

INTRODUCTORY SECTION

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FINANCE OFFICE
POST OFFICE BOX 608
PITTSBORO, N. C. 27312-0608

ORGANIZED 1770

707 SQUARE MILES

VICKI S. McCONNELL
FINANCE OFFICER
PHONE (919) 542-8210

December 18, 2014

To the Board of County Commissioners and Citizens of Chatham County, North Carolina:

State law requires that all local governments publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published for the fiscal year ended June 30, 2014.

Generally accepted accounting principles require that management provide a narrative introduction, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the Management Discussion and Analysis and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Responsibility for the accuracy, completeness and fairness of the presentations, including all disclosures, rest with the County. We believe the data, as presented, is accurate in all material respects and fairly present the County's financial position and results of operations.

Martin, Starnes & Associates, CPAs, a firm of licensed Certified Public Accountants, have issued an unqualified opinion on the County's financial statements for the year ended June 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

Description of the County

Founded in 1771 and located at the geographic center of the state, Chatham County encompasses an area of 707 square miles. The County borders Orange, Durham, Wake, Lee, Moore, Randolph, Harnett and Alamance counties and is situated between two of the State's three largest centers of population and commerce, the Research Triangle and the Piedmont Triad.

The proximity to these two areas continues to promote population growth and keep the County's economy healthy. New residents are attracted to the County because of its rural quality of life coupled with close proximity to major metropolitan areas and employment centers. The County's 2014 population was estimated at 66,618. By 2032, the State estimates that the County's population will grow to 115,000.

Most of the County's population continues to reside in the unincorporated area, with only 20 percent of residents living in a municipality. The Town of Pittsboro with a population of 4,033 serves as the County seat.

The County operates under the manager form of government. Policy making and legislative authority are vested in a Board of Commissioners consisting of five members who are elected for four-year terms in even numbered years. The County Manager is appointed by the Board and is responsible for the administration

of the affairs of the County. The County is responsible for and maintains a full range of services inherent in the operation of a county government. These services include general government, public safety, human services, cultural and recreational activities, education, economic and physical development, and environmental protection. The County also operates a water system on a user charge basis. This report includes all the County's activities in maintaining these services.

The County operates under an annual budget ordinance, adopted in accordance with the provisions of the Local Government Budget and Fiscal Control Act. Budgetary control is maintained on a departmental basis and may be amended as changing conditions warrant.

Local economy

The County retains a large agricultural base with a mixture of industrial, tourism, and service businesses helping support the County's economy. Strong economic influences in surrounding areas, such as Cary, Chapel Hill, Durham, Raleigh, and the Research Triangle Park have a positive effect on the growth of the County's population and economy, especially in the northern and eastern sections of the County. These neighboring areas provide much of the employment for approximately fifty five percent of the County resident labor force. The regional prosperity has enabled Chatham County to currently rank second highest among the state's one hundred counties in per capita income and second lowest in unemployment. Within the County, the manufacturing sector accounts for the largest percentage of jobs, nearly fifteen percent. Major manufacturers include Arauco NA, Olympic Steel, and Boise Cascade. Various service industries provide another forty percent of jobs in the County. Major service employers include Chatham County Schools, Carolina Meadows, Galloway Ridge and Chatham Hospital. Recently a second Walmart store opened in the County, adding over two hundred new jobs and helping generate new sales tax revenue.

