has been contributing for more than 20 years. Contributions will resume in the fiscal year beginning July 1, 2015.

### **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:

	<b>Unavailable Revenues</b>	<b>Unearned Revenues</b>
Taxes receivable, net	\$ 1,393,586	\$ -
Prepaid taxes	-	92,049
Ambulance fees receivable, net	949,894	-
Total	<u>\$ 2,343,480</u>	<u>\$ 92,049</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

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

request. The pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 retention up to a \$2 million limit for liability coverage, and \$1,750,000 of each loss in excess of \$250,000 per occurrence retention for property, auto physical damage. For workers compensation there is a per occurrence retention of \$750,000.

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

The County does not carry flood insurance through the NFIP.

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

### **Claims and Judgments**

At June 30, 2014, 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**

#### **Capital Leases**

The County has entered into an agreement to lease vehicles. The lease agreements qualifies as a capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of lease inception.

An agreement was executed on February 28, 2014 for the lease of vehicles and requires three annual payments of \$91,279, beginning in 2015 and ending in 2017. Under the terms of the agreement, title passes to the County at the end of the lease term.



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

At June 30, 2014, the County leased equipment and vehicles valued at:

<b><u>Class of Property</u></b>	<b><u>Cost</u></b>	<b><u>Accumulated Depreciation</u></b>	<b><u>Net Book Value</u></b>
Vehicles	\$ 265,615	\$ 17,987	\$ 247,628
Total	<u>\$ 265,615</u>	<u>\$ 17,987</u>	<u>\$ 247,628</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2014 were as follows:

<b><u>Year Ending June 30</u></b>	
2015	\$ 91,279
2016	91,279
2017	<u>91,279</u>
Total minimum lease payments	273,837
Less: amount representing interest	<u>8,222</u>
Present value of the minimum lease payments	<u>\$ 265,615</u>

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **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	\$ 1,123,477
\$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	97,970
\$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	120,000
\$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	360,000
\$1,800,000 USDA Rural Development loan issued May 2008; due in equal annual installments of \$92,646, including interest at 4.125%; final payment due May 2048; secured by facility	1,677,596
\$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	54,430
\$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	358,752

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

\$6,996,000 USDA loan issued April 2014; due in thirty (30) annual installments of \$402,914; including interest of 4.00%; final payment due April 2044; secured by facility 6,966,000

\$129,981 note issued June 2014; due in three (3) annual payments of \$43,327, plus interest at 1.49%; final payment due June 2017; secured by vehicles; 129,981

Total governmental funds 10,888,206

### **Business-Type Activities**

#### **Proprietary Funds:**

\$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; 37,134

\$38,306 note issued June 2014; due in three (3) annual payments of \$12,769, plus interest at 1.49%; final payment due June 2017; secured by vehicles; 38,306

Total proprietary funds 75,440

Total all funds \$ 10,963,646

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

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>
2015	\$ 727,610	\$ 437,311	\$ 1,164,921
2016	616,164	410,289	1,026,453
2017	265,701	391,308	657,009
2018	231,660	381,377	613,037
2019	226,343	371,698	598,041
2020 - 2024	1,282,221	1,707,988	2,990,209
2025 - 2029	1,574,671	1,415,538	2,990,209
2030 - 2034	1,728,156	1,064,036	2,792,192
2035 - 2039	1,760,585	717,215	2,477,800
2040 - 2044	2,140,215	333,686	2,473,901
2045 - 2049	<u>334,880</u>	<u>35,202</u>	<u>370,082</u>
Total	<u>\$ 10,888,206</u>	<u>\$ 7,265,648</u>	<u>\$ 18,153,854</u>

### Business-Type Activities:

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$ 31,336	\$ 1,125	\$ 32,461
2016	31,336	658	31,994
2017	<u>12,768</u>	<u>190</u>	<u>12,958</u>
Total	<u>\$ 75,440</u>	<u>\$ 1,973</u>	<u>\$ 77,413</u>

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **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 \$6,696,000 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.

The County's general obligation bonds payable at June 30, 2014 are comprised of the following individual issues:

### **General Obligation 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%	\$ 2,240,000
\$9,363,000 Refunding Series 2013 Bonds issued August 2013; due in annual installments of \$260,000 to \$1,105,000 through June 1, 2028, interest at 2.75%; with \$4,527,000 serviced by governmental funds and \$4,836,000 serviced by the Water and Sewer Fund	<u>4,456,000</u>
Total serviced by the General Fund	<u>\$ 6,696,000</u>

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **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% \$ 400,500

\$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% 2,527,000

\$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% 1,270,000

\$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% 60,000

\$9,363,000 Refunding Series 2013 Bonds issued August 2013; due in annual installments of \$260,000 to \$1,105,000 through June 1, 2028, interest at 2.75%; with \$4,527,000 serviced by governmental funds and \$4,836,000 serviced by the Water and Sewer Fund 4,508,000

\$4,876,000 2014 Water Bonds issued February 2014; due in annual installments of \$55,000 to \$142,000 through June 1, 2053; interest at 4.375% 4,876,000

Total serviced by the Water and Sewer Fund \$ 13,641,500

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

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>
2015	\$ 533,000	\$ 212,140	\$ 534,000	\$ 517,768
2016	634,000	191,420	598,000	499,725
2017	635,000	166,672	599,000	479,076
2018	637,000	141,898	609,500	458,432
2019	621,000	117,067	611,000	440,306
2020 - 2024	2,908,000	336,710	2,499,000	1,932,732
2025 - 2029	728,000	24,915	1,978,000	1,553,943
2030 - 2034	-	-	1,688,000	1,163,274
2035 - 2039	-	-	1,362,000	871,956
2040 - 2044	-	-	1,339,000	565,006
2045 - 2049	-	-	1,022,000	313,118
2050 - 2053	-	-	802,000	82,597
Total	<u>\$ 6,696,000</u>	<u>\$ 1,190,822</u>	<u>\$ 13,641,500</u>	<u>\$ 8,877,933</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

At June 30, 2014, the County had a legal debt margin of approximately \$164,640,000.

### 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, 2014:

	Balance July 1, 2013	Additions	Retirements	Balance June 30, 2014	Current Portion of Balance
<b>Governmental Activities:</b>					
General obligation bonds	\$ 6,870,000	\$ 4,527,000	\$ (4,701,000)	\$ 6,696,000	\$ 533,000
Installment note	11,498,661	7,095,981	(7,706,436)	10,888,206	727,610
Capital lease	-	265,615	-	265,615	87,189
Compensated absences	848,932	695,466	(678,402)	865,996	86,600
Net pension obligation	330,480	19,573	(18,453)	331,600	-
Post-employment benefits	3,691,794	921,029	(208,954)	4,403,869	-
Total governmental activities	<u>\$ 23,239,867</u>	<u>\$ 13,524,664</u>	<u>\$ (13,313,245)</u>	<u>\$ 23,451,286</u>	<u>\$ 1,434,399</u>
<b>Business-Type Activities:</b>					
<b>Water and Sewer Activity:</b>					
General obligation bonds	\$ 8,996,500	\$ 9,712,000	\$ (5,067,000)	\$ 13,641,500	\$ 534,000
Installment note	55,701	38,306	(18,567)	75,440	31,336
Compensated absences	29,529	21,522	(26,771)	24,280	2,428
Post-employment benefits	138,615	30,616	(6,946)	162,285	-
Total water and sewer activity	<u>9,220,345</u>	<u>9,802,444</u>	<u>(5,119,284)</u>	<u>13,903,505</u>	<u>567,764</u>
<b>Solid Waste Activity:</b>					
Compensated absences	8,141	7,405	(7,626)	7,920	792
Post-employment benefits	41,315	7,524	(1,707)	47,132	-
Total solid waste activity	<u>49,456</u>	<u>14,929</u>	<u>(9,333)</u>	<u>55,052</u>	<u>792</u>
Total business-type activities	<u>\$ 9,269,801</u>	<u>\$ 9,817,373</u>	<u>\$ (5,128,617)</u>	<u>\$ 13,958,557</u>	<u>\$ 568,556</u>

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 an FIFO basis, assuming that employees are taking leave time as it is earned.



# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### Current Refunding

On August 7, 2013, the County issued \$9,363,000 of general obligation refunding bonds to redeem the County's general obligation bonds. G.O. Public Improvement Series 2005 in the amount of \$4,145,000 in the governmental activities at the redemption price of 100% of the principal amount of the refunded bonds, plus accrued interest, without premium. G.O. Water Bonds Series 2002 for \$1,500,000, G.O. Refunding Bonds Series 2005 for \$2,330,000, and G.O. Public Improvement Series 2005 in the amount of \$235,000 for the Water and Sewer Fund at the redemption price of 100% of the principal amount of the refunded bonds, plus accrued interest, without premium. This current refunding was undertaken to reduce total debt service payments over the next fifteen years by \$464,583 and resulted in an economic gain of \$397,717.

### Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2014 is composed of the following elements:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets	\$ 20,517,082	\$ 23,383,173
Long-term obligations	23,451,286	13,958,557
Compensated absences	(865,996)	(32,200)
Net pension obligation	(331,600)	-
Unfunded OPEB liability	(4,403,869)	(209,417)
Long-term debt for assets not owned by the County	(6,696,000)	-
Long-term debt, net, related to capital assets	<u>11,153,821</u>	<u>13,716,940</u>
Net investment in capital assets	<u>\$ 9,363,261</u>	<u>\$ 9,666,233</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

### Interfund Balances and Activities

#### Transfers

	<u>Transfers</u>		
	<u>From</u>	<u>To</u>	<u>Purpose</u>
<b>Operating Transfers</b>			
<b>From/To Other Funds:</b>			
General Fund	\$ 1,585,150	\$ -	
Debt Service Fund	-	1,316,972	Debt service
Emergency Telephone System Fund	-	261,276	Non-allowable costs
CDBG Fund	<u>-</u>	<u>6,902</u>	Scattered site grant project
Total transfers	\$ 1,585,150	\$ 1,585,150	

#### Due to/from Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Wellness/Recreation Centers Capital Project Fund	\$ 366,779	Recreation center equipment and capital improvements
General Fund	Enviva Infrastructure Project Fund	606,795	Short-term cash flows for project
General Fund	DSS Building Project Fund	429,754	Land purchase and architect fees
General Fund	CDBG Fund	1,091	For operations, cash overdrafts
General Fund	Severn Peanut Capital Project Fund	164,211	For operations, cash overdrafts
Capital Reserve Fund	General Fund	169,720	To finance future capital outlay
Emergency Telephone System Fund	General Fund	134,769	Operations, reimbursements
General Fund	Solid Waste Fund	82,921	For operations, cash overdrafts
Water and Sewer Fund	Solid Waste Fund	398,830	Operations, reimbursements
Total		<u>\$2,354,870</u>	

#### 4. Related Organization

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

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

### **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, 2014. 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, 2014. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$136,260 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, 2014. Complete financial statements for the CPTA can be obtained from the offices at 106 North Main Street, Rich Square, North Carolina 27869.

The County also participates in the Tri-County Airport Authority (the "Airport Authority") with two other local governments (Hertford County and Bertie County). The County appoints three members to the nine-member Board of the Airport Authority. The Airport Authority is a joint venture established to develop, maintain, operate, regulate, and improve the Airport Authority. The County has an ongoing financial responsibility for the joint venture because the Airport Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Airport Authority, so no equity interest has been reflected in the financial statements at June 30, 2014. The County appropriated \$12,000 to the Airport Authority to supplement its activities. Complete financial statements for the Tri-County Airport Authority can be obtained from the offices at 140 Tri-County Airport Road, Aulander, North Carolina 27805.

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

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, 2014. 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, 2014.

### 7. Benefit Payments Issued by the State

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

	<u>Federal</u>	<u>State</u>
Medicaid	\$ 25,410,345	\$ 14,493,352
NC Health Choice	314,606	99,257
Women, Infants, and Children	271,998	-
Temporary Assistance to Needy Families	203,956	-
Foster Care	43,510	10,809
Adoption Assistance	36,293	9,477
AFDC	(195)	(53)
State/County Special Assistance for Adults	-	414,808
CWS Adoption Subsidy	-	44,722
State Foster Home	-	4,671
SFHF Maximization	-	300
Total	<u>\$ 26,280,513</u>	<u>\$ 15,077,343</u>

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

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

#### **Federal and State-Assisted Programs**

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

*This page left blank intentionally.*

## NORTHAMPTON COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2014**

## 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)					
12/31/2013	\$ -	\$ 239,273		\$ 239,273	0.00%	\$ 1,171,023	20.43%
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
2014	\$ 29,974	61.56%
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	12/31/2013
Actuarial cost method	Projected unit credit
Amortization method	Level dollar closed
Remaining amortization period	17 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, 2014**

## 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
2014	\$ 952,248	\$ 217,607	22.85%
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, 2014

	General Fund	Revaluation Fund	Revolving Loan Fund	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 19,028,814	\$ -	\$ -	\$ 19,028,814
Other taxes and licenses	1,765,535	-	-	1,765,535
Unrestricted intergovernmental	68,779	-	-	68,779
Restricted intergovernmental	7,155,558	-	-	7,155,558
Permits and fees	216,921	-	-	216,921
Sales and services	2,965,969	-	-	2,965,969
Investment earnings	10,394	194	10	10,598
Special project revenue	30,334	-	-	30,334
Miscellaneous	134,195	-	-	134,195
Total revenues	<u>31,376,499</u>	<u>194</u>	<u>10</u>	<u>31,376,703</u>
<b>Expenditures:</b>				
Current:				
General government	3,439,136	36,902	-	3,476,038
Public safety	7,938,684	-	-	7,938,684
Transportation	24,000	-	-	24,000
Environmental protection	54,000	-	-	54,000
Economic and physical development	817,165	-	-	817,165
Human services	10,700,399	-	-	10,700,399
Cultural and recreational	401,614	-	-	401,614
Education	3,614,137	-	-	3,614,137
Debt service:				
Principal	7,329,854	-	-	7,329,854
Interest	8,888	-	-	8,888
Total expenditures	<u>34,327,877</u>	<u>36,902</u>	<u>-</u>	<u>34,364,779</u>
Revenues over (under) expenditures	<u>(2,951,378)</u>	<u>(36,708)</u>	<u>10</u>	<u>(2,988,076)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers (to) from other funds	(1,585,150)	-	-	(1,585,150)
Intrafund transfers	(50,000)	50,000	-	-
Long-term debt issued	7,361,596	-	-	7,361,596
Total other financing sources (uses)	<u>5,726,446</u>	<u>50,000</u>	<u>-</u>	<u>5,776,446</u>
Net change in fund balances	2,775,068	13,292	10	2,788,370
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>6,902,652</u>	<u>286,177</u>	<u>9,953</u>	<u>7,198,782</u>
End of year - June 30	<u>\$ 9,677,720</u>	<u>\$ 299,469</u>	<u>\$ 9,963</u>	<u>\$ 9,987,152</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, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>			<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 17,409,346	\$ 18,732,181	\$ 1,322,835	\$ 17,467,296
Penalties and interest	197,000	296,633	99,633	241,029
Total	17,606,346	19,028,814	1,422,468	17,708,325
<b>Other Taxes and Licenses:</b>				
Privilege licenses	400	625	225	605
Local option sales tax	1,940,000	1,709,365	(230,635)	1,797,247
Excise tax	40,000	44,475	4,475	32,251
Hold harmless	1,000	1,297	297	7,293
Utility franchise tax	10,000	9,773	(227)	11,991
Total	1,991,400	1,765,535	(225,865)	1,849,387
<b>Unrestricted Intergovernmental:</b>				
Beer and wine tax	65,000	67,071	2,071	62,795
Food stamp tax reimbursements	6,000	1,708	(4,292)	7,379
Other	7,000	-	(7,000)	15,080
Total	78,000	68,779	(9,221)	85,254
<b>Restricted Intergovernmental:</b>				
Federal and State grants	7,086,138	7,043,355	(42,783)	7,012,792
Court facility fees	25,000	30,648	5,648	34,899
Fines and forfeitures	80,000	77,214	(2,786)	94,828
ABC bottles taxes	4,100	4,341	241	4,434
Total	7,195,238	7,155,558	(39,680)	7,146,953
<b>Permits and Fees:</b>				
Building permits	77,450	108,364	30,914	121,623
Register of Deeds	77,000	82,142	5,142	107,330
Other fees	28,700	26,415	(2,285)	33,945
Total	183,150	216,921	33,771	262,898
<b>Sales and Services:</b>				
Court costs and fees	20,000	26,285	6,285	24,315
Jail fees	5,500	1,949	(3,551)	2,107
Ambulance and rescue squad fees	1,060,000	1,167,290	107,290	1,091,444
Sheriff's fees	58,800	41,268	(17,532)	56,239
Health department fees	1,427,121	1,419,707	(7,414)	1,488,234
Inmate housing	-	33,000	33,000	5,840
Wellness Center fees	12,000	12,526	526	13,044
Other fees	367,381	263,944	(103,437)	208,504
Total	2,950,802	2,965,969	15,167	2,889,727

