

STANLY COUNTY NORTH CAROLINA

YEAR ENDED, JUNE 30TH

2014

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**STANLY COUNTY
NORTH CAROLINA**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

***For Fiscal Year Ended
June 30, 2014***



***Prepared and Issued by:
Stanly County Finance Department***

***Toby R. Hinson
Finance Director***



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STANLY COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2014
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INTRODUCTORY SECTION



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STANLY COUNTY
FINANCE OFFICE
1000 NORTH FIRST STREET, SUITE 10B
ALBEMARLE, NORTH CAROLINA 28001



December 10, 2014

The Board of County Commissioners
Stanly County, North Carolina:

The Comprehensive Annual Financial Report (CAFR) of Stanly County for the fiscal year ended June 30, 2014 is hereby submitted. The County is responsible for the accuracy, completeness, and fairness of the presentation, including all disclosures. The data presented is materially accurate and the financial statements fairly present the County's financial position as measured by activity in the various funds. All disclosures have been included as necessary to enable the reader to understand the County's financial activities.

The Governmental Accounting Standards Board (GASB) by Statement No. 34 requires that management provide a narrative introduction, overview and analysis to accompany the Basic Financial Statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the Independent Auditor's Report.

The County must submit a compliance/single audit to conform to provisions of the Single Audit Implementation Act and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Information related to this single audit, including the "Schedule of Expenditures of Federal and State Awards", findings, recommendations, and the independent auditor's reports on the internal control structure and compliance with applicable laws and regulations are presented in the compliance section of the report.

DESCRIPTION OF COUNTY

Stanly County is located in the south central portion of North Carolina. Its western boundary is ten (10) miles from the largest county in the state, Mecklenburg, and twenty (20) miles from the largest city in the state, Charlotte. Albemarle is the county seat. It is forty-two (42) miles northeast of Charlotte; sixty (60) miles south of Greensboro; and one hundred (100) miles southwest of the North Carolina capital city of Raleigh. It is a county of lakes, rolling farmland and small towns. Industry includes aircraft tire, conveyor belt, automotive parts and several energy production and distribution related manufacturing.

The entire eastern boundary of the County consists of Badin Lake and Lake Tillery. Badin Lake is a recreational facility that is peaceful in beautiful natural surroundings where families can enjoy skiing, swimming, boating and fishing. Lake Tillery is a 5,000-acre lake with a one hundred four (104) mile shoreline that serves recreational and residential needs of the area. Lake Tillery also serves as the reservoir for the Tillery Hydroelectric Plant on the Pee Dee River. The Morrow Mountain State Park is bounded on two sides by Lake Tillery and covers 4,693 acres of the ancient Uwharrie Mountains. This beautiful park is an important tourist attraction for the County.

DESCRIPTION OF GOVERNMENT

Stanly County is governed by a commission/manager form of government. The board has been made up of five commissioners elected to four-year staggered terms. Effective December 1, 2014, the number of board members increased to seven. The County provides a full range of services as follows: public safety (law enforcement, detention facilities, funds for fire protection in unincorporated areas, building inspection, emergency medical services, and E-911 emergency telephone service); human services (social services, public health, senior services, and veterans services); culture and recreation (library, historic museum, and civic center); environmental protection (soil and water conservation services, solid waste collection, and disposal services); public utilities (water and sewer services); airport services; and general government services. In addition, the County provides financial support to the Stanly County Board of Education, Stanly Community College, and Piedmont Mental Health Authority.

EDUCATIONAL INSTITUTIONS

Educational institutions include Pfeiffer University, Stanly Community College and the Stanly County Public School System. Pfeiffer University, founded in 1885, is a four-year college that offers accredited undergraduate degree programs in thirty different majors, day and evening classes, and continuing education courses at all of its campuses. Various satellite campuses also offer graduate programs in business administration, health administration and organization management.

Stanly Community College is governed by a thirteen-member appointed board of trustees that offers two-year degree programs with standard courses that are eligible for transfer to four-year institutions of higher learning. It also offers technical and trade courses. The County contributes funds to the community college.

For financial reporting purposes, in conformance with the Governmental Accounting Standards Board (GASB), the County includes in the report all funds that are considered to be within its oversight responsibility. Because the school administrative unit and the

community college listed above do not meet the criteria for inclusion in the general purpose financial statements of Stanly County, their financial statements are not included in this report. Audited financial statements for the school administrative unit and the community college are available from their respective business offices.

ECONOMIC CONDITION AND OUTLOOK

Stanly County's economy continues, on a smaller scale, to mirror growth patterns seen in the greater Charlotte Region. Our existing companies have steadily added new workers to take advantage of greater market opportunities for their products. This helped drive down the County's unemployment rate to 5.8% as of June 30, 2014, below the regional average of 6.5% and the State of North Carolina rate of 6.5% for the same period. It is also bolstering plans for expansion activity in the year ahead. Growth in business personal property assessments and improvements in the real estate market underline these positive developments. In addition, the metropolitan Charlotte market is expected to continue to grow at a rate of 6.9% over the next five years, exceeding the state average of 5.5% and the U.S. average of 3.7% over the same period.

Strategic investments made by the County Commissioners last year will start producing long-term benefits and enhance the County's competitiveness. The first phase of the Stanly Community College's new Advanced Manufacturing and Industrial Technology (AMIT) center opened in September and will allow the college to improve and add significant capacity to its welding and certified machinist certificate programs. The completion of the County's effort to consolidate and streamline water and sewer service in the western part of the County was finalized last year and new investments to provide greater capacity to serve the needs of new and expanding industry in this and other parts of the County are underway. Planning efforts to design a link to tie the County's emergency management system towers together via fiber optic cables and extend the network to interconnect with the North Carolina's MCNC fiber backbone are nearing completion and will be ready for implementation consideration next year.

Stanly County's assessed valuation (tax base) is projected to marginally increase in FY 14-15, and the ad valorem tax revenue is based on a collection rate of 96%. One penny on the tax rate will generate approximately \$418,087 in FY 2014-2015.

LONG TERM FINANCIAL PLANNING

Available fund balance in the General Fund continues to be above the 8% minimum recommended for local governments in North Carolina. Available fund balance in the General Fund decreased to 25.38% compared to 26.85% in 2013. This is primarily due to a decrease in cash of a little more than \$200,000 which is attributed to the initial payment of \$2,000,000 to acquire the West Stanly Waste Water Treatment Plant from the Town of Oakboro.

Generally, low-cost capital projects have been paid on a pay-as-you-go basis from fund balance. The County has started seeking financing for certain capital projects instead of using fund balance. The County just recently closed on a deal to refinance a Motorola lease and to finance additional radios for the implementation of a new emergency radio system that should be completed in the spring of 2015. This financing should save the County over \$1,000,000 throughout the life of the loan.

MAJOR INITIATIVES

During Fiscal Year 2014, the airport runway pavement project was completed. The County finalized the acquisition of the West Stanly Waste Water Treatment Plant and St. Martin Road Waterline. There were a total of fifteen vehicles purchased of which ten were purchased by public safety departments with three of them being ambulances. SCUSA Transportation purchased three light transit vehicles which 90% was paid with grant funds. The other vehicles were purchased by DSS and Utilities. The Dental Clinic replaced some medical equipment in their examination rooms. EMS replaced two defibrillator heart monitors and Senior Services replaced the wood flooring in their large banquet room. There were various improvements and repairs made at different County facilities.

UTILITIES

Stanly County Utilities is responsible for the distribution of one million gallons of drinking water each day to over 5,000 homes, schools, churches and businesses in Stanly County. Stanly County Utilities operates as three systems – Stanly County, Greater Badin Water & Sewer District and Piney Point Water District. Stanly County Utilities also provides wastewater collection and treatment to over 600 customers in Stanly County.

The following utility project was completed during Fiscal Year 2013-2014: West Stanly Waste Water Treatment Plant and St. Martin Road Waterline acquisition. The Carriker Road Water Extension Project is scheduled to be complete early in Fiscal Year 14-15. The County Commissioners created the Stanly Water and Sewer Authority in 2006 as a tool for securing grant funding, and as a means of completing water line installation. The Mission Road Area Water Extension Project was completed during the fiscal year.

AIRPORT

The Stanly County Airport is located northeast of Albemarle near the community of Palestine. The airport, which was dedicated in 1979, is a transport category facility that can accommodate Boeing 737-300 class aircraft. The airport contains a primary 5,500 foot runway and a secondary 3,500 foot runway. The airport is home to a number of units of the North Carolina Air National Guard including elements of the 145th Airlift Wing based at Charlotte/Douglas International Airport. The North Carolina Division of Emergency Management has a forward storage facility adjacent to the airport and the airport has approximately eight acres of ramp space capable of supporting C-130 and C-17 aircraft that would support the emergency storage facility.

The airport has been identified as an important economic development asset to the County. Executive jet usage at the airport is beginning to increase once again after a decline in use due to world-wide economic conditions. To accommodate this growth and to further enhance countywide economic development activity, the airport has identified a number of improvements to enhance services to both civilian and military aircraft. A state-of-the-art air traffic control tower was completed in May 2001. A 1,000 foot primary runway extension is currently being designed with assistance from the North Carolina Air National Guard and the Federal Aviation Administration and all the runway and taxiway surfaces recently received a new overlay with grooved surfaces on the primary runway. The new extension will allow large aircraft such as the 737-800 to depart and land fully loaded. The new

terminal building was occupied in December 2010 and is the envy of the region. Commercial office space is now available for lease in this new facility. The old terminal, which had been leased by the North Carolina Air National Guard, is now the home of Pressley Aviation, a new primary flight school that has brought additional jobs to the airport complex. In April 2013, Stanly County Airport began providing Military Contract Fuel sales to the many military units that pass through and also train here. Fuel sales are steadily increasing as more military units are discovering that this airport provides these contract sales.

The airport has hangar space available and plenty of room to construct additional hangar space or lease to third parties for hangar construction. Full time crash, fire and rescue are provided by the North Carolina Air National Guard and backed up by local volunteers.

TRANSPORTATION

Transportation within the County is very important to the Board of Commissioners. In 1986, the Board established a transportation system called SCUSA Transportation to serve the entire County. SCUSA Transportation currently operates 19 vehicles. Lift vehicles are available to serve disabled passengers. Service schedules are Monday through Friday from 5:30 am to 5:30 pm with trips to medical facilities, community college campuses, shopping facilities, work sites, etc. Out of County medical trips are on a pre-scheduled basis. Mileage reimbursement is offered to qualified individuals on a limited basis. During Fiscal Year 13-14, SCUSA Transportation provided 16,267 service hours, traveled 285,806 miles, while providing 47,491 trips.

FINANCIAL INFORMATION

General governmental funds are presented on a modified accrual basis. Revenues are recorded when measurable and available, and expenditures are recorded when the liabilities are incurred, except for accumulated compensated absences and interest on long-term debt. Adjustments are made to governmental funds to convert them to full accrual basis that is used in presenting the government-wide statements.

The adequacy of internal accounting controls is considered when evaluating and developing the accounting system. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits require estimates and judgments by management. Stanly County's internal accounting controls adequately safeguard assets and provide reasonable assurance for properly recording financial transactions.

Budgeting Controls

In government, much more than in business, the budget is an integral part of the accounting system. Legal limits on spending are created by an annual budget ordinance or by special project ordinances. The legal level of control over expenditures is at a functional level for the General Fund and at the fund level for Special Revenue Funds, Capital Project

Funds, and Enterprise Funds. However, for internal accounting purposes, budgetary control is maintained on a specific line-item basis with an encumbrance system. As purchase orders are issued, corresponding appropriations are reserved for later payment. If an over-encumbrance of the budget level would result, purchase orders are not to be issued until additional appropriations are approved. Encumbrances remaining at June 30 are cancelled, and all appropriations except capital projects lapse. Encumbrances outstanding at June 30 have either been included in next year's budget or will be approved by future budget amendments.

OTHER INFORMATION

Independent Audit

North Carolina general statutes require each local government unit to have its financial statements audited annually by a certified public accountant, or by an accountant certified by the North Carolina Local Government Commission as qualified to audit local government accounts. The auditor is selected by and reports to the Board of County Commissioners. This requirement has been complied with and the independent auditors' report has been included herein.

Federal and state single audit acts require auditors to study internal controls and perform additional tests on transactions involving grant funds. The auditors' report on this work is included in the "Compliance Section" of this publication. Any findings or questioned costs reported in this section are subject to subsequent review by the appropriate grantor agencies. The review could result in refunds of grant money if any expenditures are deemed improper. Every effort has been made to insure all disbursements were made in accordance with grant stipulations.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Stanly County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2013. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards in preparing state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Stanly County has received a Certificate of Achievement for the last twenty-three (23) consecutive years. We believe the current report satisfies the Certificate of Achievement Program requirements, and is being submitted to the GFOA.

Acknowledgments

We thank the Board of County Commissioners for their support and participation in conducting Stanly County financial operations in a responsible manner. We also thank the entire Finance Department staff, without whose assistance the report would not have been accomplished. We also recognize the cooperation and support provided by each County department and agency.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Andrew M. Lucas".

Andrew M. Lucas
County Manager

A handwritten signature in blue ink, appearing to read "Toby R. Hinson".

Toby R. Hinson
Finance Director

STANLY COUNTY, NORTH CAROLINA
LIST OF ELECTED AND APPOINTED OFFICIALS
June 30, 2014

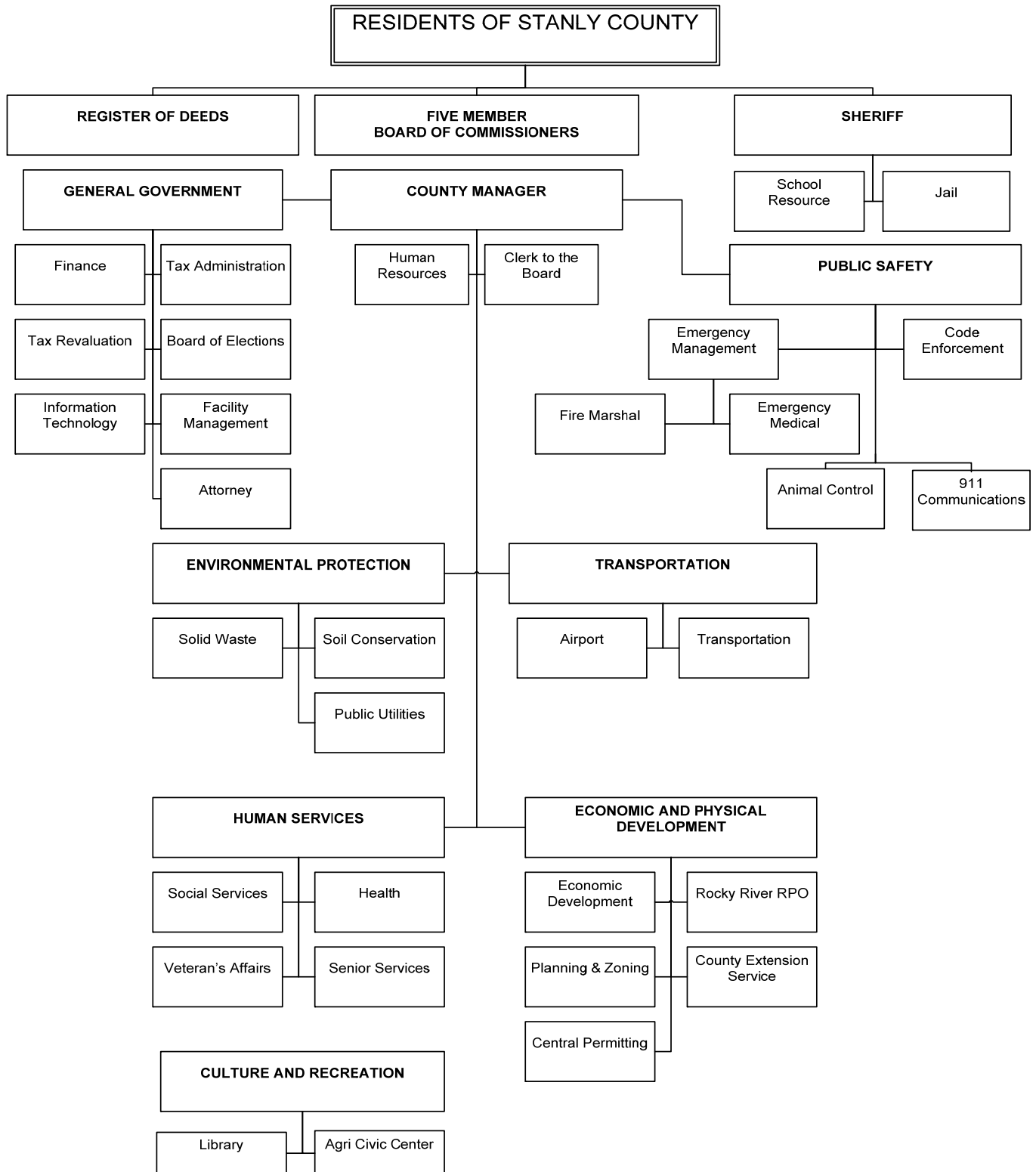
Elected Officials

Board of Commissioners – Chairman Tony M. Dennis Gene McIntyre
Board of Commissioners – Vice-Chairman Lindsey R. Dunevant
Board of Commissioners Peter Asciutto
Board of Commissioners Gene McIntyre
Board of Commissioners Joshua J. Morton
Sheriff Ricky J. Burris
Register of Deeds Suzanne W. Lowder

Appointed Officials

County Manager Andrew M. Lucas
Clerk to the Board Tyler L. Brummitt
Agri-Civic Center Director Candice B. Moffitt
Airport Director David M. Griffin
Central Permitting Carol C. Almond
Code Enforcement David M. Harrington
Communications Director – E911 Karen L. McDaniel
County Attorney Jennifer R. Furr
County Extension Service Lori S. Ivey
Economic Development Director Paul W. Stratos
Election Supervisor Kimberly R. Wilson
Emergency Management Director Brian T. Simpson
Facility Management and Solid Waste Director Jerry R. Morton
Finance Director Toby R. Hinson
Health Director Dennis R. Joyner
Human Resources Director Emily F. Tucker
Information Technology Director Chad A. Coble
Library Director Melanie J. Holles
Planning Director Michael M. Sandy
Public Utilities Director Donna L. Davis
Senior Services Director Rebecca G. Weemhoff
Social Services Director Sharon S. Scott
Soil and Water Conservation Cost Share Technician Gerald M. McSwain
Tax Administrator Melia Miller
Transportation Director Gwen L. Hinson
Veterans Service Officer Roderick F. Barbee

STANLY COUNTY ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**Stanly County
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

FINANCIAL SECTION



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

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Stanly County
Albemarle, North Carolina

Report On the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Stanly County, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Stanly County, North Carolina as of June 30, 2014, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance and the Other Post-Employment Benefits' Special Separation Allowance Schedules of Funding Progress and Employer Contributions, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Stanly County's basic financial statements. The introductory information, combining and individual fund statements, budgetary schedules, supplemental ad valorem tax schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements, budgetary schedules, and supplemental ad valorem tax schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements, budgetary schedules, and supplemental ad valorem tax schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

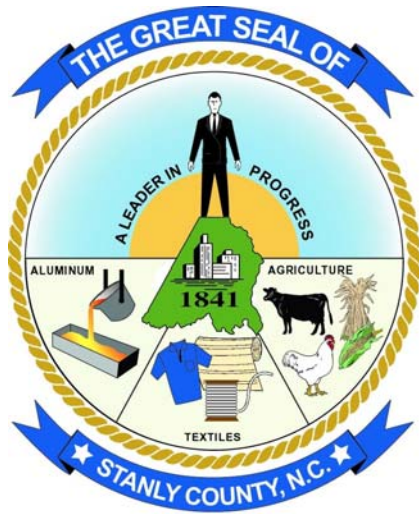
The introductory information and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2014 on our consideration of Stanly County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting, and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Stanly County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 10, 2014



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STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

Management's Discussion and Analysis

As management of Stanly County, we offer readers of Stanly County's financial statements this narrative overview and analysis of the financial activities of Stanly County for the fiscal year ended June 30, 2014. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

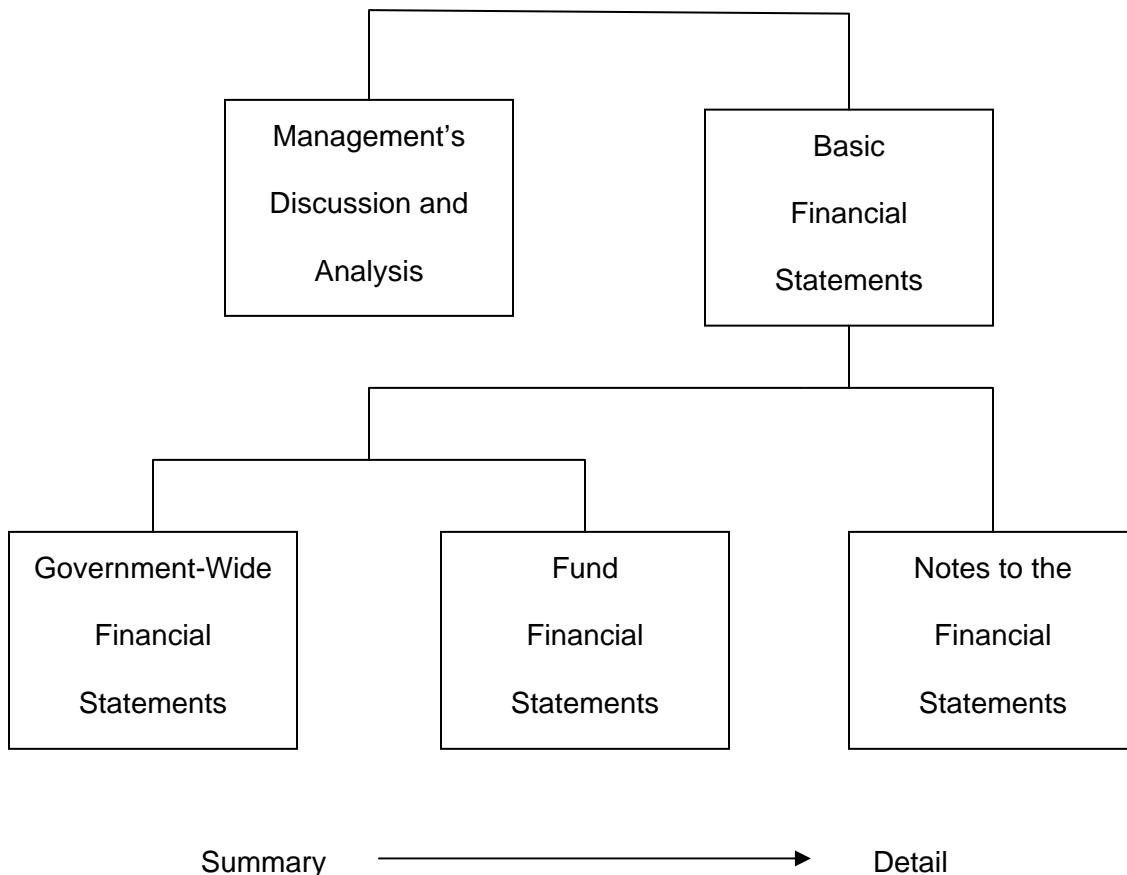
- The assets of Stanly County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$54,935,808 (*net position*). Net position would be much greater except Stanly County reports \$22,100,609 debt liability for the school system, and the school reports the assets.
- The government's total net position increased by \$6,496,194, primarily due to an increase in governmental activities' net position.
- As of the close of the current fiscal year, Stanly County's governmental funds reported combined ending fund balances of \$22,505,777, after a net increase in fund balance of \$3,459,652. Approximately 36.93% of this total amount, or \$8,310,292, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,113,103, or 17.92%, of total General Fund expenditures and transfers to other funds for the fiscal year.
- Stanly County's total debt increased by \$6,764,443 (22.69%) during the current fiscal year. Proceeds in the current year increased total debt for the County. The General Fund purchased new ambulances for its Emergency Services department and a capital projects fund leased the purchase and construction of a new emergency radio system. Furthermore, the County acquired the assets and debt for the West Stanly Waste Water Treatment Plant from the Town of Oakboro. Regular and scheduled debt payments account for a decrease in debt.
- Stanly County received an upgrade in its bond rating from Standard & Poor's to AA- and maintained its Moody's Aa3 bond rating for the fifth consecutive year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Stanly County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Stanly County.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits C through J) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's nonmajor governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the total of the County's assets and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services, such as public safety, general administration, human services, transportation, and environmental protection. Property taxes and federal and State grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include water and sewer and airport services offered by Stanly County. The final category is the component unit. Stanly Water & Sewer Authority exists to provide water and sewer services to residences of the County. The Authority is legally separate from the County; however, the County is financially accountable for the Board by appointing its Directors.

The government-wide financial statements are on Exhibits A and B of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Stanly County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Stanly County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

Governmental Funds. Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine whether there are more or fewer financial resources available to finance the County's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Stanly County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds. Enterprise and internal service funds are the only kinds of proprietary funds maintained by Stanly County. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Stanly County uses enterprise funds to account for its water and sewer activity and its airport operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

The Group Health Fund is an Internal Service Fund used to account for the medical self-insurance plan and workers' compensation benefits the County provides.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Stanly County maintains six agency funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 28 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Stanly County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 69 of this report.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

STANLY COUNTY'S NET POSITION
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current and other assets	\$ 32,090,926	\$ 27,963,760	\$ 2,148,915	\$ 1,923,074	\$ 34,239,841	\$ 29,886,834
Capital assets	24,429,678	17,981,360	40,386,962	38,178,559	64,816,640	56,159,919
 Total assets	<u>56,520,604</u>	<u>45,945,120</u>	<u>42,535,877</u>	<u>40,101,633</u>	<u>99,056,481</u>	<u>86,046,753</u>
 Liabilities:						
Long-term liabilities outstanding	36,973,952	32,463,788	2,952,900	406,151	39,926,852	32,869,939
Other liabilities	<u>3,663,637</u>	<u>3,948,398</u>	<u>349,468</u>	<u>543,653</u>	<u>4,013,105</u>	<u>4,492,051</u>
 Total liabilities	<u>40,637,589</u>	<u>36,412,186</u>	<u>3,302,368</u>	<u>949,804</u>	<u>43,939,957</u>	<u>37,361,990</u>
 Deferred Inflows of Resources	<u>180,716</u>	<u>245,149</u>	<u>-</u>	<u>-</u>	<u>180,716</u>	<u>245,149</u>
 Net Position:						
Net investment in capital assets	12,721,219	12,862,706	37,621,349	37,935,794	50,342,568	50,798,500
Restricted	8,238,897	4,642,935	-	-	8,238,897	4,642,935
Unrestricted	<u>(5,257,817)</u>	<u>(8,217,856)</u>	<u>1,612,160</u>	<u>1,216,035</u>	<u>(3,645,657)</u>	<u>(7,001,821)</u>
 Total net position	<u>\$ 15,702,299</u>	<u>\$ 9,287,785</u>	<u>\$ 39,233,509</u>	<u>\$ 39,151,829</u>	<u>\$ 54,935,808</u>	<u>\$ 48,439,614</u>

Government-Wide Financial Analysis

As noted earlier, net position may serve, over time, as one useful indicator of a government's financial condition. The assets of Stanly County exceeded its liabilities and deferred inflows of resources by \$54,935,808 as of June 30, 2014. The County's net position increased by \$6,496,194 for the fiscal year ended June 30, 2014. The largest portion, \$50,342,568, reflects the County's net investment in capital assets (e.g. land, buildings, vehicles, equipment, etc.). Stanly County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Stanly County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since capital assets cannot be used to liquidate these liabilities. An additional portion of Stanly County's net position, \$8,238,897 (15.00%), represents resources that are subject to external restrictions on how they may be used. The remaining deficit balance of \$3,645,657 is unrestricted.

