

## **BASIC FINANCIAL STATEMENTS**

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## CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2014

	Primary Government		Total	Chatham
	Governmental Activities	Business-Type Activities		County Board of Alcoholic Beverage Control
<b>Assets:</b>				
Current:				
Cash, cash equivalents and investments	\$ 70,640,277	\$ 23,469,334	\$ 94,109,611	\$ 788,329
Cash - restricted	6,655,697	330,352	6,986,049	-
Property taxes receivable, net	1,747,228	-	1,747,228	-
Accounts receivable, net	380,763	1,086,577	1,467,340	-
Due from other governments	5,217,265	120,729	5,337,994	-
Inventories	-	-	-	270,026
Prepaid items	-	-	-	23,280
Total current assets	<u>84,641,230</u>	<u>25,006,992</u>	<u>109,648,222</u>	<u>1,081,635</u>
Capital assets:				
Land, improvements and construction in progress	64,627,835	13,805,255	78,433,090	199,248
Other capital assets, net of depreciation	18,576,942	42,235,927	60,812,869	6,406
Total capital assets	<u>83,204,777</u>	<u>56,041,182</u>	<u>139,245,959</u>	<u>205,654</u>
Total assets	<u>167,846,007</u>	<u>81,048,174</u>	<u>248,894,181</u>	<u>1,287,289</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable and accrued liabilities	5,271,087	768,638	6,039,725	212,528
Liabilities to be paid from restricted assets	1,114,758	330,352	1,445,110	-
Long term liabilities:				
Due within one year	7,459,885	1,365,783	8,825,668	-
Due in more than one year	111,873,582	18,408,477	130,282,059	-
Total long term liabilities	<u>119,333,467</u>	<u>19,774,260</u>	<u>139,107,727</u>	<u>-</u>
Total liabilities	<u>125,719,312</u>	<u>20,873,250</u>	<u>146,592,562</u>	<u>212,528</u>
<b>Deferred Inflows of Resources</b>	290,169	-	290,169	-
<b>Net Position:</b>				
Net investment in capital assets	34,854,762	36,561,427	71,416,189	205,654
Restricted for:				
Stabilization by State statute	5,573,197	-	5,573,197	-
Register of Deeds	294,320	-	294,320	-
Courthouse Clock	65,992	-	65,992	-
Emergency Telephone	486,743	-	486,743	-
Economic and Physical Development	19,660	-	19,660	-
Fire Protection	424,529	-	424,529	-
Law Enforcement	36,240	-	36,240	-
Capital improvements	-	-	-	319,615
Working capital	-	-	-	526,212
Unrestricted	81,083	23,613,497	23,694,580	23,280
Total net position	<u>\$ 41,836,526</u>	<u>\$ 60,174,924</u>	<u>\$ 102,011,450</u>	<u>\$ 1,074,761</u>

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

# CHATHAM COUNTY, NORTH CAROLINA

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

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 11,802,932	\$ 1,268,706	\$ 326,456	\$ -
Public safety	21,029,450	1,274,668	1,463,474	-
Economic and physical development	2,803,531	310,837	677,944	-
Human services	15,071,151	1,271,112	6,973,557	-
Cultural and recreational	1,804,748	384,243	211,619	-
Education	71,104,550	2,480,400	623,328	-
Interest on long-term debt	5,167,547	-	-	-
Total governmental activities	<u>128,783,909</u>	<u>6,989,966</u>	<u>10,276,378</u>	<u>-</u>
<b>Business-Type Activities:</b>				
Utility	5,209,241	6,635,206	1,801	4,800
Southeast Water District	743,520	632,761	-	-
Solid waste management	2,991,862	2,956,250	150,470	-
Total business-type activities	<u>8,944,623</u>	<u>10,224,217</u>	<u>152,271</u>	<u>4,800</u>
Total primary government	<u>\$ 137,728,532</u>	<u>\$ 17,214,183</u>	<u>\$ 10,428,649</u>	<u>\$ 4,800</u>
<b>Component Unit:</b>				
Chatham County Board of Alcoholic Beverage Control	\$ 2,679,784	\$ 2,728,339	\$ -	\$ -

### General Revenues:

Taxes:

Property taxes, levied for general purposes

Local option sales tax

Other taxes and licenses

Grants and contributions not restricted

Unrestricted investment earnings

Miscellaneous

Total general revenues excluding special items and transfers

Special item insurance recovery

Transfers

Total general revenues, special items and transfers

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

<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Primary Government</b>		<b>Chatham County Board of Alcoholic Beverage Control</b>	
<b>Governmental Activities</b>	<b>Business Type Activities</b>	<b>Total</b>	
\$ (10,207,770)	\$ -	\$ (10,207,770)	
(18,291,308)	-	(18,291,308)	
(1,814,750)	-	(1,814,750)	
(6,826,482)	-	(6,826,482)	
(1,208,886)	-	(1,208,886)	
(68,000,822)	-	(68,000,822)	
(5,167,547)	-	(5,167,547)	
<u>(111,517,565)</u>	<u>-</u>	<u>(111,517,565)</u>	
-	1,432,566	1,432,566	
-	(110,759)	(110,759)	
-	114,858	114,858	
<u>-</u>	<u>1,436,665</u>	<u>1,436,665</u>	
<u>(111,517,565)</u>	<u>1,436,665</u>	<u>(110,080,900)</u>	
			\$ <u>48,555</u>
65,632,697	-	65,632,697	-
9,193,703	-	9,193,703	-
645,523	-	645,523	-
2,399,117	-	2,399,117	-
286,999	91,466	378,465	186
407,173	20,000	427,173	-
<u>78,565,212</u>	<u>111,466</u>	<u>78,676,678</u>	<u>186</u>
250,000	-	250,000	-
242,305	(242,305)	-	-
<u>79,057,517</u>	<u>(130,839)</u>	<u>78,926,678</u>	<u>186</u>
(32,460,048)	1,305,826	(31,154,222)	48,741
<u>74,296,574</u>	<u>58,869,098</u>	<u>133,165,672</u>	<u>1,026,020</u>
<u>\$ 41,836,526</u>	<u>\$ 60,174,924</u>	<u>\$ 102,011,450</u>	<u>\$ 1,074,761</u>

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

## CHATHAM COUNTY, NORTH CAROLINA

## BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2014

	Major Funds						Total Governmental Funds
	General	Impact Fees	Capital Improvements Project Reserve	Facilities Improvements	School Construction Fund	Total Nonmajor Funds	
<b>Assets:</b>							
Cash, cash equivalents, and investments	\$ 29,082,033	\$ 4,741,373	\$ 25,120,837	\$ 897,164	\$ 1,811,821	\$ 4,267,236	\$ 65,920,464
Cash - restricted	1,114,758	-	-	5,540,939	-	-	6,655,697
Property taxes receivable, net	1,588,192	-	-	-	-	159,036	1,747,228
Due from other governments	4,547,075	-	-	565,325	12,278	92,587	5,217,265
Other receivables	336,816	6,549	20,070	61	-	3,439	366,935
Total assets	<u>\$ 36,668,874</u>	<u>\$ 4,747,922</u>	<u>\$ 25,140,907</u>	<u>\$ 7,003,489</u>	<u>\$ 1,824,099</u>	<u>\$ 4,522,298</u>	<u>\$ 79,907,589</u>
<b>Liabilities:</b>							
Accounts payable and accrued liabilities	\$ 3,228,360	\$ -	\$ -	\$ 558,596	\$ 70,410	\$ 85,289	\$ 3,942,655
Liabilities to be paid from restricted assets	1,114,758	-	-	-	-	-	1,114,758
Total liabilities	<u>4,343,118</u>	<u>-</u>	<u>-</u>	<u>558,596</u>	<u>70,410</u>	<u>85,289</u>	<u>5,057,413</u>
<b>Deferred Inflows of Resources:</b>							
Prepaid taxes	272,325	-	-	-	-	17,844	290,169
Property taxes receivable	1,588,192	-	-	-	-	159,036	1,747,228
Other deferred inflow of resources	11,003	-	-	-	-	-	11,003
Total deferred inflows of resources	<u>1,871,520</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,880</u>	<u>2,048,400</u>
<b>Fund Balances:</b>							
Restricted:							
Stabilization by State statute	4,872,888	6,549	20,070	565,386	12,278	96,026	5,573,197
Register of Deeds	294,320	-	-	-	-	-	294,320
Courthouse Clock	-	-	-	-	-	65,992	65,992
Capital Improvements	-	-	-	5,540,939	-	-	5,540,939
Emergency telephone	-	-	-	-	-	486,743	486,743
Economic and physical development	-	-	-	-	-	19,660	19,660
Fire protection	-	-	-	-	-	424,529	424,529
Law enforcement	-	-	-	-	-	36,240	36,240
Committed for capital projects	-	-	25,120,837	338,568	1,741,411	102,469	27,303,285
Assigned:							
Subsequent year's expenditures	3,081,207	2,291,182	-	-	-	460,650	5,833,039
General government	-	-	-	-	-	2,244,430	2,244,430
Education	-	2,450,191	-	-	-	-	2,450,191
Cultural and recreation	-	-	-	-	-	328,521	328,521
Unassigned	22,205,821	-	-	-	-	(5,131)	22,200,690
Total fund balances	<u>30,454,236</u>	<u>4,747,922</u>	<u>25,140,907</u>	<u>6,444,893</u>	<u>1,753,689</u>	<u>4,260,129</u>	<u>72,801,776</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 36,668,874</u>	<u>\$ 4,747,922</u>	<u>\$ 25,140,907</u>	<u>\$ 7,003,489</u>	<u>\$ 1,824,099</u>	<u>\$ 4,522,298</u>	

Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:

Total fund balance - Governmental Funds	\$ 72,801,776
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	83,204,777
Assets and liabilities of the Self-Insurance Internal Service Fund used by management to account for certain insurance costs are included in governmental activities in the Statement of Net Position	4,246,745
Deferred inflows of resources for taxes and other receivables	1,758,231
Compensated absences not expected to be materially liquidated with expendable available resources	(1,576,934)
Other post-employment benefits that are not due and payable in the current period	(2,029,130)
Long-term liabilities, including bonds payable, accrued interest payable, and installment purchases, are not due and payable in the current period and, therefore, are not reported in the funds.	(116,568,939)
Net position of governmental activities	<u>\$ 41,836,526</u>

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

## CHATHAM COUNTY, NORTH CAROLINA

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

	Major Funds						Total Governmental Funds
	General	Impact Fees	Capital Improvement Capital Project Reserve	Facilities Improvements	School Construction Fund	Total Nonmajor Funds	
<b>Revenues:</b>							
Ad valorem taxes	\$ 58,991,990	\$ -	\$ -	\$ -	\$ -	\$ 7,321,848	\$ 66,313,838
Local option sales tax	9,193,703	-	-	-	-	-	9,193,703
Other taxes	645,523	-	-	-	-	-	645,523
Unrestricted intergovernmental	2,399,117	-	-	-	-	-	2,399,117
Restricted intergovernmental	8,084,525	-	573,328	-	-	1,144,462	9,802,315
Permits and fees	1,495,810	2,480,400	-	-	-	271,280	4,247,490
Sales and services	2,682,066	-	-	-	-	-	2,682,066
Investment earnings	145,704	23,463	79,511	1,496	304	13,429	263,907
Other general revenues	1,131,036	-	-	-	-	21,216	1,152,252
Total revenues	<u>84,769,474</u>	<u>2,503,863</u>	<u>652,839</u>	<u>1,496</u>	<u>304</u>	<u>8,772,235</u>	<u>96,700,211</u>
<b>Expenditures:</b>							
Current:							
General government	8,569,666	-	-	1,793,388	-	369,210	10,732,264
Public safety	14,201,267	-	-	11,143,088	-	7,602,235	32,946,590
Economic and physical development	2,635,784	-	-	-	-	567,996	3,203,780
Human services	16,475,977	-	-	-	-	-	16,475,977
Cultural and recreational	1,838,893	-	-	1,222	-	27,515	1,867,630
Intergovernmental:							
Education	28,697,885	-	-	(1,220)	614,205	-	29,310,870
Debt service:							
Principal retirement	5,309,907	-	-	-	-	-	5,309,907
Interest and fees	4,711,336	-	-	-	-	-	4,711,336
Total expenditures	<u>82,440,715</u>	<u>-</u>	<u>-</u>	<u>12,936,478</u>	<u>614,205</u>	<u>8,566,956</u>	<u>104,558,354</u>
Revenues over (under) expenditures	<u>2,328,759</u>	<u>2,503,863</u>	<u>652,839</u>	<u>(12,934,982)</u>	<u>(613,901)</u>	<u>205,279</u>	<u>(7,858,143)</u>
<b>Other Financing Sources (Uses):</b>							
Transfers from (to) other funds							
Transfers from other funds	7,917,303	-	5,915,128	1,380,529	1,256,299	397,515	16,866,774
Transfers to other funds	(8,679,651)	(3,433,841)	(4,367,239)	-	-	(143,738)	(16,624,469)
Transfers from (to) other funds	<u>(762,348)</u>	<u>(3,433,841)</u>	<u>1,547,889</u>	<u>1,380,529</u>	<u>1,256,299</u>	<u>253,777</u>	<u>242,305</u>
Net change in fund balances	1,566,411	(929,978)	2,200,728	(11,554,453)	642,398	459,056	(7,615,838)
<b>Fund Balances:</b>							
Beginning of year - July 1	<u>28,887,825</u>	<u>5,677,900</u>	<u>22,940,179</u>	<u>17,999,346</u>	<u>1,111,291</u>	<u>3,801,073</u>	<u>80,417,614</u>
End of year - June 30	<u>\$ 30,454,236</u>	<u>\$ 4,747,922</u>	<u>\$ 25,140,907</u>	<u>\$ 6,444,893</u>	<u>\$ 1,753,689</u>	<u>\$ 4,260,129</u>	<u>\$ 72,801,776</u>

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

## CHATHAM 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 because:

Net changes in fund balances - total governmental funds	\$ (7,615,838)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives.

Expenditures for capital assets	14,273,016
Current year's depreciation	(2,106,223)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Payment and premium amortization on long-term debt	5,566,811
Increase in accrued interest payable	(456,211)

Some expenses and revenues associated with capital assets reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund statements.

School assets removed from county asset records	(41,793,680)
Other	290,732

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund statements.

(702,157)
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Net revenue of the Self-Insurance Internal Service Fund determined to be governmental-type.

<u>83,502</u>
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Total change in net position of governmental activities

<u>\$ (32,460,048)</u>
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*The accompanying notes are an integral part of the financial statements.*

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# CHATHAM COUNTY, NORTH CAROLINA

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED JUNE 30, 2014

	General Fund			Variance With Final Budget Over/Under
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Ad valorem taxes	\$ 57,670,000	\$ 57,670,000	\$ 58,991,990	\$ 1,321,990
Local option sales tax	8,662,000	8,662,000	9,193,703	531,703
Other taxes	487,500	487,500	645,523	158,023
Unrestricted intergovernmental	1,653,923	1,653,923	2,399,117	745,194
Restricted intergovernmental	8,067,813	8,582,244	8,084,525	(497,719)
Permits and fees	1,126,050	1,126,050	1,495,810	369,760
Sales and services	2,300,424	2,303,469	2,682,066	378,597
Investment earnings	72,200	72,200	145,704	73,504
Other general revenues	352,605	535,095	1,131,036	595,941
Total revenues	<u>80,392,515</u>	<u>81,092,481</u>	<u>84,769,474</u>	<u>3,676,993</u>
<b>Expenditures:</b>				
Current:				
General government	8,862,046	8,787,753	8,569,666	218,087
Public safety	14,686,345	15,079,929	14,201,267	878,662
Economic and physical development	2,608,105	2,939,979	2,635,784	304,195
Human services	17,911,696	18,381,224	16,475,977	1,905,247
Cultural and recreational	1,971,550	2,139,651	1,838,893	300,758
Intergovernmental:				
Education	29,923,555	28,789,945	28,697,885	92,060
Debt service:				
Principal retirement	5,309,909	5,309,909	5,309,907	2
Interest and fees	4,695,727	4,711,338	4,711,336	2
Total expenditures	<u>85,968,933</u>	<u>86,139,728</u>	<u>82,440,715</u>	<u>3,699,013</u>
Revenues over (under) expenditures	<u>(5,576,418)</u>	<u>(5,047,247)</u>	<u>2,328,759</u>	<u>7,376,006</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	7,771,084	7,831,084	7,917,303	86,219
Transfers to other funds	(6,732,654)	(8,551,956)	(8,679,651)	(127,695)
Appropriated fund balance	4,537,988	5,768,119	-	(5,768,119)
Total other financing sources (uses)	<u>5,576,418</u>	<u>5,047,247</u>	<u>(762,348)</u>	<u>(5,809,595)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,566,411</u>	<u>\$ 1,566,411</u>
<b>Fund Balances:</b>				
Beginning of year - July 1			<u>28,887,825</u>	
End of year - June 30			<u>\$ 30,454,236</u>	

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

Exhibit F

<b>Impact Fees Fund</b>			
<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over/Under</b>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,250,000	1,250,000	2,480,400	1,230,400
-	-	-	-
12,000	12,000	23,463	11,463
-	-	-	-
<u>1,262,000</u>	<u>1,262,000</u>	<u>2,503,863</u>	<u>1,241,863</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,000,000	1,000,000	-	1,000,000
-	-	-	-
-	-	-	-
<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>
262,000	262,000	2,503,863	2,241,863
-	-	-	-
(3,433,841)	(3,433,841)	(3,433,841)	-
3,171,841	3,171,841	-	(3,171,841)
<u>(262,000)</u>	<u>(262,000)</u>	<u>(3,433,841)</u>	<u>(3,171,841)</u>
<u>\$ -</u>	<u>\$ -</u>	(929,978)	<u>\$ (929,978)</u>
		<u>5,677,900</u>	
		<u>\$ 4,747,922</u>	

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

## CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2014

	Business-Type Activities - Enterprise				Governmental
	Utility	Southeast Water District	Solid Waste Management	Total	Self-Insurance Internal Service
<b>Assets:</b>					
Current assets:					
Cash, cash equivalents, and investments	\$ 18,532,676	\$ 61,634	\$ 4,875,024	\$ 23,469,334	\$ 4,719,813
Cash - restricted	301,097	26,755	2,500	330,352	-
Receivables, net	852,505	99,913	101,753	1,054,171	-
Due from other governments	76,607	-	44,122	120,729	-
Other receivables	22,000	472	9,934	32,406	13,828
Total current assets	<u>19,784,885</u>	<u>188,774</u>	<u>5,033,333</u>	<u>25,006,992</u>	<u>4,733,641</u>
Capital assets:					
Land, improvements, and construction in progress	13,224,544	-	580,711	13,805,255	-
Other capital assets, net of depreciation	36,853,762	4,989,050	393,115	42,235,927	-
Total capital assets, net	<u>50,078,306</u>	<u>4,989,050</u>	<u>973,826</u>	<u>56,041,182</u>	<u>-</u>
Total assets	<u>\$ 69,863,191</u>	<u>\$ 5,177,824</u>	<u>\$ 6,007,159</u>	<u>\$ 81,048,174</u>	<u>\$ 4,733,641</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 577,193	\$ 50,583	\$ 140,862	\$ 768,638	\$ 486,896
Liabilities to be paid from restricted assets	301,097	26,755	2,500	330,352	-
Compensated absences payable	63,604	-	32,549	96,153	-
General obligation bonds payable	-	42,000	-	42,000	-
Revenue bonds payable	-	27,000	-	27,000	-
Installment notes payable	1,200,630	-	-	1,200,630	-
Total current liabilities	<u>2,142,524</u>	<u>146,338</u>	<u>175,911</u>	<u>2,464,773</u>	<u>486,896</u>
Non-current liabilities:					
Compensated absences payable	24,161	-	11,054	35,215	-
Other post-employment benefits	106,018	-	57,119	163,137	-
General obligation bonds payable	-	3,040,000	-	3,040,000	-
Revenue bonds payable	-	1,781,000	-	1,781,000	-
Installment notes payable	13,389,125	-	-	13,389,125	-
Total non-current liabilities	<u>13,519,304</u>	<u>4,821,000</u>	<u>68,173</u>	<u>18,408,477</u>	<u>-</u>
Total liabilities	<u>15,661,828</u>	<u>4,967,338</u>	<u>244,084</u>	<u>20,873,250</u>	<u>486,896</u>
<b>Net Position:</b>					
Net Investment in Capital Assets	35,488,551	99,050	973,826	36,561,427	-
Unrestricted	18,712,812	111,436	4,789,249	23,613,497	4,246,745
Total net position	<u>\$ 54,201,363</u>	<u>\$ 210,486</u>	<u>\$ 5,763,075</u>	<u>\$ 60,174,924</u>	<u>\$ 4,246,745</u>

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

## CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
FUND NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	Business-Type Activities - Enterprise				Governmental
	Utility	Southeast Water District	Solid Waste Management	Total	Self-Insurance Internal Service
<b>Operating Revenues:</b>					
Charges for services	\$ 6,635,206	\$ 632,761	\$ 2,956,250	\$ 10,224,217	\$ 4,846,906
Total operating revenues	6,635,206	632,761	2,956,250	10,224,217	4,846,906
<b>Operating Expenses:</b>					
Operating expenses	3,598,339	400,309	2,697,925	6,696,573	4,786,496
Depreciation	1,019,538	106,150	293,937	1,419,625	-
Total operating expenses	4,617,877	506,459	2,991,862	8,116,198	4,786,496
Operating income (loss)	2,017,329	126,302	(35,612)	2,108,019	60,410
<b>Non-Operating Revenues (Expenses):</b>					
Investment earnings	73,895	1,323	16,248	91,466	23,092
Interest and other charges	(591,364)	(237,061)	-	(828,425)	-
Gain on sale of assets	-	-	20,000	20,000	-
Other grants and revenue	1,801	-	150,470	152,271	-
Total non-operating revenues (expenses)	(515,668)	(235,738)	186,718	(564,688)	23,092
Income before transfers	1,501,661	(109,436)	151,106	1,543,331	83,502
Capital contributions	4,800	-	-	4,800	-
Transfers from other funds, net	(242,305)	-	-	(242,305)	-
Change in net position	1,264,156	(109,436)	151,106	1,305,826	83,502
<b>Net Position:</b>					
Beginning of year - July 1	52,937,207	319,922	5,611,969	58,869,098	4,163,243
End of year - June 30	\$ 54,201,363	\$ 210,486	\$ 5,763,075	\$ 60,174,924	\$ 4,246,745