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>			<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Investment Earnings</b>	1,200	10,394	9,194	3,394
<b>Special Project Revenue:</b>				
Fees and reimbursements	78,035	30,334	(47,701)	24,968
Total	78,035	30,334	(47,701)	24,968
<b>Miscellaneous:</b>				
Reimbursements	-	38,674	38,674	-
Miscellaneous DSS	3,328	5,390	2,062	6,382
Other	113,681	90,131	(23,550)	99,221
Total	117,009	134,195	17,186	105,603
Total revenues	30,201,180	31,376,499	1,175,319	30,076,509
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries and employee benefits	48,432	48,247		48,048
Other operating expenditures	28,660	28,184		36,966
Total	77,092	76,431	661	85,014
<b>Administration:</b>				
Salaries and employee benefits	209,841	181,383		235,881
Other operating expenditures	19,135	16,101		9,537
Total	228,976	197,484	31,492	245,418
<b>Human Resources:</b>				
Salaries and employee benefits	141,381	137,859		139,606
Other operating expenditures	28,722	24,967		26,354
Total	170,103	162,826	7,277	165,960
<b>Finance:</b>				
Salaries and employee benefits	418,272	398,577		352,054
Other operating expenditures	191,692	187,527		193,227
Total	609,964	586,104	23,860	545,281
<b>Hospitalization - Retirees:</b>				
Operating expenditures	247,574	217,607		200,748
Total	247,574	217,607	29,967	200,748
<b>Wellness Grant:</b>				
Other operating expenditures	7,798	-		559
Total	7,798	-	7,798	559

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>			<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Taxes:</b>				
Salaries and employee benefits	479,285	429,153		455,845
Other operating expenditures	148,770	132,412		142,527
Total	628,055	561,565	66,490	598,372
<b>Land Records:</b>				
Salaries and employee benefits	155,083	152,922		153,476
Other operating expenditures	19,824	13,527		22,309
Total	174,907	166,449	8,458	175,785
<b>Legal:</b>				
Other operating expenditures	36,509	27,405		26,041
Total	36,509	27,405	9,104	26,041
<b>Court Facilities:</b>				
Other operating expenditures	16,948	13,078		15,942
Total	16,948	13,078	3,870	15,942
<b>Elections:</b>				
Salaries and employee benefits	120,886	83,384		95,175
Other operating expenditures	85,377	65,916		64,802
Total	206,263	149,300	56,963	159,977
<b>Register of Deeds:</b>				
Salaries and employee benefits	182,320	180,074		180,855
Other operating expenditures	58,658	55,005		49,170
Total	240,978	235,079	5,899	230,025
<b>Public Buildings:</b>				
Salaries and employee benefits	349,726	341,836		346,536
Other operating expenditures	368,673	345,337		336,065
Total	718,399	687,173	31,226	682,601
<b>Management Information Systems:</b>				
Salaries and employee benefits	55,788	54,775		58,401
Other operating expenditures	206,656	201,671		218,431
Total	262,444	256,446	5,998	276,832
<b>Central Garage:</b>				
Salaries and employee benefits	55,696	48,922		47,160
Other operating expenditures	16,020	18,444		23,345
Total	71,716	67,366	4,350	70,505

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
			<b>Actual</b>
<b>Central Stores:</b>			
Operating expenditures	236,600	34,823	40,738
Total	236,600	34,823	40,738
Total general government	3,934,326	3,439,136	495,190
<b>Public Safety:</b>			
<b>Sheriff:</b>			
Salaries and employee benefits	1,726,096	1,699,901	1,559,147
Other operating expenditures	722,317	644,741	495,043
Total	2,448,413	2,344,642	103,771
<b>Sheriff - School Resource Officer:</b>			
Salaries and employee benefits	141,721	124,204	-
Total	141,721	124,204	17,517
<b>Sheriff - Execution Account:</b>			
Operating expenditures	27,000	10,605	22,626
Total	27,000	10,605	16,395
<b>Criminal Justice Partnership Program:</b>			
Salaries and employee benefits	114,615	95,329	77,971
Other operating expenditures	67,661	44,601	29,518
Total	182,276	139,930	42,346
<b>Jail:</b>			
Salaries and employee benefits	972,173	897,942	906,863
Other operating expenditures	469,985	371,850	345,860
Total	1,442,158	1,269,792	172,366
<b>Emergency Communications:</b>			
Salaries and employee benefits	883,032	782,563	862,585
Other operating expenditures	32,410	17,913	18,638
Total	915,442	800,476	114,966
<b>911 County:</b>			
Other operating expenditures	53,687	51,968	54,312
Total	53,687	51,968	1,719
<b>Emergency Management:</b>			
Salaries and employee benefits	87,074	81,053	56,410
Other operating expenditures	83,841	58,450	107,433
Total	170,915	139,503	31,412

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>			<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Homeland Security:</b>				
Other operating expenditures	1,000	505		-
Total	1,000	505	495	-
<b>Fire:</b>				
Assistance to local fire departments	14,500	13,650		14,500
Contribution to N.C. Forestry	88,778	87,995		85,265
Total	103,278	101,645	1,633	99,765
<b>Building Inspections:</b>				
Salaries and employee benefits	160,146	151,938		159,229
Other operating expenditures	16,973	13,076		12,693
Total	177,119	165,014	12,105	171,922
<b>Medical Examiner:</b>				
Contracted services	10,000	7,250		2,800
Total	10,000	7,250	2,750	2,800
<b>Ambulance Services:</b>				
Salaries and employee benefits	2,282,812	2,274,794		2,154,323
Other operating expenditures	432,831	423,198		597,547
Assistance to local rescue units	9,500	7,000		13,000
Total	2,725,143	2,704,992	20,151	2,764,870
<b>Animal Control:</b>				
Salaries and employee benefits	50,957	50,669		50,771
Other operating expenditures	53,910	27,489		29,403
Total	104,867	78,158	26,709	80,174
<b>Tobacco Free Living:</b>				
Other operating expenditures	-	-		4,000
Total	-	-	-	4,000
Total public safety	8,503,019	7,938,684	564,335	7,659,937
<b>Transportation:</b>				
Contribution to Tri-County Airport	24,000	24,000	-	24,000
Total transportation	24,000	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, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</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	50,000	50,000	116,000
Drainage and watershed protection	4,000	4,000	4,000
Landfill Pesticide Containers	-	-	4,447
Environmental Protection grant expenditures	-	-	4,596
Total environmental protection	54,000	54,000	-
<b>Economic and Physical Development:</b>			
<b>Planning and Zoning:</b>			
Salaries and employee benefits	123,821	118,922	119,358
Other operating expenditures	40,897	9,527	9,979
Total	164,718	128,449	36,269
<b>Economic Development:</b>			
Salaries and employee benefits	159,400	155,961	155,443
Other operating expenditures	199,659	186,649	166,320
COG membership dues	9,100	9,090	9,090
Contribution to Chamber of Commerce	11,950	11,950	11,950
Contribution to CADA	6,000	6,000	-
Miscellaneous contributions	500	500	500
Total	386,609	370,150	16,459
<b>Economic Development Pass-Through Grants:</b>			
Operating expenditures	4,000	3,576	-
Total	4,000	3,576	424
<b>Cooperative Extension:</b>			
Salaries and employee benefits	242,078	186,843	196,237
Other operating expenditures	54,948	39,438	29,933
Total	297,026	226,281	70,745
<b>Environmental Equity Grant:</b>			
Operating expenditures	1,073	-	-
Total	1,073	-	1,073
<b>YESS Mini-Society Grant:</b>			
Operating expenditures	2,980	-	-
Total	2,980	-	2,980

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
			<b>Actual</b>
<b>Soil and Water Conservation:</b>			
Salaries and employee benefits	83,527	82,847	68,937
Other operating expenditures	6,296	5,862	5,390
Total	89,823	88,709	74,327
 Total economic and physical development	 946,229	 817,165	 773,137
 <b>Human Services:</b>			
<b>Health:</b>			
Salaries and employee benefits	644,098	517,732	597,908
Other operating expenditures	177,086	127,780	90,764
Total	821,184	645,512	688,672
 <b>Communicable Disease:</b>			
Salaries and employee benefits	20,631	15,909	13,776
Other operating expenditures	2,814	1,626	711
Total	23,445	17,535	14,487
 <b>Kate B. Reynolds Grant:</b>			
Salaries and employee benefits	85,432	76,595	80,470
Other operating expenditures	20,620	5,247	10,206
Total	106,052	81,842	90,676
 <b>Healthy Start Initiative:</b>			
Salaries and employee benefits	81,932	74,223	82,071
Other operating expenditures	28,959	24,726	102,255
Total	110,891	98,949	184,326
 <b>Immunization Program:</b>			
Salaries and employee benefits	8,788	7,717	5,217
Other operating expenditures	3,100	1,330	2,488
Total	11,888	9,047	7,705
 <b>Carolina Access III:</b>			
Salaries and employee benefits	298,109	235,628	227,768
Other operating expenditures	39,913	17,544	28,825
Total	338,022	253,172	256,593
 <b>Tuberculosis Program:</b>			
Salaries and employee benefits	21,398	15,511	24,929
Other operating expenditures	12,411	3,930	8,429
Total	33,809	19,441	33,358



