

Hyde County, North Carolina

**Financial Statements
And
Independent Auditor's Report**

For the Fiscal Year Ended June 30, 2013

Hyde County, North Carolina
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Financial Section

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Independent Auditor's Report

To the Board of County Commissioners
Hyde County, North Carolina

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Hyde County, North Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Hyde 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

My responsibility is to express an opinions on these financial statements based on my audit. I did not audit the financial statements of Hyde County ABC Board. Those financial statements were audited by other auditors whose report has been furnished to me, and my opinion, insofar as it relates to the amounts included for the Hyde County ABC Board, is based solely on the report of the other auditors.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The financial statements of Hyde County ABC Board were not audited in accordance with *Government Auditing Standards*.

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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 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 County's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, based on my audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Hyde County, North Carolina as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance and the other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions on pages 4 through 11 and 58 and 61, respectively, 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. I and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards general 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Hyde County, North Carolina. The combining and individual fund statements, budgetary schedules, other schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by Office of Management and Budget Circular A-133, *Audits of States, 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 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 related 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by me and other auditors. In my opinion, based on my audit, the procedures performed as described above, and the report of the other auditors, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated November 25, 2013 on my consideration of Hyde County's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of the report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Hyde County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Andrew Hain, CPA". The signature is written in a cursive, flowing style.

Farmville, North Carolina
November 25, 2013

Management's Discussion and Analysis

**Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013**

As management of the Hyde County, we offer readers of the Hyde County's financial statements this narrative overview and analysis of the financial activities of the Hyde County for the fiscal year ended June 30, 2013. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

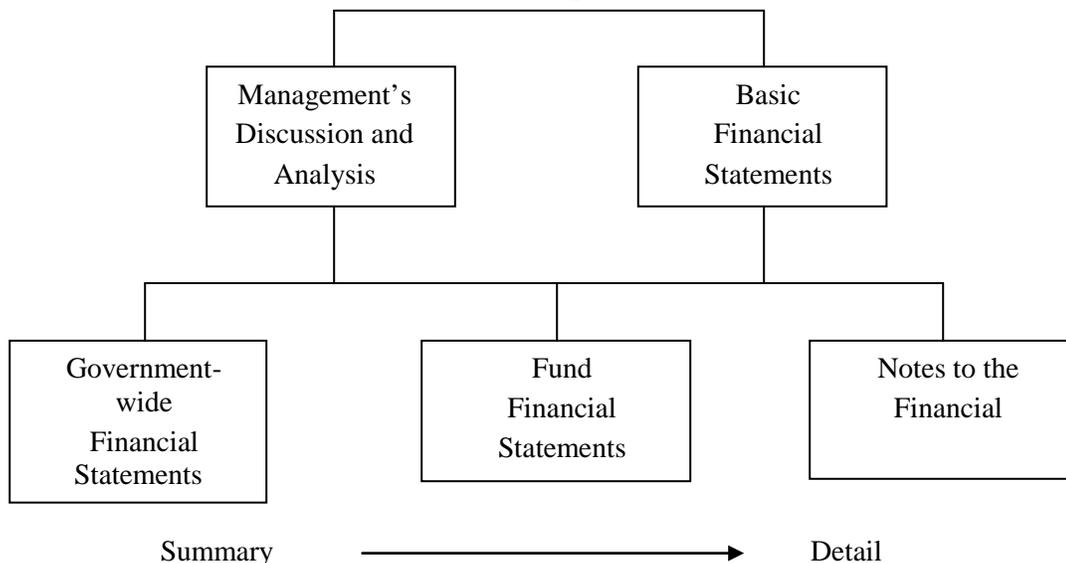
- The assets of the Hyde County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$39,343,666 (net position).
- The government's total net position decreased by \$511,053, primarily due to decreased net position in the business-type activities.
- At the close of the current fiscal year, the Hyde County's governmental funds reported combined ending fund balances of \$7,964,290, after a net increase in fund balance of \$721,102. Approximately 36.37 percent of this total amount, or \$2,896,279, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,167,880, or 27.70 percent of total general fund expenditures for the fiscal year.

Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits 3 through 10) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's 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 supplementary 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 total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety 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 sewer services offered by Hyde County. The only sewer operated by Hyde County is operated and maintained for the benefit of the State prison. The final category is the component unit. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable for the Board by appointing its members and because the Board is required to distribute its profits to the County.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013

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. Hyde County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Hyde County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Hyde 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 – Hyde County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Hyde County uses enterprise funds to account for its water and sewer 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.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Hyde County has three fiduciary funds, the Social Services Trust fund, the Ocracoke Mosquito fund, and the Fines and Forfeitures fund.

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 23 of this report.

**Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013**

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Hyde County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 61 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of Hyde County exceeded liabilities and deferred inflows of resources by \$39,343,666 as of June 30, 2013. The County's net position decreased by \$511,053 for the fiscal year ended June 30, 2013. One of the largest portions \$28,592,493 (72.67%) reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). Hyde County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Hyde 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 Hyde County's net position \$1,497,825 (3.81%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,253,348 (23.52%) is unrestricted.

**Government-wide Financial Analysis
Hyde County's Net Position
Figure 2**

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 10,849,381	\$ 10,311,477	\$ 1,552,113	\$ 1,507,509	\$ 12,401,494	\$ 11,818,986
Capital assets	25,621,750	26,460,096	12,528,504	12,908,888	38,150,254	39,368,984
Total Assets	<u>\$ 36,471,131</u>	<u>\$ 36,771,573</u>	<u>\$ 14,080,617</u>	<u>\$ 14,416,397</u>	<u>\$ 50,551,748</u>	<u>\$ 51,187,970</u>
Long-term liabilities						
outstanding	\$ 6,951,271	\$ 7,119,299	\$ 3,311,283	\$ 3,307,753	\$ 10,262,554	\$ 10,427,052
Other liabilities	448,131	754,882	169,392	151,318	617,523	906,200
Total Liabilities	<u>\$ 7,399,402</u>	<u>\$ 7,874,181</u>	<u>\$ 3,480,675</u>	<u>\$ 3,459,071</u>	<u>\$ 10,880,077</u>	<u>\$ 11,333,252</u>
Deferred inflows of resources	328,005	-	-	-	328,005	-
Net position:						
Net investment in capital assets	\$ 19,321,389	\$ 19,924,384	\$ 9,271,104	\$ 9,647,888	\$ 28,592,493	\$ 29,572,272
Restricted	1,479,816	924,678	18,009	-	1,497,825	924,678
Unrestricted	7,942,519	8,048,330	1,310,829	1,309,438	9,253,348	9,357,768
Total Net Position	<u>\$ 28,743,724</u>	<u>\$ 28,897,392</u>	<u>\$ 10,599,942</u>	<u>\$ 10,957,326</u>	<u>\$ 39,343,666</u>	<u>\$ 39,854,718</u>

Several particular aspects of the County's financial operations positively influenced the total unrestricted governmental net position:

The County's collection of property taxes by 93.99% compares unfavorably with the State-wide average of 95.13% and comparable to the prior year.

**Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013**

**Hyde County's Changes in Net Assets
Figure 3**

	Governmental Activities		Business Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program Revenues:						
Charges for services	\$ 1,723,322	\$ 2,239,016	\$ 1,581,658	\$ 1,644,645	\$ 3,304,980	\$ 3,883,661
Operating grants and contributions	2,588,522	3,052,475	-	-	2,588,522	3,052,475
Capital grants and contributions	152,464	2,561,071	-	140,665	152,464	2,701,736
General Revenues:						
Property taxes	7,233,235	6,568,474	-	-	7,233,235	6,568,474
Other taxes	2,394,838	2,172,040	-	-	2,394,838	2,172,040
Investment earnings	42,646	37,543	3,396	1,054	46,042	38,597
Other	158,853	560,533	-	-	158,853	560,533
Total Revenues	\$14,293,880	\$17,191,152	\$ 1,585,054	\$ 1,786,364	\$15,878,934	\$18,977,516
Expenses:						
General government	\$ 1,845,333	\$ 1,946,201	\$ -	\$ -	\$ 1,845,333	\$ 1,946,201
Public safety	3,632,210	2,427,739	-	-	3,632,210	2,427,739
Transportation	835,877	274,790	-	-	835,877	274,790
Economic and physical development	1,774,917	1,703,927	-	-	1,774,917	1,703,927
Human services	3,306,683	4,667,163	-	-	3,306,683	4,667,163
Cultural and recreation	156,013	152,128	-	-	156,013	152,128
Environmental protection	1,108,945	5,442,984	-	-	1,108,945	5,442,984
Education	1,541,716	1,665,097	-	-	1,541,716	1,665,097
Interest on long-term debt	245,854	120,651	-	-	245,854	120,651
Water and sewer	-	-	1,942,439	1,774,595	1,942,439	1,774,595
Total Expenses	\$14,447,548	\$18,400,680	\$ 1,942,439	\$ 1,774,595	\$16,389,987	\$20,175,275
Transfers	\$ -	\$ 40,000	\$ -	\$ (40,000)	\$ -	\$ -
Increase (decrease) in net assets	(153,668)	(1,169,528)	(357,385)	(28,231)	(511,053)	(1,197,759)
Net Position, beginning as stated	28,897,392	30,196,278	10,957,326	10,985,557	39,854,718	41,181,835
Prior period adjustment	-	(129,358)	-	-	-	(129,358)
Net Position, beginning as restated	28,897,392	30,066,920	10,957,326	10,985,557	39,854,718	41,052,477
Net Position, June 30	\$28,743,724	\$28,897,392	\$10,599,941	\$10,957,326	\$39,343,665	\$39,854,718

Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Governmental activities. Governmental activities decreased the County's net position by \$153,668. Key elements of this decrease include the increase in depreciation expense during the current year for projects completed in the past couple of years.

Business-type activities. Business-type activities decreased the County's net position by \$357,385. Key elements of this decrease include the increase in depreciation expense over the previous year. Depreciation increased due to the Engelhard Water Treatment Plant being completed during the current year.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Hyde County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Hyde 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 Hyde County. At the end of the current fiscal year, Hyde County fund balance available of the General Fund was \$3,167,880, while total fund balance reached \$4,848,531. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 27.70 percent of total General Fund expenditures, while total fund balance represents 42.40 percent of that same amount.

At June 30, 2013 the governmental funds of Hyde County reported a combined fund balance of \$7,964,290, a 9.96 percent increase over last year. The primary reason for this increase is related to the maintaining expenditures during the current year.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund were made to increase revenues because the County did not expect to receive certain funds that later became available. Expenditures were held in check to comply with the County's budgetary requirements.

Proprietary Funds. Hyde County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position for the Water and Sewer Fund at the end of the fiscal year amounted to \$1,310,829. The total change in net position the Water and Sewer Fund was \$(357,385). Other factors concerning the finances of these funds have already been addressed in the discussion of Hyde County's business-type activities.

Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Capital Asset and Debt Administration

Capital assets. Hyde County's capital assets for its governmental and business – type activities as of June 30, 2013, totals \$38,139,391 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include:

- Completion of the Swan Quarter Dike Project and Swan Quarter Community Access Park Project
- Completion of the Engelhard Water Treatment Plant Project

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

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 2,270,075	\$ 1,292,036	\$ 57,839	\$ 57,839	\$ 2,327,914	\$ 1,349,875
Buildings and systems	19,364,505	13,205,604	11,874,641	7,623,168	31,239,146	20,828,772
Computer equipment	43,951	33,006	313	395	33,401	33,401
Machinery and equipment	374,485	426,668	46,447	59,267	420,932	485,935
Vehicles and motorized equipment	253,520	391,502	67,066	58,031	320,586	449,533
Construction in progress	3,315,214	11,111,117	482,198	5,110,188	3,797,412	16,221,305
Total	\$ 25,621,750	\$ 26,459,933	\$ 12,528,504	\$ 12,908,888	\$ 38,139,391	\$ 39,368,821

Additional information on the County's capital assets can be found in Note III.A. of the Basic Financial Statements.

Long-term Debt.

Hyde County's Outstanding Debt
Figure 5

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ -	\$ -	\$ 3,257,400	\$ 3,261,000	\$ 3,257,400	\$ 3,261,000
Capitalized leases	-	6,129	-	-	-	6,129
Installment purchase	3,698,028	3,746,770	-	-	3,698,028	3,746,770
Compensated absences	270,788	255,272	53,883	46,753	324,671	302,025
Net pension obligation	111,206	102,027	-	-	111,206	102,027
Other postemployment benefits	268,916	226,288	-	-	268,916	226,288
Qualified school construction bonds	2,602,333	2,782,813	-	-	2,602,333	2,782,813
Total	\$6,951,271	\$7,119,299	\$3,311,283	\$3,307,753	\$10,262,554	\$10,427,052

**Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2013**

Hyde County's total debt decreased by \$164,498 (1.58 percent) during the past fiscal year, which includes compensated absences and net pension obligation, primarily due to payments made during the year for Qualified School Construction Bonds and installment purchases.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Hyde County is \$90,528,983.

Additional information regarding Hyde County's long-term debt can be found in note III.B.6 beginning on page 48 of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

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

- Tourism is a major economic contributor to Hyde County especially on Ocracoke Island, which was named America's #1 beach in 2007.
- Ecotourism, including hunting, fishing, and other more massive wildlife activities, are major economic factors for Hyde County.
- Hyde County has seen a precipitous drop in home construction and property sales, mirroring national trends.
- Agriculture, government, hospitality (tourism), and seafood are the largest employers in Hyde County.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to Corrinne Gibbs, Finance Officer, Hyde County, Swan Quarter, NC 27885.

Basic Financial Statements

Hyde County, North Carolina
Statement of Net Position
June 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business- type Activities	Total	Hyde County ABC Board
Assets				
Cash and cash equivalents	\$ 7,615,286	\$ 851,266	\$ 8,466,552	\$ 39,382
Receivables (net)	2,753,827	420,261	3,174,088	-
Due from other governments	305,733	152,183	457,916	-
Inventories	-	-	-	73,453
Due from board member	-	-	-	2,723
Prepaid expenses	-	-	-	2,500
Restricted cash and cash equivalents	174,535	128,403	302,938	-
Capital Assets:				
Land, improvements, and construction in progress	5,585,289	540,037	6,125,326	-
Other capital assets, net of depreciation	20,036,461	11,988,467	32,024,928	17,127
Total Capital Assets	<u>\$ 25,621,750</u>	<u>\$ 12,528,504</u>	<u>\$ 38,150,254</u>	<u>\$ 17,127</u>
Total Assets	<u>\$ 36,471,131</u>	<u>\$ 14,080,617</u>	<u>\$ 50,551,748</u>	<u>\$ 135,185</u>
Liabilities				
Accounts payable and accrued expenses	\$ 448,131	\$ 48,389	\$ 496,520	\$ 130,068
Customer deposits	-	121,003	121,003	-
Long-term liabilities:				
Due within one year	669,000	176,629	845,629	3,435
Due in more than one year	6,282,271	3,134,654	9,416,925	9,342
Total Long-term Liabilities	<u>\$ 6,951,271</u>	<u>\$ 3,311,283</u>	<u>\$ 10,262,554</u>	<u>\$ 12,777</u>
Total Liabilities	<u>\$ 7,399,402</u>	<u>\$ 3,480,675</u>	<u>\$ 10,880,077</u>	<u>\$ 142,845</u>
Deferred Inflows of Resources	\$ 328,005	\$ -	\$ 328,005	\$ -
Net Position				
Net investment in capital assets	\$ 19,321,389	\$ 9,271,104	\$ 28,592,493	\$ 4,350
Restricted for:				
State statute	1,305,281	-	1,305,281	-
Debt service	116,647	18,009	134,656	-
Register of Deeds	33,888	-	33,888	-
Other purposes	24,000	-	24,000	18,882
Unrestricted (deficit)	7,942,519	1,310,829	9,253,348	(30,892)
Total Net Position	<u>\$ 28,743,724</u>	<u>\$ 10,599,942</u>	<u>\$ 39,343,666</u>	<u>\$ (7,660)</u>