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

## CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

	Business-Type Activities - Enterprise			Governmental	
	Utility	Southeast Water District	Solid Waste Management	Self-Insurance Internal Service	
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 6,374,518	\$ 613,566	\$ 2,953,965	\$ 9,942,049	\$ 4,846,906
Cash paid for goods and services	(1,288,186)	(349,726)	(1,985,585)	(3,623,497)	(4,738,021)
Cash paid to or on behalf of employees for services	(1,332,940)	-	(707,919)	(2,040,859)	-
Customer deposits received	84,723	-	2,500	87,223	-
Customer deposits returned	(62,563)	-	(2,250)	(64,813)	-
Other operating activities	(2,480)	-	21,640	19,160	-
Net cash provided (used) by operating activities	<u>3,773,072</u>	<u>263,840</u>	<u>282,351</u>	<u>4,319,263</u>	<u>108,885</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Intergovernmental non-operating revenues received	-	-	150,470	150,470	-
Non-capital grants or other subsidies	1,801	-	-	1,801	-
Transfers from other funds	(242,305)	-	-	(242,305)	-
Net cash provided (used) by non-capital financing activities	<u>(240,504)</u>	<u>-</u>	<u>150,470</u>	<u>(90,034)</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition and construction of capital assets	(3,381,808)	-	(134,166)	(3,515,974)	-
Principal paid on bonds, notes and capital leases	(1,250,871)	(68,000)	-	(1,318,871)	-
Proceeds for sale of assets	-	-	20,000	20,000	-
Interest paid on bonds, notes and capital leases	(591,364)	(237,061)	-	(828,425)	-
Net cash provided (used) by capital and related financing activities	<u>(5,224,043)</u>	<u>(305,061)</u>	<u>(114,166)</u>	<u>(5,643,270)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>					
Interest on investments	67,936	1,265	16,248	85,449	13,043
Net increase (decrease) in cash and cash equivalents	(1,623,539)	(39,956)	334,903	(1,328,592)	121,928
<b>Cash and Cash Equivalents:</b>					
Beginning of year - July 1	20,457,312	128,345	4,542,621	25,128,278	4,597,885
End of year - June 30	<u>\$ 18,833,773</u>	<u>\$ 88,389</u>	<u>\$ 4,877,524</u>	<u>\$ 23,799,686</u>	<u>\$ 4,719,813</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating income (loss)	\$ 2,017,329	\$ 126,302	\$ (35,612)	\$ 2,108,019	\$ 60,410
<b>Adjustment to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:</b>					
Depreciation and amortization	1,019,538	106,150	293,937	1,419,625	-
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(263,168)	(19,195)	19,355	(263,008)	-
(Increase) decrease in due from other governments	659,820	-	4,641	664,461	498
Increase (decrease) in accounts payable and accrued liabilities	323,967	50,583	1,772	376,322	47,977
Increase (decrease) in customer deposits	22,160	-	250	22,410	-
Increase (decrease) in compensated absences payable	(6,574)	-	(1,992)	(8,566)	-
Total adjustments	<u>1,755,743</u>	<u>137,538</u>	<u>317,963</u>	<u>2,211,244</u>	<u>48,475</u>
Net cash provided (used) by operating activities	<u>\$ 3,773,072</u>	<u>\$ 263,840</u>	<u>\$ 282,351</u>	<u>\$ 4,319,263</u>	<u>\$ 108,885</u>

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

**CHATHAM COUNTY, NORTH CAROLINA**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2014**

	<b>Law Enforcement Employees' Pension Trust Fund</b>	<b>Agency Funds</b>
	<u>                    </u>	<u>                    </u>
<b>Assets:</b>		
Cash, cash equivalents and investments	\$ 460,759	\$ 231,415
Property taxes receivables, net	-	266,119
Due from other governmental agencies	-	69,361
Other receivables	368	312
Total assets	<u>\$ 461,127</u>	<u>\$ 567,207</u>
 <b>Liabilities:</b>		
Due to agency participants	\$ 355	\$ 91,113
Due to other government agencies	-	476,094
Total liabilities	<u>355</u>	<u>567,207</u>
 <b>Net Position:</b>		
Assets held in trust for employees' pension benefits	<u>\$ 460,772</u>	<u>\$ -</u>

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

## CHATHAM COUNTY, NORTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Law Enforcement Employees' Pension Trust Fund</b>
<b>Additions:</b>	
Employer on-behalf payments	\$ 80,000
Investment earnings	1,407
Total additions	<u>81,407</u>
<b>Deductions:</b>	
Benefit payments	<u>28,338</u>
Change in net position	53,069
<b>Net Position:</b>	
Beginning of year - July 1	<u>407,703</u>
End of year - June 30	<u>\$ 460,772</u>

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

# CHATHAM COUNTY, NORTH CAROLINA

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

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

The accounting policies of 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 of Chatham, North Carolina is a political subdivision of the State of North Carolina. It is one of 100 counties established in North Carolina under North Carolina General Statute 153A-10, is located in the central part of the State, and has a population of approximately 66,618. The County operates under a Commissioner-Manager form of government. The County is responsible for and maintains services inherent to the operation of a county government including general government, public safety, human services, education, economic and physical development and cultural and recreational. The County also operates a water and sewer utility system and a solid waste management system.

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. Southeast Water District exists to provide and maintain water systems for the County residents within the district. The District is reported as an enterprise fund in the County's financial statements. Southwest Water District and Northwest Water District have no financial transactions or account balances; therefore, they are not presented in the basic financial statements. Chatham County Industrial Facility and Pollution Control Financing Authority (the Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Chatham County Board of Alcoholic Beverage Control (the *ABC Board*), which has a June 30 year-end, is presented as if it is a separate proprietary fund of the County (discrete presentation). The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Southeast Water District	Blended	Under State law [NCGS 162A-89], the County's Board of Commissioners also serves as the governing board of the District. The County has operational responsibility for the District.	None Issued
Southwest Water District	Blended	Under State law [NCGS 162A-89], the County's Board of Commissioners also serves as the governing board of the District. The County will have operational responsibility for the District.	None Issued
Northwest Water District	Blended	Under State law [NCGS 162A-89], the County's Board of Commissioners also serves as the governing board of the District. The County will have operational responsibility for the District.	None Issued
Chatham County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause.	None Issued
Chatham County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County	Chatham County ABC Board 11455 Suite B, US15-501 Chapel Hill, NC 27516

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**B. Basis of Presentation, Basis of Accounting**

**Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government net position (the County) and its component units. 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 and blended component units. 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, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

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

*Impact Fees Fund.* This fund is used to account for an additional fee charged on all building permits issued for the construction of new dwellings. Impact fees collected are to be used to offset a portion of the cost of new school construction.

## CHATHAM COUNTY, NORTH CAROLINA

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

*Capital Improvement Capital Project Reserve Fund.* The County transfers annually an amount equivalent to five and six-tenths cents on the property tax rate into this fund. The money will be used to fund a variety of general capital projects, including a library, Central Carolina Community College facilities, an addition to the Department of Social Services, a judicial center, and a new detention facility.

*Facilities Improvements Project Fund.* This fund accounts for the financing and construction of facilities and additional office space within the County.

*School Construction Fund.* This fund is used to account for the construction of new school facilities and additions to existing facilities.

The County reports the following major enterprise funds:

*Utility Fund.* This fund is used to account for the County's water and sewer operations.

*Southeast Water District Fund.* This fund is used to account for the operations of the water district covering the southeastern portion of the County.

*Solid Waste Management Fund.* This fund is used to account for the operations of the County's collection and disposal of solid waste.

The County reports the following fund types:

*Pension Trust Fund.* The County maintains one Pension Trust Fund: the Special Separation Allowance Fund. Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, or other postemployment benefit plans. The Special Separation Allowance Fund, that accounts for the Law Enforcement Officers' Special Separation Allowance, a single-employer, public employee retirement system.

*Agency Funds.* Agency funds are custodial in nature and do not involve measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following agency funds: the Social Services Fund, which accounts for monies deposited with the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to the Chatham County Board of Education; the Chatham County Cooperative Extension Fund, which accounts for fees collected for programs conducted by the Chatham County Cooperative Extension; the Goldston Gulf Sanitary District Fund, which accounts for taxes collected for a special tax district located within the County; the State Motor Vehicle Tax Fund, which accounted for the three percent interest on the first month of delinquent motor vehicle taxes that the County was required to remit to the North Carolina Department of Motor Vehicles; and the Chatham County Municipalities Agency Fund, which accounts for taxes collected and remitted to municipalities located within the County.

*Nonmajor Funds.* The County maintains several legally budgeted funds. The Emergency Telephone System Fund, the Forfeited Property Fund, the Recreation-Payment in Lieu Fund, the Bynum Canoe Access/Easement Monitoring the Economic and Community Development Fund, the Courthouse Clock Fund, the Library Foundation Fund, and the Special Fire District Funds are reported as nonmajor special

## CHATHAM COUNTY, NORTH CAROLINA

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

revenue funds. The Tech/System Improvement Project Fund, Chatham Parks Project Fund, Equipment Capital Reserve Project, and Emergency Vehicle Replacement Capital Reserve Project are reported as nonmajor capital project funds.

*Internal Service Fund.* Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost reimbursement basis. The measurement focus is upon determination of net income, financial position, and changes in financial position. The generally accepted accounting principles here are those applicable to similar businesses in the private sector and, thus, these funds are maintained on the accrual basis. The County has one Internal Service Fund, the Self-Insurance Internal Service Fund.

#### **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 fund 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, donations, and similar items is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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 water 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.

## CHATHAM COUNTY, NORTH CAROLINA

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

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.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, 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. 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 are both restricted and unrestricted net positions 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.

#### **C. 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, the special revenue funds (excluding the Economic and Community Development Fund) and the enterprise funds, including the Self-Insurance Internal Service Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for Capital Projects Funds, and the Enterprise Capital Projects Fund, which are consolidated with the enterprise operating fund for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the department level for all annually budgeted funds and at the object level for the multi-year funds. The County budget officer is authorized by the budget ordinance to transfer appropriations between department areas within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund 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.

## CHATHAM COUNTY, NORTH CAROLINA

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

The County records encumbrances in its accounting system. Encumbrances including purchase orders, contracts, and other commitments for monies are recorded in the expenditure accounts in order to reserve a portion of the related appropriation. At June 30, when appropriations lapse, encumbrances outstanding, if any, are subsequently budgeted and charged to appropriations in the ensuing year.

*Use of Estimates.* The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are allowance for doubtful accounts and depreciation lives.

#### **D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity**

##### **1. Deposits and Investments**

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

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

The County and the ABC Board's investments are carried 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.

##### **2. 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 demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

##### **3. Restricted Assets**

The unexpended bond proceeds of the Facilities Improvement Fund are classified as restricted assets because their use is restricted to ongoing capital projects for which the bonds were originally issued. Customer deposits and financial guarantees held by the County before any services are supplied are restricted to the service for which they were collected.

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

<b>Restricted Cash</b>				
	<b>Customer Deposits</b>	<b>Financial Guarantees</b>	<b>Unexpended Bond Proceeds</b>	<b>Total</b>
<b>Governmental Activities:</b>				
General Fund	\$ 14,250	\$ 1,100,508	\$ -	\$ 1,114,758
Facilities Improvements Project	-	-	5,540,939	5,540,939
Total Governmental Activities	14,250	1,100,508	5,540,939	6,655,697
<b>Business-Type Activities:</b>				
Utility Fund	301,097	-	-	301,097
Southeast Water District	26,755	-	-	26,755
Waste Management	2,500	-	-	2,500
Total Business-type Activities	330,352	-	-	330,352
Total Restricted Cash	\$ 344,602	\$ 1,100,508	\$ 5,540,939	\$ 6,986,049

**4. 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 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013.

**5. Allowances 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. The ABC Board receivables are stated at realizable value and no allowance for doubtful accounts has been provided.

**6. Inventories and Prepaid Items**

The inventories of the ABC Board are valued at the lower of cost (first-in, first-out) or market. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**7. Capital Assets**

Capital assets, which include property, plant, infrastructure, equipment and vehicles, are reported in the County's government-wide financial and proprietary financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 and an estimated useful life of more than one year. Capital assets other than leased assets are recorded at original cost or estimated historical cost. Leased assets under capital leases are recorded at the lower of the fair value of the asset or

**CHATHAM COUNTY, NORTH CAROLINA**

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

the present value of the related lease obligation. Donated capital assets are recorded at their estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Chatham County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit the issuance of Qualified Zone Academy bonds and 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 the maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education once all restrictions of the bond and financing agreements have been met and all sales tax reimbursement requirements have been met. The property is reflected as a capital asset in the financial statements of the Chatham County Board of Education.

Capital assets are depreciated using the straight-line method over the assets' estimated useful lives. Assets acquired under capital leases are amortized over the assets' estimated useful lives. Capital assets are reported in the County's basic financial statements net of accumulated depreciation and amortization.

The estimated useful lives for the County's capital assets are as follows:

<u>Asset Class</u>	<u>Primary Government</u>	<u>ABC Board</u>
Buildings	20-60 years	
Infrastructure:		
Water Distribution System	50 years	
Computer, Equipment, and Vehicles	3-5 years	4-10 years
Leasehold Improvements	- years	10-40 years

**8. 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 has no items that meet this criterion. In addition to liabilities, the statement of financial 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 health clinic receivables.

## CHATHAM COUNTY, NORTH CAROLINA

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

#### **9. Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statements of net position. In the fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing sources. Bond premiums and discounts are amortized over the life of the bonds using the straight line method which approximates the effective interest method.

The County's general obligation bonds serviced by the governmental funds were issued for the construction of school facilities. Those general obligation bonds issued to finance the construction of facilities utilized in the operations of the Southeast Water District system and which are being retired by its resources are reported as long-term debt in the Southeast Water District Fund. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirements are appropriated when due.

The County has constructed new school facilities, county office facilities, made water system improvements and purchased equipment under private-placement loan agreements, certificates of participation, loans from the North Carolina Department of Environment and Natural Resources, and the United States Department of Agriculture. Loan agreements are recorded in the appropriate columns of the government-wide and proprietary fund financial statements. The Southeast Water District issued Revenue Bonds to construct water lines within the District. Loan agreements are recorded in the proprietary fund financial statements.

#### **10. Compensated Absences**

The vacation policy of the County provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned, and the ABC Board employees may accumulate up to forty days earned vacation leave. The County has assumed a first in first out method of using accumulated compensation time and records as expenditures in governmental funds the amount of compensated absences accrued during the year that will be liquidated with expendable available financial resources. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The remainder of compensated absences relative to governmental funds is reported in the government-wide financial statements. The amount of accrued compensated absences relative to proprietary fund types is recorded within the respective fund. For the County's enterprise funds, an expense and a liability for compensated absences and salary-related payments are recorded within those funds as leave is earned.

The sick leave policies of the County and the ABC Board provide 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 the ABC Board has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**11. Net Position/Fund Balances**

**Net Position/Fund Balances**

**Net Position**

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through State statutes.

**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 balances 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.

**Restricted Fund Balance**

This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

*Stabilization by State Statute* – portion of fund balance that is not an available resource for appropriation in accordance with State law [G.S. 159-8(a)].

*Restricted for Register of Deeds* – portion of fund balance restricted by State statute for automation enhancement (software) improvements.

*Restricted for Courthouse Clock* – portion of fund balance restricted by donor to maintain the Courthouse Clock.

*Restricted for Capital Improvements* – portion of fund balance restricted by revenue source for future capital projects.

*Restricted for Emergency Telephone* – portion of fund balance restricted by State statute to enhance the County's 911 system.

*Restricted for Law Enforcement* – portion of fund balance restricted by State statute for law enforcement

*Restricted for Fire Protection* – portion of fund balance restricted by revenue source for fire protection.

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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*Restricted for Economic and Physical Development* – portion of fund balance restricted by revenue source for economic and physical development.

**Committed Fund Balance**

This classification represents the portion of fund balance that can only be used for specific purposes imposed by Chatham County's Governing Board. The governing board is the highest level of decision making authority for the County that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

*Committed for Capital Projects* – portion of fund balance to be used for the construction of capital projects. The governing board has adopted an ordinance committing these funds to these projects.

**Assigned Fund Balance**

Assigned fund balance is the portion of fund balance that Chatham County intends to use for specific purposes. The County's governing body has the authority to assign fund balance.

*Subsequent Year's Expenditures* – 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 make certain modifications utilizing a contingency line item without requiring board approval.

*Assigned for General Government* – portion of fund balance budgeted by the Board for capital reserve expenditures.

*Assigned for Education* – portion of fund balance budgeted by the Board for future education expenditures.

*Assigned for Cultural and Recreation* – portion of fund balance budgeted by the Board for cultural and recreation expenditures.

**Unassigned Fund Balance**

Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes or other funds.

Chatham 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: debt proceeds, federal funds, State funds, local non-County funds, and/or 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 or when required by grant or other contractual agreements.

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Chatham County has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that unassigned fund balance is at least equal to or greater than 20% of the previous annual operating budget.

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	\$	30,454,236
Less:		
Stabilization by State Statute		4,872,888
Fund balance available for appropriation	\$	25,581,348

**II. Detail Notes on All Funds**

**A. Assets**

**1. Deposits**

All the deposits of the County and the ABC Board are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the County's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, these deposits are considered to be held by the County's and the ABC Board's agents in their names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the ABC Board, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the County and the ABC Board under the Pooling Method, the potential exists for under collateralization, 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 and the ABC Board rely 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 deposits are properly secured. The County and the ABC Board have no policy regarding custodial credit risk for deposits.

At June 30, 2014, the County's deposits had a carrying amount of \$29,313,913 and a bank balance of \$29,456,146. Of the bank balance, \$1,036,587 was covered by federal depository insurance and \$28,419,559 was covered by collateral held under the Pooling Method. The County had \$1,710 of cash on hand at year-end.

**CHATHAM COUNTY, NORTH CAROLINA**

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

At June 30, 2014, the carrying amount of deposits for Chatham County ABC Board was \$786,729 and a bank balance of \$803,238. All of the bank balance was covered by federal depository insurance except for \$146,838. The ABC Board had \$1,600 of cash on hand at year-end.

**2. Investments**

At June 30, 2014, the County's investment balances were as follows:

<i>Investment Type</i>	<b>Fair Value</b>	<b>Less Than 6 Months</b>	<b>6-12 Months</b>	<b>1-5 Years</b>
US Government Treasuries	\$ 3,003,750	\$ -	\$ 3,003,750	\$ -
US Government Agencies	39,969,918	-	-	39,969,918
Commerical Paper	5,995,798	4,997,634	998,164	-
NC Capital Management Trust - Cash Portfolio	13,460,771	N/A	N/A	N/A
NC Capital Management Trust - Term Portfolio	10,041,974	10,041,974	-	-
<b>Total</b>	<b><u>\$72,472,211</u></b>	<b><u>\$ 15,039,608</u></b>	<b><u>\$ 4,001,914</u></b>	<b><u>\$39,969,918</u></b>

\*Because the NC Capital Management Trust Term Portfolio had duration of no more than 6 months, it was presented as an investment with a maturity of less than 6 months.

*Interest Rate Risk.* As a means of managing its exposure to fair value losses from increasing interest rates, the County has an informal investment policy that limits investment maturities to a maximum of five years.

*Credit Risk.* The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2014, the County's investments in commercial paper were rated P1 by Standard & Poor's, F1 by Fitch Ratings, and A1 by Moody's Investors Service. The County's investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAm by Standard & Poor's as of June 30, 2014. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended. The County's investments in U.S. agencies (Federal Home Loan Bank) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

**CHATHAM COUNTY, NORTH CAROLINA**

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

*Concentration Risk.* The County’s informal investment policy does not limit the amount that the County may invest in any one issuer. The County makes every effort to maintain a diversified investment portfolio according to security type and institution and does not allow for an investment in one issuer in excess of 25% of the County’s total investments. More than 5% of the County’s investments are in the following issuers:

	<u>Percent of total investments</u>
Federal Farm Credit Bank	5.52%
Federal Home Loan Bank	35.85%
Federal Home Loan Mortgage Corporation	5.50%
Federal National Mortgage Association	8.28%

*Custodial Credit Risk.* For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County’s informal policy indicates that the County shall utilize a third party custodial agent for book entry transactions, all of which shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. At June 30, 2014, all of the County’s investments were in the County’s name.