**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>			<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Community Health Grant:</b>				
Other operating expenditures	-	-		22,626
Total	-	-	-	22,626
<b>Health - Jail Site Testing:</b>				
Salaries and employee benefits	41,382	40,211		41,217
Other operating expenditures	13,577	10,945		11,715
Total	54,959	51,156	3,803	52,932
<b>Pregnancy Care Management:</b>				
Salaries and employee benefits	70,735	68,705		66,600
Other operating expenditures	10,562	4,416		4,486
Total	81,297	73,121	8,176	71,086
<b>Mosquito Control:</b>				
Other operating expenditures	17,124	4,354		12,373
Total	17,124	4,354	12,770	12,373
<b>Nurse Family Partnership:</b>				
Salaries and employee benefits	323,508	303,699		315,007
Other operating expenditures	137,223	94,435		227,500
Total	460,731	398,134	62,597	542,507
<b>School Nurse Program:</b>				
Salaries and employee benefits	148,650	137,568		150,000
Other operating expenditures	1,350	484		-
Total	150,000	138,052	11,948	150,000
<b>Healthy Communities:</b>				
Salaries and employee benefits	5,825	5,646		10,828
Other operating expenditures	11,244	6,107		7,661
Total	17,069	11,753	5,316	18,489
<b>Health CDC TB:</b>				
Salaries and employee benefits	-	-		1,971
Other operating expenditures	-	-		3,051
Total	-	-	-	5,022
<b>Health - Susan Koman:</b>				
Other operating expenditures	3,500	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, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</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	13,747	13,397	9,550
Other operating expenditures	25,612	21,161	25,151
Total	39,359	34,558	4,801
<b>Home Health:</b>			
Salaries and employee benefits	637,106	609,916	646,553
Other operating expenditures	573,360	319,527	339,217
Total	1,210,466	929,443	281,023
<b>Health Promotions:</b>			
Salaries and employee benefits	-	-	84
Total	-	-	84
<b>School Health - Kate B. Reynolds:</b>			
Salaries and employee benefits	34,097	33,801	34,624
Other operating expenditures	4,652	3,338	2,219
Total	38,749	37,139	1,610
<b>Child Health:</b>			
Salaries and employee benefits	182,339	176,669	159,114
Other operating expenditures	33,958	22,533	21,820
Total	216,297	199,202	17,095
<b>Child Services Coordination:</b>			
Salaries and employee benefits	41,798	41,417	56,900
Other operating expenditures	11,717	4,421	6,919
Total	53,515	45,838	7,677
<b>Maternal Child Health:</b>			
Salaries and employee benefits	139,601	42,009	13,385
Other operating expenditures	31,962	13,533	18,191
Total	171,563	55,542	116,021
<b>Family Planning:</b>			
Salaries and employee benefits	118,159	113,909	124,496
Other operating expenditures	59,651	38,668	36,307
Total	177,810	152,577	25,233
<b>Health Promotions - Clinical (Adult):</b>			
Salaries and employee benefits	4,848	4,550	19,601
Operating expenditures	6,121	2,424	4,898
Total	10,969	6,974	3,995

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
			<b>Actual</b>
<b>Health-Head Start:</b>			
Salaries and employee benefits	35,146	29,542	35,609
Other operating expenditures	3,195	2,035	2,426
Total	38,341	31,577	38,035
<b>Women, Infants, and Children:</b>			
Salaries and employee benefits	143,676	141,984	145,050
Other operating expenditures	15,560	11,995	11,128
Total	159,236	153,979	156,178
<b>Peer Counseling:</b>			
Salaries and employee benefits	6,218	5,847	4,319
Other operating expenditures	1,797	1,370	2,191
Total	8,015	7,217	6,510
<b>Wise Woman Project:</b>			
Salaries and employee benefits	9,869	8,542	9,056
Other operating expenditures	4,433	687	3,783
Total	14,302	9,229	12,839
<b>Family Planning Outreach:</b>			
Other operating expenditures	-	-	3,567
Total	-	-	3,567
<b>Bio-Terrorism Grant:</b>			
Salaries and employee benefits	30,563	30,229	36,959
Operating expenditures	9,680	8,226	10,267
Total	40,243	38,455	47,226
<b>Environmental Health:</b>			
Salaries and employee benefits	165,676	161,239	161,167
Other operating expenditures	20,220	9,461	13,697
Total	185,896	170,700	174,864
<b>Elderly and Handicapped:</b>			
Operating expenditures	132,520	120,255	107,841
<b>Home Delivered Meals:</b>			
Salaries and employee benefits	16,549	14,739	16,554
Other operating expenditures	96,885	69,212	81,095
Total	113,434	83,951	97,649

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</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	8,427	8,426	9,512
Other operating expenditures	102,879	98,610	101,497
Total	111,306	107,036	111,009
<b>AIDS Control:</b>			
Salaries and employee benefits	27,510	19,515	24,824
Other operating expenditures	1,916	802	(2,138)
Total	29,426	20,317	22,686
Total health	4,981,418	4,009,557	4,448,285
<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	55,349	52,803	55,473
Other operating expenditures	5,150	4,696	5,055
Total	60,499	57,499	60,528
<b>Office of Aging Special Funds:</b>			
Other operating expenditures	989	-	200
Total	989	-	200
<b>Care Giver Grant:</b>			
Operating expenditures	-	-	9,183
Total	-	-	9,183
<b>Veterans Assistance:</b>			
Salaries and employee benefits	45,464	30,090	44,837
Other operating expenditures	6,955	5,296	5,125
Total	52,419	35,386	49,962
<b>Community Based Alternatives:</b>			
Operating expenditures	111,216	110,200	112,843
Total	111,216	110,200	112,843
<b>Social Services:</b>			
<b>Administration:</b>			
Salaries and employee benefits	3,451,572	3,313,568	3,344,178
Other operating expenditures	1,357,838	1,294,238	1,249,262
Total	4,809,410	4,607,806	4,593,440

# **NORTHAMPTON COUNTY, NORTH CAROLINA**

## **GENERAL FUND**

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

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

#### **FOR THE YEAR ENDED JUNE 30, 2014**

#### **WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>
<b>Program Expenditures:</b>			
<b>Federal and State Expenditures:</b>			
AFDC - FC	62,833	62,784	30,580
Crisis fuel	140,805	139,778	214,120
Board home	21,273	6,122	2,465
Smart Start daycare	88,263	87,722	87,746
CAP/DA federal and State expenditures	71,000	59,799	57,837
Child daycare	888,072	751,510	633,401
Special adoption assistance	7,000	6,753	9,515
Total federal and State expenditures	1,279,246	1,114,468	164,778
<b>County Expenditures:</b>			
Foster care	857	-	-
Medicaid	550	506	552
Aid to blind	2,094	2,094	2,145
OAA/AD	455,628	419,963	443,679
AFDC - FC	13,112	13,058	7,682
General assistance	10,120	5,525	9,886
Board home	16,003	6,112	2,866
Food stamp issuances	14,146	9,544	10,693
IV-E adoption assistance	22,841	19,798	20,097
Low income energy assistance	210,485	206,950	94,800
CAP/DA	400	319	-
Total county expenditures	746,236	683,869	62,367
Total social services	6,834,892	6,406,143	428,749
Total human services	12,123,047	10,700,399	1,422,648
<b>Cultural and Recreational:</b>			
<b>Recreation:</b>			
Salaries and employee benefits	197,580	188,942	184,450
Other operating expenditures	80,360	64,720	44,915
Total	277,940	253,662	24,278
<b>Libraries:</b>			
Contribution to regional library	136,555	136,260	133,010
Total	136,555	136,260	295
<b>Northampton Cultural Arts:</b>			
Contribution	8,693	8,692	8,898
Total	8,693	8,692	1

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**GENERAL FUND**

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

**IN FUND BALANCE - BUDGET AND ACTUAL**

**FOR THE YEAR ENDED JUNE 30, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>			<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over /Under</b>	<b>Actual</b>
<b>Museums:</b>				
Contribution to museum	3,000	3,000		5,000
Total	3,000	3,000	-	5,000
 Total cultural and recreational	 426,188	 401,614	 24,278	 376,273
<b>Education:</b>				
Public schools - current expenses	3,161,538	3,161,538		3,161,538
Public schools - capital outlay	364,599	351,385		241,851
Public schools - fines and forfeitures	80,000	77,214		94,828
Community colleges - current	24,000	24,000		24,000
Total education	3,630,137	3,614,137	16,000	3,522,217
<b>Debt Service:</b>				
Principal retirement	7,329,854	7,329,854		192,239
Interest and fees	9,233	8,888		5,166
Total debt service	7,339,087	7,338,742	345	197,405
 Total expenditures	 36,980,033	 34,327,877	 2,651,436	 27,185,929
 Revenues over (under) expenditures	 (6,778,853)	 (2,951,378)	 3,827,475	 2,890,580
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds:				
Special revenue funds	(6,902)	(268,178)	(261,276)	-
Debt Service Fund	(1,316,972)	(1,316,972)	-	(1,470,000)
Intrafund transfers:				
Revaluation Fund	(50,000)	(50,000)	-	(50,000)
Long-term debt issued	7,361,596	7,361,596	-	538,128
Appropriated fund balance	791,131	-	(791,131)	-
Total other financing sources (uses)	6,778,853	5,726,446	(1,052,407)	(981,872)
 Net change in fund balance	 \$ -	 2,775,068	 \$ 2,775,068	 1,908,708
<b>Fund Balance:</b>				
Beginning of year - July 1		6,902,652		4,993,944
 End of year - June 30		 \$ 9,677,720		 \$ 6,902,652