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

**Hyde County, North Carolina
Statement of Activities
For the Year Ended June 30, 2013**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Hyde County ABC Board
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 1,845,333	\$ 50,951	\$ -	\$ -	\$ (1,794,382)	\$ -	\$ (1,794,382)	
Public safety	3,632,210	676,413	87,020	-	(2,868,777)	-	(2,868,777)	
Transportation	835,877	50,939	404,114	-	(380,824)	-	(380,824)	
Economic and physical development	1,774,917	9,055	540,719	-	(1,225,143)	-	(1,225,143)	
Human services	3,306,683	928,461	1,354,029	-	(1,024,193)	-	(1,024,193)	
Cultural and recreation	156,013	19,784	22,722	-	(113,507)	-	(113,507)	
Environmental protection	1,108,945	8,577	159,060	96,499	(844,809)	-	(844,809)	
Education	1,541,716	-	-	55,965	(1,485,751)	-	(1,485,751)	
Interest on long-term debt	245,854	-	-	-	(245,854)	-	(245,854)	
Total Governmental Activities	<u>\$ 14,447,548</u>	<u>\$ 1,744,180</u>	<u>\$ 2,567,664</u>	<u>\$ 152,464</u>	<u>\$ (9,983,240)</u>	<u>\$ -</u>	<u>\$ (9,983,240)</u>	
Business-type Activities:								
Water and sewer	1,942,439	1,581,658	-	-	-	(360,781)	(360,781)	
Total Business-type Activities	<u>\$ 1,942,439</u>	<u>\$ 1,581,658</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (360,781)</u>	<u>\$ (360,781)</u>	
Total Primary Government	<u>\$ 16,389,987</u>	<u>\$ 3,325,838</u>	<u>\$ 2,567,664</u>	<u>\$ 152,464</u>	<u>(9,983,240)</u>	<u>(360,781)</u>	<u>(10,344,021)</u>	
Component Unit:								
ABC Board	-	-	-	-				(34,571)
Total Component Units	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>				<u>\$ (34,571)</u>
General Revenues:								
Taxes:								
Property taxes, levied for general purpose					\$ 7,233,235	\$ -	\$ 7,233,235	\$ -
Local option sales tax					1,651,691	-	1,651,691	-
Other taxes and licenses					743,147	-	743,147	-
Investment earnings, unrestricted					42,646	3,396	46,042	17
Miscellaneous, unrestricted					204,464	-	204,464	(5,617)
Gain on sale of capital assets					(45,611)	-	(45,611)	(375)
Total General Revenues, Special Items, And Transfers					<u>\$ 9,829,572</u>	<u>\$ 3,396</u>	<u>\$ 9,878,579</u>	<u>\$ (5,975)</u>
Change In Net Position					(153,668)	(357,385)	(465,442)	(40,546)
Net position, beginning					28,897,392	10,957,327	39,854,719	32,886
Net position, ending					<u>\$ 28,743,724</u>	<u>\$ 10,599,942</u>	<u>\$ 39,343,666</u>	<u>\$ (7,660)</u>

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

Hyde County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2013

	<u>Major</u>	<u>Non-Major</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 4,949,462	\$ 2,665,819	\$ 7,615,281
Restricted cash	174,535	-	174,535
Receivables, net:			
Property taxes	818,329	1,927	820,256
Accounts	922,787	150,019	1,072,806
Other	291,902	568,862	860,764
Due from other governments	305,733	-	305,733
Due from (to) other funds	336,448	(336,448)	-
Total Assets	<u>\$ 7,799,196</u>	<u>\$ 3,050,179</u>	<u>\$ 10,849,375</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 403,829	\$ 44,302	\$ 448,131
Total Liabilities	<u>403,829</u>	<u>44,302</u>	<u>448,131</u>
Deferred Inflows of Resources	<u>2,312,931</u>	<u>124,026</u>	<u>2,436,957</u>
Fund Balances:			
Restricted:			
Stabilization by State Statute	\$ 649,938	\$ 655,343	\$ 1,305,281
Debt service	116,647	-	116,647
Other purposes	24,000	1,060,278	1,084,278
Register of Deeds	33,888	-	33,888
Economic and physical development	-	44,784	44,784
Committed:			
Public safety	-	173,555	173,555
Human services	-	959,270	959,270
Environmental protection	360,106	-	360,106
Economic and physical development	-	163,831	163,831
Tax Revaluation	233,905	-	233,905
Cultural and recreation	-	16,715	16,715
Assigned:			
Subsequent year's expenditures	496,072	79,679	575,751
Unassigned:			
Total Fund Balances	<u>\$ 5,082,436</u>	<u>\$ 2,881,854</u>	<u>\$ 7,964,290</u>
Total Liabilities And Fund Balances	<u>\$ 7,799,196</u>	<u>\$ 3,050,182</u>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

25,621,750

Deferred inflows of resources for taxes

2,108,955

Some liabilities, including bonds payable and other postemployment benefits, are not due and payable in the current period and therefore are not reported in the funds.

(6,951,271)

Net Position Of Governmental Activities

\$ 28,743,724

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

Hyde County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2013

	<u>Major</u>	<u>Non-Major</u>	
	<u>General</u>	<u>Other</u>	<u>Total</u>
	<u>Fund</u>	<u>Governmental</u>	<u>Governmental</u>
		<u>Funds</u>	<u>Funds</u>
Revenues			
Ad valorem taxes	\$ 7,104,276	\$ 19,518	\$ 7,123,794
Local option sales taxes	1,651,691	-	1,651,691
Other taxes and licenses	107,672	382,075	489,747
Unrestricted intergovernmental	241,993	-	241,993
Restricted intergovernmental	2,413,431	803,732	3,217,163
Permits and fees	68,658	-	68,658
Sales and services	513,558	695,004	1,208,562
Investment earnings	9,143	33,504	42,647
Miscellaneous	92,914	7,103	100,017
Total Revenues	<u>\$ 12,203,336</u>	<u>\$ 1,940,936</u>	<u>\$ 14,144,272</u>
Expenditures			
Current:			
General government	\$ 1,599,274	\$ 111,264	\$ 1,710,538
Public safety	3,302,308	108,684	3,410,992
Environmental protection	901,343	33,214	934,557
Transportation	558,278	-	558,278
Economic and physical development	450,307	1,083,044	1,533,351
Human services	2,568,940	642,714	3,211,654
Cultural and recreational	38,000	22,696	60,696
Intergovernmental:			
Education	1,495,953	-	1,495,953
Capital outlay	-	92,593	92,593
Debt service:			
Principal	291,316	-	291,316
Interest	229,440	-	229,440
Total Expenditures	<u>\$ 11,435,160</u>	<u>\$ 2,094,209</u>	<u>\$ 13,529,369</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>\$ 768,176</u>	<u>\$ (153,273)</u>	<u>\$ 614,903</u>
Other Financing Sources (Uses)			
Transfers from other funds	\$ 230,783	\$ 85,592	\$ 316,375
Transfers to other funds	(85,591)	(230,784)	(316,375)
Proceeds from QZAB	55,965	-	55,965
Insurance recovery	-	25,815	25,815
Sale of capital assets	24,420	-	24,420
Total Other Financing Sources And Uses	<u>\$ 225,577</u>	<u>\$ (119,377)</u>	<u>\$ 106,200</u>
Net Change In Fund Balance	\$ 993,753	\$ (272,650)	\$ 721,103
Fund balances, beginning	4,088,684	3,154,504	7,243,187
Fund balances, ending	<u>\$ 5,082,436</u>	<u>\$ 2,881,854</u>	<u>\$ 7,964,290</u>

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

Hyde County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2013

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 721,103
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period	(768,315)
Cost of capital asset disposed of during the year, not recognized on modified accrual basis	(70,031)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(204,452)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	235,350
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(67,323)</u>
Total changes in net position of governmental activities	<u><u>\$ (153,668)</u></u>

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

Hyde County, North Carolina
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Ad valorem taxes	\$ 7,017,858	\$ 7,017,858	\$ 7,104,276	\$ 86,418
Local option sales tax	1,440,000	1,564,706	1,651,691	86,985
Other taxes and licenses	96,550	96,550	107,672	11,122
Unrestricted intergovernmental	68,128	68,128	241,993	173,865
Restricted intergovernmental	2,275,450	2,853,801	2,413,431	(440,370)
Permits and fees	63,650	63,650	68,658	5,008
Sales and services	493,403	494,403	513,558	19,155
Investment earnings	15,000	15,000	7,493	(7,507)
Miscellaneous	8,150	21,187	92,914	71,727
Total Revenues	<u>\$ 11,478,189</u>	<u>\$ 12,195,283</u>	<u>\$ 12,201,686</u>	<u>\$ 6,403</u>
Expenditures				
Current:				
General government	\$ 1,715,719	\$ 1,702,268	\$ 1,599,274	\$ 102,994
Public safety	3,453,680	3,410,804	3,302,308	108,496
Environmental protection	861,079	917,153	901,343	15,810
Transportation	177,610	491,795	558,278	(66,483)
Economic and physical development	708,331	726,123	450,307	275,816
Human services	2,795,288	3,060,951	2,568,940	492,011
Cultural and recreational	43,000	38,000	38,000	-
Intergovernmental:				
Education	1,373,568	1,498,274	1,495,953	2,321
Debt Service:				
Principal retirement	312,201	312,201	291,316	20,885
Interest and other charges	229,440	229,440	229,440	-
Total Expenditures	<u>\$ 11,669,916</u>	<u>\$ 12,387,009</u>	<u>\$ 11,435,160</u>	<u>\$ 951,849</u>
Revenues Over (Under) Expenditures	<u>\$ (191,727)</u>	<u>\$ (191,726)</u>	<u>\$ 766,526</u>	<u>\$ 958,252</u>
Other financing sources (uses):				
Transfers from other funds	28,428	28,428	230,783	202,355
Transfers to other funds	(136,712)	(136,712)	(135,592)	1,120
Proceeds from QZAB	55,965	55,965	55,965	-
Sale of capital assets	5,000	5,000	24,420	19,420
Total Other Financing Sources (Uses)	<u>\$ (47,319)</u>	<u>\$ (47,319)</u>	<u>\$ 175,576</u>	<u>\$ 222,895</u>
Revenues And Other Sources Over (Under)				
Expenditures And Other Uses	\$ (239,046)	\$ (239,045)	\$ 942,102	\$ 1,181,147
Fund balance appropriated	239,046	239,046	-	(239,046)
Net Change In Fund Balance	<u>\$ -</u>	<u>\$ -</u>	942,102	<u>\$ 942,101</u>
Fund balance, beginning			3,546,414	
Fund Balance, ending			<u>\$ 4,488,515</u>	
A legally budgeted Capital Reserve Fund and Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Investment earnings - Capital Reserve Fund			\$ 892	
Investment earnings - Revaluation Fund			758	
Transfer from general fund			50,000	
Fund balance, beginning - Capital Reserve Fund			359,124	
Fund balance, beginning - Revaluation Fund			183,147	
Fund Balance, ending (Exhibit 4)			<u>\$ 5,082,436</u>	

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

Hyde County, North Carolina
Statement of Fund Net Position
Proprietary Fund
June 30, 2013

	Sewer Fund
Assets	
Current Assets:	
Cash and cash equivalents	\$ 851,266
Receivables, net	420,261
Grant receivable	152,183
Restricted cash and cash equivalents	128,403
Total Current Assets	\$ 1,552,113
Noncurrent Assets:	
Capital Assets:	
Land and construction in progress	\$ 540,037
Other capital assets, net of depreciation	11,988,467
Total Capital Assets	\$ 12,528,504
Total Assets	\$ 14,080,617
Liabilities	
Current Liabilities:	
Accounts payable	\$ 48,389
Customer deposits	121,003
Compensated absences	53,883
General obligation bonds payable	122,746
Total Current Liabilities	\$ 346,021
Noncurrent Liabilities:	
General obligation bonds payable	\$ 3,134,654
Total Noncurrent Liabilities	\$ 3,134,654
Total Liabilities	\$ 3,480,675
Net Position	
Net investment in capital assets	\$ 9,271,104
Restricted:	
Debt Service	18,009
Unrestricted	1,310,829
Total Net Position	\$ 10,599,942

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

Hyde County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
For the Year Ended June 30, 2013

	Sewer Fund
Operating Revenues	
Charges for services	\$ 1,543,195
Meter installations	15,746
Miscellaneous	22,717
Total Operating Revenues	\$ 1,581,658
Operating Expenses	
Water and sewer operations	\$ 1,412,409
Depreciation	408,056
Total Operating Expenses	\$ 1,820,465
Operating Income (Loss)	\$ (238,807)
Non-operating Revenues (Expenses)	
Interest and investment revenue	\$ 3,396
Interest expense	(121,974)
Total Nonoperating Revenue (Expenses)	\$ (118,578)
Change In Net Position	\$ (357,385)
Total Net Position, beginning	10,957,327
Total Net Position, ending	\$ 10,599,942

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

Hyde County, North Carolina
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2013

	Water and Sewer Fund
Cash Flows From Operating Activities:	
Cash received from customers	\$ 1,548,022
Cash paid for goods and services	(684,377)
Cash paid to employees for services	(713,253)
Customer deposits received, net	10,425
Other operating revenue	22,717
Net Cash Provided by Operating Activities	\$ 183,534
Cash Flows From Capital and Related Financing Activities:	
Loan proceeds	1,853,400
Acquisition and construction of capital assets	\$ (27,671)
Principal paid on bond maturities and equipment contracts	(1,857,000)
Interest paid on bond maturities and equipment contracts	(121,974)
Net Cash Used by Capital and Related Financing Activities	\$ (153,245)
Cash Flows From Investing Activities:	
Interest on investments	\$ 3,396
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 33,685
Cash and Cash Equivalents, beginning	945,984
Cash and Cash Equivalents, ending	\$ 979,669
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ (238,807)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	\$ 408,056
Changes In Assets and Liabilities:	
(Increase) decrease in accounts receivable	(10,919)
Increase (decrease) in accounts payable and accrued liabilities	15,267
Increase (decrease) in customer deposits	2,807
Increase (decrease) in accrued vacation pay	7,130
Total Adjustments	\$ 422,341
Net Cash Provided by Operating Activities	\$ 183,534

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

Hyde County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2013

	Total Agency Funds
Assets	
Cash and cash equivalents	\$ 79,353
Taxes receivable	6,444
Total Assets	\$ 85,797
 Liabilities	
Miscellaneous liabilities	\$ 8,208
Deferred revenues	6,444
Accounts payable	71,145
Total Liabilities	\$ 85,797
Net Position	\$ -

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

I. Summary of Significant Accounting Policies

The accounting policies of the Hyde County 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 five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component unit, legally separate entities for which the County is financially accountable. The Hyde County ABC Board (the *Board*), which has a June 30 year-end, is presented as if it is a separate proprietary fund of the County (discrete presentation).

Component Unit: Hyde County ABC Board

Reporting Method: Discrete

Criteria for inclusion: 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.

Separate Financial Statements: County of Hyde ABC Board, 20121 US Hwy 264, Swan Quarter, NC 27885

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 or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Additionally, the County has legally adopted an Capital Reserve Fund. Under GASB 54 guidance the Capital Reserve Fund is consolidated in the General Fund. The budgetary comparison for the Capital Reserve Fund has been included in the supplemental information.

The County reports the following major enterprise fund:

Water and Sewer Fund. This fund is used to account for the operations of the water and sewer system within the County.

The County reports the following fund types:

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 the following agency funds: the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the Ocracoke Special Mosquito Control Fund, which accounts for tax revenue assessed for mosquito control on Ocracoke Island; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Hyde County Board of Education and 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; and the Engelhard Municipal Sewer District, which accounts for the collection of sewer payments on behalf of Engelhard Municipal Sewer District.

Nonmajor Funds. The County maintains twenty-six legally budgeted funds. The Ocracoke Occupancy Tax, Hurricane Irene Fund, Hydeland Home Health Fund, Mattamuskeet Opportunities Fund, Revaluation Fund, West Quarter Fund, Mainland Occupancy Tax Fund, 4-H Fund, E-911 Fund, Hyde County Senior Center Fund, Evans Road Fire Fund, Revolving Loan Fund, CAPS / Personal Care Chore Health Fund, HMGP – Isabel Elevation Project Fund, CDBG Supplemental Assistance Fund, CDBG Scattered Site Project Fund, CDBG

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Jumpstart Hyde Project Fund, CDBG Program Repayment Fund, NCHFA Single Family Rehabilitation Project Fund, CDBG Recovery Fund, CDBG – TEDG Fund, Swan Quarter Water Shed District Fund, CDBG – Revitalization Strategy Fund, CDBG – Contingency, PDM Program, and NC Tomorrow Grant are reported as nonmajor special revenue funds. The Ocracoke School Fund, Swan Quarter Community Park Fund, Swan Quarter Dike Fund, and Wanchese Seafood Industrial Park Fund are reported as capital projects funds.