Agriculture and agribusiness (food, fibers, and forestry) remain significant in the local economy. Total farm income in the County for 2012 was \$116,241,960, which ranked 30th in the State. One of the most exciting statistics about Chatham County Agriculture is that the 2007 Census of Agriculture showed Chatham County as having 1089 farms. The most recent data from the 2012 Census of Agriculture indicated that Chatham County had increased its number of farms by 50 to 1139. This shows a 4% increase in the number of farms when in most locales this number is declining, not increasing. Most farms range in size from 10 to 49 acres and the total number of acres used for farming has changed very little over the past two decades. The stability of the County's agricultural economy is due to (1) a growing number of small sustainable farms focused on specialty products such as organic farming, herbs, cut flowers, unique produce, and diverse nurseries; and (2) continued strength in cattle. The County ranks 3rd in the State in beef cattle (third in overall cattle production) and 11th in broiler chicken production out of the 100 counties. The county also ranks 13th in hay production and 14th in the horse population as compared to the other counties. The horticulture industry in the county is diverse and includes some very specialized niche nurseries that produce aquatic/wetlands plants, Asian herbs, shady perennials, crinum, daylilies, orchids, exotic ferns, trees and shrubs. The County is also gaining a reputation as an area of innovative and sustainable agriculture practices. Because of the County's proximity to the Research Triangle and Piedmont Triad metropolitan regions, there is a large demand for local agricultural products. Producers in the County currently are unable to satisfy this demand. Agricultural tourism showcasing our diverse agricultural industry brings many visitors to Chatham County to spend their money then return home. The dynamic agricultural industry of the County is also attracting investors to potential new agribusiness enterprises.

In an attempt to further diversify its employment base, the County constructed a business park, the Central Carolina Business Campus, near the intersection of US 64 and US 421 in Siler City. The County is optimistic that the presence of Chatham Hospital, a UNC Health Care facility, and Central Carolina Community College will help attract other health-related facilities to the Business Campus as the economy continues to improve.

Last year, the Board of Commissioners approved a strategic land use plan that focuses on employment growth in the towns and economic development areas, and adopted a goal of increasing the commercial and industrial tax base over the next ten years. To promote these goals, the Chatham Economic Development

Corporation (EDC) is working with the developers of three large projects. Chatham Park -- an assemblage of over 7,500 acres in eastern Chatham -- is planning a mixed use development centered on a mid-tech business campus. The Chatham-Randolph Megasite -- an assemblage in western Chatham -- is designed for large industrial users and the Moncure Super Park -- an assemblage of almost 1,500 acres in southeastern Chatham -- is currently being master planned.

The Chatham Park developers submitted a master plan for their proposed planned development district which was approved in June by the Pittsboro Board of Commissioners. The plan envisions 22,000 new homes, over 21 million square feet of non-residential buildings, and over \$12 billion in new tax base at build out. The 1,818 acre mega site has been favorably assessed as a location for an automotive or other large manufacturing user by the international site consulting firm of McCallum-Sweeney. The two property owners worked with the EDC to obtain NC Certified Sites status from the NC Department of Commerce in June. This means that the site has gone through a rigorous process and met 31 criteria that were identified by the state in conjunction with Site Selection consultants that are important to address prior to the location of an industrial facility. The Moncure Super Park was accepted into the Duke Site Readiness program for the 2014 year. The final results of this program will be unveiled in November. In late 2013, Strata Solar, one of the most successful solar energy companies in the nation moved its headquarters to Governors Village in the Northeast portion of the county. The company employs more than 100 individuals in its offices.

Several major highways (US 15-501, US 1, US 64, and US 421) and numerous state roads access the County and link it to Interstates 40 and 85. The area is served by major freight carriers, bus lines and delivery services, and air transportation is less than one hour away from Raleigh-Durham International Airport in the heart of the Research Triangle Region and Piedmont Triad International Airport in Greensboro. The Blair Municipal Airport located in Siler City has a 5,000 foot paved, lighted runway with instrument approach capability and can accommodate small business aircraft. A "reliever airport" located in neighboring Lee County is in close proximity to the Moncure industrial area in the southeastern portion of the County

Chatham County is home to diverse tourism assets, ranging from budget to luxury offerings for visitors allowing the Pittsboro-Siler City Convention & Visitors Bureau (CVB), the county's official destination marketing organization (DMO), to strategize marketing campaigns to a variety of target audiences.