## NORTHAMPTON COUNTY, NORTH CAROLINA

## REVALUATION FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 194	\$ 194	\$ 79
<b>Expenditures:</b>				
Current:				
General government:				
Other operating expenditures	50,000	36,902	13,098	1,433
Total expenditures	50,000	36,902	13,098	1,433
Revenues over (under) expenditures	(50,000)	(36,708)	13,292	(1,354)
<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	\$ -	13,292	\$ 13,292	48,646
<b>Fund Balance:</b>				
Beginning of year - July 1		286,177		237,531
End of year - June 30		\$ 299,469		\$ 286,177

## 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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 7,000	\$ 10	\$ (6,990)	\$ 3
Miscellaneous	99,000	-	(99,000)	-
Total revenues	106,000	10	(105,990)	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	\$ -	10	\$ 10	3
<b>Fund Balance:</b>				
Beginning of year - July 1		9,953		9,950
End of year - June 30		\$ 9,963		\$ 9,953



## 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, 2014

		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	\$ -	\$ -	\$ 457,450	\$ 457,450	\$ 457,450
Investment earnings	-	6,424	1,582	8,006	8,006
Total revenues	-	6,424	459,032	465,456	465,456
<b>Expenditures:</b>					
Human services:					
Land	150,000	140,359	-	140,359	9,641
DSS building	7,316,000	3,845,168	3,591,049	7,436,217	(120,217)
Total expenditures	7,466,000	3,985,527	3,591,049	7,576,576	(110,576)
Revenues over (under) expenditures	(7,466,000)	(3,979,103)	(3,132,017)	(7,111,120)	354,880
<b>Other Financing Sources (Uses):</b>					
Long-term debt issued	7,466,000	6,966,000	-	6,966,000	(500,000)
Total other financing sources (uses)	7,466,000	6,966,000	-	6,966,000	(500,000)
Net change in fund balance	\$ -	\$ 2,986,897	\$ (3,132,017)	\$ (145,120)	\$ (145,120)

## 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, 2014

		<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:					
CDBG	\$ 930,000	\$ 829,580	\$ 216,600	\$ 1,046,180	\$ 116,180
NC Rural center	620,000	-	440,747	440,747	(179,253)
USDA	2,002,088	848,724	179,202	1,027,926	(974,162)
Golden Leaf	-	-	200,000	200,000	200,000
Miscellaneous	31,000	18,910	-	18,910	(12,090)
Total revenues	<u>3,583,088</u>	<u>1,697,214</u>	<u>1,036,549</u>	<u>2,733,763</u>	<u>(849,325)</u>
<b>Expenditures:</b>					
Economic and physical development:					
EDA expenditures	2,002,088	1,747,900	154,060	1,901,960	100,128
CDBG expenditures	930,000	87,848	-	87,848	842,152
NC Rural center expenditures	220,000	-	9,500	9,500	210,500
Access road expenditures	400,000	691,409	4,450	695,859	(295,859)
General expenditures	31,000	28,353	392	28,745	2,255
Total expenditures	<u>3,583,088</u>	<u>2,555,510</u>	<u>168,402</u>	<u>2,723,912</u>	<u>859,176</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (858,296)</u>	<u>\$ 868,147</u>	<u>\$ 9,851</u>	<u>\$ 9,851</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2014

	Nonmajor Governmental Funds			
	Special Revenue Funds	Capital Project Fund	Debt Service Fund	Total
<b>Assets:</b>				
Cash and cash equivalents	\$ 81,972	\$ 192,757	\$ 64,776	\$ 339,505
Accounts receivable, net	124,876	-	-	124,876
Due from other funds	134,769	169,720	-	304,489
Total assets	<u>\$ 341,617</u>	<u>\$ 362,477</u>	<u>\$ 64,776</u>	<u>\$ 768,870</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 13,763	\$ 338	\$ -	\$ 14,101
Due to other funds	1,091	530,990	-	532,081
Total liabilities	<u>14,854</u>	<u>531,328</u>	<u>-</u>	<u>546,182</u>
<b>Deferred Inflows of Resources:</b>				
Taxes receivable	106,166	-	-	106,166
Total deferred inflows of resources	<u>106,166</u>	<u>-</u>	<u>-</u>	<u>106,166</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State statute	153,479	169,720	-	323,199
Restricted, other	49,705	-	-	49,705
Committed:				
Committed, other	-	192,430	-	192,430
Assigned:				
Assigned, other	24,649	-	64,776	89,425
Unassigned	(7,236)	(531,001)	-	(538,237)
Total fund balances	<u>220,597</u>	<u>(168,851)</u>	<u>64,776</u>	<u>116,522</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 341,617</u>	<u>\$ 362,477</u>	<u>\$ 64,776</u>	<u>\$ 768,870</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	<b>Nonmajor Governmental Funds</b>			
	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>	<b>Debt Service Fund</b>	<b>Total</b>
<b>Revenues:</b>				
Ad valorem taxes	\$ 694,996	\$ -	\$ -	\$ 694,996
Restricted intergovernmental	240,040	396,348	-	636,388
Sales and services	224,518	-	-	224,518
Investment earnings	483	96	5	584
Miscellaneous	18,813	5,560	-	24,373
Total revenues	<u>1,178,850</u>	<u>402,004</u>	<u>5</u>	<u>1,580,859</u>
<b>Expenditures:</b>				
Current:				
Public safety	858,852	-	-	858,852
Economic and physical development	247,306	98,551	-	345,857
Education	-	214,700	-	214,700
Debt service:				
Principal	-	-	932,582	932,582
Interest	-	-	729,857	729,857
Total expenditures	<u>1,106,158</u>	<u>313,251</u>	<u>1,662,439</u>	<u>3,081,848</u>
Revenues over (under) expenditures	<u>72,692</u>	<u>88,753</u>	<u>(1,662,434)</u>	<u>(1,500,989)</u>
<b>Other Financing Sources (Uses):</b>				
Refunding bonds issued	-	-	4,527,000	4,527,000
Refunded debt service - principal	-	-	(4,145,000)	(4,145,000)
Transfers in (out)	268,178	-	1,316,972	1,585,150
Total other financing sources (uses)	<u>268,178</u>	<u>-</u>	<u>1,698,972</u>	<u>1,967,150</u>
Net change in fund balances	340,870	88,753	36,538	466,161
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>(120,273)</u>	<u>(257,604)</u>	<u>28,238</u>	<u>(349,639)</u>
End of year - June 30	<u>\$ 220,597</u>	<u>\$ (168,851)</u>	<u>\$ 64,776</u>	<u>\$ 116,522</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR SPECIAL REVENUE FUNDS

## COMBINING BALANCE SHEET

JUNE 30, 2014

	Mid-Atlantic Distribution Park Fund	Emergency Telephone System Fund	Fire District Fund	CDBG Fund	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ 24,649	\$ 49,705	\$ 7,618	\$ -	\$ 81,972
Accounts receivable, net	-	18,710	106,166	-	124,876
Due from other funds	-	134,769	-	-	134,769
Total assets	<u>\$ 24,649</u>	<u>\$ 203,184</u>	<u>\$ 113,784</u>	<u>\$ -</u>	<u>\$ 341,617</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 12,907	\$ 856	\$ 13,763
Due to other funds	-	-	-	1,091	1,091
Total liabilities	<u>-</u>	<u>-</u>	<u>12,907</u>	<u>1,947</u>	<u>14,854</u>
<b>Deferred Inflows of Resources:</b>					
Taxes receivable	-	-	106,166	-	106,166
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>106,166</u>	<u>-</u>	<u>106,166</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	-	153,479	-	-	153,479
Restricted, other	-	49,705	-	-	49,705
Assigned:					
Assigned, other	24,649	-	-	-	24,649
Unassigned	-	-	(5,289)	(1,947)	(7,236)
Total fund balances	<u>24,649</u>	<u>203,184</u>	<u>(5,289)</u>	<u>(1,947)</u>	<u>220,597</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 24,649</u>	<u>\$ 203,184</u>	<u>\$ 113,784</u>	<u>\$ -</u>	<u>\$ 341,617</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, 2014**