**3. Property Tax – Use-Value Assessment on Certain Lands**

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

<b>Year</b>			
<u>Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 4,936,166	\$ 1,172,344	\$ 6,108,510
2012	5,009,059	738,839	5,747,898
2013	5,123,456	294,601	5,418,057
2014	<u>5,252,263</u>	-	<u>5,252,263</u>
Total	<u>\$ 20,320,944</u>	<u>\$ 2,205,784</u>	<u>\$ 22,526,728</u>

**CHATHAM COUNTY, NORTH CAROLINA**  
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**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**4. Receivables**

Receivables at the government-wide level at June 30, 2014, were as follows:

	<u>Taxes</u> <u>Receivable</u>	<u>Accounts</u> <u>Receivable</u>	<u>Interest</u> <u>Receivable</u>	<u>Due from Other</u> <u>Governments</u>	<u>Total</u>
<b>Governmental Activities:</b>					
General	\$ 2,156,608	\$ 434,788	\$ 40,883	\$ 4,547,075	\$ 7,179,354
Other governmental	217,949	84	30,140	670,190	918,363
Internal service	-	9,145	4,683	-	13,828
Total	2,374,557	444,017	75,706	5,217,265	8,111,545
Allowance for doubtful accounts	627,329	138,960	-	-	766,289
Total governmental activities	<u>\$ 1,747,228</u>	<u>\$ 305,057</u>	<u>\$ 75,706</u>	<u>\$ 5,217,265</u>	<u>\$ 7,345,256</u>
<b>Business-Type Activities</b>					
Utility	\$ -	\$ 919,103	\$ 18,680	\$ 76,607	\$ 1,014,390
Southeast water district	-	103,774	472	-	104,246
Solid waste management	-	146,496	4,467	44,122	195,085
Total	-	1,169,373	23,619	120,729	1,313,721
Allowance for doubtful accounts	-	106,415	-	-	106,415
Total business-type activities	<u>\$ -</u>	<u>\$ 1,062,958</u>	<u>\$ 23,619</u>	<u>\$ 120,729</u>	<u>\$ 1,207,306</u>

Due from other governments that is owed to the County consists of the following:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>
Sales Tax Refunds	\$ 414,734	\$ 86,441
Local option sales tax	2,902,516	-
White Goods Disposal Tax	-	5,009
Scrap Tire Tax	-	20,398
Federal and state grants	1,900,015	8,881
Total	<u>\$ 5,217,265</u>	<u>\$ 120,729</u>

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**5. Capital Assets**

Governmental capital assets at June 30, 2014, were as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers In</u> <u>(Out)</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>Non-Depreciable Assets:</b>					
Land	\$ 12,642,176	\$ 13,733	\$ 778,881	\$ -	\$ 11,877,028
Construction in progress	<u>39,416,384</u>	<u>13,334,423</u>	<u>-</u>	<u>-</u>	<u>52,750,807</u>
Total	<u>52,058,560</u>	<u>13,348,156</u>	<u>778,881</u>	<u>-</u>	<u>64,627,835</u>
<b>Depreciable Assets:</b>					
Buildings	71,159,641	4,449	47,182,966	-	23,981,124
Equipment and vehicles	<u>11,637,085</u>	<u>920,411</u>	<u>1,933,554</u>	<u>9,997</u>	<u>10,633,939</u>
Total	<u>82,796,726</u>	<u>924,860</u>	<u>49,116,520</u>	<u>9,997</u>	<u>34,615,063</u>
<b>Less Accumulated Depreciation for:</b>					
Buildings	13,241,701	417,863	6,846,436	-	6,813,128
Equipment and vehicles	<u>9,460,189</u>	<u>1,688,360</u>	<u>1,933,553</u>	<u>9,997</u>	<u>9,224,993</u>
Total	<u>22,701,890</u>	<u>2,106,223</u>	<u>8,779,989</u>	<u>9,997</u>	<u>16,038,121</u>
Depreciable assets, net	<u>60,094,836</u>	<u>(1,181,363)</u>	<u>40,336,531</u>	<u>-</u>	<u>18,576,942</u>
Total governmental activities capital assets, net	<u>\$ 112,153,396</u>	<u>\$ 12,166,793</u>	<u>\$ 41,115,412</u>	<u>\$ -</u>	<u>\$ 83,204,777</u>

During the fiscal year the County removed three school facilities from its capital asset records resulting in \$41,793,680 being removed from the county's governmental capital asset records. These schools were used as collateral for loans to improve or construct these facilities. Lease agreements were signed between the school and the County. These lease agreements gave the school the right to purchase the facilities at the end of the term of the lease.

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

**Governmental Activities:**

General government	\$ 308,085
Public safety	805,805
Human services	193,240
Economic and Physical Development	7,840
Cultural and recreational	112,860
Education	<u>678,393</u>
Total	<u>\$ 2,106,223</u>

**CHATHAM COUNTY, NORTH CAROLINA**

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

Enterprise fund capital assets at June 30, 2014 were as follows:

	<b>Balance</b>			<b>Transfers In</b>	<b>Balance</b>
	<b>July 1, 2013</b>	<b>Additions</b>	<b>Disposals</b>	<b>(Out)</b>	<b>June 30, 2014</b>
<b>Utility Fund Non-depreciable assets:</b>					
Land	\$ 421,023	\$ -	\$ -	\$ 35,284	\$ 456,307
Construction in progress	<u>23,682,554</u>	<u>3,351,274</u>	<u>-</u>	<u>(14,265,591)</u>	<u>12,768,237</u>
Total	<u>24,103,577</u>	<u>3,351,274</u>	<u>-</u>	<u>(14,230,307)</u>	<u>13,224,544</u>
<b>Depreciable assets:</b>					
Buildings	5,478,618	-	-	-	5,478,618
Equipment and vehicles	1,950,243	35,334	26,980	(9,997)	1,948,600
Distribution lines	<u>29,381,101</u>	<u>-</u>	<u>-</u>	<u>14,230,307</u>	<u>43,611,408</u>
Total	<u>36,809,962</u>	<u>35,334</u>	<u>26,980</u>	<u>14,220,310</u>	<u>51,038,626</u>
<b>Less accumulated depreciation:</b>					
Buildings	4,255,777	273,853	-	-	4,529,630
Equipment and vehicles	1,190,327	92,968	26,980	(9,997)	1,246,318
Distribution lines	<u>7,756,199</u>	<u>652,717</u>	<u>-</u>	<u>-</u>	<u>8,408,916</u>
Total	<u>13,202,303</u>	<u>1,019,538</u>	<u>26,980</u>	<u>(9,997)</u>	<u>14,184,864</u>
Depreciable assets, net	<u>23,607,659</u>	<u>(984,204)</u>	<u>-</u>	<u>14,230,307</u>	<u>36,853,762</u>
Total utility fund capital assets, net	<u>\$47,711,236</u>	<u>\$2,367,070</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,078,306</u>

	<b>Balance</b>			<b>Transfers</b>	<b>Balance</b>
	<b>July 1, 2013</b>	<b>Additions</b>	<b>Disposals</b>	<b>In (Out)</b>	<b>June 30, 2014</b>
<b>Southeast Water District:</b>					
<b>Depreciable assets:</b>					
Distribution lines	\$ <u>5,307,500</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>5,307,500</u>
<b>Less accumulated depreciation:</b>					
Distribution lines	<u>212,300</u>	<u>106,150</u>	<u>-</u>	<u>-</u>	<u>318,450</u>
Depreciable assets, net	<u>5,095,200</u>	<u>(106,150)</u>	<u>-</u>	<u>-</u>	<u>4,989,050</u>
Total Southeast Water District Fund capital assets, net	<u>\$ 5,095,200</u>	<u>\$ (106,150)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,989,050</u>

**CHATHAM COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
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	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers</u> <u>In (Out)</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>Solid Waste Management Non-depreciable assets:</b>					
Land	\$ 495,505	\$ -	\$ -	\$ -	\$ 495,505
Construction in progress	<u>-</u>	<u>85,206</u>	<u>-</u>	<u>-</u>	<u>85,206</u>
Total	<u>495,505</u>	<u>85,206</u>	<u>-</u>	<u>-</u>	<u>580,711</u>
<b>Depreciable assets:</b>					
Buildings	1,804,717	-	-	-	1,804,717
Equipment and vehicles	<u>2,264,942</u>	<u>48,960</u>	<u>140,490</u>	<u>-</u>	<u>2,173,412</u>
Total	<u>4,069,659</u>	<u>48,960</u>	<u>140,490</u>	<u>-</u>	<u>3,978,129</u>
<b>Less accumulated depreciation:</b>					
Buildings	1,631,014	64,255	-	-	1,695,269
Equipment and vehicles	<u>1,800,553</u>	<u>229,682</u>	<u>140,490</u>	<u>-</u>	<u>1,889,745</u>
Total	<u>3,431,567</u>	<u>293,937</u>	<u>140,490</u>	<u>-</u>	<u>3,585,014</u>
Depreciable assets, net	<u>638,092</u>	<u>(244,977)</u>	<u>-</u>	<u>-</u>	<u>393,115</u>
Total Solid Waste Management Fund capital assets, net	<u>\$ 1,133,597</u>	<u>\$ (159,771)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 973,826</u>
Total Enterprise fund capital assets	<u>\$53,940,033</u>	<u>\$2,101,149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,041,182</u>

**6. Net Investment in Capital Assets**

	<u>Governmental</u> <u>Activities</u>	<u>Business-</u> <u>Type Activities</u>
Capital assets, net of depreciation	\$ 83,204,777	\$ 56,041,182
Long-term debt	114,916,873	19,114,777
Add premium on long-term obligations	770,710	364,978
Less unspent debt proceeds	(5,540,939)	-
Less debt not tied to capital assets	<u>(61,796,629)</u>	<u>-</u>
Long-term debt related to capital assets	<u>48,350,015</u>	<u>19,479,755</u>
Net investment in capital assets	<u>\$ 34,854,762</u>	<u>\$ 36,561,427</u>

**CHATHAM COUNTY, NORTH CAROLINA**

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

**7. Construction Commitments**

The government has active construction projects as of June 30, 2014. At year-end, the government's commitments with contractors were as follows:

<u>Project</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Jail	\$ 12,382,807	\$ 2,949,731
Courthouse Restoration	4,341,784	131,862
Agriculture Building	581,800	310,250
Waste Management Facility	69,531	33,477
Durham Increased Capacity	4,146,014	631,804
Sanford Interconnect	1,225,303	44,524
Totals	<u>\$ 22,747,239</u>	<u>\$ 4,101,648</u>

**8. Discretely presented component units**

Activity for the ABC Board for the year ended June 30, 2014, was as follows:

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2014</u>
<b>Depreciable assets:</b>				
Leasehold improvements	\$ 199,248	\$ -	\$ -	\$ 199,248
Equipment and fixtures	<u>102,064</u>	<u>4,330</u>	<u>-</u>	<u>106,394</u>
Total	301,312	4,330	-	305,642
Less accumulated depreciation	<u>(85,495)</u>	<u>(14,493)</u>	<u>-</u>	<u>(99,988)</u>
Total ABC Board capital assets, net	<u>\$ 215,817</u>	<u>\$ (10,163)</u>	<u>\$ -</u>	<u>\$ 205,654</u>

**9. Extraordinary Event**

In March of 2010, a fire significantly damaged the County Historical Courthouse. The County received insurance proceeds of \$250,000 in the current year and over \$5,280,000 overall as a result of the fire. Restoration costs of \$5,569,237 have been capitalized in the General Fund.

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**B. Liabilities**

**1. Payables**

Payables at the government-wide level at June 30, 2014, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Claims Liability</u>	<u>Total</u>
<b>Governmental activities:</b>				
General	\$3,122,248	\$ 947,648	\$ -	\$4,069,896
Internal service	151,896	-	335,000	486,896
Other governmental	714,295	-	-	714,295
Total governmental activities	<u>\$3,988,439</u>	<u>\$ 947,648</u>	<u>\$ 335,000</u>	<u>\$5,271,087</u>
<b>Business-type activities:</b>				
Utility	\$ 531,285	\$ 45,908	\$ -	\$ 577,193
Southeast water district	50,583	-	-	50,583
Solid waste management	118,915	21,947	-	140,862
Total business-type activities	<u>\$ 700,783</u>	<u>\$ 67,855</u>	<u>\$ -</u>	<u>\$ 768,638</u>

**2. Operating Leases**

The ABC Board occupies a facility in Moncure that had an operating lease agreement which expires in January 2016. The facility is being leased on a month-to-month basis. The base rental rate is \$1,075 and is adjusted annually. The monthly rent at June 30, 2014 and 2013 was \$1,075.

The Governor's Village facility has an operating lease agreement with a three year term, which expires April 30, 2016. The minimum annual rent is \$20,760 for year 2015 and \$21,360 for year 2016. The monthly rent at June 30, 2014 and 2013 was \$1,730 and \$1,680, respectively.

The ABC Board entered into an operating lease agreement with the Pittsboro ABC Board on November 1, 2008 to lease warehouse space from them at their Pittsboro location at a monthly rate of \$250. The lease expired on November 1, 2013. The monthly rent at June 30, 2014 and 2013 was \$250.

The ABC Board has an operating lease for Chatham Crossing, 1132 US Highway 15-501 N. Suite 302, Chapel Hill, North Carolina. The lease is a ten year lease expiring June 28, 2022. The monthly rent at June 30, 2014 and 2013 was \$4,492 and \$4,367, respectively.

**CHATHAM COUNTY, NORTH CAROLINA**  
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Minimum future lease payments are as follows:

Year Ending June 30	Amount
2015	\$ 76,310
2016	74,850
2017	58,700
2018	60,350
2019	62,100
2020-2022	197,298
Total	\$ 529,608

**3. Pension Plan and Other Post-Employment Obligations**

**a. Local Governmental Employees' Retirement System**

*Plan Description.* The County and the ABC Board contribute to the statewide 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 Local Governmental Employees' Retirement System 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 and the ABC Board are 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 6.74%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.65% and 7.28%, respectively, of annual covered payroll. The contribution requirements of members, the County, and the ABC Board 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 \$1,336,197, \$1,253,713, and \$1,176,774, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2014, 2013, and 2012 were \$10,308, \$8,042, and \$8,079, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

**b. Law Enforcement Officers' Special Separation Allowance**

**Plan Description.** The 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 0.85 percent 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

**CHATHAM COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
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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. The Separation Allowance is reported in the County's report as a pension trust fund. The plan does not issue separate financial statements.

All full-time County law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2013 the Separation Allowance's membership consisted of:

Retirees receiving benefits and terminated plan members entitled to but not yet receiving benefits	2
Active plan members	<u>86</u>
Total	<u><u>88</u></u>

**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. Benefits are recognized when due and payable in accordance with the terms of the plan.

*Method Used to Value Investments.* Investments are reported at fair value. Short-term money market debt instruments, deposits, and repurchase agreements are reported at cost or amortized cost, which approximates fair value. Certain longer term United States Government and United States Agency securities are valued at the last reported sales price.

**Contributions.** The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. For the current year, the County contributed \$80,000, or 2.20% of annual covered payroll. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings.

The annual required contribution for the current year was determined as part of the December 31, 2013 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2013 was 17 years.

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

Annual required contribution	\$ 91,402
Interest on net pension obligation	1,467
Adjustment to annual required contribution	<u>(2,391)</u>
Annual pension cost	90,478
Contributions made	<u>80,000</u>
Increase in net pension obligation	10,478
Net pension obligation, beginning of year	<u>29,342</u>
Net pension obligation, end of year	<u>\$ 39,820</u>

**Three Year Trend Information**

Year Ended <u>June 30</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension Obligation <u>End of Year</u>
6/30/2012	\$ 77,135	64.82%	\$ (1,436)
6/30/2013	80,778	61.90%	29,342
6/30/2014	90,478	88.42%	39,820

**Funding Status and Funding Progress.** As of December 31, 2013, the most recent actuarial valuation date, the plan was 42.55% funded. The actuarial accrued liability for benefits was \$925,962, and the actuarial value of assets was \$393,999, resulting in an unfunded actuarial accrued liability (UAAL) of \$531,963. The covered payroll (annual payroll of active employees covered by the plan) was \$3,631,655 and the ratio of the UAAL to the covered payroll was 14.65%.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**c. Supplemental Retirement Income Plan for Law Enforcement Officers**

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

## CHATHAM COUNTY, NORTH CAROLINA

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

**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 ended June 30, 2014 were \$248,354, which consisted of \$197,730 from the County and \$50,624 from the law enforcement officers.

#### **d. Supplemental Retirement Income Plan of North Carolina 401(k)**

**Plan Description.** The County contributes to the Supplemental Retirement Income Plan of North Carolina 401(k) (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to all employees not engaged in law enforcement who work more than 20 hours of each week and who are not already receiving supplemental retirement benefits. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

**Funding Policy.** The County contributes each month an amount equal to four and one-half percent (4.5%). Also, employees may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2014 were \$1,020,463 which consisted of \$698,076 from the County and \$322,387 from the employees.

#### **e. Deferred Compensation Plan**

**Plan Description.** 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 employees not engaged in law enforcement, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The County has complied with changes in 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. In accordance with GASB Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the County's Deferred Compensation Plan is not reported within the County's Agency Funds.

**Funding Policy.** The County does not contribute to the deferred compensation plan. Employees may make voluntary contributions to the plan. Contributions from employees for the year ended June 30, 2014 were \$56,246.

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

**Plan Description.** The County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a non-contributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Governmental Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Registers of Deeds' Supplemental Pension 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 Registers of

**CHATHAM COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
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Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Funding Policy.** On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2014, the County's required and actual contributions were \$6,758.

**f. Other Post-Employment Benefits**

**Healthcare Benefits**

**Plan Description.** According to a County resolution, the County provides post-employment health care benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least twenty years of creditable service with the County. Retirees who do not meet the aforementioned criteria have the option to purchase basic medical insurance for themselves and their dependents through the County for eighteen months. Currently, 14 retirees are eligible for post-employment health benefits. The County is self-insured for its health care coverage and contributes funding for all employee groups annually. The County Commissioners may amend the benefit provision. A separate report was not issued for the plan.

Membership of the post employment health benefit plan consisted of the following at December 31, 2012, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	14
Active members	<u>444</u>
	<u><u>458</u></u>

**Funding Policy.** The County agrees to provide medical insurance to certain retired employees as an extended benefit. Eligible retirees who elect this coverage will be enrolled in the group health plan. For members that retire with at least 30 years of service, the County pays 100% of the cost for pre-medicare eligible health coverage for the retiree. For members that retire with at least 25 years of service, the County pays 75% of the cost for pre-medicare eligible health coverage. For members that retire with at least 20 years of service, the County pays 50% of the cost for pre-medicare eligible health coverage. Retirees will cease to be eligible for group health insurance when Medicare becomes available. The retiree is responsible for paying the cost of dependent coverage if dependent coverage is elected. The County has chosen to fund the healthcare benefits on a pay as you go basis. The County's obligation to contribute to the plan is established and may be amended by the Board of Commissioners.

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County Contributions based on years of creditable service

<u>Years of Creditable Service</u>	<u>% paid</u>
30	100%
25	75%
20	50%

The current ARC rate is 2.81% of annual covered payroll. For fiscal year 2014, the County made net contributions in the amount of \$100,806 or .71% of annual covered payroll.

**Summary of Significant Accounting Policies.** Benefit expenditures are made from the internal service fund, which is reported on the accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

**Annual OPEB Cost and Net OPEB Obligation.** The County's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal costs 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 healthcare benefits:

Annual required contribution	\$ 401,019
Interest on net OPEB obligation	75,547
Adjustment to annual required contribution	<u>(45,205)</u>
Annual OPEB cost (expense)	431,361
Contributions made	<u>100,806</u>
Increase (decrease) in net OPEB obligation	330,555
Net OPEB obligation, beginning of year	<u>1,861,712</u>
Net OPEB obligation, end of year	<u><u>\$ 2,192,267</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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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 June 30, 2014</b>	<b>Annual OPEB Cost (AOC)</b>	<b>Percentage of AOC Contributed</b>	<b>Net OPEB Obligation End of Year</b>
6/30/2012	\$ 444,284	20.20%	\$ 1,509,762
6/30/2013	422,761	10.37%	1,861,712
6/30/2014	431,361	23.37%	2,192,267

**Funding 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 \$3,574,308. The covered payroll (annual payroll of active employees covered by the plan) was \$17,259,258, and the ratio of the UAAL to the covered payroll was 20.7%. 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 4.00% 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 pre-Medicare medical cost trend increase of 8.50 to 5.00 percent annually. The investment rate included a 3.00% 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 unfunded actuarial accrued liability is being amortized as level percentage of pay on an open basis. The remaining amortization period at December 31, 2012 was 30 years.

**CHATHAM COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
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**Other Employment 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 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. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. 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 as follows:

<u>No. Years Contributing</u>	<u>Years Relief</u>	<u>FY Contributions Resume</u>
less than 10	1	2014
10-20	2	2015
20 or more	3	2016

The period of reprieve is determined separately for law enforcement officers. Chatham County had a three year reprieve because it has been contributing for more than 20 years. Contributions will resume in the fiscal year beginning July 1, 2015.

The County has also elected to provide enrollment in additional term life and accidental death and dismemberment insurance to employees. The plan, which is available to all County employees who work 30 hours or more per week, is valued at \$10,000. Employees may elect to purchase additional coverage for themselves or their dependents at additional cost. Any benefit elections purchased in excess of \$50,000 are considered taxable to the employee as a fringe benefit.

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**4. Pension and Other Employee Benefit Trust Funds**

The County maintains one pension trust fund as indicated in Note 1. Changes in net position for this trust funds is as follows:

	<b>Law Enforcement Employees' Pension Trust Fund</b>
<b>Additions:</b>	
Employer on-behalf payments	\$ 80,000
Employee contributions	-
Investment earnings	1,407
Total additions	81,407
<b>Deductions:</b>	
Benefit payments	28,338
Net change in assets	53,069
<b>Net Assets:</b>	
Beginning of year, July 1	407,703
End of year, June 30	\$ 460,772

**5. Landfill Closure and Post Closure Costs**

The County closed its landfill facility in October 1993 and placed a cover on the site. The County is required to perform semi-annual monitoring functions at the site. Costs that relate to monitoring activities are expensed as incurred. Post closure costs for the fiscal year ended June 30, 2014 were approximately \$13,812.

As a result of the monitoring, the County submitted an assessment and remediation plan pursuant to NC Administrative Code 13B in November 1998 to the North Carolina Department of Environment and Natural Resources Division of Waste Management. The plan requires the County to purchase land adjacent to the site as a buffer zone. All necessary property to provide the buffer zone was purchased and the project was completed during the fiscal year ending June 30, 2009. Future post closure costs will be expensed as incurred.

**CHATHAM COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Deferred Outflows and Inflows of Resources**

	<b>Unavailable Revenue</b>	<b>Unearned Revenue</b>
Prepaid taxes not yet earned (General)	\$ -	\$ 272,325
Prepaid taxes not yet earned (Special Revenue)	-	17,844
Taxes receivable, net (General), less penalties	1,588,192	-
Taxes receivable, net (Special Revenue), less penalties	159,036	-
Health department fees receivable, net (General)	11,003	-
Total	<u>\$ 1,758,231</u>	<u>\$ 290,169</u>

**7. Risk Management**

The County and the ABC Board are 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 purchases insurance for property, general liability, automobile, errors and omissions, law enforcement liability and employment practices liability. The County's property is insured based on replacement cost up to a limit of \$87,516,636. The County carries flood insurance for non-flood zones with a limit of coverage of \$5,000,000. General liability law enforcement, public official, employment practices and employee benefit liability have a \$1,000,000 per occurrence limit, with a \$3,000,000 total aggregate, and automobile liability of \$1,000,000 per occurrence. The County purchases a \$5,000,000 umbrella over all of the casualty coverage. The County participates in a self-funded risk financing pool administered by a private company. Through this pool, the County self-insures for workmen's compensation coverage, and purchases reinsurance with a \$550,000 (all others) / \$600,000 (law enforcement) retention per occurrence with a statutory maximum limit and an employer's liability maximum limit of indemnity per occurrence of \$1,000,000. The County self-insures for employee health coverage, which is administered by a private company, with a stop loss provision of \$100,000 per occurrence. The maximum lifetime benefit is unlimited, in accordance with health care reform. The County carries commercial insurance coverage above these limits. 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. 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 Finance Officer, Sheriff, Register of Deed and Tax Collector are each individually bonded for \$100,000. The remaining employees that have access to funds are bonded under a blanket bond for \$300,000.

The ABC Board has property, general liability, liquor legal liability, workmen's compensation and employee health coverage. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the last three fiscal years.