Among the nature-based sites are Jordan Lake State Recreation Area, Jordan Lake Educational State Forest, numerous hiking and cycling trails, the American Tobacco Trail (multi-county trail), nature preserves and six golf courses. Chatham County is also home to North Carolina's only five-star, five-diamond restaurant and one of only two five-star, five-diamond inns in the state.

Domestic tourism in Chatham County generated an economic impact of \$ 30.77 million in 2013. This was a 4.4% change from 2012. Total payroll generated by the tourism industry in Chatham County reached \$3.6 million, with more than 170 jobs directly attributed to tourism. State and local tax revenues from travel to Chatham County amounted to \$2.23 million. This represents a \$34.85 tax saving to each county resident. Chatham County's visitor-related economic impact has generally maintained growth in the last decade; Chatham County consistently maintains a position as one of the top counties in the state for the largest growth. (all economic impact data compiled by U.S. Travel Association).

Multiple visitor-related businesses have continued to open in Chatham County while the CVB staff size of one and budget have remained relatively the same. The CVB has had the opportunity to market the wine, craft beer, spirits and current lodging as a 'trail' and that has generated interest in the destination for visitors to have various choices of places to stay and explore. New farm-to-fork eateries have opened as well as retail; both types of businesses enhance the visitor's itinerary and maximize a trip, particularly considering the cost for refueling vehicles for travel. The CVB has also provided images and content from the tourism website for additional websites, including one for the North Carolina Division of Tourism, Film and Sports Development for RetireNC.com.

The DMO/CVB has continued to teach social media marketing and has been very proactive in requesting to learn about new visitor-related businesses before opening dates in order to guide them on marketing to visitors and collaborating with other visitor-related businesses, both competitors and complementary types. While working with competitors was not always a common concept, the creation of the trails has led to local businesses working together, referring one another, and also working with other area businesses that would be to the benefit of all. The DMO's Social Media Academy has taught Facebook, Twitter, Pinterest, Instagram, Google+, and other social media products. The focus has been to work with these (primarily small) independently-owned businesses to foster marketing skills and collaboration while sharing tools to assist them in succeeding in obtaining a larger market share through targeting visitors, consumers beyond the local community, to broaden the tax base. The CVB has also provided its visitor-related businesses opportunities for partnership marketing beyond obvious partnerships with N.C. Division of Tourism, Film and Sports Development: 3/50 project; Small Business Saturday, an American Express program; N.C. Department of Environment and Natural Resources N.C. Green Travel Recognition program; and several others)

The travel industry has made up 57 percent of the jobs lost during the great recession, while the rest of the economy has only made up less than half of the jobs lost. This is because companies in the travel industry have added jobs at a 19 percent faster pace than employers in other sectors of the economy since the employment recovery began in the beginning of 2010 (U.S. Travel Association, October 2012).

Furthermore, the CVB has worked with professors at two universities in North Carolina (North Carolina State University (NCSU) and East Carolina University's Center for Sustainable Tourism) to work on various initiatives. The CVB has educated and worked closely with an NCSU professor for NCSU to apply for grant funding for an innovative rural entrepreneurship program. The CVB consulted on the creation of the People-First Tourism program and Chatham County is one of three counties in North Carolina (Mountains, Piedmont, Coastal counties) to participate, a tourism endeavor with promise and the funding to support micro-tourism businesses. Active participation, the creation of new tours, development of micro-entrepreneurs in tourism, and an opportunity to showcase various parts of the county that are occasionally overlooked is a part of the strategic tourism campaign. Moreover, the DMO works to promote new events and create new initiatives to expand the tourism program, regardless of whether occupancy tax is generated (solely for the CVB's budget) and/or sales tax for the county; day trip and overnight guests are welcome and marketed to by the DMO. A major event in June that will repeat annually through 2017 is the IRONMAN competition. It launches in Chatham County and of the three athletic activities, swimming (entirely in Chatham County) and cycling (partially takes place in Chatham County) will be reason for much visitor-related economic impact and media spotlight on region, which we continue to garner via national and regional media to date prior to the IRONMAN competition. The County has served as a popular site for sports events, including the multi-county American Tobacco Trail for the annual Boston Marathon qualifier, the Tobacco Road Marathon.