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, 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, Hyde County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2012 through February 2013 apply to the fiscal year ended June 30, 2013. Uncollected taxes that were billed during this period are shown as a receivable on 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 then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Revaluation Fund, West Quarter District Fund, Mainland Occupancy Tax Fund, Ocracoke Occupancy Tax Fund, 4-H Fund, E-911 Fund, Hyde County Senior Center Fund, Evans Road Fire Fund, Revolving Loan Fund, Capital Reserve Fund, Hydeland Home Health Fund, CAPS/Personal Care Chore Health Fund, Mattamuskeet Opportunities Fund, Swan Quarter Water Shed District Fund and the Enterprise Funds. All

Hyde County, North Carolina
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For the Year Ended June 30, 2013

annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the following Capital Projects Funds: Qualified School Construction Bond Fund, Swan Quarter Community Park Access Fund, Swan Quarter Dike Fund, Wanchese Seafood Industrial Park Fund and the following Enterprise Capital Projects Funds, Engelhard Water Treatment Plant Fund, and Mattamuskeet Lodge Sewer Project Fund, which are consolidated with the enterprise operating funds for reporting purposes. Project ordinances are adopted for the following Special Revenue Funds: HMGP-Hurricane Isabel Elevation Project Fund, CDBG Supplemental Assistance Fund, CDBG Scattered Site Project Fund, CDBG SBEA Hyde Project Fund, CDBG Program Repayment Fund, NCHFA Single Family Rehabilitation Project Fund, CDBG Recovery Fund, CDBG - TEDG Fund, CDBG – Revitalization Strategy Fund, CDBG – Contingency Fund, PDM Program Fund, NC Tomorrow Grant Fund, and the Hurricane Irene Fund.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional 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 functional appropriations by more than \$5,000. 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.

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

1. Deposits and Investments

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

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. Hyde County ABC Board consider demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

The unexpended bond proceeds of the Qualified School Construction Bonds are classified as restricted assets within the Qualified School Construction Bond Fund because their use is completely restricted to the purpose for which the bonds were originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

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, 2010. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowances for Doubtful Accounts

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

6. Inventory and Prepaid Items

The inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The cost of the inventory carried in the ABC Board is recorded as an expense as it is consumed or sold.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

7. Capital Assets

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.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

Minimum capitalization cost is \$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 Hyde 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 Hyde County Board of Education.

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

Asset Class	Years
Buildings	50
Improvements	10-20
Furniture and equipment	10
Vehicles and motorized equipment	3-5
Computer equipment	3

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

Asset Class	Years
Vehicle	5
Equipment	3-10

8. Deferred Outflows/Inflows of Resources

In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has three items that meet this criterion – prepaid taxes, judgment proceeds, and QZAB bond proceeds.

9. Long-term Obligations

In the government-wide financial statements, and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

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

10. Compensated Absences

The vacation policies of the County provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. The vacation policies of the ABC Board provide for the accumulation of up to twenty days earned vacation leave with such leave being fully vested when earned. For the ABC Board only, accumulated earned vacation leave terminates at June 30 of each year. For the County's government-wide, proprietary funds, and the ABC Board, 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 have any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made.

11. Net Position/Fund Balances

a. Net Position

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted; and unrestricted. Restricted net position represent 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.

b. Fund Balances

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

The governmental fund types classify fund balances as follows:

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

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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

Restricted for Other Purposes – portion of fund balance, restricted by external sources for other purposes.

Restricted for Debt Service – portion of fund balance that is restricted for future debt service expenditures by the United States Department of Agriculture.

Restricted for Public Safety – portion of fund balance that is restricted for public safety expenditures.

Restricted for Cultural and Recreation – portion of fund balance restricted for cultural and recreation expenditures.

Restricted for Economic and Physical Development – portion of fund balance restricted for economic and physical development.

Restricted for Education – portion of fund balance restricted for school construction expenditures (QSCB).

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Hyde County’s governing body (highest level of decision-making authority). Any changes or removal of specific purpose requires majority action by the governing body.

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

Subsequent Year's Expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation, however, the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$10,000.

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

Hyde County has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Officers will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local 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.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

E. Reconciliation of Government-wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets – governmental activities as reported in the government-wide statement of net position. The net adjustment of \$20,779,434 consists of several elements as follows:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 32,087,173
Less accumulated depreciation	<u>(6,465,423)</u>
Net capital assets	\$ 25,621,750
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide	2,108,955
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing	(6,300,361)
Compensated absences	(270,788)
Other postemployment benefits	<u>(380,122)</u>
Total adjustment	<u><u>\$ 20,779,434</u></u>

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(874,770) as follows:

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$	132,778
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.		(901,093)
Cost of disposed capital asset not recorded in fund statements		(70,031)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements		235,351
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.		
Compensated absences		(15,516)
Other postemployment benefits		(51,807)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.		
Decrease in deferred inflows of resources - taxes receivable - at end of year		(204,452)
Total Adjustment	\$	(874,770)

II. Stewardship, Compliance, and Accountability

A. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2013, expenditures made in the County's Swan Quarter Dike Fund exceeded the authorized appropriations by \$88,921 at the functional level. In the County's Ocracoke Occupancy Tax Fund, expenditures exceeded appropriations at the functional level by \$19,631. In the County's Hurricane Irene Fund, expenditures exceeded appropriations at the functional level by \$847,855 and transfers to other funds expenditures were not budgeted, totaling \$1,490,500. In the County's Qualified School Construction Fund, expenditures exceeded appropriations at the functional level by \$66,550. In the County's E-911 Fund, expenditures exceeded appropriations at the functional level by \$5,184. In the County's CDBG Revitalization Strategy Fund, the expenditures exceeded appropriations at the functional level by \$90,788. In the Engelhard Water Treatment Plant Fund, the expenditures exceeded appropriations at the functional level by \$6,990. The expenditures made in the County's General Fund exceeded the authorized appropriations made by the governing board for transportation activities by \$66,483. In the County's Water and Sewer Fund, the expenditures exceeded appropriations made by the governing board for debt service by \$1,853,400. Management and the Board will more closely review the budget reports to ensure compliance in future years.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

B. Deficit Fund Balance or Net Assets of Individual Funds

For the fiscal year ended June 30, 2013, the County's HMGP – Isabel Elevation Project Fund has a deficit fund balance of \$1,000. The County's Hyde County Senior Center has a deficit fund balance of \$38,378. The Mattamuskeet Opportunities Fund has a deficit fund balance of \$64,820. The Wanchese Seafood Industrial Park Fund has a deficit fund balance of \$53,031. The PDM Program Fund has a deficit fund balance of \$58,248. The CAPS / Personal Care Chore Health Fund has a deficit fund balance of \$16,651. Management and the Board will more closely review fund balances to ensure compliance in future years.

III. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's and the ABC Board's deposits are either 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 or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, these deposits are considered to be held by 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 or 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 under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and the ABC Board rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2013, the County's deposits had a carrying amount of \$8,748,404 and a bank balance of \$8,906,810. Of the bank balance, \$500,000 was covered by federal depository insurance, and \$358,799 in non-interest bearing deposits and \$8,548,010 in interest bearing deposits was covered by collateral held under the Pooling Method.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

At June 30, 2013, Hyde County had \$264 cash on hand.

At June 30, 2013, the carrying amount of deposits for Hyde County ABC Board was \$39,132 and the bank balance was \$52,198. All of the bank balance was covered by federal depository insurance.

At June 30, 2013, Hyde County ABC Board had \$250 cash on hand.

2. Investments

At June 30, 2013, the County's investments consisted of \$100,439 in the North Carolina Capital Management Trust's Cash Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The County has no policy on credit risk.

At June 30, 2013, the ABC Board had no investments.

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>
2007	\$ 120,957	\$ 6,955	\$ 127,912
2008	120,112	-	120,112
2009	120,112	-	120,112
2010	597,833	-	597,833
2011	642,008	-	642,008
2012	814,456	-	814,456
Total	<u>\$ 2,415,478</u>	<u>\$ 6,955</u>	<u>\$ 2,422,433</u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

4. Receivables

Receivables at the government-wide level at June 30, 2013, were as follows:

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:				
General	\$ 1,038,463	\$ 1,095,230	\$ 291,902	\$ 2,425,595
Other Governmental	86,841	2,026	568,862	657,729
Total Receivables	<u>\$ 1,125,304</u>	<u>\$ 1,097,256</u>	<u>\$ 860,764</u>	<u>\$ 3,083,324</u>
Allowance for doubtful accounts	<u>(52,498)</u>	<u>(277,000)</u>	<u>-</u>	<u>(329,498)</u>
Total Governmental Activities	<u><u>\$ 1,072,806</u></u>	<u><u>\$ 820,256</u></u>	<u><u>\$ 860,764</u></u>	<u><u>\$ 2,753,826</u></u>
Business-type Activities:				
Water and Sewer Fund	<u>\$ 673,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 673,437</u>
Total Receivables	<u>\$ 673,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 673,437</u>
Allowance for doubtful accounts	<u>(253,176)</u>	<u>-</u>	<u>-</u>	<u>(253,176)</u>
Total Business-type Activities	<u><u>\$ 420,261</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 420,261</u></u>

The due from other governments that is owed to the County consisted of the following at June 30, 2013:

Governmental Activities:	
Local Option Sales Tax	\$ 209,398
Department of Revenue	96,335
Total Governmental Activities	<u><u>\$ 305,733</u></u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

5. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2013, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 1,292,036	\$ 978,039	\$ -	\$ 2,270,075
Construction in progress	11,111,278	92,593	7,888,657	3,315,214
Total Capital Assets Not Being Depreciated	<u>\$ 12,403,314</u>	<u>\$ 1,070,632</u>	<u>\$ 7,888,657</u>	<u>\$ 5,585,289</u>
Capital Assets Being Depreciated:				
Buildings	\$ 14,936,520	\$ -	\$ 206,106	\$ 14,730,414
Computer equipment	221,748	23,707	-	245,455
Equipment	885,367	16,478	-	901,845
Vehicles	1,580,736	-	109,341	1,471,395
Infrastructure	2,242,157	6,910,618	-	9,152,775
Total Capital Assets Being Depreciated	<u>\$ 19,866,528</u>	<u>\$ 6,950,803</u>	<u>\$ 315,447</u>	<u>\$ 26,501,884</u>
Less Accumulated Depreciation For:				
Buildings	\$ 2,386,362	\$ 293,575	\$ 138,337	\$ 2,541,600
Computer equipment	188,742	12,762	-	201,504
Equipment	458,904	68,456	-	527,360
Vehicles	1,189,028	135,926	107,079	1,217,875
Infrastructure	1,586,710	390,374	-	1,977,084
Total Accumulated Depreciation	<u>\$ 5,809,746</u>	<u>\$ 901,093</u>	<u>\$ 245,416</u>	<u>\$ 6,465,423</u>
Total Capital Assets Being Depreciated, net	<u>14,056,782</u>			<u>20,036,461</u>
Governmental Activity Capital Assets, net	<u>\$ 26,460,096</u>			<u>\$ 25,621,750</u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

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

General government	\$ 177,296
Public safety	258,026
Transportation	50,588
Human services	43,732
Environmental protection	15,132
Economic and physical development	356,319
Total depreciation expense	<u><u>\$ 901,093</u></u>

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities:				
Water and Sewer Fund:				
Capital Assets Not Being Depreciated:				
Land	\$ 57,839	\$ -	\$ -	\$ 57,839
Construction in progress	5,110,188	-	4,627,990	482,198
Total Capital Assets Not Being Depreciated	<u>\$ 5,168,027</u>	<u>\$ -</u>	<u>\$ 4,627,990</u>	<u>\$ 540,037</u>
Capital Assets Being Depreciated:				
Buildings	\$ 12,856,980	\$ 4,627,990	\$ -	\$ 17,484,970
Computer equipment	14,617	300	-	14,917
Equipment	266,384	786	-	267,170
Vehicles	166,808	26,586	-	193,394
Total Capital Assets Being Depreciated	<u>\$ 13,304,789</u>	<u>\$ 4,655,662</u>	<u>\$ -</u>	<u>\$ 17,960,451</u>
Less Accumulated Depreciation For:				
Buildings	\$ 5,233,812	\$ 376,517	\$ -	\$ 5,610,329
Computer equipment	14,222	382	-	14,604
Equipment	207,117	13,606	-	220,723
Vehicles	108,777	17,551	-	126,328
Total Accumulated Depreciation	<u>\$ 5,563,928</u>	<u>\$ 408,056</u>	<u>\$ -</u>	<u>\$ 5,971,984</u>
Total Capital Assets Being Depreciated, net	<u>7,740,861</u>			<u>11,988,467</u>
Water Capital Assets, net	<u><u>\$ 12,908,888</u></u>			<u><u>\$ 12,528,504</u></u>

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

Construction Commitments

The government has active construction projects as of June 30, 2013. The projects include the HMGP – Hurricane Isabel Elevation Project, the CDBG Jumpstart Hyde Project, the Mattamuskeet Lodge Sewer Project, the CDBG Recovery Project, the CDBG TEDG 08-T-1903 Project, the CDBG – Revitalization Strategy, the CDBG – Contingency, the CDBG – Scattered Site Project, CDBG – Supplemental Assistance, the Qualified School Construction Bond Project, and the Wanchese Seafood Industrial Park Project. At June 30, 2013, the government’s commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
HMGP - Hurricane Isabel Elevation Project	\$ 1,762,502	\$ 1,217,266
CDBG Jumpstart Hyde Project	494,244	756
Mattamuskeet Lodge Sewer Project	482,197	3,517,803
CDBG Recovery	299,961	-
CDBG TEDG 08-T-1903	75,000	-
CDBG - Revitalization Strategy	813,288	-
CDBG - Contingency	107,556	492,444
CDBG - Scattered Site Project	357,476	42,524
CDBG - Supplemental Assistance	615,000	25,036
Qualified School Construction Bond Project	3,049,542	-
Wanchese Seafood Industrial Park Project	265,671	129
Total	<u>\$ 8,322,437</u>	<u>\$ 5,295,958</u>

Discretely Presented Component Unit

Activity for the ABC Board for the year ended June 30, 2013, was as follows:

	Useful Life	Cost	Accumulated Depreciation	Net
Equipment	3 - 10 yrs	\$ 29,373	\$ 28,433	\$ 940
Vehicle	5 yrs	17,986	1,799	16,187
		<u>47,359</u>	<u>30,232</u>	<u>17,127</u>

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2013, were as follows:

	<u>Vendors</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:			
General	\$ 201,889	\$ 201,941	\$ 403,830
Other Governmental	42,085	2,216	44,301
Total-governmental Activities	<u>\$ 243,974</u>	<u>\$ 204,157</u>	<u>\$ 448,131</u>
Business-type Activities:			
Water and Sewer Fund	48,389	-	48,389
Total Business-type Activities	<u>\$ 48,389</u>	<u>\$ -</u>	<u>\$ 48,389</u>

2. Pension Plan Obligations and Postemployment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. Hyde County contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.74% and 6.77%, respectively, of annual covered payroll. The contribution requirements of members and of Hyde County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2013, 2012, and 2011 were \$302,387, \$311,799, and \$276,215, respectively. The contributions made by the County equaled the required contributions for each year. The ABC Board's contributions to LGERS for the years ended June 30, 2013, 2012, and 2011 were \$0, \$0, and \$1.412, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

b. Law Enforcement Officers' Special Separation Allowance

1) Plan Description

Hyde 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.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2012, the Separation Allowance's membership consisted of:

Retirees receiving benefits	\$ -
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	16
	\$ 16
	16

A separate report was not issued for the plan.

2) 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.

3) 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. 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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

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. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25-7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2012 was 18 years.

Annual required contribution	\$ 10,734
Interest on net pension obligation	5,086
Adjustment to annual required contribution	<u>(6,330)</u>
Annual Pension Cost	\$ 9,490
Contributions made	<u>-</u>
Increase in net pension obligation	9,490
Net pension obligation beginning of year	<u>101,716</u>
Net Pension Obligation End of Year	<u><u>\$ 111,206</u></u>

3 Year Trend Information

For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2011	11,817	0%	91,869
2012	9,847	0%	101,716
2013	9,490	0%	111,206

4) Funded Status and Funding Progress

As of December 31 2012, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$41,513, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$41,513. The covered payroll (annual payroll of active employees covered by the plan) was \$667,010, and the ratio of the UAAL to the covered payroll was 6.22 percent.