	<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	\$ -	\$ -	\$ 694,996	\$ -	\$ 694,996
Restricted intergovernmental	-	-	-	240,040	240,040
Sales and services	-	224,518	-	-	224,518
Investment earnings	12	169	302	-	483
Miscellaneous	18,689	124	-	-	18,813
Total revenues	<u>18,701</u>	<u>224,811</u>	<u>695,298</u>	<u>240,040</u>	<u>1,178,850</u>
<b>Expenditures:</b>					
Public safety	-	160,597	698,255	-	858,852
Economic and physical development	-	-	-	247,306	247,306
Total expenditures	<u>-</u>	<u>160,597</u>	<u>698,255</u>	<u>247,306</u>	<u>1,106,158</u>
Revenues over (under) expenditures	<u>18,701</u>	<u>64,214</u>	<u>(2,957)</u>	<u>(7,266)</u>	<u>72,692</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	-	261,276	-	6,902	268,178
Total other financing sources (uses)	<u>-</u>	<u>261,276</u>	<u>-</u>	<u>6,902</u>	<u>268,178</u>
Net change in fund balances	18,701	325,490	(2,957)	(364)	340,870
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>5,948</u>	<u>(122,306)</u>	<u>(2,332)</u>	<u>(1,583)</u>	<u>(120,273)</u>
End of year - June 30	<u>\$ 24,649</u>	<u>\$ 203,184</u>	<u>\$ (5,289)</u>	<u>\$ (1,947)</u>	<u>\$ 220,597</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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 12	\$ 12	\$ 4
Miscellaneous revenue	-	18,689	18,689	18,476
Total revenues	-	18,701	18,701	18,480
Revenues over (under) expenditures	-	18,701	18,701	18,480
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	-	-	-	(14,995)
Total other financing sources (uses)	-	-	-	(14,995)
Net change in fund balance	\$ -	18,701	\$ 18,701	3,485
<b>Fund Balance:</b>				
Beginning of year - July 1		5,948		2,463
End of year - June 30		\$ 24,649		\$ 5,948

## 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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Telephone surcharge	\$ 224,517	\$ 224,518	\$ 1	\$ 198,064
Investment earnings	-	169	169	72
Miscellaneous	-	124	124	22
Total revenues	<u>224,517</u>	<u>224,811</u>	<u>294</u>	<u>198,158</u>
<b>Expenditures:</b>				
Current:				
Public safety:				
Construction/capital outlay	254,100	1,202	252,898	41,625
Other expenditures	<u>168,600</u>	<u>159,395</u>	<u>9,205</u>	<u>173,530</u>
Total expenditures	<u>422,700</u>	<u>160,597</u>	<u>262,103</u>	<u>215,155</u>
Revenues over (under) expenditures	<u>(198,183)</u>	<u>64,214</u>	<u>262,397</u>	<u>(16,997)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	<u>198,183</u>	<u>261,276</u>	<u>63,093</u>	<u>-</u>
Total other financing sources (uses)	<u>198,183</u>	<u>261,276</u>	<u>63,093</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>325,490</u>	<u>\$ 325,490</u>	<u>(16,997)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>(122,306)</u>		<u>(105,309)</u>
End of year - June 30		<u>\$ 203,184</u>		<u>\$ (122,306)</u>

## PSAP RECONCILIATION

## FOR THE YEAR ENDED JUNE 30, 2014

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 \$ 203,184

Cumulative prior period revenues and expenditures not reported in the fund schedule  
(difference in beginning fund balance - budget to actual vs. PSAP Report) 126,635

A portion of 911 revenue reported on budget to actual, not reported on  
PSAP Report (129)

Ending balance, PSAP Revenue-Expenditure Report \$ 329,690



## 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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Roanoke Wildwood Fire District tax	\$ 189,643	\$ 180,836	\$ (8,807)	\$ 180,532
Garysburg Fire District tax	75,878	75,812	(66)	73,435
Gaston Fire District tax	191,197	190,728	(469)	136,081
Jackson Fire District tax	44,219	43,131	(1,088)	39,229
Lasker Fire District tax	26,558	26,485	(73)	25,568
Seaboard Fire District tax	73,890	57,667	(16,223)	55,154
Rich Square Fire District tax	58,155	62,532	4,377	61,211
Woodland Fire District tax	56,978	56,299	(679)	53,178
Refund of motor vehicle interest	-	1,506	1,506	-
Interest earnings	-	302	302	11
Total revenues	<u>716,518</u>	<u>695,298</u>	<u>(21,220)</u>	<u>624,399</u>
<b>Expenditures:</b>				
Current:				
Public safety:				
Roanoke Wildwood levy	189,643	182,737	6,906	181,754
Garysburg levy	75,878	76,376	(498)	73,452
Gaston levy	191,197	191,539	(342)	136,245
Jackson levy	44,219	43,074	1,145	39,277
Lasker levy	26,558	26,653	(95)	25,683
Seaboard Fire District levy	73,890	57,903	15,987	55,102
Rich Square levy	58,155	62,940	(4,785)	61,251
Woodland levy	56,978	57,033	(55)	53,193
Total expenditures	<u>716,518</u>	<u>698,255</u>	<u>18,263</u>	<u>625,957</u>
Net change in fund balance	<u>\$ -</u>	<u>(2,957)</u>	<u>\$ (2,957)</u>	<u>(1,558)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>(2,332)</u>		<u>(774)</u>
End of year - June 30		<u>\$ (5,289)</u>		<u>\$ (2,332)</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, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Restricted intergovernmental:					
Community development	\$ 800,000	\$ 412,000	\$ 1,340	\$ 413,340	\$ (386,660)
Redevelopment assistance	2,335	14,374	-	14,374	12,039
Small Business Entrepreneurial Grant	250,000	10,300	238,700	249,000	(1,000)
Barrow Mill Road wastewater	600,000	-	-	-	(600,000)
Miscellaneous	20,000	100,000	-	100,000	80,000
Total revenues	<u>1,672,335</u>	<u>536,674</u>	<u>240,040</u>	<u>776,714</u>	<u>(895,621)</u>
<b>Expenditures:</b>					
Economic development:					
Administration	800,000	405,228	8,450	413,678	386,322
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	10,480	238,856	249,336	664
Barrow Mill Road wastewater	600,000	10,860	-	10,860	589,140
Debt service:					
Principal	20,000	100,000	-	100,000	(80,000)
Total expenditures	<u>1,672,335</u>	<u>638,257</u>	<u>247,306</u>	<u>885,563</u>	<u>786,772</u>
Revenues over (under) expenditures	<u>-</u>	<u>(101,583)</u>	<u>(7,266)</u>	<u>(108,849)</u>	<u>(108,849)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	-	-	6,902	6,902	6,902
Long-term debt issued	-	100,000	-	100,000	100,000
Total other financing sources (uses)	<u>-</u>	<u>100,000</u>	<u>6,902</u>	<u>106,902</u>	<u>106,902</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,583)</u>	<u>(364)</u>	<u>\$ (1,947)</u>	<u>\$ (1,947)</u>
<b>Fund Balance:</b>					
Beginning of year, July 1			<u>(1,583)</u>		
End of year, June 30			<u>\$ (1,947)</u>		

*This page left blank intentionally.*

# NORTHAMPTON COUNTY, NORTH CAROLINA

## NONMAJOR CAPITAL PROJECT FUNDS

### COMBINING BALANCE SHEET

JUNE 30, 2014

	<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	\$ 756	\$ -	\$ 901
Due from other funds	-	-	169,720	-
Total assets	<u>\$ 327</u>	<u>\$ 756</u>	<u>\$ 169,720</u>	<u>\$ 901</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	-	756	-	901
Unassigned	(366,452)	-	-	-
Total fund balances	<u>(366,452)</u>	<u>756</u>	<u>169,720</u>	<u>901</u>
Total liabilities and fund balances	<u>\$ 327</u>	<u>\$ 756</u>	<u>\$ 169,720</u>	<u>\$ 901</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>
\$ 135,988	\$ 50,994	\$ 3,791	\$ -	\$ 192,757
-	-	-	-	169,720
<u>\$ 135,988</u>	<u>\$ 50,994</u>	<u>\$ 3,791</u>	<u>\$ -</u>	<u>\$ 362,477</u>
\$ -	\$ -	\$ -	\$ 338	\$ 338
-	-	-	164,211	530,990
-	-	-	164,549	531,328
-	-	-	-	169,720
135,988	50,994	3,791	-	192,430
-	-	-	(164,549)	(531,001)
<u>135,988</u>	<u>50,994</u>	<u>3,791</u>	<u>(164,549)</u>	<u>(168,851)</u>
<u>\$ 135,988</u>	<u>\$ 50,994</u>	<u>\$ 3,791</u>	<u>\$ -</u>	<u>\$ 362,477</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, 2014

	<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	-	1	-	1
Miscellaneous	-	-	-	-
Total revenues	-	1	-	1
<b>Expenditures:</b>				
Current:				
Economic and physical development	-	-	-	-
Education	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	1	-	1
<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>\$ 756</u>	<u>\$ 169,720</u>	<u>\$ 901</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>
\$ -	\$ 222,800	\$ -	\$ 173,548	\$ 396,348
91	-	3	-	96
5,560	-	-	-	5,560
<u>5,651</u>	<u>222,800</u>	<u>3</u>	<u>173,548</u>	<u>402,004</u>
-	-	-	98,551	98,551
-	214,700	-	-	214,700
<u>-</u>	<u>214,700</u>	<u>-</u>	<u>98,551</u>	<u>313,251</u>
5,651	8,100	3	74,997	88,753
<u>130,337</u>	<u>42,894</u>	<u>3,788</u>	<u>(239,546)</u>	<u>(257,604)</u>
<u>\$ 135,988</u>	<u>\$ 50,994</u>	<u>\$ 3,791</u>	<u>\$ (164,549)</u>	<u>\$ (168,851)</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, 2014