Visitor-related businesses in Chatham County vary in size, with an advantage to the rural charm of the area in that small, independently-owned businesses offer a distinctive product for the Convention & Visitors Bureau to promote, with a Heart of North Carolina Bed & Breakfast and Heart of North Carolina Wine Trails, shops, eateries, and more. Attractions range from a wildlife sanctuary for 'big cats,' including tigers, ocelots and binturongs, with guided tours as a unique offering to visitors. Agritourism is one of the county's top-ranked tourism strengths, alongside the nature sites. Wineries, breweries, a distillery, two wine shops, six farmers' markets and numerous small farms offering tours enhance the visitor experience, plus provide local food and drink for the farm-to-fork trips that tourists seek from Chatham County restaurants. A rural and convenient getaway with excellent proximity for day trips and overnight escapes from neighboring urban counties make Chatham County a significant tourism destination. More information: <http://visitpittsboro.com/about-us>

Financial Information

County management is responsible for establishing and maintaining an internal control structure that is designed to provide reasonable assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; (2), the reliability of financial records for preparing financial statements in

conformity with generally accepted accounting principles and maintaining accountability for assets; and (3) compliance with applicable laws and regulations related to federal and state financial assistance programs. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management.

Long-term financial planning

The County updates annually during the budget process its seven year Capital Improvements Program (CIP). The CIP is a systematic way of anticipating, planning, and budgeting for major capital projects. The CIP includes all major projects costing \$25,000 or more. The CIP includes summaries of all major projects and detailed descriptions of each project, including justifications, cost detail, funding sources, and impact on the operating budget.

Major Initiatives

OVERVIEW:

The continued signs of positive economic recovery and growth dominated the good news for FY14, including more new jobs, increased business capital investment and an announcement from the NC Department of Commerce that the Chatham-Randolph Megasite for development became the first state-certified megasite for industrial development.

Throughout FY14, Chatham County had one of the lowest unemployment rates in the state. Other positive signs included an increase in building inspection revenues by 25% over the previous year and an increase in excise fees of 16% compared to FY13.

Other highlights included a decision to move forward with design and construction of a new Agriculture and Conference Center, critically needed in a county without large-scale conference facilities, and plans to construct a joint county/school bus garage. The county also relocated several major county offices into expanded office space in the Courthouse Annex Building.

Chatham County managed to take these significant steps while holding the line on property taxes for the third straight year and continued to provide strong support for K-12 schools. A major new school initiative is a regional partnership, Central Carolina Works, which places career counselors in each high school.

The budget included a three-percent salary increase for all employees as well as an update of a 2008 pay study that showed the county lagging overall about 15 percent behind counterparts in surrounding communities.

EDUCATION & SCHOOL FACILITIES:

The highlights FY14 budget includes the following for Chatham County schools:

- Teacher supplement funding increased to \$3.8 million to help cover increased supplement costs the school system had been absorbing.
- A one-time appropriation to replace laptops for all teachers in grades K-8, made possible by delaying the new high school two years, as requested by the Board of Education.
- Capital improvements included traffic improvements recommended by DOT for North Chatham Elementary, pavement repairs and replacement at several schools, and roof replacement at Moncure and Sage Academy.
- The Central Carolina Works program noted above received county matching funds to put academic and career advisors in all high schools. It also encourages more students to take tuition-free college credit courses.

COUNTY FACILITIES:

Agriculture & Conference Center: On Sept. 16, 2013, the Board of Commissioners approved the schematic design for a new Agriculture & Conference Center, which is expected to be funded with limited obligation bonds requiring no tax increase. Hobbs Architects P.A. in Pittsboro was selected as the project architect. On May 8, 2014, the groundbreaking was held on county property just west of the Central Carolina Community College's Pittsboro campus. The facility will include almost 6,000 square feet of exhibit hall space and a large stage. It also will provide offices for Cooperative Extension, Soil & Water Conservation and other agriculture-related agencies.