**CHATHAM COUNTY, NORTH CAROLINA**  
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**8. Contingent Liabilities and Commitments**

The County and the ABC Board have elected to pay the direct cost of employment security benefits in lieu of employment security taxes on the payroll. A liability for benefit payments could accrue in the year following discharge of employees.

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.

**9. Claims and Judgments**

The County is a defendant to various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position for the County carries sufficient liability insurance to cover such claims.

The County self-insures for workmen's compensation coverage and for employee health coverage. The County has recorded a liability in its Self-Insurance Internal Service Fund for estimated unfiled insurance claims. The following is a reconciliation of the changes in the liability for claims and judgments for the prior two fiscal years:

Accrued claims and judgments, June 30,2012	\$ 285,000
Additions	3,750,947
Benefits paid	<u>(3,725,947)</u>
Accrued claims and judgments, June 30,2013	310,000
Additions	4,044,870
Benefits paid	<u>(4,019,870)</u>
Accrued claims and judgments, June 30, 2014	<u>\$ 335,000</u>

**10. Long-Term Obligations**

**a. General Obligation Indebtedness**

All general obligation bonds serviced by the County's General Fund are collateralized by the full faith, credit, and taxing power of the County. Chatham County's Southeast Water District issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Southeast Water District, are collateralized by the full faith, credit, and taxing power of the District. Principal and interest payments are appropriated when due.

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

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

\$10,305,000 Refunding bonds, Series 2004 issued April 6, 2004; interest at 2.25% to 4.00%; due serially to 2016 \$ 2,925,000

Serviced by the County's Southeast Water District:

\$3,200,000 Bonds issued March 23, 2010, interest at 4%; due serially to 2049 \$ 3,082,000

Annual debt service requirements to maturity for the County's and the District's general obligation bonds and bond anticipation notes are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 1,675,000	\$ 117,000	\$ 42,000	\$ 123,280
2016	1,250,000	50,000	44,000	121,600
2017	-	-	46,000	119,840
2018	-	-	48,000	118,000
2019	-	-	49,000	116,080
2020-2024	-	-	278,000	549,280
2025-2029	-	-	339,000	488,880
2030-2034	-	-	412,000	415,560
2035-2039	-	-	501,000	326,240
2040-2044	-	-	611,000	217,640
2045-2049	-	-	712,000	85,400
	<u>\$ 2,925,000</u>	<u>\$ 167,000</u>	<u>\$ 3,082,000</u>	<u>\$ 2,681,800</u>

At June 30, 2014, Chatham County had a legal debt margin of \$635,192,333.

**b. Revenue Bonds**

In March 2010, the County's Southeast Water District issued \$1,886,000 to provide funds for the acquisition and construction of major water system capital improvements. The taxing power of the County is not pledged for the payment of the principal or interest on the revenue bonds and no owner has the right to compel the exercise of the taxing power of the County or the forfeiture of any of its property in connection with any default under the bond order.

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

Serviced by the County's Southeast Water District:

\$262,000 Bonds issued March 23, 2010, interest at 4%; due serially to 2049	\$ 253,000
\$1,624,000 Bonds issued March 23, 2010, interest at 4%; due serially to 2049	<u>1,555,000</u>
	<u>\$ 1,808,000</u>

Annual debt service requirements to maturity for the Southeast Water District's revenue bonds are as follows:

<b>Year Ending</b>	<b>Business-Type Activities</b>	
<b>June 30</b>	<b>Principal</b>	<b>Interest</b>
2015	\$ 27,000	\$ 61,558
2016	29,000	60,658
2017	30,000	59,758
2018	31,000	58,785
2019	32,000	56,743
2020-2024	177,000	266,972
2025-2029	207,000	235,360
2030-2034	245,000	198,248
2035-2039	289,000	154,338
2040-2044	341,000	102,442
2045-2049	400,000	41,212
	<u>\$ 1,808,000</u>	<u>\$ 1,296,074</u>

The County has been in compliance with the covenants as to service charges in Section 5.01 of the Bond Order, authorizing the issuance of the Water Revenue Bonds Series 2010 A and B since its adoption in 2010. Section 5.01 of the Bond Order requires the debt service coverage ratio to be no less than 110%.

**CHATHAM COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS**

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

The debt service coverage ratio calculation for the year ended June 30, 2014, is as follows:

Operating revenues	\$ 632,761
Operating expenses	<u>(506,459)</u>
Operating income	126,302
Nonoperating revenues (expenses)*	<u>147,313</u>
Income available for debt service	(21,011)
Add prior year reserve	<u>118,000</u>
Total available for debt service	<u>\$ 96,989</u>
Debt service, principal and interest paid (Revenue bond only)	<u>\$ 88,558</u>
Debt service coverage ratio	110%

\* per revenue covenants, this does not include revenue bond principal and interest of \$88,425.

**c. Other Long-Term Obligations**

The County has executed various other long-term obligations including Qualified Zone Academy Bonds, Quality School Construction Bonds, certificates of participation, private placement loans, and state revolving loans for the purpose of property acquisition and construction.

As authorized by State law [G.S.160A-20 and 153A-158.1], the County has financed a portion of these property acquisitions for use by the Chatham County Board of Education. The installment purchases were issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with the Chatham County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

**CHATHAM COUNTY, NORTH CAROLINA**

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

Other long-term debt payable by the County at June 30, 2014 is comprised of the following individual issues:

Governmental Activities:

\$500,000 Qualified Zone Academy Bonds (QZAB) issued on May 31, 2002 under Internal Revenue Code Section 1397E; due serially to 2021 with no interest; collateralized by real estate, including a school building	\$ 125,540
\$4,396,129 Qualified School Construction Bonds (QSCB) issued on July 23, 2010; due serially to 2025 with interest at 6.11%; collateralized by real estate including a school building; the QSCB permits a subsidy to the County at 5.34%. Due to federal government sequestration the amount of interest credit received has been reduced by 8.7%.	3,516,903
\$35,395,000 Certificates of Participation issued in November 2006 for the construction of an elementary school, additions to and renovation of an existing high school, addition and renovation of the Department of Social Services Building, construction of roads, water lines and sewer lines for the County Business Campus, other miscellaneous school capital projects; collateralized by real estate	34,195,000
\$6,717,498 Refunding limited obligation bonds, Series 2012 issued April 5, 2012; interest at 1.00% to 5.00 %; due serially to 2029. Proceeds used for renovations to a county office building and renovations to an existing high school facility.	5,702,456
\$24,000,000 Private placement loan with a financial institution for the construction of the Margaret Pollard Middle School due in annual payments with interest at 4.85%; maturing in 2028 collateralized by real estate	18,000,000
\$17,050,000 Private placement loan with a financial institution for the construction of a joint County and Central Carolina Community College (CCCC) library and CCCC classroom facility on the CCCC campus in Pittsboro and CCCC classroom facilities in Siler City due in semi-annual payments with interest at 4.02 % to 5.1%; maturing in 2029 collateralized by real estate	13,300,000
\$15,495,000 Private placement loan with a financial institution for the construction of a new county jail facility due in semi-annual payments with interest at 2.00 % to 4.00%; maturing in 2033 collateralized by real estate	15,495,000
\$21,940,000 Loan with United States Department of Agriculture (USDA); Total loan amount includes three separate loans with USDA; Due in annual installments with interest at 3.125%; maturing in 2053 collateralized by real estate	<u>21,656,974</u>
Total Governmental Activities	<u>\$ 111,991,873</u>

**CHATHAM COUNTY, NORTH CAROLINA**

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

Business-type Activities

\$12,077,502 Refunding limited obligation bonds, Series 2012 issued April 5, 2012; interest at 1.00% to 5.00 %; due serially to 2029	\$ 10,252,544
\$1,700,000 Private placement loan with a financial institution; due in quarterly installments of \$28,333 including interest at 5.08%; maturing in 2014; collateralized by water distribution system	56,667
\$355,645 State revolving loan with North Carolina Department of Environment and Natural Resources; due in annual installments of \$17,782 plus interest at 2.55% maturing in 2020	106,694
\$6,229,235 State revolving loan with North Carolina Department of Environment and Natural Resources; due in annual installments of \$302,548 plus interest at 2.305%; maturing in 2026	3,737,541
State revolving loan with North Carolina Department of Environment and Natural Resources; due in annual installments of \$10,897 including interest at 2.80%; maturing in 2021	71,332
Total Business-type Activities	\$ 14,224,778
Total other long-term obligations	\$ 126,216,651

Annual debt service requirements to maturity for the County's other long-term obligation bonds, certificates of participation, and loans are as follows:

<b>Year Ending June 30</b>	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2014	4,432,325	4,399,020	1,018,140	513,468
2015	4,441,446	4,256,445	961,473	490,003
2016	5,946,213	4,103,571	971,112	463,277
2017	5,964,044	3,885,243	980,751	436,261
2018	5,947,733	3,670,001	993,604	405,631
2019-2023	27,296,176	15,032,332	5,132,879	1,487,706
2024-2028	26,710,449	9,313,666	4,166,819	415,526
2029-2033	14,164,670	4,711,260	-	-
2034-2038	6,249,608	2,196,347	-	-
2039-2043	3,352,729	1,490,526	-	-
2044-2048	3,910,373	932,882	-	-
2049-2053	3,576,107	282,972	-	-
	\$111,991,873	\$54,274,265	\$14,224,778	\$ 4,211,872

**CHATHAM COUNTY, NORTH CAROLINA**

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

**d. Long-Term Obligation Activity**

The following is a summary of changes in the County's long-term debt obligations for the fiscal year ended June 30, 2014:

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Current</u> <u>Portion</u>
<b>Governmental Activities:</b>					
General obligation bonds	\$ 4,635,000	\$ -	\$ 1,710,000	\$ 2,925,000	\$ 1,675,000
Other long-term obligations	115,591,780	-	3,599,907	111,991,873	4,432,325
Total	120,226,780	-	5,309,907	114,916,873	6,107,325
Premium on long-term obligations	1,027,614		256,904	770,710	256,904
Separation allowance	29,342	90,478	80,000	39,820	
Other post-employment benefits	1,719,997	409,939	100,806	2,029,130	-
Compensated absences	1,538,351	1,134,239	1,095,656	1,576,934	1,095,656
Total governmental activities	<u>\$ 124,542,084</u>	<u>\$ 1,634,656</u>	<u>\$ 6,843,273</u>	<u>\$ 119,333,467</u>	<u>\$ 7,459,885</u>
<b>Business-Type Activities:</b>					
<b>Southeast Water District</b>					
General obligation bonds	\$ 3,123,000	\$ -	\$ 41,000	\$ 3,082,000	\$ 42,000
Revenue bonds	1,835,000	-	27,000	1,808,000	27,000
Total Southeast Water District	<u>4,958,000</u>	<u>-</u>	<u>68,000</u>	<u>4,890,000</u>	<u>69,000</u>
<b>County Business-Type Activities</b>					
Other long-term obligations	15,293,158	-	1,068,381	14,224,777	1,018,140
Premium on long-term obligations	547,468		182,490	364,978	182,490
Other post-employment benefits	141,715	21,422	-	163,137	-
Compensated absences	139,934	87,587	96,153	131,368	96,153
Total County business-type activities	<u>16,122,275</u>	<u>109,009</u>	<u>1,347,024</u>	<u>14,884,260</u>	<u>1,296,783</u>
Total business-type activities	<u>\$ 21,080,275</u>	<u>\$ 109,009</u>	<u>\$ 1,415,024</u>	<u>\$ 19,774,260</u>	<u>\$ 1,365,783</u>

Other post-employment benefits typically have been liquidated in the Self-Insurance Internal Service Fund while compensated absences typically have been liquidated in the General Fund.

**Debt Related to Capital Activities** – Of the total Governmental Activities debt listed only \$35,625,472 relates to assets the County holds title. Unspent restricted cash related to this debt amounts to \$5,540,939.

**CHATHAM COUNTY, NORTH CAROLINA**

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

**C. Interfund Balances and Activity**

Transfers to/from other funds at June 30, 2014, consist of the following:

<u>Fund Type</u>	<u>Fund Name</u>	<u>To</u>	<u>From</u>	<u>Purpose</u>
<b><u>Governmental:</u></b>				
Major	General Fund	\$ 116,223	\$ -	Reimbursement for various park
Non-Major	Rec in Lieu	-	116,223	projects
Major	General Fund	3,433,841	-	Fund school debt
Major	Impact Fees Fund	-	3,433,841	
Major	General Fund	4,367,239	-	Fund debt on planned capital projects
Major	Capital Improvements Reserve	-	4,367,239	
Major	Capital Improvements Reserve	5,352,125	-	Service future debt on
Major	General Fund	-	5,352,125	planned capital projects
Major	Capital Improvements Reserve	563,003	-	Medicaid cost settlement for future
Major	General Fund	-	563,003	health related capital projects
Major	Facilities Improvements Projects	85,938	-	Fund miscellaneous Courthouse
Major	General Fund	-	85,938	restoration expenses
Major	Facilities Improvements Projects	1,294,591	-	Fund phase 2 of annex renovations
Major	General Fund	-	1,294,591	
Major	School Construction Projects	1,256,299	-	Fund school roof replacements
Major	General Fund	-	1,256,299	
Non-Major	Parks Project Fund	27,515	-	Fund expenses associated with the
Non-Major	Rec in Lieu	-	27,515	development of Briar Chapel Park
Major	General Fund	-	127,695	Transfer to Water Capital Projects - Funds
Major	Tech System/Improvements Project	370,000	-	used for business park expenses
		-	-	Transfer from Water Capital Reserve -
		-	-	Funds used for software purchase.
<b>Total Governmental Transfers</b>		<b><u>16,866,774</u></b>	<b><u>16,624,469</u></b>	
<b><u>Enterprise:</u></b>				
Enterprise	Water Capital Reserve	-	370,000	Transfer to Tech/System Improvements
Enterprise	Water Capital Projects	127,695	-	Project. Funds used for software purchase
Enterprise	Water Projects	3,210,000	-	Transferred from General Fund - Used for
Enterprise	Utility Reserve	-	3,210,000	business park expenses
Enterprise	Waste Management Facility Project	96,106	-	Fund Durham interconnect expenses
Enterprise	Waste Management Operating	-	96,106	Fund water projects
		-	-	Fund Waste Management facility
		-	-	project
<b>Total Enterprise Transfers</b>		<b><u>3,433,801</u></b>	<b><u>3,676,106</u></b>	
<b>Total Transfers</b>		<b><u>\$ 20,300,575</u></b>	<b><u>\$ 20,300,575</u></b>	

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**IV. Related Organizations**

**Chatham County Housing Authority**

The County's officials appoint the board members of the Chatham County Housing Authority. The County's accountability for this organization does not extend beyond making these appointments. There were no appropriations to the Chatham County Housing Authority for the year ended June 30, 2014.

**V. Joint Ventures**

**A. Cardinal Innovations Healthcare Solutions Area Authority**

The County, in conjunction with Alamance, Cabarrus, Caswell, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance, and Warren Counties participate in a joint venture to operate Cardinal Innovations Healthcare Solutions Area Authority as a Managed Care Organization. The County appoints three members to the OPC Community Operations Oversight Board. The County has an ongoing financial responsibility for the joint venture because the Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Authority; therefore, no equity interest has been reflected in the financial statements at June 30, 2014. The County appropriated \$483,407 to the Authority to supplement its activities for the year ended June 30, 2014.

Complete financial statements for Cardinal Innovations Healthcare Solutions Area Authority may be obtained from their administrative offices at 201 Sage Road, Suite 300, Chapel Hill, NC 27514.

**B. Central Carolina Community College**

The County, in conjunction with the State of North Carolina, Lee County, Harnett County, and Lee County Board of Education, participates in a joint venture to operate Central Carolina Community College (Community College). Each of the participants appoints members to the sixteen member board of trustees of the Community College. The president of the Community College's student government serves as an ex officio non-voting member of the Community College's board of trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition, the County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$606,735 to the Community College for operating purposes during the fiscal year ended June 30, 2014. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2014.

Complete financial statements for Central Carolina Community College may be obtained from the Community College's administrative offices at 1105 Kelly Drive, Sanford, North Carolina 27330.

**CHATHAM COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**C. Chatham County Economic Development Corporation**

The County, in conjunction with the Towns of Pittsboro, Siler City and Goldston, participates in a joint venture to operate the Chatham County Economic Development Corporation (Corporation). The Corporation is a joint venture established to facilitate economic expansion within the County. The County has an ongoing financial responsibility for the Corporation because the Corporation's continued existence depends on the participating governments' continued funding. The County contributed \$1,214,306 to the Corporation during the fiscal year ended June 30, 2014. None of the participating governments has any equity interest in the Corporation, so no equity interest has been reflected in the financial statements at June 30, 2014.

Complete financial statements for the Chatham County Economic Development Corporation may be obtained from the Corporation's administrative offices at 12 East Street, Pittsboro, North Carolina 27312.

**V. Jointly Governed Organizations**

**Triangle J Council of Governments**

The County, in conjunction with four other counties and twenty municipalities, established the Triangle J Council of Governments (Council). The participating governments established the Council to coordinate certain 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 \$59,626 to the Council during the fiscal year ended June 30, 2014.

**VI. Related Party Transactions**

The County entered into a generator maintenance contract with Atlantic Power Solutions Inc owned by Walter Petty, Chatham County Commissioner, prior to his election. The Chatham County Board of Commissioners adopted a resolution approving the continuance of the contract in August of 2013 pursuant to NC G.S 14-234. Walter Petty did not participate in any way or vote on the resolution. The County paid \$3,534 to Atlantic Power Solutions Inc. during the fiscal year ended June 30, 2014.

**CHATHAM COUNTY, NORTH CAROLINA**

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

**VII. 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, which cause benefit payments to be issued by the State. These amounts disclose the additional financial aid which does not appear in the basic financial statements because they are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Medicaid	\$ 32,257,844	\$ 17,635,068
Food Stamp Program	9,424,923	
Temporary Assistance for Needy Families	183,452	31,200
Adoption Assistance	509,549	133,299
Foster Care	125,636	36,719
Child Care Development		261,949
State/County Special Assistance for Adults		391,355
Women, Infants, and Children	1,172,263	
Health Choice	1,152,329	363,482
Other	17,598	(193)
Total	<u>\$ 44,843,594</u>	<u>\$ 18,852,879</u>

The County maintains no direct control over any of these monies and budgets for only its matching portion which is paid to the applicable State agency.

**VIII. 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 moneys 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 moneys.

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## **REQUIRED SUPPLEMENTAL FINANCIAL DATA**

This section contains additional information required by generally accepted accounting principles.

- Schedule of Funding Progress for the Law Endorsement Officers' Special Separation Allowance
- Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Funding Progress, Employer Contributions, and Notes to the Required Schedules for the Other Post Employment Benefits

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CHATHAM COUNTY, NORTH CAROLINA

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

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A / B)	Covered Payroll (C)	UAAL as a % of Covered Payroll (B-A) / C)
12/31/2013	\$ 393,999	\$ 925,962	\$ 531,963	42.55%	\$ 3,631,655	14.65%
12/31/2012	364,744	782,130	417,386	46.63%	3,385,672	12.33%
12/31/2011	341,668	714,314	372,646	47.83%	3,022,834	12.33%
12/31/2010	318,745	686,196	367,451	46.45%	2,940,994	12.49%
12/31/2009	288,529	734,426	445,897	39.29%	2,861,765	15.58%
12/31/2008	270,024	492,510	222,486	54.83%	2,719,161	8.18%
12/31/2007	281,505	464,246	182,741	60.64%	2,479,871	7.37%
12/31/2006	294,625	343,289	48,664	85.82%	2,484,232	1.96%
12/31/2005	236,479	332,293	95,814	71.17%	2,272,967	4.22%
12/31/2004	200,295	407,418	207,123	49.16%	1,969,308	10.52%

\* Reflects changes in actuarial assumptions

CHATHAM COUNTY, NORTH CAROLINA

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

<b>Schedule of Employer Contributions</b>		
<b>Year Ended June 30</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage of ARC Contributed</b>
2014	\$ 91,402	54.70%
2013	80,761	61.91%
2012	76,860	65.05%
2011	84,949	58.85%
2010	51,589	96.91%
2009	45,487	87.90%
2008	33,303	0.00%
2007	32,751	122.13%
2006	44,137	90.00%
2005	36,914	135.45%

**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	December 31, 2013
Actuarial cost method:	Projected unit credit
Amortization method:	Level percentage of pay closed
Remaining amortization period:	17 Years
Asset valuation method:	Market value
Actuarial assumptions:	
Investment rate of return	5.00%
Projected salary increases	4.25% to 7.85%
Includes inflation at	3.00%
Cost of living adjustments	N/A

## CHATHAM COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2014

## Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL)		Unfunded AAL (UAAL) (B - A)	Funded Ratio (A / B)	Covered Payroll (C)	UAAL as a Percentage Covered Payroll ((B - A) / C)
		-Projected Unit Credit (B)					
12/31/2013	\$ -	\$ 3,574,308		\$ 3,574,308	0.00%	\$ 17,259,258	20.7%
12/31/2012	-	3,574,308		3,574,308	0.00%	17,259,258	20.7%
12/31/2011	-	3,646,400		3,646,400	0.00%	17,232,259	21.2%
12/31/2010	-	3,646,400		3,646,400	0.00%	17,232,259	21.2%
12/31/2009	-	3,950,430		3,950,430	0.00%	16,421,865	24.1%
12/31/2008	-	4,560,652		4,560,652	0.00%	16,719,837	27.3%
12/31/2007	-	3,160,135		3,160,135	0.00%	16,430,460	19.2%
12/31/2006	-	4,162,426		4,162,426	0.00%	14,238,610	29.2%

## Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2014	\$ 401,019	25.14%
2013	420,063	10.44%
2012	442,219	20.30%
2011	442,219	16.08%
2010	442,219	22.06%
2009	502,228	13.25%

## Notes to the Required Schedules:

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

Valuation date	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level Percentage of Pay, Open
Remaining amortization period	30 years
Asset valuation method	Market value
Amortization factor	26.1695
Actuarial assumptions:	
Investment rate of return *	4.00%
Medical cost trend rate	8.5% - 5.00%
Year of Ultimate trend rate	2018
Includes inflation at	3.00%

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**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

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## **MAJOR GOVERNMENTAL FUNDS**

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## **GENERAL FUND**

The General Fund accounts for resources traditionally associated with government that is not required to be accounted for in other funds.

## **PERSONNEL SAVINGS FUND**

The Personnel Savings Fund accounts for the accumulation of funds resulting from lapsed salaries which will be used to offset the cost of the County's pay-for-performance merit system.