Stanly County issues and pays the debt service on bonds sold and notes issued for school improvements. The Board of Education reports the assets on their books and the County only the debt. The debt owed for school improvements is \$22,100,609.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

Stanly County's Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 8,813,581	\$ 8,387,462	\$ 3,932,984	\$ 3,488,095	\$ 12,746,565	\$ 11,875,557
Operating grants and contributions	9,737,956	9,701,383	-	-	9,737,956	9,701,383
Capital grants and contributions	4,017,043	1,091,138	392,171	1,734,467	4,409,214	2,825,605
General revenues:						
Property taxes	32,363,012	31,174,287	-	-	32,363,012	31,174,287
Other taxes	7,481,461	7,584,616	-	-	7,481,461	7,584,616
Interest earned on investments	139,996	171,540	3,349	3,890	143,345	175,430
Miscellaneous income	19,025	-	-	21,856	19,025	21,856
Total revenues	62,572,074	58,110,426	4,328,504	5,248,308	66,900,578	63,358,734
Expenses:						
General government	4,793,725	5,204,527	-	-	4,793,725	5,204,527
Public safety	14,969,660	14,434,194	-	-	14,969,660	14,434,194
Transportation	961,283	950,965	-	-	961,283	950,965
Environmental protection	1,202,676	1,197,567	-	-	1,202,676	1,197,567
Economic development	1,590,399	2,004,658	-	-	1,590,399	2,004,658
Human services	15,020,712	14,970,988	-	-	15,020,712	14,970,988
Cultural and recreation	1,505,119	1,572,868	-	-	1,505,119	1,572,868
Education	12,830,472	12,532,158	-	-	12,830,472	12,532,158
Interest on long-term debt	1,007,050	925,756	-	-	1,007,050	925,756
Water and sewer	-	-	4,254,118	4,714,762	4,254,118	4,714,762
Airport	-	-	2,269,170	1,698,168	2,269,170	1,698,168
Total expenses	53,881,096	53,793,681	6,523,288	6,412,930	60,404,384	60,206,611
Increase (decrease) in net position before transfers	8,690,978	4,316,745	(2,194,784)	(1,164,622)	6,496,194	3,152,123
Transfers in (out)	(2,276,464)	(1,284,059)	2,276,464	1,284,059	-	-
Change in net position	6,414,514	3,032,686	81,680	119,437	6,496,194	3,152,123
Net position, July 1	9,287,785	6,255,099	39,151,829	39,032,392	48,439,614	45,287,491
Net position, June 30	\$ 15,702,299	\$ 9,287,785	\$ 39,233,509	\$ 39,151,829	\$ 54,935,808	\$ 48,439,614

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

Governmental Activities. Governmental activities increased the County's net position by \$6,414,514, thereby accounting for 98.74% of the total growth in the net position of Stanly County. Key elements of this increase are as follows:

- Increase in ad valorem property taxes of 4.83%
- Increase in operating grants and capital contributions due to a \$3,092,000 State grant to renovate facilities for a Tarheel Challenge Academy
- Increase in human services sales and services by 13.91%

Business-Type Activities. Business-type activities increased Stanly County's net position by \$81,680, accounting for 1.26% of the total growth in the government's net position. Key elements of this increase are as follows:

- Increase in charges for services of 12.76% due to increase in utility rates and increase in airport fuel sales
- Total expenses stayed relatively constant with only a 1.72% increase.
- Transfers to project funds increased substantially by close to \$1,000,00.

Financial Analysis of the County's Funds

As noted earlier, Stanly County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of Stanly County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Stanly County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Stanly County. At the end of the current fiscal year, Stanly County's fund balance available in the General Fund was \$14,328,788, while total fund balance reached \$19,190,449. The Governing Body of Stanly County has determined that the County should maintain an available fund balance of 20% of General Fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has an available fund balance of 25.38% (a decrease of 1.47% from prior year) of General Fund expenditures and transfers to other funds, while total fund balance represents 34.00% of that same amount.

The Emergency Radio System Project Fund is a major capital projects fund at June 30, 2014. The County is in the process of constructing and implementing a new emergency radio system. The County entered into a capital lease during the current year to help fund the construction in the amount of \$6,897,941.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

At June 30, 2014, the governmental funds of Stanly County reported a combined fund balance of \$22,505,777, an 18.16% increase over last year. The primary reason for this increase is the increase in fund balances in the Nonmajor Governmental Funds, more specifically the Tarheel Challenge Academy Project Fund.

General Fund Budgetary Highlights. During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased expenditures by \$1,172,386 and revenues by \$749,067, with the remaining \$423,319 funded by other financing sources and uses.

The budget was amended during the year primarily to recognize excess revenues in various categories and to recognize grant revenue that was not included in the adopted budget. The budget amendments in other financing sources and uses were primarily due to transfers to other funds and installment debt issued.

Proprietary Funds. Stanly County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the utility funds at the end of the fiscal year amounted to \$1,577,328 and that for the airport equaled \$34,832. The total increase in net position for all enterprise funds was \$81,680. Other factors concerning the finances of these funds have already been addressed in the discussion of Stanly County's business-type activities.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

Capital Assets and Debt Administration

Capital Assets. Stanly County's capital assets for its governmental and business-type activities, as of June 30, 2014, totaled \$64,816,640 (net of accumulated depreciation). These assets include land, plant in service, buildings and improvements, equipment and vehicles, and construction in progress.

Major capital asset transactions during the year included:

- Completion of airport runway pavement improvement project
- Acquired West Stanly Waste Water Treatment Plant
- Purchased new vehicles for various departments

STANLY COUNTY'S CAPITAL ASSETS
(net of depreciation)
Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 1,949,950	\$ 1,949,950	\$ 5,032,879	\$ 5,032,879	\$ 6,982,829	\$ 6,982,829
Plant in service	-	-	18,174,053	14,606,572	18,174,053	14,606,572
Buildings and improvements	13,681,073	14,157,678	16,272,394	11,029,522	29,953,467	25,187,200
Equipment and vehicles	1,880,542	1,873,732	76,117	81,691	1,956,659	1,955,423
Construction in progress	6,918,113	-	831,519	7,427,895	7,749,632	7,427,895
Total	<u>\$ 24,429,678</u>	<u>\$ 17,981,360</u>	<u>\$ 40,386,962</u>	<u>\$ 38,178,559</u>	<u>\$ 64,816,640</u>	<u>\$ 56,159,919</u>

Additional information on the County's capital assets can be found in the Notes to the Basic Financial Statements, beginning on page 44.

**STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014**

Long-Term Debt. As of June 30, 2014, Stanly County had total bonded debt outstanding of \$11,810,000, all of which is debt backed by the full faith and credit of the County.

**Stanly County's Outstanding Debt
Figure 5**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 11,810,000	\$ 13,385,000	\$ -	\$ -	\$ 11,810,000	\$ 13,385,000
Unamortized premium						
on bonds	711,660	800,660	-	-	711,660	800,660
Capital leases	9,644,846	3,133,060	-	-	9,644,846	3,133,060
Notes payable	11,642,562	12,248,753	2,765,613	242,765	14,408,175	12,491,518
Total	<u>\$ 33,809,068</u>	<u>\$ 29,567,473</u>	<u>\$ 2,765,613</u>	<u>\$ 242,765</u>	<u>\$ 36,574,681</u>	<u>\$ 29,810,238</u>

Stanly County's total debt increased by \$6,764,443 (22.69%) during the past fiscal year, primarily due to debt proceeds received and regularly scheduled debt payments.

As mentioned in the financial highlights section of this document, Stanly County received an upgrade in its bond rating from Standard & Poor's to AA- and maintained its Moody's Aa3 bond rating for the fifth consecutive year. These bond ratings are an indication of sound financial condition.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Stanly County is \$323,224,869. The County has no bonds authorized but unissued at June 30, 2014.

Additional information regarding Stanly County's long-term debt can be found in Note II, beginning on page 57 of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of Stanly County:

- The County is experiencing an unemployment rate of 5.8%, which is below the State average.
- Existing companies have steadily added new workers.
- Growth in business personal property assessments and improvements in the real estate market underline positive developments.

STANLY COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2014

Budget Highlights for the Fiscal Year Ending June 30, 2015

Governmental Activities. Property tax and sales tax revenues are the leading factors in an expected increase in revenue projections by 1.2%. The County will use these increases in revenues to finance programs currently in place.

Budgeted expenditures in the General Fund are expected to increase by approximately \$720,000, or 1.3%. The primary factors for this are 1.0% cost-of-living allowance for employees, increase for group health insurance premiums, an increase for current expenses, and a one-time classroom materials and supplies grant for County schools.

Business-Type Activities. The water and sewer enterprise funds are intended to be self-supporting through user fees and assessments. Water and sewer rates for each of the County's respective utility funds will increase by 5.0%. This increase is tied directly to water and sewer rate increases from the City of Albemarle and Town of Norwood.

The Airport Operating Fund budget represents an increase of \$11,097, or 1.3%. This budget includes a one-time capital outlay in the amount of \$7,650 for a new runway debris blower. Aviation gas and jet fuel sales are projected to increase by approximately 9.5%.

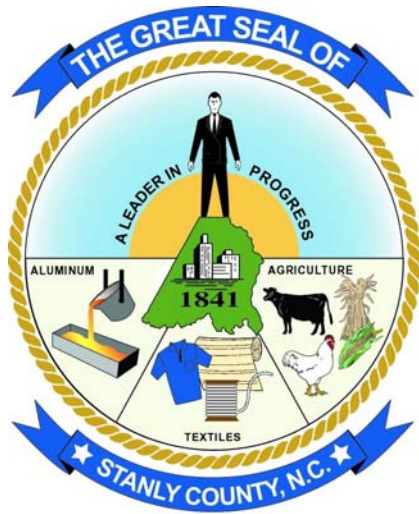
Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Stanly County, 1000 North First Street, Suite 10B, Albemarle, North Carolina, 28001. You can also visit our website at www.co.stanly.nc.us.



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BASIC FINANCIAL STATEMENTS



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STANLY COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government			Component Unit
	Governmental	Business-Type		Stanly Water & Sewer Authority
	Activities	Activities	Total	
Assets:				
Current assets:				
Cash and cash equivalents	\$ 20,224,431	\$ 1,275,668	\$ 21,500,099	\$ 64,954
Receivables, net	8,312,981	678,579	8,991,560	243,925
Internal balances	45,036	(45,036)	-	-
Inventories	-	132,224	132,224	-
Prepaid items	71,395	-	71,395	-
Restricted cash and cash equivalents	3,041,083	107,480	3,148,563	148,517
Total current assets	31,694,926	2,148,915	33,843,841	457,396
Non-current assets:				
Long-term notes receivable	396,000	-	396,000	-
Capital asset:				
Land	1,949,950	5,032,879	6,982,829	-
Construction in progress	6,918,113	831,519	7,749,632	4,283,412
Capital assets net of depreciation	15,561,615	34,522,564	50,084,179	8,017,046
Capital assets, net	24,429,678	40,386,962	64,816,640	12,300,458
Total assets	56,520,604	42,535,877	99,056,481	12,757,854
Liabilities:				
Current liabilities:				
Accounts payable	2,003,578	176,999	2,180,577	51,237
Interest payable	444,952	3,575	448,527	19,831
Payroll payable	1,176,712	61,414	1,238,126	-
Due to other governments	1,800	-	1,800	396,000
Due within a year	3,775,997	238,351	4,014,348	68,000
Payable from restricted assets	36,595	107,480	144,075	38,410
Total current liabilities	7,439,634	587,819	8,027,453	573,478
Non-current liabilities:				
Due in more than a year	33,197,955	2,714,549	35,912,504	7,454,000
Total liabilities	40,637,589	3,302,368	43,939,957	8,027,478
Deferred Inflows of Resources:				
Prepaid taxes	180,716	-	180,716	-
Net Position:				
Net investment in capital assets	12,721,219	37,621,349	50,342,568	4,778,458
Restricted for:				
Restricted for Stabilization by State statute	4,848,973	-	4,848,973	-
Restricted for Register of Deeds	67,309	-	67,309	-
Restricted for Public Safety	241,592	-	241,592	-
Restricted for Rural Development USDA Loan	30,318	-	30,318	110,107
Restricted for Economic and Physical Development	3,050,705	-	3,050,705	-
Unrestricted (deficit)	(5,257,817)	1,612,160	(3,645,657)	(158,189)
Total net position	\$ 15,702,299	\$ 39,233,509	\$ 54,935,808	\$ 4,730,376

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2014

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 4,793,725	\$ 1,538,895	\$ 856,309	\$ -
Public safety	14,969,660	3,194,958	686,961	175,000
Transportation	961,283	387,695	496,142	-
Environmental protection	1,202,676	931,946	3,402	-
Economic and physical development	1,590,399	25,342	49,000	3,219,043
Human services	15,020,712	2,709,716	7,645,842	-
Education	12,830,472	-	-	623,000
Culture and recreation	1,505,119	25,029	300	-
Interest on long-term debt	1,007,050	-	-	-
Total governmental activities	<u>53,881,096</u>	<u>8,813,581</u>	<u>9,737,956</u>	<u>4,017,043</u>
Business-Type Activities:				
Greater Badin Water and Sewer District	616,004	481,198	-	-
Piney Point Water District	149,677	142,840	-	-
West Stanly Waste Water Treatment Plant Fund	53,198	11,207	-	-
Stanly County Utility Fund	3,435,239	2,842,437	-	-
Airport Fund	2,269,170	455,302	-	392,171
Total business-type activities	<u>6,523,288</u>	<u>3,932,984</u>	<u>-</u>	<u>392,171</u>
Total primary government	<u>\$ 60,404,384</u>	<u>\$ 12,746,565</u>	<u>\$ 9,737,956</u>	<u>\$ 4,409,214</u>
Component Unit:				
Water and Sewer Authority	<u>\$ 542,384</u>	<u>\$ 502,173</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Ad valorem taxes
Local option sales tax
Other taxes
Interest earned on investments
Miscellaneous income

Total general revenues excluding transfers

Transfers in (out)

Total general revenues and transfers

Change in net position

Net Position:

Beginning of year - July 1

End of year - June 30

The notes to the financial statements are an integral part of this statement.

Exhibit B

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Stanly Water & Sewer Authority
\$ (2,398,521)	\$ -	\$ (2,398,521)	\$ -
(10,912,741)	-	(10,912,741)	-
(77,446)	-	(77,446)	-
(267,328)	-	(267,328)	-
1,702,986	-	1,702,986	-
(4,665,154)	-	(4,665,154)	-
(12,207,472)	-	(12,207,472)	-
(1,479,790)	-	(1,479,790)	-
(1,007,050)	-	(1,007,050)	-
<u>(31,312,516)</u>	<u>-</u>	<u>(31,312,516)</u>	<u>-</u>
-	(134,806)	(134,806)	-
-	(6,837)	(6,837)	-
-	(41,991)	(41,991)	-
-	(592,802)	(592,802)	-
<u>-</u>	<u>(1,421,697)</u>	<u>(1,421,697)</u>	<u>-</u>
<u>-</u>	<u>(2,198,133)</u>	<u>(2,198,133)</u>	<u>-</u>
<u>(31,312,516)</u>	<u>(2,198,133)</u>	<u>(33,510,649)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,211)</u>
32,363,012	-	32,363,012	-
6,936,696	-	6,936,696	-
544,765	-	544,765	-
139,996	3,349	143,345	71
<u>19,025</u>	<u>-</u>	<u>19,025</u>	<u>50,972</u>
40,003,494	3,349	40,006,843	51,043
<u>(2,276,464)</u>	<u>2,276,464</u>	<u>-</u>	<u>-</u>
<u>37,727,030</u>	<u>2,279,813</u>	<u>40,006,843</u>	<u>51,043</u>
6,414,514	81,680	6,496,194	10,832
<u>9,287,785</u>	<u>39,151,829</u>	<u>48,439,614</u>	<u>4,719,544</u>
<u>\$ 15,702,299</u>	<u>\$ 39,233,509</u>	<u>\$ 54,935,808</u>	<u>\$ 4,730,376</u>

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2014

	<u>Major</u>			
	<u>General Fund</u>	<u>Emergency Radio System Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Cash and cash equivalents	\$ 16,639,459	\$ -	\$ 319,018	\$ 16,958,477
Receivables, net	7,417,403	-	174,675	7,592,078
Due from other funds	59,865	-	-	59,865
Notes receivable	396,000	-	-	396,000
Prepaid items	71,395	-	-	71,395
Restricted cash and cash equivalents	800	-	3,040,283	3,041,083
Total assets	<u>\$ 24,584,922</u>	<u>\$ -</u>	<u>\$ 3,533,976</u>	<u>\$ 28,118,898</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,128,155	\$ -	\$ 52,056	\$ 2,180,211
Due to other governments	1,800	-	-	1,800
Due to other funds	-	-	14,829	14,829
Liabilities to be paid from restricted assets:				
Advances from grantors	-	-	35,795	35,795
Deposits	800	-	-	800
Total liabilities	<u>2,130,755</u>	<u>-</u>	<u>102,680</u>	<u>2,233,435</u>
Deferred Inflows of Resources:				
Unavailable revenue - property taxes	3,083,002	-	115,968	3,198,970
Prepaid taxes	180,716	-	-	180,716
Total deferred inflows of resources	<u>3,263,718</u>	<u>-</u>	<u>115,968</u>	<u>3,379,686</u>
Fund Balances:				
Non-spendable, not in spendable form:				
Prepaid items	71,395	-	-	71,395
Restricted:				
Stabilization by State statute	4,790,266	-	58,707	4,848,973
Register of Deeds	67,309	-	-	67,309
Public safety	30,318	-	241,592	271,910
Economic and physical development	-	-	3,050,705	3,050,705
Committed:				
Cultural and recreational	250,000	-	-	250,000
Education	500,000	-	-	500,000
Assigned	3,368,058	-	-	3,368,058
Unassigned	10,113,103	-	(35,676)	10,077,427
Total fund balances	<u>19,190,449</u>	<u>-</u>	<u>3,315,328</u>	<u>22,505,777</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 24,584,922</u>	<u>\$ -</u>	<u>\$ 3,533,976</u>	

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2014

	<u>Total Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	24,429,678
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.	717,266
Deferred inflows of resources for taxes receivable	3,198,970
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(37,418,904)
Internal service funds are used by management to charge the costs of certain activities to individual funds. These assets and liabilities are included in governmental activities in the Statement of Net Position.	<u>2,269,512</u>
Net position of governmental activities	<u>\$ 15,702,299</u>

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

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

	Major			
	General Fund	Emergency Radio System Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Ad valorem taxes	\$ 30,337,424	\$ -	\$ 2,135,744	\$ 32,473,168
Local option sales taxes	6,936,696	-	-	6,936,696
Other taxes and licenses	544,765	-	-	544,765
Restricted intergovernmental	9,383,194	-	3,431,543	12,814,737
Sales and services	7,585,444	-	276,376	7,861,820
Permits and fees	645,337	-	-	645,337
Investment earnings	83,060	-	762	83,822
Miscellaneous	1,005,197	-	19,025	1,024,222
Total revenues	<u>56,521,117</u>	<u>-</u>	<u>5,863,450</u>	<u>62,384,567</u>
Expenditures:				
Current:				
General government	4,478,415	-	33,453	4,511,868
Public safety	12,493,261	6,918,113	2,547,633	21,959,007
Transportation	1,000,807	-	-	1,000,807
Environmental protection	1,206,779	-	-	1,206,779
Economic and physical development	1,358,888	-	242,190	1,601,078
Human services	15,154,086	-	-	15,154,086
Education	12,830,472	-	-	12,830,472
Culture and recreation	1,424,972	-	-	1,424,972
Debt service:				
Principal	2,875,846	-	-	2,875,846
Interest and other charges	1,039,977	-	-	1,039,977
Total expenditures	<u>53,863,503</u>	<u>6,918,113</u>	<u>2,823,276</u>	<u>63,604,892</u>
Revenues over (under) expenditures	<u>2,657,614</u>	<u>(6,918,113)</u>	<u>3,040,174</u>	<u>(1,220,325)</u>
Other Financing Sources (Uses):				
Installment debt issued	308,500	6,897,941	-	7,206,441
Transfers from other funds	38,503	20,172	731	59,406
Transfers (to) other funds	<u>(2,585,870)</u>	<u>-</u>	<u>-</u>	<u>(2,585,870)</u>
Total other financing sources (uses)	<u>(2,238,867)</u>	<u>6,918,113</u>	<u>731</u>	<u>4,679,977</u>
Net change in fund balances	418,747	-	3,040,905	3,459,652
Fund Balances:				
Beginning of year - July 1	<u>18,771,702</u>	<u>-</u>	<u>274,423</u>	<u>19,046,125</u>
End of year - June 30	<u>\$ 19,190,449</u>	<u>\$ -</u>	<u>\$ 3,315,328</u>	<u>\$ 22,505,777</u>

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

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

**Amounts reported for governmental activities in the Statement of Activities (Exhibit B)
are different due to the following items:**

Net change in fund balances for governmental funds		\$ 3,459,652
Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	\$ 7,673,583	
Depreciation	<u>(1,203,168)</u>	6,470,415
Costs of capital assets disposed of during the year, not recognized on modified accrual basis.		(22,095)
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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
		(4,241,595)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
		(61,967)
Some expenses 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 funds.		
		(235,642)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of most of these activities is reported with governmental activities.		
		<u>1,045,746</u>
Total changes in net position of governmental activities		<u>\$ 6,414,514</u>

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues:				
Ad valorem taxes	\$ 28,953,000	\$ 29,015,000	\$ 30,337,424	\$ 1,322,424
Sales taxes	6,915,000	6,915,000	6,936,696	21,696
Other taxes	509,250	509,250	544,765	35,515
Restricted intergovernmental	9,377,155	9,751,967	9,383,194	(368,773)
Licenses and permits	714,100	729,100	645,337	(83,763)
Sales and services	7,111,615	7,323,060	7,585,444	262,384
Investment earnings	100,000	100,000	83,060	(16,940)
Miscellaneous	<u>545,835</u>	<u>631,645</u>	<u>1,005,197</u>	<u>373,552</u>
Total revenues	<u>54,225,955</u>	<u>54,975,022</u>	<u>56,521,117</u>	<u>1,546,095</u>
Expenditures:				
Current:				
General government	4,663,158	4,708,323	4,478,415	229,908
Public safety	12,125,238	12,672,446	12,493,261	179,185
Transportation	1,076,389	1,079,620	1,000,807	78,813
Environmental protection	1,165,615	1,249,067	1,206,779	42,288
Economic and physical development	1,515,612	1,539,112	1,358,888	180,224
Human services	15,920,901	16,380,131	15,154,086	1,226,045
Education	12,830,688	12,830,688	12,830,472	216
Culture and recreation	1,501,649	1,512,249	1,424,972	87,277
Debt service:				
Principal	2,875,179	2,875,179	2,875,846	(667)
Bond interest and costs	1,040,975	1,040,975	1,039,977	998
Contingency	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>160,000</u>
Total expenditures	<u>54,875,404</u>	<u>56,047,790</u>	<u>53,863,503</u>	<u>2,184,287</u>
Revenues over (under) expenditures	<u>(649,449)</u>	<u>(1,072,768)</u>	<u>2,657,614</u>	<u>3,730,382</u>
Other Financing Sources (Uses):				
Transfers (out)	(539,467)	(2,891,921)	(2,585,870)	306,051
Transfers in	-	38,504	38,503	(1)
Installment debt issued	-	308,500	308,500	-
Appropriated fund balance	<u>1,188,916</u>	<u>3,617,685</u>	<u>-</u>	<u>(3,617,685)</u>
Total other financing sources (uses)	<u>649,449</u>	<u>1,072,768</u>	<u>(2,238,867)</u>	<u>(3,311,635)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>418,747</u>	<u>\$ 418,747</u>
Fund Balance:				
Beginning of year - July 1			<u>18,771,702</u>	
End of year - June 30			<u>\$ 19,190,449</u>	

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Major Enterprise Funds					Governmental Activities	
	Greater Badin Water & Sewer District Fund	Piney Point Water District Fund	West Stanly Waste Water Treatment Plant Fund	Stanly County Utility Fund	Airport Fund	Total	Internal Service Group Health Fund
Assets:							
Current assets:							
Cash and cash equivalents	\$ 248,838	\$ 217,192	\$ -	\$ 809,464	\$ 174	\$ 1,275,668	\$ 3,265,954
Accounts receivable, net	137,133	25,064	-	485,029	29,807	677,033	-
Interest receivable	293	246	-	984	23	1,546	3,637
Inventories	-	-	-	70,038	62,186	132,224	-
Total current assets	<u>386,264</u>	<u>242,502</u>	<u>-</u>	<u>1,365,515</u>	<u>92,190</u>	<u>2,086,471</u>	<u>3,269,591</u>
Non-current assets:							
Restricted cash and cash equivalents	<u>14,020</u>	<u>3,180</u>	<u>-</u>	<u>90,280</u>	<u>-</u>	<u>107,480</u>	<u>-</u>
Capital assets:							
Land	-	-	-	223,784	4,809,095	5,032,879	-
Construction in progress	-	-	-	180,167	651,352	831,519	-
Capital assets, net of depreciation	<u>1,223,079</u>	<u>44,027</u>	<u>3,820,895</u>	<u>13,142,192</u>	<u>16,292,371</u>	<u>34,522,564</u>	<u>-</u>
Total capital assets, net	<u>1,223,079</u>	<u>44,027</u>	<u>3,820,895</u>	<u>13,546,143</u>	<u>21,752,818</u>	<u>40,386,962</u>	<u>-</u>
Total non-current assets	<u>1,237,099</u>	<u>47,207</u>	<u>3,820,895</u>	<u>13,636,423</u>	<u>21,752,818</u>	<u>40,494,442</u>	<u>-</u>
Total assets	<u>1,623,363</u>	<u>289,709</u>	<u>3,820,895</u>	<u>15,001,938</u>	<u>21,845,008</u>	<u>42,580,913</u>	<u>3,269,591</u>
Liabilities:							
Current liabilities:							
Accounts payable	12,897	6,166	7,040	146,182	4,714	176,999	627
Interest payable	591	-	2,984	-	-	3,575	-
Payroll payable	-	-	5,172	42,357	13,885	61,414	-
Due to other funds	-	-	45,036	-	-	45,036	-
Compensated absences payable	-	-	250	34,000	7,200	41,450	-
Current portion of long-term debt	22,731	-	169,250	4,920	-	196,901	-
Health and workers' compensation payable	-	-	-	-	-	-	999,452
Liabilities to be paid from restricted assets:							
Customer deposits	<u>14,020</u>	<u>3,180</u>	<u>-</u>	<u>90,280</u>	<u>-</u>	<u>107,480</u>	<u>-</u>
Total current liabilities	<u>50,239</u>	<u>9,346</u>	<u>229,732</u>	<u>317,739</u>	<u>25,799</u>	<u>632,855</u>	<u>1,000,079</u>
Non-current liabilities:							
Compensated absences payable	-	-	286	33,068	7,627	40,981	-
Non-current portion of long-term debt	<u>113,655</u>	<u>-</u>	<u>2,382,868</u>	<u>153,113</u>	<u>23,932</u>	<u>2,673,568</u>	<u>-</u>
Total non-current liabilities	<u>113,655</u>	<u>-</u>	<u>2,383,154</u>	<u>186,181</u>	<u>31,559</u>	<u>2,714,549</u>	<u>-</u>
Total liabilities	<u>163,894</u>	<u>9,346</u>	<u>2,612,886</u>	<u>503,920</u>	<u>57,358</u>	<u>3,347,404</u>	<u>1,000,079</u>
Net Position:							
Net investment in capital assets	1,086,693	44,027	1,270,395	13,467,416	21,752,818	37,621,349	-
Unrestricted	<u>372,776</u>	<u>236,336</u>	<u>(62,386)</u>	<u>1,030,602</u>	<u>34,832</u>	<u>1,612,160</u>	<u>2,269,512</u>
Total net position	<u>\$ 1,459,469</u>	<u>\$ 280,363</u>	<u>\$ 1,208,009</u>	<u>\$14,498,018</u>	<u>\$21,787,650</u>	<u>\$39,233,509</u>	<u>\$ 2,269,512</u>