		<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, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 5	\$ 1	\$ 6	\$ 6
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>1</u>	<u>2,256</u>	<u>6</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>1</u>	<u>(2,244)</u>	<u>756</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>\$ 1</u>	<u>\$ 756</u>	<u>\$ 756</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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	<u>2014</u>			<u>2013</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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 1	\$ 1	\$ -
Total revenues	-	1	1	-
Net change in fund balance	\$ -	1	\$ 1	-
<b>Fund Balance:</b>				
Beginning of year - July 1		900		900
End of year - June 30		<u>\$ 901</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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 91	\$ 91	\$ 42
Miscellaneous	-	5,560	5,560	-
Total revenues	-	5,651	5,651	42
Net change in fund balance	\$ -	5,651	\$ 5,651	42
<b>Fund Balance:</b>				
Beginning of year - July 1		130,337		130,295
End of year - June 30		\$ 135,988		\$ 130,337

## 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, 2014

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total to Date</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>					
Restricted intergovernmental:					
State ADM funds	\$ 3,094,130	\$ 2,569,777	\$ -	\$ 2,569,777	\$ (524,353)
State lottery funds	1,615,188	1,615,188	222,800	1,837,988	222,800
Total revenues	<u>4,709,318</u>	<u>4,184,965</u>	<u>222,800</u>	<u>4,407,765</u>	<u>(301,553)</u>
<b>Expenditures:</b>					
Current:					
Education:					
Land purchase	105,000	105,000	-	105,000	-
Renovation of existing buildings	4,428,930	4,278,658	214,700	4,493,358	(64,428)
Debt service - principal	260,063	260,063	-	260,063	-
Total expenditures	<u>4,793,993</u>	<u>4,643,721</u>	<u>214,700</u>	<u>4,858,421</u>	<u>(64,428)</u>
Revenues over (under) expenditures	<u>(84,675)</u>	<u>(458,756)</u>	<u>8,100</u>	<u>(450,656)</u>	<u>(365,981)</u>
<b>Other Financing Sources (Uses):</b>					
Reimbursement from Board of Education	84,675	501,650	-	501,650	416,975
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>\$ 42,894</u>	8,100	<u>\$ 50,994</u>	<u>\$ 50,994</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>42,894</u>		
End of year - June 30			<u>\$ 50,994</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, 2014

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 8	\$ 3	\$ 11	\$ 11
Miscellaneous	285,580	65,080	-	65,080	(220,500)
Total revenues	285,580	65,088	3	65,091	(220,489)
<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	\$ 3,791	\$ 3,791

## 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, 2014

		<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	\$ 630,000	\$ 137,815	\$ 173,548	\$ 311,363	\$ (318,637)
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>137,815</u>	<u>173,548</u>	<u>311,363</u>	<u>(1,842,843)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Piedmont natural gas expenditures	1,553,206	217,047	80,071	297,118	1,256,088
CDBG expenditures	101,000	17,785	18,480	36,265	64,735
Industrial development expenditures	500,000	142,529	-	142,529	357,471
Total expenditures	<u>2,154,206</u>	<u>377,361</u>	<u>98,551</u>	<u>475,912</u>	<u>1,678,294</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (239,546)</u>	<u>\$ 74,997</u>	<u>\$ (164,549)</u>	<u>\$ (164,549)</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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 5	\$ 5	\$ -
Total revenues	-	5	5	-
<b>Expenditures:</b>				
Debt service:				
Principal retirement	932,582	932,582	-	988,643
Interest	766,390	729,857	36,533	484,490
Total expenditures	1,698,972	1,662,439	36,533	1,473,133
Revenues over (under) expenditures	(1,698,972)	(1,662,434)	36,538	(1,473,133)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out):				
Special revenue funds	-	-	-	14,995
General Fund	1,316,972	1,316,972	-	1,470,000
Refunding bonds issued	4,527,000	4,527,000	-	-
Refunded debt service - principal	(4,145,000)	(4,145,000)	-	-
Total other financing sources (uses)	1,698,972	1,698,972	-	1,484,995
Net change in fund balance	\$ -	36,538	\$ 36,538	11,862
<b>Fund Balance:</b>				
Beginning of year - July 1		28,238		16,376
End of year - June 30		\$ 64,776		\$ 28,238



**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, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>			<b>2013</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	\$ 2,508,997	\$ 2,294,045	\$ (214,952)	\$ 2,471,226
Water and sewer taps	12,500	15,000	2,500	13,200
Other operating revenues	306,500	24,852	(281,648)	25,153
Total operating revenues	<u>2,827,997</u>	<u>2,333,897</u>	<u>(494,100)</u>	<u>2,509,579</u>
<b>Non-Operating Revenues:</b>				
Interest earned on investments	-	167	167	161
Total revenues	<u>2,827,997</u>	<u>2,334,064</u>	<u>(493,933)</u>	<u>2,509,740</u>
<b>Expenditures:</b>				
Salaries and employee benefits	507,295	498,850	8,445	492,275
Purchased water	358,000	384,224	(26,224)	390,840
Sewage treatment	480,000	479,544	456	391,870
Other operating expenses	543,582	518,723	24,859	442,364
Capital outlay	41,108	41,108	-	126,306
Debt service:				
Debt principal	570,567	570,567	-	471,500
Interest and fees	680,251	680,230	21	420,411
Total expenditures	<u>3,180,803</u>	<u>3,173,246</u>	<u>7,557</u>	<u>2,735,566</u>
Revenues over (under) expenditures	<u>(352,806)</u>	<u>(839,182)</u>	<u>(486,376)</u>	<u>(225,826)</u>
<b>Other Financing Sources (Uses):</b>				
Issuance of long-term debt	38,306	38,306	-	55,701
Refunding bonds issued	4,836,000	4,836,000	-	-
Refunded debt service - principal	(4,515,000)	(4,515,000)	-	-
Transfers in - Water and Sewer Capital Projects	-	362,302	362,302	-
Transfers out - General Fund	(6,500)	-	6,500	-
Total other financing sources (uses)	<u>352,806</u>	<u>721,608</u>	<u>368,802</u>	<u>55,701</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (117,574)</u>	<u>\$ (117,574)</u>	<u>\$ (170,125)</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, 2014**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<b>2014</b>		<b>2013</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
			<b>Actual</b>
<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		\$ (117,574)	\$ (170,125)
Long-term debt issued		(38,306)	(55,701)
Refunding bonds issued		(4,836,000)	-
Debt principal		570,567	471,500
Refunded debt service - principal		4,515,000	-
Increase in accrued interest payable		43,526	-
Increase in compensated absences		5,249	3,762
Increase in other post-employment benefits		(23,670)	(25,422)
Capital outlay		41,108	126,306
Depreciation		(553,979)	(551,595)
Total water and sewer capital projects		<u>\$ (394,079)</u>	<u>\$ (201,275)</u>
<b>Activity of Water and Sewer Capital Projects</b>			
<b>with Project-Based Budgets:</b>			
Interest income		\$ 676	\$ -
Transfers in - Water and Sewer Capital Project		(362,302)	-
Change in net position		<u>\$ (755,705)</u>	<u>\$ (201,275)</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

## WATER AND SEWER CAPITAL PROJECT

## PHASE V WATER PROJECT

## SCHEDULE OF REVENUES AND EXPENDITURES

## BUDGET AND ACTUAL

## FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
<b>Revenues:</b>					
<b>Restricted Intergovernmental:</b>					
USDA grant	\$ 971,000	\$ -	\$ -	\$ -	\$ (971,000)
Investment earnings	-	-	676	676	676
Total revenues	<u>971,000</u>	<u>-</u>	<u>676</u>	<u>676</u>	<u>(970,324)</u>
<b>Expenditures:</b>					
Legal	40,000	-	11,006	11,006	28,994
Land and right-of-way purchase	6,000	-	-	-	6,000
Capital outlay purchases	1,300,000	-	1,058,516	1,058,516	241,484
Engineering	470,412	-	101,605	101,605	368,807
Construction	3,776,882	-	3,187,547	3,187,547	589,335
Contingency	248,706	-	57,234	57,234	191,472
Total expenditures	<u>5,842,000</u>	<u>-</u>	<u>4,415,908</u>	<u>4,415,908</u>	<u>1,426,092</u>
Revenues over (under) expenditures	<u>(4,871,000)</u>	<u>-</u>	<u>(4,415,232)</u>	<u>(4,415,232)</u>	<u>455,768</u>
<b>Other Financing Sources (Uses):</b>					
Transfers out - Enterprise Fund	-	-	(362,302)	(362,302)	(362,302)
USDA long-term debt issued	4,871,000	-	4,876,000	4,876,000	5,000
Total other financing sources (uses)	<u>4,871,000</u>	<u>-</u>	<u>4,513,698</u>	<u>4,513,698</u>	<u>(357,302)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,466</u>	<u>\$ 98,466</u>	<u>\$ 98,466</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, 2014