## **IMPACT FEES FUND**

The Impact Fees Fund accounts for an additional fee charged on all building permits issued for the construction of new dwellings. Impact fees collected are to be used to offset a portion of the cost of new school construction.

## **CAPITAL IMPROVEMENT RESERVE**

The Capital Improvement Reserve Fund accounts for the accumulation of funds for major construction projects.

## **FACILITIES IMPROVEMENTS**

The Facilities Improvement Project Fund accounts for the financing and construction of additions to County facilities.

## **SCHOOL CONSTRUCTION FUND**

The School Construction Fund accounts for the construction of new school facilities and additions to existing facilities. Certificates of participation will be issued to fund a majority of the projects.

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## CHATHAM COUNTY, NORTH CAROLINA

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GENERAL FUND CONSOLIDATED

	<u>General Fund</u>	<u>Personnel Savings Reserve Fund</u>	<u>Total General Fund</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 58,991,990	\$ -	\$ 58,991,990
Local option sales taxes	9,193,703	-	9,193,703
Other taxes	645,523	-	645,523
Unrestricted intergovernmental revenues	2,399,117	-	2,399,117
Restricted intergovernmental revenues	8,084,525	-	8,084,525
Permits and fees	1,495,810	-	1,495,810
Sales and services	2,682,066	-	2,682,066
Interest earned on investments	145,283	421	145,704
Other general revenues	1,131,036	-	1,131,036
Total revenues	<u>84,769,053</u>	<u>421</u>	<u>84,769,474</u>
<b>Expenditures:</b>			
General government	8,569,666	-	8,569,666
Public safety	14,201,267	-	14,201,267
Economic and physical development	2,635,784	-	2,635,784
Human services	16,475,977	-	16,475,977
Cultural and recreation	1,838,893	-	1,838,893
Intergovernmental:			-
Education	28,697,885	-	28,697,885
Debt service:			-
Principal repayments	5,309,907	-	5,309,907
Interest	4,711,336	-	4,711,336
Total expenditures	<u>82,440,715</u>	<u>-</u>	<u>82,440,715</u>
Revenues over (under) expenditures	<u>2,328,338</u>	<u>421</u>	<u>2,328,759</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	7,917,303	-	7,917,303
Transfers out	(8,679,651)	-	(8,679,651)
Net change in fund balances	1,565,990	421	1,566,411
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>28,765,324</u>	<u>122,501</u>	<u>28,887,825</u>
End of year - June 30	<u>\$ 30,331,314</u>	<u>\$ 122,922</u>	<u>\$ 30,454,236</u>

CHATHAM 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

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Current year:				
Real/personal	\$ 52,180,000	\$ 52,822,788	\$ 642,788	\$ 52,297,548
Motor vehicles	4,290,000	4,731,143	441,143	3,149,316
Total	56,470,000	57,553,931	1,083,931	55,446,864
Prior year:				
Real/personal	750,000	927,909	177,909	796,316
Motor vehicles	200,000	247,210	47,210	229,833
Total	950,000	1,175,119	225,119	1,026,149
Penalties, interest, other	250,000	262,940	12,940	279,253
Total ad valorem taxes	57,670,000	58,991,990	1,321,990	56,752,266
<b>Local Option Sales Tax:</b>				
Article 39 - 1 percent	3,332,000	3,549,094	217,094	3,260,441
Article 40 - 1/2 percent	3,151,000	3,335,686	184,686	3,133,704
Article 42 - 1/2 percent	2,179,000	2,307,047	128,047	2,121,833
Article 44 - 1/2 percent	-	1,876	1,876	7,484
Total local option sales tax	8,662,000	9,193,703	531,703	8,523,462
<b>Other Taxes and Licenses:</b>				
Deed stamp excise tax	400,000	542,625	142,625	466,609
Occupancy tax	78,000	87,326	9,326	78,482
Rental vehicles	9,500	15,572	6,072	-
Other	-	-	-	11,648
Total other taxes and licenses	487,500	645,523	158,023	556,739
<b>Intergovernmental:</b>				
Unrestricted Intergovernmental:				
Payments in lieu of taxes	90,000	100,166	10,166	93,581
Beer and wine excise tax	218,000	228,841	10,841	205,237
ABC Profit distribution	85,000	77,255	(7,745)	40,895
Hold harmless	1,250,000	1,981,932	731,932	1,594,216
Town of Siler City - Business Campus	10,923	10,923	-	10,977
Total	1,653,923	2,399,117	745,194	1,944,906
Restricted intergovernmental:				
State and federal grants	8,359,378	7,864,913	(494,465)	8,345,020
Other	222,866	219,612	(3,254)	207,348
Total	8,582,244	8,084,525	(497,719)	8,552,368
Total intergovernmental	10,236,167	10,483,642	247,475	10,497,274
<b>Permits and Fees:</b>				
Inspections fees	700,000	1,072,217	372,217	869,520
Register of Deeds fees	400,000	380,235	(19,765)	425,231
Concealed weapon permits	18,000	32,000	14,000	23,960
Beer and wine permits	2,800	3,011	211	3,070
Other	5,250	8,347	3,097	12,683
Total permits and fees	1,126,050	1,495,810	369,760	1,334,464

CHATHAM 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

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Sales and Services:</b>				
Collection fees - fire districts	400,000	355,996	(44,004)	353,335
Planning	31,000	89,354	58,354	46,065
Social services	60,000	29,535	(30,465)	51,096
Tax	140,000	112,509	(27,491)	153,984
Fire inspections	34,500	36,605	2,105	37,210
Sheriff	90,100	90,924	824	98,920
Health	694,631	960,557	265,926	877,738
Environmental services	109,000	220,730	111,730	197,190
Environmental health	247,889	281,020	33,131	255,325
Elections	3,000	5,024	-	48
Library	34,000	34,900	900	36,232
Recreation fees	71,025	78,063	7,038	72,660
Project 360	13,500	12,795	(705)	14,262
Safe Havens	19,692	18,769	(923)	19,519
Charges to other funds	354,532	354,532	-	311,332
Other	600	753	153	540
Total sales and services	<u>2,303,469</u>	<u>2,682,066</u>	<u>378,597</u>	<u>2,525,456</u>
<b>Investment Earnings:</b>				
Interest on investments	<u>72,000</u>	<u>145,283</u>	<u>73,283</u>	<u>75,728</u>
Total investment earnings	<u>72,000</u>	<u>145,283</u>	<u>73,283</u>	<u>75,728</u>
<b>Other General Revenues:</b>				
Rent	214,580	249,760	35,180	229,640
Contributions and donations	301,515	452,847	151,332	1,257,042
Sale of surplus property	-	65,600	65,600	67,877
Miscellaneous	<u>19,000</u>	<u>362,829</u>	<u>343,829</u>	<u>(554,726)</u>
Total other general revenues	<u>535,095</u>	<u>1,131,036</u>	<u>595,941</u>	<u>999,833</u>
Total revenues	<u>81,092,281</u>	<u>84,769,053</u>	<u>3,676,772</u>	<u>81,265,222</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Board:</b>				
Salaries and benefits	258,433	231,944	26,489	249,230
Other operating expenditures	<u>97,414</u>	<u>94,204</u>	<u>3,210</u>	<u>94,443</u>
Total	<u>355,847</u>	<u>326,148</u>	<u>29,699</u>	<u>343,673</u>
<b>County Manager:</b>				
Salaries and benefits	800,248	799,889	359	729,752
Other operating expenditures	<u>48,396</u>	<u>36,393</u>	<u>12,003</u>	<u>37,642</u>
Total	<u>848,644</u>	<u>836,282</u>	<u>12,362</u>	<u>767,394</u>
<b>Finance:</b>				
Salaries and benefits	575,979	531,956	44,023	511,941
Other operating expenditures	<u>130,816</u>	<u>123,164</u>	<u>7,652</u>	<u>82,898</u>
Total	<u>706,795</u>	<u>655,120</u>	<u>51,675</u>	<u>594,839</u>

CHATHAM 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

	2014		2013	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Information Services:</b>				
Salaries and benefits	841,126	816,982	24,144	773,256
Other operating expenditures	522,845	387,433	135,412	422,760
Capital outlay	222,937	215,409	7,528	27,344
Total	1,586,908	1,419,824	167,084	1,223,360
<b>Tax:</b>				
Salaries and benefits	822,646	780,405	42,241	767,060
Other operating expenditures	584,823	319,456	265,367	452,893
Capital outlay	20,625	13,733	6,892	11,423
Total	1,428,094	1,113,594	314,500	1,231,376
<b>County Attorney:</b>				
Salaries and benefits	60,435	60,526	(91)	58,364
Other operating expenses	223,868	204,034	19,834	168,892
Total	284,303	264,560	19,743	227,256
<b>Court Facilities:</b>				
Other operating expenditures	234,156	161,046	73,110	118,327
<b>Elections:</b>				
Salaries and benefits	181,033	178,895	2,138	186,924
Other operating expenses	162,811	150,109	12,702	162,307
Total	343,844	329,004	14,840	349,231
<b>General Services:</b>				
Other operating expenses	504,114	1,417,062	(912,948)	376,653
Capital outlay	-	-	-	2,132,292
Total	504,114	1,417,062	(912,948)	2,508,945
<b>Register of Deeds:</b>				
Salaries and benefits	328,815	328,990	(175)	318,392
Other operating expenses	97,170	87,550	9,620	94,893
Capital outlay	16,033	15,020	1,013	-
Total	442,018	431,560	10,458	413,285
<b>Public Works:</b>				
Facilities Management:				
Salaries and benefits	760,701	731,126	29,575	601,487
Other operating expenditures	1,122,162	914,689	207,473	851,585
Capital outlay	37,301	23,905	13,396	43,126
Total	1,920,164	1,669,720	250,444	1,496,198
Garage:				
Salaries and benefits	110,996	20,492	90,504	108,643
Other operating expenditures	(98,330)	(74,746)	(23,584)	(59,446)
Total	12,666	(54,254)	66,920	187,983
Total public works	1,932,830	1,615,466	317,364	1,684,181
Total general government	8,667,553	8,569,666	97,887	9,461,867

CHATHAM 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

	2014		2013	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and benefits	5,214,342	5,194,168	20,174	5,081,333
Other operating expenditures	985,050	962,222	22,828	948,999
Capital outlay	525,653	495,969	29,684	534,036
Total	6,725,045	6,652,359	72,686	6,564,368
<b>Jail:</b>				
Salaries and benefits	2,164,060	1,776,826	387,234	1,358,940
Other operating expenses	523,576	463,788	59,788	400,661
Total	2,687,636	2,240,614	447,022	1,759,601
Total sheriff	9,412,681	8,892,973	519,708	8,323,969
<b>Emergency Operations:</b>				
Salaries and benefits	200,405	199,382	1,023	143,675
Other operating expenditures	329,778	218,411	111,367	226,722
Total	530,183	417,793	112,390	370,397
<b>Telecommunications:</b>				
Salaries and benefits	1,250,035	1,119,468	130,567	1,019,709
Other operating expenses	152,115	101,477	50,638	106,300
Capital outlay	33,610	33,545	65	27,761
Total	1,435,760	1,254,490	181,270	1,153,770
<b>Emergency Medical Services:</b>				
Other operating expenditures	11,076	10,544	532	9,323
Assistance to County rescue squads	45,000	45,000	-	45,000
Contracted services	2,230,155	2,230,155	-	2,166,280
Total	2,286,231	2,285,699	532	2,220,603
Total emergency operations	4,252,174	3,957,982	294,192	3,744,770
<b>Pension Trust Fund</b>	80,000	80,000	-	50,000
<b>Inspections:</b>				
Salaries and benefits	369,117	369,705	(588)	321,911
Other operating expenditures	47,822	41,299	6,523	36,857
Total	416,939	411,004	5,935	358,768
<b>Fire Inspections:</b>				
Salaries and benefits	217,455	217,858	(403)	209,992
Other operating expenses	31,643	22,710	8,933	27,344
Capital outlay	-	-	-	26,078
Total	249,098	240,568	8,530	263,414

CHATHAM 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

	2014		2013	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Court-Related Programs:</b>				
Salaries and benefits	264,601	280,600	(15,999)	253,227
Operating expenses	404,436	338,140	66,296	396,672
Total	669,037	618,740	50,297	649,899
Total public safety	15,079,929	14,201,267	878,662	13,390,820
<b>Economic and Physical Development:</b>				
<b>Planning:</b>				
Salaries and employee benefits	412,682	363,427	49,255	389,923
Other operating expenditures	30,950	20,127	10,823	20,376
Capital outlay	9,500	7,145	2,355	-
Total	453,132	390,699	62,433	410,299
<b>Central Permitting:</b>				
Salaries and employee benefits	231,472	226,410	5,062	195,532
Other operating expenses	62,166	58,153	4,013	115,092
Total	293,638	284,563	9,075	310,624
<b>Environmental Services:</b>				
Salaries and employee benefits	138,927	139,482	(555)	124,383
Other operating expenditures	12,016	9,310	2,706	9,880
Total	150,943	148,792	2,151	134,263
<b>Affordable Housing/Green Building:</b>				
Salaries and employee benefits	-	-	-	7,986
Other operating expenditures	-	-	-	56
Total	-	-	-	8,042
<b>Economic Development:</b>				
Other operating expenditures	1,346,407	1,214,306	132,101	334,296
<b>County Extension:</b>				
Salaries and benefits	17,000	19,248	(2,248)	14,381
Other operating expenditures	365,880	288,114	77,766	324,846
Total	382,880	307,362	75,518	339,227
<b>Soil and Water Conservation:</b>				
Salaries and employee benefits	191,005	183,706	7,299	173,472
Other operating expenditures	30,579	18,049	12,530	16,259
Total	221,584	201,755	19,829	189,731

CHATHAM 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

	2014		2013	
	Final Budget	Actual	Variance Over/Under	Actual
<b>Pittsboro/Siler City Convention &amp; Visitors Bureau:</b>				
Salaries and employee benefits	79,374	79,742	(368)	76,876
Other operating expenses	12,021	8,565	3,456	5,472
Total	91,395	88,307	3,088	82,348
Total economic and physical development	2,939,979	2,635,784	304,195	1,808,830
<b>Human Services:</b>				
<b>Health:</b>				
Salaries and benefits	4,549,916	4,217,154	332,762	4,078,926
Other operating expenditures	1,238,556	1,011,967	226,589	1,087,679
Capital outlay	93,842	87,488	6,354	23,722
Total	5,882,314	5,316,609	565,705	5,190,327
<b>Social Services:</b>				
Administration				
Salaries and benefits	5,020,817	4,709,179	311,638	4,618,356
Other operating expenditures	839,871	632,284	207,587	647,382
Total	5,860,688	5,341,463	519,225	5,265,738
Public Assistance:				
Assistance programs	4,531,917	3,764,534	767,383	4,211,449
Total social services	10,392,605	9,105,997	1,286,608	9,477,187
<b>Mental Health:</b>				
Mental health appropriation	507,442	483,407	24,035	482,973
Other expenditures	2,229	1,637	592	3,449
Total	509,671	485,044	24,627	486,422
<b>Council on Aging:</b>				
Salaries and benefits	154,795	143,909	10,886	149,788
Other operating expenditures	700,150	701,359	(1,209)	682,853
Appropriation	-	-	-	-
Total	854,945	845,268	9,677	832,641
<b>Chatham Transit:</b>				
Salaries and benefits	75,839	75,448	391	73,684
Appropriation	98,330	80,547	17,783	103,098
Total	174,169	155,995	18,174	176,782
<b>Appropriations to Non-Profit Agencies:</b>				
Chatham trades	121,000	121,000	-	110,000
Other non-profit agencies	446,520	446,064	456	448,099
Total	567,520	567,064	456	558,099
Total human services	18,381,224	16,475,977	1,905,247	16,721,458

CHATHAM 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

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Cultural and Recreational:</b>				
<b>Library:</b>				
Salaries and benefits	882,889	851,884	31,005	1,039,069
Other operating expenditures	475,408	336,092	139,316	343,041
Capital outlay	3,295	3,295	-	-
Total	1,361,592	1,191,271	170,321	1,382,110
<b>Recreation:</b>				
Salaries and benefits	441,665	402,942	38,723	187,901
Other operating expenditures	325,394	240,792	84,602	269,145
Capital outlay	11,000	3,888	7,112	-
Total	778,059	647,622	130,437	457,046
Total cultural and recreational	2,139,651	1,838,893	300,758	1,839,156
<b>Education:</b>				
<b>Public Schools:</b>				
Appropriation	25,551,130	25,551,130	-	25,701,130
Capital outlay	2,632,080	2,540,020	92,060	1,782,525
Total	28,183,210	28,091,150	92,060	27,483,655
Community college - current	606,735	606,735	-	559,361
Total education	28,789,945	28,697,885	92,060	28,060,137
<b>Debt Service:</b>				
<b>Principal:</b>				
Public schools - principal	3,543,415	3,543,415	-	3,585,308
Community college - principal	762,941	762,941	-	762,940
General building projects - principal	963,553	963,551	2	682,207
Business campus	40,000	40,000	-	40,000
Total	5,309,909	5,309,907	2	5,070,455
<b>Interest and Fees:</b>				
Public schools - interest	2,140,589	2,140,589	-	2,243,228
Community college - interest	403,474	403,473	1	434,178
General building projects - interest	1,845,392	1,845,391	1	830,613
Business campus	321,883	321,883	-	323,483
Issuance cost	-	-	-	2,300
Total	4,711,338	4,711,336	2	3,833,802
Total debt service	10,021,247	10,021,243	4	8,904,257
Total expenditures	86,019,528	82,440,715	3,578,813	80,186,525
Revenues over (under) expenditures	(4,927,247)	2,328,338	7,255,585	1,078,697

CHATHAM 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

	2014		2013
	Final Budget	Actual	Variance Over/Under
<b>Other Financing Sources (Uses):</b>			
<b>Operating Transfers In:</b>			
Special revenue funds:			
Recreation	-	116,223	116,223
Impact fees	3,433,841	3,433,841	-
Capital projects funds:			
Capital Improvements Reserve	4,397,243	4,367,239	(30,004)
Total operating transfers in	<u>7,831,084</u>	<u>7,917,303</u>	<u>86,219</u>
<b>Operating Transfers Out:</b>			
Special revenue funds:			
Enhanced 911	-	-	-
Capital Projects:			
CIP Reserve:			
General	(5,915,128)	(5,915,128)	-
Capital Project - Facilities Improvements	(1,252,834)	(1,380,529)	(127,695)
School Construction	(1,256,299)	(1,256,299)	-
Enterprise fund			
Business campus project	(127,695)	(127,695)	-
Total operating transfers out	<u>(8,551,956)</u>	<u>(8,679,651)</u>	<u>(127,695)</u>
Total operating transfers in (out)	<u>(720,872)</u>	<u>(762,348)</u>	<u>(41,476)</u>
Total other financing sources (uses)	<u>(720,872)</u>	<u>(762,348)</u>	<u>(41,476)</u>
Net change in fund balance	(5,648,119)	1,565,990	7,214,109
Appropriated fund balance	<u>5,648,119</u>	-	<u>(5,648,119)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,565,990</u>	<u>\$ 1,565,990</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>28,765,324</u>	<u>26,967,349</u>
End of year - June 30		<u>\$ 30,331,314</u>	<u>\$ 28,765,324</u>

## CHATHAM COUNTY, NORTH CAROLINA

## PERSONNEL SAVINGS RESERVE

## 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>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ 200	\$ 421	\$ 221	\$ 246
<b>Expenditures:</b>				
General government	120,200	-	120,200	-
Revenues over (under) expenditures	(120,000)	421	120,421	246
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	120,000	-	(120,000)	-
Net change in fund balance	\$ -	421	\$ 421	246
<b>Fund Balance:</b>				
Beginning of year - July 1		122,501		122,255
End of year - June 30		\$ 122,922		\$ 122,501

## CHATHAM COUNTY, NORTH CAROLINA

## MAJOR - IMPACT FEES

## 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
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Permits and fees	\$ 1,250,000	\$ 2,480,400	\$ 1,230,400	\$ 2,154,828
Investment earnings	12,000	23,463	11,463	14,917
Total revenues	<u>1,262,000</u>	<u>2,503,863</u>	<u>1,241,863</u>	<u>2,169,745</u>
<b>Expenditures:</b>				
Education	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>
Revenues over (under) expenditures	<u>262,000</u>	<u>2,503,863</u>	<u>2,241,863</u>	<u>2,169,745</u>
<b>Other Financing Sources (Uses):</b>				
Transfer to other funds				
General fund	<u>(3,433,841)</u>	<u>(3,433,841)</u>	<u>-</u>	<u>(3,042,956)</u>
Appropriated fund balance	<u>3,171,841</u>	<u>-</u>	<u>(3,171,841)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(929,978)</u>	<u>\$ (929,978)</u>	<u>(873,211)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>5,677,900</u>		<u>6,551,111</u>
End of year - June 30		<u>\$ 4,747,922</u>		<u>\$ 5,677,900</u>

## CHATHAM COUNTY, NORTH CAROLINA

MAJOR - CAPITAL IMPROVEMENT RESERVE  
 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
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental:				
Lottery proceeds	\$ 500,000	\$ 573,328	\$ 73,328	\$ 558,850
Investment earnings	25,000	79,511	54,511	44,305
Other general revenues	-	-	-	80,000
Total revenues	<u>525,000</u>	<u>652,839</u>	<u>127,839</u>	<u>683,155</u>
<b>Expenditures:</b>				
General government	<u>1,539,882</u>	-	<u>1,539,882</u>	-
Revenues over (under) expenditures	<u>(1,014,882)</u>	<u>652,839</u>	<u>1,667,721</u>	<u>683,155</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds:				
General Fund	<u>5,352,125</u>	<u>5,915,128</u>	<u>563,003</u>	<u>548,147</u>
Total transfers from other funds	<u>5,352,125</u>	<u>5,915,128</u>	<u>563,003</u>	<u>548,147</u>
Transfer to other funds:				
General Fund	<u>(4,397,243)</u>	<u>(4,367,239)</u>	<u>30,004</u>	-
Total other financing sources (uses)	<u>954,882</u>	<u>1,547,889</u>	<u>593,007</u>	<u>548,147</u>
Appropriated fund balance	<u>60,000</u>	-	<u>(60,000)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>2,200,728</u>	<u>\$ 2,200,728</u>	<u>1,231,302</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>22,940,179</u>		<u>21,708,877</u>
End of year - June 30		<u>\$ 25,140,907</u>		<u>\$ 22,940,179</u>