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

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

	Major Enterprise Funds					Total	Governmental
	Greater Badin Water & Sewer District Fund	Piney Point Water District Fund	West Stanly Waste Water Treatment Plant Fund	Stanly County Utility Fund	Airport Fund		Activities Internal Service Group Health Fund
Operating Revenues:							
Sales and charges	\$ 477,978	\$ 142,495	\$ 11,207	\$ 2,555,527	\$ 455,302	\$ 3,642,509	\$ 5,074,055
Other	3,220	345	-	38,393	-	41,958	-
Total operating revenues	481,198	142,840	11,207	2,593,920	455,302	3,684,467	5,074,055
Operating Expenses:							
Administration	62,281	75,000	83	404,261	-	541,625	-
Distribution and maintenance	191,557	1,467	33,604	1,492,148	-	1,718,776	-
Water purchases	136,538	55,100	-	757,241	-	948,879	-
Airport operations	-	-	-	-	716,407	716,407	-
Group health operations	-	-	-	-	-	-	3,937,553
Workers' compensation	-	-	-	-	-	-	348,739
Depreciation	221,590	18,110	14,883	781,589	1,552,763	2,588,935	-
Total operating expenses	611,966	149,677	48,570	3,435,239	2,269,170	6,514,622	4,286,292
Operating income (loss)	(130,768)	(6,837)	(37,363)	(841,319)	(1,813,868)	(2,830,155)	787,763
Non-Operating Revenues (Expenses):							
Interest income	678	558	-	2,081	32	3,349	7,983
Administrative charges	-	-	-	248,517	-	248,517	-
Interest on long-term debt	(4,038)	-	(4,628)	-	-	(8,666)	-
Total non-operating revenues (expenses)	(3,360)	558	(4,628)	250,598	32	243,200	7,983
Income (loss) before contributions and transfers	(134,128)	(6,279)	(41,991)	(590,721)	(1,813,836)	(2,586,955)	795,746
Contributions and Transfers:							
Transfers in	-	-	1,250,000	775,500	250,964	2,276,464	250,000
Capital contributions	-	-	-	-	392,171	392,171	-
Total contributions and transfers	-	-	1,250,000	775,500	643,135	2,668,635	250,000
Change in net position	(134,128)	(6,279)	1,208,009	184,779	(1,170,701)	81,680	1,045,746
Net Position:							
Beginning of year - July 1	1,593,597	286,642	-	14,313,239	22,958,351	39,151,829	1,223,766
End of year - June 30	\$ 1,459,469	\$ 280,363	\$ 1,208,009	\$14,498,018	\$ 21,787,650	\$39,233,509	\$ 2,269,512

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

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

	Major Enterprise Funds						Governmental Activities
	Greater Badin Water & Sewer District Fund	Piney Point Water District Fund	West Stanly Waste Water Treatment Plant Fund	Stanly County Utility Fund	Airport Fund	Total	Internal Service Group Health Fund
Cash Flows from Operating Activities:							
Cash received from customers	\$ 452,135	\$ 142,477	\$ 56,243	\$ 2,807,311	\$ 650,734	\$ 4,108,900	\$ 5,074,055
Cash paid for goods and services	(382,099)	(130,425)	(14,906)	(1,728,529)	(850,533)	(3,106,492)	(4,672,482)
Cash paid to employees for services	-	-	(4,415)	(868,692)	(261,431)	(1,134,538)	-
Customer deposits	40	30	-	1,390	-	1,460	-
Net cash provided (used) by operating activities	70,076	12,082	36,922	211,480	(461,230)	(130,670)	401,573
Cash Flows from Non-Capital Financing Activities:							
Transfers from General Fund	-	-	1,250,000	775,500	250,964	2,276,464	250,000
Net cash provided (used) by non-capital financing activities	-	-	1,250,000	775,500	250,964	2,276,464	250,000
Cash Flows from Capital and Related Financing Activities:							
Acquisition and construction of capital assets	(32,565)	-	(3,835,778)	(747,215)	(181,780)	(4,797,338)	-
Long-term debt issued	-	-	2,562,500	-	-	2,562,500	-
Principal paid on bond maturities and lease purchases	(22,731)	-	(12,000)	(4,921)	-	(39,652)	-
Interest paid on bond maturities and lease purchases	(4,137)	-	(1,644)	-	-	(5,781)	-
Capital contribution	-	-	-	-	392,171	392,171	-
Net cash provided (used) by capital and related financing activities	(59,433)	-	(1,286,922)	(752,136)	210,391	(1,888,100)	-
Cash Flows from Investing Activities:							
Interest on investments	724	592	-	2,049	49	3,414	7,927
Net increase (decrease) in cash and cash equivalents	11,367	12,674	-	236,893	174	261,108	659,500
Cash and Cash Equivalents:							
Beginning of year - July 1	251,491	207,698	-	662,851	-	1,122,040	2,606,454
End of year - June 30	\$ 262,858	\$ 220,372	\$ -	\$ 899,744	\$ 174	\$ 1,383,148	\$ 3,265,954

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

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

	Major Enterprise Funds					Total	Governmental
	Greater Badin Water & Sewer District Fund	Piney Point Water District Fund	West Stanly Waste Water Treatment Plant Fund	Stanly County Utility Fund	Airport Fund		Internal Service Group Health Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Operating income (loss)	\$ (130,768)	\$ (6,837)	\$ (37,363)	\$ (841,319)	\$ (1,813,868)	\$ (2,830,155)	\$ 787,763
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	221,590	18,110	14,883	781,589	1,552,763	2,588,935	-
Other non-operating revenue	-	-	-	248,517	-	248,517	-
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable	(29,063)	(363)	-	(35,126)	195,432	130,880	-
(Increase) decrease in inventory	-	-	-	(5,299)	(734)	(6,033)	-
Increase (decrease) in accounts payable and liabilities	8,277	1,142	57,248	41,029	(395,871)	(288,175)	(386,190)
Increase (decrease) in customer deposits	40	30	-	1,390	-	1,460	-
Increase (decrease) in other post-employment benefits	-	-	1,618	13,251	4,344	19,213	-
Increase (decrease) in compensated absences	-	-	536	7,448	(3,296)	4,688	-
Total adjustments	200,844	18,919	74,285	1,052,799	1,352,638	2,699,485	(386,190)
Net cash provided (used) by operating activities	\$ 70,076	\$ 12,082	\$ 36,922	\$ 211,480	\$ (461,230)	\$ (130,670)	\$ 401,573

Supplemental Schedule of Non-Cash Financing Activities:

Stanly County Utility Fund disposed of capital assets with historical cost of \$244,238 during the year ended June 30, 2014.

The West Stanly Waste Water Treatment Plant Fund acquired capital assets and debt from the Town of Oakboro with a cost value of \$2,598,356 during the year ended June 30, 2014.

The notes to the financial statements are an integral part of this statement.

STANLY COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUND

JUNE 30, 2014

	<u>Agency Fund</u>
Assets:	
Cash and cash equivalents	\$ 158,650
Inmate cash	<u>1,830</u>
Total assets	<u>\$ 160,480</u>
Liabilities:	
Liabilities:	
Accounts payable	\$ 150,572
Client payable	<u>9,908</u>
Total liabilities	<u>\$ 160,480</u>

The notes to the financial statements are an integral part of this statement.



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STANLY COUNTY, NORTH CAROLINA

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

I. Summary of Significant Accounting Policies

The accounting policies of Stanly County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a five-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, which are legally separate entities for which the County is financially accountable.

Blended Component Units

Piney Point Water District and Greater Badin Water and Sewer District (Districts) exist to provide and maintain water and sewer services for residents within the Districts. Under State law (G. S. 162A-89), the County's Board of Commissioners serves as the governing board for the Districts. Therefore, the Districts are reported as enterprise funds in the County's financial statements. The Districts do not issue separate financial statements. 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.

Discretely Presented Component Units

Stanly County Industrial Facility and Pollution Control Financing Authority exists to issue and service revenue bond debt of private businesses for economic development purposes. The County Commissioners appoint a seven-member Board to govern the Authority. The County Commissioners can remove any Authority member with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the County's financial statements at June 30, 2014. The Authority does not issue separate financial statements.

Stanly Water & Sewer Authority exists to provide water and sewer services for the County. The Board of Directors is appointed by the Stanly County Board of Commissioners and can be removed at any time, with or without cause. Complete financial statements for the Authority may be obtained from the Director of Finance, Stanly County, 1000 North First Street, Suite 10B, Albemarle, North Carolina, 28001.

The discrete presentation method presents component units as if they are separate proprietary funds of the County.

STANLY COUNTY, NORTH CAROLINA

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

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

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 required to be accounted for in another fund.

Emergency Radio System Project Fund. This fund accounts for the purchase of land, roadwork design and construction for the tower locations associated with the new emergency radio system.

STANLY COUNTY, NORTH CAROLINA

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

The County reports the following major enterprise funds:

Greater Badin Water & Sewer District Fund, Piney Point Water District Fund, West Stanly Waste Water Treatment Fund, and Stanly County Utility Fund. These funds are used to account for the operations of providing water and sewer services to citizens within the County.

Airport Fund. This fund accounts for the operations of providing landings, take-offs, tie-down slots, hangars, and refueling of civilian and military aircrafts.

The County reports the following fund types:

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 Protective Payee Fund, which is used to account for monies deposited with the County's Social Services Department for the benefit of certain individuals for whom the County acts as agent; the Fines and Forfeitures Fund, which is used to account for monies collected by the Clerk of Court for the benefit of the Board of Education located within Stanly County; the Deed of Trust Fund, which is used to account for fees collected by the Register of Deeds for registering or filing a deed of trust or mortgage; the Sheriff's Execution Fund, which is used to account for monies collected for tax warrants and judgments; the Property Tax Clearing Fund, which is used to account for funds that are billed and collected by the County for various municipalities and special districts within the County but that are not revenues to the County; and the Delinquent Vehicle Tax Fund, which accounts for the three percent interest collected on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles.

Internal Service Fund. The Internal Service Group Health and Workers' Compensation Fund is used to account for the financial activities of the County's self-insured benefit plan for employee group healthcare and activities of the County's workers' compensation coverage through a third party.

Nonmajor Funds. The County maintains eight legally budgeted funds. The Emergency Telephone System Fund, Fire Districts Fund, 2011 Single Family Rehabilitation Program, 2012 Urgent Repair Program, CDBG 2011 Infrastructure Hook-Up Project, CDBG 2012 Scattered Site Housing Project, and 2013 Urgent Repair Program are reported as nonmajor special revenue funds. The Tarheel Challenge Academy Project is reported as a nonmajor capital project fund.

In accordance with the 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 that have no measurement focus. The government-wide fund, 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.

STANLY COUNTY, NORTH CAROLINA

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

Revenue from grants, entitlements, and donations 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 and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 60 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 of 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.

STANLY COUNTY, NORTH CAROLINA

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

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

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, Emergency Telephone System Fund, Fire Districts Fund, and the Enterprise Funds. All annual appropriations lapse at the end of the fiscal year. Project ordinances are adopted for the Community Development Block Grants Funds, Urgent Repair Program Funds, and Single Family Rehabilitation Program Special Revenue Funds, the governmental Capital Projects Funds, and the Enterprise Capital Projects Funds, which are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting system used to record transactions. The legal level of control over expenditures is at a functional level for the General Fund and at the fund level for Special Revenue Funds, Capital Projects Funds, and Enterprise Funds. The balances in the Capital Reserve Funds will be appointed when transferred to a Capital Projects Fund or to the school system, in accordance with the project ordinance adopted for the reserve funds. The County Manager is authorized by the budget ordinance to expend monies from departmental budgets and to approve all budget transfers within a department budget. Intra-department transfers to or from personal services and/or capital outlay in excess of \$5,000 must have Board approval. During the year, a number of amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the Board of Commissioners must adopt an interim budget that covers that time until the annual ordinance can be adopted.

D. Assets, Liabilities, Deferred Inflows and Outflows of Resources, and Fund Equity

1. Deposits and Investments. All deposits of the County are made in Board-designated official depositories and are secured as required by G.S. 159-31. The County may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County 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 to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high-quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The County's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost.

STANLY COUNTY, NORTH CAROLINA

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

2. Cash and Cash Equivalents. The County pools monies 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.

3. Restricted Assets. Customer deposits and security deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. The unspent grant proceeds are classified as restricted assets because their use is completely restricted to the purpose for which the funds were received.

Stanly County Restricted Cash			
Governmental Activities:			
General Fund	Security deposits	\$	800
Tarheel Challenge Academy Project	Unspent grant proceeds		<u>3,040,283</u>
Total governmental activities			<u>3,041,083</u>
Business-Type Activities			
Greater Badin Water & Sewer District Fund	Customer deposits		14,020
Piney Point Water District Fund	Customer deposits		3,180
Stanly County Utility Fund	Customer deposits		<u>90,280</u>
Total business-type activities			<u>107,480</u>
Total restricted cash		\$	<u><u>3,148,563</u></u>

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. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowances for Doubtful Accounts. All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. These amounts are estimated by analyzing the percentage of receivables that were written off in prior years.

6. Inventories and Prepaid Items. The inventories of the enterprise funds consist of materials and supplies held for consumption and are valued at cost using the first-in, first-out method, which approximates market. The cost of the inventory is recorded as an expense when the inventory is consumed.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid expenses are recorded as an expense when the prepaid is consumed.

STANLY COUNTY, NORTH CAROLINA

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

7. Capital Assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The County's minimum capitalization threshold is \$2,000. Interest is capitalized on enterprise capital assets acquired with debt. The amount of interest capitalized is offset by interest income derived from investing the proceeds of the debt. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.

The County holds title to certain Stanly County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit notes payable and bond 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 and full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, after all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Stanly County Board of Education.

Capital assets of the County are depreciated on a straight-line basis using the following depreciable lives:

<u>Asset</u>	<u>Estimated Useful Lives</u>
Water distribution systems	20-50 years
Sewer collection system	20 years
Wastewater treatment facility	20 years
Buildings and terminal	40 years
Airport improvements	10-30 years
Equipment	3-10 years

8. Deferred Outflows/Inflows of Resources. In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County does not have any items that meet this criterion. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only two items that meet the criterion for this category – prepaid taxes and property taxes receivable.

9. Long-Term Obligations. In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing source.

STANLY COUNTY, NORTH CAROLINA

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

10. Compensated Absences. The vacation policy of the County provides for the accumulation of up to thirty (30) days earned vacation leave, with such leave being fully vested when earned. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned in the County's government-wide and proprietary fund statements. The County has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The sick leave policy of the County provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

11. Self-Insured. The County is self-insured for employees' medical insurance with third party insurance coverage at specified levels. The self-insurance plan is administered by a third-party administrator. Amounts remitted by the County to the administrator include estimates of the eventual loss on claims arising prior to year-end, including claims incurred and not yet reported. The liability for estimated claims is accrued in the Group Health and Workers' Compensation Fund. As of July 1, 2013, the County is no longer self-insured for Workers' Compensation coverage. The County has purchased coverage through a private insurer.

12. 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 a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through State statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balances. 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.

Prepaid Items - portion of fund balance that is not an available resource because it represents the amount of prepaid items, which are not spendable resources.

STANLY COUNTY, NORTH CAROLINA

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

Restricted Fund Balances. This classification includes revenue sources that are restricted to specific purposes externally imposed or imposed by law.

Restricted for Stabilization by State Statute – portion of fund balance that is restricted by State statute [G.S. 159-8(a)].

Restricted for Register of Deeds – portion of fund balance constituting the Automation Enhancement and Preservation Fund, funded by 10% of the fees collected and maintained by the Register of Deeds' office. The funds are available for appropriation but are legally restricted for computer and imaging technology in the Register of Deeds' office.

Restricted for Public Safety – portion of fund balance in the General Fund restricted for the purpose of maintaining a reserve account for debt payment of the Jail Construction USDA Loan based on loan agreement (USDA Reserve). In the Emergency Telephone System Fund, this is the portion of fund balance that is restricted by the North Carolina 911 Board for the use of installation of emergency 911 phone systems.

Restricted for Economic and Physical Development – portion of fund balance restricted by revenue source for the purpose of rehabilitation costs of the Urgent Repair Program.

Committed Fund Balances. This classification includes the portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Stanly County Board of Commissioners (highest level of decision-making authority). The Board of Commissioners can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, any changes or removal of specific purpose of the ordinance requires the same formal action (the adoption of an ordinance) by the Board of Commissioners.

Committed for Cultural and Recreational – portion of fund balance committed for the AG Center.

Committed for Education – portion of fund balance committed for the Community College.

Assigned Fund Balances. This classification includes the portion of fund balance that the Stanly County Board of Commissioners intends to use for specific purposes they have budgeted.

STANLY COUNTY, NORTH CAROLINA

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

Assigned fund balances at June 30, 2014 are as follows:

<u>Purpose</u>	<u>General Fund</u>
Assigned:	
Subsequent year's expenditures	\$ 994,769
General government	348,646
Public safety	239,945
Economic and physical development	9,013
Human services	1,605,294
Cultural and recreational	170,391
Total	<u>\$ 3,368,058</u>

Assigned for subsequent year's expenditures – portion of fund balance that has been appropriated for the adopted 2014-2015 budget ordinance that has not already been classified as restricted or committed. The Board of Commissioners approves the appropriation.

Assigned for General Government – portion of fund balance assigned for future tax revaluation.

Assigned for Public Safety – portion of fund balance assigned for the benefit of jail inmates \$85,049, Sheriff's Department \$6,782, and animal control \$148,114.

Assigned for Economic and Physical Development – portion of fund balance assigned for Rocky River RPO services.

Assigned for Human Services – portion of fund balance assigned for home health, Medicaid settlements, and dental clinic. Home health portion is assigned for future home health services - \$477,966. Medicaid settlements portion is assigned for future health related activities - \$186,879. Dental clinic portion is assigned for future dental clinic services - \$940,449.

Assigned for Cultural and Recreational – portion of fund balance assigned for library endowment and 4-H. Library endowment portion is assigned for future library activities - \$152,225. 4-H portion is assigned for future 4-H services - \$18,166.

Unassigned Fund Balances. This classification includes the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Stanly County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following order: bond/debt proceeds, federal funds, State funds, local non-County funds, and County funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County or when required by grant or other contractual agreements.

STANLY COUNTY, NORTH CAROLINA

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

Stanly County has also adopted a minimum fund balance policy for the General Fund that instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to, or greater than, 20% of budgeted expenditures and transfers to other funds. If available fund balance falls below the 20% at the end of a fiscal year, there shall be measures put in place to increase General Fund balance back to the minimum level in subsequent fiscal years.

E. Accounting Estimates

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

STANLY COUNTY, NORTH CAROLINA

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

F. Reconciliation of Government-wide and Fund Financial Statements

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position.

The governmental fund balance sheet includes a reconciliation between total fund balance for the governmental funds and net position for governmental activities as reported in the government-wide Statement of Net Position. The net adjustment consists of several elements as follows:

Capital assets used in governmental activities are not financial resources and are not reported in the funds.		
Land	\$ 1,949,950	
Construction in progress	6,918,113	
Depreciable property	36,711,826	
Accumulated depreciation	<u>(21,150,211)</u>	\$ 24,429,678
Accrued interest receivable, less the amount claimed as unearned revenue in the government-wide statements, as these funds are unavailable in the fund statements.	<u>717,266</u>	717,266
Liabilities for deferred inflows of resources reported in the fund statements, but not the government-wide.	<u>3,198,970</u>	3,198,970
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are, therefore, not reported in the fund statements.		
Interest payable	(444,952)	
Due in one year	(3,775,997)	
Due in more than one year	<u>(33,197,955)</u>	(37,418,904)
Internal service funds are used by management to charge the costs of certain activities to individual funds. These assets and liabilities are included in governmental activities in the Statement of Net Position.	<u>2,269,512</u>	<u>2,269,512</u>
Total adjustment		\$ <u>(6,803,478)</u>

2. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the government-wide Statement of Activities.

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances for the governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities.

STANLY COUNTY, NORTH CAROLINA

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

The elements of the total adjustments are as follows:

Governmental funds report capital outlays as expenditures.
In the Statement of Activities, the cost of those assets is
depreciated over their estimated useful lives.

Capital outlays	\$ 7,673,583	
Depreciation	<u>(1,203,168)</u>	\$ 6,470,415

Costs of capital assets disposed of during the year, not recognized on modified accrual basis.	<u>(22,095)</u>	(22,095)
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The issuance of long-term debt (e.g., bonds, leases) is
a resource, and the repayment of bond principal is an
expenditure in governmental funds; but those transactions
increase or reduce long-term liabilities in the Statement
of Net Position.

Debt issued	(7,206,441)	
Debt retired	2,875,846	
Amortized premium	<u>89,000</u>	(4,241,595)

Some revenues reported in the Statement of Activities
are not yet available and, therefore, are not reported
as revenues in the governmental funds.

Accrual of interest	48,189	
Accrual of taxes	<u>(110,156)</u>	(61,967)

Some expenses 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 funds.

Allowance for special separation	(15,902)	
Compensated absences	(62,448)	
Other post-employment benefits	(190,219)	
Interest expense	<u>32,927</u>	(235,642)

Internal service funds are used by management to
charge the costs of certain activities to individual funds.
The net revenue of most of these activities is reported
with governmental activities.

	<u>1,045,746</u>	<u>1,045,746</u>
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Total adjustment		<u>\$ 2,954,862</u>
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STANLY COUNTY, NORTH CAROLINA

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

II. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's deposits are either federal depository insured or collateralized by the Pooling Method. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County 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 relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

The County maintains a pool for substantially all cash, cash equivalents, and investments. These balances are reflected in the financial statements as "cash and cash equivalents" or "restricted assets" as appropriate. Interest earnings are allocated monthly to qualified funds based on the fund's monthly cash balances.

At June 30, 2014, the County's deposits had a carrying amount of \$24,414,653 and a bank balance of \$24,804,827. Of the bank balance, \$500,000 was covered by federal depository insurance. The remaining \$24,304,827 was collateralized under the Pooling Method. The petty cash funds totaled \$5,339.

2. Investments

As of June 30, 2014, the County had \$389,150 invested with the North Carolina Capital Management Trust's Cash Portfolio.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than one year. Also, the County's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than three years.

STANLY COUNTY, NORTH CAROLINA

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

Credit Risk. 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 has no formal policy on credit risk.