Annex Building: The county completed a major phase of renovating the Courthouse Annex after all court offices moved into the new Judicial Center. The work completed in FY14 allowed the Register of Deeds Office, County Manager's Office and Tax Office to expand into much-needed space.

Waste & Recycling Office: The Board of Commissioners approved plans to begin construction of a new Waste & Recycling Main Office on the current office site. The new facility will be more customer friendly and efficient.

Detention Center: Chatham County continued construction of a new detention center on county-owned property west of Pittsboro near the current Solid Waste & Recycling office. The facility is expected to open early in 2015.

Backup 911 Center: The new Backup 911 Center in Siler City became fully operational and the Board of Commissioners voted to name the center in honor Jack Dark, a long-time telecommunicator, who died on Jan. 3, 2014.

ECONOMIC DEVELOPMENT:

The Chatham Economic Development Corporation reported the following for FY14:

- The creation of 511 new jobs, which means a total of 1,688 new jobs in the past three years.
- The addition of \$51.73 million in business capital investment, which means a total of \$192.02 million in the past three years.

Strata Solar: This rapidly growing solar energy company moved its headquarters to Chatham County in the fall of 2013. They already had opened a warehouse and developed a solar farm in Chatham. The announcement meant a total of 100 jobs.

Other Businesses: In FY14, a Siler City manufacturer announced plans to add 30 jobs and invest \$200,000 in its facility. A food manufacturer announced plans to add 41 new jobs and invest \$7 million in Siler City facility. An assisted living community announced plans to invest \$6.4 million and hire 100 people at a north Chatham facility.

Chatham-Randolph Megasite: The EDC hosted a special media event on June 20, 2014 to announce that the NC Department of Commerce had certified the Chatham-Randolph Megasite, the first site of this size in the state to obtain certification. The 1,818-acre site west of Siler City has been touted in economic development publications as a prime choice for automotive manufacturers. State certification means that the site is verified as ready for immediate development. The EDC has launched a website to market the site: <http://chathamrandolphmegasite.com>

Chatham Park: A world-class mixed used development, Chatham Park, is in the early stages and was approved the Town of Pittsboro in June of 2014. Chatham County will benefit from the increased tax base and jobs.

TECHNOLOGY:

Integrated Finance & Personnel Software: In FY14, staff began the early phases of implementing new software, MUNIS, which will manage and integrate finance and personnel functions. The software will enhance overall operations and ensure that the county continues to comply with state requirements.

Data Recovery: New site recovery systems implemented in FY14 will help the county recover data systems in the event of a disaster.

Website Upgrade: An upgrade of the software for www.chathamnc.org improved its compatibility with various web browsers and mobile devices. The search function was also greatly enhanced.

SPECIAL ACHIEVEMENTS:

Historic Courthouse Award: The reconstruction of the Historic Courthouse won a 2013 Pinnacle Award from the Carolinas ACG, which is awarded to only five projects each year.

Sheriff's Honors: In FY14, Sheriff Richard Webster won the Ethical Leadership Award from the International Academy of Public Safety. He also was honored by the county's United Way for long-term support of their mission.

911 Leadership: Janet Scott, deputy emergency operations director, was named the 2013 Communications Center Leader of the Year by the NC Chapter of the National Emergency Number Association. It is the highest award given by this statewide organization.

EDC Leader Honored: Dianne Reid, president of the EDC, was named a recipient of the Triangle Business Journal's 2014 Women in Business Awards.

Finance Award: The Finance Office again earned the Government Finance Officers Association Award for Excellence in Financial Reporting, which it has done every year since 1989.

Zoning Officer: Angie Birchett in the Planning Department won the 2013 Member of the Year Award from the NC Association of Zoning Officers. She helped develop new zoning officer certification policies and helped create a new ethics policy for zoning officials across the state. She was also sworn in as their second vice-president.