## CHATHAM COUNTY, NORTH CAROLINA

**MAJOR - FACILITIES IMPROVEMENTS**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	Project Budget	Actual			Variance Over/Under
		Prior Years	Current Year	Total	
<b>Revenues:</b>					
Intergovernmental					
State grants	\$ 218,238	\$ 218,238	\$ -	\$ 218,238	\$ -
Investment earnings	75,043	77,191	1,496	78,687	3,644
Other general revenues:					
Insurance settlement	6,597,371	5,281,997	-	5,281,997	(1,315,374)
Donations	274,310	274,310	-	274,310	-
Total other general revenues	6,871,681	5,556,307	-	5,556,307	(1,315,374)
Total revenues	7,164,962	5,851,736	1,496	5,853,232	(1,311,730)
<b>Expenditures:</b>					
General government:					
Agriculture Center	11,500,000	75,080	539,797	614,877	10,885,123
Annex renovations	1,590,449	303,219	1,253,591	1,556,810	33,639
Total general government	13,090,449	378,299	1,793,388	2,171,687	10,918,762
Public safety:					
Judicial facility	22,711,946	22,252,753	190,797	22,443,550	268,396
Courthouse restoration	6,597,371	5,483,300	85,937	5,569,237	1,028,134
Jail	15,000,000	2,235,993	10,866,354	13,102,347	1,897,653
Total public safety	44,309,317	29,972,046	11,143,088	41,115,134	3,194,183
Cultural and recreational:					
Library	7,218,032	6,696,490	1,222	6,697,712	520,320
Total	64,617,798	37,046,835	12,937,698	49,984,533	14,633,265
Other:					
Education:					
CCCC - Pittsboro	5,399,323	5,399,322	(1,220)	5,398,102	1,221
Total expenditures	70,017,121	42,446,157	12,936,478	55,382,635	14,634,486
Revenues over (under) expenditures	(62,852,159)	(36,594,421)	(12,934,982)	(49,529,403)	13,322,756
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) other funds:					
General Fund	1,590,449	1,777,402	1,380,529	3,157,931	1,567,482
Capital Reserve	(2,132,292)	-	-	-	2,132,292
Capital Reserve	1,767,862	1,767,861	-	1,767,861	(1)
Total transfers from (to) other funds	1,226,019	3,545,263	1,380,529	4,925,792	3,699,773
Issuance of long-term debt (net)	61,626,140	51,048,504	-	51,048,504	(10,577,636)
Total other financing sources (uses)	62,852,159	54,593,767	1,380,529	55,974,296	(6,877,863)
Net change in fund balance	\$ -	\$ 17,999,346	\$ (11,554,453)	\$ 6,444,893	\$ 6,444,893

## CHATHAM COUNTY, NORTH CAROLINA

MAJOR - SCHOOL CONSTRUCTION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	Project Budget	Actual		Variance Over/Under	
		Prior Years	Current Year		Total
<b>Revenues:</b>					
Investment earnings	\$ 13,090	\$ 13,069	\$ 304	\$ 13,373	\$ 283
<b>Expenditures:</b>					
Education:					
Construction:					
School bus garage	8,000,000	-	130,146	130,146	7,869,854
Northeast High School	463,237	373,711	-	373,711	89,526
Total capital	8,463,237	373,711	130,146	503,857	7,959,380
Facility improvements					
Quality School Construction Bond Projects	4,409,219	4,409,196	22	4,409,218	1
Gym HVAC replacements	916,700	856,383	23,586	879,969	36,731
Athletic facilities	1,264,494	690,717	419,033	1,109,750	154,744
Roof replacements	5,193,860	1,113,358	41,418	1,154,776	4,039,084
Total facility improvements	11,784,273	7,069,654	484,059	7,553,713	4,230,560
Total expenditures	20,247,510	7,443,365	614,205	8,057,570	12,189,940
Revenues over (under) expenditures	(20,234,420)	(7,430,296)	(613,901)	(8,044,197)	12,190,223
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) other funds:					
Capital Reserve	-	998,364	-	998,364	998,364
General Fund	4,221,204	-	1,256,299	1,256,299	(2,964,905)
Total	4,221,204	998,364	1,256,299	2,254,663	(1,966,541)
Proceeds from borrowing:					
School bus garage	8,000,000	-	-	-	(8,000,000)
Quality school construction bonds	4,396,129	4,396,129	-	4,396,129	-
Gym HVAC replacements	916,700	879,970	-	879,970	(36,730)
Athletic facilities	1,264,494	1,109,465	-	1,109,465	(155,029)
Roof replacements	972,656	1,157,659	-	1,157,659	185,003
Northeast High School	463,237	-	-	-	(463,237)
Total debt obligations issued	16,013,216	7,543,223	-	7,543,223	(8,469,993)
Total other financing sources (uses)	20,234,420	8,541,587	1,256,299	9,797,886	(10,436,534)
Net change in fund balance	\$ -	\$ 1,111,291	\$ 642,398	\$ 1,753,689	\$ 1,753,689

**NONMAJOR GOVERNMENTAL FUNDS**

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## CHATHAM COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2014**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Project Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Cash, cash equivalents, and investments	\$ 1,893,866	\$ 2,373,370	\$ 4,267,236
Property taxes receivable, net of allowance	159,036	-	159,036
Due from other governmental agencies	92,587	-	92,587
Other receivables	1,510	1,929	3,439
Total assets	<u>\$ 2,146,999</u>	<u>\$ 2,375,299</u>	<u>\$ 4,522,298</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	<u>\$ 58,818</u>	<u>\$ 26,471</u>	<u>\$ 85,289</u>
<b>Deferred Inflows of Resources:</b>			
Unearned revenues	159,036	-	159,036
Deferred revenues	17,844	-	17,844
Total deferred inflows of resources	<u>176,880</u>	<u>-</u>	<u>176,880</u>
<b>Fund Balances:</b>			
Restricted:			
Stabilization by State statute	94,097	1,929	96,026
Courthouse clock	65,992	-	65,992
Emergency telephone	486,743	-	486,743
Fire protection	424,529	-	424,529
Law enforcement	36,240	-	36,240
Economic and physical development	19,660	-	19,660
Committed	-	102,469	102,469
Assigned:			
Subsequent year's budget	460,650	-	460,650
General government	-	2,244,430	2,244,430
Cultural and recreation	328,521	-	328,521
Unassigned	(5,131)	-	(5,131)
Total fund balances	<u>1,911,301</u>	<u>2,348,828</u>	<u>4,260,129</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,146,999</u>	<u>\$ 2,375,299</u>	<u>\$ 4,522,298</u>

## CHATHAM 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 Special Revenue Funds</b>	<b>Nonmajor Capital Project Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 7,321,848	\$ -	\$ 7,321,848
Restricted intergovernmental	1,144,462	-	1,144,462
Permits and fees	271,280	-	271,280
Investment earnings	5,728	7,701	13,429
Other general revenues	11,216	10,000	21,216
Total revenues	<u>8,754,534</u>	<u>17,701</u>	<u>8,772,235</u>
<b>Expenditures:</b>			
General government	-	369,210	369,210
Public safety	7,602,235	-	7,602,235
Economic and physical development	567,996	-	567,996
Cultural and recreational	-	27,515	27,515
Total expenditures	<u>8,170,231</u>	<u>396,725</u>	<u>8,566,956</u>
Revenues over (under) expenditures	<u>584,303</u>	<u>(379,024)</u>	<u>205,279</u>
<b>Other Financing Sources (Uses):</b>			
Transfers from (to) other funds	<u>(143,738)</u>	<u>397,515</u>	<u>253,777</u>
Net change in fund balances	440,565	18,491	459,056
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>1,470,736</u>	<u>2,330,337</u>	<u>3,801,073</u>
End of year - June 30	<u>\$ 1,911,301</u>	<u>\$ 2,348,828</u>	<u>\$ 4,260,129</u>

## NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of special revenue sources that are legally restricted to expenditures for specific purposes.

### Individual Fund Descriptions:

- **Emergency Telephone System Fund** – Accounts for the activities of a County-wide emergency telephone service funded by telephone company line charges.
- **Forfeited Property Fund** – Accounts for revenues received from federal and State law enforcement agencies as a result of property confiscations through court convictions of criminal activities. These funds must be used by the County for law enforcement purposes.
- **Recreation – Payment in Lieu Fund** – Accounts for an additional fee charged to developers of new subdivision lots (except family subdivisions) within the County. Recreation fees are used to offset the cost of recreational facilities within the district that the subdivision is located.
- **Bynum Canoe Access/Easement Monitoring** – Accounts for the funds received from Triangle Land Conservancy to aid in the maintenance and upkeep of the Haw River canoe access and fund received from Mid-Atlantic Mitigation, LLC at the request of the Soil and Water Conservation District for easement monitoring.
- **Economic and Community Development Fund** – Accounts for the activities financed under grant agreements from the North Carolina Department of Commerce.
- **Courthouse Clock Fund** – Accounts for monies held for maintenance of the courthouse clocks.
- **Library Foundation Fund** – Accounts for the money received to aid in financing library capital and other expenses.
- **Special Fire District Funds** – Accounts for the revenues of the fire districts within the County.

**CHATHAM COUNTY, NORTH CAROLINA**

**SPECIAL REVENUE FUNDS - NONMAJOR FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2014**

	<b>Emergency Telephone System Fund</b>	<b>Forfeited Property</b>	<b>Recreation Payment In Lieu</b>	<b>Bynum Canoe Access/ Easement Monitoring</b>
<b>Assets:</b>				
Cash, cash equivalents and investments	\$ 534,439	\$ 37,731	\$ 778,346	\$ 19,660
Property taxes receivable, net	-	-	-	-
Due from other governmental agencies	52,298	253	-	-
Other receivables	436	31	623	17
Total assets	<u>\$ 587,173</u>	<u>\$ 38,015</u>	<u>\$ 778,969</u>	<u>\$ 19,677</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 47,696	\$ 1,491	\$ -	\$ -
Total liabilities	<u>47,696</u>	<u>1,491</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>				
Unearned revenues	-	-	-	-
Deferred revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State statute	52,734	284	623	17
Courthouse clock	-	-	-	-
Emergency telephone	486,743	-	-	-
Economic and physical development	-	-	-	19,660
Fire protection	-	-	-	-
Law enforcement	-	36,240	-	-
Assigned:				
Subsequent year's budget	-	-	450,000	-
Cultural and recreation	-	-	328,346	-
Total Restricted and Assigned	<u>539,477</u>	<u>36,524</u>	<u>778,969</u>	<u>19,677</u>
Unassigned	-	-	-	-
Total fund balances	<u>539,477</u>	<u>36,524</u>	<u>778,969</u>	<u>19,677</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 587,173</u>	<u>\$ 38,015</u>	<u>\$ 778,969</u>	<u>\$ 19,677</u>

**Schedule 10**

<b>Economic and Community Development</b>	<b>Courthouse Clock</b>	<b>Library Foundation</b>	<b>Special Fire Districts</b>	<b>Total</b>
\$ 4,500	\$ 65,992	\$ 10,825	\$ 442,373	\$ 1,893,866
-	-	-	159,036	159,036
5,131	-	-	34,905	92,587
-	57	32	314	1,510
<u>\$ 9,631</u>	<u>\$ 66,049</u>	<u>\$ 10,857</u>	<u>\$ 636,628</u>	<u>\$ 2,146,999</u>
<u>\$ 9,631</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,818</u>
<u>9,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,818</u>
-	-	-	17,844	17,844
-	-	-	159,036	159,036
-	-	-	176,880	176,880
5,131	57	32	35,219	94,097
-	65,992	-	-	65,992
-	-	-	-	486,743
-	-	-	-	19,660
-	-	-	424,529	424,529
-	-	-	-	36,240
-	-	10,650	-	460,650
-	-	175	-	328,521
<u>5,131</u>	<u>66,049</u>	<u>10,857</u>	<u>459,748</u>	<u>1,916,432</u>
<u>(5,131)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,131)</u>
<u>-</u>	<u>66,049</u>	<u>10,857</u>	<u>459,748</u>	<u>1,911,301</u>
<u>\$ 9,631</u>	<u>\$ 66,049</u>	<u>\$ 10,857</u>	<u>\$ 636,628</u>	<u>\$ 2,146,999</u>

**CHATHAM COUNTY, NORTH CAROLINA**

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

	<u>Emergency Telephone System Fund</u>	<u>Forfeited Property</u>	<u>Recreation Payment In Lieu</u>	<u>Bynum Canoe Access/ Easement Monitoring</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental	606,564	7,323	-	-
Permits and fees	-	-	271,280	-
Investment earnings	1,425	137	2,351	49
Other general revenues	-	215	-	10,834
Total revenues	<u>607,989</u>	<u>7,675</u>	<u>273,631</u>	<u>10,883</u>
<b>Expenditures:</b>				
Public safety	471,111	23,749	-	-
Economic and physical development	-	-	-	-
Total expenditures	<u>471,111</u>	<u>23,749</u>	<u>-</u>	<u>-</u>
Revenues over (under) expenditures	<u>136,878</u>	<u>(16,074)</u>	<u>273,631</u>	<u>10,883</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds	-	-	(143,738)	-
Net change in fund balances	136,878	(16,074)	129,893	10,883
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>402,599</u>	<u>52,598</u>	<u>649,076</u>	<u>8,794</u>
End of year - June 30	<u>\$ 539,477</u>	<u>\$ 36,524</u>	<u>\$ 778,969</u>	<u>\$ 19,677</u>

**Schedule 11**

<b><u>Economic and Community Development</u></b>	<b><u>Courthouse Clock</u></b>	<b><u>Library Foundation</u></b>	<b><u>Special Fire Districts</u></b>	<b><u>Total</u></b>
\$ -	\$ -	\$ -	\$ 7,321,848	\$ 7,321,848
530,575	-	-	-	1,144,462
-	-	-	-	271,280
-	226	37	1,503	5,728
-	-	167	-	11,216
<u>530,575</u>	<u>226</u>	<u>204</u>	<u>7,323,351</u>	<u>8,754,534</u>
-	-	-	7,107,375	7,602,235
<u>567,996</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>567,996</u>
<u>567,996</u>	<u>-</u>	<u>-</u>	<u>7,107,375</u>	<u>8,170,231</u>
<u>(37,421)</u>	<u>226</u>	<u>204</u>	<u>215,976</u>	<u>584,303</u>
-	-	-	-	(143,738)
<u>(37,421)</u>	<u>226</u>	<u>204</u>	<u>215,976</u>	<u>440,565</u>
<u>37,421</u>	<u>65,823</u>	<u>10,653</u>	<u>243,772</u>	<u>1,470,736</u>
<u>\$ -</u>	<u>\$ 66,049</u>	<u>\$ 10,857</u>	<u>\$ 459,748</u>	<u>\$ 1,911,301</u>

## CHATHAM COUNTY, NORTH CAROLINA

**EMERGENCY TELEPHONE SYSTEM FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2013**

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental:				
Service fee collections	\$ 589,250	\$ 606,564	\$ 17,314	\$ 594,648
Investment earnings	200	1,425	1,225	295
Total revenues	<u>589,450</u>	<u>607,989</u>	<u>18,539</u>	<u>594,943</u>
<b>Expenditures:</b>				
Public safety:				
Emergency telephone system				
Phone system/furniture	561,336	179,416	381,920	207,547
Software	-	147,618	(147,618)	88,966
Hardware	28,114	95,508	(67,394)	9,820
Training	-	2,550	(2,550)	415
Implemental functions	-	46,019	(46,019)	49,914
Total emergency telephone system	<u>589,450</u>	<u>471,111</u>	<u>118,339</u>	<u>356,662</u>
Revenues over (under) expenditures	-	136,878	136,878	238,281
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds:				
General Fund	-	-	-	25,497
Net change in fund balance	<u>\$ -</u>	<u>136,878</u>	<u>\$ 136,878</u>	<u>263,778</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>402,599</u>		<u>138,821</u>
End of year - June 30		<u>\$ 539,477</u>		<u>\$ 402,599</u>

## CHATHAM COUNTY, NORTH CAROLINA

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

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental:				
Controlled substance tax	\$ -	\$ 5,096	\$ 5,096	\$ 15,074
Drug forfeiture funds		2,227	2,227	12,040
Investment earnings:				
Controlled substance tax	-	91	91	37
Drug forfeiture funds	-	46	46	52
Other general revenues:				
Controlled substance tax	-	215	215	-
Total revenues	<u>-</u>	<u>7,675</u>	<u>7,675</u>	<u>27,203</u>
<b>Expenditures:</b>				
Public safety:				
Controlled substance tax:				
Operating expenditures	10,000	2,428	7,572	6,794
Forfeited property:				
Operating expenditures	8,606	9,277	(671)	15,387
Capital outlay	12,394	12,044	350	-
Total expenditures	<u>31,000</u>	<u>23,749</u>	<u>7,251</u>	<u>22,181</u>
Revenues over (under) expenditures	<u>(31,000)</u>	<u>(16,074)</u>	<u>14,926</u>	<u>5,022</u>
Appropriated fund balance:				
Controlled substance tax	10,000	-	(10,000)	-
Drug forfeiture funds	21,000	-	(21,000)	-
Total	<u>31,000</u>	<u>-</u>	<u>(31,000)</u>	<u>-</u>
Net change in fund balance				
Controlled substance tax	-	2,974	2,974	8,317
Drug forfeiture funds	-	(19,048)	(19,048)	(3,295)
Total	<u>\$ -</u>	<u>(16,074)</u>	<u>\$ (16,074)</u>	<u>5,022</u>
<b>Fund Balance:</b>				
Beginning of year - July 1				
Controlled substance tax		21,993		13,676
Drug forfeiture funds		30,605		33,900
		<u>52,598</u>		<u>47,576</u>
End of year - June 30				
Controlled substance tax		24,967		21,993
Drug forfeiture funds		11,557		30,605
		<u>\$ 36,524</u>		<u>\$ 52,598</u>

## CHATHAM COUNTY, NORTH CAROLINA

RECREATION - PAYMENT IN LIEU  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2014  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2013

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Permits and fees	\$ 103,000	\$ 271,280	\$ 168,280	\$ 264,012
Investment earnings	1,100	2,351	1,251	1,338
Total revenues	<u>104,100</u>	<u>273,631</u>	<u>169,531</u>	<u>265,350</u>
<b>Expenditures:</b>				
Cultural and recreational	410,361	-	410,361	-
Total expenditures	<u>410,361</u>	<u>-</u>	<u>410,361</u>	<u>-</u>
Revenues over (under) expenditures	<u>(306,261)</u>	<u>273,631</u>	<u>579,892</u>	<u>265,350</u>
<b>Other Financing Sources (Uses):</b>				
Transfer to other funds:				
General fund	(116,224)	(116,223)	1	(27,368)
Capital project	<u>(27,515)</u>	<u>(27,515)</u>	<u>-</u>	<u>(167,656)</u>
Total other financing sources (uses)	<u>(143,739)</u>	<u>(143,738)</u>	<u>1</u>	<u>(195,024)</u>
Appropriated fund balance	<u>450,000</u>	<u>-</u>	<u>(450,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>129,893</u>	<u>\$ 129,893</u>	<u>70,326</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>649,076</u>		<u>578,750</u>
End of year - June 30		<u>\$ 778,969</u>		<u>\$ 649,076</u>

## CHATHAM COUNTY, NORTH CAROLINA

**BYNUM CANOE ACCESS/EASEMENT MONITORING  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>2014</u>			<u>2013</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Restricted intergovernmental	\$ -	\$ 10,834	\$ 10,834	\$ -
Investment earnings	10	49	39	17
Total revenues	<u>10</u>	<u>10,883</u>	10,873	<u>17</u>
<b>Expenditures:</b>				
Cultural and recreational	<u>8,510</u>	-	<u>8,510</u>	-
Total expenditures	<u>8,510</u>	-	<u>8,510</u>	-
Revenues over (under) expenditures	(8,500)	10,883	19,383	17
Appropriated fund balance	<u>8,500</u>	-	<u>(8,500)</u>	
Net change in fund balance	<u>\$ -</u>	10,883	<u>\$ 10,883</u>	17
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>8,794</u>		<u>8,777</u>
End of year - June 30		<u>\$ 19,677</u>		<u>\$ 8,794</u>

## CHATHAM COUNTY, NORTH CAROLINA

**ECONOMIC AND COMMUNITY DEVELOPMENT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE FISCAL YEAR  
FOR YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
<b>Revenues:</b>				
Restricted intergovernmental				
Grant - Scattered Site Housing Project-2010	\$ 400,000	\$ 364,734	\$ 16,954	\$ 381,688
Grant - Economic Recovery-2010	500,000	271,892	227,399	499,291
Grant - Urgent Repair Program - 2012	75,000	37,500	34,820	72,320
Grant - Single Family Rehabilitation - 2012	380,000	79,220	251,402	330,622
Total revenues	<u>1,355,000</u>	<u>753,346</u>	<u>530,575</u>	<u>1,283,921</u>
<b>Expenditures:</b>				
Economic and physical development:				
Single Family Rehabilitation - 2012:				
Administration	73,010	17,221	44,332	61,553
Construction	306,990	62,000	207,069	269,069
Total	<u>380,000</u>	<u>79,221</u>	<u>251,401</u>	<u>330,622</u>
CDBG Scattered Site Housing Project-2010:				
Administration	40,000	35,904	1,500	37,404
Construction	360,000	328,829	15,455	344,284
Total	<u>400,000</u>	<u>364,733</u>	<u>16,955</u>	<u>381,688</u>
Urgent Repair Program - 2012				
Administration	7,790	27	7,763	7,790
Construction	67,210	-	64,530	64,530
Total	<u>75,000</u>	<u>27</u>	<u>72,293</u>	<u>72,320</u>
CDBG - Economic Recovery				
Administration	47,939	38,295	9,643	47,938
Construction	452,061	233,649	217,704	451,353
Total	<u>500,000</u>	<u>271,944</u>	<u>227,347</u>	<u>499,291</u>
Total expenditures	<u>1,355,000</u>	<u>715,925</u>	<u>567,996</u>	<u>1,283,921</u>
Revenues over (under) expenditures	<u>-</u>	<u>37,421</u>	<u>(37,421)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 37,421</u>	<u>(37,421)</u>	<u>\$ -</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>37,421</u>	
End of year - June 30			<u>\$ -</u>	