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 accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if the present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 2,264,591	\$ 334,029	\$ 2,598,620
2012	2,284,814	131,379	2,416,193
2013	2,367,740	-	2,367,740
2014	2,373,237	-	2,373,237
Total	<u>\$ 9,290,382</u>	<u>\$ 465,408</u>	<u>\$ 9,755,790</u>

STANLY COUNTY, NORTH CAROLINA

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

4. Receivables

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

	<u>Taxes Receivable</u>	<u>Trade Accounts Receivable</u>	<u>Due from Other Governments</u>	<u>Interest</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:						
General	\$ 3,648,402	\$ 1,215,015	\$ 3,366,003	\$ 720,903	\$ 35,371	\$ 8,985,694
Other governmental	<u>130,235</u>	<u>-</u>	<u>58,707</u>	<u>-</u>	<u>-</u>	<u>188,942</u>
Total receivables	3,778,637	1,215,015	3,424,710	720,903	35,371	9,174,636
Allowance for doubtful accounts	<u>(579,667)</u>	<u>(281,988)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(861,655)</u>
Total governmental activities	<u>\$ 3,198,970</u>	<u>\$ 933,027</u>	<u>\$ 3,424,710</u>	<u>\$ 720,903</u>	<u>\$ 35,371</u>	<u>\$ 8,312,981</u>
Business-Type Activities:						
Greater Badin Water and Sewer District	\$ -	\$ 179,026	\$ -	\$ 293	\$ -	\$ 179,319
Piney Point Water District	-	26,303	-	246	-	26,549
Stanly County Utility Fund	-	556,934	-	984	-	557,918
Airport	<u>-</u>	<u>26,873</u>	<u>-</u>	<u>23</u>	<u>3,203</u>	<u>30,099</u>
Total receivables	-	789,136	-	1,546	3,203	793,885
Allowance for doubtful accounts	<u>-</u>	<u>(115,306)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(115,306)</u>
Total business-type activities	<u>\$ -</u>	<u>\$ 673,830</u>	<u>\$ -</u>	<u>\$ 1,546</u>	<u>\$ 3,203</u>	<u>\$ 678,579</u>

Due from other governments for the year ended June 30, 2014 consists of the following:

Governmental Activities:	
Local option sales tax	\$ 1,281,421
NC DMV tax	336,084
Sales tax receivable	197,719
Grants receivable	304,295
Tire and white goods	28,496
Telecommunication tax	39,400
DSS and DHHS	1,148,262
Other	<u>89,033</u>
Total	<u>\$ 3,424,710</u>

STANLY COUNTY, NORTH CAROLINA

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

5. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,949,950	\$ -	\$ -	\$ 1,949,950
Construction in progress	-	6,918,113	-	6,918,113
Total capital assets not being depreciated	<u>1,949,950</u>	<u>6,918,113</u>	<u>-</u>	<u>8,868,063</u>
Capital assets being depreciated:				
Buildings	26,129,652	-	-	26,129,652
Equipment and vehicles	10,204,189	755,470	377,485	10,582,174
Total capital assets being depreciated	<u>36,333,841</u>	<u>755,470</u>	<u>377,485</u>	<u>36,711,826</u>
Less accumulated depreciation for:				
Buildings	11,971,974	476,605	-	12,448,579
Equipment and vehicles	8,330,457	726,563	355,388	8,701,632
Total accumulated depreciation	<u>20,302,431</u>	<u>\$ 1,203,168</u>	<u>\$ 355,388</u>	<u>21,150,211</u>
Total capital assets being depreciated, net	<u>16,031,410</u>			<u>15,561,615</u>
Governmental activity capital assets, net	<u>\$ 17,981,360</u>			<u>\$ 24,429,678</u>

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

Governmental Functions:

General government	\$ 229,301
Public safety	649,925
Transportation	113,189
Environmental protection	12,667
Human services	98,420
Culture and recreation	99,666
Total depreciation expense	<u>\$ 1,203,168</u>

STANLY COUNTY, NORTH CAROLINA

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

Business-Type Activities

Capital assets activity for business-type activities for the year ended June 30, 2014 was as follows:

	<u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
Business-Type Activities:				
Greater Badin Water and Sewer:				
Capital assets being depreciated:				
Plant in service	\$ 7,347,075	\$ -	\$ -	\$ 7,347,075
Equipment and vehicles	173,792	32,565	-	206,357
Total capital assets being depreciated	<u>7,520,867</u>	<u>32,565</u>	<u>-</u>	<u>7,553,432</u>
Less accumulated depreciation for:				
Plant in service	5,957,430	195,543	-	6,152,973
Equipment and vehicles	151,333	26,047	-	177,380
Total accumulated depreciation	<u>6,108,763</u>	<u>\$ 221,590</u>	<u>\$ -</u>	<u>6,330,353</u>
Total Greater Badin capital assets, net	<u>1,412,104</u>			<u>1,223,079</u>
Piney Point Water:				
Capital assets being depreciated:				
Plant in service	<u>727,984</u>	<u>\$ -</u>	<u>\$ -</u>	<u>727,984</u>
Less accumulated depreciation for:				
Plant in service	<u>665,847</u>	<u>\$ 18,110</u>	<u>\$ -</u>	<u>683,957</u>
Total Piney Point capital assets, net	<u>62,137</u>			<u>44,027</u>
West Stanly Wastewater Treatment Plant:				
Capital assets being depreciated:				
Plant in service	<u>-</u>	<u>\$ 3,835,778</u>	<u>\$ -</u>	<u>3,835,778</u>
Less accumulated depreciation for:				
Plant in service	<u>-</u>	<u>\$ 14,883</u>	<u>\$ -</u>	<u>14,883</u>
Total West Stanly Wastewater Treatment Plant capital assets, net	<u>-</u>			<u>3,820,895</u>

STANLY COUNTY, NORTH CAROLINA

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

	<u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
Stanly Utility Operating:				
Capital assets not being depreciated:				
Land	223,784	\$ -	\$ -	223,784
Construction in progress	159,674	20,493	-	180,167
Total assets not being depreciated	383,458	20,493	-	403,951
Capital assets being depreciated:				
Plant in service	25,328,359	726,722	-	26,055,081
Equipment and vehicles	413,703	-	-	413,703
Total capital assets being depreciated	25,742,062	726,722	-	26,468,784
Less accumulated depreciation for:				
Plant in service	12,173,569	766,483	-	12,940,052
Equipment and vehicles	371,434	15,106	-	386,540
Total accumulated depreciation	12,545,003	\$ 781,589	\$ -	13,326,592
Total capital assets being depreciated, net	13,197,059			13,142,192
Total Stanly County Utility capital assets, net	13,580,517			13,546,143
Airport Operating:				
Capital assets not being depreciated:				
Land	4,809,095	\$ -	\$ -	4,809,095
Construction in progress	7,268,221	162,880	6,779,749	651,352
Total capital assets not being depreciated	12,077,316	162,880	6,779,749	5,460,447
Capital assets being depreciated:				
Buildings	5,064,552	-	-	5,064,552
Improvements	20,155,596	6,779,749	-	26,935,345
Equipment and vehicles	421,806	18,900	-	440,706
Total capital assets being depreciated	25,641,954	6,798,649	-	32,440,603
Less accumulated depreciation for:				
Buildings	680,639	176,687	-	857,326
Improvements	13,509,987	1,360,190	-	14,870,177
Equipment and vehicles	404,843	15,886	-	420,729
Total accumulated depreciation	14,595,469	\$ 1,552,763	\$ -	16,148,232
Total capital assets being depreciated, net	11,046,485			16,292,371
Total Airport capital assets, net	23,123,801			21,752,818
Total business-type activities capital assets, net	\$ 38,178,559			\$ 40,386,962

STANLY COUNTY, NORTH CAROLINA

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

Construction Commitments

The County has active construction projects at June 30, 2014. Commitments with contractors are as follows:

Project	Project to Date	Remaining Commitment
Tarheel Challenge Academy	\$ 87,512	\$ 3,004,488
Emergency Radio System Project	6,918,113	254,828
Highway 200 Water	159,674	1,496,826
Carriker Road Water Extension	20,493	202,572
Runway Extension Design	535,687	753,032
AWOS and ILS Upgrade	115,663	9,337
Total	<u>\$ 7,837,142</u>	<u>\$ 5,721,083</u>

B. Liabilities

1. Payables

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

	Vendors	Salaries and Benefits	Accrued Interest	IBNR	Total
Governmental Activities:					
General	\$ 952,070	\$ 1,176,712	\$ 444,952	\$ -	\$ 2,573,734
Other	52,056	-	-	999,452	1,051,508
Total governmental activities	<u>\$ 1,004,126</u>	<u>\$ 1,176,712</u>	<u>\$ 444,952</u>	<u>\$ 999,452</u>	<u>\$ 3,625,242</u>
Business-Type Activities:					
Greater Badin Water and Sewer Districts	\$ 12,897	\$ -	\$ 591	\$ -	\$ 13,488
Piney Point Water District	6,166	-	-	-	6,166
West Stanly Wastewater Treatment Plant	7,040	5,172	2,984	-	15,196
Stanly County Utility	146,182	42,357	-	-	188,539
Airport	4,714	13,885	-	-	18,599
Total business-type activities	<u>\$ 176,999</u>	<u>\$ 61,414</u>	<u>\$ 3,575</u>	<u>\$ -</u>	<u>\$ 241,988</u>

STANLY COUNTY, NORTH CAROLINA

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

2. Pension Plan and Other Post-Employment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. Stanly County contributes 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 is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement is 7.07%, and for law enforcement officers is 7.28%, of annual covered payroll. The contribution requirements of members and of Stanly County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2012, 2013, and 2014 were \$967,286, \$948,046, and \$1,025,166, respectively. The contributions made by the County equaled the required contributions for each year.

b. Law Enforcement Officers' Special Separation Allowance

Plan Description. Stanly 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% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The County does not issue a separate report for this pension activity.

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

Retirees receiving benefits	4
Active plan members	<u>47</u>
Total	<u>51</u>

STANLY COUNTY, NORTH CAROLINA

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

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. Employer contributions to the plan are recognized when due. Benefits are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a "pay-as-you-go" basis through annual appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to the plan is established and may be amended by the North Carolina General Assembly. The annual Separation Allowance costs are pro-rated and paid monthly. The County's annual Separation Allowance contribution for fiscal year ended June 30, 2014 was \$42,997, or 2.26% of annual covered payroll.

The annual required contribution for the current fiscal year was determined as part of the December 31, 2012 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.0% 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 3.0%. 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 dollar of pay on a closed basis. The remaining amortization period at December 31, 2012 was 18 years.

Annual Pension Cost and Net Pension Obligation. For the fiscal year ending June 30, 2014, the County's annual pension cost and net pension obligation were as follows:

Employer annual required contribution	\$ 67,383
Interest on net pension obligation	13,479
Adjustment to annual required contribution	<u>(21,963)</u>
Annual pension cost	58,899
Employer contributions made for fiscal year	<u>42,997</u>
Increase (decrease) in net pension obligation	15,902
Net pension obligation:	
Beginning of year - July 1	<u>269,574</u>
End of year - June 30	<u>\$ 285,476</u>

STANLY COUNTY, NORTH CAROLINA

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

Three-Year Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation End of Year</u>
2012	\$ 64,526	86.83%	\$ 262,744
2013	61,222	88.84%	269,574
2014	58,899	73.00%	285,476

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$575,926. The covered payroll (annual payroll of active employees covered by the plan) was \$1,900,237, and the ratio of the UAAL to the covered payroll was 30.31 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is 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.

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 \$103,984, which consisted of \$89,606 from the County and \$14,378 from the law enforcement officers.

STANLY COUNTY, NORTH CAROLINA

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

d. Registers of Deeds' Supplemental Pension Fund

Plan Description. Stanly 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 county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. 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 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 3 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The State Treasurer, in administering the Fund, may use the remaining seven percent (7%) of the Fund's assets. For the fiscal year ended June 30, 2014, the County's required and actual contributions were \$4,508.

e. Other Post-Employment Benefits – Retiree Health Benefit Plan

Plan Description. According to a County resolution, Stanly County provides healthcare benefits through the Retiree Healthcare Benefit Plan as a single-employer defined benefit plan to cover retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least 25 years of creditable service. The County has elected to pay the future overall cost of coverage for these benefits as indicated below. Qualified employees who retired prior to July 1, 2005 who are currently on the County's health insurance pay \$220 a month for their health coverage. The Retiree Healthcare Benefit Plan is available to qualified retirees until they become eligible for Medicare. The County pays a percentage of the cost of coverage for employees' benefits through self insurance. The County requires no other contributions made by employees, except for dependent coverage in the amounts of \$3,160 for spouse, \$2,276 for children, and \$7,793 for family coverage. Dependent coverage is available until the employee reaches eligibility for Medicare, at which time dependents will be removed from the County's plan and have the option to be covered under COBRA per federal regulations. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

STANLY COUNTY, NORTH CAROLINA

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

County contributions based on years of creditable service	
Years of creditable service	County pays
30 years with the County	100%
Less than 30 years with the System, but 25 - 29 years with the County, of which the last 10 years of continuous service is with the County	50%
24 years or less with the County	not eligible

Membership of the Retiree Health Benefit Plan consisted of the following at December 31, 2013, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	14	2
Active plan members	338	45
Total	352	47

Funding Policy. The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Commissioners. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

The current ARC rate is 2.61% of annual covered payroll. For the current year, the County contributed \$177,578, or 1.20% of the annual covered payroll. The County obtains healthcare coverage through self-insurance. The County's contributions totaled \$177,578 in fiscal year 2014. There were no contributions made by employees, except for dependent coverage in the amount of \$556,826. The County's obligation to contribute to the healthcare benefits is established and may be amended by the County Commissioners.

Summary of Significant Accounting Policies. Post-employment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

STANLY COUNTY, NORTH CAROLINA

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

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the post-employment healthcare benefits:

Employer annual required contribution	\$ 384,126
Valuation discount rate	4.00%
Interest on net OPEB obligation	64,541
Amortization factor	26.1695
Adjustment to annual required contribution	<u>(61,657)</u>
Annual OPEB cost	387,010
Employer contributions made for fiscal year ending June 30, 2014	<u>177,578</u>
Increase (decrease) in net OPEB obligation:	209,432
Net OPEB obligation, beginning of fiscal year - July 1	<u>1,613,525</u>
Net OPEB obligation, end of fiscal year - June 30	<u><u>\$ 1,822,957</u></u>

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

Three-Year Trend Information			
Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Obligation End of Year
2012	\$ 493,526	29.12%	\$ 1,263,795
2013	495,447	29.41%	1,613,525
2014	387,010	45.88%	1,822,957

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the plan was not funded. The actuarially accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL), was \$4,471,018. The covered payroll (annual payroll of active employees covered by the plan) was \$14,738,523, and the ratio of the UAAL to the covered payroll was 30.3 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost 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 actuarially accrued liabilities for benefits.

STANLY COUNTY, NORTH CAROLINA

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

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, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date. The rate included a 3.00 percent inflation assumption. The medical cost trend rate varied between 7.75 and 5.00 percent. The UAAL is being amortized as a level percentage of pay, open basis. The remaining amortization period at December 31, 2013 was 30 years.

f. 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 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. The County considers these contributions to be immaterial.

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 had contributed as of December 31, 2010 was established. The period of reprieve is determined separately for law enforcement officers. Stanly County will have 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.

STANLY COUNTY, NORTH CAROLINA

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

Deferred Inflows of Resources / Unearned Revenues

The balance in deferred inflows and unearned revenues on the fund statements and on the government-wide statements at year-end is composed of the following elements:

	<u>Unavailable Revenues</u>	<u>Unearned Revenues</u>
Deferred Inflows		
Prepaid taxes not yet earned	\$ -	\$ 180,716
Taxes receivable, net (General)	3,083,002	-
Taxes receivable, net (Special)	115,968	-
Total	<u>\$ 3,198,970</u>	<u>\$ 180,716</u>

3. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the County carries commercial insurance. The County provides its employee's health and dental benefits. The health and dental benefits are provided in a self-insured insurance plan.

Medical and Dental. The County is exposed to various risks of loss related to medical and illness needs of employees. The County and employees participate in a cost-share plan for group health insurance. The County established the Group Health Fund (Internal Service Fund) to account for its self-insurance plan. The County has contracted with a third-party administrator to account for its group health self-insurance plan that is administrated by Blue Cross/Blue Shield of North Carolina. The County is responsible for claims up to \$80,000 per covered employee/dependent per policy term. Claims greater than \$80,000 per covered employee/dependent per policy term and those in excess of the aggregate stop loss of 120% of expected net claims, are insured by the private insurance carrier. All full-time employees of the County participate in the program and make payments to the Group Health Fund based on estimates of the amounts needed to pay claims. The claims liability of \$451,024 reported in the fund at June 30, 2014 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The County expects all claims to be paid within the next twelve months; therefore, the entire amount is presented as current.

STANLY COUNTY, NORTH CAROLINA

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

The \$451,024 claims liability represents total estimated claims incurred, but not reported, as provided by the plan administrator's actuary.

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Unpaid claims and claim adjustment expenses at beginning of fiscal year	\$ 415,724	\$ 433,182
Incurred claims and claim adjustment expenses:		
Provision for insured events of current year	3,001,961	3,905,323
Claims and adjustment expenses attributable to insured events of current and prior year	<u>2,966,661</u>	<u>3,922,781</u>
Total claims liability	<u>\$ 451,024</u>	<u>\$ 415,724</u>

Workers' Compensation. The County was self-funded for workers' compensation coverage prior to July 1, 2013. Through this self-funded workers' compensation program, the County obtains workers' compensation coverage up to the statutory limits, with no deductible. The fund is reinsured through an insurance company for single occurrence losses of \$500,000 and aggregate excess limit for \$1,000,000. The claims liability of \$548,428 reported in the fund at June 30, 2014 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The County expects all claims to be paid within the next twelve months; therefore, the entire amount is presented as current.

STANLY COUNTY, NORTH CAROLINA

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

The \$548,428 claims liability represents total estimated claims incurred, but not reported, as provided by the plan administrator's actuary.

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Unpaid claims and claim adjustment expenses at beginning of fiscal year	\$ 970,254	\$ 1,131,247
Incurred claims and claim adjustment expenses:		
Provision for insured events of current year	348,738	306,888
Claims and adjustment expenses attributable to insured events of current and prior year	<u>770,564</u>	<u>467,881</u>
Total claims liability	<u>\$ 548,428</u>	<u>\$ 970,254</u>

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

The County carries no flood insurance.

In accordance with G.S. 159-29, the County's employees who 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 and Tax Collector are each bonded for \$150,000 and \$100,000, respectively.

4. Contingent Liabilities

At June 30, 2014, the County was a defendant to various lawsuits. In the opinion of the County's management and the County's Attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

5. Long-term Obligations

a. Capital Leases

The County has entered into agreements to lease certain land, buildings, and equipment. These agreements are in substance lease-purchases (capital leases) for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Titles pass to the County at the end of the lease terms.

STANLY COUNTY, NORTH CAROLINA

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

Capital lease agreements at June 30, 2014 are comprised of the following:

General Government:

Lease for the construction of the jail additions entered into on August 15, 2011, payable in semi-annual principal payments ranging from \$166,155 to \$195,078, and semi-annual interest payments at a rate of 2.92% through August 15, 2021 \$ 2,746,905

Lease for the purchase and construction of radio towers entered into on September 16, 2013, payable in annual principal payments ranging from \$190,599 to \$618,374, and annual interest payments at a rate of 4.58% through June 15, 2028 6,897,941

\$ 9,644,846

Future minimum lease payments as of June 30, 2014 were as follows:

General Long-Term Debt	Capitalized Leases	
	Principal	Interest
2015	\$ 572,636	\$ 626,124
2016	809,825	373,571
2017	825,254	342,779
2018	841,461	311,209
2019	858,483	278,823
2020 - 2024	3,421,523	915,689
2025 - 2029	2,315,664	271,147
Total	<u>\$ 9,644,846</u>	<u>\$ 3,119,342</u>

At June 30, 2014, the County leased the following assets valued at:

Class of Property	Cost	Accumulated Depreciation	Net Book Value
Jail	\$ 8,457,979	\$ 845,797	\$ 7,612,182
Radio Towers	6,897,941	-	6,897,941
Total	<u>\$ 15,355,920</u>	<u>\$ 845,797</u>	<u>\$ 14,510,123</u>

STANLY COUNTY, NORTH CAROLINA

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

b. Notes Payable

General Fund:

Aquadale and Locust School Project (1):

The construction of additions to Aquadale and Locust Schools,
December 29, 2011, payable in annual principal payments of \$364,706
and semi-annual interest payments at an interest rate of 3.67% \$ 5,105,883

Aquadale and Locust School Project (2):

The construction of additions to Aquadale and Locust Schools,
January 25, 2012, payable in annual principal payments of \$319,505
and semi-annual interest payments at an interest rate of 3.67% 4,473,066

USDA Jail Loan:

The construction of the jail additions entered into on August 10, 2010,
payable in annual principal payments of \$75,795 and annual interest
payments at an interest rate of 4.00% 1,450,012

Information Technology Loan:

The renovations of the information technology network equipment,
January 13, 2010, payable in semi-annual principal payments of
\$8,812 and semi-annual interest payments at an interest rate of 5.00% 15,838

2013 Ambulance Loan (1):

The purchase of a remount ambulance and a supervisor vehicle for Emergency
Services, September 30, 2012, payable in annual principal payments ranging
from \$41,091 to \$43,586, and annual interest payments at an interest rate of 2.95% 85,905

2013 Ambulance Loan (2):

The purchase of a new ambulances for Emergency Services, April 9, 2013, payable
in annual principal payments ranging from \$47,902 to \$50,806, and annual interest
payments at an interest rate of 2.95% 100,080

2014 Ambulances Loan:

The purchase of new ambulances for Emergency Services, January 13, 2014, payable
in annual principal payments ranging from \$100,377 to \$105,301, and annual interest
payments at an interest rate of 2.41% 308,500

Information Technology Loan:

The purchase upgrade software for Finance, Human Resources, and Utilities,
October 22, 2012, payable in annual principal payments ranging from \$24,722
to \$27,078, and annual interest payments at an interest rate of 3.22% 103,278

Total General Fund 11,642,562

STANLY COUNTY, NORTH CAROLINA

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

Enterprise Fund:

Stanly County Utility Fund:

Drinking Water State Revolving Fund Loan executed on May 1, 2011, payable in annual principal payments of \$4,920 and interest, has been forgiven for the term of the loan. 78,727

Greater Badin Water and Sewer District Fund:

North Carolina Clean Water Revolving Loan executed on May 1, 1999, payable in annual principal payments of \$22,731 and semi-annual interest payments at an interest rate of 2.60% 136,386

West Stanly Waste Water Treatment Plant Fund:

Debt assumed to USDA for assets acquired from the Town of Oakboro, executed on May 16, 2014, payable in annual principal payments ranging from \$12,000 to \$47,000, and annual interest payments at an interest rate of 3.75% 988,000

Debt to the Town of Oakboro for assets acquired, executed on May 16, 2014, payable in annual principal payments of \$156,250, no interest 1,562,500

Total Enterprise Fund 2,765,613

Total Notes Payable **\$ 14,408,175**

STANLY COUNTY, NORTH CAROLINA

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

Future minimum payments as of June 30, 2014 were as follows:

General Long-Term Debt	Notes Payable	
	Principal	Interest
2015	\$ 939,361	\$ 419,080
2016	922,789	394,176
2017	832,467	362,168
2018	731,274	332,909
2019	704,996	306,115
2020 - 2024	3,538,135	1,140,761
2025 - 2029	2,879,291	487,632
2030 - 2034	173,310	205,665
2035 - 2039	210,858	168,117
2040 - 2044	256,542	122,433
2045 - 2049	312,122	66,853
2050	141,417	9,247
Total General	11,642,562	4,015,156
Proprietary Funds		
2015	\$ 196,901	\$ 40,596
2016	196,902	39,518
2017	197,902	38,439
2018	197,902	37,323
2019	198,901	36,207
2020 - 2024	910,583	167,016
2025 - 2029	128,522	149,813
2030 - 2034	120,000	129,750
2035 - 2039	145,000	105,375
2040 - 2044	172,000	76,275
2045 - 2049	208,000	41,400
2050	93,000	5,250
Total Proprietary	2,765,613	866,962
Total	\$ 14,408,175	\$ 4,882,118

STANLY COUNTY, NORTH CAROLINA

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

c. General Obligation Indebtedness

The general obligation bonds serviced by the County's General Fund are collateralized by the full faith, credit, and taxing power of the County. Principal and interest payments are appropriated when due.

The following is a schedule of general obligation debt at June 30, 2014:

General Fund:

\$16,325,000 Refunding Series 2010 Bond, due on February 1, installments ranging from \$696,195 to \$2,008,800 through February 1, 2022; interest payable on August 1 and February 1 at 2.00% to 5.00% \$ 11,810,000

The total general obligation debt above is for school building purposes and is excluded from the County's net position because title will be transferred to the Stanly County Board of Education.

Annual debt service requirements to maturity at June 30, 2014 are as follows:

General Long-Term Debt	General Obligation Bonds	
	Principal	Interest
2015	\$ 1,555,000	\$ 453,800
2016	1,530,000	407,150
2017	1,535,000	361,250
2018	1,500,000	302,250
2019	1,485,000	242,250
2020 - 2022	4,205,000	357,300
Total	<u>\$ 11,810,000</u>	<u>\$ 2,124,000</u>

Debt Related to Capital Activities. Of the total Governmental Activities debt listed, only \$11,708,459 relates to assets to which the County holds title.

STANLY COUNTY, NORTH CAROLINA

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

d. Long-Term Obligation Activity

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

	<u>Balances July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances June 30, 2014</u>	<u>Current Portion of Balance</u>
Governmental Activities:					
General obligation debt	\$ 13,385,000	\$ -	\$ 1,575,000	\$ 11,810,000	\$ 1,555,000
Unamortized premium on bonds	800,660	-	89,000	711,660	89,000
Capitalized leases	3,133,060	6,897,941	386,155	9,644,846	572,636
Notes payable	12,248,753	308,500	914,691	11,642,562	939,361
Compensated absences	1,098,859	915,564	853,116	1,161,307	620,000
Other post-employment benefit	1,527,882	367,797	177,578	1,718,101	-
Net pension obligation	269,574	58,899	42,997	285,476	-
Total governmental activities	<u>\$ 32,463,788</u>	<u>\$ 8,548,701</u>	<u>\$ 4,038,537</u>	<u>\$ 36,973,952</u>	<u>\$ 3,775,997</u>
Business-Type Activities:					
Stanly County Utility Fund					
Notes payable	\$ 83,648	\$ -	\$ 4,921	\$ 78,727	\$ 4,920
Compensated absences	59,620	41,663	34,215	67,068	34,000
Other post-employment benefit	66,055	13,251	-	79,306	-
Total Utility Fund	<u>209,323</u>	<u>54,914</u>	<u>39,136</u>	<u>225,101</u>	<u>38,920</u>
Greater Badin Water and Sewer District Fund					
Notes payable	<u>159,117</u>	<u>-</u>	<u>22,731</u>	<u>136,386</u>	<u>22,731</u>
West Stanly Waste Water Treatment Plant Fund					
Notes payable	-	2,562,500	12,000	2,550,500	169,250
Compensated absences	-	536	-	536	250
Other post-employment benefit	-	1,618	-	1,618	-
Total Waste Water Treatment Plant Fund	<u>-</u>	<u>2,564,654</u>	<u>12,000</u>	<u>2,552,654</u>	<u>169,500</u>
Airport Fund:					
Compensated absences	18,123	1,864	5,160	14,827	7,200
Other post-employment benefit	19,588	4,344	-	23,932	-
Total Airport Fund	<u>37,711</u>	<u>6,208</u>	<u>5,160</u>	<u>38,759</u>	<u>7,200</u>
Total business-type activities	<u>\$ 406,151</u>	<u>\$ 2,625,776</u>	<u>\$ 79,027</u>	<u>\$ 2,952,900</u>	<u>\$ 238,351</u>

STANLY COUNTY, NORTH CAROLINA

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

Compensated absences, other post-employment benefits, and net pension obligations typically have been liquidated in the General Fund and are accounted for on a FIFO (first-in, first-out) basis.

At June 30, 2014, Stanly County had a legal debt margin of \$323,224,869.

e. Conduit Debt Obligations

Stanly County Industrial and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed, as well as letters of credit, and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, nor the State, nor any political subdivision thereof, is obligated in any manner for the repayment of bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2014, two industrial revenue bonds were outstanding, with an aggregate principal amount payable of \$8,604,465.

STANLY COUNTY, NORTH CAROLINA

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

f. Net Investment in Capital Assets

Net investment in capital assets at June 30, 2014 was calculated as follows:

	General Fund	Enterprise Fund
Capital assets	<u>\$ 24,429,678</u>	<u>\$ 40,386,962</u>
Total debt, gross	(33,809,068)	(2,765,613)
Add: Debt not related to County assets		
School debt for which County does not hold title:		
Notes payable	9,578,949	-
General obligation bonds (refunded school bonds)	11,810,000	-
Unamortized premium on refunded bonds	<u>711,660</u>	<u>-</u>
Total school debt for which County does not hold title	<u>22,100,609</u>	<u>-</u>
Total County related debt	<u>(11,708,459)</u>	<u>(2,765,613)</u>
Net investment in capital assets	<u>\$ 12,721,219</u>	<u>\$ 37,621,349</u>

STANLY COUNTY, NORTH CAROLINA

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

C. Interfund Balances and Activity

Interfund receivable balances consist of cash deficits as of June 30, 2014. Those funds have projects in progress for which they first expend the money and are later reimbursed. The funds and the amounts are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payable</u>
General Fund	\$ 59,865	\$ -
2011 Single Family Rehabilitation Program	-	11,855
2012 Scattered Site Housing Project	-	2,974
West Stanly Waste Water Treatment Plant Fund	-	45,036
Total	<u>\$ 59,865</u>	<u>\$ 59,865</u>

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

	<u>Transfers</u>		
	<u>From</u>	<u>To</u>	<u>Purpose</u>
General Fund	\$2,585,870	\$ -	
Emergency Radio System Project Fund	-	20,172	Operating and capital outlay support
Emergency Telephone System Fund	-	731	Operating support
Airport Fund	-	289,467	Operating support
West Stanly Waste Water Treatment Plant Fund	-	1,250,000	Capital outlay support
Stanly County Utility Fund	-	775,500	Capital outlay support
Internal Service Fund	-	250,000	Operating and capital outlay support
Enterprise Funds:			
Airport Runway Design Project Fund	38,503	-	Operating and capital outlay support
General Fund	<u>-</u>	<u>38,503</u>	
Total	<u>\$2,624,373</u>	<u>\$ 2,624,373</u>	

STANLY COUNTY, NORTH CAROLINA

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

D. Fund Balance

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	\$ 19,190,449
Less:	
Prepaid items	71,395
Stabilization by State statute	<u>4,790,266</u>
Total available fund balance	<u>\$ 14,328,788</u>

III. Joint Ventures

The County, in conjunction with Union, Cabarrus, and Rowan counties, participates in the Piedmont Area Mental Health Authority. The Authority is a joint venture established to provide the participating counties with legally mandated mental health services. The County has an ongoing financial responsibility for the Authority because the Authority's continued existence depends on the participating governments' continued funding. The County contributed \$204,377 to the Authority during the fiscal year ended June 30, 2014. None of the participating governments has any equity interest in the Authority, so no equity interest has been reflected in the financial statements at June 30, 2014. Complete financial statements for the Authority can be obtained from the Authority's administrative office at 245 LePhillip Court Northeast, Concord, North Carolina 28025.

