

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

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

***WILSON COUNTY
NORTH CAROLINA***



FINANCE DEPARTMENT
TIFFANY REESE
FINANCE DIRECTOR

WILSON COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
	Introductory Section:	
	Letter of Transmittal	i-v
	GFOA Certificate of Achievement for Excellence in Financial Reporting	vi
	Organizational Chart	vii
	List of Principal Officials	viii
	Financial Section:	
	Independent Auditor's Report	1-3
	Management's Discussion and Analysis	4-13
	Basic Financial Statements:	
	Government-Wide Financial Statements:	
A	Statement of Net Position	14-15
B	Statement of Activities	16-17
	Fund Financial Statements:	
C	Balance Sheet - Governmental Funds	18-19
D	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
E	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	21
F	Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	22-23
G	Statement of Net Position - Proprietary Funds and Changes in Fund Balance - Budget and Actual	24-25

WILSON COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
H	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	26
I	Statement of Cash Flows - Proprietary Funds	27
J	Statement of Fiduciary Net Position - Fiduciary Funds	28
	Notes to the Financial Statements	29-71
<u>Schedule</u>		
	Required Supplemental Financial Data:	
A-1	Law Enforcement Officers' Special Separation Allowance - Required Supplementary Information	72
A-2	Other Post-Employment Benefits - Required Supplementary Information	73
	Supplementary Information:	
	Major Funds:	
B-1	General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	74
B-2	General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	75-85
B-3	Legally Budgeted Tax Revaluation and Economic Development Funds - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	86
B-4	Revaluation Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	87
B-5	Economic Development Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	88

WILSON COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	Nonmajor Governmental Funds:	
C-1	Combining Balance Sheet	89-90
C-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	91-92
C-3	Fire District Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	93
C-4	Emergency Telephone System Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	94
C-5	Transportation Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	95
C-6	Economic Development Grant Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	96
C-7	Community Grant Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	97
C-8	Public Buildings Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	98
	Major Enterprise Funds:	
D-1	Solid Waste Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	99
D-2	Southeast Water District - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	100

WILSON COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
	Major Enterprise Funds (continued):	
D-3	Southwest Water District - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	101
D-4	Water Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	102
	Internal Service Funds:	
E-1	Hospital - Self Insurance - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	103
	Agency Funds:	
F-1	Statement of Changes in Assets and Liabilities	104-105
	Other Schedules:	
G-1	General Fund - Schedule of Ad Valorem Taxes Receivable	106
G-2	Analysis of Current Tax Levy - County-Wide Levy	107
G-3	Analysis of Current Tax Levy - Fire Districts	108
G-4	Secondary Market Disclosure - County-Wide Levy	109
G-5	Ten Largest Taxpayers	110
	Table	
	Statistical Section:	
1	Net Position by Component, Last Ten Fiscal Years	111
2	Changes in Net Position, Last Ten Fiscal Years	112-113
3	Fund Balances, Governmental Funds,	114

WILSON COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

<u>Table</u>		<u>Page</u>
	Statistical Section (continued):	
4	Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	115
5	Assessed Value and Actual Value of Taxable Property, Last Nine Fiscal Years	116
6	Property Tax Rates, Direct and Overlapping Governments, Last Ten Fiscal Years	117
7	Principal Property Tax Payers, Current Year and Nine Years Ago	118
8	Property Tax Levies and Collections, Last Ten Fiscal Years	119
9	General Government Tax Revenues by Source Last Ten Fiscal Years	120
10	Ratios of Outstanding Debt by Type	121
11	Ratio of General Bonded Debt Outstanding and Legal Debt Margin, Last Ten Fiscal Years	122
12	Demographic and Economic Statistics	123
13	Principal Employers, Current Year and Nine Years Ago	124
14	Full-Time County Government Employees by Function/Program	125
15	Operating Indicators by Function/Program	126
16	Capital Assets Statistics by Function/Program	127

WILSON COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014

TABLE OF CONTENTS

Compliance Section:	<u>Page</u>
Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	128-129
Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act	130-132
Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act	133-135
Schedule of Findings and Questioned Costs	136-138
Schedule of Prior Year Findings	139
Schedule of Expenditures of Federal and State Awards	140-145

INTRODUCTORY SECTION

This page left blank intentionally.

Letter of Transmittal



February 19, 2015

Honorable Members of the Board of Commissioners
Citizens of Wilson County, North Carolina

State laws along with policies and procedures of the North Carolina Local Government Commission require, that all general purpose local governments in the State publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to those requirements, we hereby issue the comprehensive annual financial report of Wilson County for the fiscal year ended June 30, 2014.

This report consists of management's representations concerning the finances of Wilson County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. Management, to provide a reasonable basis for making these representations, has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the County's internal control structure has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Wilson County Government's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test bases, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and State mandated "Single Audit" designed to meet the special needs of Federal and State grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statement, but also on the audited government's internal controls and compliance with legal requirements. This is to be done with special emphasis on internal controls and legal requirement involving the administration of federal and state awards. These reports are available in the compliance section of this report.

GAAP requires 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 designed to complement the MD&A and should be read in conjunction with it. Wilson County's MD&A can be found immediately following the report of independent auditors.

PROFILE OF WILSON COUNTY

Wilson County was formed in 1855. It was formed from parts of Edgecombe, Nash, Wayne and Johnston counties. It was named in honor of Louis Dicken Wilson (1789-1847), a prominent politician and military officer who died during the Mexican War and was considered "the most eminent citizen of Edgecombe County".

Wilson County is located in the east-central part of the State, amid the broad coastal plain which covers nearly half the State, from the Atlantic to the fall lines of the Roanoke, Tar, Neuse, and Cape Fear Rivers. The County, which measures approximately 30 miles from east to west and 20 miles from north to south, encompasses approximately 373 square miles. The principal waterways are the Contentnea Creek, Toisnot Swamp, Black Creek, and Town Creek. The June 2014 tax distribution reported Wilson County's population at 82,020. The City of Wilson, which is the county seat and the County's largest population center with a population of 49,440 according to the 2014 July Tax distribution, covers 28.5 square miles. Other municipalities located in the County include the towns of Elm City, Saratoga, Stantonsburg, Black Creek, Lucama, and Sims.

The County is strategically situated with access to all major, regional, national, as well as, international markets. Wilson County is served by US Highways 117, 264, and 301 and North Carolina Highways 42 and 58, along with Interstate highway 95. NC Highway 42 was upgraded to a five-lane road better connecting the City of Wilson to Interstate Highway 95. Interstate 795 connects to the City of Goldsboro and on to I-40 south, which greatly enhances access to seaports at Wilmington and Morehead City, North Carolina. The US Highway 264 bypass provides interstate grade highway connecting Greenville, North Carolina and the Research Triangle Park. It is also served by the Rocky Mount-Wilson regional airport with the Raleigh-Durham International Airport, a major commercial airport approximately 55 miles west of the County. In addition Wilson is served by the CSX Railroad and Southern Railroad that provide rail freight service.

Wilson County operates under a Commission-Manager form of Government. The governing body of the County is the Board of County Commissioners, which formulates policies and has legislative authority for the administration of the County. In addition, the Board passes ordinances, annually adopts a balanced budget and establishes a tax rate for the support of the County's programs. The Board consists of seven commissioners which serve concurrent four-year terms. Partisan elections for the Board are held in November every four years. The Board takes office the first Monday in December following the November elections. At that time, the Board elects a chairman and vice chairman from among its members.

The County Manager is appointed by, and serves at the pleasure of the Board as the County's Chief Administrative Officer. The Manager has appointive and removal authority over department heads and other employees of the County. The County Manager is responsible for the daily operations of the County Government. In addition, the Manager's responsibilities include implementation of policies established by the Board of Commissioners, as well as the administration of the annual budget adopted by the Board.

The County provides a wide range of services including public safety, human services (Social Services, Health and Aging), funds for education, cultural and recreational activities, environmental protection, general administration and others. Additionally, the County owns and operates water distribution systems and a construction and demolition ("C&D") debris landfill consisting of 10 acres. This report includes all of the County's activities in maintaining these services, except schools, which are administered by the Wilson County Board of Education. The County also extends financial support to certain boards, agencies and commissions to assist their efforts in serving citizens. Among these is Wilson Community College. The County Commissioners appoint all members of the Wilson County ABC Board (the "ABC Board") and the ABC Board is required by State Statute to distribute its surpluses to the General Fund of Wilson County which represents a financial benefit to Wilson County, therefore, the Government-wide statements include the ABC Board as a discretely presented component unit. The ABC Board is a corporate body with powers outlined by General Statutes (chapter 18B-701).

The annual budget serves as the foundation for Wilson County's financial planning and control. As required by the North Carolina Budget and Fiscal Control Act, the County adopts an annual budget for all governmental and proprietary operating funds except those authorized by project ordinance that are multi-year in nature. Appropriations to the various funds are formally budgeted on a departmental or project level. However, for internal accounting purposes, budgetary control is maintained by object class (line item account). Purchase orders that would create an over encumbrance at that level are not written until additional appropriations are available through budget amendments. In accordance with state law, the County's budget is prepared on the modified accrual basis. Its accounting records also are maintained on that basis. Under modified accrual accounting, revenues are recorded when they are both measurable and available. Expenditures are recorded when a fund liability is incurred, except for unmatured principal and interest on long-term debt and certain compensated absences. Governmental Fund types, such as the County's General Fund, Special Revenue Funds, and Capital Project Funds are reported on the modified accrual basis in the financial statements. The Agency Funds are reported on the full accrual basis in the financial statements, under which revenues are recorded when earned and expenses are recorded when incurred.

County Management is responsible for the accounting system and for establishing and maintaining an internal control structure. The internal control structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements in conformity with GAAP and maintaining accountability for assets; and (3) compliance with applicable laws and regulation related to federal and state financial assistance programs. 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 requires estimates and judgments by management.

All internal control evaluations occur within the above framework. I believe that the County's internal accounting controls adequately protect assets and provide reasonable assurance of the proper recording of financial transactions. As part of the County's single audit, the independent auditor performed a review of the County's internal control structure. This review was not an audit and no opinion was issued on the County's internal control structure; however, the procedures performed by the independent auditor indicated no internal control weaknesses or reportable conditions.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

FACTORS AFFECTING FINANCIAL CONDITION

Local economy

Wilson County's economy has evolved over the last 30 years from a largely agriculture-based economy to a diverse mix of agriculture, manufacturing, commercial, and service sectors. However, the County is still a leading farm market in the state with \$166,557,324 in farm sales in 2013. Major industries located within the County include tire manufacturing, pharmaceuticals, glass containers, building components, aerospace fire protection equipment, and food processing among others. The State also has a significant presence in the County with a major long-term health care facility and a school for the deaf located in the City of Wilson.

The County has experienced the recession as has the rest of the United States. Unemployment in Wilson has decreased to 9.9% from 13%, yet is still higher when compared to 6.5% for the State. The average weekly wage for 2014 for Wilson County was \$760, the eleventh highest average weekly wage in the State.

In 2013, Wilson County saw the location of two alternative energy facilities, Carolina Solar Energy and International Wood Fuels. These two companies, along with Tobacco Rag Processors, Absolute Plastics, Bridgestone Americas, and Southeaster Ag, will be expanding in the coming months and will be investing \$108,200,000.00 in the local economy and creating 128 new jobs.

Branch Banking & Trust Company, the nation's 12th largest financial holding company, continues to grow and currently employs approximately 2,297 people. Bridgestone Americas operates a plant in Wilson that employs approximately 2,000 people making radial tires for cars and light trucks. It continues its commitment to make new investment in its facility. Equipment upgrades and modernizations increase productivity and contribute, on average, \$35 million in new investment dollars annually with plans to continue through 2016. Other large employers include Wilson County Schools with approximately 1,500 employees; Wilson Medical Center with approximately 1,400 and Smithfield Packing Company with approximately 700 employees.

Retail sales in Wilson County were \$793,246,943 in 2013-2014. There were 10 new restaurants and 10 new retail stores that opened in 2013 along with 83 other businesses. Retail vacancies have remained the same as prior year with no significant increases or decreases.

Long-term financial planning

Meeting the needs in the community by providing additional services and meeting the capital needs for the County, and our Educational partners continue to be a challenge. The County is in the process of developing a capital improvements plan to plan for future building and equipment improvements. The CIP will address many of the capital improvements needs within the County, Wilson County Schools, and Wilson Community College. The CIP will be revised and updated annually to correspond with changing revenues and the current economic environment.

In the upcoming fiscal year, the County is expected to complete construction on several facilities that will allow the County to increase services in the Department of Emergency Medical Services with the purchase land and construct two additional Emergency Medical Service Stations, the Department of Social with the completion of their new Community Service Center building, and The Solid Waste department construction of the Sims convenient center.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Wilson, North Carolina for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the 2nd consecutive year that the County

has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

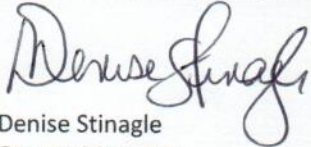
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

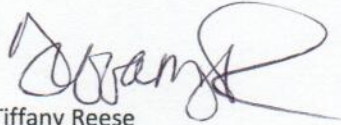
The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Office. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Due credit also must be given to the Board of Commissioners for their interest and support in planning and conducting the operations of the government in a responsible and progressive manner.

Respectfully submitted,

WILSON COUNTY, NORTH CAROLINA



Denise Stinagle
County Manager



Tiffany Reese
Finance Director



Government Finance Officers Association

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

Presented to

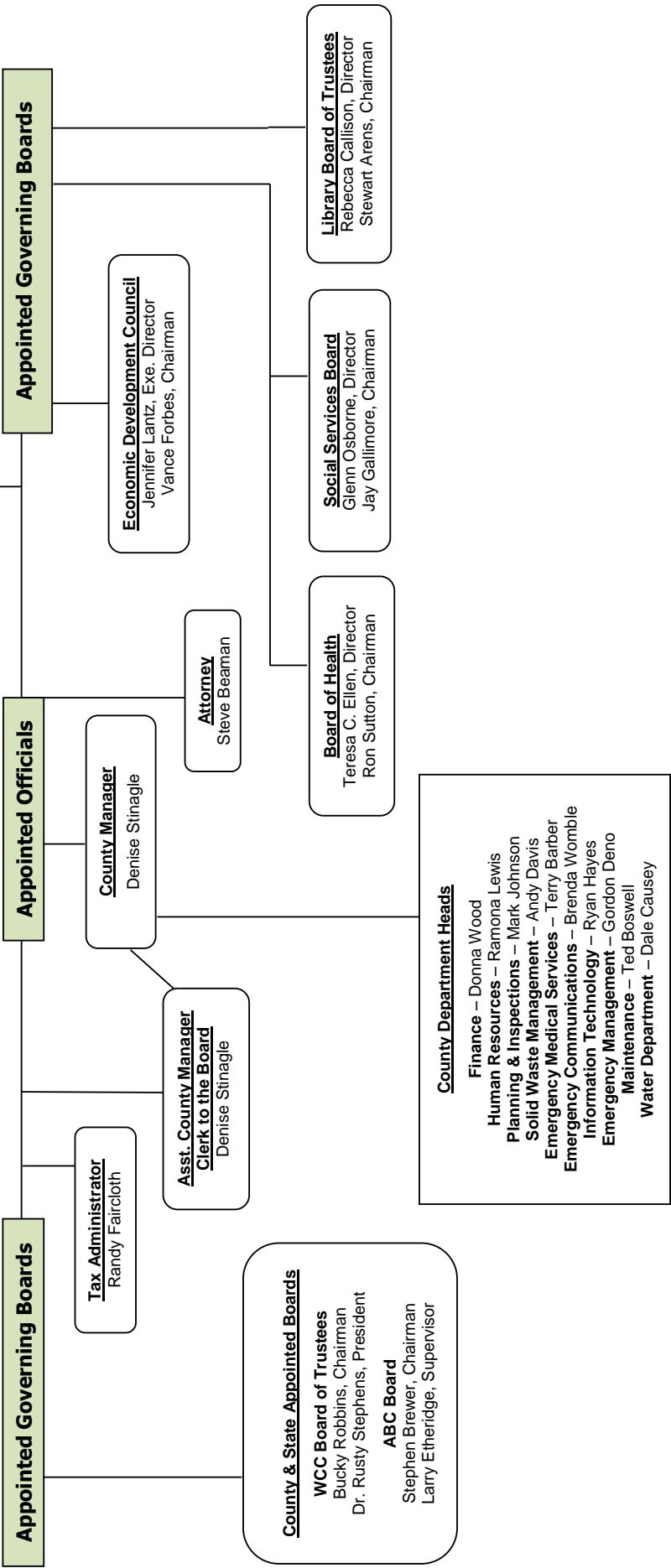
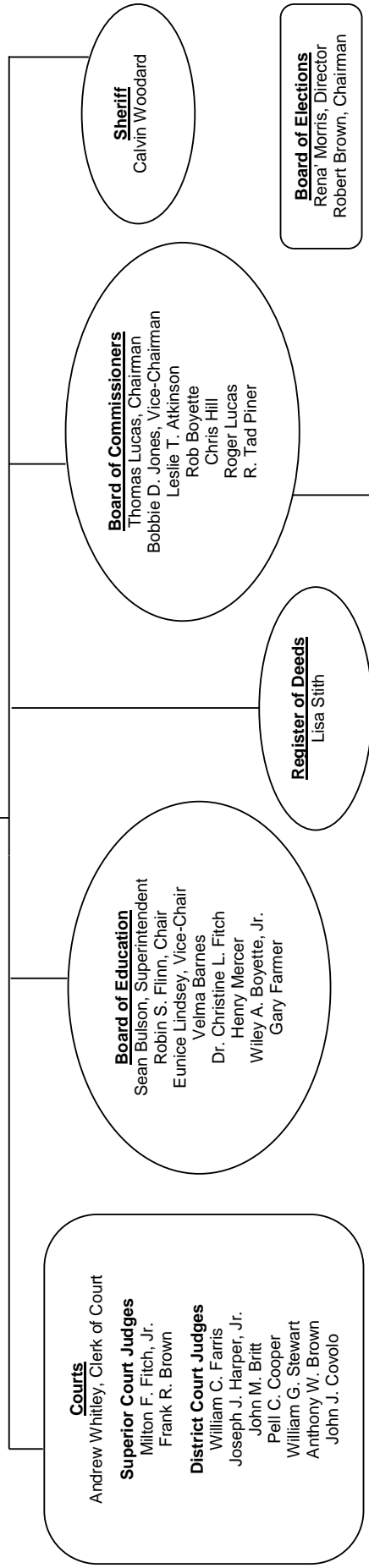
**County of Wilson
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

ELECTED OFFICIALS



**Wilson County
List of Principal Officials
June 30, 2014**

Elected Officials

Commissioner	District 2	Thomas Lucas, Chairman
Commissioner	District 3	Bobbie D. Jones, Vice Chairman
Commissioner	District 1	Leslie T. Atkinson
Commissioner	District 4	Roger Lucas
Commissioner	District 5	Rob Boyette
Commissioner	District 6	Chris Hill
Commissioner	District 7	Tad Piner
Sheriff		Calvin Woodard
Register of Deeds		Lisa Stith

Administrative Officials

Manager	Denise Stinagle
Attorney	Stephen Beaman
Clerk	vacant
Finance Director	Tiffany Reese
Tax Administrator	Randy Faircloth
Social Services Director	Glenn Osborne
Health Services Director	Teresa Ellen
Elections Director	Rena Morris
Director of Library	Rebecca Callison
Solid Waste/Landfill Director	Andy Davis
Water Systems Director	Dale Causey
County Extension Director	Walter Earle
Emergency Medical Services Director	Terry Barber
Emergency Communications Director	Brenda Womble
Planning and Inspections Director	Mark Johnson
Building Maintenance Director	Ted Boswell
Technology Services Director	Ryan Hayes
Emergency Management Coordinator	Gordon Deno
Human Resource Coordinator	Ramona Lewis
Soil & Water Conservation Coordinator	Sue Glover

FINANCIAL SECTION

This page left blank intentionally.

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

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Wilson County
Wilson, 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 Wilson 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. The financial statements of Wilson County ABC Board were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Wilson County, North Carolina, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows 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 and the Law Enforcement Officers' Special Separation Allowances' and the Other Post-Employment Benefits' 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 Wilson County's basic financial statements. The introductory information, combining and individual nonmajor fund financial statements, budgetary schedules, other schedules, and statistical section, as well as the accompanying Schedule of Expenditures of Federal and State Awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards 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 information is 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 February 19, 2015 on our consideration of Wilson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 Wilson County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 19, 2015

This page left blank intentionally.

Management's Discussion and Analysis

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

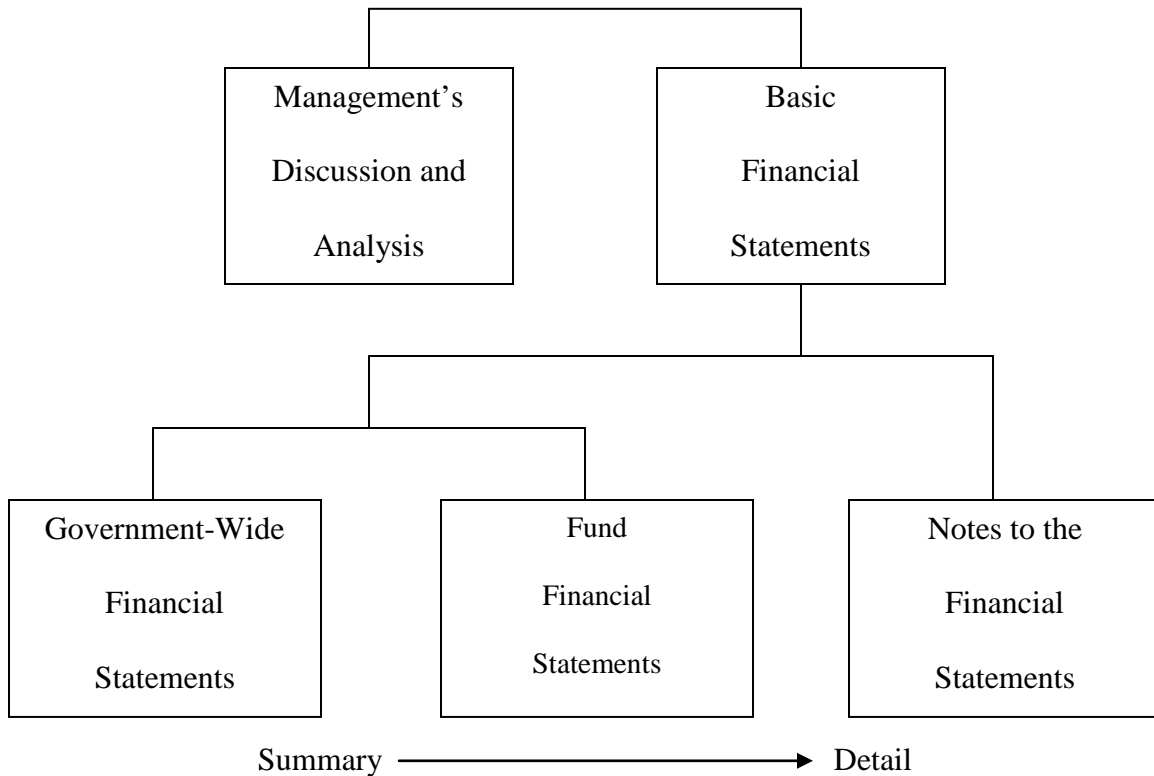
Financial Highlights

- The assets and deferred outflows of resources of Wilson County activities exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$60,122,121.
- The government's total net position increased by \$6,608,305, primarily due to increased net position in the governmental activities.
- As of the close of the current fiscal year, Wilson County's governmental funds reported combined ending fund balances of \$44,319,585, after a net increase in fund balance of \$2,970,314. Approximately 23.83 percent of this total amount, or \$10,559,337, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$22,840,764, or 24.12 percent, of total General Fund expenditures for the fiscal year.
- The County holds the following bond ratings:
 - Moody's Aa2
 - Fitch AA

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Wilson County's basic financial statements. Wilson County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (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 fiscal condition of Wilson County.

**Required Components of Annual Financial Report
Figure 1**



Basic Financial Statements

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

The next statements, Exhibits C through J, are the **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government, providing 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 funds statements and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **Supplemental Information** is provided to show details about the County's non-major 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 they have changed. Net position is the difference between the County's total assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gage 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 and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and solid waste (landfill) services offered by Wilson County. The final category is the component unit. The Wilson County ABC Board is legally separate from the County however the County is financially accountable for the Board by appointing its members, Also, the ABC Board is required to distribute its profits to the County.

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

Fund Financial Statements

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

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

Management Discussion and Analysis Wilson County

Wilson 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. Wilson County maintains two kinds of proprietary funds, an Enterprise fund and Internal Service Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. Wilson County uses enterprise funds to account for its Solid Waste Operation and Water Distribution Activity. 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. Internal service funds are an accounting device used to accumulate and allocate costs internally among the functions of Wilson County. The County uses an internal service fund to account for one activity – health insurance benefits. Because this operation benefits predominantly governmental rather than business-type activities, the Internal Service Fund has been included within the governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Wilson County has seven fiduciary funds, all of which are agency funds.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 29 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also includes certain required supplementary information concerning Wilson County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 73 of this report.

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial condition. The assets and deferred outflows of resources of Wilson County exceeded its liabilities and deferred inflows of resources by \$60,122,121 as of June 30, 2014.

Wilson County's Net Position
Figure 2

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Assets:						
Current and other assets	\$ 51,732,305	\$ 48,308,074	\$ 18,340,470	\$ 18,494,327	\$ 70,072,775	\$ 66,802,401
Restricted assets	644,054	581,598	167,712	154,808	811,766	736,406
Capital assets	26,605,139	25,257,937	27,079,232	27,314,716	53,684,371	52,572,653
Other assets	<u>1,832,294</u>	<u>2,094,050</u>	<u>-</u>	<u>8,660,000</u>	<u>1,832,294</u>	<u>10,754,050</u>
Total assets	<u>80,813,792</u>	<u>76,241,659</u>	<u>45,587,414</u>	<u>54,623,851</u>	<u>126,401,206</u>	<u>130,865,510</u>
Total deferred outflows of resources	<u>150,684</u>	<u>212,874</u>	<u>-</u>	<u>-</u>	<u>150,684</u>	<u>212,874</u>
Liabilities:						
Long-term liabilities outstanding	47,400,690	50,524,083	13,795,360	22,654,546	61,196,050	73,178,629
Other liabilities	<u>4,431,288</u>	<u>3,528,238</u>	<u>427,290</u>	<u>430,828</u>	<u>4,858,578</u>	<u>3,959,066</u>
Total liabilities	<u>51,831,978</u>	<u>54,052,321</u>	<u>14,222,650</u>	<u>23,085,374</u>	<u>66,054,628</u>	<u>77,137,695</u>
Total deferred inflows of resources	<u>375,141</u>	<u>426,873</u>	<u>-</u>	<u>-</u>	<u>375,141</u>	<u>426,873</u>
Net Position:						
Net investment in capital assets	21,398,624	19,698,346	26,285,558	17,618,131	47,684,182	37,316,477
Restricted	10,559,337	10,621,304	-	-	10,559,337	10,621,304
Unrestricted	<u>(3,200,604)</u>	<u>(8,344,311)</u>	<u>5,079,206</u>	<u>13,920,346</u>	<u>1,878,602</u>	<u>5,576,035</u>
Total net position	<u>\$ 28,757,357</u>	<u>\$ 21,975,339</u>	<u>\$ 31,364,764</u>	<u>\$ 31,538,477</u>	<u>\$ 60,122,121</u>	<u>\$ 53,513,816</u>

The County's net position increased by \$6,608,305 for the fiscal year ended June 30, 2014. One of the largest portions \$47,684,182 (79.3%) reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). Wilson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Wilson 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 the capital assets cannot be used to liquidate these liabilities. An additional portion of Wilson County's net position \$10,559,337 (17.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,878,602 (3.1%) is unrestricted.