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Operating Revenues:</b>				
Solid waste fees	\$ 2,194,727	\$ 2,106,461	\$ (88,266)	\$ 2,054,148
White goods and tire disposal tax	25,000	32,575	7,575	26,735
Solid waste disposal tax	8,200	11,335	3,135	10,580
Other operating revenues	40,000	58,661	18,661	55,950
Total operating revenues	<u>2,267,927</u>	<u>2,209,032</u>	<u>(58,895)</u>	<u>2,147,413</u>
<b>Non-Operating Revenues:</b>				
Capital contributions	27,875	26,313	(1,562)	-
Interest earned on investments	-	-	-	51
Total non-operating revenues	<u>27,875</u>	<u>26,313</u>	<u>(1,562)</u>	<u>51</u>
Total revenues	<u>2,295,802</u>	<u>2,235,345</u>	<u>(60,457)</u>	<u>2,147,464</u>
<b>Expenditures:</b>				
Salaries and employee benefits	140,977	124,176	16,801	120,232
Solid waste pickup	2,065,762	2,065,696	66	2,045,454
Other operating expenses	89,063	87,208	1,855	88,960
Total expenditures	<u>2,295,802</u>	<u>2,277,080</u>	<u>18,722</u>	<u>2,254,646</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (41,735)</u>	<u>\$ (41,735)</u>	<u>\$ (107,182)</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ (41,735)		\$ (107,182)
Increase (decrease) in compensated absences		221		5,008
Increase (decrease) in other post-employment benefits		(5,817)		(7,577)
Depreciation		-		(2,350)
Change in net position		<u>\$ (47,331)</u>		<u>\$ (112,101)</u>

# NORTHAMPTON COUNTY, NORTH CAROLINA

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2014

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>Social Services:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 13,356	\$ 40,520	\$ 47,840	\$ 6,036
<b>Liabilities:</b>				
Accounts payable	\$ 13,356	\$ 40,520	\$ 47,840	\$ 6,036
<b>Inmate Trust Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 71,248	\$ 39,959	\$ 32,292	\$ 78,915
<b>Liabilities:</b>				
Accounts payable	\$ 71,248	\$ 39,959	\$ 32,292	\$ 78,915
<b>Motor Vehicle Tax:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 22,515	\$ 920,848	\$ 903,956	\$ 39,407
Accounts receivable	232,776	8,618	-	241,394
Total assets	<u>\$ 255,291</u>	<u>\$ 929,466</u>	<u>\$ 903,956</u>	<u>\$ 280,801</u>
<b>Liabilities:</b>				
Accounts payable	\$ 255,291	\$ 929,466	\$ 903,956	\$ 280,801
Total liabilities	<u>\$ 255,291</u>	<u>\$ 929,466</u>	<u>\$ 903,956</u>	<u>\$ 280,801</u>
<b>Rescue Squad:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 402	\$ 153,538	\$ 144,544	\$ 9,396
Accounts receivable	958,370	-	808,430	149,940
Total assets	<u>\$ 958,772</u>	<u>\$ 153,538</u>	<u>\$ 952,974</u>	<u>\$ 159,336</u>
<b>Liabilities:</b>				
Intergovernmental payable	\$ 958,370	-	\$ 808,430	\$ 149,940
Accounts payable	402	153,538	144,544	9,396
Total liabilities	<u>\$ 958,772</u>	<u>\$ 153,538</u>	<u>\$ 952,974</u>	<u>\$ 159,336</u>

**NORTHAMPTON COUNTY, NORTH CAROLINA**

**AGENCY FUNDS**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>3% Interest Payable to State:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 1,357	\$ -	\$ 1,357	\$ -
<b>Liabilities:</b>				
Intergovernmental payable	\$ 1,357	\$ -	\$ 1,357	\$ -
<b>Totals - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 108,878	\$ 1,154,865	\$ 1,129,989	\$ 133,754
Accounts receivable	1,191,146	8,618	808,430	391,334
Total assets	\$ 1,300,024	\$ 1,163,483	\$ 1,938,419	\$ 525,088
<b>Liabilities:</b>				
Intergovernmental payable	\$ 959,727	\$ -	\$ 809,787	\$ 149,940
Accounts payable	340,297	1,163,483	1,128,632	375,148
Total liabilities	\$ 1,300,024	\$ 1,163,483	\$ 1,938,419	\$ 525,088

## NORTHAMPTON COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2014

<b>Fiscal Year</b>	<b>Uncollected Balance July 1, 2013</b>	<b>Additions</b>	<b>Collections and Credits</b>	<b>Uncollected Balance June 30, 2014</b>
2013-2014	\$ -	\$ 18,952,316	\$ 17,925,952	\$ 1,026,364
2012-2013	1,136,935	-	628,732	508,203
2011-2012	503,187	-	177,267	325,920
2010-2011	276,958	-	76,659	200,299
2009-2010	161,829	-	38,167	123,662
2008-2009	108,431	-	21,203	87,228
2007-2008	69,172	-	10,018	59,154
2006-2007	52,576	-	6,694	45,882
2005-2006	45,838	-	4,684	41,154
2004-2005	37,469	-	2,915	34,554
2003-2004	35,068	-	35,068	-
Total	<u>\$ 2,427,463</u>	<u>\$ 18,952,316</u>	<u>\$ 18,927,359</u>	2,452,420
Less: Allowance for uncollectible accounts - General Fund				<u>(1,165,000)</u>
Ad valorem taxes receivable, net - General Fund				<u>\$ 1,287,420</u>
<b>Reconciliation with Revenues:</b>				
Ad valorem taxes - General Fund				\$ 19,028,814
Reconciling items:				
Interest collected				(296,633)
Taxes written off				35,068
Tax refunds				103,097
Miscellaneous adjustments				<u>57,013</u>
Total collections and credits				<u>\$ 18,927,359</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
FOR THE YEAR ENDED JUNE 30, 2014

	County-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 2,039,851,087	\$ 0.92	\$ 18,766,630	\$ 17,009,577	\$ 1,757,053
Penalties	-		18,689	18,689	-
Total	<u>2,039,851,087</u>		<u>18,785,319</u>	<u>17,028,266</u>	<u>1,757,053</u>
<b>Discoveries</b>	<u>15,605,000</u>		<u>143,566</u>	<u>143,566</u>	<u>-</u>
<b>Abatements</b>	<u>2,546,848</u>		<u>23,431</u>	<u>23,431</u>	<u>-</u>
Total property valuation	<u>\$ 2,058,002,935</u>				
<b>Net Levy</b>			18,952,316	17,195,263	1,757,053
Uncollected taxes at June 30, 2014			<u>1,026,364</u>	<u>919,210</u>	<u>107,154</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 17,925,952</u>	<u>\$ 16,276,053</u>	<u>\$ 1,649,899</u>
<b>Current Levy Collection Percentage</b>			<u>94.58%</u>	<u>94.65%</u>	<u>93.90%</u>



**NORTHAMPTON COUNTY, NORTH CAROLINA****ANALYSIS OF CURRENT TAX LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2014****Secondary Market Disclosures:****Assessed Valuation:**

Assessment ratio	<u>100.00%</u>
Real property	\$ 1,745,775,968
Personal property	205,800,293
Public service companies	<u>106,426,673</u>
Total assessed valuation	<u>\$ 2,058,002,935</u>
Tax rate per \$100	<u>\$ 0.92</u>
Levy (includes discoveries, releases and abatements)	<u>\$ 18,952,316</u>

## NORTHAMPTON COUNTY, NORTH CAROLINA

TEN LARGEST TAXPAYERS  
FOR THE YEAR ENDED JUNE 30, 2014

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2013 Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
Dominion NC Power	Utility	\$ 61,599,220	2.99%
Enviva Pellets Northampton LLC	Pellet Manufacturing	59,880,882	2.91%
Lowes Home Center	Warehousing/distribution	43,612,940	2.12%
Smithfield Carroll's Farms	Hog processing	27,353,965	1.33%
Georgia Pacific	Chemical Manufacturing	21,023,053	1.02%
West Fraser Inc	Pulp, paper and wood products	17,743,226	0.86%
CSX	Railroad	14,876,067	0.72%
FIATP Timber LLC	Timber Investment	13,608,598	0.66%
Severn Peanut	Agriculture/Nuts	11,610,687	0.56%
North Carolina & Virginia Railroad	Railroad	9,689,488	0.47%
Total		<u>\$ 280,998,126</u>	<u>13.65%</u>