The County, in conjunction with the State of North Carolina and the Stanly County Board of Education, participates in a joint venture to operate Stanly Community College. Stanly County appoints one member of the 13-member 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 facilities and also provides some financial support for operations. The County has an ongoing statutory financial responsibility to provide funding for the Community College. The County contributed \$1,299,604 for operating purposes and \$160,000 for capital during the fiscal year ended June 30, 2014. Completed financial statements for the Community College may be obtained from administrative offices at 141 College Drive, Albemarle, North Carolina 28001.

IV. Jointly Governed Organization

The County, in conjunction with eight other counties and twenty municipalities, participates in the Centralina Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$14,540 to the Council during the fiscal year ended June 30, 2014.

STANLY COUNTY, NORTH CAROLINA

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

V. Summary Disclosure of Significant Contingencies

Federal and State-Assisted Programs

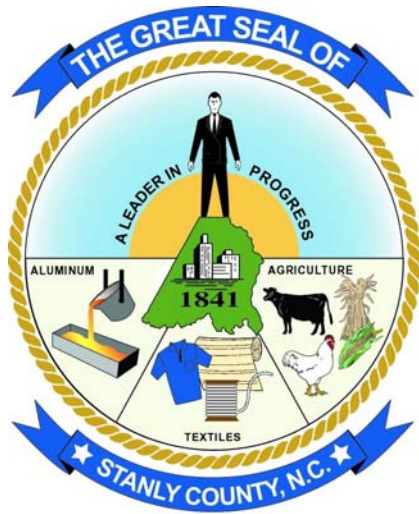
The County has received proceeds from several federal and State grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management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

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 this additional aid to County recipients; the payments do not appear in the basic financial statements because they are not revenues and expenditures of the County.

State and Federal Awards:

	<u>Federal</u>	<u>State</u>
Medical Assistance Program	\$ 51,558,481	\$ 28,116,072
TANF/WorkFirst	230,822	(17)
Special Supplemental Food Program for Women, Infants, and Children	1,240,609	-
State/County Special Assistance for Adults	-	495,598
Title IV-E Foster Care Subsidiary	128,913	33,676
Title IV-E Adoption Subsidiary	217,347	57,131
CWS Adopt Subsidy & Vendor	-	72,108
Foster Care At-Risk Maximization	-	1,497
SFHF Maximization	-	31,828
AFDC Payments and Penalties	(56)	(15)
State Children's Insurance Program - N.C. Health Choice	1,302,817	410,933
State Foster Home	-	22,438
Independent Living Grant	<u>8,151</u>	<u>-</u>
Totals	<u>\$ 54,687,084</u>	<u>\$ 29,241,249</u>

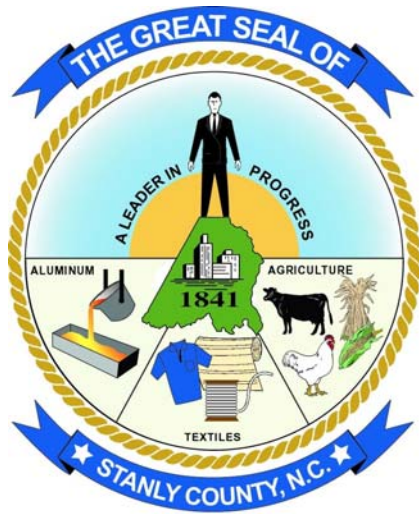


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***REQUIRED SUPPLEMENTARY
FINANCIAL INFORMATION***

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

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



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STANLY COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF FUNDING PROGRESS FOR THE YEAR ENDED JUNE 30, 2014

Actuarial	Actuarial	Actuarial				Covered	UAAL as a
Valuation	Value of	Liability (AAL)				Payroll for	Percentage
Date	Assets	Project	Unfunded	Funded		Year Ending	of Covered
	(a)	Unit Credit	AAL (UAAL)	Ratio		on Valuation	Payroll
		(b)	(b-a)	(a/b)		Date	((b-a)/c)
						(c)	
12/31/2004	\$ -	\$ 407,795	\$ 407,795	0.00%	\$	1,237,242	32.96%
12/31/2005	-	375,030	375,030	0.00%		1,521,812	24.64%
12/31/2006	-	431,973	431,973	0.00%		1,629,065	26.52%
12/31/2007	-	417,619	417,619	0.00%		1,637,644	25.50%
12/31/2008	-	508,724	508,724	0.00%		1,793,364	28.37%
12/31/2009	-	643,054	643,054	0.00%		1,919,595	33.50%
12/31/2010	-	578,200	578,200	0.00%		1,926,552	30.01%
12/31/2011	-	539,648	539,648	0.00%		1,836,890	29.38%
12/31/2012	-	557,135	557,135	0.00%		1,872,824	29.75%
12/31/2013	-	575,926	575,926	0.00%		1,900,237	30.31%

STANLY COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR THE YEAR ENDED JUNE 30, 2014

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2014	\$ 67,383	63.81%
2013	64,436	84.41%
2012	66,981	83.64%
2011	70,475	81.81%
2010	55,747	120.10%
2009	47,648	139.49%
2008	47,697	119.42%
2007	41,853	124.12%
2006	42,603	84.87%
2005	41,234	55.99%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2013
Actuarial cost method	Projected unit credit
Amortization method	Level dollar closed
Remaining amortization period	17 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate or return*	5.00%
Projected salary increases*	4.25 - 7.85%

*Includes inflation at	3.00%
cost of living adjustments	N/A

STANLY COUNTY, NORTH CAROLINA

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

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 of Covered Payroll ((b-a)/c)
		Project	Unit Credit				
		(b)					
7/1/2006	\$ -	\$ 3,851,000		\$ 3,851,000	0.00%	\$ 12,343,462	31.2%
12/31/2009	-	5,151,348		5,151,348	0.00%	16,545,086	31.1%
12/31/2011	-	4,029,067		4,029,067	0.00%	15,707,007	25.7%
12/31/2013	-	4,471,018		4,471,018	0.00%	14,738,523	30.3%

STANLY COUNTY, NORTH CAROLINA

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

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2009	\$ 369,000	30.48%
2010	470,851	31.16%
2011	470,851	30.20%
2012	488,508	29.10%
2013	488,508	29.83%
2014	384,126	46.23%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2013
Actuarial cost method	Projected unit credit
Amortization method	Level percentage of pay, open
Remaining amortization period	30 years
Amortization factor	26.1695
Asset valuation method	Market value of assets
Actuarial assumptions:	
Investment rate or return*	4.00%
Medical trend assumptions	
Pre-Medicare trend rate	7.75 - 5.00%
Year of ultimate trend rate	2019

*Includes inflation at	3.00%
cost of living adjustments	N/A

GENERAL FUND

The General Fund accounts for resources traditionally associated with government that are not required legally or by sound management to be accounted for in other funds. The following schedule provides a detailed result of the General Fund's budgetary and actual revenues and expenditures.



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STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem property taxes:			
Ad valorem taxes		\$ 29,939,847	
Penalties and interest		<u>397,577</u>	
Total	<u>\$ 29,015,000</u>	<u>30,337,424</u>	<u>\$ 1,322,424</u>
Local option sales taxes:			
Sales tax article 39		2,696,497	
Sales tax article 40		2,407,613	
Sales tax article 42		1,830,870	
Sales tax article 44		<u>1,716</u>	
Total	<u>6,915,000</u>	<u>6,936,696</u>	<u>21,696</u>
Other taxes:			
Real property excise tax		111,097	
Solid waste		23,382	
Cable franchise tax		157,706	
Occupancy tax		230,930	
Other taxes		<u>21,650</u>	
Total	<u>509,250</u>	<u>544,765</u>	<u>35,515</u>
Restricted intergovernmental:			
Public safety		262,081	
Transportation		496,142	
Health		743,071	
Social services grants		6,340,846	
Senior and aging services		493,559	
Other federal and State grants		<u>1,047,495</u>	
Total	<u>9,751,967</u>	<u>9,383,194</u>	<u>(368,773)</u>

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Permits and fees:			
Recording fees		241,587	
Marriage license		8,719	
Building permits		319,784	
Concealed weapons permits		41,325	
Tech fees		8,580	
Zoning and planning permits		<u>25,342</u>	
Total	<u>729,100</u>	<u>645,337</u>	<u>(83,763)</u>
Sales and services:			
Intergovernmental charges		168,496	
Sheriff and jail fees		606,518	
Ambulance fees		2,547,115	
Transportation		385,973	
Solid waste		866,946	
Health fees		2,730,410	
Rental and other charges		<u>279,986</u>	
Total	<u>7,323,060</u>	<u>7,585,444</u>	<u>262,384</u>
Investment earnings:			
Earned interest	<u>100,000</u>	<u>83,060</u>	<u>(16,940)</u>
Miscellaneous:			
Donations		269,969	
Rents		273,905	
Sale of assets		3,068	
Miscellaneous other		<u>458,255</u>	
Total	<u>631,645</u>	<u>1,005,197</u>	<u>373,552</u>
Total revenues	<u>54,975,022</u>	<u>56,521,117</u>	<u>1,546,095</u>

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Expenditures:			
General Government:			
Governing body:			
Salaries and employee benefits		80,004	
Operating expenditures		<u>84,145</u>	
Total		<u>164,149</u>	
Administration:			
Salaries and employee benefits		360,252	
Operating expenditures		<u>16,084</u>	
Total		<u>376,336</u>	
Finance department:			
Salaries and employee benefits		300,604	
Operating expenditures		<u>150,189</u>	
Total		<u>450,793</u>	
Tax assessor:			
Salaries and employee benefits		619,269	
Operating expenditures		<u>187,402</u>	
Total		<u>806,671</u>	
Tax revaluation:			
Salaries and employee benefits		290,009	
Operating expenditures		<u>16,678</u>	
Total		<u>306,687</u>	
County attorney:			
Salaries and employee benefits		136,998	
Operating expenditures		<u>8,654</u>	
Total		<u>145,652</u>	
Clerk of Court:			
Operating expenditures		<u>10,666</u>	
Judge's office:			
Operating expenditures		<u>2,859</u>	
Elections:			

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Salaries and employee benefits		184,518	
Operating expenditures		151,233	
Total		<u>335,751</u>	
Register of Deeds:			
Salaries and employee benefits		207,909	
Operating expenditures		60,128	
Capital outlay		<u>36,911</u>	
Total		<u>304,948</u>	
Information technology:			
Salaries and employee benefits		305,869	
Operating expenditures		<u>327,973</u>	
Total		<u>633,842</u>	
Facilities management:			
Salaries and employee benefits		369,549	
Operating expenditures		<u>570,512</u>	
Total		<u>940,061</u>	
Total general government	<u>4,708,323</u>	<u>4,478,415</u>	<u>229,908</u>
Public Safety:			
Sheriff:			
Salaries and employee benefits		3,377,202	
Operating expenditures		502,405	
Capital outlay		<u>137,466</u>	
Total		<u>4,017,073</u>	
Jail:			
Salaries and employee benefits		1,918,616	
Operating expenditures		<u>706,460</u>	
Total		<u>2,625,076</u>	

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Office of juvenile justice:			
Operating expenditures		1,341	
Program expenditures		173,070	
Juvenile detention		10,614	
Total		<u>185,025</u>	
Emergency management:			
Salaries and employee benefits		2,614,021	
Operating expenditures		1,005,639	
Capital outlay		373,242	
Total		<u>3,992,902</u>	
Code enforcement:			
Salaries and employee benefits		277,313	
Operating expenditures		26,978	
Capital outlay		25,249	
Total		<u>329,540</u>	
Medical examiner:			
Contractual services		<u>28,900</u>	
Animal control:			
Salaries and employee benefits		220,414	
Operating expenditures		63,602	
Capital outlay		16,689	
Total		<u>300,705</u>	
911 communication service:			
Salaries and employee benefits		968,666	
Operating expenditures		90,262	
Total		<u>1,058,928</u>	
Reimbursements:			
From E-911 Fund		<u>(44,888)</u>	
Total public safety	<u>12,672,446</u>	<u>12,493,261</u>	<u>179,185</u>

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Transportation:			
Salaries and employee benefits		689,068	
Operating expenditures		171,111	
Capital outlay		140,628	
Total transportation	<u>1,079,620</u>	<u>1,000,807</u>	<u>78,813</u>
Environmental Protection:			
Solid waste operations:			
Salaries and employee benefits		346,581	
Operating expenditures		676,667	
Capital outlay		11,110	
Total		<u>1,034,358</u>	
Fire forester:			
Contribution to other agency		<u>80,925</u>	
Soil and water conservation:			
Salaries and employee benefits		85,393	
Operating expenditures		6,103	
Total		<u>91,496</u>	
Total environmental protection	<u>1,249,067</u>	<u>1,206,779</u>	<u>42,288</u>
Economic and Physical Development:			
Economic development commission:			
Salaries and employee benefits		174,756	
Operating expenditures		202,884	
Total		<u>377,640</u>	
Occupancy tax-motel/hotel:			
To other municipalities		<u>188,964</u>	
Planning and zoning:			
Salaries and employee benefits		218,825	
Operating expenditures		18,877	
Total		<u>237,702</u>	

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Central permitting			
Salaries and employee benefits		167,190	
Operating expenditures		<u>4,591</u>	
Total		<u>171,781</u>	
Cooperative extension:			
Salaries and employee benefits		2,489	
Operating expenditures		<u>249,716</u>	
Total		<u>252,205</u>	
Special appropriation for economic development:			
Contribution for economic development		<u>25,000</u>	
Rocky River RPO:			
Salaries and employee benefits		94,869	
Operating expenditures		<u>10,727</u>	
Total		<u>105,596</u>	
Total economic and physical development	<u>1,539,112</u>	<u>1,358,888</u>	<u>180,224</u>
Human Services:			
Health:			
Salaries and employee benefits		1,806,741	
Operating expenditures		<u>565,363</u>	
Total		<u>2,372,104</u>	
Home health:			
Salaries and employee benefits		607,194	
Operating expenditures		<u>523,408</u>	
Total		<u>1,130,602</u>	
Dental clinic:			
Salaries and employee benefits		684,858	
Operating expenditures		<u>179,493</u>	
Capital outlay		<u>18,988</u>	
Total		<u>883,339</u>	

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Environmental health:			
Salaries and employee benefits		330,402	
Operating expenditures		<u>44,574</u>	
Total		<u>374,976</u>	
Mental health:			
Contributions to other agencies:			
Bottle surcharge		14,217	
Piedmont area mental health		<u>190,160</u>	
Total		<u>204,377</u>	
Social services:			
Salaries and employee benefits		4,522,428	
Operating expenditures		1,678,571	
Daycare and resident services		2,584,560	
Capital outlay		<u>21,322</u>	
Total		<u>8,806,881</u>	
In-home services:			
Salaries and employee benefits		174,736	
Operating expenditures		<u>168,900</u>	
Total		<u>343,636</u>	
Nutrition:			
Salaries and employee benefits		112,156	
Operating expenditures		<u>273,737</u>	
Total		<u>385,893</u>	
I&A/Transportation:			
Salaries and employee benefits		59,738	
Operating expenditures		<u>66,709</u>	
Total		<u>126,447</u>	
Family Caregiver Support Program:			
Operating expenditures		<u>20,214</u>	

STANLY COUNTY, NORTH CAROLINA

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Senior services:			
Salaries and employee benefits		203,005	
Operating expenditures		<u>243,761</u>	
Total		<u>446,766</u>	
 Veterans services:			
Salaries and employee benefits		54,012	
Operating expenditures		2,839	
Veterans Association		<u>2,000</u>	
Total		<u>58,851</u>	
 Total human services	<u>16,380,131</u>	<u>15,154,086</u>	<u>1,226,045</u>
 Education:			
Stanly County Public Schools:			
Current expenditures		9,570,868	
Capital outlay		<u>1,800,000</u>	
Total		<u>11,370,868</u>	
 Stanly Community College:			
Current expenditures		1,299,604	
Capital outlay		<u>160,000</u>	
Total		<u>1,459,604</u>	
 Total education	<u>12,830,688</u>	<u>12,830,472</u>	<u>216</u>
 Cultural and Recreational:			
Library:			
Salaries and employee benefits		811,684	
Operating expenditures		332,210	
Capital outlay		<u>4,515</u>	
Total		<u>1,148,409</u>	

STANLY COUNTY, NORTH CAROLINA

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

	Final Budget	Actual	Variance Over/Under
Agriculture Civic Center:			
Salaries and employee benefits		138,986	
Operating expenditures		137,577	
Total		276,563	
 Total cultural and recreational	1,512,249	1,424,972	87,277
 Debt Service:			
Principal		2,875,846	
Interest and fees		1,039,977	
Total debt service	3,916,154	3,915,823	331
 Contingency	160,000	-	160,000
 Total expenditures	56,047,790	53,863,503	2,184,287
 Revenues over (under) expenditures	(1,072,768)	2,657,614	3,730,382
 Other Financing Sources (Uses):			
Transfers (to):			
Enterprise Fund	(2,366,921)	(2,314,967)	(51,954)
Special revenue Fund	-	(731)	731
Capital project Fund	(275,000)	(20,172)	(254,828)
Internal service Fund	(250,000)	(250,000)	-
Transfers from:			
Enterprise Fund	38,504	38,503	1
Installment debt issued	308,500	308,500	-
Appropriated fund balance	3,617,685	-	3,617,685
 Total other financing sources (uses)	1,072,768	(2,238,867)	(3,311,635)
 Net change in fund balance	\$ -	418,747	\$ 418,747
 Fund Balance:			
Beginning of year - July 1		18,771,702	
 End of year - June 30		\$ 19,190,449	

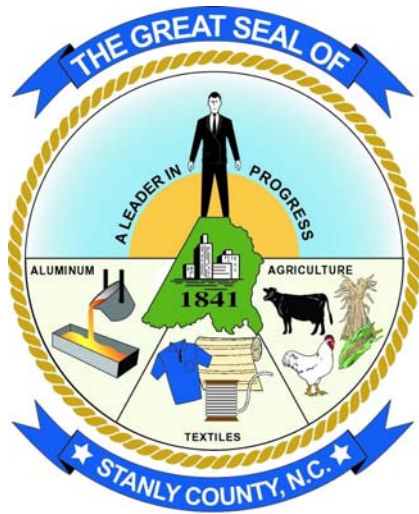
MAJOR GOVERNMENTAL FUNDS

The financial information for Major Funds is found on Exhibits C and D.

Individual Fund Descriptions:

- **Emergency Radio System Project** – accounts for the funds and activities of the acquisition and construction of the County's new emergency radio system.





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STANLY COUNTY, NORTH CAROLINA

MAJOR CAPITAL PROJECT FUND

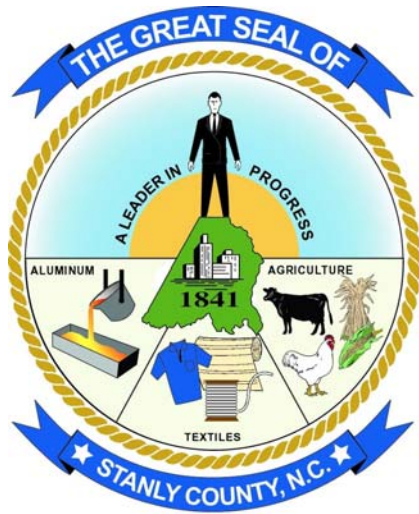
EMERGENCY RADIO SYSTEM PROJECT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Expenditures:					
Professional services	\$ 50,000	\$ -	\$ 20,172	\$ 20,172	\$ 29,828
Construction	7,047,941	-	6,897,941	6,897,941	150,000
Land purchases	75,000	-	-	-	75,000
Total expenditures	7,172,941	-	6,918,113	6,918,113	254,828
Revenues over (under) expenditures	(7,172,941)	-	(6,918,113)	(6,918,113)	254,828
Other Financing Sources (Uses):					
Transfer from General Fund	275,000	-	20,172	20,172	(254,828)
Debt issued	6,897,941	-	6,897,941	6,897,941	-
Total other financing sources (uses)	7,172,941	-	6,918,113	6,918,113	(254,828)
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		



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NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Funds account for the proceeds of special revenue sources that are legally restricted to the expenditure for specific purposes. The financial information for Nonmajor Funds is found on Exhibits C and D in aggregate.

Individual Fund Descriptions:

- **Emergency Telephone System Fund** – accounts for the revenues earmarked for the installation of emergency 911 phone system.
- **Fire Districts Fund** – accounts for the revenues of the fourteen fire districts in Stanly County.
- **2011 Single Family Rehabilitation Program Project Fund** – accounts for the funds designated for housing improvements.
- **2012 Urgent Repair Program Fund** – accounts for the funds designated for urgent housing repairs.
- **CDBG 2011 Infrastructure Hook-Up Project Fund** – accounts for the funds designated for water hook-ups.
- **CDBG 2012 Scattered Site Housing Project Fund** – accounts for the funds designated for housing improvements.
- **2013 Urgent Repair Program Fund** – accounts for the funds designated for housing improvements.
- **Tarheel Challenge Academy Project Fund** – accounts for the funds and activities of the construction of the academy.

STANLY COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS JUNE 30, 2014

	Special Revenue Funds		
	Emergency Telephone System Fund	Fire Districts Fund	2011 Single Family Rehabilitation Program
Assets:			
Cash and cash equivalents	\$ 245,429	\$ 27,372	\$ -
Taxes receivable, net	-	115,968	-
Accounts receivable	23,031	-	30,844
Restricted cash and cash equivalents	-	-	-
Total assets	<u>\$ 268,460</u>	<u>\$ 143,340</u>	<u>\$ 30,844</u>
Liabilities, Deferred Inflows of Resources and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 3,837	\$ 27,372	\$ 18,989
Interfund payables	-	-	11,855
Liabilities to be paid from restricted assets:			
Advances from grantors	-	-	-
Total liabilities	<u>3,837</u>	<u>27,372</u>	<u>30,844</u>
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	-	115,968	-
Fund Equity:			
Restricted			
Stabilization by State statute	23,031	-	30,844
Restricted for public safety	241,592	-	-
Restricted for economic and physical development	-	-	-
Unassigned	-	-	(30,844)
Total fund balances	<u>264,623</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 268,460</u>	<u>\$ 143,340</u>	<u>\$ 30,844</u>

Schedule 3

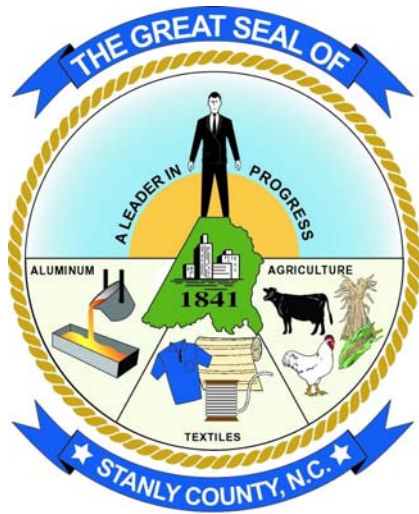
Special Revenue Funds				Capital Project Fund	Total Nonmajor Governmental Funds
2012 Urgent Repair Program	CDBG 2011 Infrastructure Hook-Up Project	CDBG 2012 Scattered Site Housing Project	2013 Urgent Repair Program	Tarheel Challenge Academy Project	
\$ 8,693	\$ -	\$ -	\$ 37,524	\$ -	\$ 319,018
-	-	-	-	-	115,968
-	-	4,832	-	-	58,707
-	-	-	-	3,040,283	3,040,283
<u>\$ 8,693</u>	<u>\$ -</u>	<u>\$ 4,832</u>	<u>\$ 37,524</u>	<u>\$ 3,040,283</u>	<u>\$ 3,533,976</u>
\$ -	\$ -	\$ 1,858	\$ -	\$ -	\$ 52,056
-	-	2,974	-	-	14,829
-	-	-	-	35,795	35,795
-	-	4,832	-	35,795	102,680
-	-	-	-	-	115,968
-	-	4,832	-	-	58,707
-	-	-	-	-	241,592
8,693	-	-	37,524	3,004,488	3,050,705
-	-	(4,832)	-	-	(35,676)
<u>8,693</u>	<u>-</u>	<u>-</u>	<u>37,524</u>	<u>3,004,488</u>	<u>3,315,328</u>
<u>\$ 8,693</u>	<u>\$ -</u>	<u>\$ 4,832</u>	<u>\$ 37,524</u>	<u>\$ 3,040,283</u>	<u>\$ 3,533,976</u>

STANLY COUNTY, NORTH CAROLINA

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

	Special Revenue Funds		
	Emergency Telephone System Fund	Fire Districts Fund	2011 Single Family Rehabilitation Program
Revenues:			
Ad valorem taxes	\$ -	\$ 2,135,744	\$ -
Restricted intergovernmental	175,000	-	32,751
Sales and services	276,376	-	-
Investment earnings	628	-	-
Program income	-	-	19,025
Total revenues	<u>452,004</u>	<u>2,135,744</u>	<u>51,776</u>
Expenditures:			
Current:			
General government	-	33,453	-
Public safety	445,342	2,102,291	-
Economic and physical development	-	-	51,776
Total expenditures	<u>445,342</u>	<u>2,135,744</u>	<u>51,776</u>
Revenues over (under) expenditures	6,662	-	-
Other Financing Sources (Uses):			
Transfers in	<u>731</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,393	-	-
Fund Balances:			
Beginning of year - July 1	<u>257,230</u>	<u>-</u>	<u>-</u>
End of year - June 30	<u>\$ 264,623</u>	<u>\$ -</u>	<u>\$ -</u>

Special Revenue Funds				Project Fund	
2012 Urgent Repair Program	CDBG 2011 Infrastructure Hook-Up Project	CDBG 2012 Scattered Site Housing Project	2013 Urgent Repair Program	Tarheel Challenge Academy Project	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,135,744
37,500	35,482	21,310	37,500	3,092,000	3,431,543
-	-	-	-	-	276,376
60	-	-	74	-	762
-	-	-	-	-	19,025
<u>37,560</u>	<u>35,482</u>	<u>21,310</u>	<u>37,574</u>	<u>3,092,000</u>	<u>5,863,450</u>
-	-	-	-	-	33,453
-	-	-	-	-	2,547,633
<u>46,060</u>	<u>35,482</u>	<u>21,310</u>	<u>50</u>	<u>87,512</u>	<u>242,190</u>
<u>46,060</u>	<u>35,482</u>	<u>21,310</u>	<u>50</u>	<u>87,512</u>	<u>2,823,276</u>
(8,500)	-	-	37,524	3,004,488	3,040,174
-	-	-	-	-	731
(8,500)	-	-	37,524	3,004,488	3,040,905
<u>17,193</u>	-	-	-	-	<u>274,423</u>
<u>\$ 8,693</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,524</u>	<u>\$ 3,004,488</u>	<u>\$ 3,315,328</u>



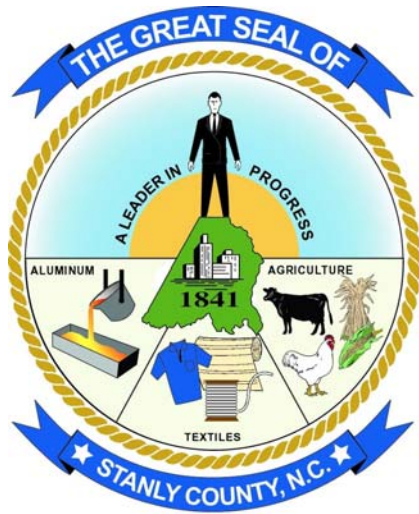
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BUDGETARY INFORMATION – GOVERNMENTAL FUNDS

Special revenue and capital project funds' budget and actual results for Fiscal Year June 30, 2014

Individual Fund Descriptions:

- **Emergency Telephone System Fund** – accounts for the revenues earmarked for the installation of emergency 911 phone system.
- **Fire Districts Fund** – accounts for the revenues of the fourteen fire districts in Stanly County.
- **2011 Single Family Rehabilitation Program Project Fund** – accounts for the funds designated for housing improvements.
- **2012 Urgent Repair Program Fund** – accounts for the funds designated for urgent housing repairs.
- **CDBG 2011 Infrastructure Hook-Up Project Fund** – accounts for the funds designated for water hook-ups.
- **CDBG 2012 Scattered Site Housing Project Fund** – accounts for the funds designated for housing improvements.
- **2013 Urgent Repair Program Fund** – accounts for the funds designated for housing improvements.
- **Tarheel Challenge Academy Project Fund** – accounts for the funds and activities of the construction of the academy.