Management Discussion and Analysis
Wilson County

Wilson County's Changes in Net Position
Figure 3

	Governmental		Business-Type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
Revenues:						
Programs revenues:						
Charges for services	\$ 14,667,624	\$ 13,427,111	\$ 4,485,916	\$ 4,255,318	\$ 19,153,540	\$ 17,682,429
Grants & contributions:						
Operating	18,277,404	17,364,048	-	-	18,277,404	17,364,048
Capital	2,711,121	1,457,437	-	-	2,711,121	1,457,437
General revenues:						
Property taxes	52,414,386	49,589,056	-	-	52,414,386	49,589,056
Local option sales tax	11,577,053	11,725,610	-	-	11,577,053	11,725,610
Other taxes & licenses	699,995	530,176	-	-	699,995	530,176
Investment earnings	47,280	62,458	345,483	231,328	392,763	293,786
Grants & other contributions not restricted to specific programs	243,750	243,750	-	-	243,750	243,750
Miscellaneous	239,841	108,558	33,216	-	273,057	108,558
Total revenues	<u>100,878,454</u>	<u>94,508,204</u>	<u>4,864,615</u>	<u>4,486,646</u>	<u>105,743,069</u>	<u>98,994,850</u>
Expenses:						
General Government	9,903,936	7,248,404	-	-	9,903,936	7,248,404
Public Safety	22,263,611	20,830,220	-	-	22,263,611	20,830,220
Transportation	47,857	50,246	-	-	47,857	50,246
Environmental Protection	524,329	290,665	-	-	524,329	290,665
Economic & Physical Development	3,393,417	3,427,689	-	-	3,393,417	3,427,689
Human Services	34,289,859	35,039,483	-	-	34,289,859	35,039,483
Culture & Recreational	1,847,127	1,903,182	-	-	1,847,127	1,903,182
Education	20,610,068	18,795,853	-	-	20,610,068	18,795,853
Interest & other charges	1,216,232	1,430,380	-	-	1,216,232	1,430,380
Landfill	-	-	2,603,931	2,632,369	2,603,931	2,632,369
Water	-	-	2,434,397	2,288,200	2,434,397	2,288,200
Total expenses	<u>94,096,436</u>	<u>89,016,122</u>	<u>5,038,328</u>	<u>4,920,569</u>	<u>99,134,764</u>	<u>93,936,691</u>
Change in net position	<u>6,782,018</u>	<u>5,492,082</u>	<u>(173,713)</u>	<u>(433,923)</u>	<u>6,608,305</u>	<u>5,058,159</u>
Net position, beginning, previously reported	21,975,339	16,586,946	31,538,477	31,972,400	53,513,816	48,559,346
Restatement	-	(103,689)	-	-	-	(103,689)
Net position, beginning, restated	<u>21,975,339</u>	<u>16,483,257</u>	<u>31,538,477</u>	<u>31,972,400</u>	<u>53,513,816</u>	<u>48,455,657</u>
Net position, ending	<u>\$ 28,757,357</u>	<u>\$ 21,975,339</u>	<u>\$ 31,364,764</u>	<u>\$ 31,538,477</u>	<u>\$ 60,122,121</u>	<u>\$ 53,513,816</u>

Management Discussion and Analysis
Wilson County

Governmental Activities. Governmental activities increased the County's net position by \$6,782,018, thereby accounting for 100% of the total growth in the net position of Wilson County. Key elements of the increase are as follows:

- Continued diligence in the collection of property taxes with collection percentage of 97.74%
- Management of expenses through use of debt service planning and various operating budgets

Business-Type Activities. Business-type activities' decreased Wilson County's net position by (\$173,713). Key elements of this decrease are as follows:

- Increased costs in operation of water department
- Decrease in fees for the landfill shingle recycling program

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Wilson County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the 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 Wilson County. At the end of the current fiscal year, Wilson County's fund balance available in the General Fund was \$34,929,389, while total fund balance for the General Fund is \$41,753,567. The governing body of Wilson County has determined that the County should maintain an available fund balance of 18% of General Fund expenditures in case of unforeseen needs or opportunities, in addition to meeting cash flow needs of the County. The County currently has an available fund balance of 36.88% of General Fund expenditures, while total fund balance represents 43.39% of that same amount.

As of the end of the current fiscal year, Wilson County's governmental funds reported combined ending fund balances of \$44,319,585, an increase of \$2,970,314. This increase is due the in part to the aggressive tax collection effort in the current year, increase in collection of fees for the County's Human Services Departments and the management of operating budgets.

General Fund Budgetary Highlights. During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available, 2) amendments made to recognize new funding amounts from external sources, such as federal and State grants, and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$985,032. This increase was primarily attributable to Restricted Intergovernmental Revenues.

Proprietary Funds. Wilson County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of Solid Waste Fund at the end of the fiscal year amounted to \$13,069,672 and those for the water funds equaled (\$8,004,351). The total growth in net position for the Solid Waste Fund was \$26,942 and the total decrease in net position for the water funds was \$203,144. Other factors concerning the finances of these funds have already been addressed in the discussion of Wilson County's business-type activities.

Capital Asset and Debt Administration

Capital Assets. Wilson County's capital assets for its governmental and business-type activities as of June 30, 2014 amount to \$53,684,371 (net of accumulated depreciation). This investment in capital assets includes land, vehicles, buildings and improvements, machinery, and equipment.

- Purchased new vehicles and equipment for Public Safety Department;
- Disposed of old equipment and vehicle in Public Safety Department;
- Completed Building improvements and purchased new equipment for General Government;
- Purchased new furniture and fixtures, vehicles and equipment for Human Services Department;
- Disposed of old equipment and furniture and fixtures in the Human Services Department;
- Constructed Recycling Building for Solid Waste Landfill;
- Purchased new vehicle and disposed of old vehicle for Environmental protection department;
- Purchased new vehicle and equipment for Solid Waste Landfill;
- Disposed of old equipment in Solid Waste Landfill;
- Purchased new equipment for Water Districts;
- Disposed of old equipment and furniture and fixtures in the Cultural and Recreational Departments;
- Disposed of old equipment in the Economic and Physical development departments;

**Wilson County's Capital Assets
(net of depreciation)
Figure 4**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 3,399,703	\$ 3,377,871	\$ 3,208,714	\$ 3,208,714	\$ 6,608,417	\$ 6,586,585
Construction in progress	738,140	-	20,049	-	758,189	-
Buildings and improvements	30,398,763	30,239,652	2,345,883	2,345,883	32,744,646	32,585,535
Equipment and plant distribution	9,865,957	9,001,045	28,773,831	28,392,027	38,639,788	37,393,072
Vehicles	4,891,768	4,600,634	799,930	667,922	5,691,698	5,268,556
Total	49,294,331	47,219,202	35,148,407	34,614,546	84,442,738	81,833,748
Less: Accumulated Depreciation	22,689,192	21,961,268	8,069,175	7,299,830	30,758,367	29,261,098
Net assets	<u>\$ 26,605,139</u>	<u>\$ 25,257,934</u>	<u>\$ 27,079,232</u>	<u>\$ 27,314,716</u>	<u>\$ 53,684,371</u>	<u>\$ 52,572,650</u>

Additional information on Wilson County's capital assets can be found in Note II.A.5 of this Basic Financial Statement.

Long-Term Debt. As of June 30, 2014, Wilson County had total bonded debt outstanding of \$15,930,000 which is backed by the full faith and credit of the County.

**Wilson County's
Outstanding General Obligation and Revenue Bonds
Figure 5**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
All bonds	<u>\$ 7,270,000</u>	<u>\$ 10,095,000</u>	<u>\$ 8,660,000</u>	<u>\$ 8,850,000</u>	<u>\$ 15,930,000</u>	<u>\$ 18,945,000</u>

Wilson County has two legally separate water districts. During fiscal year 2012-2013, the County entered into a Limited Obligation Refunding agreement to defease the debt from three Series of USDA general obligation bonds of \$9,377,999 within the two districts. The County created a Water Fund that would report the limited obligation debt of \$9,190,000. The districts would transfer money to the County Water Fund which in turn pays the Districts principal and interest on the debt (the County Water Fund does not have other revenues or expenses, since the operations are reflected in the Water Districts).

Management Discussion and Analysis
Wilson County

This outstanding General Obligation indebtedness is out of a legal debt limit of approximately \$511,908,922. This legal debt limit is determined by the Municipal Finance Law of North Carolina, which limits the amount of net bonded debt a County may have outstanding to 8 percent of the appraised value subject to taxation. The ratio of debt service expenses to total general governmental expenses is 7.34%, a slight increase from fiscal year 2013 ratio of 7.25%.

The County's general obligation debt per capita, at June 30, 2014 was \$88.64, while the County's \$40,231,728 gross debt per capita is \$490.51.

Additional information on Wilson County's long-term obligations can be found in Note II.B.7.

Economic Factors and Next Year's Budget and Rates

- Tax collections for Wilson County remain strong, in spite of the national economic downturn. In FY 2014 tax collection rate was 98%.

Budget Highlights for Fiscal Year 2014-2015

Governmental Activities. The 2015 General Fund's adopted budget is ultimately flat from the prior year and incorporates an 8.1 million fund balance appropriation, approximately 17% lower than budgeted for the fiscal year ended June 30, 2014. The budget reflects a 5% increase in health insurance premium, funding for deferred capital projects, and a cost of living adjustment for employees with the exception of the Sheriff and County Manager.

Requests for Information

This financial report is designed to provide a general overview of Wilson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Post Office Box 1728, Wilson, North Carolina, 27894.

BASIC FINANCIAL STATEMENTS

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Wilson County ABC Board
Assets:				
Cash and cash equivalents	\$ 41,945,670	\$ 17,954,238	\$ 59,899,908	\$ 1,274,039
Receivable (net)	4,153,781	327,861	4,481,642	5,296
Due from other governments	5,263,108	44,486	5,307,594	-
Due from component unit	121,875	-	121,875	-
Internal balances	(13,885)	13,885	-	-
Inventories	-	-	-	861,147
Prepaid items	-	-	-	16,921
Restricted cash and cash equivalents	644,054	167,712	811,766	-
Capital lease receivable - current portion	261,756	-	261,756	-
Other assets:				
Capital lease receivable	1,832,294	-	1,832,294	-
Capital assets:				
Land, improvements, and construction in progress	4,137,843	3,228,763	7,366,606	1,196,731
Other capital assets, net of depreciation	22,467,296	23,850,469	46,317,765	1,424,395
Total capital assets	<u>26,605,139</u>	<u>27,079,232</u>	<u>53,684,371</u>	<u>2,621,126</u>
Total assets	<u>80,813,792</u>	<u>45,587,414</u>	<u>126,401,206</u>	<u>4,778,529</u>
Deferred Outflows of Resources	<u>150,684</u>	<u>-</u>	<u>150,684</u>	<u>-</u>
Liabilities:				
Accounts payable and accrued expenses	3,864,176	218,242	4,082,418	459,073
Accrued interest payable	234,777	41,336	276,113	-
Due to other governments	332,335	-	332,335	40,625
Due to primary government	-	-	-	121,875
Liabilities to be paid from restricted cash:				
Customer deposits	-	167,712	167,712	-
Long-term liabilities:				
Due within one year	6,370,808	308,087	6,678,895	19,880
Due in more than one year	<u>41,029,882</u>	<u>13,487,273</u>	<u>54,517,155</u>	<u>747,212</u>
Total long-term liabilities	<u>47,400,690</u>	<u>13,795,360</u>	<u>61,196,050</u>	<u>767,092</u>
Total liabilities	<u>51,831,978</u>	<u>14,222,650</u>	<u>66,054,628</u>	<u>1,388,665</u>
Deferred Inflows of Resources	<u>375,141</u>	<u>-</u>	<u>375,141</u>	<u>-</u>

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

WILSON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Wilson County ABC Board
Net Position:				
Net investment in capital assets	21,398,624	26,285,558	47,684,182	2,144,919
Restricted for:				
Stabilization by State statute	6,982,573	-	6,982,573	-
Public safety	508,892	-	508,892	-
Register of Deeds	185,901	-	185,901	-
Health and human services	1,951,757	-	1,951,757	-
Working capital	-	-	-	216,370
Community development projects	930,214	-	930,214	-
Unrestricted (deficit)	(3,200,604)	5,079,206	1,878,602	1,028,575
Total net position	\$ 28,757,357	\$ 31,364,764	\$ 60,122,121	\$ 3,389,864

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

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
Governmental Activities:				
General government	\$ 9,903,936	\$ 502,902	\$ -	\$ -
Public safety	22,263,611	5,263,315	1,077,746	-
Transportation	47,857	226,852	403,947	-
Environmental protection	524,329	-	-	-
Economic and physical development	3,393,417	-	39,128	930,214
Human services	34,289,859	8,674,555	16,629,711	-
Cultural and recreation	1,847,127	-	126,872	-
Education	20,610,068	-	-	1,780,907
Interest on long-term debt	1,216,232	-	-	-
Total governmental activities	<u>94,096,436</u>	<u>14,667,624</u>	<u>18,277,404</u>	<u>2,711,121</u>
Business-Type Activities:				
Landfill	2,603,931	2,612,503	-	-
Water	2,434,397	1,873,413	-	-
Total business-type activities	<u>5,038,328</u>	<u>4,485,916</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 99,134,764</u>	<u>\$ 19,153,540</u>	<u>\$ 18,277,404</u>	<u>\$ 2,711,121</u>
Component Unit:				
ABC Board	<u>\$ 5,232,890</u>	<u>\$ 5,365,632</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property taxes, levied for general purpose

Local option sales tax

Other taxes and licenses

Grants and contributions not restricted to specific programs

Investment earnings, unrestricted

Miscellaneous

Total general revenues

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	Wilson County ABC Board
\$ (9,401,034)	\$ -	\$ (9,401,034)	
(15,922,550)	-	(15,922,550)	
582,942	-	582,942	
(524,329)	-	(524,329)	
(2,424,075)	-	(2,424,075)	
(8,985,593)	-	(8,985,593)	
(1,720,255)	-	(1,720,255)	
(18,829,161)	-	(18,829,161)	
<u>(1,216,232)</u>	<u>-</u>	<u>(1,216,232)</u>	
<u>(58,440,287)</u>	<u>-</u>	<u>(58,440,287)</u>	
-	8,572	8,572	
-	(560,984)	(560,984)	
-	(552,412)	(552,412)	
<u>(58,440,287)</u>	<u>(552,412)</u>	<u>(58,992,699)</u>	
			<u>\$ 132,742</u>
52,414,386	-	52,414,386	-
11,577,053	-	11,577,053	-
699,995	-	699,995	-
243,750	-	243,750	-
47,280	345,483	392,763	2,470
239,841	33,216	273,057	9,423
<u>65,222,305</u>	<u>378,699</u>	<u>65,601,004</u>	<u>11,893</u>
6,782,018	(173,713)	6,608,305	144,635
<u>21,975,339</u>	<u>31,538,477</u>	<u>53,513,816</u>	<u>3,245,229</u>
<u>\$ 28,757,357</u>	<u>\$ 31,364,764</u>	<u>\$ 60,122,121</u>	<u>\$ 3,389,864</u>

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

WILSON COUNTY, NORTH CAROLINA

**BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014**

	Major Fund	Nonmajor	Total
	General	Governmental	Governmental
	Fund	Funds	Funds
Assets:			
Cash and cash equivalents	\$ 37,590,837	\$ 2,780,397	\$ 40,371,234
Restricted cash	644,054	-	644,054
Taxes receivable, net	1,843,630	47,605	1,891,235
Accounts and other receivables, net	1,806,722	-	1,806,722
Due from other governments	5,104,713	158,395	5,263,108
Due from component unit	121,875	-	121,875
Total assets	\$ 47,111,831	\$ 2,986,397	\$ 50,098,228
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,846,155	\$ 54,321	\$ 2,900,476
Due to other governments	13,882	318,453	332,335
Miscellaneous liabilities	70,324	-	70,324
Total liabilities	2,930,361	372,774	3,303,135
Deferred Inflows of Resources	2,427,903	47,605	2,475,508
Fund Balances:			
Restricted:			
Stabilization by State statute	6,824,178	158,395	6,982,573
Register of Deeds	185,901	-	185,901
Public safety	-	508,892	508,892
Human services	1,951,757	-	1,951,757
Community development projects	-	930,214	930,214
Committed:			
Tax revaluation	644,054	-	644,054
Assigned:			
Subsequent year's expenditures	8,149,675	-	8,149,675
Health and human services	407,238	-	407,238
Transportation	-	134,006	134,006
Future capital	-	841,017	841,017
Future capital community college	750,000	-	750,000
Unassigned	22,840,764	(6,506)	22,834,258
Total fund balances	41,753,567	2,566,018	44,319,585
Total liabilities, deferred inflows of resources, and fund balances	\$ 47,111,831	\$ 2,986,397	\$ 50,098,228

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

WILSON 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:	
Total fund balance, governmental funds	\$ 44,319,585
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	26,605,139
The County has a long-term receivable from an interlocal agreement. This asset does not provide a current financial resource and, therefore, is not reported in the funds.	2,094,050
Charges related to refunding bond issue	150,684
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable in the funds.	1,122,999
Deferred inflows of resources for taxes receivable	2,100,367
Some liabilities, including bonds payable and other post-employment benefits, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(47,635,467)</u>
Net position of governmental activities	<u><u>\$ 28,757,357</u></u>

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

WILSON COUNTY, NORTH CAROLINA

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

	<u>Major Fund</u> <u>General</u> <u>Fund</u>	<u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Revenues:			
Ad valorem taxes	\$ 51,615,031	\$ 1,377,577	\$ 52,992,608
Local option sales taxes	11,280,037	297,016	11,577,053
Other taxes and licenses	699,995	-	699,995
Unrestricted intergovernmental	254,149	-	254,149
Restricted intergovernmental	19,740,538	2,451,035	22,191,573
Permits and fees	1,293,039	-	1,293,039
Sales and service	11,944,685	226,852	12,171,537
Investment earnings	46,722	558	47,280
Miscellaneous	282,065	-	282,065
Total revenues	<u>97,156,261</u>	<u>4,353,038</u>	<u>101,509,299</u>
Expenditures:			
Current:			
General government	8,539,044	-	8,539,044
Public safety	18,878,794	3,327,737	22,206,531
Transportation	47,857	-	47,857
Environmental protection	281,859	-	281,859
Economic and physical development	3,354,289	-	3,354,289
Human services	34,365,815	-	34,365,815
Cultural and recreational	1,673,799	-	1,673,799
Intergovernmental:			
Education	20,610,068	-	20,610,068
Capital projects	-	1,168,920	1,168,920
Debt service:			
Principal	5,702,386	-	5,702,386
Interest and other charges	1,250,373	-	1,250,373
Total expenditures	<u>94,704,284</u>	<u>4,496,657</u>	<u>99,200,941</u>
Revenues over (under) expenditures	<u>2,451,977</u>	<u>(143,619)</u>	<u>2,308,358</u>
Other Financing Sources (Uses):			
Transfers to other funds	(1,527,000)	1,527,000	-
Issuance of long-term debt	603,134	-	603,134
Sale of capital assets	58,822	-	58,822
Total other financing sources (uses)	<u>(865,044)</u>	<u>1,527,000</u>	<u>661,956</u>
Net change in fund balances	1,586,933	1,383,381	2,970,314
Fund Balances:			
Beginning of year, July 1	<u>40,166,634</u>	<u>1,182,637</u>	<u>41,349,271</u>
End of year, June 30	<u>\$ 41,753,567</u>	<u>\$ 2,566,018</u>	<u>\$ 44,319,585</u>

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

WILSON COUNTY, NORTH CAROLINA

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

Amounts reported for governmental activities in the Statement of Activities (Exhibit B) are different because:

Net changes in fund balances - total governmental funds (Exhibit D)	\$ 2,970,314
<p>Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 90 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types:</p>	
Property taxes	(318,164)
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	3,307,527
The sale/disposal of capital assets is reported as a revenue in the governmental funds statement without subtracting the net book value of the capital assets sold.	(18,843)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(1,941,479)
Proceeds from issuance of debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, it is not a revenue, rather it is an increase in liabilities.	(603,134)
Principal repayments are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities. (This includes debt refunding transactions.)	5,857,802
Increases in other post-employment benefits accrued liability are reported as expenses in the in the entity-wide financial statements. However, it is not an expenditure in the governmental funds statement.	(2,176,194)
The change in the accrued interest liability account is reported as an expense in the entity-wide financial statements. However, it is not an expenditure in the governmental funds statement.	34,141
Changes in bond premium	12,057
Changes in capital lease receivable	(261,756)
Changes in accrued interest receivable	(50,925)
Expenses related to compensated absences and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	32,862
Changes in deferred outflow related to bond issuance	<u>(62,190)</u>
Total changes in net position of governmental activities	<u>\$ 6,782,018</u>

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

WILSON COUNTY, NORTH CAROLINA

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

	<u>General Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Over/Under</u>
Revenues:				
Ad valorem taxes	\$ 47,090,000	\$ 47,178,013	\$ 51,615,031	\$ 4,437,018
Local option sales tax	11,682,196	11,682,196	11,280,037	(402,159)
Other taxes and licenses	418,000	493,000	699,995	206,995
Unrestricted intergovernmental	243,750	243,750	254,149	10,399
Restricted intergovernmental	17,225,486	18,015,651	19,740,538	1,724,887
Permits and fees	373,800	373,800	1,293,039	919,239
Sales and services	12,018,166	12,032,306	11,944,685	(87,621)
Investment earnings	30,000	30,000	46,016	16,016
Miscellaneous	50,000	67,714	282,065	214,351
Total revenues	<u>89,131,398</u>	<u>90,116,430</u>	<u>97,155,555</u>	<u>7,039,125</u>
Expenditures:				
Current:				
General government	9,081,302	9,314,602	8,525,794	788,808
Public safety	20,237,676	20,227,623	18,878,794	1,348,829
Transportation	47,857	47,857	47,857	-
Environmental protection	275,642	297,125	281,859	15,266
Economic and physical development	1,396,051	1,397,461	1,357,052	40,409
Human services	36,937,068	38,136,678	34,365,815	3,770,863
Cultural and recreational	1,766,885	1,795,016	1,673,799	121,217
Intergovernmental:				
Education	20,982,568	21,110,068	20,610,068	500,000
Debt service:				
Principal retirement	5,128,915	5,832,055	5,702,386	129,669
Interest and other charges	1,676,809	1,349,517	1,250,373	99,144
Total expenditures	<u>97,530,773</u>	<u>99,508,002</u>	<u>92,693,797</u>	<u>6,814,205</u>
Revenues over (under) expenditures	<u>(8,399,375)</u>	<u>(9,391,572)</u>	<u>4,461,758</u>	<u>13,853,330</u>

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

WILSON COUNTY, NORTH CAROLINA

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

	<u>General Fund</u>			Variance with Final Over/Under
	Original Budget	Final Budget	Actual	
Other Financing Sources (Uses):				
Transfers to other funds	(1,434,744)	(3,154,980)	(3,154,980)	-
Transfers from other funds	517,114	-	-	-
Installment purchase obligations issued	-	603,134	603,134	-
Sale of capital assets	-	-	58,822	58,822
Fund balance appropriated	<u>9,317,005</u>	<u>11,943,418</u>	-	<u>(11,943,418)</u>
Total other financing sources (uses)	<u>8,399,375</u>	<u>9,391,572</u>	<u>(2,493,024)</u>	<u>(11,884,596)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,968,734	<u>\$ 1,968,734</u>
Fund Balance:				
Beginning of year, July 1			<u>39,140,779</u>	
End of year, June 30			<u>\$ 41,109,513</u>	
Legally budgeted Tax Revaluation Fund and Economic Development Fund are consolidated into the General Fund for reporting purposes:				
Investment earnings			\$ 706	
Transfer in from General Fund			1,627,980	
Expenditures - Economic Development			(1,997,237)	
Expenditures - Tax Listing			(13,250)	
Fund balance, beginning			<u>1,025,855</u>	
Fund balance, ending (Exhibit D)			<u>\$ 41,753,567</u>	

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

WILSON COUNTY, NORTH CAROLNA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Major Enterprise Funds				Governmental	
	Solid Waste Fund	Water Distribution Fund Southeast District	Water Distribution Fund Southwest District	Water Fund	Total	Internal Service Fund
Assets:						
Current assets:						
Cash and cash equivalents	\$ 16,950,971	\$ 843,217	\$ 160,050	\$ -	\$ 17,954,238	\$ 1,560,551
Restricted cash and cash equivalents	-	78,950	88,762	-	167,712	-
Receivables, net	109,966	98,421	119,474	-	327,861	-
Due from other governments	44,486	-	-	-	44,486	-
Due from districts	-	-	-	190,000	190,000	-
Due from other funds	-	-	-	187,999	187,999	-
Total current assets	<u>17,105,423</u>	<u>1,020,588</u>	<u>368,286</u>	<u>377,999</u>	<u>18,872,296</u>	<u>1,560,551</u>
Non-current assets:						
Capital assets:						
Land and construction in progress	3,101,705	48,389	78,669	-	3,228,763	-
Other capital assets, net of depreciation	<u>3,154,259</u>	<u>8,444,115</u>	<u>12,252,095</u>	<u>-</u>	<u>23,850,469</u>	<u>-</u>
Capital assets, net	6,255,964	8,492,504	12,330,764	-	27,079,232	-
Due from districts	-	-	-	8,470,000	8,470,000	-
Total non-current assets	<u>6,255,964</u>	<u>8,492,504</u>	<u>12,330,764</u>	<u>8,470,000</u>	<u>35,716,944</u>	<u>-</u>
Total assets	<u>23,361,387</u>	<u>9,513,092</u>	<u>12,699,050</u>	<u>8,847,999</u>	<u>54,421,528</u>	<u>1,560,551</u>
Liabilities						
Current liabilities:						
Accounts payable	184,799	3,610	29,833	-	218,242	812,838
Due to other funds	-	63,833	124,166	-	187,999	-
Current portion of notes payable	-	24,076	28,836	-	52,912	-
Current portion of compensated absences	7,560	2,369	4,739	-	14,668	-
Current portion of debt	36,716	-	-	203,791	240,507	-
Due to County Water Fund	-	65,000	125,000	-	190,000	-
Accrued interest	-	8,534	14,853	17,949	41,336	-
Total current liabilities	<u>229,075</u>	<u>167,422</u>	<u>327,427</u>	<u>221,740</u>	<u>945,664</u>	<u>812,838</u>
Non-current liabilities:						
Liabilities payable from restricted assets:						
Customer deposits	-	78,950	88,762	-	167,712	-
Accrued landfill closure and post-closure care costs	3,482,378	-	-	-	3,482,378	-
Compensated absences	30,242	9,478	7,108	-	46,828	-
Other post-employment benefits	294,056	38,149	38,149	-	370,354	-
Notes payable	-	337,054	403,708	-	740,762	-
Limited obligation bond	-	-	-	8,470,000	8,470,000	-
Due to County Water Fund	-	2,990,000	5,480,000	-	8,470,000	-
Unamortized bond premium	-	-	-	376,951	376,951	-
Total non-current liabilities	<u>3,806,676</u>	<u>3,453,631</u>	<u>6,017,727</u>	<u>8,846,951</u>	<u>22,124,985</u>	<u>-</u>
Total liabilities	<u>4,035,751</u>	<u>3,621,053</u>	<u>6,345,154</u>	<u>9,068,691</u>	<u>23,070,649</u>	<u>812,838</u>