Saving Lives: Deputy Lee Lester received the top regional award from the NC Jail Administrators Association for saving the life of an inmate having a heart attack. Lt. Steve Maynor and Capt. Roy Allen received Medals of Valor from Sheriff Webster for bravery in removing a gun from a suicidal resident. Deputy Ronnie Miller also received a Medal of Valor for preventing a man from jumping off a bridge.

Senior Center Certification: The Western Senior Center in Siler City earned its certification as a NC Senior Center of Excellence from the NC Division of Aging and Adult Services in October of 2013. The Eastern Center was certified the previous year. The certification process is extensive and involved more than 250 hours of work.

DSS Honor: Becky Bray in Social Services was recognized by the Local Business Liaison (LBL) for doing the best in the region in terms of maximizing use of federal and state funds.

Safety Awards: Several county departments qualified to receive Gold and Silver Safety Awards for 2013 from the NC Department of Labor. The awards recognize private and public entities that achieve and maintain good safety records. To apply, departments had to verify that they had no fatalities during the year and maintained an incident rate at least 50 percent below the average for its particular industry group.

CVB Awards: The Pittsboro-Siler City Convention & Visitors Bureau (CVB) won three Gold and Silver statewide awards from the Destination Marketing Association of NC for its social media usage and innovative partnerships. To date, they have won 16 awards.

PLANNING & TRANSPORTATION:

Updated Tower Ordinance: The telecommunications ordinance was overhauled to bring it into compliance with state and federal requirements, the first major overhaul since it was originally adopted in 1998.

Regulation Revisions: The Board of Commissioners amended the subdivision regulations to address fire and EMS road access. They also adopted more flexible standards for off-premise temporary signs for seasonal harvesting at bona fide farms as well as auctions.

First Conservation Subdivision: The Board of Commissioners approved the first conservation subdivision using standards adopted in 2008. The standards are voluntary and require the set aside of environmentally important areas, which then allows the developer to qualify for more density.

Home Repair Grants: The Planning Department received grants for Single Family Home Repair (SFR) and Urgent Repair Program (URP) from the NC Housing Finance Agency (HFA), which served 21 total homes.

Transportation: Initiated quarterly transportation meetings with the local DOT office, Pittsboro & Siler City.

Bike Map: The Transportation Advisory Committee created a recreational bike loop map for the county.

OTHER DEPARTMENTAL HIGHLIGHTS:

Animal Services Ordinance: A new ordinance took effect on April 15, 2014 that involved extensive public input over several months. It included new or updated definitions of terms pertaining to the welfare of domestic animals, revised violation penalty fees, and provisions for humane restraint and sheltering of pets outside.

Physical Activity: The Health Department updated the countywide Physical Activity Resource Guide and helped Siler City develop a Pedestrian Master Plan.

Fresh Foods Map: The Health Department worked with graduate students to survey all food vendors in the county about the availability of healthy foods. This led to a fresh food map available online at www.chathamnc.org/maps.

At-Risk Kids: The Health Department helped 236 people through the enhanced CC4C program, which seeks to improve health outcomes for at-risk children age 0-5

TriangleGrown: The Pittsboro-Siler City Convention & Visitors Bureau (countywide) joined with other visitor promotion entities in the region to launch TriangleGrown, a user-friendly website showcasing the area's visitor-friendly agricultural destinations, typically called agritourism. It can be found at www.trianglegrown.com.

Visitor Spending Up: The CVB reported that a 2013 statewide report showed that domestic visitors spent \$30.77 million in Chatham, an increase of 4.4 percent from 2012.

Job Hunt Help: Chatham Community Library, in collaboration with Triangle South Workforce Development Board, offered several job search workshops in FY14.

Pre-Application Meetings: Key county departments and the Economic Development Corporation continued holding re-application meetings with businesses interested in early feedback on plans. In FY14, 45 businesses took advantage of these meetings.