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

c. Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2013 were \$33,567 which consisted of \$33,567 from the County and \$0 from the law enforcement officers.

d. Firemen's and Rescue Squad Workers' Pension Fund

Plan Description. The State of North Carolina contributes, on behalf of Hyde County, to the Firemen's and Rescue Squad Workers' Pension Fund (Fund), a cost-sharing multiple-employer defined benefit pension plan with a special funding situation administered by the State of North Carolina. The Fund provides pension benefits for eligible fire and rescue squad workers that have elected to become members of the fund. Article 86 of G.S. Chapter 58 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Firemen's and Rescue Squad workers' Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State CAFR includes financial statements and required supplementary information for the Firemen's and Rescue Squad Workers' 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. Plan members are required to contribute \$10 per month to the Fund. The State, a non-employer contributor, funds the plan through appropriations. The County does not contribute to the Fund. Contribution requirements of plan members and the State of North Carolina are established and may be amended by the North Carolina General Assembly.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

e. Registers of Deed's Supplemental Pension Fund

Plan Description. Hyde County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a noncontributory, 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, 2013, the County's required and actual contributions were \$410.

f. Other Postemployment Benefit

Plan Description. According to a county resolution, the County provides health care benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least 20 years of creditable service with the County. The County pays a portion of the health care benefits. The portion paid by the County is based on a graduated scale based on the number of years the employee was with the retirement system. The County pays 30% for 20 years, 60% for 25 years and 100% for 30 years. The benefit is discounted when the retiree is eligible for Medicare. Currently, five retirees are eligible for post-retirement health benefits. The County obtains health care coverage through private insurers.

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

	<u>General Employees</u>	<u>Law Enforcement Officers</u>
Retirees and dependents receiving benefits	\$ 6	\$ -
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	101	15
	<u>\$ 107</u>	<u>\$ 15</u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

Funding Policy. The County pays the cost of coverage for the healthcare benefits paid to qualified retirees based on years of creditable service. The portion paid by the County is based on a graduated scale based on the number of years the employees was with the retirement system. The County pays 30% for 20 years, 60% for 25 years, and 100% for 30 years.

The current ARC rate is 1.63% of annual covered payroll. For the current year, the County contributed \$0 or 0.0% of annual covered payroll. The County obtains healthcare coverage through private insurers. The County's required contributions, under a Board resolution, for employees not engaged in law enforcement and for law enforcement officers represented 0.0% and 0.0% of covered payroll, respectively. The County's obligation to contribute to the Plan is established and may be amended by the Board of Commissioners.

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

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

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

Annual required contribution	\$ 85,847
Interest on net OPEB obligation	9,051
Adjustment to annual required contribution	<u>(7,809)</u>
Annual OPEB Cost (Expense)	\$ 87,089
Contributions made	<u>(44,460)</u>
Increase (Decrease) in Net OPEB Obligation	\$ 42,629
Net OPEB Obligation, beginning of year	<u>226,287</u>
Net OPEB Obligation, end of year	<u><u>\$ 268,916</u></u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the HCB Plan, and the net OPEB obligation for 2012 were as follows:

3 Year Trend Information			
For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 88,775	40.20%	\$ 174,182
2012	\$ 92,731	43.80%	\$ 226,287
2013	\$ 87,089	51.10%	\$ 268,916

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$747,908, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$747,908. The covered payroll (annual payroll of active employees covered by the plan) was \$4,169,188, and the ratio of UAAL to the covered payroll was 17.9 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 the healthcare cost trend. 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 information about the actuarial value of plan assets and the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to 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 method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date. The rate included a 3.00 percent inflation assumption. The medical cost trend rate varied between 8.50 and 5.00 percent. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five year period. The UAAL is being amortized as a level percentage of projected unit credit on a level percent of pay, open basis. The remaining amortization period at December 31, 2012, was 30 years.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

g. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. 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. The County considers these contributions to be immaterial.

3. Deferred Outflows and Inflows of Resources

Deferred inflows of resources at year-end are comprised of the following:

	Unavailable Revenue	Unearned Revenue
Prepaid taxes not yet earned (General)	\$ -	\$ 31,179
Taxes receivable, net (General), less penalties	813,114	-
Taxes receivable, net (Special Revenue)	1,926	-
Grant related proceeds (General)	352,809	-
Grant related proceeds (Special Revenue)	36,756	-
Judgement proceeds (General)	-	60,958
QZAB Bond (General)	-	235,868
Accounts Receivable - Patient fees (General)	819,003	-
Accounts Receivable - Patient fees (Special Revenue)	85,343	-
Total	<u>\$2,108,951</u>	<u>\$ 328,005</u>

4. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in three self-funded risk-financing pools 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 \$125.5 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$1 million per occurrence with a limit of \$3 million per year, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

per occurrence, workers' compensation coverage up to the statutory limits, and health and dental insurance for County employees. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Two of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation. For health and dental insurance, the County is reinsured through the Pool for individual losses in excess of \$50,000 and aggregate annual losses in excess of 115% of expected claims. The pool is reinsured through commercial carrier for individual losses in excess of \$100,000.

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 for various amounts of coverage per 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 finance officer and tax collector are each individually bonded for \$50,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$2,000,000.

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.

Hyde 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 Board has property, general liability, auto liability, workers' compensation, and employee health coverage. The 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 ABC Board member and the finance officer is bonded in the amount of \$50,000, secured by a corporate surety. In accordance with G.S. 18B-803(b) and (c) the ABC Board store managers are bonded for \$20,000. All other ABC Board employees that have access to funds are bonds under a blanket bond for \$20,000.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

5. Long-term Obligations

a. Qualified Zone Academy Bonds

In 1997, Congress enacted a four year authorization for Qualified Zone Academy Bonds (QZABs), codified in Section 1397E of the Internal Revenue Code. The legislation established a national limit of \$400 million of QZABs for each of the ten years of the program's authorization, and it is not certain that Congress will extend the program once the authorization expires. S.L. 2000-69 (H 1539) authorizes North Carolina counties to issue this specialized form of debt.

A qualified zone academy is a public school or program with a public school. The school must either be in a federal empowerment zone or enterprise community, or at least 35% of the children attending the school or participating in the program must be eligible for free or reduced-cost lunches under the federal School Lunch Act. In other words, the school or program must serve a significant number of children from low-income families. QZABs are issued to help finance the qualified zone academy, and under the new North Carolina Statute, the proceeds of these bonds may be used to rehabilitate or repair school facilities or to purchase equipment (other than computer equipment) associated with the rehabilitation or repair.

The loans are intended to be interest-free to the borrowing government. Instead of interest, the lenders receive federal tax credits in the amount that the interest would have been had there been interest. The federal legislation limits the potential buyers of QZABs to banks, insurance companies, and other corporations actively involved in lending money. Also, the federal legislation requires that the borrowing government receive private contributions to the bond-financed project in an amount equal to at least 10% of the bond proceeds.

As authorized by State law [G.S.160A-20 and 153A-158.1], the County financed various property acquisitions and improvements for use by Hyde County Board of Education during the fiscal year ended June 30, 2009 by installment purchase designated as a Qualified Zone Academy Bond. The installment purchase was issued pursuant to a deed of trust which requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with Hyde County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

b. Installment Purchases

The first installment purchase was executed on November 19, 2004 for various property acquisitions and improvements for use by Hyde County Board of Education. The transaction requires fourteen principal payments by the County of \$55,965 with no interest.

The second installment purchase was executed on November 26, 2006, for the construction of the new courthouse building in the amount of \$3,530,000. The combined repayments of the two notes require 30 annual payments of principal and interest of \$208,847. The interest rates are 4.125% and 4.375%.

The third installment purchase was executed on July 16, 2010, for the purchase of the E911 equipment in the amount of \$148,914. The transaction requires 5 principal payments of \$29,783 plus interest at 2.68%.

For Hyde County, the future minimum lease payments as of June 30, 2013, including \$1,892,082 of interest, are:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2014	163,808	133,183
2015	167,076	129,116
2016	170,480	124,914
2017	144,244	120,568
2018	147,940	116,873
2019-2023	568,296	523,277
2024-2028	626,453	404,688
2029-2033	768,931	259,084
2034-2037	731,808	80,379
	3,489,036	1,892,082
QZAB principal payments from interest earned	208,992	-
Total	\$3,698,028	\$1,892,082

General Obligation Indebtedness

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

The County's general obligation bonds payable at June 30, 2013 are comprised of the following individual issues:

\$1,650,000 Water and Sewer, Series 2011 USDA due in annual installments of \$106,746 to \$134,516 in principal through December 1, 2027; interest at 2.79 percent.	\$ 1,853,400
\$1,420,000 Water and Sewer Bonds, series 2011, due in annual installments of \$16,000 to \$74,000 in principal through June 2050, interest at 4.25%	1,404,000
Total	\$ 3,257,400

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

Year Ending June 30	Principal	Interest
2014	\$ 122,746	\$ 108,794
2015	124,179	107,722
2016	128,063	104,009
2017	131,380	100,173
2018	135,118	96,245
2019-2023	740,291	417,812
2024-2028	804,623	301,361
2029-2033	165,000	214,158
2034-2038	203,000	175,992
2039-2043	250,000	128,988
2044-2048	309,000	71,061
2049-2050	144,000	9,265
	\$ 3,257,400	\$1,835,580

c. Qualified School Construction Bonds

The County has issued a bond in order to finance school construction. \$3,002,692 Qualified School Construction Bond issued on October 18, 2010; due in annual installments of \$200,179 in principal plus interest at 0.93 percent through October 2025.

\$ 2,602,333

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

Year Ending June 30	Governmental-type Activities	
	Principal	Interest
2014	\$ 200,179	\$ 24,202
2015	200,179	22,340
2016	200,179	20,478
2017	200,179	18,617
2018	200,179	16,755
2019-2023	1,000,897	55,850
2024-2026	600,541	11,167
	\$ 2,602,333	\$ 169,409

At June 30, 2013 Hyde County had a legal debt margin of \$90,528,983.

d. Long-term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2013:

	Beginning			Ending	Current
	Balance	Increases	Decreases	Balance	Portion of
					Balance
Governmental Activities:					
Capitalized leases	\$ 6,129	\$ -	\$ 6,129	\$ -	\$ -
Installment purchase	3,746,770	-	48,742	3,698,028	163,808
Qualified school construction bonds	2,782,813	-	180,480	2,602,333	200,179
Compensated absences	255,272	15,516	-	270,788	270,788
Net pension obligation	102,027	9,179	-	111,206	-
Other postemployment benefits	226,288	42,628	-	268,916	34,225
Total Governmental Activities	\$7,119,299	\$ 67,323	\$ 235,351	\$6,951,271	\$669,000
Business-type Activities:					
General obligation debt	\$3,261,000	\$1,853,400	\$1,857,000	\$3,257,400	\$122,746
Compensated absences	46,753	7,130	-	53,883	53,883
Total Business-type Activities	\$3,365,979	\$1,860,530	\$1,857,000	\$3,311,283	\$176,629

Compensated absences for governmental activities 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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

C. Interfund Balances and Activity

Transfers to/from other funds at June 30, 2013, consist of the following:

From the Swan Quarter Community Park Fund to the General Fund to close the Swan Quarter Community Park Fund	\$ 709
From the NCHFA Single Family Rehab Project Fund to the General Fund to close the NCHFA Single Family Rehab Project Fund	1
From the Evans Road Fire Fund to the General Fund to close Evans Road Fire Fund	173
From the Swan Quarter Dike Fund to the General Fund to close the Swan Quarter Dike Fund	186,285
From the E-911 Fund to the General Fund to assist with current year expenditures	20,000
From the General Fund to the Revaluation Fund to accumulate resources for the County's upcoming revaluation	50,000
From the General Fund to the Senior Center Fund to assist with current year expenditures	85,592
From Revolving Loan Fund to the General Fund to assist with current year expenditures	23,616
From Engelhard Treatment Plant Fund to the Water Fund to close Engelhard Treatment Plant Fund	37,452
	<hr style="border-top: 1px solid black;"/> \$ 403,828 <hr style="border-top: 1px solid black;"/>

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

Balances due to/from other funds at June 30, 2013, consist of the following:

From QSCB 2010 to the General Fund for advance of construction costs	\$	63,160
From the Hyde County Senior Center to the General Fund for payment of expenditures		46,513
From the Mattamuskeet Opportunities Fund to the General Fund for payment of expenditures		82,928
From the Wanchese Seafood Industrial Park Fund to the General Fund for payment of expenditures		53,031
From the PDM Program Fund to the General Fund for the payment of expenditures		58,248
From the CAPS/Personal Chore Health Fund to the General Fund for the payment of expenditures		32,190
		32,190
	\$	336,070

D. Fund Balance

Hyde County has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Officers will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local 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.

Total fund balance - General Fund	\$	4,488,516
Less:		
Stabilization by State Statute		649,938
Debt service		116,647
Other purposes		24,000
Register of Deeds		33,888
Enviromental protection		360,106
Appropriated Fund Balance in 2012 budget		496,072
Remaining Fund Balance	\$	2,807,865

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013**

IV. On-Behalf Payments for Fringe Benefits and Salaries

For the fiscal year ended June 30, 2013, Hyde County has recognized on-behalf payments for pension contributions made by the state as a revenue and an expenditure of \$68,634 for the 186 volunteer firemen who perform firefighting duties for the County's fire departments and on-behalf payments of \$9,451 as a revenue and an expenditure for the 50 eligible employed rescue squad workers. The volunteers and employees elected to be members of the Firemen and Rescue Workers' Pension Fund, a cost sharing, multiple employer public employee retirement system established and administered by the State of North Carolina. The plan is funded by a \$10 monthly contribution paid by each member, investment income, and a State appropriation.

V. Jointly Governed Organization

The County, in conjunction with nine other counties and fourteen municipalities, established the Albemarle Commission Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$4,642 to the Council during the fiscal year ended June 30, 2013. The County was the sub recipient of a grant for \$30,320 from the Division of Aging of the North Carolina Department of Aging and Adult Services that was passed through the Council.

VI. Benefit Payments Issued by the State

The amounts listed below were paid directly to individual recipients by the State from federal and State moneys. 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 that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Temporary assistance to needy families	\$ 30,247	\$ 32
Medicaid	4,937,577	2,902,462
Food Stamp program	1,463,880	-
Special supplemental nutrition program for Women, Infants, & Children	85,203	-
Adoption assistance	-	11,412
Adult assistance	-	43,812
Total	<u>\$6,516,907</u>	<u>\$2,957,718</u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

VII. Summary Disclosure of Significant Commitments and Contingencies

A. Federal and State Assisted Programs

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

B. Employment Security Benefits

Hyde County has elected to pay direct costs of employment security benefits in lieu of employment security taxes on payroll. A liability for benefit payments could accrue in the year following discharge of employees.

VIII. Supplemental and Additional Supplemental One-Half of One Percent Local Government Sales and Use Tax

State law (Chapter 105, Articles 40 and 42, of the North Carolina General Statutes) requires that County to use a portion of the proceeds of its supplemental and additional supplemental sales taxes, or local option sales taxes, for public school capital outlays or to retire public school indebtedness. During the fiscal year ended June 30, 2013, the County reported these local option sales taxes within the General Fund. The County expended the restricted portion of these taxes for public school capital outlays.

IX. School Facilities Finance Act of 1987

The General Assembly passed the School Facilities Finance Act of 1987 (Act) to assist county governments in meeting their public school facility needs. The Act created two-State-funded programs for the construction and renewal of school facilities: the Public School Building Capital Fund administered by the Office of State Budget and Management and the Critical School Facilities Needs Fund administered by the State Board of Education. The Public School Building Capital Fund may also be used to finance equipment needs under the local school unit's technology plan.

Public School Building Capital Fund: This program is funded in part, using a portion of the corporate income taxes which are imposed on corporations doing business in the State. Each calendar quarter, the Department of Revenue shall remit to the State Treasurer for credit in the fund, an amount equal to the applicable fraction provided by the following table of the net School Facilities Needs Fund. For the period from October 1, 1999 to September 30, 2000, the applicable fraction was one-fourteenth (1/14) of the net collections; for periods after September 30, 2000, the applicable fraction is five sixty-ninths (5/69) of the net collections of corporate taxes.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

Monies in the fund are allocated to Hyde County on the basis of the average daily membership (ADM) for the Hyde County Board of Education as determined and certified by the State Board of Education. The Office of State Budget and Management established and now maintain an ADM allocation account for the County. At June 30, 2013, the balance of the County's ADM allocation account was \$20,059. The County must match the balance on the basis of one dollar for every three dollars of State funds for financing the school unit's facilities capital needs. The local school technology plan does not require a county match.