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

WILSON COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Major Enterprise Funds				Total	Governmental
	Solid Waste Fund	Water Distribution Fund Southeast District	Water Distribution Fund Southwest District	Water Fund		Internal Service Fund
Net Position:						
Net investment in capital assets	6,255,964	8,131,374	11,898,220	-	26,285,558	-
Unrestricted	<u>13,069,672</u>	<u>(2,239,335)</u>	<u>(5,544,324)</u>	<u>(220,692)</u>	<u>5,065,321</u>	<u>747,713</u>
Total net position	<u>\$ 19,325,636</u>	<u>\$ 5,892,039</u>	<u>\$ 6,353,896</u>	<u>\$ (220,692)</u>	31,350,879	<u>\$ 747,713</u>
The assets and liabilities of the Internal Service Fund are not included in the fund financial statements, but are included in the business-type activities of the Statement of Net Position.					<u>13,885</u>	
Total net position - business-type activities					<u>\$ 31,364,764</u>	

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

WILSON 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
	Solid Waste Fund	Water Distribution Fund Southeast District	Water Distribution Fund Southwest District	Water Fund		Internal Service Fund
Operating Revenues:						
Charges for services	\$ 2,612,503	\$ 927,983	\$ 945,430	\$ -	\$ 4,485,916	\$ 6,154,514
Operating Expenses:						
Salaries and employee benefits	1,128,981	134,807	134,806	-	1,398,594	-
Operating expense	1,064,970	279,547	123,800	-	1,468,317	6,085,375
Landfill closure	191,346	-	-	-	191,346	-
Depreciation/amortization	218,634	279,960	358,439	13,791	870,824	-
Water purchase	-	205,681	232,198	-	437,879	-
Total operating expenses	2,603,931	899,995	849,243	13,791	4,366,960	6,085,375
Operating income (loss)	8,572	27,988	96,187	(13,791)	118,956	69,139
Non-Operating Revenues (Expenses):						
Interest/investment revenue	18,370	-	-	327,113	345,483	-
Interest expense and other charges	-	(123,157)	(221,098)	(327,113)	(671,368)	-
Miscellaneous revenue	-	-	-	30,727	30,727	-
Total non-operating revenues (expenses)	18,370	(123,157)	(221,098)	30,727	(295,158)	-
Change in net position	26,942	(95,169)	(124,911)	16,936	(176,202)	69,139
Total net position - beginning	19,298,694	5,987,208	6,478,807	(237,628)	31,527,081	678,574
Total net position - ending	\$ 19,325,636	\$ 5,892,039	\$ 6,353,896	\$ (220,692)	\$ 31,350,879	\$ 747,713
Change in net position, per above					\$ (176,202)	
Internal service funds are used by management to charge the cost of health insurance to individual funds. A portion of the net revenue (expense) of the Internal Service Fund is reported with the business-type activities of the Statement of Activities.					2,489	
Total change in net position - business-type activities					\$ (173,713)	

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

WILSON COUNTY, NORTH CAROLINA

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

	Business-Type Activities					Governmental Activities
	Solid Waste Fund	Water Distribution Fund Southeast District	Water Distribution Fund Southwest District	Water Fund	Total	Internal Service Fund
Cash Flows from Operating Activities:						
Cash received from customers	\$ 2,649,715	\$ 927,555	\$ 940,252	\$ -	\$ 4,517,522	\$ 6,154,514
Cash paid for goods and services	(1,087,803)	(486,886)	(344,167)	-	(1,918,856)	(6,070,107)
Cash paid to employees for services	(1,083,737)	(129,345)	(129,344)	-	(1,342,426)	-
Net cash provided (used) by operating activities	478,175	311,324	466,741	-	1,256,240	84,407
Cash Flows from Capital and Related Financing Activities:						
Acquisition and construction of capital assets	(606,549)	(7,500)	(7,500)	-	(621,549)	-
Principal paid on bond maturities and equipment contracts	-	(89,075)	(153,836)	(190,000)	(432,911)	-
Interest paid on bond maturities equipment contracts	-	(123,395)	(221,495)	(327,113)	(672,003)	-
Net cash provided (used) by capital and related financing activities	(606,549)	(219,970)	(382,831)	(517,113)	(1,726,463)	-
Cash Flows from Investing Activities:						
Principal received on investment in water distribution bonds	-	-	-	190,000	190,000	-
Interest on investments	18,370	-	-	327,113	345,483	-
Net cash provided (used) by investing activities	18,370	-	-	517,113	535,483	-
Net increase (decrease) in cash and cash equivalents	(110,004)	91,354	83,910	-	65,260	84,407
Cash and Cash Equivalents:						
Beginning of year - July 1	17,060,975	830,813	164,902	-	18,056,690	1,476,144
End of year - June 30	\$ 16,950,971	\$ 922,167	\$ 248,812	\$ -	\$ 18,121,950	\$ 1,560,551
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	\$ 8,572	\$ 27,988	\$ 96,187	\$ (13,791)	\$ 118,956	\$ 69,139
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation/amortization	218,634	279,960	358,439	13,791	870,824	-
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	37,212	(5,188)	(13,321)	-	18,703	-
Increase (decrease) in post-closure	191,346	-	-	-	191,346	-
Increase (decrease) in accounts payable and accrued liabilities	(20,494)	2,255	19,127	-	888	15,268
Increase (decrease) in OPEB payable	42,905	6,309	6,309	-	55,523	-
Total adjustments	469,603	283,336	370,554	13,791	1,137,284	15,268
Net cash provided (used) by operating activities	\$ 478,175	\$ 311,324	\$ 466,741	\$ -	\$ 1,256,240	\$ 84,407

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

WILSON COUNTY, NORTH CAROLINA

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

	<u>Agency Fund</u>
Assets:	
Cash and cash equivalents	\$ 94,052
Liabilities:	
Miscellaneous liabilities	\$ 38,893
Intergovernmental payable	<u>55,159</u>
Total liabilities	<u>\$ 94,052</u>

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

WILSON 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 Wilson County, North Carolina, and its component unit 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 seven-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 unit, a legally separate entity for which the County is financially accountable. Wilson County Water Districts (the “Districts”) exist to provide and maintain a water system for the County residents within the Districts. The Districts are reported as enterprise funds in the County’s financial statements. Wilson County Industrial Facility and Pollution Control Financing Authority (the “Authority”) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. The Wilson County ABC Board, which has a June 30 year-end, is presented as if they are separate proprietary funds of the County (discrete presentation). The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Wilson County Southeast Water District	Blended	Under State Law [NCGS 162A-89], the County’s Board of Commissioners also serve as the governing board for the District.	None issued.
Wilson County Southwest Water District	Blended	Under State Law [NCGS 162A-89], the County’s Board of Commissioners also serve as the governing board for the District.	None issued.
Wilson County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued.
Wilson County ABC Board	Discrete	The members of the ABC Board’s governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County	Wilson County ABC Board P.O. Box 7290 Wilson, N.C. 27895

WILSON 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 unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program of 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 fund 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.

WILSON COUNTY, NORTH CAROLINA

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

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. The Tax Revaluation Fund and the Economic Development Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 they are consolidated in the General Fund.

The County reports the following major enterprise funds:

Southeast District Water Distribution and Southwest District Water Distribution Funds – These funds are used to account for the operations of the two water districts within the County.

Water Fund – This fund is used to account for the activities of the investment in Water Distribution Funds’ General Obligation Bonds and liabilities for proceeds received for the issuance of Limited Obligation Bonds.

Solid Waste Fund – The Landfill Closure and Post-Closure Reserve Fund is a reserve established by the County to accumulate the funds necessary to cover the closure and post-closure care costs that will be incurred by the landfill in the future. The Landfill Closure and Post-Closure Reserve Fund and the Solid Waste Reserve Fund are consolidated with the Landfill operating fund for financial reporting purposes. The Solid Waste Reserve Fund is a fund created to accumulate resources from users for the operation of convenience disposal sites.

The County reports the following fund types:

Internal Service Fund – The County has a Hospital Self-Insurance Fund for the accumulation and allocation of health insurance costs.

Agency Funds – Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains seven agency funds: Fines and Forfeitures Fund, which is used to account for fines and forfeitures collected by the County that are required to be remitted to the Wilson County Board of Education; NC DMV Interest, which is used to account for the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles; the Deed of Trust Fee Fund, which accounts for the five dollars of each fee collected by the Register of Deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis; the Social Services Trust 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 Tax Collections held for Municipalities, which is used to account for tax monies collected for the benefit on municipalities located in the County; the Jail Inmate Fund, which is used to account for monies held for inmates; and the Sheriff Agency Fund, which accounts for monies collected by the Sheriff’s Department that are required to be remitted to governmental agencies.

WILSON COUNTY, NORTH CAROLINA

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

Nonmajor Funds – The County maintains six legally budgeted non-major funds. The Emergency Telephone System Fund, the Fire District Fund, the Transportation Fund, and the Economic Development Grant Fund are reported as nonmajor special revenue funds. The Community Grants Fund and Public Buildings Fund are reported as capital projects funds.

Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds, which have no measurement focus. The government-wide, proprietary, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements

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

WILSON COUNTY, NORTH CAROLINA

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

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

The County considers all revenues available if they are collected within 60 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes, that were billed in periods prior to September 1, 2013, and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County, are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus when program expenses are incurred, there are both restricted and unrestricted net 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 them 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, Fire District Fund, Emergency Telephone Service Fund, Economic Development Grant Fund, Public Buildings Fund, Transportation Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Community Grant Fund.

WILSON COUNTY, NORTH CAROLINA

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

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change departmental appropriations. The governing board must approve all amendments. During the year, several immaterial amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

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

1. Deposits and Investments

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

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

The County and the ABC Board's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value.

2. Cash and Cash Equivalents

The County pools moneys from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

\$644,054 in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. \$167,712 of customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

WILSON COUNTY, NORTH CAROLINA

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

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 uncollectable accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. **Inventories and Prepaid Items**

The inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The inventory of the ABC Board consists of materials and supplies held for consumption or resale.

Certain ABC Board payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items and expensed as the items are used.

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. Minimum capitalization costs are as follows: land, \$10,000; Buildings, improvements, substations, lines, and other plant and distribution systems, \$5,000; infrastructure, \$20,000; furniture and equipment, \$5,000; computer software, \$5,000; and vehicles, \$5,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Wilson County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once 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 Wilson County Board of Education.

WILSON COUNTY, NORTH CAROLINA

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

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

<u>Asset</u>	<u>Estimated Useful Lives</u>
Buildings	50 years
Improvements	5-25 years
Infrastructure	20-50 years
Furniture and equipment	3-10 years
Vehicles	5 years
Computer equipment	3 years
Computer software	5 years

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

<u>Asset</u>	<u>Estimated Useful Lives</u>
Buildings	40-50 years
Furniture and equipment	3-10 years
Vehicles	3-5 years
Leasehold improvements	5-20 years

8. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, Deferred Outflows of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has one item that meets this criterion – a charge on refunding that had previously been classified as an asset. 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 taxes receivable.

WILSON COUNTY, NORTH CAROLINA

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

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 long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In the fund financial statements for governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Compensated Absences

The vacation policies of the County and the ABC Board provide for the accumulation of up to 240 hours earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds and the ABC Board Statements, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and the ABC Board provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the County nor the ABC Board has any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made.

11. 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.

WILSON COUNTY, NORTH CAROLINA

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

Fund Balances

In the governmental fund financial statements, fund balance is composed of four 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:

Restricted Fund Balance – This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors 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 that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds’ office.

Restricted for Public Safety – portion of fund balance that is restricted by revenue source for use with Emergency Telephone System Fund.

Restricted for Human Services – portion of fund balance that is restricted by revenue source for use with Social Services.

Restricted for Community Development Projects – portion of fund balance that is restricted by revenue source for use for construction of community development projects.

Restricted fund balance at June 30, 2014 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Restricted, all other:		
Register of Deeds	\$ 185,901	\$ -
Public Safety	-	508,892
Human Services	1,951,757	-
Community Development Projects	-	930,214
Total	<u>\$ 2,137,658</u>	<u>\$ 1,439,106</u>

WILSON COUNTY, NORTH CAROLINA

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

Committed Fund Balance – Portion of fund balance that can only be used for specific purposes imposed by majority vote of Wilson County's governing body (highest level of decision-making authority) by adoption of an ordinance. Any changes or removal of specific purposes requires majority action by the governing body.

Committed for Tax Revaluation in 2016 – portion of fund balance that can only be used for Tax Revaluation.

Committed fund balance at June 30, 2014 is as follows:

<u>Purpose</u>	<u>General Fund</u>
Committed:	
Tax Revaluation	\$ 644,054
Total	<u>\$ 644,054</u>

Assigned Fund Balance – portion of fund balance that the Wilson County governing board has budgeted.

Assigned for Subsequent Year's Expenditures – portion of fund balance that has been budgeted by the Board of Commissioners for 2014-2015 expenditures.

Assigned for Health and Human Services – portion of fund balance that has been budgeted by the Board of Commissioners for Social Services expenditures.

Assigned for Transportation – portion of fund balance that has been budgeted by the Board for the use in Public Transportation.

Assigned for Future School Capital – portion of fund balance that has been budgeted by the Board for future capital construction.

Assigned for Future Capital Community College – portion of fund balance that has been budgeted by the Board for future community college capital construction.

WILSON COUNTY, NORTH CAROLINA

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

Assigned fund balance at June 30, 2014 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Assigned:		
Subsequent year's expenditures	\$ 8,149,675	\$ -
Health and Human Services	407,238	-
Transportation	-	134,006
Future Capital	-	841,017
Future Capital Community College	750,000	-
Total	<u>\$ 9,306,913</u>	<u>\$ 975,023</u>

Unassigned Fund Balance – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Wilson County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the follow hierarchy: bond 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.

Wilson County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct business in such a manner that available fund balance is at least equal to or greater than 18% of General Fund expenditures. Any portion of the General Fund balance in excess of 18% of budgeted expenditures may be appropriated to fund capital, to reduce reliance on debt financing; or pay down outstanding County debt.

WILSON 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 and the ABC Board's deposits are insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the Federal depository insurance coverage level are collateralized with securities held by the County's agent or the ABC Board's agent in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the ABC Board, or with the escrow agent. Because of the inability to measure, the exact amount of collateral pledged for the County or the ABC Board under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

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 and relies on the State Treasurer of North Carolina to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2014, the County's deposits had a carrying amount of \$31,371,259 and a bank balance of \$30,664,187. Of the bank balance, \$277,477 was covered by Federal depository insurance, and the remainder was covered by collateral held under the Pooling Method.

At June 30, 2014, Wilson County had \$4,310 cash on hand.

At June 30, 2014, the carrying amount of deposits for Wilson County ABC Board was \$1,268,939 and the bank balance was \$1,207,666. Of the bank balance, \$335,413 was covered by Federal depository insurance, and \$872,253 in interest-bearing deposits was insured under the Pooling Method.

WILSON COUNTY, NORTH CAROLINA

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

At June 30, 2014, Wilson County ABC Board had \$5,100 cash on hand.

2. Investments

As of June 30, 2014, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Over 1 Year</u>
NC Capital Management Trust:				
Cash Portfolio	\$ 21,409,038	N/A	N/A	N/A
Term Portfolio	8,021,119	N/A	N/A	N/A
Total	<u>\$ 29,430,157</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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 12 months. 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.

Credit Risk. The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. The County's investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2014. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies, and in high-grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County had no policy on custodial credit risk.

At June 30, 2014, the ABC Board had no investments.

WILSON COUNTY, NORTH CAROLINA

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

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

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

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,564,001	\$ 371,461	\$ 1,935,462
2012	1,576,165	232,491	1,808,656
2013	1,596,562	91,806	1,688,368
2014	1,594,744	-	1,594,744
Total	<u>\$ 6,331,472</u>	<u>\$ 695,758</u>	<u>\$ 7,027,230</u>

4. Receivables

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

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities:				
General	\$ 2,157,303	\$ 3,121,111	\$ 5,104,713	\$ 10,383,127
Other governmental	-	83,393	158,395	241,788
Total receivables	<u>2,157,303</u>	<u>3,204,504</u>	<u>5,263,108</u>	<u>10,624,915</u>
Allowance for doubtful accounts	<u>(350,581)</u>	<u>(857,445)</u>	-	<u>(1,208,026)</u>
Total governmental activities	<u>\$ 1,806,722</u>	<u>\$ 2,347,059</u>	<u>\$ 5,263,108</u>	<u>\$ 9,416,889</u>
Business-Type Activities:				
Landfill	\$ 127,370	\$ -	\$ 44,486	\$ 171,856
Water and Sewer	<u>347,753</u>	-	-	<u>347,753</u>
Total receivables	<u>475,123</u>	-	<u>44,486</u>	<u>519,609</u>
Allowance for doubtful accounts	<u>(147,262)</u>	-	-	<u>(147,262)</u>
Total business-type activities	<u>\$ 327,861</u>	<u>\$ -</u>	<u>\$ 44,486</u>	<u>\$ 372,347</u>

WILSON COUNTY, NORTH CAROLINA

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

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

	Governmental	Business-Type
	Activities	Activities
Local option sales tax	\$ 2,872,022	\$ -
White goods disposal tax	-	6,167
Scrap tire tax	-	25,114
North Carolina administrative reimbursement and other	2,353,101	13,205
CDBG	6,506	-
Emergency telephone	31,479	-
Total	\$ 5,263,108	\$ 44,486

Wilson County and the City of Wilson entered into an interlocal agreement (agreement) to jointly purchase 829 acres of an economic development park. The County is the sole record owner of the land in consideration for the debt obligation of the County totaling \$5,235,125; however, the agreement indicates the City has a lien in the amount of one-half the value of the land, and the City and the County shall be responsible for an equal share, being one-half each of the debt obligation arising under the County Loan, including principal and interest for the life of the County Loan. The County will carry the land at \$2,617,563 with a receivable from the City with an initial balance of \$2,617,562 with payments over 10 years each of which represents one-half of the value. The purpose of the transaction was for economic development.

The future minimum lease payments receivable as of June 30, 2014 were as follows:

Year Ending	
June 30	Amount
2015	\$ 261,756
2016	261,756
2017	261,756
2018	261,756
2019	261,756
2020-2023	785,270
Total	\$ 2,094,050

WILSON COUNTY, NORTH CAROLINA

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

5. Capital Assets

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

	<u>July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2014</u>
Governmental Activities:				
Non-Depreciable Capital Assets:				
Land	\$ 3,377,871	\$ 21,832	\$ -	\$ 3,399,703
Construction in progress	-	738,140	-	738,140
Total non-depreciable assets	<u>3,377,871</u>	<u>759,972</u>	<u>-</u>	<u>4,137,843</u>
Depreciable Capital Assets:				
Buildings	23,303,648	-	-	23,303,648
Other improvements	6,936,004	159,111	-	7,095,115
Furniture and equipment	9,001,045	1,425,887	560,975	9,865,957
Vehicles	4,600,634	962,557	671,423	4,891,768
Total depreciable assets	<u>43,841,331</u>	<u>2,547,555</u>	<u>1,232,398</u>	<u>45,156,488</u>
Less Accumulated Depreciation:				
Buildings	10,284,602	436,572	-	10,721,174
Other improvements	2,049,751	219,897	-	2,269,648
Furniture and equipment	6,414,767	715,641	556,163	6,574,245
Vehicles	3,212,148	569,369	657,392	3,124,125
Total accumulated depreciation	<u>21,961,268</u>	<u>\$ 1,941,479</u>	<u>\$ 1,213,555</u>	<u>22,689,192</u>
Total depreciable capital assets, net	<u>21,880,063</u>			<u>22,467,296</u>
Governmental activities capital assets, net	<u>\$ 25,257,934</u>			<u>\$ 26,605,139</u>

Primary Government

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

General government	\$ 414,985
Public safety	1,147,422
Economic and physical development	15,271
Human services	208,264
Cultural and recreational	151,959
Environmental protection	3,578
Total	<u>\$ 1,941,479</u>

WILSON 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>Transfers</u>	<u>June 30, 2014</u>
Business-Type Activities:					
Solid Waste:					
Non-Depreciable Capital Assets:					
Land	\$ 3,081,656	\$ -	\$ -	\$ -	\$ 3,081,656
Construction in progress	-	20,049	-	-	20,049
Total non-depreciable assets	<u>3,081,656</u>	<u>20,049</u>	<u>-</u>	<u>-</u>	<u>3,101,705</u>
Depreciable Capital Assets:					
Buildings	1,199,105	-	-	-	1,199,105
Infrastructure	1,146,778	-	-	-	1,146,778
Furniture and equipment	2,305,295	454,492	87,688	-	2,672,099
Vehicles	566,592	132,008	-	-	698,600
Total depreciable assets	<u>5,217,770</u>	<u>586,500</u>	<u>87,688</u>	<u>-</u>	<u>5,716,582</u>
Less Accumulated Depreciation:					
Buildings	28,192	23,982	-	-	52,174
Infrastructure	73,455	25,218	-	-	98,673
Furniture and equipment	1,916,690	133,724	87,688	-	1,962,726
Vehicles	413,040	35,710	-	-	448,750
Total accumulated depreciation	<u>2,431,377</u>	<u>\$ 218,634</u>	<u>\$ 87,688</u>	<u>\$ -</u>	<u>2,562,323</u>
Total depreciable capital assets, net	<u>2,786,393</u>				<u>3,154,259</u>
Solid Waste Capital Assets, Net	<u>5,868,049</u>				<u>6,255,964</u>
Southeast Water District:					
Non-Depreciable Capital Assets:					
Land	48,389	\$ -	\$ -	\$ -	48,389
Depreciable Capital Assets:					
Plant and distribution system	10,864,951	-	-	-	10,864,951
Office and maintenance equipment	10,288	7,500	-	-	17,788
Vehicles	40,794	-	-	-	40,794
Total depreciable assets	<u>10,916,033</u>	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>10,923,533</u>
Less Accumulated Depreciation:					
Plant and distribution system	2,182,680	271,435	-	-	2,454,115
Office and maintenance equipment	9,979	366	-	-	10,345
Vehicles	6,799	8,159	-	-	14,958
Total accumulated depreciation	<u>2,199,458</u>	<u>\$ 279,960</u>	<u>\$ -</u>	<u>\$ -</u>	<u>2,479,418</u>
Total depreciable capital assets, net	<u>8,716,575</u>				<u>8,444,115</u>
Southeast Water District Capital Assets, Net	<u>8,764,964</u>				<u>8,492,504</u>

WILSON 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>Transfers</u>	<u>June 30, 2014</u>
Business-Type Activities (continued):					
Southwest Water District:					
Non-Depreciable Capital Assets:					
Land	78,669	\$ -	\$ -	\$ -	78,669
Depreciable Capital Assets:					
Plant and distribution system	15,204,365	-	-	-	15,204,365
Office and maintenance equipment	7,128	7,500	-	-	14,628
Vehicles	60,536	-	-	-	60,536
Total depreciable assets	<u>15,272,029</u>	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>15,279,529</u>
Less Accumulated Depreciation:					
Plant and distribution system	2,635,326	350,092	-	-	2,985,418
Office and maintenance equipment	7,128	188	-	-	7,316
Vehicles	26,541	8,159	-	-	34,700
Total accumulated depreciation	<u>2,668,995</u>	<u>\$ 358,439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>3,027,434</u>
Total depreciable capital assets, net	<u>12,603,034</u>				<u>12,252,095</u>
Southwest Water District					
Capital Assets, Net	<u>12,681,703</u>				<u>12,330,764</u>
Business-Type Activities					
Capital Assets, Net	<u>\$ 27,314,716</u>				<u>\$ 27,079,232</u>

Construction Commitments

The government has active construction projects as of June 30, 2014. The projects include the DSS Community Support Center and Elm City sub-stations. At June 30, 2014, the government's commitments with contractors are as follows:

<u>Project</u>	<u>Spent-to- Date</u>	<u>Remaining Commitment</u>
DSS Community Support Center	\$ 719,795	\$ 807,205
Elm City sub-stations	18,345	459,823
Total	<u>\$ 738,140</u>	<u>\$ 1,267,028</u>

WILSON COUNTY, NORTH CAROLINA

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

Discretely Presented Component Unit

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

	<u>July 1, 2013</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2014</u>
Wilson County ABC Board:				
Non-Depreciable Capital Assets:				
Land	\$ 315,849	\$ 258,492	\$ -	\$ 574,341
Construction in progress	<u>3,302</u>	<u>619,088</u>	<u>-</u>	<u>622,390</u>
Total assets not depreciated	<u>319,151</u>	<u>877,580</u>	<u>-</u>	<u>1,196,731</u>
 Depreciable Capital Assets:				
Buildings	1,692,011	-	-	1,692,011
Furniture and equipment	334,818	2,385	-	337,203
Vehicles	49,021	-	-	49,021
Leasehold improvements	<u>39,358</u>	<u>10,152</u>	<u>-</u>	<u>49,510</u>
Total depreciable assets	<u>2,115,208</u>	<u>12,537</u>	<u>-</u>	<u>2,127,745</u>
 Less Accumulated Depreciation:				
Buildings	338,631	35,177	-	373,808
Furniture and equipment	267,134	26,248	-	293,382
Vehicles	12,344	9,804	-	22,148
Leasehold improvements	<u>8,828</u>	<u>5,184</u>	<u>-</u>	<u>14,012</u>
Total accumulated depreciation	<u>626,937</u>	<u>\$ 76,413</u>	<u>\$ -</u>	<u>703,350</u>
 Total depreciable capital assets, net	 <u>1,488,271</u>			 <u>1,424,395</u>
 ABC Board Capital assets, net	 <u>\$ 1,807,422</u>			 <u>\$ 2,621,126</u>

Depreciation expense was charged to functions as follows:

Warehouse and delivery	\$ 20,450
Administrative	17,138
Store expenses	<u>38,825</u>
Total depreciation expense	<u>\$ 76,413</u>

WILSON COUNTY, NORTH CAROLINA

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

Net Investment in Capital Assets

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets	\$ 26,605,139	\$ 27,079,232
Long-term debt gross	31,529,959	9,453,674
Less: Long-term debt related to assets not owned by the County	(23,793,734)	(8,660,000)
Less: Other debt not issued for capital	(2,837,137)	-
Add: Deferred outflows of resources	150,684	-
Add: Unamortized liabilities related to capital debt	<u>156,743</u>	<u>-</u>
Capital debt, net	<u>5,206,515</u>	<u>793,674</u>
Net investment in capital assets	<u>\$ 21,398,624</u>	<u>\$ 26,285,558</u>

B. Liabilities

1. Payables

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

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Accrued Interest</u>	<u>Due to Other Governments</u>	<u>Total</u>
Governmental Activities:					
General	\$ 3,423,653	\$ 386,202	\$ 234,777	\$ 13,882	\$ 4,058,514
Other governmental	<u>50,586</u>	<u>3,735</u>	-	<u>318,453</u>	<u>372,774</u>
Total governmental activities	<u>\$ 3,474,239</u>	<u>\$ 389,937</u>	<u>\$ 234,777</u>	<u>\$ 332,335</u>	<u>\$ 4,431,288</u>
Business-Type Activities:					
Solid Waste	\$ 62,291	\$ 122,508	\$ -	\$ -	\$ 184,799
Water Distribution Funds:					
Water Fund	-	-	17,949	-	17,949
Southeast District	3,043	567	8,534	-	12,144
Southwest District	<u>29,266</u>	<u>567</u>	<u>14,853</u>	-	<u>44,686</u>
Total business-type activities	<u>\$ 94,600</u>	<u>\$ 123,642</u>	<u>\$ 41,336</u>	<u>\$ -</u>	<u>\$ 259,578</u>

WILSON COUNTY, NORTH CAROLINA

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

2. Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description. Wilson County and the ABC Board contribute to the State-wide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The 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 6 percent of their annual covered salary. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.07 and 7.28 percent, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement and for law enforcement officers is 7.07 and 7.28 percent respectively, of annual covered payroll. The contribution requirements of members and of Wilson County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2014, 2013, and 2012 were \$2,047,780, \$1,898,632, and \$1,886,775, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2014, 2013, and 2012, were \$68,538, \$70,915, and \$71,424, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

Law Enforcement Officers Special Separation Allowance

Plan Description. Wilson County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement 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.