Retail Food Safety: Environmental Health received a NACCHO grant to mentor three other counties to improve their local retail food programs.

Senior Games: Participation in Chatham Senior Games and Silver Arts grew by 72 percent from FY 2012-13 (65 participants) to FY 2014-15 (112 participants).

Senior Programs Restarted: The Council on Aging was able to restart the Frozen Meals Program with funding from Carolina Meadows that matched funding from the Board of Commissioners. It provides nutritious meals to seniors unable to travel or make their own meals. Using volunteers, they also restarted the Minor Home Repair Program that makes safety repairs in the home.

Senior Transportation: The Council on Aging improved customer service in the scheduling of Medical Transportation, and secured a NC Elderly and Disabled Transportation Assistance Program grant to aid with general transportation of seniors.

Water Projects: The Water Utilities Office in Environmental Quality completed the Sanford interconnection for water service to the Southeast District and almost completed the Durham interconnection for water service to the North System.

Library Services: A chat widget was added to the Library System webpage to give patrons 24/7 access to services. They also subscribed to Zinio as a way to offer unrestricted patron access to 65 popular magazines.

Library Planning: Library staff secured a state grant to develop a three to five-year plan with extensive public input.

Children's Library: Participation in the Children's Summer Reading Program increased by 35% percent over the previous year and the number of programs offered also increased by 25%. Throughout the year, a record 10,369 young people participated in library programs.

Awards and Acknowledgements

Awards - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Chatham County for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the twenty fifth consecutive year that the County has received this award. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the certificate of achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments - We appreciate the assistance and dedication of the members of the Finance Department throughout the preparation of this report. We would like to thank the entire county staff for the contributions they provided and the County's independent certified public accountants, Martin Starnes & Associates CPAs, PA, for their assistance and guidance during the report's preparation. We would also like to thank the members of the Board of Commissioners for their continued support throughout the past year.

Respectfully submitted,



Charlie Horne
County Manager



Vicki McConnell
Finance Officer

*Chatham County, North Carolina
Principal Officials
June 30, 2014*

Board of County Commissioners

<i>Walter Petty</i>	<i>Chairman</i>
<i>Brian Bock</i>	<i>Vice Chairman</i>
<i>Mike Cross</i>	<i>Commissioner</i>
<i>Jim Elza</i>	<i>Commissioner</i>
<i>Pamela Stewart</i>	<i>Commissioner</i>

County Officials:

<i>Charlie Horne</i>	<i>County Manager</i>
<i>Renee Paschal</i>	<i>Assistant County Manager</i>
<i>Vicki McConnell</i>	<i>Finance Officer</i>
<i>Richard Webster</i>	<i>Sheriff</i>
<i>Treva Seagroves</i>	<i>Register of Deeds</i>
<i>Jennie Kristiansen</i>	<i>Social Services Director</i>
<i>Layton Long</i>	<i>Health Director</i>
<i>Dawn Stumpf</i>	<i>Elections Director</i>
<i>Jason Sullivan</i>	<i>Planning Director</i>
<i>Jenny Williams</i>	<i>Central Permitting Director</i>
<i>Dan LaMontagne</i>	<i>Public Works Director</i>
<i>Frances Wilson</i>	<i>Property Tax Administrator</i>
<i>Tony Tucker</i>	<i>Emergency Operations Director</i>
<i>Mark Ellington</i>	<i>Information Services Director</i>
<i>Linda Clarke</i>	<i>Library Services Director</i>
<i>Tracy Burnett</i>	<i>Recreation Director</i>
<i>Neha Shah</i>	<i>Tourism Coordinator</i>
<i>Dennis Streets</i>	<i>Senior Services Director</i>
<i>Dianne Reid</i>	<i>Economic Development Director</i>
<i>Mike Sturdivant</i>	<i>District Conservationist</i>



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Chatham
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

**Chatham County
Organization Chart
Fiscal Year Ended June 30, 2014**