## CHATHAM COUNTY, NORTH CAROLINA

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

	<u>2014</u>			<u>2013</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 226	\$ 226	\$ 132
<b>Expenditures:</b>				
General government	65,625	-	65,625	-
Revenues over (under) expenditures	(65,625)	226	65,851	132
Appropriated fund balance	65,625		(65,625)	
Net change in fund balance	\$ -	226	\$ 226	132
<b>Fund Balance:</b>				
Beginning of year - July 1		65,823		65,691
End of year - June 30		\$ 66,049		\$ 65,823

## CHATHAM COUNTY, NORTH CAROLINA

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

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 15	\$ 37	\$ 22	\$ 22
Other general revenues	-	167	167	-
Total revenues	<u>15</u>	<u>204</u>	<u>189</u>	<u>22</u>
<b>Expenditures:</b>				
Human services:				
Cultural and recreational	<u>10,658</u>	-	<u>10,658</u>	-
Total expenditures	<u>10,658</u>	-	<u>10,658</u>	-
Revenues over (under) expenditures	<u>(10,643)</u>	<u>204</u>	<u>10,847</u>	<u>22</u>
Appropriated fund balance	<u>10,643</u>	-	<u>(10,643)</u>	
Net change in fund balance	<u>\$ -</u>	<u>204</u>	<u>\$ 204</u>	<u>22</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>10,653</u>		<u>10,631</u>
End of year - June 30		<u>\$ 10,857</u>		<u>\$ 10,653</u>

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**CHATHAM COUNTY, NORTH CAROLINA**

**SPECIAL FIRE DISTRICTS  
COMBINING BALANCE SHEET  
JUNE 30, 2014**

	<u>Combined</u>	<u>Bell's Annex</u>	<u>Bennett</u>	<u>Bonlee</u>	<u>Central Chatham</u>
<b>Assets:</b>					
Cash, cash equivalents, and investments	\$ 442,373	\$ 1,202	\$ 2,550	\$ 13,663	\$ 23,437
Property taxes receivable, net	159,036	1,636	4,917	10,257	18,315
Due from other governments	34,905	734	767	1,596	2,241
Other receivables	314	2	2	8	12
Total assets	<u>\$ 636,628</u>	<u>\$ 3,574</u>	<u>\$ 8,236</u>	<u>\$ 25,524</u>	<u>\$ 44,005</u>
<b>Deferred Inflows of Resources:</b>					
Property taxes receivable	\$ 159,036	\$ 1,636	\$ 4,917	\$ 10,257	\$ 18,315
Prepaid taxes	17,844	553	387	26	776
Total deferred inflows of resources	<u>176,880</u>	<u>2,189</u>	<u>5,304</u>	<u>10,283</u>	<u>19,091</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	35,219	736	769	1,604	2,253
Fire protection	424,529	649	2,163	13,637	22,661
Total fund balances	<u>459,748</u>	<u>1,385</u>	<u>2,932</u>	<u>15,241</u>	<u>24,914</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 636,628</u>	<u>\$ 3,574</u>	<u>\$ 8,236</u>	<u>\$ 25,524</u>	<u>\$ 44,005</u>

Schedule 19

<u>Circle City</u>	<u>Goldston</u>	<u>Hope</u>	<u>Moncure</u>	<u>North Chatham</u>	<u>Parkwood</u>	<u>Staley</u>	<u>Northview</u>
\$ 60,891	\$ 15,793	\$ 22,637	\$ 77,594	\$ 206,277	\$ 11,561	\$ 3,668	\$ 3,100
27,642	14,421	10,718	20,364	44,515	964	4,308	979
4,552	1,461	2,452	2,013	17,826	760	350	153
37	9	13	65	149	13	2	2
<u>\$ 93,122</u>	<u>\$ 31,684</u>	<u>\$ 35,820</u>	<u>\$ 100,036</u>	<u>\$ 268,767</u>	<u>\$ 13,298</u>	<u>\$ 8,328</u>	<u>\$ 4,234</u>
\$ 27,642	\$ 14,421	\$ 10,718	\$ 20,364	\$ 44,515	\$ 964	\$ 4,308	\$ 979
1,633	141	1,145	1,321	11,820	5	27	10
<u>29,275</u>	<u>14,562</u>	<u>11,863</u>	<u>21,685</u>	<u>56,335</u>	<u>969</u>	<u>4,335</u>	<u>989</u>
4,589	1,470	2,465	2,078	17,975	773	352	155
<u>59,258</u>	<u>15,652</u>	<u>21,492</u>	<u>76,273</u>	<u>194,457</u>	<u>11,556</u>	<u>3,641</u>	<u>3,090</u>
<u>63,847</u>	<u>17,122</u>	<u>23,957</u>	<u>78,351</u>	<u>212,432</u>	<u>12,329</u>	<u>3,993</u>	<u>3,245</u>
<u>\$ 93,122</u>	<u>\$ 31,684</u>	<u>\$ 35,820</u>	<u>\$ 100,036</u>	<u>\$ 268,767</u>	<u>\$ 13,298</u>	<u>\$ 8,328</u>	<u>\$ 4,234</u>

**CHATHAM COUNTY, NORTH CAROLINA**

**SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Combined</u>	<u>Bells Annex</u>	<u>Bennett</u>	<u>Bonlee</u>	<u>Central Chatham</u>	<u>Circle City</u>
<b>Revenues:</b>						
Ad valorem taxes	\$ 7,321,848	\$ 95,047	\$ 102,950	\$ 222,753	\$ 291,571	\$ 1,081,957
Investment earnings	1,503	23	16	49	65	171
Total revenues	<u>7,323,351</u>	<u>95,070</u>	<u>102,966</u>	<u>222,802</u>	<u>291,636</u>	<u>1,082,128</u>
<b>Expenditures:</b>						
Public safety:						
Fire protection contracts	6,767,389	97,256	97,074	210,611	268,643	982,947
Commissions	339,986	4,499	4,507	10,051	12,961	50,499
Total public safety	<u>7,107,375</u>	<u>101,755</u>	<u>101,581</u>	<u>220,662</u>	<u>281,604</u>	<u>1,033,446</u>
Net change in fund balance	215,976	(6,685)	1,385	2,140	10,032	48,682
<b>Fund Balances:</b>						
Beginning of year - July 1	<u>243,772</u>	<u>8,070</u>	<u>1,547</u>	<u>13,101</u>	<u>14,882</u>	<u>15,165</u>
End of year - June 30	<u>\$ 459,748</u>	<u>\$ 1,385</u>	<u>\$ 2,932</u>	<u>\$ 15,241</u>	<u>\$ 24,914</u>	<u>\$ 63,847</u>

<u>Goldston</u>	<u>Hope</u>	<u>Moncure</u>	<u>North Chatham</u>	<u>Parkwood</u>	<u>Staley</u>	<u>Northview</u>
\$ 224,478	\$ 368,019	\$ 722,924	\$ 3,838,629	\$ 292,723	\$ 53,419	\$ 27,378
46	73	310	660	70	11	9
<u>224,524</u>	<u>368,092</u>	<u>723,234</u>	<u>3,839,289</u>	<u>292,793</u>	<u>53,430</u>	<u>27,387</u>
206,297	340,635	707,982	3,503,806	277,679	48,967	25,492
9,967	16,591	34,298	179,212	13,805	2,356	1,240
<u>216,264</u>	<u>357,226</u>	<u>742,280</u>	<u>3,683,018</u>	<u>291,484</u>	<u>51,323</u>	<u>26,732</u>
8,260	10,866	(19,046)	156,271	1,309	2,107	655
8,862	13,091	97,397	56,161	11,020	1,886	2,590
<u>\$ 17,122</u>	<u>\$ 23,957</u>	<u>\$ 78,351</u>	<u>\$ 212,432</u>	<u>\$ 12,329</u>	<u>\$ 3,993</u>	<u>\$ 3,245</u>

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Combined Special Fire Districts</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 6,881,372	\$ 7,321,848	\$ 440,476
Investment earnings	-	1,503	1,503
Total revenues	<u>6,881,372</u>	<u>7,323,351</u>	<u>441,979</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	6,767,389	6,767,389	-
Commissions	<u>353,055</u>	<u>339,986</u>	<u>13,069</u>
Total public safety	<u>7,120,444</u>	<u>7,107,375</u>	<u>13,069</u>
Revenues over (under) expenditures	<u>(239,072)</u>	<u>215,976</u>	<u>455,048</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>239,072</u>	-	<u>(239,072)</u>
Net change in fund balance	<u>\$ -</u>	<u>215,976</u>	<u>\$ 215,976</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>243,772</u>	
End of year - June 30		<u>\$ 459,748</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Bells Annex Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 93,073	\$ 95,047	\$ 1,974
Investment earnings	-	23	23
Total revenues	<u>93,073</u>	<u>95,070</u>	<u>1,997</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	97,256	97,256	-
Commissions	<u>4,956</u>	<u>4,499</u>	<u>457</u>
Total public safety	<u>102,212</u>	<u>101,755</u>	<u>457</u>
Revenues over (under) expenditures	<u>(9,139)</u>	<u>(6,685)</u>	<u>2,454</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>9,139</u>		<u>(9,139)</u>
Net change in fund balance	<u>\$ -</u>	<u>(6,685)</u>	<u>\$ (6,685)</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>8,070</u>	
End of year - June 30		<u>\$ 1,385</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Bennett Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 96,718	\$ 102,950	\$ 6,232
Investment earnings	-	16	16
Total revenues	<u>96,718</u>	<u>102,966</u>	<u>6,248</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	97,074	97,074	-
Commissions	<u>4,978</u>	<u>4,507</u>	<u>471</u>
Total public safety	<u>102,052</u>	<u>101,581</u>	<u>471</u>
Revenues over (under) expenditures	<u>(5,334)</u>	<u>1,385</u>	<u>6,719</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>5,334</u>	-	<u>(5,334)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,385</u>	<u>\$ 1,385</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>1,547</u>	
End of year - June 30		<u>\$ 2,932</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Bonlee Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 209,341	\$ 222,753	\$ 13,412
Investment earnings	-	49	49
Total revenues	<u>209,341</u>	<u>222,802</u>	<u>13,461</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	210,611	210,611	-
Commissions	<u>10,711</u>	<u>10,051</u>	<u>660</u>
Total public safety	<u>221,322</u>	<u>220,662</u>	<u>660</u>
Revenues over (under) expenditures	<u>(11,981)</u>	<u>2,140</u>	<u>14,121</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>11,981</u>	-	<u>(11,981)</u>
Net change in fund balance	<u>\$ -</u>	<u>2,140</u>	<u>\$ 2,140</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>13,101</u>	
End of year - June 30		<u>\$ 15,241</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Central Chatham Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 269,874	\$ 291,571	\$ 21,697
Investment earnings	-	65	65
Total revenues	<u>269,874</u>	<u>291,636</u>	<u>21,762</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	268,643	268,643	-
Commissions	<u>13,701</u>	<u>12,961</u>	<u>740</u>
Total public safety	<u>282,344</u>	<u>281,604</u>	<u>740</u>
Revenues over (under) expenditures	<u>(12,470)</u>	<u>10,032</u>	<u>22,502</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>12,470</u>	-	<u>(12,470)</u>
Net change in fund balance	<u>\$ -</u>	<u>10,032</u>	<u>\$ 10,032</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>14,882</u>	
End of year - June 30		<u>\$ 24,914</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Circle City Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 1,014,564	\$ 1,081,957	\$ 67,393
Investment earnings	-	171	171
Total revenues	<u>1,014,564</u>	<u>1,082,128</u>	<u>67,564</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	982,947	982,947	-
Commissions	<u>51,867</u>	<u>50,499</u>	<u>1,368</u>
Total public safety	<u>1,034,814</u>	<u>1,033,446</u>	<u>1,368</u>
Revenues over (under) expenditures	<u>(20,250)</u>	<u>48,682</u>	<u>68,932</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>20,250</u>	<u>-</u>	<u>(20,250)</u>
Net change in fund balance	<u>\$ -</u>	<u>48,682</u>	<u>\$ 48,682</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>15,165</u>	
End of year - June 30		<u>\$ 63,847</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Goldston Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 209,255	\$ 224,478	\$ 15,223
Investment earnings	-	46	46
Total revenues	<u>209,255</u>	<u>224,524</u>	<u>15,269</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	206,297	206,297	-
Commissions	<u>10,854</u>	<u>9,967</u>	<u>887</u>
Total public safety	<u>217,151</u>	<u>216,264</u>	<u>887</u>
Revenues over (under) expenditures	<u>(7,896)</u>	<u>8,260</u>	<u>16,156</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>7,896</u>	<u>-</u>	<u>(7,896)</u>
Net change in fund balance	<u>\$ -</u>	<u>8,260</u>	<u>\$ 8,260</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>8,862</u>	
End of year - June 30		<u>\$ 17,122</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Hope Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 345,280	\$ 368,019	\$ 22,739
Investment earnings	-	73	73
Total revenues	<u>345,280</u>	<u>368,092</u>	<u>22,812</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	340,635	340,635	-
Commissions	<u>18,289</u>	<u>16,591</u>	<u>1,698</u>
Total public safety	<u>358,924</u>	<u>357,226</u>	<u>1,698</u>
Revenues over (under) expenditures	<u>(13,644)</u>	<u>10,866</u>	<u>24,510</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>13,644</u>	-	<u>(13,644)</u>
Net change in fund balance	<u>\$ -</u>	<u>10,866</u>	<u>\$ 10,866</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>13,091</u>	
End of year - June 30		<u>\$ 23,957</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Moncure Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 647,576	\$ 722,924	\$ 75,348
Investment earnings	-	310	310
Total revenues	<u>647,576</u>	<u>723,234</u>	<u>75,658</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	707,982	707,982	-
Commissions	<u>36,336</u>	<u>34,298</u>	<u>2,038</u>
Total public safety	<u>744,318</u>	<u>742,280</u>	<u>2,038</u>
Revenues over (under) expenditures	<u>(96,742)</u>	<u>(19,046)</u>	<u>77,696</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>96,742</u>	-	<u>(96,742)</u>
Net change in fund balance	<u>\$ -</u>	<u>(19,046)</u>	<u>\$ (19,046)</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>97,397</u>	
End of year - June 30		<u>\$ 78,351</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>North Chatham Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 3,639,921	\$ 3,838,629	\$ 198,708
Investment earnings	-	660	660
Total revenues	<u>3,639,921</u>	<u>3,839,289</u>	<u>199,368</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	3,503,806	3,503,806	-
Commissions	<u>182,595</u>	<u>179,212</u>	<u>3,383</u>
Total public safety	<u>3,686,401</u>	<u>3,683,018</u>	<u>3,383</u>
Revenues over (under) expenditures	<u>(46,480)</u>	<u>156,271</u>	<u>202,751</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>46,480</u>	<u>-</u>	<u>(46,480)</u>
Net change in fund balance	<u>\$ -</u>	<u>156,271</u>	<u>\$ 156,271</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>56,161</u>	
End of year - June 30		<u>\$ 212,432</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<b>Parkwood Fire District</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 279,356	\$ 292,723	\$ 13,367
Investment earnings	-	70	70
Total revenues	<u>279,356</u>	<u>292,793</u>	<u>13,437</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	277,679	277,679	-
Commissions	<u>14,193</u>	<u>13,805</u>	<u>388</u>
Total public safety	<u>291,872</u>	<u>291,484</u>	<u>388</u>
Revenues over (under) expenditures	<u>(12,516)</u>	<u>1,309</u>	<u>13,825</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>12,516</u>	-	<u>(12,516)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,309</u>	<u>\$ 1,309</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>11,020</u>	
End of year - June 30		<u>\$ 12,329</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Staley Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 50,209	\$ 53,419	\$ 3,210
Investment earnings	-	11	11
Total revenues	<u>50,209</u>	<u>53,430</u>	<u>3,221</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	48,967	48,967	-
Commissions	<u>2,855</u>	<u>2,356</u>	<u>499</u>
Total public safety	<u>51,822</u>	<u>51,323</u>	<u>499</u>
Revenues over (under) expenditures	<u>(1,613)</u>	<u>2,107</u>	<u>3,720</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>1,613</u>	-	<u>(1,613)</u>
Net change in fund balance	<u>\$ -</u>	<u>2,107</u>	<u>\$ 2,107</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>1,886</u>	
End of year - June 30		<u>\$ 3,993</u>	

CHATHAM COUNTY, NORTH CAROLINA

SPECIAL FIRE DISTRICTS  
COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Northview Fire District</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>			
Ad valorem taxes	\$ 26,205	\$ 27,378	\$ 1,173
Investment earnings	-	9	9
Total revenues	<u>26,205</u>	<u>27,387</u>	<u>1,182</u>
<b>Expenditures:</b>			
Public safety:			
Fire protection contracts	25,492	25,492	-
Commissions	<u>1,720</u>	<u>1,240</u>	<u>480</u>
Total public safety	<u>27,212</u>	<u>26,732</u>	<u>480</u>
Revenues over (under) expenditures	<u>(1,007)</u>	<u>655</u>	<u>1,662</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>1,007</u>	-	<u>(1,007)</u>
Net change in fund balance	<u>\$ -</u>	<u>655</u>	<u>\$ 655</u>
<b>Fund Balances:</b>			
Beginning of year - July 1		<u>2,590</u>	
End of year - June 30		<u>\$ 3,245</u>	

## NONMAJOR CAPITAL PROJECT FUNDS

The Capital Projects Funds are used to account for the acquisition and construction of major capital and capital facilities other than those financed by the proprietary funds and trust funds.

### Individual Fund Descriptions:

- **Chatham Park Projects** – Accounts for the financing and construction of parks for the recreational use of residents of the County.
- **Equipment Capital Reserve Project** – Accounts for the accumulation of funds for large capital purchases.
- **Emergency Vehicle Replacement Capital Reserve Project** – Accounts for the accumulation of funds to assist local rescue squads with the purchase of emergency vehicles.
- **Tech/System Improvement Project Computer System** – Accounts for the funds used to purchase financial software for the County and to fund upgrades to the County's computer systems.

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## CHATHAM COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2014

	<u>Chatham Park Projects</u>	<u>Tech/System Improvement Projects</u>	<u>Equipment Capital Reserve Project</u>	<u>Emergency Vehicle Replacement Capital Reserve Project</u>	<u>Total</u>
<b>Assets:</b>					
Cash, cash equivalents, and investments	\$ 101,679	\$ 27,261	\$ 2,126,732	\$ 117,698	\$ 2,373,370
Other receivables	-	-	1,828	101	1,929
Total assets	<u>\$ 101,679</u>	<u>\$ 27,261</u>	<u>\$ 2,128,560</u>	<u>\$ 117,799</u>	<u>\$ 2,375,299</u>
<b>Liabilities and Fund Balances:</b>					
Liabilities:					
Accounts payable	\$ -	\$ 26,471	\$ -	\$ -	\$ 26,471
Total liabilities	<u>-</u>	<u>26,471</u>	<u>-</u>	<u>-</u>	<u>26,471</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	-	-	1,828	101	1,929
Committed	101,679	790	-	-	102,469
Assigned	-	-	2,126,732	117,698	2,244,430
Total fund balances	<u>101,679</u>	<u>790</u>	<u>2,128,560</u>	<u>117,799</u>	<u>2,348,828</u>
Total liabilities and fund balances	<u>\$ 101,679</u>	<u>\$ 27,261</u>	<u>\$ 2,128,560</u>	<u>\$ 117,799</u>	<u>\$ 2,375,299</u>

## CHATHAM COUNTY, NORTH CAROLINA

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

	<u>Chatham Park Projects</u>	<u>Tech/System Improvements Project</u>	<u>Equipment Capital Reserve Project</u>	<u>Emergency Vehicle Replacement Capital Reserve Project</u>	<u>Total</u>
<b>Revenues:</b>					
Investment earnings	\$ -	\$ -	\$ 7,298	\$ 403	\$ 7,701
Other general revenues	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
Total revenues	<u>10,000</u>	<u>-</u>	<u>7,298</u>	<u>403</u>	<u>17,701</u>
<b>Expenditures:</b>					
General government	-	369,210	-	-	369,210
Cultural and recreational	<u>27,515</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,515</u>
Total expenditures	<u>27,515</u>	<u>369,210</u>	<u>-</u>	<u>-</u>	<u>396,725</u>
Revenues over (under) expenditures	(17,515)	(369,210)	7,298	403	(379,024)
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) other funds	<u>27,515</u>	<u>370,000</u>	<u>-</u>	<u>-</u>	<u>397,515</u>
Net change in fund balances	<u>10,000</u>	<u>790</u>	<u>7,298</u>	<u>403</u>	<u>18,491</u>
<b>Fund Balance:</b>					
Beginning of year - July 1	<u>91,679</u>	<u>-</u>	<u>2,121,262</u>	<u>117,396</u>	<u>2,330,337</u>
End of year - June 30	<u>\$ 101,679</u>	<u>\$ 790</u>	<u>\$ 2,128,560</u>	<u>\$ 117,799</u>	<u>\$ 2,348,828</u>

## CHATHAM COUNTY, NORTH CAROLINA

**CHATHAM PARK PROJECTS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE FISCAL YEAR  
ENDED JUNE 30, 2014**

	<u>Project Budget</u>	<u>Actual</u>		<u>Total</u>	<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>		
<b>Revenues:</b>					
Intergovernmental					
State grants	\$ 1,022,951	\$ 708,486	\$ -	\$ 708,486	\$ (314,465)
Investment earnings	-	6	-	6	6
Other general revenues:					
Grants	80,000	80,000	-	80,000	-
Donations	50,000	30,000	10,000	40,000	(10,000)
Total other general revenues	130,000	110,000	10,000	120,000	(10,000)
Total revenues	1,152,951	818,492	10,000	828,492	(324,459)
<b>Expenditures:</b>					
Cultural and recreational:					
Briar Chapel	1,088,461	167,656	27,515	195,171	893,290
Northeast Park	2,016,705	1,828,182	-	1,828,182	188,523
Total expenditures	3,105,166	1,995,838	27,515	2,023,353	1,081,813
Revenues over (under) expenditures	(1,952,215)	(1,177,346)	(17,515)	(1,194,861)	757,354
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) other funds:					
Recreation in Lieu	773,996	167,656	27,515	195,171	(578,825)
Capital Improvements Reserve - Park	1,178,219	1,101,369	-	1,101,369	(76,850)
Total other financing sources (uses)	1,952,215	1,269,025	27,515	1,296,540	(655,675)
Net change in fund balance	\$ -	\$ 91,679	\$ 10,000	\$ 101,679	\$ 101,679

## CHATHAM COUNTY, NORTH CAROLINA

**TECH/SYSTEM IMPROVEMENTS PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE FISCAL YEAR  
 ENDED JUNE 30, 2014**

	<b>Project Budget</b>	<b>Actual</b>		<b>Total</b>	<b>Variance Over/Under</b>
		<b>Prior Years</b>	<b>Current Year</b>		
<b>Expenditures:</b>					
General government	\$ 1,500,000	\$ -	\$ 369,210	\$ 369,210	\$ 1,130,790
Total expenditures	<u>1,500,000</u>	<u>-</u>	<u>369,210</u>	<u>369,210</u>	<u>1,130,790</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) other funds:					
Utility Capital Reserve	1,500,000	-	370,000	370,000	(1,130,000)
Total other financing sources (uses)	<u>1,500,000</u>	<u>-</u>	<u>370,000</u>	<u>370,000</u>	<u>(1,130,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 790</u>	<u>\$ 790</u>	<u>\$ 790</u>

## CHATHAM COUNTY, NORTH CAROLINA

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

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ 2,800	\$ 7,298	\$ 4,498	\$ 4,243
Other general revenues	-	-	-	4,006
Total revenues	<u>2,800</u>	<u>7,298</u>	<u>4,498</u>	<u>8,249</u>
<b>Expenditures:</b>				
General government	<u>700,000</u>	<u>-</u>	<u>700,000</u>	<u>-</u>
Revenues over (under) expenditures	<u>(697,200)</u>	<u>7,298</u>	<u>704,498</u>	<u>8,249</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from (to) other funds				
Enterprise Fund	-	-	-	(12,000)
Capital Project	-	-	-	18,850
Total transfers from (to) other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,850</u>
Appropriated fund balance	<u>697,200</u>	<u>-</u>	<u>(697,200)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>7,298</u>	<u>\$ 7,298</u>	<u>15,099</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>2,121,262</u>		<u>2,106,163</u>
End of year - June 30		<u>\$ 2,128,560</u>		<u>\$ 2,121,262</u>

## CHATHAM COUNTY, NORTH CAROLINA

**EMERGENCY VEHICLE REPLACEMENT CAPITAL PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2014  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>2014</u>			<u>2013</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ 200	\$ 403	\$ 203	\$ 307
<b>Expenditures:</b>				
Public safety	<u>170,200</u>	<u>-</u>	<u>170,200</u>	<u>56,532</u>
Revenues over (under) expenditures	<u>(170,000)</u>	<u>403</u>	<u>170,403</u>	<u>(56,225)</u>
Appropriated fund balance	<u>170,000</u>	<u>-</u>	<u>(170,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>403</u>	<u>\$ 403</u>	<u>(56,225)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>117,396</u>		<u>173,621</u>
End of year - June 30		<u>\$ 117,799</u>		<u>\$ 117,396</u>

## ENTERPRISE FUNDS

The Enterprise Funds are used to account for County operations that are financed and operated in a manner similar to private business enterprises. The costs of providing services to the general public on a continuing basis are financed primarily through user charges.