WILSON COUNTY, NORTH CAROLINA

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

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

Retirees receiving benefits	14
Terminated plan members entitled to, but not yet receiving, benefits	-
Active plan members	<u>91</u>
Total	<u><u>105</u></u>

A separate report was not issued for the plan.

Summary of Significant Accounting Policies

Basis of Accounting. The County has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method Used to Value Investments. No funds are set aside to pay benefits and administration costs. These expenditures 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 appropriations made in the General Fund operating budget. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 2012 actuarial valuation using the projected unit credit actuarial cost method and an 18 year level dollar closed amortization period and method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level dollar on a closed basis. The remaining amortization period at December 31, 2012, was 18 years.

WILSON COUNTY, NORTH CAROLINA

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

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

Annual required contribution	\$ 199,789
Interest on net pension obligation	27,497
Adjustment to annual required contribution	<u>(44,805)</u>
Annual pension cost	182,481
Contributions made	<u>(176,079)</u>
Increase (decrease) in net pension obligation	6,402
Net pension obligation, beginning of year	<u>549,944</u>
Net pension obligation, end of year	<u><u>\$ 556,346</u></u>

Three-Year Trend Information

For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 183,004	112.86%	\$ 569,908
2013	180,366	111.07%	549,944
2014	182,481	96.49%	556,346

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 \$1,852,988. The covered payroll (annual payroll of active employees covered by the plan) was \$3,706,127, and the ratio of the UAAL to the covered payroll was 50.00%.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. Wilson 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

WILSON COUNTY, NORTH CAROLINA

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

Carolina. The State's CAFR includes the pension 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 \$218,334, which consisted of \$182,821 from the County and \$35,513 from the law enforcement officers.

Registers of Deeds' Supplemental Pension Fund

Plan Description. The County also contributes to the Registers of Deeds' Supplemental Pension Fund (the Fund), a non-contributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. 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 remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2014, the County's required and actual contributions were \$4,001.

Other Post-Employment Benefits

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). This Plan provides healthcare benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least fifteen years of creditable service with the County with at least ten years being continuous and uninterrupted immediately prior to retirement. In addition to the fifteen

WILSON COUNTY, NORTH CAROLINA

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

years of minimum service, the employee must qualify to receive an unreduced benefit from the System. Also, the County's retirees can purchase coverage for their dependents at the County's group rates. The County Commissioners may amend the provisions.

As eligible retirees go on Medicare at the age of 65, the County will only pay the Medicare Supplement. This amount is a reduced amount from the normal health care plan covered by the County.

A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at December 31, 2012, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	99	22
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	609	88
Total	708	110

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's members pay monthly for dependent coverage in accordance with the provisions of the insurance contracts. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

The current ARC rate is 9.36% of annual covered payroll. For the current year, the County contributed \$819,879 or 3.1% of annual covered payroll. The County obtains healthcare coverage through private insurers. There were no contributions made by employees, except for dependent coverage in the amount of \$22,983.

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

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 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 30 years.

WILSON 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 healthcare benefits:

Annual required contribution	\$ 2,891,680
Interest on net OPEB obligation	457,680
Adjustment to annual required contribution	<u>(437,227)</u>
Annual OPEB cost (expense)	2,912,133
Contributions made	<u>(819,879)</u>
Increase (decrease) in net OPEB obligation	2,092,254
Net OPEB obligation, beginning of year	<u>11,442,004</u>
Net OPEB obligation, end of year	<u>\$ 13,534,258</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:

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 2,817,016	18.6%	\$ 9,250,569
2013	2,908,216	24.6%	11,442,004
2014	2,912,133	28.2%	13,534,258

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$30,661,034. The covered payroll (annual payroll of active employees covered by the plan) was \$26,485,900, and the ratio of the UAAL to the covered payroll was 115.8 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

WILSON 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, 2012 actuarial valuation, the projected unit credit actuarial cost method was used and a 30-year level of percentage pay, open amortization period and method. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 8.50 to 5.00 percent annually. The investment rate included a 3.00 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2012 was 30 years.

Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the system at 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 may not exceed \$50,000 or be less than \$25,000. 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.

3. Closure and Post-Closure Care Costs – Wilson County Solid Waste Facility

State and federal laws and regulations require the County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The landfill stopped accepting solid waste on January 1, 1998.

WILSON COUNTY, NORTH CAROLINA

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

The County is also permitted to accept construction and demolition waste on top of a closed landfill site for maximum period of five years or until maximum capacity has been reached. The estimated future costs to close the construction and demolition area and subsequent post-closure costs based on remaining capacity at June 30, 2014 are \$3,519,094.

The County has met the requirements of a local government financial test that is one option under Federal and State laws and regulations that help determine if a unit is financially able to meet closure and post-closure care requirements. However, the County has also elected to establish a reserve fund that accumulates resources through annual contributions for the payment of closure and post-closure care costs. At June 30, 2014, those funds are held in investments with a cost and market value of \$4,721,048. The County expects that future inflation costs will be paid from the interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

4. Deferred Outflows and Inflows of Resources

The amount of deferred outflows of resources is a charge on the refunding of debt of \$150,684.

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

	<u>Unavailable Revenue</u>	<u>Unearned Revenues</u>
Prepaid taxes not yet earned	\$ -	\$ 375,141
Taxes receivable, net (General Fund)	2,052,762	-
Taxes receivable, net (Special Revenue)	<u>47,605</u>	<u>-</u>
Total	<u>\$ 2,100,367</u>	<u>\$ 375,141</u>

5. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pool administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$200 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, and workers' compensation coverage up to the statutory limits. The pools are audited annually by certified public accountants, and the audited financial

WILSON COUNTY, NORTH CAROLINA

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

statements are available to the County upon request. Both of the pools are reinsured through multi-state public entity captive for single occurrence losses in excess of \$500,000 retention up to a \$2 million limit for liability coverage and \$1,750,000 of each loss in excess of \$250,000 per occurrence retention for property, and auto physical damage. The County is self-funded for Workers' Compensation and contracts with Compensation Claims Solution to administer the claims through statutory limits. Safety National Casualty Corporation provides excess insurance for single occurrence losses in excess of \$500,000 for employees up to a limit of \$1 million per occurrence.

The County carries flood insurance through the National Flood Insurance Plan (NFIP). Because the County is in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, the County is eligible to purchase coverage of \$500,000 per structure through the NFIP. The County also is eligible to and has purchased commercial flood insurance of \$268,100 on one structure.

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

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

The County operates a limited risk, self-insurance program to provide health benefits to County employees. Premiums are paid into the General Fund by all other funds (including amounts withheld from employees) and are available to pay claims and administrative costs of the program. The Interfund premiums are based upon actual estimates of the amounts needed to pay prior and current year claims. Administrative services are contracted with BCBSNC. Aggregate stop loss is purchased in the amount of 125% of expected annual claims and losses above \$138,000 on any one claim. Premiums are paid to the fund by the County for employees and by the employee for dependents. A total of \$5,134,620 in claims was incurred for benefits during the year ended June 30, 2014. Changes in the fund's claims liability amount were as follows:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Unpaid claims, beginning of year	\$ 797,570	\$ 775,770
Incurred claims (including IBNRs)	5,134,620	4,738,683
Claim payments	<u>(5,119,352)</u>	<u>(4,716,883)</u>
Unpaid claims, end of year	<u>\$ 812,838</u>	<u>\$ 797,570</u>

WILSON COUNTY, NORTH CAROLINA

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

Wilson County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The ABC Board has commercial property, general liability, auto liability, workers' compensation, public officials, employment practices liability, and employee health coverage. The ABC Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the previous year, and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 18B-700(i), each Board member and the employees designated as the General Manager and Finance Officer are bonded in the amount of \$50,000 secured by a corporate surety.

6. 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 attorney, the ultimate outcome of these legal matters will not have a materially adverse effect on the County's financial position.

7. Long-Term Obligations

Capital Leases

The County has entered into agreements to lease certain equipment. The lease agreements qualify as 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.

1. Lease executed on October 9, 2009 for 12 monitors/defibrillators requiring five annual installments of \$56,589
2. Lease executed on December 1, 2006 for the Miller Road building requiring 180 monthly installments starting at \$7,233 with an estimated annual CPI adjustment of 2%. At the end of the lease, the County has a purchase option of \$250,000.
3. Lease executed on August 11, 2011 for multitasking copier requiring sixty monthly installments of \$488
4. Lease executed on August 11, 2011 for multitasking copier requiring sixty monthly installments of \$488
5. Lease executed on October 1, 2012 for an IBM Server requiring sixty monthly installments of \$652

WILSON COUNTY, NORTH CAROLINA

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

The following is an analysis of the assets recorded under capital leases in the County's capital assets at June 30:

<u>Classes of Property:</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Equipment	\$ 335,322	\$ 244,238	\$ 91,084
Buildings	1,091,055	174,569	916,486
Total	<u>\$ 1,426,377</u>	<u>\$ 418,807</u>	<u>\$ 1,007,570</u>

For Wilson County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2014 were as follows:

<u>Year Ending June 30</u>	<u>General Long-Term Debt</u>
2015	\$ 158,582
2016	105,335
2017	95,441
2018	88,747
2019	86,800
2020-2022	<u>217,000</u>
Total minimum lease payments	751,905
Less: amount representing interest	<u>(5,499)</u>
Present value of the minimum lease payments	<u>\$ 746,406</u>

General Obligation Indebtedness

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

WILSON COUNTY, NORTH CAROLINA

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

In November 2012, the Water Districts (a blended component unit of the County) issued GO debt (30 year), the proceeds of which are used to refund existing USDA District debt. The original issue amount of the GO debt was \$9,190,000 with annual installments of \$190,000 to \$410,000; plus interest at 2 to 4.5 percent through June 1, 2042. The balance at June 30, 2014 was \$8,660,000. The County then issued Limited Obligation Bonds in an amount sufficient enough to purchase all the Districts GO debt. Both the District and the County assign their rights to a third-party trustee that received the debt payments from the District and uses those funds to make the debt service payments on the LOBs.

Due to the nature of this transaction and that the Districts are a blended component unit of the county the debt liability both the current and non-current portions of the debt have been reclassified to a "Due To County Water Fund" in the Districts and an equal and opposite "Due From Districts" in the Water Fund.

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

Serviced by the County's General Fund:

\$5,300,000 Library Bonds Series 2003 - February 2, 2003; due in annual principal installments of \$350,000 through February 2018; interest at 3.25% to 3.6%; payable on February 1 and August 1	\$ 1,450,000
\$10,200,000 Advance Refunding Bonds 2010 - December 29, 2010; due in annual principal installments ranging from \$140,000 to \$2,145,000 through April 2017; interest at 2.0% to 4.0%; payable on October and April 1	<u>5,820,000</u>
Total	<u>\$ 7,270,000</u>

The annual requirements to amortize general obligation bonds outstanding as of June 30, 2014, including interest payments, are as follows:

Year Ending June 30	Governmental Activities		Total	
	Principal	Interest	Principal	Interest
2015	\$ 2,415,000	\$ 214,150	\$ 2,415,000	\$ 214,150
2016	2,405,000	118,950	2,405,000	118,950
2017	2,050,000	65,250	2,050,000	65,250
2018	<u>400,000</u>	<u>14,400</u>	<u>400,000</u>	<u>14,400</u>
Total	<u>\$ 7,270,000</u>	<u>\$ 412,750</u>	<u>\$ 7,270,000</u>	<u>\$ 412,750</u>

WILSON COUNTY, NORTH CAROLINA

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

The Water Fund is responsible for accounting for the Limited Obligation Bonds which should be accounted for as Limited Obligations in the Water Department.

Water Department Limited Obligations:

Serviced by the County's Water Fund:

\$9,190,000 2012 Limited Obligation Water Bonds;

due in annual installments of \$190,000 to \$410,000;

plus interest at 2.0% to 4.5% through June 1, 2042` \$ 8,660,000

The County has financed capital improvements throughout the years with financing agreements with local banks.

Year Ending	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
June 30		
2015	\$ 190,000	\$ 321,412
2016	195,000	315,712
2017	200,000	307,912
2018	210,000	299,912
2019	215,000	292,512
2020-2024	1,225,000	1,324,763
2025-2029	1,470,000	1,064,213
2030-2034	1,730,000	798,894
2035-2039	2,010,000	434,100
2040-2044	<u>1,215,000</u>	<u>85,050</u>
Total	<u>\$ 8,660,000</u>	<u>\$ 5,244,480</u>

WILSON COUNTY, NORTH CAROLINA

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

The County's financing debt at June 30, 2014, is comprised of the following notes payable:

	Balance <u>June 30, 2014</u>
Notes Payable:	
\$5,600,000 Financing Agreement - School Improvements - July 31, 2001; refinanced June 4, 2010; due in semi-annual fixed principal and interest payments of \$192,322; interest at 2.73% through October 27, 2015, payable on October 27 and April 27	\$ 576,969
\$5,000,000 Financing Agreement - School Improvements - April 2, 2002; refinanced June 4, 2010; due in semi-annual fixed principal payments of \$163,944, plus interest at 2.99% through October 26, 2016; payable on October 26 and April 26	819,723
\$5,000,000 Financing Agreement - School Improvements - August 30, 1999; refinanced June 4, 2010; due in semi-annual principal and interest payments of \$170,016 through August 31, 2014; interest at 2.73%; payable on February 28 and August 31	170,017
\$905,000 Financing Agreement - Energy Conservation - September 15, 2006; due in annual principal and interest payments of \$96,864 through May 2018; interest at 4.35%	348,705
\$322,370 Financing Agreement - Energy Conservation - August 21, 2007, due in annual principal and interest payments of \$29,317 through January 2022; interest at 4.353%	192,956

WILSON COUNTY, NORTH CAROLINA

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

	Balance <u>June 30, 2014</u>
Certificate of Participation:	
\$18,000,000 Notes Payable - Certificates of Participation - School Facilities Project - September 12, 2007; due in annual principal and interest payments beginning April 1, 2010 through April 1, 2028; variable interest from 3.5% to 5.0%	16,100,000
Installment Purchases:	
\$903,313 School Renovations Qualified Zone Academy Bond - July 2, 2002; due in annual payments of \$54,209 through July 2019; non-interest bearing	307,025
\$5,235,125 Economic Development Park - backed by an Inter-local agreement between the County of Wilson and the City of Wilson, each sharing one-half the amount of annual debt service; annual principal and interest payments of \$523,513, beginning June 8, 2013 through June 8, 2022; interest rate of 3.69%	4,188,100
\$300,000 Switch Infrastructure Project - annual principal and interest payments beginning September 20, 2013 through September 20, 2015; interest rate of 1.44%	201,426
\$576,923 NC Eastern Region Revolving Loan Fund - Annual principal and interest payments beginning May 2015 through April 16, 2019; without interest	576,923
\$26,211 Financing Agreement - Health Equipment annual principal and interest payments beginning June 2015 through June 17, 2018; interest rate of 1.97%	<u>26,210</u>
Total	<u>\$ 23,508,054</u>

WILSON COUNTY, NORTH CAROLINA

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

**Balance
June 30, 2014**

Notes Payable Water Department:

Serviced by the Southwest Water District; 2009 DENR Drinking Water Revolving Loan; \$576,724 due in annual installments of \$28,837; beginning 2009; plus interest at 2.10% through May 1, 2029	432,544
Serviced by the Southeast Water District; 2009 DENR Drinking Water Revolving Loan; \$481,507 due in annual installments of \$24,076; beginning 2009; plus interest at 2.10% through May 1, 2029	<u>361,130</u>
Total	<u><u>\$ 793,674</u></u>

The annual requirements to amortize installment purchase contracts and notes payable outstanding as of June 30, 2014, including interest payments, are as follows:

Year Ending June 30	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 3,187,048	\$ 956,863	\$ 52,912	\$ 16,667	\$ 3,239,960	\$ 973,530
2016	2,523,739	862,865	52,911	15,556	2,576,650	878,421
2017	2,070,854	778,842	52,911	14,445	2,123,765	793,287
2018	1,911,933	694,549	52,911	13,334	1,964,844	707,883
2019	1,813,432	612,490	52,911	12,223	1,866,343	624,713
2020-2024	7,401,048	1,993,533	264,557	44,445	7,665,605	2,037,978
2025-2029	<u>4,600,000</u>	<u>510,312</u>	<u>264,561</u>	<u>16,667</u>	<u>4,864,561</u>	<u>526,979</u>
Total	<u><u>\$ 23,508,054</u></u>	<u><u>\$ 6,409,454</u></u>	<u><u>\$ 793,674</u></u>	<u><u>\$ 133,337</u></u>	<u><u>\$ 24,301,728</u></u>	<u><u>\$ 6,542,791</u></u>

At June 30, 2014, the County had a legal debt margin of \$510,995,385.

Debt Related to Capital Activities – Of the total governmental activities debt listed, only \$4,899,088 relates to assets the County holds title.

WILSON COUNTY, NORTH CAROLINA

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

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>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Current</u> <u>Portion</u> <u>of Balance</u>
Governmental Activities:					
General					
obligation debt	\$ 10,095,000	\$ -	\$ 2,825,000	\$ 7,270,000	\$ 2,415,000
Capitalized leases	907,321	-	155,416	751,905	158,582
Notes payable	25,782,306	603,134	2,877,386	23,508,054	3,187,048
Bond premium	168,800	-	12,057	156,743	12,057
Compensated					
absences	2,033,002	609,901	649,165	1,993,738	598,121
Unfunded Special					
Separation					
Allowance	549,944	182,481	176,079	556,346	-
Other post-employment					
benefits	<u>11,127,175</u>	<u>2,834,850</u>	<u>798,121</u>	<u>13,163,904</u>	<u>-</u>
Total governmental activities	<u>\$ 50,663,548</u>	<u>\$ 4,230,366</u>	<u>\$ 7,493,224</u>	<u>\$ 47,400,690</u>	<u>\$ 6,370,808</u>
Business-Type Activities:					
Water Districts:					
Limited obligation bond	\$ 8,850,000	\$ -	\$ 190,000	\$ 8,660,000	\$ 190,000
Notes payable	846,585	-	52,911	793,674	52,912
Bond premium	404,533	-	13,791	390,742	13,791
Compensated absences	25,388	7,616	9,310	23,694	7,108
Other post-employment					
benefits	<u>63,678</u>	<u>17,564</u>	<u>4,944</u>	<u>76,298</u>	<u>-</u>
Total Water Districts	<u>10,190,184</u>	<u>25,180</u>	<u>270,956</u>	<u>9,944,408</u>	<u>263,811</u>
Solid Waste:					
Accrued landfill closure					
and post-closure					
care costs	3,327,748	244,603	53,257	3,519,094	36,716
Compensated absences	35,463	18,901	16,562	37,802	7,560
Other post-employment					
benefits	<u>251,151</u>	<u>59,718</u>	<u>16,813</u>	<u>294,056</u>	<u>-</u>
Total Solid Waste	<u>3,614,362</u>	<u>323,222</u>	<u>86,632</u>	<u>3,850,952</u>	<u>44,276</u>
Total business-type activities	<u>\$ 13,804,546</u>	<u>\$ 348,402</u>	<u>\$ 357,588</u>	<u>\$ 13,795,360</u>	<u>\$ 308,087</u>

WILSON COUNTY, NORTH CAROLINA

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

	<u>Balance</u>			<u>Balance</u>	<u>Current</u>
	<u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>	<u>Portion</u>
					<u>of Balance</u>
Discretely Presented					
Component Unit:					
Long-Term Liabilities:					
Compensated absences	\$ 35,738	\$ 3,512	\$ -	\$ 39,250	\$ -
Accrued liabilities	<u>212,579</u>	<u>515,263</u>	<u>-</u>	<u>727,842</u>	<u>19,880</u>
Total long-term liabilities	<u>\$ 248,317</u>	<u>\$ 518,775</u>	<u>\$ -</u>	<u>\$ 767,092</u>	<u>\$ 19,880</u>

Compensated absences typically have been liquidated in the General Fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

Interfund Balances and Activity

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

From the General Fund to the Public Buildings Fund for construction of the DSS Community Support Service Center project	<u>\$ 1,527,000</u>
---	---------------------

Interfund balances are summarized below:

	<u>Interfund Loans</u>	
	<u>From</u>	<u>To</u>
Water Distribution Fund Southeast	\$ -	\$ 3,118,833
Water Distribution Fund Southwest	-	5,729,166
Water Fund	<u>8,847,999</u>	<u>-</u>
Total	<u>\$ 8,847,999</u>	<u>\$ 8,847,999</u>

In November 2012, the Water Districts (a blended component unit of the County) issued GO debt (30 year), the proceeds of which are used to refund existing USDA District debt. The County then issued Limited Obligation Bonds in an amount sufficient enough to purchase all the Districts GO debt. Both the District and the County assign their rights to a third party trustee that received the debt payments from the District and uses those funds to make the debt service payments on the LOBs.

WILSON COUNTY, NORTH CAROLINA

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

Due to the nature of this transaction and that the Districts are a blended component unit of the county the debt liability both the current and non-current portions of the debt have been reclassified to a "Due To County Water Fund" in the Districts and an equal and opposite "Due From Districts" in the Water Fund.

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	\$ 41,753,567
Less:	
Stabilization by State statute	<u>6,824,178</u>
Total available fund balance	<u>\$ 34,929,389</u>

Wilson County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to or greater than 18% of budgeted expenditures.

III. Related Organization

Wilson Memorial Hospital (the "Hospital") is a not-for-profit corporation and is a legally separate organization. Although the County Board of Commissioners is responsible for appointing the members of the Board of the Hospital, the County's accountability for this organization does not extend beyond making these appointments.

IV. Joint Ventures

Wilson Economic Development Council

The County is a participant with the City of Wilson (the "City") in a joint venture to promote industrial and commercial development of the County and City. The Council is managed by a nine-member Board composed of four appointees from the County, four appointees from the City, and a Chairman from either the County or City based on election by the Board. The by-laws of the Council state that the County and City are to provide funding for the financial requirements and operations of the Council. In accordance with the joint venture agreement, the County contributed \$220,500 to the Council for the fiscal year ended June 30, 2014. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2014. Complete financial statements for the Council can be obtained from the Council's administrative offices at 126 West Nash Street, Wilson, North Carolina 27893.

WILSON COUNTY, NORTH CAROLINA

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

Rocky Mount-Wilson Airport Authority

The County, in conjunction with the City of Wilson, City of Rocky Mount, County of Edgecombe, and County of Nash, participates in the Rocky Mount-Wilson Airport Authority (the "Airport"). Each participating City appoints two members and each participating County appoints one member to the seven-member Board. The Airport is a joint venture established to facilitate economic expansion within the region and improve the quality of life for its citizens. The County has an ongoing financial responsibility for the Airport because it and the other participants are legally obligated, under the intergovernmental agreement that created the Airport, to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The County contributed \$47,857 to the Airport during the fiscal year ended June 30, 2014. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2014. Complete financial statements for the Airport can be obtained from the Airport's administrative offices at 250 Airport Drive, Elm City, North Carolina 27822.

Wilson Technical Community College

The County, in conjunction with the State of North Carolina and the Wilson County Board of Education, participates in a joint venture to operate the Wilson Technical Community College. Each of the three participants appoints four members of the thirteen-member Board of Trustees of the Community College. The President of the Community College's student government serves as an ex officio non-voting member of the Community College's Board of Trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,949,294 and \$378,000 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2014. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2014. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 902 Herring Avenue, Wilson, North Carolina 27893.

WILSON COUNTY, NORTH CAROLINA

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

Eastpoint

Wilson County, in conjunction with Bladen, Columbus, Duplin, Edgecombe, Nash, Lenoir, Robeson, Sampson, Scotland, Wayne, and Greene counties, participate in a joint venture to operate Eastpoint, a Local Management Entity (LME) and Managed Care Organization (MCO) of Mental Health, Developmental Disabilities, and Substance Abuse Services. The Area Board consists of up to twenty-seven (27) members, with the ability to increase its membership as needed. Each of the counties will have either (2) or (3) representatives based on population as published by the NC Department of Health and Human Services. Wilson County has two representatives on the Board. Each participant in the joint venture makes an annual appropriation to the joint venture, but the majority of its funding comes from other sources. During the fiscal year ended June 30, 2014, Wilson County contributed \$349,317 to the Eastpoint. None of the participating governments have an equity interest in Eastpoint, so no equity interest has been reflected in the financial statements at June 30, 2014. Complete financial statements for the Eastpoint may be obtained from the Eastpoint's corporate office at 514 East Main Street, PO Box 369, Beulaville, North Carolina 28518.

V. Jointly Governed Organizations

Upper Coastal Plain Council of Governments

The County, in conjunction with 5 other counties and 35 municipalities, established the Upper Coastal Plain Council of Governments (the "Council"). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees and other costs of \$37,623 to the Council during the fiscal year ended June 30, 2014.

Wilson County Tourism Development Authority

The County of Wilson and the City of Wilson created the Wilson County Tourism Development Authority (the "Authority"), a public authority established to promote the growth of tourism and travel related industry. The Authority is funded by occupancy sales tax on motel and bed and breakfast rentals. The Authority receives no financial support from the County.