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STANLY COUNTY, NORTH CAROLINA

EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014

	Budget	Actual	Variance Over/Under
Revenues:			
Charges - surcharge	\$ 277,376	\$ 276,376	\$ (1,000)
E-911 additional grant allocation	175,000	175,000	-
Investment earnings	-	628	628
Total revenues	<u>452,376</u>	<u>452,004</u>	<u>(372)</u>
Expenditures:			
Implemental functions	44,576	44,888	(312)
Telephone	186,443	96,201	90,242
Software and software maintenance	47,812	46,812	1,000
Hardware and hardware maintenance	86,927	75,918	11,009
Training	7,500	6,523	977
S.L. 2010-158 expenditures (50%)	2,000	-	2,000
E-911 additional allocation expense	<u>175,000</u>	<u>175,000</u>	<u>-</u>
Total expenditures	<u>550,258</u>	<u>445,342</u>	<u>104,916</u>
Revenues over (under) expenditures	<u>(97,882)</u>	<u>6,662</u>	<u>104,544</u>
Other Financing Sources (Uses):			
Transfer from General Fund	-	731	731
Appropriated fund balance	<u>97,882</u>	<u>-</u>	<u>(97,882)</u>
Total other financing sources (uses)	<u>97,882</u>	<u>731</u>	<u>(97,151)</u>
Net change in fund balance	<u>\$ -</u>	<u>7,393</u>	<u>\$ 7,393</u>
Fund Balance:			
Beginning of year - July 1		<u>257,230</u>	
End of year - June 30		<u>\$ 264,623</u>	

STANLY COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem taxes:			
Current year	\$ 2,088,837	\$ 2,068,697	\$ (20,140)
Prior years	65,000	67,047	2,047
Total revenues	<u>2,153,837</u>	<u>2,135,744</u>	<u>(18,093)</u>
Expenditures:			
Administration fees:			
Tax collection fees	15,500	27,604	(12,104)
NCDMV tax processing fees	27,000	5,849	21,151
Public safety:			
West Stanly Fire District	592,022	593,577	(1,555)
Center Fire District	217,590	216,818	772
Endy Fire District	115,700	114,964	736
Ridgecrest Fire District	146,140	145,430	710
Aquadale Fire District	144,375	145,316	(941)
Eastside Fire District	152,264	150,204	2,060
Oakboro Fire District	79,830	78,190	1,640
New London Fire District	134,008	133,761	247
Southside Fire District	109,550	106,076	3,474
Bethany Fire District	50,075	50,720	(645)
Richfield Fire District	120,185	119,301	884
Millingport Fire District	105,125	102,912	2,213
Norwood Special Fire District	15,110	14,091	1,019
Badin-Yakin Fire District	129,363	130,931	(1,568)
Total expenditures	<u>2,153,837</u>	<u>2,135,744</u>	<u>18,093</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year - July 1		-	
End of year - June 30		<u>\$ -</u>	

STANLY COUNTY, NORTH CAROLINA

2011 SINGLE FAMILY REHABILITATION PROGRAM PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
SFR Program Grant	\$ 174,062	\$ 172,155	\$ 32,751	\$ 204,906	\$ 30,844
SFR Program income	19,025	-	19,025	19,025	-
Total revenues	<u>193,087</u>	<u>172,155</u>	<u>51,776</u>	<u>223,931</u>	<u>30,844</u>
Expenditures:					
Rehabilitation	163,674	172,155	12,863	185,018	(21,344)
Administration	29,413	-	38,913	38,913	(9,500)
Total expenditures	<u>193,087</u>	<u>172,155</u>	<u>51,776</u>	<u>223,931</u>	<u>(30,844)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ -</u>		

STANLY COUNTY, NORTH CAROLINA

2012 URGENT REPAIR PROGRAM FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	<u>Actual</u>				
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental:					
2012 Urgent Repair Program Grant	\$ 75,000	\$ 37,500	\$ 37,500	\$ 75,000	\$ -
Investment earnings	-	135	60	195	195
Total revenues	<u>75,000</u>	<u>37,635</u>	<u>37,560</u>	<u>75,195</u>	<u>195</u>
Expenditures:					
Rehabilitation	<u>75,000</u>	<u>20,442</u>	<u>46,060</u>	<u>66,502</u>	<u>8,498</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 17,193</u>	(8,500)	<u>\$ 8,693</u>	<u>\$ 8,693</u>
Fund Balance:					
Beginning of year - July 1			<u>17,193</u>		
End of year - June 30			<u>\$ 8,693</u>		

STANLY COUNTY, NORTH CAROLINA

COMMUNITY DEVELOPMENT BLOCK GRANT
 2011 INFRASTRUCTURE HOOK-UP PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
Community Development Grant	\$ 75,000	\$ 34,194	\$ 35,482	\$ 69,676	\$ (5,324)
Expenditures:					
Rehabilitation	63,750	24,895	33,142	58,037	5,713
Administration	11,250	9,299	2,340	11,639	(389)
Total expenditures	75,000	34,194	35,482	69,676	5,324
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

STANLY COUNTY, NORTH CAROLINA

COMMUNITY DEVELOPMENT BLOCK GRANT
 2012 SCATTERED SITE HOUSING PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
CDBG Scattered Site Housing	\$ 225,000	\$ -	\$ 21,310	\$ 21,310	\$ (203,690)
Expenditures:					
Rehabilitation	202,500	-	900	900	201,600
Administration	22,500	-	20,410	20,410	2,090
Total expenditures	225,000	-	21,310	21,310	203,690
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ -		

STANLY COUNTY, NORTH CAROLINA

2013 URGENT REPAIR PROGRAM FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Revenues:					
Restricted intergovernmental:					
2013 Urgent Repair Program Grant	\$ 75,000	\$ -	\$ 37,500	\$ 37,500	\$ (37,500)
Investment earnings	-	-	74	74	74
Total revenues	75,000	-	37,574	37,574	(37,426)
Expenditures:					
Program costs	75,000	-	50	50	74,950
Net change in fund balance	\$ -	\$ -	37,524	\$ 37,524	\$ 37,524
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			\$ 37,524		

STANLY COUNTY, NORTH CAROLINA

TARHEEL CHALLENGE ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

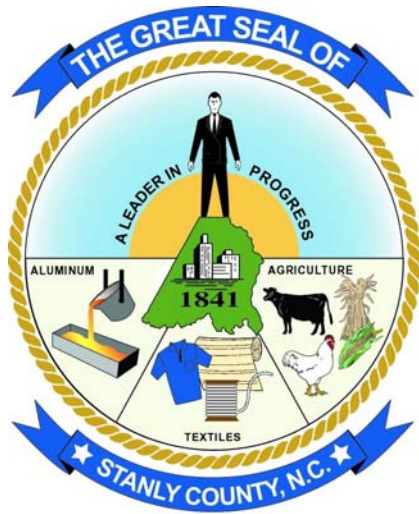
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental:					
NC Office of Budget and Management	\$ 3,092,000	\$ -	\$ 3,092,000	\$ 3,092,000	\$ -
Expenditures:					
Professional services	309,200	-	82,881	82,881	226,319
Construction	<u>2,782,800</u>	<u>-</u>	<u>4,631</u>	<u>4,631</u>	<u>2,778,169</u>
Total expenditures	<u>3,092,000</u>	<u>-</u>	<u>87,512</u>	<u>87,512</u>	<u>3,004,488</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	3,004,488	<u>\$ 3,004,488</u>	<u>\$ 3,004,488</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 3,004,488</u>		

BUDGETARY INFORMATION - ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the costs of providing services are financed primarily through user charges. The State of North Carolina requires that the enterprise funds be budgeted on a modified accrual basis. The following statements are not in accordance with GAAP.

Individual Fund Descriptions:

- **Greater Badin Water and Sewer District Fund** – accounts for revenues and expenses of the special utility district established to provide water and sewer services to the Badin community.
- **Piney Point Water District Fund** – accounts for revenues and expenses of the special utility district established to provide water services to the Piney Point community.
- **West Stanly Waste Water Treatment Plant Fund** – accounts for revenues and expenses of the special utility district established to provide water services to the West Stanly community.
- **Stanly County Utility Fund** – accounts for revenues and expenses of the County's water and sewer services.
- **Airport Fund** – accounts for the revenues and expenses of the County's public airport facility.



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STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND GREATER BADIN WATER AND SEWER DISTRICT FUND SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Operating revenues:			
Charges for services:			
Water sales		\$ 262,679	
Sewer charges		169,118	
Industrial sewer charges		44,831	
Taps and connection fees		1,350	
Other operating revenues		3,220	
Total operating revenues		<u>481,198</u>	
Non-operating revenues:			
Interest on investments		<u>678</u>	
Total revenues	\$ <u>449,000</u>	<u>481,876</u>	\$ <u>32,876</u>
Expenditures:			
Administration:			
Contracted services		<u>62,281</u>	
Debt service:			
State loan principal paid		22,731	
Interest expense		3,447	
Total debt service		<u>26,178</u>	
Distribution and maintenance:			
Contracted services		111,236	
Operating expenditures		60,014	
Repairs and maintenance		20,307	
Water purchases		136,538	
Capital outlay		32,565	
Total distribution and maintenance		<u>360,660</u>	
Total expenditures	<u>449,000</u>	<u>449,119</u>	<u>(119)</u>

STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND GREATER BADIN WATER AND SEWER DISTRICT FUND SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	<u>\$ -</u>	<u>32,757</u>	<u>\$ 32,757</u>

Reconciliation from Budgetary Basis (Modified Accrual)

to Full Accrual:

Reconciling items:

Capital outlay	32,565
Debt principal	22,731
Depreciation	(221,590)
Accrued interest payable	<u>(591)</u>
Total reconciling items	<u>(166,885)</u>

Change in net position	<u>\$ (134,128)</u>
------------------------	---------------------

STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND

PINEY POINT WATER DISTRICT FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Operating revenues:			
Charges for services:			
Water sales		\$ 141,805	
Taps and connection fees		690	
Other operating revenues		<u>345</u>	
Total operating revenues		<u>142,840</u>	
Non-operating revenues:			
Interest on investments		<u>558</u>	
Total revenues	\$ 133,650	<u>143,398</u>	\$ 9,748
Expenditures:			
Administration:			
Contracted services		<u>75,000</u>	
Distribution and maintenance:			
Operating expenditures		1,467	
Water purchases		<u>55,100</u>	
Total distribution and maintenance		<u>56,567</u>	
Total expenditures	<u>133,650</u>	<u>131,567</u>	<u>2,083</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	\$ -	<u>11,831</u>	\$ 11,831
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Depreciation		<u>(18,110)</u>	
Change in net position		<u>\$ (6,279)</u>	

STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND
 WEST STANLY WASTE WATER TREATMENT PLANT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Operating revenues:			
Charges for services:			
Sewer sales		\$ 11,207	
Total revenues	\$ 114,250	11,207	\$ (103,043)
Expenditures:			
Administration:			
Contracted services		83	
Debt Service:			
Principal		12,000	
Interest		1,644	
Total debt service		13,644	
Distribution and maintenance:			
Operating expenditures		13,472	
Repairs and maintenance		8,391	
Salaries and benefits		9,587	
Capital outlay		1,237,422	
Total distribution and maintenance		1,268,872	
Total expenditures	1,364,250	1,282,599	81,651
Revenues over (under) expenditures	(1,250,000)	(1,271,392)	(21,392)
Other Financing Sources (Uses):			
Transfers in from General Fund	1,250,000	1,250,000	-
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	\$ -	(21,392)	\$ (21,392)
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Debt principal		12,000	
Capital outlay		1,237,422	
Depreciation		(14,883)	
Accrued interest payable		(2,984)	
(Increase) decrease in other post-employment benefits		(1,618)	
(Increase) decrease in compensated absences		(536)	
Total reconciling items		1,229,401	
Change in net position		\$ 1,208,009	

STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND STANLY COUNTY UTILITY FUND SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Operating revenues:			
Charges for services:			
Water sales		\$ 1,960,470	
Sewer charges		544,306	
Taps and connection fees		50,751	
Other operating revenues		<u>38,393</u>	
Total operating revenues		<u>2,593,920</u>	
Non-operating revenues:			
Interest on investments		2,081	
Administrative charges		<u>248,517</u>	
Total non-operating revenues		<u>250,598</u>	
Total revenues	\$ 2,492,830	<u>2,844,518</u>	\$ 351,688
Expenditures:			
Administration:			
Salaries and employee benefits		352,992	
Operating expenditures		<u>51,269</u>	
Total administration		<u>404,261</u>	
Debt service:			
State loan principal paid		<u>4,921</u>	
Distribution and maintenance:			
Salaries and employee benefits		521,791	
Operating expenditures		746,840	
Repairs and maintenance		202,818	
Water purchases		757,241	
Capital outlay		<u>726,722</u>	
Total distribution and maintenance		<u>2,955,412</u>	
Total expenditures	<u>3,322,830</u>	<u>3,364,594</u>	<u>(41,764)</u>
Revenues over (under) expenditures	<u>(830,000)</u>	<u>(520,076)</u>	<u>309,924</u>

STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND

STANLY COUNTY UTILITY FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Other Financing Sources (Uses):			
Transfers in	780,000	775,500	(4,500)
Intrafund transfers	(33,247)	(20,493)	12,754
Appropriated fund balance	83,247	-	(83,247)
Total other financing sources (uses)	<u>830,000</u>	<u>755,007</u>	<u>(74,993)</u>
 Revenues and other financing sources (uses) over (under) expenditures and other financing uses	 <u>\$ -</u>	 <u>234,931</u>	 <u>\$ 234,931</u>
 Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Debt principal		4,921	
Capital outlay		726,722	
Depreciation		(781,589)	
(Increase) decrease in other post-employment benefits		(13,251)	
(Increase) decrease in compensated absences		(7,448)	
Intrafund transfers to Carriker Road Water Extension Project Fund		<u>20,493</u>	
Total reconciling items		<u>(50,152)</u>	
 Change in net position		 <u>\$ 184,779</u>	

STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND

AIRPORT FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Operating revenues:			
Sales and services:			
Fuel and oil sales		\$ 363,881	
Tie-down fees		1,833	
Hangar rental		39,410	
Franchise		4,500	
Miscellaneous		45,678	
Total operating revenues	\$ 452,280	455,302	\$ 3,022
Non-operating revenues:			
Interest on investments		32	
Total non-operating revenues	151,000	32	(150,968)
Total revenues	603,280	455,334	(147,946)
Expenditures:			
Administration and operations:			
Salaries and employee benefits		264,628	
Operating expenditures		118,570	
Repairs and maintenance		39,670	
Purchases for resale		292,491	
Capital outlay		18,900	
Total administration and operations	892,747	734,259	158,488
Revenues over (under) expenditures	(289,467)	(278,925)	10,542
Other Financing Sources (Uses):			
Transfer in from the General Fund	289,467	289,467	-

STANLY COUNTY, NORTH CAROLINA

MAJOR ENTERPRISE FUND

AIRPORT FUND

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2014

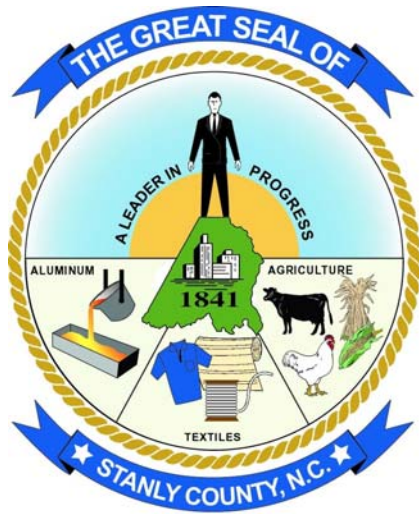
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	<u>\$ -</u>	<u>10,542</u>	<u>\$ 10,542</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Capital outlay		18,900	
Depreciation		(1,552,763)	
Capital contributions		392,171	
(Increase) decrease in other post-employment benefits		(4,344)	
(Increase) decrease in compensated absences		3,296	
Transfer from projects from General Fund		<u>(38,503)</u>	
Total reconciling items		<u>(1,181,243)</u>	
Change in net position		<u>\$ (1,170,701)</u>	

BUDGETED PROJECT FUNDS

Project Funds account for capital projects that are planned to extend beyond one fiscal year. Project funds are closed to their parent fund at the end of each fiscal year and are reversed at the beginning of the next fiscal year to their respective project funds until such time the projects are accepted as complete.

Individual Project Descriptions:

- **Albemarle to Highway 200 Water Project Fund** – accounts for the revenues and expenses for the extension of a water line along Highway 200.
- **Carriker Road Water Extension Project Fund** – accounts for the revenues and expenses for the extension of a water line along Carriker Road.
- **Airport Runway Design Project Fund** – accounts for the revenues and expenses for extensions made to the airport runway.
- **Airport Runway Pavement Rehabilitation Project Fund** – accounts for the revenues and expenses to rehabilitate the airport runway/taxiway.
- **Airport AWOS and ILS Upgrade Project Fund** – accounts for the revenues and expenses for the AWOS and ILS upgrade.



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STANLY COUNTY, NORTH CAROLINA

ALBEMARLE TO HIGHWAY 200 WATER PROJECT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Over/Under
Expenditures:					
Construction	\$ 1,470,000	\$ -	\$ -	\$ -	\$ 1,470,000
Professional services	159,674	159,674	-	159,674	-
Land	26,826	-	-	-	26,826
Total expenditures	<u>1,656,500</u>	<u>159,674</u>	<u>-</u>	<u>159,674</u>	<u>1,496,826</u>
Other Financing Sources (Uses):					
Transfer from Utilities Fund	110,000	110,000	-	110,000	-
Transfer from Millingport Sewer Project Fund	46,500	46,500	-	46,500	-
Debt issued	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,500,000)</u>
Total other financing sources (uses)	<u>1,656,500</u>	<u>156,500</u>	<u>-</u>	<u>156,500</u>	<u>(1,500,000)</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (3,174)</u>	<u>\$ -</u>	<u>\$ (3,174)</u>	<u>\$ (3,174)</u>

STANLY COUNTY, NORTH CAROLINA

CARRIKER ROAD WATER EXTENSION PROJECT FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP)

FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

		Actual			
	Project	Prior	Current	Total	Variance
	Authorization	Years	Year	to Date	Over/Under
Expenditures:					
Land	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Construction	175,312	-	-	-	175,312
Professional services	46,753	-	20,493	20,493	26,260
Total expenditures	<u>223,065</u>	<u>-</u>	<u>20,493</u>	<u>20,493</u>	<u>202,572</u>
Other Financing Sources (Uses):					
Transfer from General Fund	47,454	-	-	-	(47,454)
Transfer from Utilities Fund	175,611	-	20,493	20,493	(155,118)
Total other financing sources (uses)	<u>223,065</u>	<u>-</u>	<u>20,493</u>	<u>20,493</u>	<u>(202,572)</u>
Revenues and other financing sources (uses) over					
(under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STANLY COUNTY, NORTH CAROLINA

AIRPORT RUNWAY DESIGN PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	<u>Project</u>		<u>Actual</u>		
	<u>Authorization</u>	<u>Prior</u>	<u>Current</u>	<u>Total</u>	<u>Variance</u>
		<u>Years</u>	<u>Year</u>	<u>to Date</u>	<u>Over/Under</u>
Revenues:					
Restricted intergovernmental:					
FAA Grant	\$ 325,000	\$ 289,310	\$ -	\$ 289,310	\$ (35,690)
NC DOT Grant	250,000	-	-	-	(250,000)
Air Guard	406,753	-	-	-	(406,753)
Vision 100	49,470	49,469	-	49,469	(1)
Total revenues	<u>1,031,223</u>	<u>338,779</u>	<u>-</u>	<u>338,779</u>	<u>(692,444)</u>
Expenditures:					
Professional services	1,046,125	335,860	-	335,860	710,265
Construction	242,594	199,827	-	199,827	42,767
Total expenditures	<u>1,288,719</u>	<u>535,687</u>	<u>-</u>	<u>535,687</u>	<u>753,032</u>
Revenues over (under) expenditures	(257,496)	(196,908)	-	(196,908)	60,588
Other Financing Sources (Uses):					
Transfer from General Fund	296,000	235,411	-	235,411	(60,589)
Transfer (to) General Fund	<u>(38,504)</u>	<u>-</u>	<u>(38,503)</u>	<u>(38,503)</u>	<u>1</u>
Total other financing sources (uses)	<u>257,496</u>	<u>235,411</u>	<u>(38,503)</u>	<u>196,908</u>	<u>(60,588)</u>
Revenues and other financing sources (uses) over					
(under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 38,503</u>	<u>\$ (38,503)</u>	<u>\$ -</u>	<u>\$ -</u>

STANLY COUNTY, NORTH CAROLINA

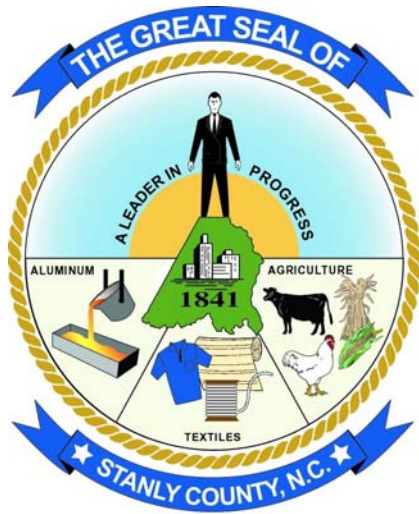
AIRPORT RUNWAY PAVEMENT REHABILITATION PROJECT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental:					
Air National Guard	\$ 4,549,750	\$ 4,226,877	\$ 322,872	\$ 4,549,749	\$ (1)
Division of Aviation	<u>2,230,000</u>	<u>2,167,352</u>	<u>62,648</u>	<u>2,230,000</u>	<u>-</u>
Total revenues	<u>6,779,750</u>	<u>6,394,229</u>	<u>385,520</u>	<u>6,779,749</u>	<u>(1)</u>
Expenditures:					
Construction	<u>6,779,750</u>	<u>6,616,869</u>	<u>162,880</u>	<u>6,779,749</u>	<u>1</u>
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (222,640)</u>	<u>\$ 222,640</u>	<u>\$ -</u>	<u>\$ -</u>

STANLY COUNTY, NORTH CAROLINA

AIRPORT AWOS AND ILS UPGRADE PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental:					
Vision Entitlement Grant	\$ 112,500	\$ 64,052	\$ 6,651	\$ 70,703	\$ (41,797)
Expenditures:					
Professional services	54,810	44,494	-	44,494	10,316
Construction	70,190	71,169	-	71,169	(979)
Total expenditures	125,000	115,663	-	115,663	9,337
Revenues over (under) expenditures	(12,500)	(51,611)	6,651	(44,960)	(32,460)
Other Financing Sources (Uses):					
Transfer from General Fund	12,500	9,505	-	9,505	(2,995)
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	\$ -	\$ (42,106)	\$ 6,651	\$ (35,455)	\$ (35,455)



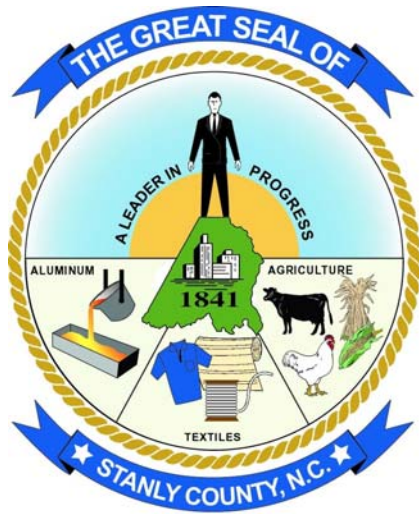
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INTERNAL SERVICE FUND

This fund type is used to account for the financing of goods and services to other County funds and departments on a cost-reimbursement basis. The County maintains one Internal Service Fund, Group Health and Workers' Compensation Fund.

Individual Descriptions:

- **Group Health** – accounts for the revenues and expenses of the County's group health plan.
- **Workers' Compensation** – accounts for the revenues and expenses of the County's workers' compensation program that includes administration, stop loss insurance, and benefits paid.