This program is also funded in part, using a portion of the lottery funds collected from the NC Education Lottery. Distributions of the lottery money are made based on the County's average daily membership (ADM) and on the tax rate of the County. At June 30, 2013, the balance of the County's Lottery Fund account was \$127,979. The County must match the balance on the basis of one dollar for every three dollars of State funds for financing the school unit's facilities capital needs. The local school technology plan does not require a county match.

After approving a school capital project authorized by the Act, the Office of State Budget and Management will transfer funds from the County's ADM allocation account to its disbursing account maintained with the State Treasurer.

Funds in the allocation and disbursing accounts are considered State monies until the County issues warrants to disburse them. At that time, they are recognized in the County's General Fund as restricted intergovernmental revenue.

Critical School Facilities Needs Fund: This program is funded by the net collections of State income taxes imposed on corporations and received by the Department of Revenue. Each quarter, the Department of Revenue deposits \$2.5 million into the fund.

The Commission on School Facilities Needs established a priority list of the Counties receiving grants. The Commission on School Facilities Needs has since been abolished. Grants are awarded by the State Board of Education based on the grant priority list. A joint application must be made by the Hyde County Board of Commissioners and the Hyde County Board of Education. At June 30, 2013, the Boards have not submitted a grant application to the Commission on School Facility Needs.

X. Economic Dependence

The County receives a substantial amount of revenue each year from the Hyde County Prison. For the year ended June 30, 2013, revenue from the Hyde County Prison represented 36% of the total Water and Sewer Fund revenues.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2013

XI. Change in Accounting Principles / Restatement

The County implemented Governmental Accounting Standards Board (GASB) Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement 65, *Items Previously reported as Assets and Liabilities*, in the fiscal year ending June 30, 2013. In accordance with GASB Statement 63, the Statement of Net Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position. Additionally, GASB Statement 65 requires that deferred costs from the refunding of debt, which were previously deferred and amortized, be presented as deferred outflows of resources.

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

Hyde County, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
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)
12/31/2007	-	18,651	18,651	0.0%	432,475	4.31%
12/31/2008	-	27,277	27,277	0.0%	613,944	4.44%
12/31/2009	-	48,232	48,232	0.0%	668,839	7.21%
12/31/2010	-	43,267	43,267	0.0%	681,744	6.35%
12/31/2012	-	41,513	41,513	0.0%	667,010	6.22%

Hyde County, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Employer Contributions

<u>Year Ending June 30</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2011	\$ 11,817	0%
2012	9,847	0%
2013	9,490	0%

Notes to the Required Schedules:

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

Valuation date	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	18 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	5%
Projected salary increases*	4.25 - 7.85%
*Includes inflation at	3.00%
Cost of living adjustments	N/A

**Hyde County, North Carolina
Other Postemployment Benefits
Required Supplementary Information
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	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)
12/31/2006	-	624,685	624,685	0.0%	3,251,385	19.2%
12/31/2007	-	751,226	751,226	0.0%	3,209,473	23.4%
12/31/2008	-	789,127	789,127	0.0%	3,966,397	19.9%
12/31/2009	-	812,528	812,528	0.0%	4,393,975	18.5%
12/31/2012	-	747,908	747,908	0.0%	4,169,188	17.9%

**Hyde County, North Carolina
Other Postemployment Benefits
Required Supplementary Information
Schedule of Employer Contributions**

<u>Year Ending June 30</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2011	\$ 88,775	40.2%
2012	92,731	43.8%
2013	87,089	51.1%

Notes to the Required Schedules:

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

Valuation date	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 Years
Amortization factor	26.1695
Asset valuation method	Market value of Assets
Actuarial assumptions:	
Investment rate of return*	4%
Medical trend assumptions	
Pre-medicare trend rate	8.50% - 5.00%
Year of ultimate trend rate	2018
*Includes inflation at	3.00%

Combining and Individual Fund Statements and Schedules

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Ad Valorem Taxes:			
Taxes		\$ 7,017,675	
Interest		86,601	
Total	<u>\$ 7,017,858</u>	<u>\$ 7,104,276</u>	<u>\$ 86,418</u>
Local Option Sales Taxes:			
Article 39 and 44		\$ 689,805	
Article 40 one - half of one percent		324,674	
Article 42 one - half of one percent		331,639	
Medicaid Hold Harmless payment		305,573	
Total	<u>\$ 1,564,706</u>	<u>\$ 1,651,691</u>	<u>\$ 86,985</u>
Other Taxes and Licenses:			
Real estate stamp excise tax		\$ 46,042	
Scrap tire disposal tax		14,880	
White goods disposal tax		-	
Local occupancy tax		42,455	
Franchise tax - cable tv		3,506	
Beer and wine licenses		790	
Total	<u>\$ 96,550</u>	<u>\$ 107,672</u>	<u>\$ 11,122</u>
Unrestricted Intergovernmental:			
Payments in lieu of taxes-outside sources		\$ 218,515	
Beer and wine tax		23,478	
Total	<u>\$ 68,128</u>	<u>\$ 241,993</u>	<u>\$ 173,865</u>
Restricted Intergovernmental:			
State grants		\$ 638,370	
Federal grants		694,508	
Social service grants - federal and state		994,657	
On-behalf of payments - Fire and Rescue		78,085	
Court facility fees		6,299	
ABC bottles taxes		1,513	
Total	<u>\$ 2,853,801</u>	<u>\$ 2,413,431</u>	<u>\$ (440,370)</u>

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Permits and Fees:			
Building permits		\$ 14,229	
Concealed handgun permits		2,700	
Inspection fees		13,223	
Register of deeds		22,774	
Election filing fees		46	
Sheriff fees		12,476	
Private well fees		860	
Code enforcement penalties		2,333	
Homeownership recovery fee		18	
Total	<u>\$ 63,650</u>	<u>\$ 68,658</u>	<u>\$ 5,008</u>
Sales and Services:			
Rents, concessions, and fees		\$ 65,497	
Jail fees		145	
Household garbage collection		4,977	
Ambulance and rescue squad fees		404,420	
Airport gas sales		15,934	
Health department fees		22,586	
Total	<u>\$ 494,403</u>	<u>\$ 513,558</u>	<u>\$ 19,155</u>
Investment Earnings	<u>15,000</u>	<u>7,493</u>	<u>(7,507)</u>
Miscellaneous:			
Insurance claims		\$ 65,404	
Donations		-	
Other revenues		27,509	
Total	<u>\$ 21,187</u>	<u>\$ 92,913</u>	<u>\$ 71,726</u>
Total Revenues	<u>\$ 12,195,283</u>	<u>\$ 12,201,687</u>	<u>\$ 6,404</u>
Expenditures			
General Government:			
Governing Body:			
Salaries and employee benefits		\$ 23,708	
Other operating expenditures		3,791	
Total		<u>\$ 27,499</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Administration:			
Salaries and employee benefits		\$ 220,953	
Other operating expenditures		287,001	
Capital outlay		4,179	
Total		<u>\$ 512,133</u>	
Elections:			
Salaries and employee benefits		\$ 48,849	
Other operating expenditures		42,216	
Total		<u>\$ 91,065</u>	
Finance:			
Salaries and employee benefits		\$ 127,552	
Other operating expenditures		22,832	
Total		<u>\$ 150,384</u>	
Human Resources:			
Salaries and employee benefits		\$ 54,899	
Other operating expenditures		9,338	
Capital outlay		911	
Total		<u>\$ 65,148</u>	
Taxes:			
Salaries and employee benefits		\$ 139,162	
Other operating expenditures		37,957	
Capital outlay		10,814	
Total		<u>\$ 187,933</u>	
Legal:			
Contracted services		<u>35,523</u>	
Register of Deeds:			
Salaries and employee benefits		\$ 105,391	
Other operating expenditures		30,821	
Capital outlay		2,855	
Total		<u>\$ 139,067</u>	
Public Buildings:			
Salaries and employee benefits		\$ 112,406	
Other operating expenditures		271,817	
Total		<u>\$ 384,224</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Court Facilities:			
Other operating expenditures		6,299	
Total General Government	<u>\$ 1,702,268</u>	<u>\$ 1,599,274</u>	<u>\$ 102,994</u>
Public Safety:			
Sheriff:			
Salaries and employee benefits		\$ 156,711	
Other operating expenditures		1,057,006	
Capital outlay		16,719	
Total		<u>\$ 1,230,437</u>	
ABC Rehabilitation:			
Other operating expenditures		<u>1,513</u>	
Jail:			
Salaries and employee benefits		\$ 56,742	
Other operating expenditures		119,630	
Total		<u>\$ 176,372</u>	
Emergency Management:			
Salaries and employee benefits		\$ 87,965	
Other operating expenditures		86,239	
Capital outlay		20,155	
Total		<u>\$ 194,359</u>	
Fire:			
Contracted services		<u>202,466</u>	
Inspections:			
Salaries and employee benefits		\$ 101,350	
Other operating expenditures		17,205	
Capital outlay		979	
Total		<u>\$ 119,534</u>	
Rescue:			
Salaries and employee benefits		\$ 1,052,819	
Other operating expenditures		267,331	
Capital outlay		44,520	
Total		<u>\$ 1,364,670</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Salaries and employee benefits		\$ 4,934	
Contracted services		375	
Other operating expenditures		6,648	
Total		<u>\$ 11,957</u>	
Medical Examiner:			
Other operating expenditures		1,000	
Total Public Safety	<u>\$ 3,410,805</u>	<u>\$ 3,302,308</u>	<u>\$ 108,497</u>
Environmental Protection:			
Solid Waste:			
Salaries and employee benefits		\$ 323,136	
Other operating expenditures		573,840	
Capital outlay		4,367	
Total Environmental Protection	<u>\$ 917,153</u>	<u>\$ 901,343</u>	<u>\$ 15,810</u>
Transportation:			
Airport:			
Other operating expenditures		558,278	
Total Transportation	<u>\$ 491,795</u>	<u>\$ 558,278</u>	<u>\$ (66,483)</u>
Economic and Physical Development:			
Planning:			
Salaries and employee benefits		\$ 99,142	
Other operating expenditures		17,185	
Total		<u>\$ 116,328</u>	
Community Development:			
Other operating expenditures		3,980	
Total		<u>\$ 3,980</u>	
Agricultural Extension:			
Salaries and employee benefits		\$ 76,949	
Other operating expenditures		16,809	
Capital outlay		2,000	
Total		<u>\$ 95,758</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Swan Quarter Dike Project:			
Capital outlay		45,000	
Total		<u>\$ 45,000</u>	
Juvenile Crime Prevention:			
Salaries and employee benefits		\$ 17,111	
Other operating expenditures		38,500	
Total		<u>\$ 55,611</u>	
Soil and Water Conservation:			
Salaries and employee benefits		\$ 103,498	
Other operating expenditures		30,132	
Total		<u>\$ 133,630</u>	
Total Economic and Physical Development	<u>\$ 726,123</u>	<u>\$ 450,307</u>	<u>\$ 275,816</u>
Human Services:			
Health:			
Administration:			
Salaries and employee benefits		\$ 111,235	
Other operating expenditures		101,213	
Total		<u>\$ 212,448</u>	
Public Management Entity:			
Other operating expenditures		<u>3,680</u>	
Communicable Diseases:			
Salaries and employee benefits		\$ 10,645	
Other operating expenditures		1,568	
Capital outlay		10,213	
Total		<u>\$ 22,427</u>	
Immunization:			
Salaries and employee benefits		\$ 3,556	
Other operating expenditures		3,302	
Total		<u>\$ 6,858</u>	
Medical Assistance:			
Salaries and employee benefits		<u>14,872</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Health Promotions - Risk Reduction:			
Salaries and employee benefits		\$ 5,223	
Other operating expenditures		24,375	
Total		<u>\$ 29,598</u>	
Child Health - State:			
Salaries and employee benefits		\$ -	
Other operating expenditures		19,490	
Capital outlay		16,627	
Total		<u>\$ 36,117</u>	
Maternal Health - State:			
Salaries and employee benefits		\$ 21,640	
Other operating expenditures		6,422	
Capital Outlay		12,720	
Total		<u>\$ 40,782</u>	
Breast and Cervical Cancer:			
Salaries and employee benefits		\$ 5,049	
Other operating expenditures		6,917	
Total		<u>\$ 11,965</u>	
Food and Lodging:			
Other operating expenditures		\$ 949	
Total		<u>\$ 949</u>	
Women, Infants, and Children:			
Salaries and employee benefits		\$ 34,970	
Other operating expenditures		1,938	
Total		<u>\$ 36,908</u>	
Pregnancy Care Management:			
Salaries and employee benefits		\$ 14,314	
Other operating expenditures		255	
Total		<u>\$ 14,570</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Tobacco Free Hyde			
Other operating expenditures		\$ -	
Environmental Health:			
Salaries and employee benefits		\$ 115,654	
Other operating expenditures		7,531	
Capital outlay		-	
Total		<u>\$ 123,185</u>	
Mosquito Control:			
Salaries and employee benefits		\$ 43,678	
Other operating expenditures		4,187	
Total		<u>\$ 47,866</u>	
Adult Health:			
Salaries and employee benefits		\$ 60,147	
Other operating expenditures		37,269	
Capital outlay		9,200	
Total		<u>\$ 106,616</u>	
Family Planning - State:			
Salaries and employee benefits		\$ 54,580	
Other operating expenditures		61,051	
Capital outlay		257	
Total		<u>\$ 115,888</u>	
Homemaker Home - Health Aid:			
Salaries and employee benefits		\$ 24,256	
Other operating expenses		1,120	
Total		<u>\$ 25,376</u>	
Child Service Coordinator - State:			
Salaries and employee benefits		\$ 10,497	
Other operating expenses		256	
Total		<u>\$ 10,753</u>	
Kate B. Reynolds Grant:			
Salaries and employee benefits		\$ 47,272	
Other operating expenses		38,345	
Total		<u>\$ 85,617</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Community Transformation			
Salaries and employee benefits		\$ (3,075)	
Other operating expenditures		74	
Total		<u>\$ (3,001)</u>	
Mental Health:			
Other operating expenditures		<u>10,914</u>	
Social Services:			
Medical Assistance Program:			
Salaries and employee benefits		\$ 706,413	
Other operating expenditures		200,825	
Capital outlay		33,881	
Total		<u>\$ 941,119</u>	
SBA Home Loans/Grants:			
Transportation		\$ 6,357	
In-Home chore		18,984	
Total		<u>\$ 25,341</u>	
CAPS - Medicaid:			
Salaries and employee benefits		\$ 46,828	
Other operating expenditures		21,769	
Total		<u>\$ 68,597</u>	
Public Assistance:			
Special assistance		\$ 44,880	
Medical assistance		573	
AFDC assistance		141	
Total		<u>\$ 45,593</u>	
Day Care:			
Salaries and employee benefits		\$ 64,851	
Assistance payments		136,580	
Total		<u>\$ 201,432</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Services:			
State In-home chore		\$ -	
SSBG In-home chore		27,774	
SSBG blind		2,089	
SSBG legal services		1,551	
SSBG transportation		109	
State foster care		1,268	
Crisis intervention		41,482	
Medicaid transportation		62,349	
IV-B adoption assistance		3,487	
General assistance		2,849	
Personal care equipment		995	
Foster care assistance		317	
State foster care clothing		1,280	
Emergency foster care		350	
AFDC emergency assistance		4,489	
Hyde county transit		12,709	
LIEAP		18,300	
Other operating expenditures		10,236	
Total		<u>\$ 191,634</u>	
Bioterrorism:			
Other operating expenditures		\$ 5,183	
Capital outlay		4,154	
Total		<u>\$ 9,337</u>	
Elderly Nutrition:			
Other operating expenditures		<u>30,320</u>	
Transportation:			
Elderly and disabled		\$ 34,386	
Pregnant women and children		10,279	
Work first transportation		47,916	
Total		<u>\$ 92,581</u>	