WILSON COUNTY, NORTH CAROLINA

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

VI. Benefit Payments Issued by the State

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

	<u>Federal</u>	<u>State</u>
Medical Assistance Program Medicaid -	\$ 79,003,218	\$ 43,837,389
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	2,161,465	-
Temporary Assistance for Needy Families	578,328	(22)
IV-E Foster Care	386,231	117,194
IV-E Adoption	438,220	107,877
Independent Living Transitional	8,212	-
AFDC Payments & Penalties	(400)	(110)
State Children's Health Insurance Program - NC Health Choice	<u>1,602,709</u>	<u>505,593</u>
Total	<u>\$ 84,177,983</u>	<u>\$ 44,567,921</u>

VII. Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

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

This page left blank intentionally.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

Schedule of Funding Progress for Other Post-Employment Benefits

Schedule of Employer Contributions for Other Post-Employment Benefits

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

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

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/2008	\$ -	\$ 1,548,728	\$ 1,548,728	0.00%	\$ 3,862,507	40.10%
12/31/2009	-	1,965,544	1,965,544	0.00%	3,795,700	51.78%
12/31/2010	-	1,855,164	1,855,164	0.00%	3,741,831	49.58%
12/31/2011	-	1,876,003	1,876,003	0.00%	3,425,288	54.77%
12/31/2012	-	1,904,864	1,904,864	0.00%	3,534,571	53.89%
12/31/2013	-	1,852,988	1,852,988	0.00%	3,706,127	50.00%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2012	\$ 188,734	109.43%
2013	187,337	106.94%
2014	199,789	88.13%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the date 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:	
	5.00%
	4.25 to 7.85%
*Includes inflation at	3.00%
Cost-of-living adjustments	N/A

WILSON COUNTY, NORTH CAROLINA

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

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/2008	\$ -	\$ 31,148,581	\$ 31,148,581	0.00%	\$ 26,887,613	115.85%
12/31/2010	-	32,207,864	32,207,864	0.00%	28,343,788	113.63%
12/31/2012	-	30,661,034	30,661,034	0.00%	26,485,900	115.76%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2009	\$ 2,707,166	13.00%
2010	2,707,166	15.00%
2011	2,808,685	17.51%
2012	2,808,685	19.62%
2013	2,891,680	24.79%
2014	2,891,680	28.35%

Notes to the Required Schedules:

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

Valuation date	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Amortization Factor	26.1695
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	4.00%
Medical cost trend	
Pre-Medicare trend rate	8.50% to 5.00%
Post-Medicare trend rate	6.25% to 5.00%
Year of Ultimate trend rate	2018
*Includes inflation at	3.00%
Cost-of-living adjustments	N/A

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

This page left blank intentionally.

Major Funds

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

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

	<u>General Fund</u>	<u>Revaluation Fund</u>	<u>Economic Development Fund</u>	<u>Eliminations</u>	<u>Total General Fund</u>
Revenues:					
Ad valorem taxes	\$ 51,615,031	\$ -	\$ -	\$ -	\$ 51,615,031
Local option sales tax	11,280,037	-	-	-	11,280,037
Other taxes and licenses	699,995	-	-	-	699,995
Unrestricted intergovernmental	254,149	-	-	-	254,149
Restricted intergovernmental	19,740,538	-	-	-	19,740,538
Permits and fees	1,293,039	-	-	-	1,293,039
Sales and services	11,944,685	-	-	-	11,944,685
Investment earnings	46,016	706	-	-	46,722
Miscellaneous	282,065	-	-	-	282,065
Total revenues	<u>97,155,555</u>	<u>706</u>	<u>-</u>	<u>-</u>	<u>97,156,261</u>
Expenditures:					
Current:					
General government	8,525,794	13,250	1,997,237	-	10,536,281
Public safety	18,878,794	-	-	-	18,878,794
Transportation	47,857	-	-	-	47,857
Environmental protection	281,859	-	-	-	281,859
Economic and physical development	1,357,052	-	-	-	1,357,052
Human services	34,365,815	-	-	-	34,365,815
Cultural and recreational	1,673,799	-	-	-	1,673,799
Intergovernmental:					
Education	20,610,068	-	-	-	20,610,068
Debt service:					
Principal retirement	5,702,386	-	-	-	5,702,386
Interest and other charges	1,250,373	-	-	-	1,250,373
Total expenditures	<u>92,693,797</u>	<u>13,250</u>	<u>1,997,237</u>	<u>-</u>	<u>94,704,284</u>
Revenues over (under) expenditures	<u>4,461,758</u>	<u>(12,544)</u>	<u>(1,997,237)</u>	<u>-</u>	<u>2,451,977</u>
Other Financing Sources (Uses):					
Transfers to other funds	(3,154,980)	-	-	1,627,980	(1,527,000)
Transfers from other funds	-	75,000	1,552,980	(1,627,980)	-
Installment purchase obligations issued	603,134	-	-	-	603,134
Sale of capital assets	58,822	-	-	-	58,822
Total other financing sources (uses)	<u>(2,493,024)</u>	<u>75,000</u>	<u>1,552,980</u>	<u>-</u>	<u>(865,044)</u>
Net change in fund balances	1,968,734	62,456	(444,257)	-	1,586,933
Fund Balances:					
Beginning of year, July 1	<u>39,140,779</u>	<u>581,598</u>	<u>444,257</u>	<u>-</u>	<u>40,166,634</u>
End of year, June 30	<u>\$ 41,109,513</u>	<u>\$ 644,054</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,753,567</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad Valorem Taxes:			
Taxes	\$ 46,788,013	\$ 50,841,104	\$ 4,053,091
Interest	390,000	773,927	383,927
Total	<u>47,178,013</u>	<u>51,615,031</u>	<u>4,437,018</u>
Local Option Sales Taxes	<u>11,682,196</u>	<u>11,280,037</u>	<u>(402,159)</u>
Other Taxes and Licenses:			
Franchise tax	85,000	89,737	4,737
Rental vehicle sales tax	35,000	49,331	14,331
Privilege and civil licenses	3,000	8,154	5,154
Beer and wine tax	75,000	123,483	48,483
Excise tax	295,000	429,290	134,290
Total	<u>493,000</u>	<u>699,995</u>	<u>206,995</u>
Unrestricted Intergovernmental:			
Housing Authority	-	10,399	10,399
Wilson County ABC Board:			
Profit distribution	<u>243,750</u>	<u>243,750</u>	<u>-</u>
Total	<u>243,750</u>	<u>254,149</u>	<u>10,399</u>
Restricted Intergovernmental:			
General Fund	2,639,100	2,879,901	240,801
Library	126,872	126,872	-
Health services	1,588,833	1,539,266	(49,567)
Social services	13,560,396	15,090,445	1,530,049
Court facility fees	<u>100,450</u>	<u>104,054</u>	<u>3,604</u>
Total	<u>18,015,651</u>	<u>19,740,538</u>	<u>1,724,887</u>
Permits and Fees:			
Building permits and inspection fees	65,000	71,365	6,365
Register of Deeds	308,800	327,483	18,683
Health services	<u>-</u>	<u>894,191</u>	<u>894,191</u>
Total	<u>373,800</u>	<u>1,293,039</u>	<u>919,239</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues (continued):			
Sales and Services:			
Jail fees and Sheriff fees	1,134,171	1,142,050	7,879
Rents, concessions, and fees	7,698,135	7,230,867	(467,268)
Ambulance service fees	2,200,000	2,369,277	169,277
Communication center	1,000,000	1,202,491	202,491
Total	<u>12,032,306</u>	<u>11,944,685</u>	<u>(87,621)</u>
Investment earnings	<u>30,000</u>	<u>46,016</u>	<u>16,016</u>
Miscellaneous:			
Other	<u>67,714</u>	<u>282,065</u>	<u>214,351</u>
Total	<u>67,714</u>	<u>282,065</u>	<u>214,351</u>
Total revenues	<u>90,116,430</u>	<u>97,155,555</u>	<u>7,039,125</u>
Expenditures:			
General Government:			
Board of Commissioners:			
Salaries and employee benefits	61,369	61,361	8
Other operating expenditures	<u>34,909</u>	<u>29,202</u>	<u>5,707</u>
Total	<u>96,278</u>	<u>90,563</u>	<u>5,715</u>
Administration:			
Salaries and employee benefits	450,203	446,898	3,305
Other operating expenditures	12,509	11,170	1,339
Capital outlay	<u>5,900</u>	<u>5,856</u>	<u>44</u>
Total	<u>468,612</u>	<u>463,924</u>	<u>4,688</u>
Human Resources:			
Salaries and employee benefits	194,433	168,103	26,330
Other operating expenditures	<u>36,115</u>	<u>27,214</u>	<u>8,901</u>
Total	<u>230,548</u>	<u>195,317</u>	<u>35,231</u>
Board of Elections:			
Salaries and employee benefits	240,690	205,646	35,044
Other operating expenditures	<u>149,311</u>	<u>110,937</u>	<u>38,374</u>
Total	<u>390,001</u>	<u>316,583</u>	<u>73,418</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Finance:			
Salaries and employee benefits	452,487	384,962	67,525
Other operating expenditures	29,381	28,756	625
Total	<u>481,868</u>	<u>413,718</u>	<u>68,150</u>
Office of Tax Supervisor:			
Salaries and employee benefits	904,447	890,521	13,926
Other operating expenditures	461,728	402,219	59,509
Data processing charges	167,600	153,462	14,138
Capital outlay	13,647	7,820	5,827
Total	<u>1,547,422</u>	<u>1,454,022</u>	<u>93,400</u>
Technology Services:			
Salaries and employee benefits	387,612	345,040	42,572
Data processing charges	65,990	53,533	12,457
Other operating expenditures	182,280	163,926	18,354
Capital outlay	35,000	34,298	702
Total	<u>670,882</u>	<u>596,797</u>	<u>74,085</u>
Register of Deeds:			
Salaries and employee benefits	343,711	333,170	10,541
Other operating expenditures	58,860	52,913	5,947
Total	<u>402,571</u>	<u>386,083</u>	<u>16,488</u>
Public Buildings:			
Other operating expenditures	900,786	785,985	114,801
Capital outlay	392,504	391,556	948
Total	<u>1,293,290</u>	<u>1,177,541</u>	<u>115,749</u>
Court Facilities:			
Salaries and employee benefits	590,493	536,834	53,659
Other operating expenditures	255,108	204,092	51,016
Capital outlay	12,901	12,900	1
Total	<u>858,502</u>	<u>753,826</u>	<u>104,676</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Central Service:			
Other operating expenditures	1,794,300	1,613,849	180,451
Total	<u>1,794,300</u>	<u>1,613,849</u>	<u>180,451</u>
Other:			
Upper Coastal Plain COG	47,829	47,829	-
Other area projects	1,032,499	1,015,742	16,757
Total	<u>1,080,328</u>	<u>1,063,571</u>	<u>16,757</u>
Total general government	<u>9,314,602</u>	<u>8,525,794</u>	<u>788,808</u>
Public Safety:			
Sheriff:			
Salaries and employee benefits	5,580,482	5,333,881	246,601
Other operating expenditures	1,392,283	1,221,904	170,379
Capital outlay	735,569	676,845	58,724
Total	<u>7,708,334</u>	<u>7,232,630</u>	<u>475,704</u>
Jail:			
Salaries and employee benefits	2,359,616	2,226,709	132,907
Other operating expenditures	1,240,838	1,330,252	(89,414)
Capital outlay	21,387	20,663	724
Total	<u>3,621,841</u>	<u>3,577,624</u>	<u>44,217</u>
Animal Control:			
Salaries and employee benefits	441,135	441,132	3
Other operating expenditures	120,246	113,390	6,856
Total	<u>561,381</u>	<u>554,522</u>	<u>6,859</u>
Emergency Communications:			
Salaries and employee benefits	2,118,196	1,932,540	185,656
Other operating expenditures	240,963	208,711	32,252
Total	<u>2,359,159</u>	<u>2,141,251</u>	<u>217,908</u>
Emergency Management:			
Salaries and employee benefits	156,579	156,378	201
Other operating expenditures	93,304	80,073	13,231
Capital outlay	10,774	7,573	3,201
Total	<u>260,657</u>	<u>244,024</u>	<u>16,633</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Emergency Medical Servicing:			
Salaries and employee benefits	4,106,933	3,963,296	143,637
Other operating expenditures	815,201	839,445	(24,244)
Capital outlay	<u>794,117</u>	<u>326,002</u>	<u>468,115</u>
Total	<u>5,716,251</u>	<u>5,128,743</u>	<u>587,508</u>
Total public safety	<u>20,227,623</u>	<u>18,878,794</u>	<u>1,348,829</u>
Transportation:			
Rocky Mount/Wilson Airport	<u>47,857</u>	<u>47,857</u>	<u>-</u>
Environmental Protection:			
Forestry Program:			
Other operating expenditures	<u>87,108</u>	<u>76,443</u>	<u>10,665</u>
Soil Conservation:			
Salaries and employee benefits	170,784	170,231	553
Other operating expenditures	20,233	17,646	2,587
Capital outlay	<u>19,000</u>	<u>17,539</u>	<u>1,461</u>
Total	<u>210,017</u>	<u>205,416</u>	<u>4,601</u>
Total environmental protection	<u>297,125</u>	<u>281,859</u>	<u>15,266</u>
Economic and Physical Development:			
Agricultural Extension and 4-H:			
Salaries and employee benefits	469,155	463,541	5,614
Other operating expenditures	<u>59,410</u>	<u>52,699</u>	<u>6,711</u>
Total	<u>528,565</u>	<u>516,240</u>	<u>12,325</u>
Planning and Zoning:			
Salaries and employee benefits	580,918	570,180	10,738
Other operating expenditures	<u>67,478</u>	<u>50,132</u>	<u>17,346</u>
Total	<u>648,396</u>	<u>620,312</u>	<u>28,084</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Other:			
Other projects	220,500	220,500	-
Total	<u>220,500</u>	<u>220,500</u>	<u>-</u>
Total economic and physical development	<u>1,397,461</u>	<u>1,357,052</u>	<u>40,409</u>
Diversified Opportunities	<u>29,250</u>	<u>29,250</u>	<u>-</u>
Senior Center:			
Salaries and employee benefits	96,216	85,620	10,596
Other operating expenditures	81,977	73,061	8,916
Capital outlay	<u>32,300</u>	<u>20,654</u>	<u>11,646</u>
Total	<u>210,493</u>	<u>179,335</u>	<u>31,158</u>
Home and Community Care Block Grant:			
Operating expenses	<u>603,143</u>	<u>421,033</u>	<u>182,110</u>
Total	<u>603,143</u>	<u>421,033</u>	<u>182,110</u>
Temporary Care Giver:			
Salaries and employee benefits	11,918	10,266	1,652
Other operating expenditures	<u>36,865</u>	<u>29,748</u>	<u>7,117</u>
Total	<u>48,783</u>	<u>40,014</u>	<u>8,769</u>
Health:			
Administration:			
Salaries and employee benefits	19,451	2,184	17,267
Other operating expenditures	615,088	521,474	93,614
Capital outlay	<u>66,850</u>	<u>61,853</u>	<u>4,997</u>
Total	<u>701,389</u>	<u>585,511</u>	<u>115,878</u>
Health Promotion:			
Salaries and employee benefits	89,911	62,452	27,459
Other operating expenditures	<u>46,868</u>	<u>31,305</u>	<u>15,563</u>
Total	<u>136,779</u>	<u>93,757</u>	<u>43,022</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Tuberculosis Control:			
Salaries and employee benefits	51,799	51,540	259
Other operating expenditures	34,215	21,936	12,279
Capital outlay	4,100	3,151	949
Total	<u>90,114</u>	<u>76,627</u>	<u>13,487</u>
Home Health:			
Salaries and employee benefits	3,578,953	3,578,922	31
Other operating expenditures	2,235,621	2,213,578	22,043
Capital outlay	179,170	179,170	-
Total	<u>5,993,744</u>	<u>5,971,670</u>	<u>22,074</u>
Family Planning:			
Salaries and employee benefits	625,519	625,452	67
Other operating expenditures	210,468	180,273	30,195
Total	<u>835,987</u>	<u>805,725</u>	<u>30,262</u>
Maternal Health:			
Salaries and employee benefits	593,782	591,645	2,137
Other operating expenditures	111,891	94,688	17,203
Total	<u>705,673</u>	<u>686,333</u>	<u>19,340</u>
Environmental Health:			
Salaries and employee benefits	455,356	427,922	27,434
Other operating expenditures	29,764	26,653	3,111
Capital outlay	6,500	6,480	20
Total	<u>491,620</u>	<u>461,055</u>	<u>30,565</u>
Immunization:			
Salaries and employee benefits	51,707	32,171	19,536
Other operating expenditures	106,720	101,721	4,999
Total	<u>158,427</u>	<u>133,892</u>	<u>24,535</u>
Communicable Diseases:			
Salaries and employee benefits	349,350	278,329	71,021
Other operating expenditures	36,510	16,035	20,475
Total	<u>385,860</u>	<u>294,364</u>	<u>91,496</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Comprehensive Breast Cancer Prevention:			
Salaries and employee benefits	12,019	12,015	4
Other operating expenditures	<u>17,624</u>	<u>8,601</u>	<u>9,023</u>
Total	<u>29,643</u>	<u>20,616</u>	<u>9,027</u>
Child Health:			
Salaries and employee benefits	638,871	602,459	36,412
Other operating expenditures	<u>69,400</u>	<u>20,931</u>	<u>48,469</u>
Total	<u>708,271</u>	<u>623,390</u>	<u>84,881</u>
Child Service Coordinator:			
Salaries and employee benefits	275,739	255,835	19,904
Other operating expenditures	32,769	8,935	23,834
Capital outlay	<u>28,727</u>	<u>28,447</u>	<u>280</u>
Total	<u>337,235</u>	<u>293,217</u>	<u>44,018</u>
WIC Clinic Administration:			
Salaries and employee benefits	109,587	109,039	548
Other operating expenditures	<u>3,744</u>	<u>2,495</u>	<u>1,249</u>
Total	<u>113,331</u>	<u>111,534</u>	<u>1,797</u>
WIC Nutrition Education:			
Salaries and employee benefits	149,082	148,356	726
Other operating expenditures	<u>3,200</u>	<u>2,387</u>	<u>813</u>
Total	<u>152,282</u>	<u>150,743</u>	<u>1,539</u>
AIDS Control:			
Salaries and employee benefits	20,549	7,820	12,729
Other operating expenditures	<u>1,822</u>	<u>1,202</u>	<u>620</u>
Total	<u>22,371</u>	<u>9,022</u>	<u>13,349</u>
Bioterrorism:			
Salaries and employee benefits	18,455	12,282	6,173
Other operating expenditures	11,196	5,502	5,694
Capital outlay	<u>2,911</u>	<u>-</u>	<u>2,911</u>
Total	<u>32,562</u>	<u>17,784</u>	<u>14,778</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
WIC Client Services:			
Salaries and employee benefits	495,893	458,796	37,097
Other operating expenditures	<u>15,500</u>	<u>13,704</u>	<u>1,796</u>
Total	<u>511,393</u>	<u>472,500</u>	<u>38,893</u>
Maternal Child Care:			
Salaries and employee benefits	223,004	216,563	6,441
Other operating expenditures	16,482	10,690	5,792
Capital outlay	<u>16,727</u>	<u>16,087</u>	<u>640</u>
Total	<u>256,213</u>	<u>243,340</u>	<u>12,873</u>
Breast and Cervical Cancer:			
Salaries and employee benefits	57,473	55,177	2,296
Other operating expenditures	20,525	2,035	18,490
Capital outlay	<u>3,200</u>	<u>3,151</u>	<u>49</u>
Total	<u>81,198</u>	<u>60,363</u>	<u>20,835</u>
Adult Health:			
Salaries and employee benefits	392,114	392,110	4
Other operating expenditures	<u>12,224</u>	<u>11,865</u>	<u>359</u>
Total	<u>404,338</u>	<u>403,975</u>	<u>363</u>
Total health	<u>12,148,430</u>	<u>11,515,418</u>	<u>633,012</u>
Social Services:			
Administration:			
Salaries and employee benefits	12,665,402	12,047,807	617,595
Other operating expenditures	2,325,836	1,853,700	472,136
Capital outlay	<u>137,969</u>	<u>137,266</u>	<u>703</u>
Total	<u>15,129,207</u>	<u>14,038,773</u>	<u>1,090,434</u>
4D Child Support:			
Salaries and employee benefits	108,995	63,435	45,560
Other operating expenditures	<u>163,827</u>	<u>107,284</u>	<u>56,543</u>
Total	<u>272,822</u>	<u>170,719</u>	<u>102,103</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Income Maintenance Programs:			
AFDC Fostercare	617,082	610,168	6,914
Special assistance - adults	993,048	934,678	58,370
Medicaid - County participation	<u>1,600,000</u>	<u>817,601</u>	<u>782,399</u>
Total	<u>3,210,130</u>	<u>2,362,447</u>	<u>847,683</u>
Other Services:			
Other operating expenditures	<u>6,345,056</u>	<u>5,483,690</u>	<u>861,366</u>
Emergency Solutions Programs:			
Other operating expenditures	<u>90,930</u>	<u>77,129</u>	<u>13,801</u>
Total social services	<u>25,048,145</u>	<u>22,132,758</u>	<u>2,915,387</u>
Veterans Affairs:			
Salaries and employee benefits	48,209	47,798	411
Other operating expenditures	<u>225</u>	<u>209</u>	<u>16</u>
Total	<u>48,434</u>	<u>48,007</u>	<u>427</u>
Total human services	<u>38,136,678</u>	<u>34,365,815</u>	<u>3,770,863</u>
Cultural and Recreational:			
Recreation:			
Other operating expenditures	<u>109,570</u>	<u>84,570</u>	<u>25,000</u>
Libraries:			
Salaries and employee benefits	1,222,395	1,129,069	93,326
Other operating expenditures	<u>463,051</u>	<u>460,160</u>	<u>2,891</u>
Total	<u>1,685,446</u>	<u>1,589,229</u>	<u>96,217</u>
Total cultural and recreational	<u>1,795,016</u>	<u>1,673,799</u>	<u>121,217</u>
Education:			
Public schools - current	17,155,274	17,155,274	-
Public schools - capital outlay	1,000,000	1,000,000	-
Public School Bond Fund	127,500	127,500	-
Community colleges - current	2,199,294	1,949,294	250,000
Community colleges - capital outlay	<u>628,000</u>	<u>378,000</u>	<u>250,000</u>
Total education	<u>21,110,068</u>	<u>20,610,068</u>	<u>500,000</u>

WILSON 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>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Debt Service:			
Principal retirement	5,832,055	5,702,386	129,669
Interest and other charges	<u>1,349,517</u>	<u>1,250,373</u>	<u>99,144</u>
Total debt service	<u>7,181,572</u>	<u>6,952,759</u>	<u>228,813</u>
Total expenditures	<u>99,508,002</u>	<u>92,693,797</u>	<u>6,814,205</u>
Revenues over (under) expenditures	<u>(9,391,572)</u>	<u>4,461,758</u>	<u>13,853,330</u>
Other Financing Sources (Uses):			
Transfers to other funds:			
Revaluation Fund	(75,000)	(75,000)	-
Economic Development Fund	(1,552,980)	(1,552,980)	-
Public Buildings Fund	(1,527,000)	(1,527,000)	-
Debt issued	603,134	603,134	-
Sale of capital assets	-	58,822	58,822
Fund balance appropriated	<u>11,943,418</u>	<u>-</u>	<u>(11,943,418)</u>
Total other financing sources (uses)	<u>9,391,572</u>	<u>(2,493,024)</u>	<u>(11,884,596)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,968,734</u>	<u>\$ 1,968,734</u>
Fund Balance:			
Beginning of year, July 1		<u>39,140,779</u>	
End of year, June 30		<u>\$ 41,109,513</u>	

WILSON COUNTY, NORTH CAROLINA

**LEGALLY BUDGETED TAX REVALUATION AND ECONOMIC DEVELOPMENT FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Revaluation Fund</u>	<u>Economic Development</u>	<u>Total Combined Funds</u>
Revenues:			
Investment earnings	\$ 706	\$ -	\$ 706
Expenditures:			
Current:			
General government:			
Tax listing	13,250	-	13,250
Economic Development:			
Economic incentives	-	1,997,237	1,997,237
Total expenditures	<u>13,250</u>	<u>1,997,237</u>	<u>2,010,487</u>
Revenues over (under) expenditures	(12,544)	(1,997,237)	(2,009,781)
Other Financing Sources (Uses):			
Transfer in:			
General Fund	<u>75,000</u>	<u>1,552,980</u>	<u>1,627,980</u>
Net change in fund balances	62,456	(444,257)	(381,801)
Fund Balances:			
Beginning of year, July 1	<u>581,598</u>	<u>444,257</u>	<u>1,025,855</u>
End of year, June 30	<u>\$ 644,054</u>	<u>\$ -</u>	<u>\$ 644,054</u>

WILSON COUNTY, NORTH CAROLINA

REVALUATION 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:			
Investment earnings	\$ 700	\$ 706	\$ 6
Expenditures:			
Current:			
General government:			
Tax listing	88,950	13,250	75,700
Revenues over (under) expenditures	(88,250)	(12,544)	75,706
Other Financing Sources (Uses):			
Transfer in:			
General Fund	75,000	75,000	-
Fund balance appropriated	13,250	-	13,250
Total other financing sources (uses)	88,250	75,000	13,250
Net change in fund balance	\$ -	62,456	\$ 62,456
Fund Balance:			
Beginning of year, July 1		581,598	
End of year, June 30		\$ 644,054	

WILSON COUNTY, NORTH CAROLINA

**ECONOMIC DEVELOPMENT 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>
Expenditures:			
Current:			
General government:			
Economic incentives	\$ 1,997,237	\$ 1,997,237	\$ -
Revenues over (under) expenditures	<u>(1,997,237)</u>	<u>(1,997,237)</u>	<u>-</u>
Other Financing Sources (Uses):			
Transfer in:			
General Fund	1,552,980	1,552,980	-
Fund balance appropriated	<u>444,257</u>	<u>-</u>	<u>444,257</u>
Total other financing sources (uses)	<u>1,997,237</u>	<u>1,552,980</u>	<u>444,257</u>
Net change in fund balance	<u>\$ -</u>	(444,257)	<u>\$ (444,257)</u>
Fund Balance:			
Beginning of year, July 1		<u>444,257</u>	
End of year, June 30		<u>\$ -</u>	

This page left blank intentionally.