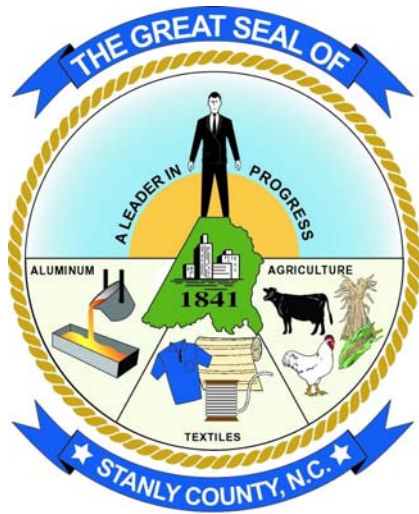


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STANLY COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUND
 GROUP HEALTH AND WORKERS' COMPENSATION FUND
 SCHEDULE OF REVENUES AND EXPENDITURES -
 FINANCIAL PLAN AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2014

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Charges for sales and services	\$ 5,491,441	\$ 5,074,055	\$ (417,386)
Operating Expenses:			
Group health operations	5,023,954	3,937,553	1,086,401
Workers' compensation claims	<u>727,487</u>	<u>348,739</u>	<u>378,748</u>
Total operating expenditures	<u>5,751,441</u>	<u>4,286,292</u>	<u>1,465,149</u>
Operating income (loss)	<u>(260,000)</u>	<u>787,763</u>	<u>1,047,763</u>
Non-Operating Revenues:			
Investment earnings	<u>10,000</u>	<u>7,983</u>	<u>(2,017)</u>
Other Financing Sources (Uses):			
Transfer from General Fund	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>1,045,746</u>	<u>\$ 1,045,746</u>
Net Position:			
Beginning of year - July 1		<u>1,223,766</u>	
End of year - June 30		<u>\$ 2,269,512</u>	



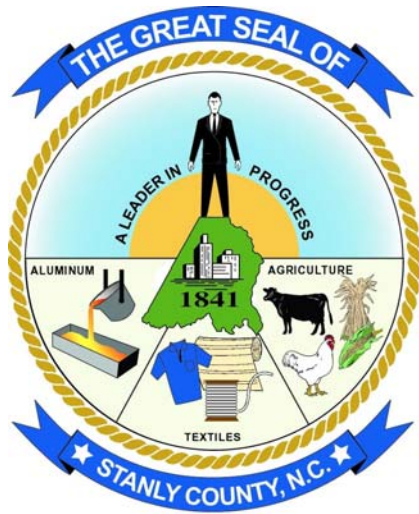
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AGENCY FUNDS

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:

- **Protective Payee Fund** – accounts for monies deposited with the County for the benefit of certain individuals.
- **Fines and Forfeitures Fund** – accounts for fines designated for school operations.
- **Deed of Trust Fund** – accounts for \$5.00 of each fee collected by the Register of Deeds for registering or filing a deed of trust or mortgage that the County is required to remit to the State Treasurer on a monthly basis.
- **Sheriff's Execution Fund** – accounts for funds received and disbursed by order of the court system.
- **Property Tax Clearing Fund** – accounts for property taxes collected by the County on behalf of the respective cities and towns.
- **Delinquent Vehicle Tax Fund** – accounts for delinquent vehicle taxes collected by the County and disbursed to the Department of State Treasurer.



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STANLY COUNTY, NORTH CAROLINA

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

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2014</u>
Protective Payee Fund:				
Assets:				
Cash and cash equivalents	\$ 16,922	\$ 27,007	\$ 35,851	\$ 8,078
Liabilities:				
Client payable	\$ 16,922	\$ 27,007	\$ 35,851	\$ 8,078
Fines and Forfeitures Fund:				
Assets:				
Cash and cash equivalents	\$ -	\$ 475,367	\$ 475,367	\$ -
Liabilities:				
Accounts payable	\$ -	\$ 475,367	\$ 475,367	\$ -
Deed of Trust Fund:				
Assets:				
Cash and cash equivalents	\$ -	\$ 3,193	\$ -	\$ 3,193
Liabilities:				
Accounts payable	\$ -	\$ 3,193	\$ -	\$ 3,193
Sheriff's Execution Fund:				
Assets:				
Cash and cash equivalents	\$ 526	\$ 19,105	\$ 19,361	\$ 270
Inmate cash	1,441	75,499	75,110	1,830
Total assets	\$ 1,967	\$ 94,604	\$ 94,471	\$ 2,100
Liabilities:				
Executions payable	\$ 526	\$ 19,105	\$ 19,361	\$ 270
Inmate payable	1,441	75,499	75,110	1,830
Total liabilities	\$ 1,967	\$ 94,604	\$ 94,471	\$ 2,100

STANLY COUNTY, NORTH CAROLINA

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

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2014</u>
Property Tax Clearing Fund:				
Assets:				
Cash and cash equivalents	\$ 68,879	\$ 9,765,201	\$ 9,686,971	\$ 147,109
Liabilities:				
Accounts payable	\$ 68,879	\$ 9,765,201	\$ 9,686,971	\$ 147,109
Delinquent Vehicle Tax Fund:				
Assets:				
Cash and cash equivalents	\$ 1,831	\$ -	\$ 1,831	\$ -
Liabilities:				
Due Department of State Treasurer	\$ 1,831	\$ -	\$ 1,831	\$ -
Totals:				
Assets:				
Cash and cash equivalents	\$ 88,158	\$ 10,289,873	\$ 10,219,381	\$ 158,650
Inmate cash	1,441	75,499	75,110	1,830
Total assets	\$ 89,599	\$ 10,365,372	\$ 10,294,491	\$ 160,480
Liabilities:				
Accounts payable and future payments	\$ 71,236	\$ 10,262,866	\$ 10,183,530	\$ 150,572
Client and inmate payable	18,363	102,506	110,961	9,908
Total liabilities	\$ 89,599	\$ 10,365,372	\$ 10,294,491	\$ 160,480

OTHER SCHEDULES

This section contains the following schedules:

- **General Fund – Schedule of Ad Valorem Taxes Receivable**
- **Analysis of Current Tax Levy**



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STANLY COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF AD VALOREM TAXES RECEIVABLE

JUNE 30, 2014

Fiscal Year	Uncollected Balance July 1, 2013	Additions	Collections and Credits	Uncollected Balance June 30, 2014
2013-2014	\$ -	\$ 30,126,927	\$ 28,910,756	\$ 1,216,171
2012-2013	1,412,206	7,927	785,922	634,211
2011-2012	617,438	12,978	228,666	401,750
2010-2011	403,072	1,071	93,864	310,279
2009-2010	342,527	1,126	36,983	306,670
2008-2009	231,075	1,154	33,949	198,280
2007-2008	143,393	-	16,110	127,283
2006-2007	121,419	-	13,621	107,798
2005-2006	87,960	-	5,326	82,634
2004-2005	88,402	-	3,392	85,010
2003-2004	83,905	-	2,384	81,521
2002-2003	79,846	-	79,846	-
Districts over 3 years old	86,988	5,956	(3,851)	96,795
Total	\$ 3,698,231	\$ 30,157,139	\$ 30,206,968	3,648,402
Less allowance for uncollectible accounts - General Fund				<u>(565,400)</u>
Ad valorem taxes receivable, net				<u>\$ 3,083,002</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				\$ 30,337,424
Reconciling items:				
Animal tax				(36,799)
Refunds				6,458
Collection fees				(37,749)
Interest collected				(359,828)
Discounts allowed				151,647
Late listings				(5,899)
Statute of Limitations				79,846
Miscellaneous				<u>71,868</u>
Total collections and credits				<u>\$ 30,206,968</u>

STANLY COUNTY, NORTH CAROLINA

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

	County-Wide			Total Levy	
	Property Valuation	Rate per \$100	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 4,480,201,845	\$ 0.6700	\$ 30,031,319	\$ 26,239,115	\$ 3,792,204
Penalties	-		19,168	19,168	-
Total original levy	<u>4,480,201,845</u>		<u>30,050,487</u>	<u>26,258,283</u>	<u>3,792,204</u>
Discoveries:					
Current year rate	18,453,444	0.6700	123,638	115,456	8,182
Penalties	-		51,407	51,407	-
Penalties prior year rate	-		670	670	-
Prior year taxes	-		163,854	141,624	22,230
Total discoveries	<u>18,453,444</u>		<u>339,569</u>	<u>309,157</u>	<u>30,412</u>
Releases:					
Current year rate	(35,731,072)	0.6700	(239,398)	(197,993)	(41,405)
Penalties	-		(23,731)	(23,731)	-
Total releases	<u>(35,731,072)</u>		<u>(263,129)</u>	<u>(221,724)</u>	<u>(41,405)</u>
Net assessed valuation	<u>\$ 4,462,924,217</u>				
Net Levy			30,126,927	26,345,715	3,781,211
Uncollected taxes, June 30			<u>1,216,171</u>	<u>1,056,168</u>	<u>160,003</u>
Current Year's Taxes Collected			<u>\$ 28,910,756</u>	<u>\$ 25,289,547</u>	<u>\$ 3,621,208</u>
Current Levy Collection Percentage Rate			<u>95.96%</u>	<u>95.99%</u>	<u>95.77%</u>

STANLY COUNTY, NORTH CAROLINA

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

Secondary Market Disclosures:

Assessed valuation:

Assessment ratio 100%

Real property	\$ 3,799,070,872
Personal property	561,786,907
Public service	<u>102,066,438</u>

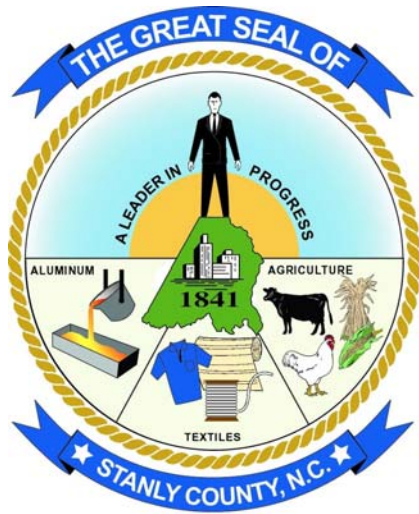
Total assessed value \$ 4,462,924,217

Tax rate per \$100 0.6700

Levy (includes discoveries, releases, and abatements) \$ 30,126,927

In addition to the County-wide rate, the following table lists the levies by the County on behalf of fire protection districts for the fiscal year ended June 30, 2014:

Fire protection districts	<u>\$ 2,002,841</u>
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STATISTICAL SECTION

The information presented in this section is provided for additional analysis purposes only and has not been subjected to audit verification as presented.

Financial Trends – These tables contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Net Position by Component	Table 1
Changes in Net Position	Table 2
Fund Balances of Governmental Funds	Table 3
Changes in Fund Balances of Governmental Funds	Table 4

Revenue Capacity – These tables contain information to help the reader assess the government's most significant local revenue source, the property tax.

Governmental Activities Tax Revenue by Source	Table 5
General Governmental Tax Revenues by Source	Table 6
Assessed Value and Estimated Actual Value of Taxable Property	Table 7
Property Tax Rates – Direct and Overlapping Governments	Table 8
Principal Property Taxpayers	Table 9
Property Tax Levies and Collections	Table 10

Debt Capacity – These tables present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Ratio of Outstanding Debt by Type	Table 11
Ratios of General Bonded Debt Outstanding	Table 12
Direct and Overlapping Governmental Activities Debt	Table 13
Legal Debt Margin Information	Table 14

Demographic and Economic Information – These tables offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Demographic and Economic Statistics	Table 15
Principal Employers	Table 16

Operating Information – These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Full-Time Equivalent County Government Employees by Function	Table 17
Operating Indicators by Function	Table 18
Capital Asset Statistics by Function	Table 19

Stanly County, North Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities					
Net investment in capital assets	\$ 11,200,155	\$ 12,190,805	\$ 9,896,831	\$ 13,933,344	\$ 18,364,949
Restricted	50,431	71,510	121,967	65,839	71,511
Unrestricted	<u>(4,783,194)</u>	<u>(3,676,463)</u>	<u>1,856,585</u>	<u>1,284,464</u>	<u>(12,030,075)</u>
Total governmental activities net position	<u>\$ 6,467,392</u>	<u>\$ 8,585,852</u>	<u>\$ 11,875,383</u>	<u>\$ 15,283,647</u>	<u>\$ 6,406,385</u>
Business-type activities					
Net investment in capital assets	\$ 30,444,727	\$ 30,892,567	\$ 34,317,479	\$ 33,344,464	\$ 33,309,479
Unrestricted	<u>576,013</u>	<u>2,176,979</u>	<u>2,198,765</u>	<u>2,532,023</u>	<u>2,237,487</u>
Total business-type activities net position	<u>\$ 31,020,740</u>	<u>\$ 33,069,546</u>	<u>\$ 36,516,244</u>	<u>\$ 35,876,487</u>	<u>\$ 35,546,966</u>
Primary government					
Net investment in capital assets	\$ 41,644,882	\$ 43,083,372	\$ 44,214,310	\$ 47,277,808	\$ 51,674,428
Restricted	50,431	71,510	121,967	65,839	71,511
Unrestricted	<u>(4,207,181)</u>	<u>(1,499,484)</u>	<u>4,055,350</u>	<u>3,816,487</u>	<u>(9,792,588)</u>
Total primary government net position	<u>\$ 37,488,132</u>	<u>\$ 41,655,398</u>	<u>\$ 48,391,627</u>	<u>\$ 51,160,134</u>	<u>\$ 41,953,351</u>

Table 1

Fiscal Year				
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 14,377,226	\$ 13,495,499	\$ 14,038,812	\$ 12,862,706	\$ 12,721,219
81,434	7,984,392	8,406,322	4,642,935	8,238,897
<u>(13,445,875)</u>	<u>(18,918,800)</u>	<u>(16,190,035)</u>	<u>(8,217,856)</u>	<u>(5,257,817)</u>
<u>\$ 1,012,785</u>	<u>\$ 2,561,091</u>	<u>\$ 6,255,099</u>	<u>\$ 9,287,785</u>	<u>\$ 15,702,299</u>
\$ 34,634,482	\$ 35,328,679	\$ 38,523,839	\$ 37,935,794	\$ 37,621,349
<u>(326,823)</u>	<u>600,944</u>	<u>508,553</u>	<u>1,216,035</u>	<u>1,612,160</u>
<u>\$ 34,307,659</u>	<u>\$ 35,929,623</u>	<u>\$ 39,032,392</u>	<u>\$ 39,151,829</u>	<u>\$ 39,233,509</u>
\$ 49,011,708	\$ 48,824,178	\$ 52,562,651	\$ 50,798,500	\$ 50,342,568
81,434	7,984,392	8,406,322	4,642,935	8,238,897
<u>(13,772,698)</u>	<u>(18,317,856)</u>	<u>(15,681,482)</u>	<u>(7,001,821)</u>	<u>(3,645,657)</u>
<u>\$ 35,320,444</u>	<u>\$ 38,490,714</u>	<u>\$ 45,287,491</u>	<u>\$ 48,439,614</u>	<u>\$ 54,935,808</u>

Stanly County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Expenses	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:					
General government	\$ 7,211,199	\$ 4,507,077	\$ 4,763,517	\$ 5,563,922	\$ 6,207,070
Public safety	10,271,412	10,901,818	11,144,226	12,089,074	13,941,395
Transportation	722,422	799,798	814,513	850,441	923,081
Environmental protection	899,015	927,806	1,000,097	1,031,633	1,108,942
Economic and physical development	1,529,470	2,001,170	1,888,101	2,344,873	1,494,393
Human services	14,330,481	15,746,398	16,379,896	16,086,711	16,136,859
Education	16,478,097	14,524,281	14,888,711	14,267,912	24,661,209
Culture and recreation	1,384,589	1,552,261	1,668,597	1,800,314	2,035,578
Interest on long-term debt	1,136,626	1,085,577	1,234,712	1,193,541	1,393,628
Total governmental activities expenses	<u>53,963,311</u>	<u>52,046,186</u>	<u>53,782,370</u>	<u>55,228,419</u>	<u>67,902,155</u>
Business-type activities:					
Water and sewer	3,127,806	2,852,463	2,857,210	3,377,002	3,809,744
Airport	1,444,977	1,445,778	1,670,370	1,588,558	1,548,508
Total business-type activities	<u>4,572,783</u>	<u>4,298,241</u>	<u>4,527,580</u>	<u>4,965,560</u>	<u>5,358,252</u>
Total primary governmental expenses	<u>\$ 58,536,094</u>	<u>\$ 56,344,427</u>	<u>\$ 58,309,950</u>	<u>\$ 60,193,979</u>	<u>\$ 73,260,407</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 4,261,895	\$ 1,668,751	\$ 1,579,480	\$ 1,668,625	\$ 1,844,478
Public safety	1,824,146	2,022,339	2,396,682	2,579,945	2,669,845
Transportation	304,235	303,563	312,282	375,280	370,233
Environmental protection	769,537	740,437	857,834	848,824	835,242
Economic and physical development	6,625	13,081	12,480	23,135	601,271
Human services	1,698,934	1,910,676	2,157,094	1,894,767	2,301,087
Culture and recreation	24,497	27,714	36,857	79,893	185,582
Operating grants and contributions	8,458,500	11,035,610	8,832,742	9,111,529	9,307,612
Capital grants and contributions	29,503	164,368	1,842,159	986,481	1,706,125
Total governmental activities program revenues	<u>17,377,872</u>	<u>17,886,539</u>	<u>18,027,610</u>	<u>17,568,479</u>	<u>19,821,475</u>
Business-type activities:					
Charges for services:					
Water and sewer	2,535,305	2,762,650	2,725,228	3,004,732	3,001,449
Airport	334,406	397,830	429,644	457,087	295,877
Operating grants and contributions	-	-	-	17,949	-
Capital grants and contributions	1,789,803	1,007,601	3,757,664	216,801	1,092,003
Total business-type activities program revenues	<u>4,659,514</u>	<u>4,168,081</u>	<u>6,912,536</u>	<u>3,696,569</u>	<u>4,389,329</u>
Total primary governmental program revenues	<u>\$ 22,037,386</u>	<u>\$ 22,054,620</u>	<u>\$ 24,940,146</u>	<u>\$ 21,265,048</u>	<u>\$ 24,210,804</u>
Net (expense)/revenue					
Governmental activities	<u>\$ (36,585,439)</u>	<u>\$ (34,159,647)</u>	<u>\$ (35,754,760)</u>	<u>\$ (37,659,940)</u>	<u>\$ (48,080,680)</u>
Business-type activities	<u>86,731</u>	<u>(130,160)</u>	<u>2,384,956</u>	<u>(1,268,991)</u>	<u>(968,923)</u>
Total primary governmental net expense	<u>\$ (36,498,708)</u>	<u>\$ (34,289,807)</u>	<u>\$ (33,369,804)</u>	<u>\$ (38,928,931)</u>	<u>\$ (49,049,603)</u>

Table 2
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Fiscal Year				
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 6,799,601	\$ 5,601,234	\$ 5,048,549	\$ 5,204,527	\$ 4,793,725
13,957,473	14,130,565	14,482,815	14,434,194	14,969,660
948,122	987,615	988,483	950,965	961,283
1,155,970	1,159,814	1,162,909	1,197,567	1,202,676
2,741,056	2,610,268	2,364,231	2,004,658	1,590,399
14,851,419	14,614,279	14,968,599	14,970,988	15,020,712
19,284,505	13,334,719	12,643,400	12,532,158	12,830,472
1,954,960	1,572,655	1,643,930	1,572,868	1,505,119
1,659,370	1,169,653	1,264,990	925,756	1,007,050
<u>63,352,475</u>	<u>55,180,802</u>	<u>54,567,906</u>	<u>53,793,681</u>	<u>53,881,096</u>
3,703,713	3,768,034	4,071,866	4,714,762	4,254,118
1,518,407	1,514,311	1,633,139	1,698,168	2,269,170
<u>5,222,120</u>	<u>5,282,345</u>	<u>5,705,005</u>	<u>6,412,930</u>	<u>6,523,288</u>
<u>\$ 68,574,595</u>	<u>\$ 60,463,147</u>	<u>\$ 60,272,911</u>	<u>\$ 60,206,611</u>	<u>\$ 60,404,384</u>
\$ 1,468,042	\$ 1,445,785	\$ 1,499,922	\$ 1,483,698	\$ 1,538,895
3,003,195	2,841,139	3,331,264	3,200,111	3,194,958
364,756	578,427	425,439	423,318	387,695
862,811	883,729	883,005	891,052	931,946
13,770	18,478	24,042	25,101	25,342
2,147,188	2,194,950	2,514,395	2,335,558	2,709,716
21,703	24,320	20,811	28,624	25,029
11,222,862	10,632,041	10,767,746	9,701,383	9,737,956
1,123,874	1,148,686	970,547	1,091,138	4,017,043
<u>20,228,201</u>	<u>19,767,555</u>	<u>20,437,171</u>	<u>19,179,983</u>	<u>22,568,580</u>
3,069,742	3,096,448	3,162,076	3,076,946	3,477,682
311,966	303,126	362,955	411,149	455,302
-	91,262	-	-	-
<u>366,777</u>	<u>2,735,134</u>	<u>5,130,143</u>	<u>1,734,467</u>	<u>392,171</u>
<u>3,748,485</u>	<u>6,225,970</u>	<u>8,655,174</u>	<u>5,222,562</u>	<u>4,325,155</u>
<u>\$ 23,976,686</u>	<u>\$ 25,993,525</u>	<u>\$ 29,092,345</u>	<u>\$ 24,402,545</u>	<u>\$ 26,893,735</u>
\$ (43,124,274)	\$ (35,413,247)	\$ (34,130,735)	\$ (34,613,698)	\$ (31,312,516)
(1,473,635)	943,625	2,950,169	(1,190,368)	(2,198,133)
<u>\$ (44,597,909)</u>	<u>\$ (34,469,622)</u>	<u>\$ (31,180,566)</u>	<u>\$ (35,804,066)</u>	<u>\$ (33,510,649)</u>

Stanly County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

General Revenues and Other Changes in Net Position

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities:					
Taxes					
Ad valorem taxes	\$ 25,255,507	\$ 27,029,395	\$ 27,468,013	\$ 29,160,452	\$ 29,839,262
Local option sales tax	9,407,446	9,922,637	10,605,369	10,695,767	8,842,576
Other taxes	523,941	557,210	579,632	574,991	519,464
Unrestricted grants and contributions	-	-	-	-	-
Interest earned on investments	294,656	921,555	1,393,065	1,235,530	612,476
Miscellaneous	249,947	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-	-
Transfers in (out)	<u>(437,616)</u>	<u>(2,152,690)</u>	<u>(1,001,788)</u>	<u>(598,536)</u>	<u>(610,360)</u>
Total governmental activities	<u>35,293,881</u>	<u>36,278,107</u>	<u>39,044,291</u>	<u>41,068,204</u>	<u>39,203,418</u>
Business-type activities:					
Ad valorem taxes	-	-	-	-	-
Interest earned on investments	25,319	26,276	59,954	30,698	29,042
Miscellaneous	-	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-	-
Transfers in (out)	<u>437,616</u>	<u>2,152,690</u>	<u>1,001,788</u>	<u>598,536</u>	<u>610,360</u>
Total business-type activities	<u>462,935</u>	<u>2,178,966</u>	<u>1,061,742</u>	<u>629,234</u>	<u>639,402</u>
Total primary government	<u>\$ 35,756,816</u>	<u>\$ 38,457,073</u>	<u>\$ 40,106,033</u>	<u>\$ 41,697,438</u>	<u>\$ 39,842,820</u>
Change in Net Position					
Governmental activities	\$ (1,291,558)	\$ 2,118,460	\$ 3,289,531	\$ 3,408,264	\$ (8,877,262)
Business-type activities	<u>549,666</u>	<u>2,048,806</u>	<u>3,446,698</u>	<u>(639,757)</u>	<u>(329,521)</u>
Total primary government	<u>\$ (741,892)</u>	<u>\$ 4,167,266</u>	<u>\$ 6,736,229</u>	<u>\$ 2,768,507</u>	<u>\$ (9,206,783)</u>

Table 2
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Fiscal Year				
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 30,245,704	\$ 30,442,706	\$ 30,499,757	\$ 31,174,287	\$ 32,363,012
6,841,679	6,418,461	6,696,017	7,040,648	6,936,696
481,063	502,321	504,698	543,968	544,765
-	-	-	-	-
372,699	256,933	261,112	171,540	139,996
-	-	-	-	19,025
-	-	-	-	-
(210,471)	(658,868)	(136,841)	(1,284,059)	(2,276,464)
<u>37,730,674</u>	<u>36,961,553</u>	<u>37,824,743</u>	<u>37,646,384</u>	<u>37,727,030</u>
-	-	-	-	-
23,857	16,543	15,759	3,890	3,349
-	2,928	-	21,856	-
-	-	-	-	-
<u>210,471</u>	<u>658,868</u>	<u>136,841</u>	<u>1,284,059</u>	<u>2,276,464</u>
<u>234,328</u>	<u>678,339</u>	<u>152,600</u>	<u>1,309,805</u>	<u>2,279,813</u>
<u>\$ 37,965,002</u>	<u>\$ 37,639,892</u>	<u>\$ 37,977,343</u>	<u>\$ 38,956,189</u>	<u>\$ 40,006,843</u>
\$ (5,393,600)	\$ 1,548,306	\$ 3,694,008	\$ 3,032,686	\$ 6,414,514
<u>(1,239,307)</u>	<u>1,621,964</u>	<u>3,102,769</u>	<u>119,437</u>	<u>81,680</u>
<u>\$ (6,632,907)</u>	<u>\$ 3,170,270</u>	<u>\$ 6,796,777</u>	<u>\$ 3,152,123</u>	<u>\$ 6,496,194</u>

Stanly County, North Carolina
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund					
Reserved	\$ 5,575,709	\$ 4,206,084	\$ 5,249,619	\$ 3,590,746	\$ 8,233,781
Unreserved	10,931,952	11,756,250	12,250,938	15,452,332	9,390,468
Nonspendable					
Restricted					
Committed					
Assigned					
Unassigned					
Total General Fund	<u>\$ 16,507,661</u>	<u>\$ 15,962,334</u>	<u>\$ 17,500,557</u>	<u>\$ 19,043,078</u>	<u>\$ 17,624,249</u>
All other governmental funds					
Reserved	\$ 24,928	\$ 59,382	\$ 105,640	\$ 30,977	\$ 28,082
Unreserved, reported in:					
Special revenue funds	590,577	482,567	464,056	514,312	347,371
Capital projects funds	208,637	665,307	3,554,882	-	-
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$ 824,142</u>	<u>\$ 1,207,256</u>	<u>\$ 4,124,578</u>	<u>\$ 545,289</u>	<u>\$ 375,453</u>

Table 3

Fiscal Year				
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
36,360	51,071	52,912	66,374	71,395
9,661,929	7,480,151	8,027,964	4,206,637	4,887,893
-	-	-	-	750,000
2,062,820	2,003,925	2,803,717	3,120,289	3,368,058
4,640,026	6,424,783	7,005,289	11,378,402	10,113,103
<u>\$ 16,401,135</u>	<u>\$ 15,959,930</u>	<u>\$ 17,889,882</u>	<u>\$ 18,771,702</u>	<u>\$ 19,190,449</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
445,193	504,241	378,358	436,298	3,351,004
-	-	-	-	-
-	-	-	-	-
-	(34,118)	(52,149)	(161,875)	(35,676)
<u>\$ 445,193</u>	<u>\$ 470,123</u>	<u>\$ 326,209</u>	<u>\$ 274,423</u>	<u>\$ 3,315,328</u>