### Individual Fund Descriptions:

- **Utility Fund** – Accounts for the water and sewer operations of the County.
- **Water Capital Reserve Fund** – Accounts for various capital projects within the Utility Fund.
- **Water Equipment Replacement Fund** – Accounts for capital outlay for various water equipment within the Utility Fund.
- **Water Capital Projects Fund** – Accounts for various capital projects within the Utility Fund.
- **Southeast Water District Fund** – Accounts for the operations of the water district covering the Southeastern portion of the County.
- **Solid Waste Management Fund** – Accounts for the operations of the County’s collection and disposal of solid waste.
- **Solid Waste Management Reserve Fund** –Accounts for various capital projects within the Solid Waste Fund.

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## CHATHAM COUNTY, NORTH CAROLINA

UTILITY FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 BUDGET AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2014  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2013

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating Revenue:				
Charges for services:				
Water sales	\$ 5,231,000	\$ 5,505,931	\$ 274,931	\$ 5,197,682
Sewer charges	19,000	18,712	(288)	19,881
Total charges for services	<u>5,250,000</u>	<u>5,524,643</u>	<u>274,643</u>	<u>5,217,563</u>
Non-operating revenue:				
Investment earnings	7,000	12,965	5,965	7,853
Other non-operating revenues	-	1,801	1,801	1,189
Total revenues	<u>5,257,000</u>	<u>5,539,409</u>	<u>282,409</u>	<u>5,226,605</u>
<b>Expenditures:</b>				
Operating expenditures:				
Salaries and employee benefits	1,319,337	1,337,156	(17,819)	1,281,396
Repairs and maintenance	345,854	307,795	38,059	314,352
Capital outlay	35,353	30,534	4,819	19,524
Other operating expenditures	<u>2,453,508</u>	<u>2,142,452</u>	<u>311,056</u>	<u>2,020,157</u>
Total	<u>4,154,052</u>	<u>3,817,937</u>	<u>336,115</u>	<u>3,635,429</u>
Debt Service:				
Principal	1,068,383	1,068,381	2	1,074,808
Interest	<u>540,232</u>	<u>591,364</u>	<u>(51,132)</u>	<u>563,155</u>
Total expenditures	<u>5,762,667</u>	<u>5,477,682</u>	<u>284,985</u>	<u>5,273,392</u>
Revenues over (under) expenditures	(505,667)	61,727	567,394	(46,787)
<b>Other Financing Sources (Uses):</b>				
Proceeds from refunding	-	-	-	12,077,502
Payment to refunding agent	-	-	-	(12,989,948)
Premium on refunding	-	-	-	912,446
Fund balance appropriated	<u>505,667</u>	-	<u>(505,667)</u>	-
Revenues and other financing sources (under) expenditures and other financing uses	<u>\$ -</u>	61,727	<u>\$ 61,727</u>	<u>\$ (46,787)</u>

This schedule is included to show budgetary compliance.

**Reconciliation from budgetary basis to full accrual.**

Revenue:	
Water Reserve	1,169,945
Equipment Reserve	1,532
Capital Projects	16
Transfers in	(242,305)
Reconciling items:	
Capital outlay	30,534
Capital contribution	4,800
Debt principal	1,068,381
Depreciation	(1,019,538)
Decrease (increase) in vacation pay accrual	6,574
Premium amortization	182,490
Change in net position	<u>\$ 1,264,156</u>

## CHATHAM COUNTY, NORTH CAROLINA

WATER CAPITAL RESERVE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2014  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2013

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Charges for services	\$ 500,000	\$ 1,110,563	\$ 610,563	\$ 1,172,700
Investment earnings	21,000	59,382	38,382	31,207
Total revenues	<u>521,000</u>	<u>1,169,945</u>	<u>648,945</u>	<u>1,203,907</u>
<b>Expenditures:</b>				
Capital outlay:				
Construction	<u>151,000</u>	<u>-</u>	<u>151,000</u>	<u>-</u>
Revenues over (under) expenditures	<u>370,000</u>	<u>1,169,945</u>	<u>799,945</u>	<u>1,203,907</u>
<b>Other Financing Sources (Uses):</b>				
Intrafund transfers from (to):				
Water Capital Project	(3,771,759)	(3,210,000)	561,759	(353,144)
Transfers from (to) other funds:				
Facility Project	<u>(370,000)</u>	<u>(370,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,141,759)</u>	<u>(3,580,000)</u>	<u>561,759</u>	<u>(353,144)</u>
Fund balance appropriated	<u>3,771,759</u>	<u>-</u>	<u>(3,771,759)</u>	<u>-</u>
Revenues and other financing sources (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (2,410,055)</u>	<u>\$ (2,410,055)</u>	<u>\$ 850,763</u>

## CHATHAM COUNTY, NORTH CAROLINA

**VEHICLE REPLACEMENT RESERVE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2014  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR  
 THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>2014</u>			<u>2013</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ 575	\$ 1,532	\$ 957	\$ 877
<b>Expenditures:</b>				
Capital	575	-	575	-
Revenues over (under) expenditures	-	1,532	1,532	877
Revenues and other financing sources (under) expenditures and other financing uses	\$ -	\$ 1,532	\$ 1,532	\$ 12,877

## CHATHAM COUNTY, NORTH CAROLINA

WATER CAPITAL PROJECTS  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FROM INCEPTION AND FOR THE FISCAL YEAR  
 ENDED JUNE 30, 2014

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total	
<b>Revenues:</b>					
Intergovernmental:					
Unrestricted intergovernmental	\$ 397,219	\$ 397,220	\$ -	\$ 397,220	\$ 1
Grant - Department of Transportation	399,882	399,882	-	399,882	-
Investment earnings	65,726	70,987	16	71,003	5,277
Total revenues	<u>862,827</u>	<u>868,089</u>	<u>16</u>	<u>868,105</u>	<u>5,278</u>
<b>Expenditures:</b>					
Capital outlay:					
Westward Distribution Project	14,940,168	14,264,317	1,274	14,265,591	674,577
Durham Interconnect	4,857,085	1,085,327	3,319,997	4,405,324	451,761
Business Campus	8,382,761	8,332,910	30,003	8,362,913	19,848
Total expenditures	<u>28,180,014</u>	<u>23,682,554</u>	<u>3,351,274</u>	<u>27,033,828</u>	<u>1,146,186</u>
Revenues over (under) expenditures	<u>(27,317,187)</u>	<u>(22,814,465)</u>	<u>(3,351,258)</u>	<u>(26,165,723)</u>	<u>1,151,464</u>
<b>Other Financing Sources (Uses):</b>					
Transfers (to) from other funds					
General Fund	257,695	130,000	127,695	257,695	-
Capital improvements reserve	7,364,593	7,364,593	-	7,364,593	-
Intrafund transfers:					
Water capital reserve	4,629,277	857,518	3,210,000	4,067,518	(561,759)
Proceeds from borrowing for:					
Durham Interconnect	565,622	674,576	-	674,576	108,954
Westward Distribution Project	14,500,000	13,825,424	-	13,825,424	(674,576)
Total other financing sources (uses)	<u>27,317,187</u>	<u>22,852,111</u>	<u>3,337,695</u>	<u>26,189,806</u>	<u>(1,127,381)</u>
Revenues and other financing sources (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 37,646</u>	<u>\$ (13,563)</u>	<u>\$ 24,083</u>	<u>\$ 24,083</u>

## CHATHAM COUNTY, NORTH CAROLINA

**SOUTHEAST WATER DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2014  
WITH COMPARATIVE ACTUAL AMOUNTS FOR  
THE FISCAL YEAR ENDED JUNE 30, 2013**

	2014			2013
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating Revenue:				
Charges for services	\$ 559,500	\$ 632,761	\$ 73,261	\$ 582,425
Non-operating revenue:				
Investment earnings	600	1,323	723	1,138
Total revenues	<u>560,100</u>	<u>634,084</u>	<u>73,984</u>	<u>583,563</u>
<b>Expenditures:</b>				
Operating expenditures	400,000	400,309	(309)	503,898
Debt Service:				
Principal	68,000	68,000	-	65,000
Interest	<u>186,478</u>	<u>237,061</u>	<u>(50,583)</u>	<u>188,905</u>
Total expenditures	<u>654,478</u>	<u>705,370</u>	<u>(50,892)</u>	<u>757,803</u>
Revenues over (under) expenditures	(94,378)	(71,286)	23,092	(174,240)
Fund balance appropriated	<u>94,378</u>	<u>-</u>	<u>(94,378)</u>	<u>-</u>
Revenues and other financing sources				
(under) expenditures and other financing uses	<u>\$ -</u>	<u>(71,286)</u>	<u>\$ (71,286)</u>	<u>\$ (174,240)</u>

This schedule is included to show budgetary compliance.

**Reconciliation from budgetary basis to full accrual.**

Reconciling items:

Debt principal	68,000
Depreciation	<u>(106,150)</u>
Change in net position	<u>\$ (109,436)</u>

## CHATHAM COUNTY, NORTH CAROLINA

**SOLID WASTE MANAGEMENT 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
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating Revenue:				
Charges for services:				
Collection center fees	\$ 2,035,000	\$ 2,124,905	\$ 89,905	\$ 2,097,999
Disposal fees	600,000	604,333	4,333	617,404
Other charges for services	182,200	227,012	44,812	233,631
Total charges for services	2,817,200	2,956,250	139,050	2,949,034
Other operating revenues	-	-	-	22,708
Total operating revenues	2,817,200	2,956,250	139,050	2,971,742
Non-operating revenue:				
Investment earnings	5,000	13,072	8,072	7,761
Sale of capital assets	-	20,000	20,000	22,485
Other non-operating revenue:				
Scrap tire disposal tax	78,000	80,326	2,326	79,008
White goods disposal tax	19,500	20,512	1,012	19,820
Solid waste disposal tax	39,000	38,674	(326)	34,581
Other non-operating revenue	37,850	10,958	(26,892)	3,392
Total non-operating revenues	179,350	183,542	4,192	167,047
Total revenues	2,996,550	3,139,792	143,242	3,138,789
<b>Expenditures:</b>				
Operating expenditures:				
Salaries and employee benefits	742,755	706,394	36,361	702,012
Repairs and maintenance	132,750	105,919	26,831	110,573
Other operating expenditures	2,154,071	1,887,604	266,467	1,808,080
Total	3,029,576	2,699,917	329,659	2,620,665
Capital outlay	52,247	48,960	3,287	277,645
Total expenditures	3,081,823	2,748,877	332,946	2,898,310
Revenues over (under) expenditures	(85,273)	390,915	476,188	240,479
<b>Other Financing Sources (Uses):</b>				
Intrafund transfers from (to) other funds:				
Waste Management Capital Reserve	(68,606)	-	68,606	-
Waste Management Facilities Project	(96,106)	(96,106)	-	-
Total other financing sources (uses)	(164,712)	(96,106)	68,606	-
Fund balance appropriated	249,985	-	(249,985)	-
Revenues and other financing sources (under) expenditures and other financing uses	\$ -	294,809	\$ 294,809	\$ 240,479

This schedule is included to show budgetary compliance.

**Reconciliation from budgetary basis to full accrual.**

Waste Management Reserve revenue	3,176
Transfers in (out) - Waste Management Reserve	96,106
Reconciling items:	
Capital outlay	48,960
Depreciation	(293,937)
Decrease (increase) in vacation pay accrual	1,992
Change in net position	\$ 151,106

## CHATHAM COUNTY, NORTH CAROLINA

WASTE MANAGEMENT RESERVE  
 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
	Final Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 3,176	\$ 3,176	\$ 1,196
<b>Expenditures:</b>				
Capital	68,606	-	68,606	-
Revenues over (under) expenditures	(68,606)	3,176	71,782	1,196
<b>Other Financing Sources (Uses):</b>				
Intrafund transfers from (to) other funds:				
Solid Waste Management Operating	68,606	-	(68,606)	328,240
Total other financing sources (uses)	68,606	-	(68,606)	328,240
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 3,176	\$ 3,176	\$ 329,436

## CHATHAM COUNTY, NORTH CAROLINA

WASTE MANAGEMENT CAPITAL PROJECT - OFFICE FACILITY  
 SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)  
 FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Project Budget</u>	<u>Actual</u>		<u>Total</u>	<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>		
<b>Expenditures:</b>					
Economic and physical development	\$ 1,339,850	\$ -	\$ 85,206	\$ 85,206	\$ 1,254,644
Total expenditures	<u>1,339,850</u>	<u>-</u>	<u>85,206</u>	<u>85,206</u>	<u>1,254,644</u>
Revenues over (under) expenditures	<u>(1,339,850)</u>	<u>-</u>	<u>(85,206)</u>	<u>(85,206)</u>	<u>1,254,644</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from (to) other funds:					
Waste Management Operating	1,339,850	-	96,106	96,106	(1,243,744)
Total other financing sources (uses)	<u>1,339,850</u>	<u>-</u>	<u>96,106</u>	<u>96,106</u>	<u>(1,243,744)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,900</u>	<u>\$ 10,900</u>	<u>\$ 10,900</u>

## **INTERNAL SERVICE FUND**

The Self-Insurance Internal Service Fund is used to account for health, dental and workers' compensation insurance premiums received and claims paid under the County's self-insured health, dental and workers' compensation benefits plan.

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## CHATHAM COUNTY, NORTH CAROLINA

**SELF-INSURANCE INTERNAL SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN NET POSITION - FINANCIAL PLAN 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>				
Charges for services:				
Health insurance	\$ 4,133,513	\$ 4,208,143	\$ 74,630	\$ 3,914,568
Dental insurance	285,741	296,699	10,958	285,908
Workers compensation	342,064	342,064	-	321,041
Total charges for services	4,761,318	4,846,906	85,588	4,521,517
Investment earnings	7,000	23,092	16,092	12,797
Total revenues	4,768,318	4,869,998	101,680	4,534,314
<b>Expenditures:</b>				
Benefits paid:				
Health insurance	3,464,513	3,506,411	(41,898)	3,415,629
Dental insurance	263,741	208,999	54,742	190,476
Workers compensation	358,825	304,460	54,365	144,842
Administrative costs:				
Health insurance	676,000	659,136	16,864	671,991
Dental insurance	22,000	30,521	(8,521)	20,514
Workers compensation	76,969	76,969	-	18,000
Total expenditures	4,862,048	4,786,496	75,552	4,461,452
Revenues over (under) expenditures	(93,730)	83,502	177,232	72,862
Appropriated fund balance	93,730	-	(93,730)	-
Revenues and other financing sources (under) expenditures and other financing uses	\$ -	83,502	\$ 83,502	72,862
<b>Net Position:</b>				
Beginning of year - July 1		4,163,243		4,090,381
End of year - June 30		\$ 4,246,745		\$ 4,163,243

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## AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds.

### Individual Fund Descriptions:

- **Social Services Agency Fund Accounts** – This fund accounts for the monies of indigents for which the county Department of Social Services acts as an agent.
- **Chatham County Cooperative Extension Fund** – This fund accounts for fees collected for programs conducted by the Chatham County Cooperative Extension Service.
- **Goldston-Gulf Sanitary District Agency Fund** – This fund accounts for the property taxes collected for a special tax district located within the County.
- **Chatham County Municipalities Agency Fund** – This fund accounts for property taxes collected and remitted to municipalities located within the County.
- **Fines and Forfeitures Fund** – This fund accounts for fines and forfeitures collected by the County that are required to be remitted to the Chatham County Board of Education.
- **State Motor Vehicle Tax Fund** – This fund accounts for monies collected and remitted to the State for enhancements to the NC Department of Motor Vehicles computer system that will combine motor vehicle registration renewal and motor vehicle property tax collections.

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**CHATHAM COUNTY, NORTH CAROLINA**

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

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>Social Services:</b>				
Assets:				
Cash, cash equivalents, and investments	\$ 70,553	\$ 51,296	\$ 30,736	\$ 91,113
Liabilities:				
Due to agency participants	\$ 70,553	\$ 240,105	\$ 219,545	\$ 91,113
<b>Chatham County Cooperative Extension:</b>				
Assets:				
Cash, cash equivalents, and investments	\$ 133,814	\$ 89,939	\$ 119,892	\$ 103,861
Due from other governmental agencies	745	763	745	763
Other receivables	6,488	310	6,488	310
Total assets	<u>\$ 141,047</u>	<u>\$ 91,012</u>	<u>\$ 127,125</u>	<u>\$ 104,934</u>
Liabilities:				
Due to other governmental agencies	<u>\$ 141,047</u>	<u>\$ 148,376</u>	<u>\$ 184,489</u>	<u>\$ 104,934</u>
<b>Goldston-Gulf Sanitary District:</b>				
Assets:				
Cash, cash equivalents, and investments	\$ 3,190	\$ 107,772	\$ 109,204	\$ 1,758
Property taxes receivable	10,740	101,132	101,648	10,224
Due from other governmental agencies	-	626	-	626
Other receivables	1	2	1	2
Total assets	<u>\$ 13,931</u>	<u>\$ 209,532</u>	<u>\$ 210,853</u>	<u>\$ 12,610</u>
Liabilities:				
Due to other governmental agencies	<u>\$ 13,931</u>	<u>\$ 209,532</u>	<u>\$ 210,853</u>	<u>\$ 12,610</u>
<b>Chatham County Municipalities:</b>				
Assets:				
Cash, cash equivalents, and investments	\$ 52,513	\$ 5,963,429	\$ 5,981,259	\$ 34,683
Property taxes receivable	379,622	5,529,823	5,653,550	255,895
Due from other governmental agencies	-	47,913	-	47,913
Total assets	<u>\$ 432,135</u>	<u>\$ 11,541,165</u>	<u>\$ 11,634,809</u>	<u>\$ 338,491</u>
Liabilities:				
Due to other governmental agencies	<u>\$ 432,135</u>	<u>\$ 11,541,164</u>	<u>\$ 11,634,808</u>	<u>\$ 338,491</u>
<b>Fines and Forfeitures:</b>				
Assets:				
Cash	\$ 6,400	\$ 265,856	\$ 272,256	\$ -
Due from other governmental agencies	16,467	20,059	16,467	20,059
Total assets	<u>\$ 22,867</u>	<u>\$ 285,916</u>	<u>\$ 288,723</u>	<u>\$ 20,059</u>
Liabilities:				
Due to other governmental agencies	<u>\$ 22,867</u>	<u>\$ 555,364</u>	<u>\$ 558,172</u>	<u>\$ 20,059</u>

**CHATHAM COUNTY, NORTH CAROLINA**

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

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>State Motor Vehicle Tax Fund:</b>				
Assets:				
Cash, cash equivalents, and investments	\$ 1,761	\$ 10,148	\$ 11,909	\$ (0)
Total assets	<u>\$ 1,761</u>	<u>\$ 10,148</u>	<u>\$ 11,909</u>	<u>\$ (0)</u>
Liabilities:				
Due to other governmental agencies	\$ 1,761	\$ 10,148	\$ 11,909	\$ (0)
<b>Combining Totals:</b>				
Assets:				
Cash, cash equivalents, and investments	\$ 268,231	\$ 6,488,440	\$ 6,525,256	\$ 231,415
Property taxes receivable	390,362	5,630,955	5,755,198	266,119
Due from other governmental agencies	17,212	69,361	17,212	69,361
Other receivables	6,489	312	6,489	312
Total assets	<u>\$ 682,294</u>	<u>\$ 12,189,069</u>	<u>\$ 12,304,155</u>	<u>\$ 567,207</u>
Liabilities:				
Due to agency participants	\$ 70,553	\$ 240,105	\$ 219,545	\$ 91,113
Due to other governmental agencies	611,741	12,464,584	12,600,231	476,094
Total liabilities	<u>\$ 682,294</u>	<u>\$ 12,704,689</u>	<u>\$ 12,819,776</u>	<u>\$ 567,207</u>