Nonmajor Governmental Funds

WILSON COUNTY, NORTH CAROLINA

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

	Fire Districts Fund	Emergency Telephone System Fund	Transportation Fund	Economic Development Grant Fund
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Assets:				
Cash and cash equivalents	\$ 318,453	\$ 509,683	\$ 158,521	\$ 930,214
Taxes receivable, net	47,605	-	-	-
Accounts receivable, net	-	31,479	120,410	-
Total assets	<u>\$ 366,058</u>	<u>\$ 541,162</u>	<u>\$ 278,931</u>	<u>\$ 930,214</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 791	\$ 24,515	\$ -
Due to other governments	318,453	-	-	-
Total liabilities	<u>318,453</u>	<u>791</u>	<u>24,515</u>	<u>-</u>
Deferred Inflows of Resources:				
Taxes receivable	47,605	-	-	-
Total deferred inflows of resources	<u>47,605</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted:				
Stabilization by State statute	-	31,479	120,410	-
Community development projects	-	-	-	930,214
Public safety	-	508,892	-	-
Assigned:				
Transportation	-	-	134,006	-
Future capital	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>540,371</u>	<u>254,416</u>	<u>930,214</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 366,058</u>	<u>\$ 541,162</u>	<u>\$ 278,931</u>	<u>\$ 930,214</u>

Schedule C-1

Total Nonmajor Special Revenue Funds	Community Grant Fund	Public Buildings Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 1,916,871	\$ 22,509	\$ 841,017	\$ 863,526	\$ 2,780,397
47,605	-	-	-	47,605
151,889	6,506	-	6,506	158,395
<u>\$ 2,116,365</u>	<u>\$ 29,015</u>	<u>\$ 841,017</u>	<u>\$ 870,032</u>	<u>\$ 2,986,397</u>
\$ 25,306	\$ 29,015	\$ -	\$ 29,015	\$ 54,321
318,453	-	-	-	318,453
<u>343,759</u>	<u>29,015</u>	<u>-</u>	<u>29,015</u>	<u>372,774</u>
47,605	-	-	-	47,605
<u>47,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,605</u>
151,889	6,506	-	6,506	158,395
930,214	-	-	-	930,214
508,892	-	-	-	508,892
134,006	-	-	-	134,006
-	-	841,017	841,017	841,017
-	(6,506)	-	(6,506)	(6,506)
<u>1,725,001</u>	<u>-</u>	<u>841,017</u>	<u>841,017</u>	<u>2,566,018</u>
<u>\$ 2,116,365</u>	<u>\$ 29,015</u>	<u>\$ 841,017</u>	<u>\$ 870,032</u>	<u>\$ 2,986,397</u>

WILSON COUNTY, NORTH CAROLINA

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

	Fire District Fund	Emergency Telephone System Fund	Transportation Fund	Economic Development Grant Fund
Revenues:				
Ad valorem taxes	\$ 1,377,577	\$ -	\$ -	\$ -
Local option sales tax	297,016	-	-	-
Restricted intergovernmental	-	1,077,746	403,947	930,214
Sales and services	-	-	226,852	-
Investment earnings	-	558	-	-
Total revenues	<u>1,674,593</u>	<u>1,078,304</u>	<u>630,799</u>	<u>930,214</u>
Expenditures:				
Public safety	1,674,593	1,047,486	605,658	-
Capital projects	-	409,997	-	-
Total expenditures	<u>1,674,593</u>	<u>1,457,483</u>	<u>605,658</u>	<u>-</u>
Revenues over (under) expenditures	-	(379,179)	25,141	930,214
Other Financing Sources (Uses):				
Transfers from (to) other funds	-	-	-	-
Net change in fund balances	-	(379,179)	25,141	930,214
Fund Balances:				
Beginning of year, July 1	-	919,550	229,275	-
End of year, June 30	<u>\$ -</u>	<u>\$ 540,371</u>	<u>\$ 254,416</u>	<u>\$ 930,214</u>

Schedule C-2

Total Nonmajor Special Revenue Funds	Community Grants Fund	Public Buildings Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 1,377,577	\$ -	\$ -	\$ -	\$ 1,377,577
297,016	-	-	-	297,016
2,411,907	39,128	-	39,128	2,451,035
226,852	-	-	-	226,852
558	-	-	-	558
<u>4,313,910</u>	<u>39,128</u>	<u>-</u>	<u>39,128</u>	<u>4,353,038</u>
3,327,737	-	-	-	3,327,737
409,997	39,128	719,795	758,923	1,168,920
<u>3,737,734</u>	<u>39,128</u>	<u>719,795</u>	<u>758,923</u>	<u>4,496,657</u>
576,176	-	(719,795)	(719,795)	(143,619)
<u>-</u>	<u>-</u>	<u>1,527,000</u>	<u>1,527,000</u>	<u>1,527,000</u>
576,176	-	807,205	807,205	1,383,381
<u>1,148,825</u>	<u>-</u>	<u>33,812</u>	<u>33,812</u>	<u>1,182,637</u>
<u>\$ 1,725,001</u>	<u>\$ -</u>	<u>\$ 841,017</u>	<u>\$ 841,017</u>	<u>\$ 2,566,018</u>

WILSON COUNTY, NORTH CAROLINA

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Ad valorem taxes:			
Current year	\$ 1,572,216	\$ 1,321,333	\$ (250,883)
Prior year	134,840	56,244	(78,596)
Total ad valorem taxes	<u>1,707,056</u>	<u>1,377,577</u>	<u>(329,479)</u>
Other taxes	<u>309,694</u>	<u>297,016</u>	<u>(12,678)</u>
Total revenues	<u>2,016,750</u>	<u>1,674,593</u>	<u>(342,157)</u>
Expenditures:			
Public safety	<u>2,016,750</u>	<u>1,674,593</u>	<u>342,157</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year, July 1		<u>-</u>	
End of year, June 30		<u>\$ -</u>	

WILSON 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**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Restricted intergovernmental			
NC 911 Board	\$ 377,746	\$ 377,746	\$ -
NC 911 Grant	700,000	700,000	-
Investment earnings	750	558	(192)
Total revenues	<u>1,078,496</u>	<u>1,078,304</u>	<u>(192)</u>
Expenditures:			
Implemental functions	130,449	75,828	54,621
Telephone	193,824	189,841	3,983
Software maintenance	97,284	76,362	20,922
Hardware maintenance	3,000	-	3,000
Training	6,000	5,455	545
Capital outlay	700,000	700,000	-
S.L.2011-158 expenditures	<u>872,115</u>	<u>409,997</u>	<u>462,118</u>
Total expenditures	<u>2,002,672</u>	<u>1,457,483</u>	<u>545,189</u>
Revenues over (under) expenditures	(924,176)	(379,179)	544,997
Other Financing Sources (Uses):			
Fund balance appropriated	<u>924,176</u>	<u>-</u>	<u>(924,176)</u>
Net change in fund balance	<u>\$ -</u>	<u>(379,179)</u>	<u>\$ (379,179)</u>
Fund Balance:			
Beginning of year, July 1		<u>919,550</u>	
End of year, June 30		<u>\$ 540,371</u>	

WILSON COUNTY, NORTH CAROLINA

TRANSPORTATION 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:			
Restricted intergovernmental:			
Rural Operating Grant	\$ 227,245	\$ 173,675	\$ (53,570)
Capital Grant	168,094	168,092	(2)
Public Transportation Grant	91,048	62,180	(28,868)
Sales and services	<u>211,009</u>	<u>226,852</u>	<u>15,843</u>
Total revenues	<u>697,396</u>	<u>630,799</u>	<u>(66,597)</u>
Expenditures:			
Salaries and employee benefits	73,064	56,947	16,117
Operating expenses	446,799	361,869	84,930
Capital outlay	<u>186,872</u>	<u>186,842</u>	<u>30</u>
Total expenditures	<u>706,735</u>	<u>605,658</u>	<u>101,077</u>
Revenues over (under) expenditures	(9,339)	25,141	34,480
Other Financing Sources (Uses):			
Fund balance appropriated	<u>9,339</u>	<u>-</u>	<u>(9,339)</u>
Net change in fund balance	<u>\$ -</u>	<u>25,141</u>	<u>\$ 25,141</u>
Fund Balance:			
Beginning of year, July 1		<u>229,275</u>	
End of year, June 30		<u>\$ 254,416</u>	

WILSON COUNTY, NORTH CAROLINA

**ECONOMIC DEVELOPMENT GRANT 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:			
Rural Economic Development			
North Carolina Eastern Region Grant	\$ -	\$ 930,214	\$ 930,214
Total revenues	<u>-</u>	<u>930,214</u>	<u>930,214</u>
Net change in fund balance	<u>\$ -</u>	<u>930,214</u>	<u>\$ 930,214</u>
Fund Balance:			
Beginning of year, July 1		<u>-</u>	
End of year, June 30		<u>\$ 930,214</u>	

WILSON COUNTY, NORTH CAROLINA

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

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental:					
NC Tomorrow Grant	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
CDBG Scattered Site	225,000	-	29,128	29,128	(195,872)
CDBG- E-2484- Rail	497,861	-	10,000	10,000	(487,861)
IDF- State- Rail	356,000	-	-	-	(356,000)
EIP- Rail	160,000	-	-	-	(160,000)
NCDOT- Rail	95,000	-	-	-	(95,000)
Total revenues	<u>1,333,861</u>	<u>50,000</u>	<u>39,128</u>	<u>89,128</u>	<u>(1,244,733)</u>
Expenditures:					
CDBG-NC Tomorrow- Admin	-	5,000	-	5,000	(5,000)
CDBG-NC Tomorrow- Rehab	-	45,000	-	45,000	(45,000)
CDBG Scattered Site- Admin	20,000	-	15,731	15,731	4,269
CDBG Scattered Site- Rehab	205,000	-	13,397	13,397	191,603
CDBG Rail	497,861	-	5,000	5,000	492,861
IDF- State Rail	356,000	-	5,000	5,000	351,000
EIP Rail	160,000	-	-	-	160,000
NCDOT- Rail	95,000	-	-	-	95,000
Total expenditures	<u>1,333,861</u>	<u>50,000</u>	<u>39,128</u>	<u>89,128</u>	<u>1,244,733</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			<u>\$ -</u>		

WILSON COUNTY, NORTH CAROLINA

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

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Expenditures:			
Capital outlay	\$ 1,527,000	\$ 719,795	\$ 807,205
Total expenditures	<u>1,527,000</u>	<u>719,795</u>	<u>807,205</u>
Revenues over (under) expenditures	(1,527,000)	(719,795)	807,205
Other Financing Sources (Uses):			
Transfers in (out)	<u>1,527,000</u>	<u>1,527,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	807,205	<u>\$ 807,205</u>
Fund Balance:			
Beginning of year, July 1		<u>33,812</u>	
End of year, June 30		<u>\$ 841,017</u>	

This page left blank intentionally.

Major Enterprise Funds

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

SOLID WASTE 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	\$ 2,587,700	\$ 2,626,563	\$ 38,863
Non-operating revenues:			
NC DENR Grant funds	30,000	-	(30,000)
Investment earnings	29,500	18,370	(11,130)
Total non-operating revenues	<u>59,500</u>	<u>18,370</u>	<u>(41,130)</u>
Total revenues	<u>2,647,200</u>	<u>2,644,933</u>	<u>(2,267)</u>
Expenditures:			
Operating expenses	2,601,178	2,148,707	452,471
Capital outlay	741,275	606,549	134,726
Total expenditures	<u>3,342,453</u>	<u>2,755,256</u>	<u>587,197</u>
Revenues over (under) expenditures	(695,253)	(110,323)	(589,464)
Other Financing Sources (Uses):			
Fund balance appropriated	<u>695,253</u>	<u>-</u>	<u>(695,253)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(110,323)</u>	<u>\$ (110,323)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Capital outlays		606,549	
Depreciation		(218,634)	
Allowance for bad debts		(14,060)	
Increase in accrued landfill closure and costs		(191,346)	
Increase in post-employment benefit		(42,905)	
Increase in accrued compensated absences		<u>(2,339)</u>	
Total reconciling items		<u>137,265</u>	
Change in net position		<u>\$ 26,942</u>	

WILSON COUNTY, NORTH CAROLINA

**SOUTHEAST WATER DISTRICT
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	\$ 909,320	\$ 932,369	\$ 23,049
Expenditures:			
Operating expenditures:			
Operating expenses	492,887	408,892	83,995
Water purchases	205,700	205,681	19
Capital outlay	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Total operating expenditures	<u>706,087</u>	<u>622,073</u>	<u>84,014</u>
Debt service:			
Interest	123,397	123,395	2
Principal	<u>89,076</u>	<u>89,075</u>	<u>1</u>
Total debt service	<u>212,473</u>	<u>212,470</u>	<u>3</u>
Total expenditures	<u>918,560</u>	<u>834,543</u>	<u>84,017</u>
Revenues over (under) expenditures	(9,240)	97,826	107,066
Other Financing Sources (Uses):			
Fund balance appropriated	<u>9,240</u>	<u>-</u>	<u>(9,240)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>97,826</u>	<u>\$ 97,826</u>

**Reconciliation from Budgetary Basis
(Modified Accrual) to Full Accrual:**

Reconciling items:		
Capital outlay	7,500	
Principal paid on long-term debt	89,075	
Depreciation	(279,960)	
Allowance for bad debts	(4,386)	
Decrease in accrued interest	238	
Increase in other post-employment benefit	(6,309)	
Decrease in accrued compensated absences	<u>847</u>	
Total reconciling items	<u>(192,995)</u>	
Change in net position	<u>\$ (95,169)</u>	

WILSON COUNTY, NORTH CAROLINA

SOUTHWEST WATER DISTRICT
 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	\$ 927,000	\$ 949,241	\$ 22,241
Expenditures:			
Operating expenditures:			
Operating expenses	307,365	253,144	54,221
Water purchases	250,000	232,198	17,802
Capital outlay	7,500	7,500	-
Total operating expenditures	<u>564,865</u>	<u>492,842</u>	<u>72,023</u>
Debt service:			
Interest	221,496	221,495	1
Principal	153,837	153,836	1
Total debt service	<u>375,333</u>	<u>375,331</u>	<u>2</u>
Total expenditures	<u>940,198</u>	<u>868,173</u>	<u>72,025</u>
Revenues over (under) expenditures	(13,198)	81,068	94,266
Other Financing Sources (Uses):			
Fund balance appropriated	<u>13,198</u>	<u>-</u>	<u>(13,198)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>81,068</u>	<u>\$ 81,068</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Capital outlay		7,500	
Principal paid on long-term debt		153,836	
Allowance for bad debt		(3,811)	
Depreciation		(358,439)	
Decrease in accrued interest		397	
Increase in post-employment benefit		(6,309)	
Decrease in accrued compensated absences		847	
Total reconciling items		<u>(205,979)</u>	
Change in net position		<u>\$ (124,911)</u>	

WILSON COUNTY, NORTH CAROLINA

WATER 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:			
Non-operating revenues:			
Interest income	\$ 534,783	\$ 327,113	\$ (207,670)
Expenditures:			
Debt service:			
Principal retirement	194,783	190,000	4,783
Interest and other charges	340,000	327,113	12,887
Total debt service	<u>534,783</u>	<u>517,113</u>	<u>17,670</u>
Total expenditures	<u>534,783</u>	<u>517,113</u>	<u>17,670</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>(190,000)</u>	<u>\$ (190,000)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Reconciling items:			
Principal paid on long-term debt		190,000	
Increase in accrued interest		30,727	
Bond premium amortization		<u>(13,791)</u>	
Total reconciling items		<u>206,936</u>	
Change in net position		<u>\$ 16,936</u>	

Internal Service Funds

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

HOSPITAL - SELF INSURANCE
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>
Revenues:			
Operating revenues:			
Insurance premiums	\$ 6,100,000	\$ 6,154,514	\$ 54,514
Expenditures:			
Operating expenditures:			
Insurance claims and expenses	6,250,000	6,085,375	164,625
Total expenditures	<u>6,250,000</u>	<u>6,085,375</u>	<u>164,625</u>
Revenues over (under) expenditures	(150,000)	69,139	219,139
Other Financing Sources (Uses):			
Fund balance appropriated	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 69,139</u>	<u>\$ 69,139</u>

This page left blank intentionally.

Agency Funds

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

**AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
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>
Fines and Forfeitures Fund:				
Assets:				
Cash and cash equivalents	\$ 17,268	\$ 299,586	\$ 316,854	\$ -
Liabilities:				
Intergovernmental payable	\$ 17,268	\$ 299,586	\$ 316,854	\$ -
NC DMV Interest:				
Assets:				
Cash and cash equivalents	\$ 4,321	\$ -	\$ 4,321	\$ -
Liabilities:				
Intergovernmental payable	\$ 4,321	\$ -	\$ 4,321	\$ -
Deed of Trust Fee Fund:				
Assets:				
Cash and cash equivalents	\$ 3,906	\$ 44,504	\$ 45,334	\$ 3,076
Liabilities:				
Intergovernmental payable	\$ 3,906	\$ 44,504	\$ 45,334	\$ 3,076
Social Services Trust Fund:				
Assets:				
Cash and cash equivalents	\$ 13,629	\$ 240,049	\$ 241,057	\$ 12,621
Liabilities:				
Miscellaneous liabilities	\$ 13,629	\$ 240,049	\$ 241,057	\$ 12,621
Jail Inmate Fund:				
Assets:				
Cash and cash equivalents	\$ 27,353	\$ 302,365	\$ 304,107	\$ 25,611
Liabilities:				
Miscellaneous liabilities	\$ 27,353	\$ 302,365	\$ 304,107	\$ 25,611
Sheriff Account Fund:				
Assets:				
Cash and cash equivalents	\$ 456	\$ 20,364	\$ 20,159	\$ 661
Liabilities:				
Miscellaneous liabilities	\$ 456	\$ 20,364	\$ 20,159	\$ 661

WILSON COUNTY, NORTH CAROLINA

AGENCY FUNDS

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

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
Tax Collections Held for Municipalities:				
Assets:				
Cash and cash equivalents	\$ 16,508	\$ 1,475,976	\$ 1,440,401	\$ 52,083
Liabilities:				
Intergovernmental payable	\$ 16,508	\$ 1,475,976	\$ 1,440,401	\$ 52,083
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 83,441	\$ 2,382,844	\$ 2,372,233	\$ 94,052
Liabilities:				
Miscellaneous liabilities	\$ 41,438	\$ 562,778	\$ 565,323	\$ 38,893
Intergovernmental payable	42,003	1,820,066	1,806,910	55,159
Total liabilities	\$ 83,441	\$ 2,382,844	\$ 2,372,233	\$ 94,052

ADDITIONAL FINANCIAL DATA

This section includes additional information on property taxes.

Schedule of Ad Valorem Taxes Receivable

Analysis of Current Tax Levy – General Fund

Analysis of Current Tax Levy – Fire Districts

Secondary Market Disclosures

Ten Largest Taxpayers

This page left blank intentionally.

WILSON COUNTY, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF AD VALOREM TAXES RECEIVABLE
 JUNE 30, 2014

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2013</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2014</u>
2013-2014	\$ -	\$ 50,448,327	\$ 49,310,094	\$ 1,138,233
2012-2013	1,682,182	-	1,215,566	466,616
2011-2012	482,920	-	208,148	274,772
2010-2011	270,336	-	131,018	139,318
2009-2010	145,711	-	23,511	122,200
2008-2009	131,710	-	14,653	117,057
2007-2008	113,206	-	7,508	105,698
2006-2007	113,574	-	7,612	105,962
2005-2006	97,431	-	5,696	91,735
2004-2005	125,780	-	3,851	121,929
2003-2004	92,562	-	92,562	-
Total	<u>\$ 3,255,412</u>	<u>\$ 50,448,327</u>	<u>\$ 51,020,219</u>	2,683,520
Less: Allowance for uncollectible accounts:				
General Fund				<u>(839,890)</u>
Ad valorem taxes receivable, net:				
General Fund				<u>\$ 1,843,630</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				<u>\$ 51,615,031</u>
Reconciling items:				
Interest collected				(773,927)
Taxes written off				92,562
Misc				<u>86,553</u>
Total reconciling items				<u>(681,365)</u>
Total collections and credits				<u>\$ 51,020,219</u>

WILSON COUNTY, NORTH CAROLINA

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

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 6,650,964,228	\$ 0.73	\$ 48,613,406	\$ 44,565,096	\$ 4,048,310
Motor vehicles taxed at prior year's rate	232,678,809	0.73	1,698,567	-	1,698,567
Total original levy	<u>6,883,643,037</u>		<u>50,311,973</u>	<u>44,565,096</u>	<u>5,746,877</u>
Discoveries	283,070,079	0.73	<u>2,466,980</u>	<u>2,444,520</u>	<u>22,460</u>
Abatements:					
At current year's rate	(261,648,682)	0.73	(2,291,741)	(2,240,746)	(50,995)
At prior year's rate	<u>(5,326,706)</u>	0.73	<u>(38,885)</u>	<u>-</u>	<u>(38,885)</u>
Total abatements	<u>(266,975,388)</u>		<u>(2,330,626)</u>	<u>(2,240,746)</u>	<u>(89,880)</u>
Total property valuation	<u>\$ 6,899,737,728</u>				
Net Levy			50,448,327	44,768,870	5,679,457
Uncollected taxes at June 30, 2014			<u>(1,138,233)</u>	<u>(980,071)</u>	<u>(158,162)</u>
Current Year's Taxes Collected			<u>\$ 49,310,094</u>	<u>\$ 43,788,799</u>	<u>\$ 5,521,295</u>
Current Levy Collection Percentage			<u>97.74%</u>	<u>97.81%</u>	<u>97.22%</u>

WILSON COUNTY, NORTH CAROLINA

**ANALYSIS OF CURRENT TAX LEVY - FIRE DISTRICTS
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Original Levy</u>	<u>Uncollected Balance June 30, 2014</u>
Tri County	\$ 28,944	\$ 3,123
Green Hornet	16,265	379
Moyton	52,683	3,918
Polly Watson	8,332	734
Sims	58,309	1,917
East Nash	259,663	14,961
Lee Woodard	90,759	5,715
Toisnot	91,473	1,429
Rock Ridge	185,770	5,956
Silver Lake	118,948	5,027
Sanoca	80,202	6,730
Beulah	66,290	2,618
Cross Roads	117,169	6,311
Bakertown	43,255	2,552
Contentnea	132,353	3,567
West Edgecombe	<u>2,588</u>	<u>223</u>
Total original levy	1,353,003	65,160
Less: Allowance for uncollectible accounts:		
Fire Districts		<u>(17,555)</u>
Ad valorem taxes receivable, net:		
Fire districts		<u>\$ 47,605</u>
Less uncollected taxes at June 30, 2014	<u>(65,160)</u>	
Current Year's Taxes Collected	<u>\$ 1,287,843</u>	
Current Levy Collection Percentage		<u>95.18%</u>

WILSON COUNTY, NORTH CAROLINA

SECONDARY MARKET DISCLOSURE COUNTY-WIDE LEVY FOR THE YEAR ENDED JUNE 30, 2014

Secondary Market Disclosures:

Assessed Valuation:

Assessment Ratio	<u>100.00%</u>
Real property ¹	4,942,838,796
Personal property	1,207,165,362
Public service companies ²	83,889,129
Motor vehicles	<u>665,844,441</u>
Assessed valuation at current year rates	<u>\$ 6,899,737,728</u>
Tax rate per \$100	<u>\$ 0.73</u>
Penalties	<u>\$ 50,368,085</u> <u>80,242</u>
Net levy (includes discoveries, releases and abatements) - all rates	<u>\$ 50,448,327</u>

¹ Percentage of appraised value has been established by statute

² Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Telephone Commission.

Note 1: The next revaluation of real property will become effective with the 2015-2016 levy and will be reflected in the collections for the fiscal year ending June 30, 2016.

County-wide	\$ 50,448,327
Special fire districts	1,353,003
Solid waste district	<u>1,134,098</u>
Total	<u>\$ 52,935,428</u>

WILSON COUNTY, NORTH CAROLINA

TEN LARGEST TAXPAYERS FOR THE YEAR ENDED JUNE 30, 2014

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Total Assessed Valuation</u>
Bridgestone	Tire manufacturing	\$ 356,221,561	5.16%
BB&T Centralized Solutions Inc.	Financial	178,215,399	2.58%
Becton-Dickinson	Pharmaceutical	127,849,832	1.85%
Merck	Pharmaceutical	115,272,242	1.67%
Sandoz	Pharmaceutical	79,276,870	1.15%
Alliance One	Tobacco	60,259,056	0.87%
Perdue Pharmaceuticals	Pharmaceutical	57,005,774	0.83%
Saint Gobain Containers	Bottling	43,893,142	0.64%
Carolina Forge Co.	Manufacturing	36,002,148	0.52%
S T Wooten Corp	Concrete	31,874,931	0.46%
Total		<u>\$ 1,085,870,955</u>	<u>15.74%</u>

This page left blank intentionally.

County of Wilson, North Carolina

STATISTICAL SECTION

Financial Trends - These schedules contain trend information to help the reader understand how the County's financial performance has changed over time.

Table 1	Net Position By Component
Table 2	Changes in Net Position
Table 3	Fund Balances, Governmental Funds
Table 4	Changes In Fund Balances, Governmental Funds.

Revenue Capacity - These schedules contain information to help the reader assess the County's most significant local revenue sources.

Table 5	Assessed Value and Actual Value of Taxable Property
Table 6	Direct and Overlapping Governments
Table 7	Principal Property Tax Payers
Table 8	Property Tax Levies and Collections
Table 9	General Government Tax Revenues by Source

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

Table 10	Ratios of Outstanding Debt by Type
Table 11	Ratio of General Bonded Debt Outstanding and Legal Debt Margin

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

Table 12	Demographic and Economic Statistics
Table 13	Principal Employers

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

Table 14	Full-Time County Government Employees by Function/Program
Table 15	Operating Indicators by Function/Program
Table 16	Capital Asset Statistics by Function/Program

This page left blank intentionally.