Stanly County, North Carolina
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues					
Ad valorem taxes	\$ 25,328,973	\$ 26,829,328	\$ 27,519,067	\$ 29,225,384	\$ 29,600,368
Local option sales taxes	9,407,446	9,922,637	10,605,369	10,695,767	8,842,576
Other taxes and licenses	523,941	557,210	579,632	574,991	519,464
Unrestricted intergovernmental	5,763	6,080	5,657	8,173	2,664
Restricted intergovernmental	8,250,771	10,365,169	10,258,260	9,664,623	10,688,266
Permits and fees	750,320	813,844	927,965	945,668	925,727
Sales and services	4,897,601	5,734,916	5,984,898	6,087,739	6,715,699
Investment earnings	286,217	827,006	1,286,592	1,146,477	510,910
Miscellaneous	748,556	834,809	706,272	714,807	1,290,237
Total revenues	<u>50,199,588</u>	<u>55,890,999</u>	<u>57,873,712</u>	<u>59,063,629</u>	<u>59,095,911</u>
Expenditures					
General government	3,664,082	3,933,312	4,219,004	5,183,353	5,655,825
Public safety	9,779,612	10,245,837	13,933,485	14,967,299	14,559,774
Transportation	627,756	712,320	732,129	797,230	847,546
Environmental protection	895,520	923,604	975,779	1,026,214	1,090,593
Economic and physical development	1,525,184	2,005,105	1,912,875	2,348,929	1,464,024
Human services	14,307,611	15,729,303	16,415,126	16,202,140	16,130,914
Education	16,290,282	14,318,186	14,888,711	11,156,431	20,905,982
Culture and recreation	1,393,480	1,449,484	1,468,388	1,604,432	1,887,929
Capital Outlay	1,021,639	2,150,608	678,811	4,275,976	4,553,357
Debt service					
Principal	1,319,567	1,333,098	1,530,401	1,728,156	1,993,041
Interest and other charges	1,152,446	1,099,665	1,161,670	1,211,702	1,142,202
Total expenditures	<u>51,977,179</u>	<u>53,900,522</u>	<u>57,916,379</u>	<u>60,501,862</u>	<u>70,231,187</u>
Excess of revenues over (under) expenditures	(1,777,591)	1,990,477	(42,667)	(1,438,233)	(11,135,276)
Other financing sources (uses)					
Debt Proceeds	-	-	5,500,000	-	13,000,000
Refunding bond issued	-	-	-	-	-
Payment to escrow agent-retired debt	-	-	-	-	-
Payment to bondholders	-	-	-	-	-
Bond Premium	-	-	-	-	-
Transfers from other funds	90,561	580,000	245,167	595,036	1,000,000
Transfers to other funds	(528,177)	(2,732,690)	(1,246,955)	(1,193,572)	(1,610,360)
Sales of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>(437,616)</u>	<u>(2,152,690)</u>	<u>4,498,212</u>	<u>(598,536)</u>	<u>12,389,640</u>
Net change in fund balances	<u>\$ (2,215,207)</u>	<u>\$ (162,213)</u>	<u>\$ 4,455,545</u>	<u>\$ (2,036,769)</u>	<u>\$ 1,254,364</u>
Debt services as a percentage of noncapital expenditures	4.9%	4.7%	4.7%	5.3%	4.6%

Table 4

Fiscal Year				
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 30,025,945	\$ 30,256,263	\$ 30,009,197	\$ 30,947,727	\$ 32,473,168
6,841,679	6,418,461	6,696,017	7,040,648	6,936,696
481,063	502,321	504,698	543,968	544,765
425	-	-	-	-
11,995,950	11,220,975	11,150,806	9,874,535	12,814,737
6,719,000	6,831,077	7,467,321	7,390,642	7,861,820
694,288	653,402	689,032	725,695	645,337
284,270	184,734	142,460	98,746	83,822
635,110	852,352	874,456	937,510	1,024,222
<u>57,677,730</u>	<u>56,919,585</u>	<u>57,533,987</u>	<u>57,559,471</u>	<u>62,384,567</u>
6,183,333	5,070,693	4,312,607	4,665,411	4,511,868
13,594,893	13,344,073	13,504,875	13,688,999	14,490,807
837,489	920,286	854,643	825,722	860,179
1,121,743	1,136,432	1,295,081	1,174,893	1,195,669
2,689,449	2,580,078	2,154,133	1,968,404	1,601,078
14,601,773	14,519,051	14,703,300	14,790,919	15,104,956
15,346,641	11,359,719	10,813,400	10,662,158	12,830,472
1,698,160	1,372,673	1,418,401	1,376,531	1,420,457
3,238,973	2,734,792	2,443,567	2,703,079	7,673,583
2,400,877	2,640,968	2,632,920	2,884,682	2,875,846
1,697,261	1,276,448	1,337,372	1,107,619	1,039,977
<u>63,410,592</u>	<u>56,955,213</u>	<u>55,470,299</u>	<u>55,848,417</u>	<u>63,604,892</u>
(5,732,862)	(35,628)	2,063,688	1,711,054	(1,220,325)
312,547	1,743,149	3,709,191	403,039	7,206,441
16,325,000	-	-	-	-
-	-	(3,850,000)	-	-
(17,223,200)	-	-	-	-
1,067,654	-	-	-	-
190,572	175,971	103,059	50,000	59,406
(401,043)	(834,839)	(239,900)	(1,334,059)	(2,585,870)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>271,530</u>	<u>1,084,281</u>	<u>(277,650)</u>	<u>(881,020)</u>	<u>4,679,977</u>
<u>\$ (5,461,332)</u>	<u>\$ 1,048,653</u>	<u>\$ 1,786,038</u>	<u>\$ 830,034</u>	<u>\$ 3,459,652</u>
6.6%	7.0%	7.2%	7.3%	7.0%

Stanly County, North Carolina
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Table 5

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Occupancy Tax	Property Excise Tax	Intangible Tax	Solid Waste Tax	Other Tax	Total
2005	\$ 25,255,507	\$ 9,407,446	\$ 138,938	\$ 184,879	\$ 185,316	\$ -	\$ -	\$ 14,808	\$ 35,186,894
2006	27,029,395	9,922,637	133,670	199,699	207,718	-	-	16,123	37,509,242
2007	27,468,013	10,605,369	153,011	192,680	216,215	-	-	17,726	38,653,014
2008	29,160,452	10,695,767	139,719	215,575	202,558	-	-	17,139	40,431,210
2009	29,839,262	8,842,576	163,923	197,667	123,989	-	16,865	17,020	39,201,302
2010	30,245,704	6,841,679	145,856	180,566	111,336	-	25,901	17,404	37,568,446
2011	30,442,706	6,418,461	156,765	215,999	85,131	-	25,674	18,752	37,363,488
2012	30,499,757	6,696,017	164,644	207,471	87,523	-	25,930	19,130	37,700,472
2013	31,174,287	7,040,648	159,993	234,448	107,618	-	21,594	19,315	38,757,903
2014	32,363,012	6,936,696	157,706	230,930	111,097	-	23,382	21,650	39,844,473

Stanly County, North Carolina
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 6

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Occupancy Tax	Property Excise Tax	Intangible Tax	Solid Waste Tax	Other Tax	Total
2005	\$25,328,973	\$ 9,407,446	\$ 138,938	\$ 184,879	\$ 185,316	\$ -	\$ -	\$ 14,808	\$ 35,260,360
2006	26,829,328	9,922,637	133,670	199,699	207,718	-	-	16,123	37,309,175
2007	27,519,067	10,605,369	153,011	192,680	216,215	-	-	17,726	38,704,068
2008	29,225,384	10,695,767	139,719	215,575	202,558	-	-	17,139	40,496,142
2009	29,600,368	8,842,576	163,923	197,667	123,989	-	16,865	17,020	38,962,408
2010	30,025,945	6,841,679	145,856	180,566	111,336	-	25,901	17,404	37,348,687
2011	30,256,263	6,418,461	156,765	215,999	85,131	-	25,674	18,752	37,177,045
2012	30,009,197	6,696,017	164,644	207,471	87,523	-	25,930	19,130	37,209,912
2013	30,947,727	7,040,648	159,993	235,448	107,618	-	21,594	19,315	38,532,343
2014	32,473,168	6,936,696	157,706	230,930	111,097	-	23,382	21,650	39,954,629

Stanly County, North Carolina

Table 7

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2005	\$2,050,000,000	\$ 290,000,000	\$ 404,465,835	\$1,467,503,839	\$ 650,000,000	\$3,561,969,674	0.6675	\$ 3,561,969,674	100%
2006	2,530,377,851	343,500,422	454,259,606	1,313,792,452	708,015,435	3,933,914,896	0.6450	3,933,914,896	100%
2007	2,304,600,237	355,608,820	420,101,573	1,760,360,739	847,501,363	3,993,170,006	0.6450	3,993,170,006	100%
2008	2,758,609,886	957,073,583	406,812,810	342,065,414	371,935,888	4,092,625,805	0.6700	4,092,625,805	100%
2009	2,803,975,706	976,467,389	431,300,423	339,233,489	378,573,688	4,172,403,319	0.6700	4,172,403,319	100%
2010	2,933,112,623	606,978,343	410,349,318	339,844,218	83,231,303	4,207,053,199	0.6700	4,207,053,199	100%
2011	2,961,763,672	604,404,169	375,174,209	346,434,253	52,964,536	4,234,811,767	0.6700	4,234,811,767	100%
2012	2,989,362,988	612,152,578	389,552,648	318,244,954	55,401,328	4,253,911,840	0.6700	4,253,911,840	100%
2013	3,021,902,549	1,101,009,623	407,026,074	326,955,037	543,377,510	4,313,515,773	0.6700	4,313,515,773	100%
2014	3,346,741,922	797,344,983	819,379,104	321,402,524	543,774,772	4,462,924,217	0.6700	4,462,924,217	100%

Source: Stanly County Tax Assessor

Stanly County, North Carolina
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Table 8

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
County Direct Rate										
Stanly (General)	0.6675	0.6450	0.6450	0.6700	0.6700	0.6700	0.6700	0.6700	0.6700	0.6700
Total direct rate	0.6675	0.6450	0.6450	0.6700	0.6700	0.6700	0.6700	0.6700	0.6700	0.6700
City/Town Overlapping Rates										
City of Albemarle	0.5600	0.5600	0.5600	0.5600	0.5600	0.5600	0.5600	0.5600	0.5600	0.5900
Town of Oakboro	0.4400	0.4400	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100
Town of Badin	0.3200	0.3400	0.3600	0.3800	0.3800	0.3800	0.3800	0.3800	0.3900	0.3900
Town of Norwood	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Town of Locust	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600
Stanfield Annex	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town of Stanfield	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800
Town of New London	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Town of Richfield	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1500	0.1700	0.1700
Town of Redcross	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Redcross Annex	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town of Misenheimer	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200
Municipal Service	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Fire Districts Overlapping Rates										
*West Stanly	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0842	0.0842
Center Rural	0.0500	0.0500	0.0500	0.0500	0.0700	0.0700	0.0700	0.0700	0.0700	0.1000
Endy	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Ridgecrest	0.0800	0.0800	0.0800	0.0800	0.0800	0.0900	0.0900	0.0900	0.0900	0.0900
Aquadale	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.1000	0.1000
Eastside	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.1000
Oakboro Rural	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
New London	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0515	0.0750
Southside	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Rocky River	0.0800	0.0800	0.0800	0.0800	N/A	N/A	N/A	N/A	N/A	N/A
Bethany	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0775
Richfield	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Millingport	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Badin-Yadkin	0.0500	0.0500	0.0500	0.0500	0.0800	0.0800	0.0800	0.0800	0.0803	0.0803
Norwood Special	N/A	N/A	N/A	N/A	0.0500	0.0700	0.0700	0.0700	0.0700	0.0700
Maximum Combined										
**County Tax Rate	0.7675	0.7450	0.7700	0.7700	0.7700	0.7700	0.7700	0.7700	0.7700	0.7700
***City Tax Rate	1.2275	1.2050	1.2050	1.2300	1.2300	1.2300	1.2300	1.2300	1.2300	1.2600

All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

*Locust and Rocky River Fire District merged July 1, 2008 to form West Stanly Fire District.

**Maximum Combined County Tax Rate - Stanly County plus the highest fire district tax rate.

***Maximum Combined City Tax Rate - Stanly County plus the highest city or township tax rate(s).

Source: Stanly County Tax Assessor

Stanly County, North Carolina
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 9

Taxpayer	<u>2014</u>			<u>2005</u>		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
APGI	\$ 42,670,833	1	1.00%	\$ 50,493,167	1	1.42%
Duke Energy	40,462,793	2	0.95%	27,087,724	4	0.76%
Union Electric	31,208,253	3	0.73%	21,089,387	5	0.59%
Michelin Aircraft Tire Co.	29,227,822	4	0.69%	31,547,907	3	0.89%
Fiber Composites	28,451,795	5	0.67%	15,264,931	8	0.43%
Walmart Real Estate Business	23,953,079	6	0.56%			
Preformed Line Products	17,288,451	7	0.41%	15,120,430	9	0.42%
Stanly Regional Hospital	17,217,213	8	0.40%			
Piedmont Natural Gas	16,471,985	9	0.39%	12,698,501	10	0.36%
Aloca	15,367,653	10	0.36%	33,380,890	2	0.94%
Concord Telephone				15,566,162	7	0.44%
SPX Corporation				16,542,148	6	0.46%
Totals	<u>\$ 262,319,877</u>		<u>6.17%</u>	<u>\$ 238,791,247</u>		<u>6.70%</u>

Source: Stanly County Tax Assessor

Stanly County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 10

Fiscal Year Ended June 30	Total Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 23,837,624	\$ 22,937,907	96.23%	\$ 1,008,706	\$ 23,946,613	100.00%
2006	25,446,392	24,452,587	96.09%	799,246	25,251,833	99.24%
2007	25,771,587	24,856,027	96.45%	973,208	25,829,235	100.00%
2008	27,427,554	26,505,922	96.64%	974,054	27,479,976	100.00%
2009	28,197,742	27,070,898	96.00%	786,972	27,857,870	98.79%
2010	28,322,388	27,157,880	95.89%	846,456	28,004,336	98.88%
2011	28,414,033	27,215,473	95.78%	954,163	28,169,636	99.14%
2012	28,535,034	27,153,596	95.16%	741,518	27,895,114	97.76%
2013	29,056,680	27,644,474	95.14%	1,072,968	28,717,442	98.83%
2014	30,126,927	28,910,756	95.96%	1,145,792	30,056,548	99.77%

Source: Stanly County Tax Assessor

Table 11

Stanly County, North Carolina
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Unamortized Premium on Bonds	Capital Leases	Installment Note	General Obligation Bonds	Capital Leases	Installment Note			
2005	\$ 22,800,000	\$ -	\$ 1,818,029	\$ -	\$ 645,000	\$ 448,556	\$ 340,967	\$ 26,052,552	1.89%	\$ 440.99
2006	21,900,000	-	1,384,931	-	530,000	341,700	318,235	24,474,866	1.69%	415.45
2007	21,000,000	-	6,254,530	-	415,000	231,396	295,504	28,196,430	1.82%	476.89
2008	20,100,000	-	5,426,375	-	300,000	117,534	272,773	26,216,682	1.56%	433.55
2009	18,950,000	-	4,583,333	13,000,000	185,000	-	250,042	36,968,375	2.11%	394.15
2010	18,075,000	1,067,654	4,216,668	12,628,337	70,000	-	227,310	36,284,969	2.02%	601.20
2011	16,575,000	978,656	3,850,000	13,597,185	-	-	291,030	35,291,871	1.97%	590.55
2012	15,000,000	889,658	3,523,215	12,725,241	-	-	263,379	32,401,493	1.83%	534.81
2013	13,385,000	800,660	3,133,060	12,248,753	-	-	242,765	29,810,238	1.59%	481.04
2014	11,810,000	711,660	9,644,846	11,642,562	-	-	2,765,613	36,574,681	1.81%	586.06

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

Stanly County, North Carolina
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 12

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2005	\$ 23,445,000	0.66%	\$ 396.85
2006	22,430,000	0.57%	380.74
2007	21,415,000	0.54%	362.19
2008	20,400,000	0.50%	337.36
2009	19,135,000	0.46%	314.67
2010	18,145,000	0.43%	300.64
2011	16,575,000	0.39%	277.35
2012	15,000,000	0.35%	247.59
2013	14,185,660	0.33%	228.91
2014	12,521,660	0.28%	200.64

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Stanly County, North Carolina
Direct and Overlapping Governmental Activities Debt
June 30, 2014

Table 13

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Stanly County	\$ 33,809,068	100%	\$ 33,809,068
Overlapping:			
Town of Richfield	365,000	100%	<u>365,000</u>
Total direct and overlapping debt			<u><u>\$ 34,174,068</u></u>

Source: State of North Carolina Treasurer LGC 129

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Stanly County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for



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Stanly County, North Carolina
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year				
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt limit	\$ 284,957,574	\$ 314,713,191	\$ 319,453,600	\$ 327,410,064	\$ 333,792,266
Total net debt applicable to limit	<u>22,800,000</u>	<u>23,284,931</u>	<u>27,254,530</u>	<u>25,526,374</u>	<u>36,533,333</u>
Legal debt margin	<u>\$ 262,157,574</u>	<u>\$ 291,428,260</u>	<u>\$ 292,199,070</u>	<u>\$ 301,883,690</u>	<u>\$ 297,258,933</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>8.00%</u>	<u>7.40%</u>	<u>8.53%</u>	<u>7.80%</u>	<u>10.94%</u>

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed value	<u>\$ 4,462,924,217</u>
Debt limit - 8% of assessed value	357,033,937
Debt applicable to limit:	
General obligation bonds	\$ 11,810,000
Bond premiums	711,660
Installment note	11,642,562
Business-type installment note	2,765,613
Capital lease obligation	<u>9,644,846</u>
Total debt	\$ 36,574,681
Less - statutory deductions	<u>2,765,613</u>
Total amount of debt applicable to debt limit	<u>33,809,068</u>
Legal debt margin	<u>\$ 323,224,869</u>

Table 14

Fiscal Year				
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 336,564,256	\$ 338,784,941	\$ 340,312,947	\$ 345,081,262	357,033,937
<u>34,920,005</u>	<u>35,000,841</u>	<u>32,138,114</u>	<u>29,567,473</u>	<u>33,809,068</u>
<u>\$ 301,644,251</u>	<u>\$ 303,784,100</u>	<u>\$ 308,174,833</u>	<u>\$ 315,513,789</u>	<u>\$ 323,224,869</u>
<u>10.38%</u>	<u>10.33%</u>	<u>9.44%</u>	<u>8.57%</u>	<u>9.47%</u>

Stanly County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 15

Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2005	59,078	1,379,707,612	23,354	36.9	9,868	5.9%
2006	58,912	1,452,298,624	24,652	38.0	9,588	5.5%
2007	59,126	1,552,116,626	26,251	38.2	9,687	4.9%
2008	60,470	1,682,517,280	27,824	39.0	9,650	5.8%
2009	60,810	1,751,510,430	28,803	39.0	9,276	12.4%
2010	60,354	1,800,721,944	29,836	40.0	9,386	11.9%
2011	59,761	1,790,738,365	29,965	40.0	9,053	10.6%
2012	60,585	1,766,961,525	29,165	41.0	9,070	10.2%
2013	61,971	1,873,197,417	30,227	41.0	8,953	8.9%
2014	62,408	2,026,262,944	32,468	41.0	8,763	5.8%

Sources:

- (1) N.C. Employment Security Commission Workforce In-Depth
- (2) N.C. Employment Security Commission Workforce In-Depth
- (3) Access NC North Carolina Economic Data and Site Information
- (4) Division of School Business Services School Allotments Sections
- (5) N.C. Employment Security Commission Workforce In-Depth

Stanly County, North Carolina
Principal Employers
Current Year and Eight Years Ago

Table 16

Employer	<u>2014</u>			<u>2006</u>		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Stanly County Schools	1,474	1	5.11%	1,420	1	5.06%
Stanly Regional Medical Center	1,025	2	3.56%			
Walmart of Albemarle	623	3	2.16%	325	7	1.16%
Michelin Aircraft	475	4	1.65%	377	5	1.34%
Stanly Community College	425	5	1.47%			
Stanly County Government	411	6	1.43%	569	4	2.03%
IAC Old Fort LLC	329	7	1.14%			
Monarch	312	8	1.08%			
State of NC Dept of Corrections	301	9	1.04%			
Food Lion	<u>292</u>	10	<u>1.01%</u>			
Stanly Health Services				1,050	2	3.74%
Collins & Aikman				600	3	2.14%
Albemarle Correctional				327	6	1.17%
Shult Manufacturing				282	8	1.01%
City of Albemarle				275	9	0.98%
ARC Services				<u>225</u>	10	<u>0.80%</u>
Total	<u>5,667</u>		<u>19.66%</u>	<u>5,450</u>		<u>19.43%</u>

Source: Stanly County Economic Development Office

Note: Data not available before fiscal year 2006.

Stanly County, North Carolina
Full-Time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Table 17

Function	Full-Time Equivalent Employees as of June 30									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government										
Administration	6	6	6	6	5	5	4	4	4	4
Finance	7	7	6	5	5	6	5	5	5	5
Taxes	22	22	26	20	19	19	19	18	18	16
Attorneys	0	0	0	2	2	2	2	2	2	2
Elections	3	2	3	5	3	3	3	3	3	3
Register of deeds	6	6	6	6	5	4	4	4	4	4
Information technology	3	3	3	4	4	5	5	5	5	5
Facilities management	6	6	6	6	7	7	7	7	7	7
Public safety										
Sheriff	51	53	52	53	58	57	55	54	54	54
Jail	23	20	24	37	39	33	38	38	38	38
Criminal justice partnership	1	1	1	1	1	1	1	NA	NA	NA
Juvenile justice partnership	NA	NA	NA	NA	1	1	1	NA	NA	NA
Emergency management	2	2	2	2	2	2	2	2	2	2
Fire	1	1	2	3	3	3	2	2	2	2
Emergency medical services	39	37	42	39	39	41	36	36	37	43
Inspections	7	7	6	6	5	5	4	4	4	4
Animal control	5	5	5	5	6	6	5	5	5	5
E-911 operations	15	16	14	15	18	17	16	16	17	17
E-911 surcharge	1	2	2	2	NA	NA	NA	NA	NA	NA
Transportation	18	19	19	18	14	11	12	15	15	15
Environmental protection										
Solid waste collection	13	13	14	14	10	10	10	10	10	10
Conservation	2	2	2	2	2	2	2	2	2	2
Economic and physical development										
Economic development	2	2	2	1	2	2	1	2	2	2
Planning and zoning	6	4	5	4	3	3	3	3	3	3
Central Permitting	0	0	0	3	3	4	3	3	3	3
Rocky River RPO	0	0	1	1	1	1	1	1	1	1
Cooperative extension	6	6	0	0	0	0	0	0	0	0
Title V	5	6	5	0	NA	NA	NA	NA	NA	NA
Human services										
Health	56	54	60	55	57	58	54	57	58	55
Social services	75	76	79	74	81	76	78	81	81	78
Senior services	17	18	17	15	15	15	13	13	13	13
Veterans services	1	1	1	1	1	1	1	1	1	1
Culture and recreation										
Library	20	20	19	18	20	18	16	17	17	17
Historic preservation	2	1	2	2	2	2	2	NA	NA	NA
Agri-civic center	3	5	5	5	4	4	4	4	3	3
Airport	5	5	5	5	5	5	5	5	5	5
Utilities										
Administration	4	4	5	5	4	4	4	4	4	4
Operations	8	8	8	9	12	13	11	12	12	12
West Stanly WWTP	0	0	0	0	0	0	0	0	0	2
Total	<u>441</u>	<u>440</u>	<u>455</u>	<u>449</u>	<u>458</u>	<u>446</u>	<u>429</u>	<u>435</u>	<u>437</u>	<u>437</u>

Source: Stanly County Human Resources



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Stanly County, North Carolina
Operating Indicators by Function
Last Nine Fiscal Years

Function	Fiscal Year			
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Public Safety				
Arrests	1,819	1,712	3,471	1,157
Civil papers serviced	1,060	1,166	13,269	5,848
Average daily jail population	83	92	91	92
Dispatched EMS calls	6,297	6,370	6,885	7,164
EMS move up calls	2,748	2,695	5,270	2,836
Building permits issued	642	710	651	652
Animals entering shelter	4,358	4,211	3,313	2,980
Animals euthanized	3,201	2,866	2,404	2,649
911 calls logged for service	102,834	107,118	110,472	111,643
Transportation				
Service hours	26,180	20,713	28,277	19,743
Miles driven	413,044	392,079	427,665	386,343
Trips	82,878	77,888	72,967	67,014
Environmental protection				
Discarded materials collected (tons/day)	19	20	19	25
Recyclables collected (tons/day)	2	2	2	2
Human services				
Food and lodging permits	127	114	50	131
Food and lodging inspections made	917	836	627	754
Wells permits issued	155	168	145	94
Culture and recreation				
Library books checked out	197,718	209,100	220,331	226,603
Library cards issued	2,763	4,043	1,287	2,580
Water and sewer				
Number of water customers	3,859	3,979	3,756	4,152
Average monthly water demand (Gallons)	24,216,807	26,290,707	53,000,000	30,030,025
Number of sewer customers	648	624	650	622
Average monthly sewage collected* (Gallons)	-	-	-	244,000
Airport				
Operations (Take-offs and/or landings)	11,451	13,844	13,718	11,490

Sources: Various departments

*Accurate information not available for prior years.

Note: Data not available before Fiscal Year 2006.

Table 18

Fiscal Year				
<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
3,200	1,689	937	705	813
8,447	9,196	8,781	8,339	8,653
94	80	75	66	74
7,299	7,864	8,668	8,625	7,949
3,221	2,883	3,342	3,564	2,923
517	541	549	545	512
2,996	2,883	2,910	2,053	1,777
2,422	2,471	1,257	1,611	1,330
115,840	119,724	121,662	116,356	115,885
18,991	18,768	17,966	16,927	16,267
351,009	332,373	313,790	286,007	285,806
63,848	63,558	62,587	55,350	47,491
19	19	19	24	22
2	2	2	2	2
45	27	92	63	60
937	822	859	730	729
83	68	84	100	51
236,179	226,350	210,951	204,653	186,501
2,421	2,783	2,850	2,620	1,942
3,972	4,116	4,994	5,207	5,460
29,300,527	34,065,300	32,253,281	29,400,454	31,760,350
682	716	720	625	695
383,500	220,800	310,500	358,417	688,400
11,425	10,605	9,969	10,271	13,200

Table 19

Stanly County, North Carolina
Capital Asset Statistics by Function
Last Nine Fiscal Years

Function	Fiscal Year								
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Public safety									
Detention center	1	1	1	1	1	1	1	1	1
Patrol units	51	46	48	52	51	48	48	48	45
EMS ambulances	8	9	9	9	9	9	9	9	10
Transportation									
Transit vehicles	29	24	18	21	20	20	16	16	19
Environmental protection									
Convenience centers	9	9	9	9	9	9	9	9	9
Sanitary landfill	0	0	0	0	0	0	0	0	0
Culture and recreation									
Museums	3	3	3	3	3	3	3	3	3
Civic center	1	1	1	1	1	1	1	1	1
Water and sewer									
Miles of water mains	150	150	162	188	194	191	191	206	283
Number of wastewater plants	1	1	1	1	1	1	1	1	2
Miles of sanitary sewer	26	26	33	48	49	49	49	49	56
Airport									
Runways	2	2	2	2	2	2	2	2	2
Hangar spaces	30	30	30	30	30	30	30	30	30

Sources: Various departments

Note: This data not available before Fiscal Year 2006.