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Veteran's Services:			
Salaries and employee benefits		\$ 6,276	
Other operating expenditures		802	
Total		<u>\$ 7,078</u>	
Private Well Services:			
Salaries and employee benefits		\$ 1,255	
Other operating expenditures		267	
Total		<u>\$ 1,522</u>	
Total Human Services	<u>\$ 3,060,951</u>	<u>\$ 2,568,940</u>	<u>\$ 492,011</u>
Cultural and Recreational:			
Cultural contributions		38,000	
Total Culture and Recreation	<u>\$ 38,000</u>	<u>\$ 38,000</u>	<u>\$ -</u>
Education:			
Public schools - current		\$ 1,199,568	
Public schools - capital outlay		296,385	
Total Education	<u>\$ 1,498,274</u>	<u>\$ 1,495,953</u>	<u>\$ 2,321</u>
Debt Service:			
Capital lease / installment purchase		\$ 54,871	
QSCB bond principal		180,480	
QZAB bond principal		55,965	
Interest and fees		229,440	
Total Debt Service	<u>\$ 541,641</u>	<u>\$ 520,756</u>	<u>\$ 20,885</u>
Total Expenditures	<u>\$ 12,387,010</u>	<u>\$ 11,435,160</u>	<u>\$ 951,850</u>
Revenues Over Expenditures	<u>\$ (191,727)</u>	<u>\$ 766,526</u>	<u>\$ 958,253</u>

Hyde County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Other Financing Sources (Uses)			
Transfers from other funds:			
Special Revenue Funds	\$ 28,428	\$ 43,789	\$ 15,361
Capital Project Funds	-	186,994	186,994
Transfers to other funds:			
Special Revenue Funds	(136,712)	(135,592)	1,120
Total	\$ (108,284)	\$ 95,191	\$ 203,475
Proceeds from QZAB	55,965	55,965	-
Sale of capital assets	5,000	24,420	19,420
Total Other Financing Sources (Uses)	\$ 60,965	\$ 175,576	\$ 222,895
Appropriated Fund Balance	239,046	-	(239,046)
Net Change in Fund Balance	\$ -	\$ 942,102	\$ 942,102
Fund Balance, beginning		3,546,414	
Fund Balance, ending		<u>\$ 4,488,516</u>	

Hyde County, North Carolina
Revaluation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Investment earnings	\$ 500	\$ 758	\$ 258
Expenditures			
Contract Services	50,000	-	50,000
Revenues Over (Under) Expenditures	\$ (49,500)	\$ 758	\$ 50,258
Other Financing Sources			
Transfer from General Fund	50,000	50,000	-
Fund balance appropriated	(500)	-	500
Net Change in Fund Balance	<u>\$ -</u>	50,758	<u>\$ 50,758</u>
Fund Balance, beginning		183,147	
Fund Balance, ending		<u>\$ 233,905</u>	

Hyde County, North Carolina
Capital Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Investment earnings	5,000	892	(4,108)
Total revenues	<u>\$ 5,000</u>	<u>\$ 892</u>	<u>\$ (4,108)</u>
 Other Financing Sources (Uses)			
Transfers To Other Funds:			
General Fund	5,000	-	5,000
Total Other Financing Sources (Uses)	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 5,000</u>
 Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>
 Net Change in Fund Balance	<u><u>\$ 10,000</u></u>	<u><u>\$ 892</u></u>	<u><u>\$ 892</u></u>
 Fund Balance, beginning		<u>359,124</u>	
Fund Balance, ending		<u><u>\$ 360,016</u></u>	

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue Funds				
	Ocracoke Occupancy Tax Fund	Hurricane Irene Fund	Hydeland Home Health	Mattamuskeet Opportunities	West Quarter District
Assets					
Cash and cash equivalents	\$ 764,650	\$ 268,788	\$ 1,076,080	\$ 20,666	\$ 21,049
Accounts receivable, net	50	-	62,576	-	-
Taxes receivable, net	-	-	-	-	117
Other receivables	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total Assets	<u>\$ 764,700</u>	<u>\$ 268,788</u>	<u>\$ 1,138,656</u>	<u>\$ 20,666</u>	<u>\$ 21,166</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 9,879	\$ 581	\$ 2,977	\$ 2,558	\$ -
Due to other funds	-	-	-	82,928	-
Deferred revenue	35,011	-	64,321	-	117
Total Liabilities	<u>\$ 44,890</u>	<u>\$ 581</u>	<u>\$ 67,298</u>	<u>\$ 85,486</u>	<u>\$ 117</u>
Fund Balances:					
Restricted:					
Reserved by state statute	\$ 50	\$ -	\$ 62,576	\$ -	\$ -
Economic and Physical development	-	-	-	-	-
Public Safety	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Other purposes	719,760	268,207	-	-	21,049
Education	-	-	-	-	-
Committed:					
Public Safety	-	-	-	-	-
Human services	-	-	959,270	-	-
Environmental Protection	-	-	-	-	-
Economic and Physical development	-	-	-	-	-
Tax revaluation	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Assigned:					
Subsequent years' expenditures	-	-	49,512	-	-
Unassigned	-	-	-	(64,820)	-
Total Fund Balances	<u>\$ 719,810</u>	<u>\$ 268,207</u>	<u>\$ 1,071,358</u>	<u>\$ (64,820)</u>	<u>\$ 21,049</u>
Total Liabilities and Fund Balances	<u>\$ 764,700</u>	<u>\$ 268,788</u>	<u>\$ 1,138,656</u>	<u>\$ 20,666</u>	<u>\$ 21,166</u>

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

Special Revenue Funds

	Special Revenue Funds					
	Mainland Occupancy Tax	4-H	E-911	Hyde County Senior Center	Evans Road Fire	Revolving Loan
Assets						
Cash and cash equivalents	\$ 20,763	\$ 17,018	\$ 228,056	\$ 8,563	\$ -	\$ 163,831
Accounts receivable, net	-	-	-	1,088	-	-
Taxes receivable, net	-	-	-	-	-	-
Other receivables	-	-	-	-	-	553,244
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total Assets	<u>\$ 20,763</u>	<u>\$ 17,018</u>	<u>\$ 228,056</u>	<u>\$ 9,651</u>	<u>\$ -</u>	<u>\$ 717,075</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ 75	\$ 303	\$ 24,334	\$ 1,516	\$ -	\$ -
Due to other funds	-	-	-	46,513	-	-
Deferred revenue	-	-	-	-	-	-
Total Liabilities	<u>\$ 75</u>	<u>\$ 303</u>	<u>\$ 24,334</u>	<u>\$ 48,029</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:						
Restricted:						
Reserved by state statute	\$ -	\$ -	\$ -	\$ 1,088	\$ -	\$ 553,244
Economic and Physical development	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-
Other purposes	20,688	-	-	-	-	-
Education	-	-	-	-	-	-
Committed:						
Public Safety	-	-	173,555	-	-	-
Human services	-	-	-	-	-	-
Environmental Protection	-	-	-	-	-	-
Economic and Physical development	-	-	-	-	-	163,831
Tax revaluation	-	-	-	-	-	-
Cultural and recreation	-	16,715	-	-	-	-
Assigned:						
Subsequent years' expenditures	-	-	30,167	-	-	-
Unassigned	-	-	-	(39,466)	-	-
Total Fund Balances	<u>\$ 20,688</u>	<u>\$ 16,715</u>	<u>\$ 203,722</u>	<u>\$ (38,378)</u>	<u>\$ -</u>	<u>\$ 717,075</u>
Total Liabilities and Fund Balances	<u>\$ 20,763</u>	<u>\$ 17,018</u>	<u>\$ 228,056</u>	<u>\$ 9,651</u>	<u>\$ -</u>	<u>\$ 717,075</u>

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue Funds				
	CAPS / Personal Care Chore Health	HMGP - Isabel Elevation Project	CDBG Supplemental Assistance	CDBG Scattered Site Project	CDBG SBEA Hyde Project
Assets					
Cash and cash equivalents	\$ -	\$ 1,000	\$ 19,216	\$ -	\$ 198
Accounts receivable, net	22,767	-	-	-	-
Taxes receivable, net	-	-	-	-	-
Other receivables	15,618	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total Assets	<u>\$ 38,385</u>	<u>\$ 1,000</u>	<u>\$ 19,216</u>	<u>\$ -</u>	<u>\$ 198</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 79	\$ 2,000	\$ -	\$ -	\$ -
Due to other funds	32,190	-	-	-	-
Deferred revenue	22,767	-	-	-	-
Total Liabilities	<u>\$ 55,036</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:					
Restricted:					
Reserved by state statute	\$ 38,385	\$ -	\$ -	\$ -	\$ -
Economic and Physical development	-	-	19,216	-	198
Public Safety	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Other purposes	-	-	-	-	-
Education	-	-	-	-	-
Committed:					
Public Safety	-	-	-	-	-
Human services	-	-	-	-	-
Environmental Protection	-	-	-	-	-
Economic and Physical development	-	-	-	-	-
Tax revaluation	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Assigned:					
Subsequent years' expenditures	-	-	-	-	-
Unassigned	(55,036)	(1,000)	-	-	-
Total Fund Balances	<u>\$ (16,651)</u>	<u>\$ (1,000)</u>	<u>\$ 19,216</u>	<u>\$ -</u>	<u>\$ 198</u>
Total Liabilities and Fund Balances	<u><u>\$ 38,385</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 19,216</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 198</u></u>

**Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013**

	Special Revenue Funds				
	CDBG Program Repayment	NCHFA Single Family Rehabilitation Project	CDBG Recovery	CDBG - TEDG	Swan Quarter Water Shed District
Assets					
Cash and cash equivalents	\$ 25,370	\$ -	\$ -	\$ -	\$ 30,574
Accounts receivable, net	-	-	-	-	-
Taxes receivable, net	-	-	-	-	1,810
Other receivables	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total Assets	<u>\$ 25,370</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,384</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	-
Due to other funds	-	-	-	-	-
Deferred revenue	-	-	-	-	1,810
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,810</u>
Fund Balances:					
Restricted:					
Reserved by state statute	\$ -	\$ -	\$ -	\$ -	-
Economic and Physical development	25,370	-	-	-	-
Public Safety	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Other purposes	-	-	-	-	30,574
Education	-	-	-	-	-
Committed:					
Public Safety	-	-	-	-	-
Human services	-	-	-	-	-
Environmental Protection	-	-	-	-	-
Economic and Physical development	-	-	-	-	-
Tax revaluation	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Assigned:					
Subsequent years' expenditures	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>\$ 25,370</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,574</u>
Total Liabilities and Fund Balances	<u>\$ 25,370</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,384</u>

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue Funds					Total Nonmajor Special Revenue Funds
	CDBG - Revitalization Strategy	CDBG - Contingency Fund	PDM Program Fund	NC Tomorrow Grant Fund		
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	2,665,821
Accounts receivable, net	-	-	-	-	-	86,481
Taxes receivable, net	-	-	-	-	-	1,927
Other receivables	-	-	-	-	-	568,862
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total Assets	\$ -	\$ -	\$ -	\$ -	\$ -	3,323,091
Liabilities and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	44,301
Due to other funds	-	-	58,248	-	-	219,879
Deferred revenue	-	-	-	-	-	124,026
Total Liabilities	\$ -	\$ -	\$ 58,248	\$ -	\$ -	388,206
Fund Balances:						
Restricted:						
Reserved by state statute	\$ -	\$ -	\$ -	\$ -	\$ -	655,343
Economic and Physical development	-	-	-	-	-	44,784
Public Safety	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-
Other purposes	-	-	-	-	-	1,060,278
Education	-	-	-	-	-	-
Committed:						
Public Safety	-	-	-	-	-	173,555
Human services	-	-	-	-	-	959,270
Environmental Protection	-	-	-	-	-	-
Economic and Physical development	-	-	-	-	-	163,831
Tax revaluation	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	16,715
Assigned:						
Subsequent years' expenditures	-	-	-	-	-	79,679
Unassigned	-	-	(58,248)	-	-	(218,570)
Total Fund Balances	\$ -	\$ -	\$ (58,248)	\$ -	\$ -	2,934,884
Total Liabilities and Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ -	3,323,090

**Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013**

	Capital Project Funds					Total Nonmajor Governmental Funds
	Qualified School Construction Bond	Swan Quarter Community Park	Swan Quarter Dike	Wanchese Seafood Industrial Park	Total Nonmajor Capital Projects Funds	
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,665,821
Accounts receivable, net	63,538	-	-	-	63,538	150,019
Taxes receivable, net	-	-	-	-	-	1,927
Other receivables	-	-	-	-	-	568,862
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total Assets	\$ 63,538	\$ -	\$ -	\$ -	\$ 63,538	\$ 3,386,629
Liabilities and Fund Balances						
Liabilities:						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,302
Due to other funds	63,538	-	-	53,031	116,569	336,448
Deferred revenue	-	-	-	-	-	124,026
Total Liabilities	\$ 63,538	\$ -	\$ -	\$ 53,031	\$ 116,569	\$ 504,776
Fund Balances:						
Restricted:						
Reserved by state statute	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 655,343
Economic and Physical development	-	-	-	-	-	44,784
Public Safety	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-
Other purposes	-	-	-	-	-	1,060,278
Education	-	-	-	-	-	-
Committed:						
Public Safety	-	-	-	-	-	173,555
Human services	-	-	-	-	-	959,270
Environmental Protection	-	-	-	-	-	-
Economic and Physical development	-	-	-	-	-	163,831
Tax revaluation	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	16,715
Assigned:						
Subsequent years' expenditures	-	-	-	-	-	79,679
Unassigned	-	-	-	(53,031)	(53,031)	(271,601)
Total Fund Balances	\$ -	\$ -	\$ -	\$ (53,031)	\$ (53,031)	\$ 2,881,853
Total Liabilities and Fund Balances	\$ 63,538	\$ -	\$ -	\$ -	\$ 63,538	\$ 3,386,629

Hyde County, North Carolina
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

Special Revenue Funds

	Ocracoke Occupancy Tax Fund	Hurricane Irene Fund	Hydeland Home Health	Mattamuskeet Opportunities	West Quarter District
REVENUES					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,878
Other taxes and licenses	373,712	-	-	-	-
Restricted intergovernmental	-	96,499	-	-	-
Sales and services	9,216	-	282,634	166,212	-
Investment earnings	3,839	-	6,583	-	74
Miscellaneous	5,000	-	-	-	-
Total revenues	<u>\$ 391,766</u>	<u>\$ 96,499</u>	<u>289,218</u>	<u>166,212</u>	<u>3,952</u>
EXPENDITURES					
Current:					
General government	\$ -	\$ -	-	-	4,010
Public safety	-	-	-	-	-
Economic and physical development	368,596	-	-	-	-
Human services	-	-	359,194	147,521	-
Environmental protection	-	33,214	-	-	-
Cultural and recreation	-	-	-	-	-
Education	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>\$ 368,596</u>	<u>\$ 33,214</u>	<u>359,194</u>	<u>147,521</u>	<u>4,010</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 23,170</u>	<u>\$ 63,285</u>	<u>(69,976)</u>	<u>18,691</u>	<u>(59)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Insurance recovery	-	25,815	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources and uses	-	25,815	-	-	-
Net change in fund balances	<u>\$ 23,170</u>	<u>\$ 89,100</u>	<u>(69,976)</u>	<u>18,691</u>	<u>(59)</u>
Fund balances, beginning	696,640	179,107	1,141,335	(83,511)	21,108
Fund balances, ending	<u>\$ 719,810</u>	<u>\$ 268,207</u>	<u>\$ 1,071,359</u>	<u>\$ (64,820)</u>	<u>\$ 21,049</u>

Hyde County, North Carolina
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

Special Revenue Funds

	Mainland Occupancy Tax	4-H	E-911	Hyde County Senior Center	Evans Road Fire	Revolving Loan
REVENUES						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses	8,363	-	-	-	-	-
Restricted intergovernmental	-	-	-	18,142	-	-
Sales and services	-	22,214	98,323	600	-	-
Investment earnings	-	-	513	-	-	22,491
Miscellaneous	-	-	-	2,103	-	-
Total revenues	8,363	22,214	98,836	20,845	-	22,491
EXPENDITURES						
Current:						
General government	-	-	-	97,731	-	-
Public safety	-	-	108,684	-	-	-
Economic and physical development	3,900	-	-	-	-	-
Human services	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-
Cultural and recreation	-	22,696	-	-	-	-
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	3,900	22,696	108,684	97,731	-	-
Excess (deficiency) of revenues over expenditures	4,463	(482)	(9,848)	(76,886)	-	22,491
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	-	-	-	85,592	-	-
Transfers to other funds	-	-	(20,000)	-	(173)	(23,616)
Insurance recovery	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Total other financing sources and uses	-	-	(20,000)	85,592	(173)	(23,616)
Net change in fund balances	4,463	(482)	(29,848)	8,706	(173)	(1,125)
Fund balances, beginning	16,225	17,197	233,569	(47,084)	173	718,200
Fund balances, ending	\$ 20,688	\$ 16,715	\$ 203,721	\$ (38,378)	\$ -	\$ 717,075