TABLE 1
Wilson County, North Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities										
Net Investment in Capital Assets	\$ 15,487,589	\$ 14,991,356	\$ 17,033,706	\$ 17,651,796	\$ 16,779,850	\$ 16,394,856	\$ 16,914,580	\$ 18,731,866	\$ 19,698,346	\$ 21,398,624
Restricted	555,274	371,922	392,360	105,716	138,754	170,006	7,616,890	8,066,366	10,237,947	10,559,337
Unrestricted	(10,855,063)	(6,047,533)	(4,605,305)	(15,129,108)	(19,608,823)	(14,931,994)	(15,774,211)	(10,211,306)	(7,960,954)	(3,200,604)
Total Governmental Activities Net Position	\$ 5,187,800	\$ 9,315,745	\$ 12,820,761	\$ 2,628,404	\$ (2,690,219)	\$ 1,632,868	\$ 8,757,259	\$ 16,586,926	\$ 21,975,339	\$ 28,757,357
Business-Type Activities										
Net investment in Capital Assets	\$ 15,816,055	\$ 16,358,676	\$ 17,056,014	\$ 17,117,626	\$ 17,026,441	\$ 17,013,528	\$ 17,157,058	\$ 17,343,940	\$ 17,618,131	\$ 26,285,558
Restricted	735,625	853,665	208,676	-	-	-	-	-	-	-
Unrestricted	11,752,866	12,905,047	14,169,801	15,487,424	15,978,199	15,513,216	15,008,537	14,628,460	13,920,346	5,079,206
Total Business-Type Activities Net Position	\$ 28,304,546	\$ 30,117,388	\$ 31,434,491	\$ 32,605,050	\$ 33,004,640	\$ 32,526,744	\$ 32,165,595	\$ 31,972,400	\$ 31,538,477	\$ 31,364,764
Primary Government										
Net Investment in Capital Assets	\$ 31,303,644	\$ 31,350,032	\$ 34,089,720	\$ 34,769,422	\$ 33,806,291	\$ 33,408,384	\$ 34,071,638	\$ 36,075,806	\$ 37,316,477	\$ 47,684,182
Restricted	1,290,899	1,225,587	601,036	105,716	138,754	170,006	7,616,890	8,066,366	10,237,947	10,559,337
Unrestricted	897,803	6,857,514	9,564,496	358,316	(3,630,624)	581,222	(765,674)	4,417,154	5,959,392	1,878,602
Total Primary Government Net Position	\$ 33,492,346	\$ 39,433,133	\$ 44,255,252	\$ 35,233,454	\$ 30,314,421	\$ 34,159,612	\$ 40,922,854	\$ 48,559,326	\$ 53,513,816	\$ 60,122,121

Source: Annual audited financial statements of this entity.
Data from Exhibit 1

TABLE 2
Wilson County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities:										
General government	\$ 6,466,351	\$ 6,553,323	\$ 8,591,788	\$ 9,716,338	\$ 9,168,058	\$ 8,957,720	\$ 8,882,777	\$ 7,651,150	\$ 7,248,404	\$ 9,903,936
Public safety	12,833,721	14,849,173	16,009,343	17,310,695	19,485,200	19,306,051	19,196,921	19,815,892	20,830,220	22,263,611
Transportation	40,214	42,714	40,214	44,199	59,660	50,861	50,724	49,967	50,246	47,857
Environmental protection	212,708	252,393	984,553	263,185	294,273	301,191	300,558	284,161	290,665	524,329
Economic and physical development	983,743	3,934,651	1,634,504	3,802,793	3,332,631	3,533,157	3,042,014	3,025,416	3,427,689	3,393,417
Human services	30,330,025	33,260,796	34,779,448	34,831,798	35,791,530	34,813,467	34,454,057	33,731,053	35,039,483	34,289,859
Cultural and recreational	1,853,427	2,204,386	1,947,966	2,012,515	2,122,205	2,014,077	2,002,703	1,813,114	1,903,182	1,847,127
Education	19,054,402	18,044,198	18,739,332	30,153,307	28,193,496	18,848,568	18,596,063	18,847,287	18,795,853	20,610,068
Interest on long-term debt	2,015,382	1,822,016	1,719,772	2,168,694	2,170,700	2,067,724	1,439,974	1,539,092	1,430,380	1,216,232
Total government activities expenses	73,789,973	80,963,650	84,446,920	100,303,524	100,617,753	89,892,816	87,965,791	86,757,132	89,016,122	94,096,436
Business-Type Activities:										
Landfill	\$ 2,049,988	\$ 1,940,209	\$ 2,352,221	\$ 2,552,162	\$ 2,379,231	\$ 2,549,099	\$ 2,408,065	\$ 2,535,925	\$ 2,632,369	\$ 2,603,931
Water	923,078	1,273,440	1,634,317	1,655,504	1,711,393	1,849,152	1,813,444	1,870,248	2,279,006	2,434,397
Total business-type activities expenses	2,973,066	3,213,649	3,986,538	4,207,666	4,090,624	4,398,251	4,221,509	4,406,173	4,911,375	5,038,328
Total primary government expenses	76,763,039	84,177,299	88,433,458	104,511,190	104,708,377	94,291,067	92,187,300	91,163,305	93,927,497	99,134,764
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	1,270,940	696,166	975,562	785,436	882,443	952,104	775,757	779,845	807,579	502,902
Public safety	2,552,892	3,283,339	3,915,444	3,928,008	4,083,112	3,569,290	4,585,775	4,779,443	5,125,848	5,263,315
Transportation	197,240	136,165	-	21,872	49,892	70,637	51,861	213,920	205,362	226,852
Environmental protection	-	-	-	-	-	200	-	-	-	-
Economic and physical development	-	847,902	40,388	-	-	-	-	-	23,953	-
Human services	5,622,203	5,928,961	7,067,283	6,251,536	7,995,214	7,472,782	7,252,008	7,564,365	7,207,332	8,674,555
Cultural and recreational	26,712	-	-	25,744	28,841	32,653	34,332	59,828	57,037	-
Operating grants and contributions	15,167,547	15,170,468	15,399,555	17,415,740	18,101,406	20,207,494	19,282,450	18,398,248	17,364,048	18,277,404
Capital grants and contributions	5,537	663,049	1,229,134	63,154	1,653,878	1,701,926	3,172,685	1,960,955	1,457,437	2,711,121
Total government activities program revenues	24,843,071	26,726,050	28,627,366	28,491,490	32,794,786	34,007,086	35,154,868	33,756,604	32,248,596	35,656,149
Business-Type Activities:										
Charges for services:										
Landfill	2,170,435	2,838,813	2,689,342	2,663,594	2,470,560	2,347,945	2,327,996	2,610,208	2,649,072	2,612,503
Water	773,861	924,420	1,118,400	1,200,633	1,367,028	1,514,292	1,514,426	1,572,563	1,801,028	1,873,413
Operating grants and contributions	305,991	-	-	803,500	-	-	-	-	-	-
Capital grants and contributions	689,615	659,357	682,515	-	321,336	-	-	-	-	-
Total business-type program revenues	3,939,902	4,422,590	4,490,257	4,667,727	4,158,924	3,862,237	3,842,422	4,182,771	4,450,100	4,485,916
Total primary government program revenues	28,782,973	31,148,640	33,117,623	33,159,217	36,953,710	37,869,323	38,997,290	37,939,375	36,698,696	40,142,065
Net (Expense)/Revenue										
Governmental activities	(48,946,902)	(54,237,600)	(55,819,554)	(71,812,034)	(67,822,967)	(55,885,730)	(52,810,923)	(53,000,528)	(56,767,526)	(58,440,287)
Business-type activities	966,836	1,208,941	503,719	460,061	68,300	(536,014)	(379,087)	(223,402)	(461,275)	(552,412)
Total primary government net expense	\$ (47,980,066)	\$ (53,028,659)	\$ (55,315,835)	\$ (71,351,973)	\$ (67,754,667)	\$ (56,421,744)	\$ (53,190,010)	\$ (53,223,930)	\$ (57,228,801)	\$ (58,992,699)

Source: Annual audited financial statements of this entity.
Data from Exhibit 2

TABLE 2 (cont.)
Wilson County, North Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property taxes	\$ 35,072,321	\$ 41,687,531	\$ 40,579,339	\$ 42,242,034	\$ 47,418,462	\$ 47,985,145	\$ 48,432,721	\$ 48,652,157	\$ 49,589,066	\$ 52,414,386
Local option sales tax	13,831,678	14,060,662	16,107,578	16,320,229	13,482,802	10,964,910	10,236,298	11,202,801	11,725,610	11,577,053
Other taxes and licenses	1,221,216	1,311,338	1,352,912	1,284,311	1,279,712	644,480	687,322	499,644	530,176	699,995
Grants and contributions not restricted to specific programs	39,387	150,110	163,537	230,929	150,000	225,000	225,000	250,345	243,750	243,750
Investment earnings, unrestricted	509,443	1,059,383	1,337,881	1,472,840	526,767	84,638	73,441	68,897	89,810	47,280
Miscellaneous, unrestricted	35,288	57,855	(216,677)	69,334	(353,399)	284,644	259,932	156,371	108,558	239,841
Special item - economic development incentive	(1,316,150)	-	-	-	-	-	-	-	-	-
Transfers	121,849	-	-	-	-	-	20,600	-	-	-
Total governmental activities	49,515,032	58,326,879	59,324,570	61,619,677	62,504,344	60,188,817	59,935,314	60,830,215	62,286,960	65,222,305
Business-Type Activities:										
Grants and contributions not restricted to specific programs	\$ 0	\$ 603,901	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Investment earnings, unrestricted	308,689	-	813,384	710,498	331,290	58,118	38,538	30,207	27,352	345,483
Miscellaneous, unrestricted	-	-	-	-	-	-	-	-	-	33,216
Transfers	-	-	-	-	-	-	(20,600)	-	-	-
Total business-type activities	308,689	603,901	813,384	710,498	331,290	58,118	17,938	30,207	27,352	378,699
Total primary government	49,823,721	58,930,780	60,137,954	62,330,175	62,835,634	60,246,935	59,953,252	60,860,422	62,314,312	65,601,004
Change in Net Position										
Governmental activities	568,130	4,212,228	3,505,016	(10,192,357)	(5,318,623)	4,323,087	7,124,391	7,829,687	5,492,082	6,782,018
Business-type activities	1,275,525	1,812,842	1,317,103	1,170,559	399,590	(477,896)	(361,149)	(193,195)	(433,923)	(173,713)
Total primary government	1,843,655	6,025,070	4,822,119	(9,021,798)	(4,919,033)	3,845,191	6,763,242	7,636,492	5,058,159	6,608,305

Source: Annual audited financial statements of this entity.
Data from Exhibit 2

TABLE 3
Wilson County, North Carolina
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$ 6,805,195	\$ 6,647,780	\$ 7,316,558	\$ 7,421,733	\$ 6,729,102	\$ 7,194,610	\$ -	\$ -	\$ -	\$ -
Unreserved	17,004,072	20,781,811	20,015,927	17,357,420	16,563,965	19,247,970	-	-	-	-
Restricted							6,022,889	7,183,183	9,395,506	8,961,836
Committed							2,729,890	3,262,228	1,025,855	644,054
Assigned							5,638,789	7,540,784	11,627,353	9,306,913
Unassigned							17,897,429	19,012,749	18,117,920	22,840,764
Total general fund	<u>\$ 23,809,267</u>	<u>\$ 27,429,591</u>	<u>\$ 27,332,485</u>	<u>\$ 24,779,153</u>	<u>\$ 23,293,067</u>	<u>\$ 26,442,580</u>	<u>\$ 32,288,997</u>	<u>\$ 36,998,944</u>	<u>\$ 40,166,634</u>	<u>\$ 41,753,567</u>
All Other Governmental Funds										
Reserved	\$ 76,170	\$ 111,785	\$ 155,536	\$ 105,739	\$ 169,578	\$ 231,955	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Capital projects funds	808,450	391,411	632,456	8,677,836	2,049,401	1,571,911	-	-	-	-
Special revenue funds	693,014	678,835	476,942	587,180	849,967	1,180,163	-	-	-	-
Restricted							1,594,001	945,895	842,441	1,597,501
Assigned							426,262	435,618	340,196	975,023
Unassigned							75,359	-	-	(6,506)
Total all other governmental funds	<u>\$ 1,577,634</u>	<u>\$ 1,182,031</u>	<u>\$ 1,264,934</u>	<u>\$ 9,370,755</u>	<u>\$ 3,068,946</u>	<u>\$ 2,984,029</u>	<u>\$ 2,095,622</u>	<u>\$ 1,381,513</u>	<u>\$ 1,182,637</u>	<u>\$ 2,566,018</u>

Source: Annual audited financial statements of this entity.
Beginning Fiscal Year 2011 data presented implementing GASB Statement 54
Data from Exhibit 3

TABLE 4
Wilson County, North Carolina
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Ad valorem taxes	\$ 35,832,972	\$ 44,221,746	\$ 40,968,449	\$ 42,217,538	\$ 47,155,793	\$ 47,998,574	\$ 48,337,108	\$ 48,486,720	\$ 49,482,035	\$ 52,992,608
Local option sales tax	13,831,678	14,060,662	16,107,578	16,320,229	13,482,802	10,964,910	10,236,298	11,202,801	11,725,610	11,577,053
Other taxes and licenses	1,221,216	1,311,338	1,352,912	1,284,311	1,279,712	1,206,796	687,322	499,644	530,176	699,995
Unrestricted intergovernmental revenues	161,236	150,110	163,537	208,151	150,000	268,665	225,000	250,345	243,750	254,149
Restricted intergovernmental revenues	14,856,079	16,554,579	19,742,308	19,660,135	19,997,001	21,575,164	22,886,533	20,475,539	19,489,754	22,191,573
Permits and fees	626,106	632,501	660,740	544,339	428,857	421,293	384,117	400,205	447,437	1,293,039
Sales and services	9,360,886	9,661,919	8,224,319	8,306,220	12,368,929	11,424,648	11,884,218	12,608,346	12,311,405	12,171,537
Investment earnings	509,443	1,059,383	1,337,881	1,472,840	526,767	84,638	73,441	68,897	62,458	47,280
Miscellaneous	35,288	93,816	93,362	72,906	217,505	294,269	213,499	344,420	427,439	282,065
Total revenues	76,434,904	87,746,054	88,651,086	90,086,669	95,607,366	94,238,957	94,927,536	94,336,917	94,720,064	101,509,299
Expenditures:										
General government	6,306,162	6,562,852	9,300,101	8,291,245	8,797,504	8,472,516	8,290,694	7,399,100	7,221,725	8,539,044
Public safety	12,633,284	14,128,077	15,208,085	16,598,002	18,484,597	18,062,745	15,929,725	19,216,818	19,974,519	22,206,531
Transportation	40,214	42,714	40,214	43,921	56,403	47,857	47,857	47,857	47,857	47,857
Environmental protection	432,007	252,393	260,307	244,530	264,780	278,506	281,693	269,781	279,338	281,859
Economic and physical development	739,832	943,982	2,327,428	3,445,811	3,165,096	2,764,400	5,066,317	5,613,412	3,448,155	3,354,289
Human services	30,323,668	33,246,126	34,681,279	34,468,410	34,590,796	33,432,009	33,127,310	32,955,787	33,651,603	34,365,815
Cultural and recreational	1,746,978	1,883,042	1,681,971	1,809,886	1,866,074	1,769,221	1,745,106	1,649,070	1,759,841	1,673,799
Intergovernmental :										
Education	17,715,734	17,715,244	18,739,332	19,399,207	20,866,815	18,689,717	18,596,063	18,417,173	18,795,853	20,610,068
Capital projects	3,172,462	3,984,999	1,572,530	11,575,737	8,108,572	863,109	421,594	991,388	472,641	1,168,920
Debt service:										
Principal retirement	4,521,740	4,348,150	4,509,787	4,802,271	4,582,563	4,900,826	4,918,749	5,004,797	4,996,939	5,702,386
Interest and fees	2,045,799	1,870,754	1,749,254	1,615,172	2,665,170	2,165,489	1,568,512	1,439,934	1,484,592	1,250,373
Bond issuance cost							144,909			
Total expenditures	79,677,880	84,978,333	90,070,288	102,294,192	103,448,370	91,426,395	90,138,529	93,005,117	92,133,063	99,200,941
Excess of revenues over (under) expenditures	(3,242,976)	2,767,721	(1,419,202)	(12,207,523)	(7,841,004)	2,812,562	4,789,007	1,331,800	2,587,001	2,308,358
Other financing sources (uses):										
Debt proceeds	-	457,000	1,405,000	18,563,512	-	-	-	-	-	-
Refunding bonds issued							10,200,000			
Premium on refunding bonds							386,487			
Payment to refunded bond escrow							(10,438,084)			
Transfers in							1,927,903			
Transfer out							(1,907,303)			
Installment purchase obligations issued				(803,500)	-	-	-	133,888	240,207	1,527,000
Capital lease obligation issued							-	(133,888)	(240,207)	(1,527,000)
Payment for note on land						252,034	-	5,235,125	300,000	603,134
Operating transfer from component unit							-	46,475	36,813	58,822
Sales of capital assets					53,109	-	-	(2,617,562)	-	-
Total other financing sources (uses)		457,000	1,405,000	17,760,012	53,109	252,034	169,003	2,664,038	336,813	661,956
Net change in fund balances	(3,242,976)	3,224,721	(14,202)	5,552,489	(7,787,895)	3,064,596	4,958,010	3,995,838	2,923,814	2,970,314
Debt service as a percentage of noncapital expenditures	9.39%	8.32%	7.61%	7.61%	8.23%	8.46%	7.98%	7.28%	7.20%	7.63%

Source: Annual audited financial statements of this entity.
Data from Exhibit 4

Table 5
Wilson County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Nine Fiscal Years

Fiscal Year Ended 30-Jun	Real Property					Total	Total Direct Tax Rate
	Residential Property	Public Service	Personal Property	Motor Vehicles			
2006	\$ 3,508,422,823	\$ 72,840,118	\$ 899,706,893	\$ 635,763,805	\$	5,116,733,639	0.7600
2007	3,608,777,787	75,885,032	942,052,612	574,974,740		5,201,690,171	0.7600
2008	3,735,135,051	65,415,105	1,007,905,553	609,610,462		5,418,066,171	0.7300
2009	4,502,749,848	81,287,907	1,043,167,315	592,139,523		6,219,344,593	0.7300
2010	4,633,928,475	79,703,635	1,076,134,029	583,287,626		6,373,053,765	0.7300
2011	4,694,480,580	78,226,687	1,132,425,735	480,408,940		6,385,541,942	0.7300
2012	4,715,489,339	83,300,049	1,141,746,126	546,149,593		6,486,685,107	0.7300
2013	4,745,155,195	85,302,868	1,521,437,440	212,760,541		6,564,656,044	0.7300
2014	4,942,838,796	83,889,129	1,207,165,362	665,844,441		6,899,737,728	0.7300

Source: Wilson County Tax Administrator/Collector

Notes: Property in Wilson County is reassessed once every eight years on average. The last County-wide revaluation was in 2008. The County assesses property at approximately 100 percent of actual value for commercial and industrial property and 100 percent for residential property. Estimated actual taxable value is calculated by dividing taxable assessed value by those percentages. Tax rates are per \$100 of assessed value.

Table 6
Wilson County, North Carolina
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year Ended June 30	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Wilson County	0.7300	0.7300	0.7300	0.7300	0.73000	0.73000	0.76000	0.76000	0.76000	0.72000
Municipality Rates:										
Black Creek	0.6000	0.6000	0.6000	0.6000	0.59360	0.59750	0.59750	0.59700	0.59500	0.59500
Elm City	0.6300	0.6300	0.6300	0.6300	0.56000	0.51500	0.63000	0.63000	0.63000	0.63000
Kenly	0.6100	0.6100	0.6100	0.6100	0.61000	0.61000	0.61000	0.61000	0.61000	0.61000
Lucama	0.5000	0.5000	0.5000	0.5000	0.45000	0.45000	0.45000	0.45000	0.45000	0.45000
Saratoga	0.5800	0.5800	0.5800	0.5800	0.58000	0.58000	0.58000	0.58000	0.58000	0.58000
Sharpsburg	0.6500	0.6500	0.5000	0.5000	0.50000	0.50000	0.45000	0.45000	0.45000	0.45000
Sims	0.5000	0.5000	0.5000	0.5000	0.50000	0.50000	0.50000	0.50000	0.50000	0.50000
Stantonsburg	0.4600	0.4600	0.4300	0.4300	0.43000	0.43000	0.43000	0.43000	0.43000	0.43000
Wilson	0.5150	0.5150	0.5150	0.5150	0.51500	0.51500	0.51500	0.51500	0.51500	0.47000
Wilson-Municipal	0.6850	0.6850	0.6850	0.6850	0.68500	0.68500	0.68500	0.68500	0.64000	0.64000
Fire Districts:										
Bakertown	0.0850	0.0850	0.0850	0.0850	0.08500	0.08500	0.08500	0.08500	0.08500	0.08500
Beulah	0.1125	0.1125	0.1125	0.1125	0.11250	0.11250	0.11250	0.11250	0.11250	0.11250
Black Creek	0.0500	0.0500	0.0500	0.0500	0.04360	0.04750	0.04750	0.04700	0.04500	0.04500
Contentnea	0.0950	0.0950	0.0600	0.0600	0.06000	0.06000	0.06000	0.06000	0.06000	0.06000
Cross Roads	0.0975	0.0975	0.0975	0.0975	0.09750	0.09000	0.09750	0.09750	0.09750	0.09750
East Nash	0.1350	0.1350	0.1350	0.1350	0.13500	0.13500	0.13500	0.13500	0.10000	0.10000
Green Hornet	0.0825	0.0825	0.0825	0.0825	0.08250	0.08250	0.08250	0.08250	0.08250	0.07250
Lee Woodard	0.0825	0.0825	0.0825	0.0725	0.07250	0.07250	0.07250	0.07250	0.07250	0.07250
Moyton	0.1300	0.1300	0.1300	0.1300	0.13000	0.13000	0.13000	0.13000	0.13000	0.13000
Polly Watson	0.1075	0.1075	0.1075	0.0875	0.08750	0.08750	0.08750	0.08750	0.08750	0.08750
Rock Ridge	0.1000	0.1000	0.1000	0.1000	0.10000	0.10000	0.10000	0.10000	0.10000	0.10000
Sanoca	0.1250	0.1250	0.1250	0.1250	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500
Silver Lake	0.1225	0.1225	0.1225	0.1225	0.12250	0.12250	0.12250	0.12250	0.12250	0.12500
Sims	0.0725	0.0725	0.0725	0.0725	0.07250	0.07250	0.07250	0.07250	0.07250	0.07250
Toisnot	0.0475	0.0475	0.0475	0.0475	0.04750	0.04750	0.04750	0.04750	0.04750	0.04750
Tri County	0.1125	0.1125	0.1125	0.1125	0.11250	0.11250	0.11250	0.11250	0.11250	0.09250
West Edgecombe	0.0825	0.0825	0.0825	0.0825	0.08250	0.08250	0.08250	0.08250	0.11250	0.09250

Source: Wilson County Tax Administrator/Collector

Notes: Tax rates are based on \$100 per assessed valuation for Wilson County and all overlapping governments.

Table 7
Wilson County, North Carolina
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2014			2005		
		2013 Assessed Value	Rank	Percentage of Total Taxable Assessed Value	2004 Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Bridgestone	Tire manufacturing	\$ 356,221,561	1	5.16 %	\$ 270,334,504	1	5.51 %
BB&T Centralized Solutions Inc.	Financial	178,215,399	2	2.58	77,995,606	3	1.59
BD RX Inc./Becton Dickinson	Pharmaceutical	127,849,832	3	1.85	n/a	n/a	n/a
Merck Sharp & Dohme	Pharmaceutical	115,272,242	4	1.67	141,212,119	2	2.88
Sandoz Inc.	Pharmaceutical	79,276,870	5	1.15	40,088,068	7	0.82
Alliance One	Tobacco	60,259,056	6	0.87	68,550,885	4	1.42
Perdue Pharmaceuticals	Pharmaceutical	57,005,774	7	0.83	66,084,828	5	1.35
Saint Goban Containers	Bottling	43,893,142	8	0.64	37,949,159	8	0.77
Carolina Forge Co	Manufacturing	36,002,148	9	0.52	33,671,678	6	0.69
S T Wooten Corp	Concrete	31,876,931	10	0.46	22,041,440	n/a	0.00
Total		\$ 1,085,872,955		15.74%	\$ 757,928,287		15.46%

Source: Wilson County Tax Administrator/Collector

Table 8
Wilson County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the 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	Amount	Years	Amount	Percentage of Levy
2005	\$ 35,342,926	93.03%	\$ 32,878,442	93.03%	n/a	n/a	n/a	n/a
2006	38,816,676	96.32%	37,389,386	96.32%	n/a	n/a	n/a	n/a
2007	39,537,727	96.59%	38,188,244	96.59%	n/a	n/a	n/a	n/a
2008	41,117,227	96.72%	39,769,810	96.72%	\$ 635,632	635,632	\$ 40,405,443	98.27%
2009	46,091,324	96.51%	44,480,655	96.51%	623,049	623,049	45,103,703	97.86%
2010	46,645,101	96.88%	45,190,484	96.88%	721,049	721,049	45,911,533	98.43%
2011	47,031,339	96.65%	45,454,664	96.65%	432,628	432,628	45,887,292	97.57%
2012	47,428,433	96.47%	45,754,592	96.47%	1,104,879	1,104,879	46,859,471	98.80%
2013	47,968,099	96.49%	46,285,917	96.49%	1,402,784	1,402,784	47,688,701	99.42%
2014	50,448,327	97.74%	49,310,094	97.74%	1,534,993	1,534,993	50,845,087	100.79%

Source: Wilson County Tax Administrator/Collector

TABLE 9
Wilson County, North Carolina
General Government Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Tax	Rental Vehicle Tax	Franchise Tax	Real Estate Transfer Tax	Privilege and Civil Licenses	Total
2005	\$ 35,832,972	\$ 13,831,678	\$ 108,606		\$ 68,853	\$ 506,950	\$ 24,625	50,373,684
2006	44,221,746	14,060,662	109,756		63,542	593,328	23,463	59,072,497
2007	40,968,449	16,107,578	111,946		61,051	607,737	12,315	57,869,076
2008	42,217,538	16,320,229	112,059	\$ 36,867	102,488	528,349	8,014	59,325,544
2009	47,155,793	13,482,802	115,115	33,054	92,214	294,445	9,952	61,183,375
2010	47,998,574	10,964,910	37,330	35,866	87,829	357,046	8,394	59,489,949
2011	48,337,108	10,236,298	107,507	40,040	82,552	287,295	8,945	59,099,745
2012	46,853,188	10,925,633	120,501	37,447	99,253	234,873	7,570	58,278,465
2013	47,688,700	11,431,555	113,971	31,803	93,218	282,332	8,852	59,650,431
2014	50,841,094	11,280,037	123,483	49,331	89,737	429,290	8,154	62,821,126

Table 10
Wilson County, North Carolina
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income ^a	Per Capita ¹
	General Bonds Obligation	Installment Obligations	Capitalized Leases	Installment Obligations	Water Bonds	Government			
2005	\$ 23,980,000	\$ 23,272,709	\$ 512,237	\$	7,345,500	\$ 55,110,446	2.48%	\$ 730.77	
2006	22,385,000	20,963,363	276,270		9,918,500	53,543,133	2.30%	706.88	
2007	20,805,000	19,438,556	1,656,726		9,834,000	51,734,282	2.13%	675.19	
2008	19,235,000	34,616,861	1,415,026		9,745,000	65,011,887	2.56%	836.79	
2009	17,570,000	31,770,501	1,185,320	\$ 1,058,231	9,617,500	61,201,552	2.39%	781.10	
2010	15,910,000	28,611,276	1,239,344	1,005,320	9,485,000	56,250,940	2.09%	712.79	
2011	14,760,000	25,497,516	1,030,353	952,409	9,347,000	51,587,278	1.94%	644.80	
2012	12,975,000	27,599,246	864,438	899,494	9,204,000	51,542,178	1.78%	631.31	
2013	10,095,000	25,782,306	767,856	846,582	8,850,000	46,341,744	1.72%	569.45	
2014	7,270,000	23,508,054	751,905	793,674	8,660,000	40,983,633	1.42%	499.68	

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

Per capita amounts are based on population numbers as of June 30 of the fiscal year

¹ See Table 12 for personal income and population data.

Table 11
Wilson County, North Carolina
Ratio of General Bonded Debt Outstanding and Legal Debt Margin
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General bonded debt outstanding										
General obligation bonds	\$ 31,325,500	\$ 22,385,000	\$ 20,805,000	\$ 19,235,000	\$ 17,570,000	\$ 15,910,000	\$ 14,760,000	\$ 12,975,000	\$ 10,095,000	\$ 7,270,000
Total	<u>31,325,500</u>	<u>22,385,000</u>	<u>20,805,000</u>	<u>19,235,000</u>	<u>17,570,000</u>	<u>15,910,000</u>	<u>14,760,000</u>	<u>12,975,000</u>	<u>10,095,000</u>	<u>7,270,000</u>
Assessed Value	4,902,539,306	5,120,258,093	5,201,690,173	5,418,066,171	6,219,344,293	6,373,053,765	6,385,541,942	6,486,685,107	6,564,656,044	6,899,737,728
Percentage of estimated actual property value	0.64%	0.44%	0.40%	0.36%	0.28%	0.25%	0.23%	0.20%	0.15%	0.11%
Per capita	415.38	295.53	271.53	247.58	224.24	201.60	184.49	158.92	124.05	88.64
Legal debt limit - eight percent (8%) of assessed valuation	<u>392,203,144</u>	<u>409,620,647</u>	<u>416,135,214</u>	<u>433,445,294</u>	<u>497,547,543</u>	<u>509,844,301</u>	<u>510,843,355</u>	<u>518,934,809</u>	<u>525,172,484</u>	<u>551,979,018</u>
Total Net Debt Applicable to Debt Limit	55,110,446	53,543,133	51,734,282	65,011,887	61,201,552	56,250,940	51,587,278	51,542,181	45,495,162	40,983,633
Legal debt margin	<u>\$ 337,092,698</u>	<u>\$ 356,077,514</u>	<u>\$ 364,400,932</u>	<u>\$ 368,433,407</u>	<u>\$ 436,345,991</u>	<u>\$ 453,593,361</u>	<u>\$ 459,256,077</u>	<u>\$ 467,392,628</u>	<u>\$ 479,677,322</u>	<u>\$ 510,995,385</u>
Total Net Debt Applicable to the Limit as a percentage of the debt limit	14.05%	13.07%	12.43%	15.00%	12.30%	11.03%	10.10%	9.93%	8.66%	7.42%

Note: Under state finance law, Wilson County's net debt should not exceed 8 percent of total assessed property value
 Exhibit G-2

Table 12
Wilson County, North Carolina
Demographic and Economic Statistics
Last Ten Calendar Years

Fiscal Year	(1)	(1)	(1)	(3)	(2)	(2)	(5)
	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Graduation Rate Percentage	Unemployment Rate Percentage
2005	75,414	\$ 2,225,881	\$ 29,515	25.19	12,344	na	8.0%
2006	75,746	2,324,296	30,685	22.40	12,414	55.8%	7.1%
2007	76,622	2,434,371	31,771	24.70	12,376	56.5%	6.3%
2008	77,692	2,539,242	32,683	23.96	12,424	54.8%	7.9%
2009	78,353	2,556,486	32,628	35.10	12,395	58.2%	12.9%
2010	78,917	2,688,926	33,044	39.00 (6)	12,469	64.9%	12.7%
2011	80,005 (7)	2,653,765	33,170	39.00 (6)	12,194	69.1%	13.5%
2012	81,643 (7)	2,903,306	35,561	39.00 (6)	12,043	77.3%	13.6%
2013	81,380 (7)	2,699,375	33,170	38.30 (1)	12,307	79.70%	13.5%
2014	82,020 (7)	2,881,509	35,197	39.00 (6)	13,099 (6)	77.80%	9.9%

Sources:

- (1) US Department of Commerce, Bureau of Economic Analysis
- (2) Wilson County Board of Education
- (3) State Library of North Carolina - Woods and Poole Annual County Profile
- (4) ERS/USDA Data - NC Unemployment and Median Household Income
- (5) Employment Security Commission of North Carolina, seasonally adjusted rates as of June 30
- (6) <http://accessnc.commerce.state.nc.us/docs/countyProfile/NC/>
- (7) ND Dept. of Revenue Sales Tax Distribution

Table 13
Wilson County, North Carolina
Principal Employers
Current Year and Nine Years Ago

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
BB&T	2,297	1	6.36 %	1,500	1	3.93 %
Bridgestone Americas Tire Operations, LLC	2,000	2	5.53	1,400	2	3.67
Wilson County Schools	1,522	3	4.21	1,300	3	3.40
Wilson Medical Center	1,400	4	3.87	1,200	4	3.14
Intervet Inc.	1,000	5	2.77	1,100	5	2.88
Alliance One International	970	6	2.68	900	6	2.36
Smithfield Packing Company	700	7	2.28	900	7	2.36
S T Wooten Construction	825	8	1.94	800	8	2.09
County of Wilson	750	9	2.08	700	9	1.83
City of Wilson	725	10	2.01	650	10	1.70
Total	12,189		33.72 %	10,450		27.36 %
Balance of employment	23,954		66.28 %	27,745		72.64 %
Total employment	36,143		100.00 %	38,195		100.00 %

Source: NC Employment Security Commission
<http://accessnc.commerce.state.nc.us/docs/countyProfile/NC/37195>.
Wilson EDC

Table 14
Wilson County, North Carolina
Full-Time County Government Employees by Function/Program
Full-Time-Equivalent County Government Employees by Function/Program FY2014
Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government										
County Manager	3	3	3	3	3	4	4	4	4	3
Tax administration	15	16	15	16	16	15	17	17	16	17
Board of Elections	3	3	3	3	3	2	3	3	3	3
Register of Deeds	7	7	6	6	6	5	6	6	6	6
Human resources	1	1	2	2	2	2	2	2	2	3
IT Department	5	5	5	5	5	5	5	5	5	4
Finance	7	7	7	7	7	7	6	6	6	6
Public buildings	5	5	5	5	6	7	6	6	10	14
Cultural and recreational										
Library	21	21	20	20	20	19	19	19	27	27
Public safety										
Sheriff	61	66	69	71	81	76	83	83	92	93
Detention center	47	53	53	59	33	35	43	43	45	45
Animal control	2	7	7	7	8	8	8	8	9	9
Emergency communications	27	29	32	30	31	32	31	31	31	34
Emergency management	1	1	1	2	2	2	2	2	2	2
Emergency medical services	28	30	37	40	45	48	49	49	69	72
Transportation										
Transportation	1	1	1	1	1	1	1	1	1	1
Economic and physical development										
Cooperative extension	10	10	10	10	10	9	9	9	11	11
Environmental protection										
Planning	8	9	8	8	9	9	9	9	9	9
Soil and water conservation	3	4	4	4	4	4	4	4	3	3
Human services										
Health	142	129	128	133	135	129	136	136	136	131
Senior Center	1	1	1	1	1	1	1	1	2	2
Social services	200	198	200	202	204	215	214	214	218	213
Veterans affairs	1	1	1	1	1	1	1	1	1	1
Utilities										
Water	5	5	4	4	4	4	4	4	5	5
Solid waste	7	7	6	8	6	8	10	10	38	38
Total	611	619	628	648	643	648	673	673	751	752

Table 15
Wilson County, North Carolina
Operating Indicators by Function/Program
 Last Nine Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government									
Building permits issued	147	85	190	123	141	98	87	182	175
Building inspections conducted	4523	4018	3629	2134	2342	2850	177	2969	2758
Sheriff									
Arrests	2245	2387	2832	3012	3194	2806	2723	2274	2226
Citations			1046	1453	1916	1088	1455	958	650
Fire									
Inspections	42	68	90	54	83	82	76	81	53
EMS									
Calls	10,385	11,589	11,709	11,900	12,300	13,014	12,924	13,730	13,719
Solid Waste									
MSW (tons)	6,849	6,891	6,936	6,855	6,026	6,311	6,447	6,334	6,287
C&D (tons)	30,596	27,055	26,888	12,419	14,917	14,009	15,154	13,477	11,674
Recycle (tons)	1,350	886	943	748	772	1,085	1,112	1,111	1,387
Tires (tons)	2,478	3,069	3,422	3,155	2,250	1,912	2,285	1,347	1,285
Oil (gallons)	2,308	2,907	3,066	2,584	2,756	3,095	2,376	2,246	1,627
Batteries (count)*	716	537	354	262	146	83	84	123	*4,320
Jail									
Inmates admitted (average)	6971	6605	6488	6590	5129	5200	5353	6039	6695
Inmates (daily average)	255	245	245	193	191	173	176	198	220
Department of Social Services (Mo. Avg.)									
Adult Medicaid (active cases)	5112	5171	5232	5357	5538	5606	5757	5841	5730
Family and children's Medicaid (active cases)	5906	6322	6703	7232	7625	7655	8042	8220	8403
Food stamps (active cases)	4421	4451	4896	5832	7041	8125	8255	8338	8959
Children in foster care	73	90	80	76	69	63	60	58	60
Children in DSS custody	73	90	80	76	69	63	60	58	60
Day care (children served)	1234	1210	1129	1125	1075	800	852	703	771
Child support (collections)	\$8,752,831	\$8,832,010	\$9,298,672	\$9,313,957	\$9,232,088	\$8,898,924	\$8,946,811	\$8,690,277	\$8,403,110
Work First (active cases)	4974	3878	2930	2881	2920	2925	235	249	233
Reception services (clients seen)	57,033	54,162	55,633	55,411	57,570	59,917	60,292	58,310	50612
Health Department									
TB (clients seen)	2,086	1,862	1,791	1,805	1,508	2,210	2,325	2,589	2,735
Communicable disease/STD (client visits)	8,875	7,864	8,570	8,527	9,589	2,669	3,425	3,456	3,567
Pharmacy (prescriptions filled)	4,390	4,148	4,889	5,068	6,911	6,095	5,722	5,923	6,025
BCCCP (clients visits)	77	56	60	77	76	54	49	76	77
HIV/AIDS (tests)	1,896	2,071	3,602	3,893	3,797	4,418	3,725	3,872	3,942
Immunizations (administered)	2,786	5,581	5,799	7,745	10,257	10,133	10,125	11,280	11,569
Lab (tests)	49,673	40,032	29,303	33,929	32,672	27,304	28,294	29,854	40,953
Environmental health (onsite inspections)	196	190	192	270	409	472	547	515	1,268
Environmental health (restaurant inspections)	899	590	338	270	409	547	547	902	1,720
WIC (caseloads)	34,450	31,992	36,286	38,278	34,576	3,255	3,255	37,251	2,853
Cultural and Recreational									
Libraries - circulation of youth services	96,566	91,997	90,241	94,925	115,032	122,218	128,538	118,558	129,149
Libraries - circulation of adult services	128,394	128,037	129,984	143,936	162,240	154,082	150,340	133,204	170,703
Education									
ADM	12640	12600	12424	12642	12461	12177	12043	12307	13099

Source: Various County government departments. School enrollment statistics are from the Wilson County School Finance Office.
 * Batteries were calculated in weight rather than count for FY2014

Table 16
Wilson County, North Carolina
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety										
Sheriff										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units				86	89	91	99	98	98	97
Canine units	0	0	0	0	0	0	0	4	4	4
EMS										
Stations	1	1	1	1	1	1	1	1	1	1
Ambulances/QRVs	15	12	12	13	13	13	17	17	17	18
Defibrillators	8	12	12	12	12	12	12	12	12	12
Cultural and Recreation										
Libraries	6	6	6	6	6	6	6	6	6	6
Water										
Water mains (miles)	46.4									
Pump stations	2	3	3	3	3	3	3	3	3	3

This page left blank intentionally.

COMPLIANCE SECTION

This page left blank intentionally.

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

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

Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

Independent Auditor's Report

To the Board of County Commissioners
Wilson County
Wilson, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable of the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 Wilson County, North Carolina (the "County") 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, and have issued our report thereon dated February 19, 2015. The financial statements of the Wilson County ABC Board were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wilson County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wilson County's internal control. Accordingly, we do not express an opinion on the effectiveness of Wilson County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wilson County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and; accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 19, 2015

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

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

Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act

Independent Auditor's Report

To the Board of County Commissioners
Wilson County
Wilson, North Carolina

Report On Compliance for Each Major Federal Program

We have audited the compliance of Wilson County, North Carolina with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Wilson County's major federal programs for the year ended June 30, 2014. Wilson County's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Wilson County's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Wilson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of Wilson County's compliance.

730 13th Avenue Drive SE ♦ Hickory, North Carolina 28602 ♦ Phone 828-327-2727 ♦ Fax 828-328-2324
13 South Center Street ♦ Taylorsville, North Carolina 28681 ♦ Phone 828-632-9025 ♦ Fax 828-632-9085
Toll Free Both Locations 1-800-948-0585 ♦ Website: www.martinstarnes.com

Opinion on Each Major Federal Program

In our opinion, Wilson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2014.

Report On Internal Control Over Compliance

Management of Wilson County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Wilson County's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wilson County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a Federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001 that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 19, 2015

This page left blank intentionally.

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

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

Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133 And The State Single Audit Implementation Act

Independent Auditor's Report

To the Board of County Commissioners
Wilson County
Wilson, North Carolina

Report On Compliance for Each Major State Program

We have audited the compliance of Wilson County with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Wilson County's major State programs for the year ended June 30, 2014. Wilson County's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Wilson County's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non Profit Organizations* as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Wilson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State program. However, our audit does not provide a legal determination of Wilson County's compliance.

Opinion on Each Major State Program

In our opinion, Wilson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Wilson County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Wilson County's internal control over compliance with the types of requirements that could have a direct and material effect on a major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wilson County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2014-001 that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on our requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 19, 2015

WILSON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

1. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	_____ Yes	<u> X </u> No	
• Significant deficiencies identified not considered to be material weakness(es)?	_____ Yes	<u> X </u> None reported	
Non-compliance material to financial statements noted?	_____ Yes	<u> X </u> No	

Federal Awards

Internal control over major Federal programs:			
• Material weaknesses identified?	_____ Yes	<u> X </u> No	
• Significant deficiencies identified not considered to be material weaknesses?	<u> X </u> Yes	_____ None reported	
Type of auditor's report issued on compliance for major federal programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with U.S. Office of Management and Budget, Circular A-133, Audits of States, Local Governments, and Non Profit Organizations, section .510(a)?	<u> X </u> Yes	_____ No	

WILSON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

1. Summary of Auditor's Results (continued)

Identification of major Federal programs:

<u>Federal Program/Cluster Name</u>	<u>CFDA#</u>
Medicaid Cluster	93.775, 93.777, 93.778
TANF Cluster	93.558, 93.714
Adoption Assistance	93.659
WIC	10.557

Dollar threshold used to distinguish between Type A and Type B Programs

\$2,953,677

Auditee qualified as low-risk auditee?

_____ Yes X No

State Awards

Internal control over major State programs:

• Material weakness(es) identified?

_____ Yes X No

• Significant deficiencies identified not considered to be material weakness(es)?

 X Yes _____ None reported

Type of auditor's report issued on compliance for major State programs:

Unmodified

Any findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?

 X Yes _____ No

Identification of major State programs:

Medicaid Cluster
 Foster Care and Adoption Cluster

2. Findings Related to the Audit of the Basic Financial Statements

None

WILSON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

3. Federal Award Findings and Questioned Costs

2014-001

Criteria: In accordance with the Division of Social Services Fiscal Manual, DSS employees should control physical access to the State network terminals or personal computers that are connected to the State mainframe.

Condition: Upon surprise inspection, several unattended work stations of DSS employees were logged onto the State network without anyone attending to the work stations.

Context: While performing testing of internal control over compliance related to the Division of Social Services, we noted the above condition.

Effect: Unauthorized access to the State system could be obtained due to the unattended logon to the system throughout the DSS building.

Cause: Lack of proper internal controls over data security.

Questioned Costs: The finding represents an internal control issue; therefore, no questioned costs are applicable.

Contact Person: Tiffany Reese, Finance Director

DSS Programs Affected:

<u>Federal Grantor</u>	<u>Pass-Through Agency</u>	<u>Program Name</u>	<u>CFDA #</u>
U.S. Health and Human Service	U.S. Health and Human Service	Temporary Assistance to Needy Families Cluster	93.558, 93.714
U.S. Health and Human Service	U.S. Health and Human Service	Adoption Assistance	93.659
U.S. Health and Human Service	U.S. Health and Human Service	Medicaid Cluster	93.775, 93.777, 73.778

Management Response and Plan of Corrective Action: Management has advised staff to lock their workstations when they leave the work area and computers have been updated with a control setting so they will go to screen saver after 5 minutes of non-use and require the user to type their password to unlock.

4. State Award Findings and Questioned Costs

2014-001 as described above

WILSON COUNTY, NORTH CAROLINA

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014**

2013-001: Corrected.

2013-002: Repeated in current year as 2014-001.

COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures
FEDERAL AWARDS:			
<u>U. S. Department of Agriculture</u>			
<u>Food and Nutrition Service</u>			
Passed-Through the N.C. Department of Health and Human Services:			
Division of Social Services:			
Administration:			
<u>Supplemental Nutrition Assistance Program (SNAP) Cluster:</u>			
State Administrative Matching Grants for the Supplemental Nutrition			
Food Stamp Admin	10.561	\$ 1,120,073	\$ -
Food Stamp Fraud Admin	10.561	174,815	-
Total SNAP Cluster		1,294,888	-
<u>Passed-Through the N.C. Department of Health and Human Services:</u>			
<u>Division of Public Health:</u>			
Special Supplemental Nutrition Program for Women, Infants and Children (WIC):			
Administration	10.557	608,289	-
Direct Benefit Payments	10.557	2,161,465	-
<u>Child Nutrition Cluster:</u>			
Summer Food Service Program for Children	10.559	1,942	-
Total U.S. Department of Agriculture		4,066,584	-
<u>U.S. Department of Homeland Security:</u>			
Passed-through N.C. Department of Public Safety			
Division of Crime Control and Public Safety:			
Emergency Management Performance Grant	97.042	49,692	-
Total Department of Homeland Security		49,692	-
<u>U. S. Department of Health and Human Services</u>			
<u>Administration for Community Living</u>			
Passed-Through Centralina Council of Governments:			
<u>Aging Cluster:</u>			
Special Programs for the Aging - TITLE III B Grants for Supportive Services and Senior Centers			
	93.044	33,426	1,966
Special Programs for the Aging - TITLE III C Nutrition Services	93.045	249,488	14,676
Total Aging Cluster		282,914	16,642
Nutrition Services Incentive Program	10.570	44,674	-
National Family Caregiver Support - Title III E	93.052	6,803	454
<u>Administration for Children and Families</u>			
Passed-Through the N.C. Department of Health and Human Services:			
<u>TANF Cluster:</u>			
Division of Social Services:			
TANF Contingency Job Boost	93.558	-	121,159
Work First Admin	93.558	297,247	-
Work First Service	93.558	1,829,003	-
Direct Benefit Payments- TANF Payments & Penalties	93.558	578,328	(22)
Division of Public Health:			
Temporary Assistance for Needy Families (TANF)	93.558	12,062	-
Total TANF Cluster		2,716,640	121,137

COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures
<u>Child Care and Development Fund Cluster:</u>			
Division of Social Services:			
Child Care and Development Fund	93.596	188,682	7,219
Division of Child Development:			
Child Care and Development Block Grant - Discretionary	93.575	1,371,397	-
Child Care and Development Fund - Mandatory	93.596	910,420	-
Child Care and Development Fund - Matching	93.596	199,182	-
Total Child Care and Development Fund Cluster		<u>2,669,681</u>	<u>7,219</u>
Temporary Assistance for Needy Families (TANF)	93.558	763,817	-
IV - E Foster Care	93.658	39,139	20,496
Social Security Block Grant	93.667	440,950	10,000
State Appropriations		-	247,551
TANF-MOE		-	136,082
		<u>1,243,906</u>	<u>414,129</u>
Total Subsidized Child Care Cluster		<u>3,913,587</u>	<u>421,348</u>
<u>Centers for Medicare and Medicaid Services</u>			
Passed-Through the N.C. Department of Health and Human Services:			
<u>Medicaid Cluster:</u>			
Division of Medical Assistance:			
State County Special Assistance	93.778	27,501	-
Medical Assistance Program - Direct Benefit Payments	93.778	79,003,218	43,837,389
Division of Social Services:			
Adult Care Home Case Management	93.778	33,126	5,704
MA Expansion	93.778	29,583	29,583
Medical Assistance Program - Administration	93.778	1,687,491	-
Medical Transportation Admin	93.778	111,860	-
Medical Transportation Service	93.778	60,705	31,629
Total Medicaid Cluster		<u>80,953,484</u>	<u>43,904,305</u>
State Children's Health Insurance Program - NC Health Choice:			
Admin	93.767	58,101	2,332
Direct Benefit Payments	93.767	1,602,709	505,593
Total State Children's Health Insurance Program		<u>1,660,810</u>	<u>507,925</u>
Division of Social Services:			
<u>Foster Care and Adoption Cluster:</u>			
Administration:			
IV-E CPS	93.658	115,237	119,121
IV-E Foster Care Trn	93.658	3,537	-
IV-E Foster Care/Off Trn	93.658	494,814	-
IV-E Admin Foster Care	93.658	1,432	-
Foster Care	93.658	65,746	-
Direct Benefit Payments:			
Title IV-E Admin County Paid	93.658	81,664	40,832
IV-E Family Foster Max	93.658	11,627	-
IV-E Foster Care	93.658	137,863	35,950
IV-E Foster Care Level in Excess	93.658	155,077	40,412
IV-E Adoption Subsidy and Vend	93.659	413,880	107,877
IV-E Adoption Training	93.659	24,340	-
Total Foster Care and Adoption Cluster		<u>1,505,217</u>	<u>344,192</u>

COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures
Administration:			
Links	93.674	16,871	4,217
Adult Protective Service	93.667	36,207	-
In-Home Services	93.667	244	-
In-Home Services Over 60	93.667	22,481	-
SSBG Other SVCS & TRNG	93.667	340,610	39,805
Permanency Planning - Families for Kids	93.645	52,097	-
Crisis Intervention Payments	93.568	386,585	-
Low Income Home Energy Assistance Admin	93.568	87,760	-
Low Income Home Energy Assistance	93.568	571,284	-
N.C.Child Support Enforcement Section			
Title IV-D Administration	93.563	1,113,729	-
IV-D Offset Fees - ESC	93.563	283	-
IV-D Offset Fees - Federal	93.563	3,868	-
Promoting Safe and Stable Families	93.556	13,308	-
Direct Benefit Payments:			
Independent Living Transitional	93.674	8,212	-
AFDC Payments & Penalties	93.560	(400)	(110)
		<u>2,653,139</u>	<u>43,912</u>
<u>Centers for Disease Control and Prevention</u>			
Passed-Through the N.C. Department of Health and Human Services:			
Division of Public Health:			
Public Health Emergency Preparedness	93.069	34,651	-
Immunization Grants	93.268	24,578	-
Prevention, Investigations and Technical Assistance	93.283	1,580	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Program	93.919	7,596	5,100
Environmental Public Health and Emergency Response	93.070	6,983	-
Tuberculosis Control Programs	93.116	14,820	-
Opportunities for State, Tribes and Territories to solely finance by 2012 Prevention and Public Health Funds	93.744	275	-
Preventative Health & Health Service Block Grant	93.991	5,806	-
Total Centers for Disease Control and Prevention		<u>96,289</u>	<u>5,100</u>
<u>Health Resources and Service Administration</u>			
Passed-Through the N.C. Department of Health and Human Services:			
Division of Public Health:			
Maternal and Child Health Services Block Grant	93.994	127,616	97,727
<u>Office of Population Affairs</u>			
Passed-Through the N.C. Department of Health and Human Services:			
Office of Population Affairs:			
Family Planning Services	93.217	90,358	-
<u>Department of Insurance</u>			
Passed-Through the N.C. Department of Insurance:			
Division of Seniors' Health Insurance Information Program:			
Senior Health Insurance Information Program	93.779	4,000	-
Total U.S. Department of Health and Human Services		<u>98,171,807</u>	<u>45,462,742</u>

COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal (Direct & Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>			
<u>Community Planning and Development</u>			
Office of Community Development and Planning:			
Passed-Through the N.C. Department of Health and Human Services:			
Office of Economic Opportunity:			
Emergency Solutions Grants Program	14.231	101,874	-
Passed through N.C. Department of Commerce			
<u>Division of Community Assistance</u>			
Community Development Block Grants:			
CDBG Cluster			
CDBG - NC Scattered Site Housing	14.228	29,128	-
Total CDBG Cluster		29,128	-
Total U.S. Department of Housing and Urban Development		131,002	-
<u>U.S. Department of Treasury</u>			
<u>Internal Revenue Service</u>			
Office of Archives and History:			
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009	3,991	-
Total U.S. Department of Treasury		3,991	-
<u>U.S. Department of Justice</u>			
<u>Office of Justice Programs</u>			
Direct Program:			
State Criminal Alien Assistance Program	16.606	7,397	-
Bulletproof Vest Partnership Program	16.607	5,163	-
Total U.S. Department of Justice		12,560	-
<u>U. S. Department of Transportation</u>			
<u>Federal Transit Administration</u>			
Passed-Through the N.C. Department of Transportation			
Public Transportation Division:			
Formula Grants for Other Than Urbanized Areas	20.509	136,531	13,197
Total U.S. Department of Transportation		136,531	13,197
Total Federal Awards		\$ 98,455,891	\$ 45,475,939
STATE AWARDS:			
<u>N.C. Department of Administration</u>			
Division of Veterans Affairs:			
County Veterans Service Program			\$ 1,452
Total N.C. Department of Administration			1,452
<u>N.C. Department of Insurance</u>			
Senior Health Insurance Information Program			3,023
<u>N.C. Department of Cultural Resources</u>			
Division of State Library:			
State Aid to Public Libraries			126,872
Total N.C. Department of Cultural Resources			126,872

COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures
<u>N.C. Department of Environment and Natural Resources</u>			
Division of Soil and Water Conservation:			
N.C. Agriculture Cost Share - Technical Assistance			22,824
Total Division of Soil and Water Conservation			<u>22,824</u>
Total N.C. Department of Environment and Natural Resources			<u>22,824</u>
<u>N.C. Department of Health and Human Services</u>			
Division of Aging and Adult Services:			
In Home Service			220,474
Home Delivered Meals			78,627
Senior Center Outreach			3,894
Total Division of Aging and Adult Services			<u>302,995</u>
Division of Public Health:			
Environmental Health			4,000
Food and Lodging Fees			10,572
Public Health Nursing			2,600
General Aid to Counties			138,666
General Communicable Disease Control			8,294
Risk Reduction / Health Promotion			6,286
Tuberculosis			59,057
Tuberculosis Medical Service			3,643
Maternal Health (HMHC)			5,945
School Nurse Funding Initiative			150,000
Women's Health Service Fund			13,990
Total Division of Public Health			<u>403,053</u>
Division of Social Services:			
Adoption / Foster Care			
Child Welfare Services Adoption Subsidy -			302,908
Emergency Assist Private Grant			8,171
Energy Assist Private Grant			1,746
AFDC Incent/Prog Integrity			2,105
State/County Special Assistance for Adults (SC/SA) -			937,400
SFHF Maximization			71,318
State Foster Home			30,173
Total Division of Social Services			<u>1,353,821</u>
Total N C. Department of Health and Human Services			<u>2,059,869</u>
<u>N.C. Department of Public Instruction</u>			
Public School Building Capital Fund			1,592,938
Total N.C. Department of Public Instruction			<u>1,592,938</u>
<u>N.C. Department of Public Safety:</u>			
Division of Juvenile Justice and Delinquency Prevention:			
Juvenile Crime and Delinquency Prevention Council			281,642
Total N.C. Department of Public Safety			<u>281,642</u>
<u>N.C. Department of Transportation:</u>			
Pave driveway at the Sims Volunteer Fire Dept.			25,133

COUNTY OF WILSON, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-Through) Expenditures	State Expenditures
Rural Operating Assistance Program (ROAP)			
ROAP Elderly and Disabled Transportation Assistance Program			80,587
ROAP Work First Transitional- Employment			22,817
ROAP Rural General Public Program			70,271
Total ROAP			<u>173,675</u>
Total N.C. Department of Transportation			<u>198,808</u>
N.C. Department of Commerce			
Industrial Development Fund Utility Grant			5,000
Total N.C. Department of Commerce			<u>5,000</u>
Total State Awards		-	4,292,428
Total Federal and State Awards		<u>\$ 98,455,891</u>	<u>\$ 49,768,367</u>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards includes the Federal and State grant activity of Wilson County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Therefore, some amounts presented in schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the basic financial statements. However, due to the County's involvement in determining eligibility, they are considered Federal Awards to the County and are included on this schedule.

2. Subrecipients

Of the Federal and State expenditures presented in the schedule, Wilson County provided Federal and State awards to subrecipients as follows:

Program Title	CFDA Number	Federal Expenditures	State Expenditures	Pass-Through Grantor's Number
Juvenile Crime Prevention Programs		\$ -	\$ 281,642	\$ -
Public School Building Capital Fund		\$ -	\$ 1,592,938	\$ -

3. The following are clustered by the NC Department of Health and Human Services and are treated separately for State audit requirement purposes:

Subsidized Child Care and Foster Care and Adoption Cluster

This page left blank intentionally.