Hyde County, North Carolina
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

Special Revenue Funds

	CAPS / Personal Care Chore Health	HMGP - Isabel Elevation Project	CDBG Supplemental Assistance	CDBG Scattered Site Project	CDBG SBEA Hyde Project
REVENUES					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses	-	-	-	-	-
Restricted intergovernmental	-	-	-	116,755	65,064
Sales and services	112,227	-	-	-	-
Investment earnings	4	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>112,231</u>	<u>-</u>	<u>-</u>	<u>116,755</u>	<u>65,064</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Economic and physical development	-	-	-	116,755	65,064
Human services	135,999	-	-	-	-
Environmental protection	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Education	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>135,999</u>	<u>-</u>	<u>-</u>	<u>116,755</u>	<u>65,064</u>
Excess (deficiency) of revenues over expenditures	<u>(23,768)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Insurance recovery	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(23,768)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning	7,118	(1,000)	19,216	-	198
Fund balances, ending	<u>\$ (16,650)</u>	<u>\$ (1,000)</u>	<u>\$ 19,216</u>	<u>\$ -</u>	<u>\$ 198</u>

Hyde County, North Carolina
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2013

	Special Revenue Funds			
	CDBG Program Repayment	NCHFA Single Family Rehabilitation Project	CDBG Recovery	CDBG - TEDG
REVENUES				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses	-	-	-	-
Restricted intergovernmental	-	-	-	-
Sales and services	3,579	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>3,579</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic and physical development	-	-	-	-
Human services	-	-	-	-
Environmental protection	-	-	-	-
Cultural and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>3,579</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	(1)	-	-
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>3,579</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
Fund balances, beginning	21,790	1	-	-
Fund balances, ending	<u>\$ 25,370</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hyde County, North Carolina
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2014

Special Revenue Funds

	Swan Quarter Water Shed District	CDBG Revitalization Strategy	CDBG - Contingency Fund	PDM Program Fund	NC Tomorrow Grant Fund	Total Nonmajor Special Revenue Funds
REVENUES						
Ad valorem taxes	\$ 15,641	\$ -	\$ -	\$ -	\$ -	\$ 19,518
Other taxes and licenses	-	-	-	-	-	382,075
Restricted intergovernmental	-	247,824	61,091	84,834	49,985	740,194
Sales and services	-	-	-	-	-	695,004
Investment earnings	-	-	-	-	-	33,504
Miscellaneous	-	-	-	-	-	7,103
Total revenues	<u>\$ 15,641</u>	<u>\$ 247,824</u>	<u>\$ 61,091</u>	<u>\$ 84,834</u>	<u>\$ 49,985</u>	<u>\$ 1,877,399</u>
EXPENDITURES						
Current:						
General government	\$ 9,523	\$ -	\$ -	\$ -	\$ -	\$ 111,264
Public safety	-	-	-	-	-	108,684
Economic and physical development	-	274,571	61,091	143,082	49,985	1,083,044
Human services	-	-	-	-	-	642,714
Environmental protection	-	-	-	-	-	33,214
Cultural and recreation	-	-	-	-	-	22,696
Education	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>\$ 9,523</u>	<u>\$ 274,571</u>	<u>\$ 61,091</u>	<u>\$ 143,082</u>	<u>\$ 49,985</u>	<u>\$ 2,001,616</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 6,118</u>	<u>\$ (26,747)</u>	<u>\$ -</u>	<u>\$ (58,248)</u>	<u>\$ -</u>	<u>\$ (124,217)</u>
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	-	-	-	-	-	85,592
Transfers to other funds	-	-	-	-	-	(43,790)
Insurance recovery	-	-	-	-	-	25,815
Sale of capital assets	-	-	-	-	-	-
Total other financing sources and uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,617</u>
Net change in fund balances	<u>\$ 6,118</u>	<u>\$ (26,747)</u>	<u>\$ -</u>	<u>\$ (58,248)</u>	<u>\$ -</u>	<u>\$ (56,600)</u>
Fund balances, beginning	24,456	26,747	-	-	-	2,991,486
Fund balances, ending	<u>\$ 30,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (58,248)</u>	<u>\$ -</u>	<u>\$ 2,934,886</u>

Hyde County, North Carolina
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2015

	Capital Project Funds					Total Nonmajor Governmental Funds
	Qualified School Construction Bond Fund	Swan Quarter Community Park Fund	Swan Quarter Dike Fund	Wanchese Seafood Industrial Park Fund	Total Nonmajor Capital Projects Funds	
REVENUES						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,518
Other taxes and licenses	-	-	-	-	-	382,075
Restricted intergovernmental	63,538	-	-	-	63,538	803,732
Sales and services	-	-	-	-	-	695,004
Investment earnings	-	-	-	-	-	33,504
Miscellaneous	-	-	-	-	-	7,103
Total revenues	<u>\$ 63,538</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,538</u>	<u>\$ 1,940,937</u>
EXPENDITURES						
Current:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,264
Public safety	-	-	-	-	-	108,684
Economic and physical development	-	-	-	-	-	1,083,044
Human services	-	-	-	-	-	642,714
Environmental protection	-	-	-	-	-	33,214
Cultural and recreation	-	-	-	-	-	22,696
Education	-	-	-	-	-	-
Capital outlay	27,378	-	-	65,215	92,593	92,593
Total expenditures	<u>\$ 27,378</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,215</u>	<u>\$ 92,593</u>	<u>\$ 2,094,209</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 36,160</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (65,215)</u>	<u>\$ (29,055)</u>	<u>\$ (153,272)</u>
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,592
Transfers to other funds	-	(709)	(186,285)	-	(186,994)	(230,784)
Insurance recovery	-	-	-	-	-	25,815
Sale of capital assets	-	-	-	-	-	-
Total other financing sources and uses	<u>\$ -</u>	<u>\$ (709)</u>	<u>\$ (186,285)</u>	<u>\$ -</u>	<u>\$ (186,994)</u>	<u>\$ (119,377)</u>
Net change in fund balances	<u>\$ 36,160</u>	<u>\$ (709)</u>	<u>\$ (186,285)</u>	<u>\$ (65,215)</u>	<u>\$ (216,049)</u>	<u>\$ (272,649)</u>
Fund balances, beginning	(36,160)	709	186,285	12,184	163,018	3,154,504
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,031)</u>	<u>\$ (53,031)</u>	<u>\$ 2,881,854</u>

Hyde County, North Carolina
Ocracoke Occupancy Tax Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Other taxes and licenses:			
Occupancy taxes	\$ 335,800	\$ 373,712	\$ 37,912
Investment earnings	2,000	3,839	1,839
Sales and services:			
Rent income	9,166	9,216	50
Miscellaneous:			
Donations	5,000	5,000	-
Total Revenues	<u>\$ 351,966</u>	<u>\$ 391,766</u>	<u>\$ 39,801</u>
Expenditures			
Economic and physical development	<u>371,626</u>	<u>368,596</u>	<u>3,029</u>
Revenues Over (Under) Expenditures	<u>\$ (19,660)</u>	<u>\$ 23,170</u>	<u>\$ 42,830</u>
Fund balance appropriated	<u>19,660</u>	<u>-</u>	<u>(19,660)</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ 23,170</u></u>	<u><u>\$ 23,170</u></u>
Fund Balance, beginning		<u>696,640</u>	
Fund Balance, ending		<u><u>\$ 719,810</u></u>	

Hyde County, North Carolina
Hurricane Irene Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
FEMA grant	\$ -	\$ 1,644,657	\$ 72,374	\$ 1,717,031	\$ 1,717,031
State grants	-	572,618	24,125	596,743	596,743
Total Revenues	<u>\$ -</u>	<u>\$ 2,217,275</u>	<u>\$ 96,499</u>	<u>\$ 2,313,774</u>	<u>\$ 2,313,774</u>
Expenditures					
Environmental protection	<u>2,979,517</u>	<u>3,794,158</u>	<u>33,214</u>	<u>3,827,372</u>	<u>(847,855)</u>
Revenues Over (Under) Expenditures	<u>\$ (2,979,517)</u>	<u>\$ (1,576,883)</u>	<u>\$ 63,285</u>	<u>\$ (1,513,598)</u>	<u>\$ 1,465,919</u>
Other Financing Sources (Uses)					
Transfer from other funds	\$ 2,979,517	\$ 2,979,517	\$ -	\$ 2,979,517	\$ -
Transfer to other funds	-	(1,490,500)	-	(1,490,500)	(1,490,500)
Insurance recovery	-	266,973	25,815	292,788	292,788
Total Other Financing Sources (Uses)	<u>\$ 2,979,517</u>	<u>\$ 1,755,990</u>	<u>\$ 25,815</u>	<u>\$ 1,781,805</u>	<u>\$ (1,197,712)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 179,107</u>	<u>89,100</u>	<u>\$ 268,207</u>	<u>\$ 268,207</u>
Fund Balance, beginning			<u>179,107</u>		
Fund Balance, ending			<u>\$ 268,207</u>		

Hyde County, North Carolina
Hydeland Home Health Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Sales and services:			
Fees	\$ 335,475	\$ 282,634	\$ (52,841)
Investment earnings	6,600	6,583	(17)
Total revenues	<u>\$ 342,075</u>	<u>\$ 289,218</u>	<u>\$ (52,857)</u>
 Expenditures			
Salaries and benefits	242,336	232,816	9,520
Other Expenses	174,574	124,233	50,341
Capital Outlay	3,150	2,145	1,005
Total expenditures	<u>420,060</u>	<u>359,194</u>	<u>60,866</u>
 Revenues Over (Under) Expenditures	 \$ (77,985)	 \$ (69,976)	 \$ 8,009
 Other Financing (Uses)			
Transfer to other funds	(2,835)	-	2,835
Transfer from other funds	80,820	-	(80,820)
Total other financing sources	<u>\$ 77,985</u>	<u>\$ -</u>	<u>\$ (77,985)</u>
 Net Change in Fund Balance	 <u>\$ -</u>	 <u>\$ (69,976)</u>	 <u>\$ (69,976)</u>
 Fund Balance, beginning		 <u>1,141,335</u>	
Fund Balance, ending		<u>\$ 1,071,359</u>	

Hyde County, North Carolina
Mattamuskeet Opportunities Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Sales and service:			
East Behavior Health	\$ 200,469	\$ 166,182	\$ (34,288)
Donations	1,000	30	(970)
Total revenues	\$ 201,469	\$ 166,212	\$ (35,258)
 Expenditures			
Human services	201,469	147,521	53,948
 Revenues Over (Under) Expenditures	\$ -	\$ 18,691	\$ 18,691
 Net Change in Fund Balance	\$ -	\$ 18,691	\$ 18,691
 Fund Balance, beginning		(83,511)	
Fund Balance, ending		\$ (64,820)	

Hyde County, North Carolina
West Quarter District Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes	\$ 3,940	\$ 3,878	\$ (62)
Investment earnings	150	74	(76)
Total Revenues	<u>\$ 4,090</u>	<u>\$ 3,952</u>	<u>\$ (138)</u>
Expenditures			
General government	<u>6,216</u>	<u>4,010</u>	<u>2,206</u>
Net Change in Fund Balance	<u><u>\$ (2,126)</u></u>	<u>(59)</u>	<u><u>\$ 2,067</u></u>
Fund Balance, beginning		<u>21,108</u>	
Fund Balance, ending		<u><u>\$ 21,049</u></u>	

**Hyde County, North Carolina
Mainland Occupancy Tax Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Other Taxes and Licenses:			
Occupancy taxes	\$ 6,500	\$ 8,363	\$ 1,863
Expenditures			
Economic and physical development	6,500	3,900	2,600
Revenues Over (Under) Expenditures	\$ -	\$ 4,463	\$ 4,463
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 4,463</u>	<u>\$ 4,463</u>
Fund Balance, beginning		<u>16,225</u>	
Fund Balance, ending		<u>\$ 20,688</u>	

Hyde County, North Carolina
4-H Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Sales and Services:			
Fees	\$ 23,080	\$ 22,214	\$ (866)
 Expenditures			
Cultural and recreation	<u>23,080</u>	<u>22,696</u>	<u>384</u>
 Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ (482)</u></u>	<u><u>\$ (482)</u></u>
 Fund Balance, beginning		<u>17,197</u>	
Fund Balance, ending		<u><u>\$ 16,715</u></u>	

Hyde County, North Carolina
E-911 Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Sales and Services:			
E-911 and wireless charges	\$ 128,093	\$ 98,323	\$ (29,770)
Investment earnings	1,000	513	(487)
Total revenues	<u>\$ 129,093</u>	<u>\$ 98,836</u>	<u>\$ (30,257)</u>
Expenditures			
Public safety	103,500	108,684	(5,184)
Revenues (Under) Expenditures	<u>\$ 25,593</u>	<u>\$ (9,848)</u>	<u>\$ (35,441)</u>
Other Financing Sources (Uses)			
Transfer to General fund	\$ (25,593)	\$ (20,000)	\$ 5,593
Total Other financing sources (uses)	<u>\$ (25,593)</u>	<u>\$ (20,000)</u>	<u>\$ 5,593</u>
Net Change in Fund Balance	<u>\$ -</u>	(29,848)	<u>\$ (29,848)</u>
Fund Balance, beginning		233,569	
Fund Balance, ending		<u>\$ 203,721</u>	

Hyde County, North Carolina
Hyde County Senior Center Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Restricted Intergovernmental:			
Federal and state grants	\$ 10,800	\$ 18,142	\$ 7,342
Sales and Services:			
Rent income	200	600	400
Miscellaneous:			
Fundraisers	750	2,103	1,353
Total Revenues	<u>\$ 11,750</u>	<u>\$ 20,845</u>	<u>\$ 9,095</u>
Expenditures			
Administration	\$ 47,087	\$ 47,482	\$ (395)
Cultural and recreation	51,375	50,250	1,125
Total Expenditures	<u>\$ 98,462</u>	<u>\$ 97,731</u>	<u>\$ 730</u>
Revenues Over (Under) Expenditures	\$ (86,712)	\$ (76,886)	\$ 9,825
Other Financing Sources (Uses)			
Transfers From Other Funds:			
General Fund	86,712	85,592	(1,120)
Revenues over expenditures and other sources	\$ -	\$ 8,706	\$ 8,706
Net Change in Fund Balance	<u>\$ -</u>	<u>8,706</u>	<u>\$ 8,706</u>
Fund Balance, beginning		(47,084)	
Fund Balance, ending		<u>\$ (38,378)</u>	

Hyde County, North Carolina
Evans Road Fire Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Restricted Intergovernmental:			
Federal and state grants	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures			
Public safety	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Uses			
Transfers To Other Funds:			
General Fund	<u>-</u>	<u>(173)</u>	<u>(173)</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ (173)</u></u>	<u><u>\$ -</u></u>
Fund Balance, beginning		<u>173</u>	
Fund Balance, ending		<u><u>\$ -</u></u>	

Hyde County, North Carolina
Revolving Loan Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Investment earnings	\$ -	\$ 22,491	\$ -
Total Revenues	<u>\$ -</u>	<u>22,491</u>	<u>\$ 22,491</u>
Expenditures			
Economic and physical development	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	<u>\$ -</u>	<u>\$ 22,491</u>	<u>\$ 22,491</u>
Other Financing Sources (Uses)			
Transfer to General fund	<u>-</u>	<u>(23,616)</u>	<u>(23,616)</u>
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ (23,616)</u>	<u>\$ (23,616)</u>
Net change in fund balance	<u>\$ -</u>	<u>(1,125)</u>	<u>\$ (1,125)</u>
Fund Balance, beginning		<u>718,200</u>	
Fund Balance, ending		<u>\$ 717,075</u>	

Hyde County, North Carolina
CAPS / Personal Care Chore Health Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Sales and Services:			
Fees	\$ 158,017	\$ 112,227	\$ (45,790)
Investment earnings	-	4	4
Total Revenues	<u>\$ 158,017</u>	<u>\$ 112,231</u>	<u>\$ (45,786)</u>
Expenditures			
Human services	147,771	126,105	21,666
Operating	<u>10,246</u>	<u>9,894</u>	<u>352</u>
Total expenditures	158,017	135,999	22,018
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (23,768)</u>	<u>\$ (23,768)</u>
Fund Balance, beginning		<u>7,118</u>	
Fund Balance, ending		<u>\$ (16,650)</u>	

Hyde County, North Carolina
HMGP-Hurricane Isabel Elevation Project Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal grants	\$ 2,242,361	\$ 1,323,352	\$ -	\$1,323,352	\$ (919,009)
State	737,407	433,150	-	433,150	(304,257)
Owners' contributions	-	5,000	-	5,000	5,000
Total Revenues	<u>\$ 2,979,768</u>	<u>\$ 1,761,502</u>	<u>\$ -</u>	<u>\$1,761,502</u>	<u>\$ (1,218,266)</u>
Expenditures					
Economic and Physical Development:					
Other expenditures	<u>2,979,768</u>	<u>1,762,502</u>	<u>-</u>	<u>1,762,502</u>	<u>1,217,266</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (1,000)</u>	<u>\$ -</u>	<u>\$ (1,000)</u>	<u>\$ (1,000)</u>
Fund Balance, beginning			<u>(1,000)</u>		
Fund Balance, ending			<u>\$ (1,000)</u>		

Hyde County, North Carolina
CDBG Supplemental Assistance Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal grants	\$ 600,000	\$ 600,000	\$ -	\$ 600,000	\$ -
Owners contributions	40,036	34,216	-	34,216	(5,820)
Total Revenues	<u>\$ 640,036</u>	<u>\$ 634,216</u>	<u>\$ -</u>	<u>\$ 634,216</u>	<u>\$ (5,820)</u>
Expenditures					
Economic and Physical Development:					
Clearance	\$ 37,000	\$ 37,000	\$ -	\$ 37,000	\$ -
Relocation	355,000	355,000	-	355,000	-
Rehabilitation	160,000	160,000	-	160,000	-
Administration	48,000	48,000	-	48,000	-
Owner contributions used	40,036	15,000	-	15,000	25,036
Total Expenditures	<u>\$ 640,036</u>	<u>\$ 615,000</u>	<u>\$ -</u>	<u>\$ 615,000</u>	<u>\$ 25,036</u>
		-			
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 19,216</u>	<u>\$ -</u>	<u>\$ 19,216</u>	<u>\$ 19,216</u>
Fund Balance, beginning			19,216		
Fund Balance, ending			<u>\$ 19,216</u>		

Hyde County, North Carolina
CDBG Scattered Site Project Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal grants	\$ 400,000	\$ 240,721	\$ 116,755	\$ 357,476	\$ (42,524)
Expenditures					
Economic and Physical Development:					
Clearance	\$ 25,000	\$ 18,538	\$ 5,788	\$ 24,326	\$ 674
Planning	7,000	-	-	-	7,000
Administration	33,000	175,037	2,872	177,909	(144,909)
Reconstruction	335,000	47,146	108,095	155,241	179,759
Total Expenditures	<u>\$ 400,000</u>	<u>\$ 240,721</u>	<u>\$ 116,755</u>	<u>\$ 357,476</u>	<u>\$ 42,524</u>
Other Financing Sources (Uses)					
Transfers from other funds:					
General Fund	-	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning			-		
Fund Balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
CDBG Jumpstart Hyde Project Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal	\$ 495,000	\$ 429,378	\$ 65,064	\$ 494,442	\$ (558)
Expenditures					
Economic and Physical Development:					
Construction and rehabilitation	\$ 284,500	\$ 265,183	\$ 60,205	\$ 325,388	\$ (40,888)
Capital outlay	136,500	90,000	-	90,000	46,500
Planning	17,000	25,918	4,619	30,537	(13,537)
Administration	57,000	48,079	240	48,319	8,681
Total Expenditures	<u>\$ 495,000</u>	<u>\$ 429,180</u>	<u>\$ 65,064</u>	<u>\$ 494,244</u>	<u>\$ 756</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 198</u>	<u>\$ -</u>	<u>\$ 198</u>	<u>\$ 198</u>
Fund Balance, beginning			198		
Fund Balance, ending			<u>\$ 198</u>		

Hyde County, North Carolina
CDBG Program Repayment Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Miscellaneous	\$ -	\$ 3,579	\$ 3,579
Expenditures			
Economic and Physical Development	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 3,579</u>	<u>\$ 3,579</u>
Fund Balance, beginning		21,790	
Fund Balance, ending		<u>\$ 25,369</u>	

Hyde County, North Carolina
NCHFA Single Family Rehabilitation Project Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal	\$ 200,000	\$ 188,803	\$ -	\$188,803	\$ (11,197)
Expenditures					
Economic and Physical Development:					
Other expenditures	200,000	188,803	-	188,803	11,197
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other Financing Uses					
Transfers To Other Funds:					
General Fund	-	-	(1)	(1)	(1)
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ (1)</u></u>
Fund Balance, beginning			<u>1</u>		
Fund Balance, ending			<u><u>\$ -</u></u>		

Hyde County, North Carolina
CDBG Recovery Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal grants	\$ 300,000	\$ 299,961	\$ -	\$ 299,961	\$ (39)
Expenditures					
Economic and Physical Development:					
Construction and rehab	\$ 64,400	\$ 48,582	\$ -	\$ 48,582	\$ 15,818
Administration	20,000	28,979	-	28,979	(8,979)
Relocation	204,400	211,200	-	211,200	(6,800)
Clearance	11,200	11,200	-	11,200	-
Total Expenditures	<u>\$ 300,000</u>	<u>\$ 299,961</u>	<u>\$ -</u>	<u>\$ 299,961</u>	<u>\$ 39</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning			<u>\$ -</u>		
Fund Balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
CDBG-TEDG Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal grants	\$ 75,000	\$ 75,000	\$ -	\$ 75,000	\$ -
Total Revenues	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ -</u>
Expenditures					
Economic and Physical Development:					
Administration	\$ 7,500	\$ 7,500	\$ -	\$ 7,500	\$ -
Planning	67,500	67,500	-	67,500	-
Total Expenditures	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ -</u>	<u>\$ 75,000</u>	<u>\$ -</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning			<u>\$ -</u>		
Fund Balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
Swan Quarter Water Shed District Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes	\$ 10,080	\$ 15,641	\$ 5,561
Total Revenues	<u>\$ 10,080</u>	<u>\$ 15,641</u>	<u>\$ 5,561</u>
Expenditures			
Environmental protection	\$ 10,080	\$ 9,523	\$ 558
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 6,118</u>	<u>\$ 6,118</u>
Fund Balance, beginning		24,456	
Fund Balance, ending		<u>\$ 30,574</u>	

Hyde County, North Carolina
CDBG-Revitalization Strategy Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Construction	\$ 722,500	\$ 565,464	\$ 247,824	\$ 813,288	\$ 90,788
Total Revenues	<u>\$ 722,500</u>	<u>\$ 565,464</u>	<u>\$ 247,824</u>	<u>\$ 813,288</u>	<u>\$ 90,788</u>
Expenditures					
Economic and physical development:					
Administration	\$ 65,000	\$ 105,867	\$ 2,431	\$ 108,298	\$ (43,298)
Rehabilitation	-	98,891	-	98,891	(98,891)
Relocation	319,818	123,169	240,200	363,369	(43,551)
Clearance	28,500	7,980	24,054	32,034	(3,534)
Construction	92,000	50,125	738	50,863	41,137
Acquisition	20,750	-	-	-	20,750
Public Facility Improvements	196,432	152,686	7,147	159,833	36,599
Total expenditures	<u>\$ 722,500</u>	<u>\$ 538,718</u>	<u>\$ 274,570</u>	<u>\$ 813,288</u>	<u>\$ (90,788)</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 26,746</u>	<u>\$ (26,746)</u>	<u>\$ -</u>	<u>\$ 181,576</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ 26,746</u></u>	<u><u>\$ (26,746)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 181,576</u></u>
Fund Balance, beginning			26,746		
Fund Balance, ending			<u><u>\$ -</u></u>		

Hyde County, North Carolina
CDBG-Contingency Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
State grants	\$ 600,000	\$ 46,465	\$ 61,091	\$ 107,556	\$ (492,444)
Total Revenues	<u>\$ 600,000</u>	<u>\$ 46,465</u>	<u>\$ 61,091</u>	<u>\$ 107,556</u>	<u>\$ (492,444)</u>
Expenditures					
Capital Outlay:					
Administration	\$ 41,500	\$ 34,225	\$ 10,281	\$ 44,506	\$ (3,006)
Planning	3,500	-	-	-	3,500
Public Facility Improvements	555,000	12,240	50,810	63,050	491,950
Total Expenditures	<u>\$ 600,000</u>	<u>\$ 46,465</u>	<u>\$ 61,091</u>	<u>\$ 107,556</u>	<u>\$ 492,444</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			-		
Fund balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
PDM Program Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
PDM Grant	\$ 411,283	\$ -	\$ 39,216	\$ 39,216	\$ (372,067)
Owners contributions	137,094	-	45,618	45,618	(91,476)
Total Revenues	<u>\$ 548,377</u>	<u>\$ -</u>	<u>\$ 84,834</u>	<u>\$ 84,834</u>	<u>\$ (463,543)</u>
Expenditures					
Economic and Physical Development:					
Planning	\$ 548,377	\$ -	\$ 143,082	\$ 143,082	\$ 405,295
Total Expenditures	<u>\$ 548,377</u>	<u>\$ -</u>	<u>\$ 143,082</u>	<u>\$ 143,082</u>	<u>\$ 405,295</u>
		-			
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (58,248)</u>	<u>\$ (58,248)</u>	<u>\$ (58,248)</u>
Fund Balance, beginning			<u>-</u>		
Fund Balance, ending			<u>\$ (58,248)</u>		

Hyde County, North Carolina
NC Tomorrow Grant Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
NC Tommorrow Grant	\$ 50,000	\$ -	\$ 49,985	\$ 49,985	\$ (15)
Total Revenues	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 49,985</u>	<u>\$ 49,985</u>	<u>\$ (15)</u>
Expenditures					
Administration	\$ 5,000	\$ -	\$ 5,000	\$ 5,000	\$ -
Planning	45,000	-	44,985	44,985	15
Total Expenditures	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ 49,985</u>	<u>\$ 49,985</u>	<u>\$ 15</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
Qualified School Construction Bond Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Interest earnings	\$ -	\$ 3,012	\$ -	\$ 3,012	\$ 3,012
Restricted intergovernmental	-	-	63,538	63,538	63,538
Total Revenues	<u>\$ -</u>	<u>\$ 3,012</u>	<u>\$ 63,538</u>	<u>\$ 66,550</u>	<u>\$ 66,550</u>
Expenditures					
Capital Outlay:					
Construction	<u>\$ 2,982,992</u>	<u>\$ 3,022,164</u>	<u>\$ 27,378</u>	<u>\$ 3,049,542</u>	<u>\$ (66,550)</u>
Revenues Over (Under) Expenditures	<u>\$ (2,982,992)</u>	<u>\$ (3,019,152)</u>	<u>\$ 36,160</u>	<u>\$ (2,982,992)</u>	<u>\$ -</u>
Other Financing Sources (Uses):					
Capital loan proceeds	<u>\$ 2,982,992</u>	<u>\$ 2,982,992</u>	<u>\$ -</u>	<u>\$ 2,982,992</u>	<u>\$ -</u>
Total Other Financing Sources (Uses)	<u>\$ 2,982,992</u>	<u>\$ 2,982,992</u>	<u>\$ -</u>	<u>\$ 2,982,992</u>	<u>\$ -</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ (36,160)</u></u>	<u>\$ 36,160</u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Fund Balance, beginning			<u>(36,160)</u>		
Fund Balance, ending			<u><u>\$ -</u></u>		

Hyde County, North Carolina
Swan Quarter Community Park Access Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Interest earnings	\$ 86,550	\$ 69,981	\$ -	\$ 69,981	\$ (16,569)
Restricted intergovernmental	-	70	-	70	70
Total Revenues	<u>\$ 86,550</u>	<u>\$ 70,051</u>	<u>\$ -</u>	<u>\$ 70,051</u>	<u>\$ (16,499)</u>
Expenditures					
Capital Outlay:					
Construction	\$ 115,400	\$ 94,192	\$ -	\$ 94,192	\$ 21,208
Revenues Over (Under) Expenditures	<u>\$ (28,850)</u>	<u>\$ (24,141)</u>	<u>\$ -</u>	<u>\$ (24,141)</u>	<u>\$ 4,709</u>
Other Financing Sources (Uses):					
Transfer to General Fund	\$ -	\$ -	\$ (709)	\$ (709)	\$ (709)
Transfer from General Fund	28,850	24,850	-	24,850	(4,000)
Total Other Financing Sources (Uses)	<u>\$ 28,850</u>	<u>\$ 24,850</u>	<u>\$ (709)</u>	<u>\$ 24,141</u>	<u>\$ (4,709)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 709</u>	<u>\$ (709)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning			709		
Fund Balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
Swan Quarter Dike Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental	\$ 6,727,496	\$ 6,878,330		\$6,878,330	\$ 150,834
Sales and use tax refund	-	124,372	-	124,372	124,372
Total Revenues	<u>\$ 6,727,496</u>	<u>\$ 7,002,702</u>	<u>\$ -</u>	<u>\$7,002,702</u>	<u>\$ 275,206</u>
Expenditures					
Economic and Physical Development:					
Capital outlay	\$ 6,727,496	\$ 6,816,417	\$ -	\$6,816,417	\$ (88,921)
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 186,285</u>	<u>\$ -</u>	<u>\$ 186,285</u>	<u>\$ 186,285</u>
Other financing sources (uses):					
Transfer to General Fund	\$ -	\$ -	\$ (186,285)	\$ (186,285)	\$ (186,285)
Total other financing uses	\$ -	\$ -	\$ (186,285)	\$ (186,285)	\$ (186,285)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 186,285</u>	<u>\$ (186,285)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning			186,285		
Fund Balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
Wanchese Seafood Industrial Park Fund
Schedule of Revenues, Expenditures, and Changes - Budget and Actual (Non - GAAP)
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Golden Leaf Foundation	\$ 265,800	\$ 212,640	\$ -	\$ 212,640	\$ (53,160)
Total Revenues	<u>\$ 265,800</u>	<u>\$ 212,640</u>	<u>\$ -</u>	<u>\$ 212,640</u>	<u>\$ (53,160)</u>
Expenditures					
Capital Outlay:					
Construction	\$ 265,800	\$ 200,456	\$ 65,215	\$ 265,671	\$ 129
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 12,184</u>	<u>\$ (65,215)</u>	<u>\$ (53,031)</u>	<u>\$ (53,031)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 12,184</u>	<u>\$ (65,215)</u>	<u>\$ (53,031)</u>	<u>\$ (53,031)</u>
Fund Balance, beginning			<u>12,184</u>		
Fund Balance, ending			<u>\$ (53,031)</u>		

Hyde County, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services:			
Water sales		\$ 1,212,138	
Sewer charges		317,115	
Penalties and interest		25,095	
Total	<u>\$ 1,813,500</u>	<u>1,554,348</u>	<u>\$ 259,152</u>
Meter installations	<u>10,000</u>	<u>15,746</u>	<u>5,746</u>
Other operating revenues	<u>5,500</u>	<u>11,565</u>	<u>6,065</u>
Total Operating Revenues	<u>\$ 1,829,000</u>	<u>\$ 1,581,659</u>	<u>\$ (247,341)</u>
Nonoperating Revenues:			
Interest earnings	<u>5,000</u>	<u>3,396</u>	<u>(1,604)</u>
Total Revenues	<u>\$ 1,834,000</u>	<u>\$ 1,585,055</u>	<u>\$ (248,945)</u>
Expenditures			
Water Distribution and Sewage Collection:			
Salaries and employee benefits		\$ 684,377	
Supplies		52,267	
Other operating expenditures		659,776	
Computer support		8,860	
Total	<u>\$ 1,576,929</u>	<u>\$ 1,405,280</u>	<u>\$ 171,649</u>
Debt service:			
Interest and other charges		\$ 121,974	
Debt principal		1,857,000	
Total	<u>\$ 125,574</u>	<u>\$ 1,978,974</u>	<u>\$(1,853,400)</u>
Capital outlay	<u>131,497</u>	<u>27,672</u>	<u>103,825</u>
Total Expenditures	<u>\$ 1,834,000</u>	<u>\$ 3,411,926</u>	<u>\$(1,577,926)</u>
Other Financing Sources (Uses):			
Loan Proceeds	-	1,853,400	1,853,400
Transfer from other funds:			
Engelhard Water Treatment Plant Fund	<u>-</u>	<u>37,452</u>	<u>37,452</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,890,852</u>	<u>1,890,852</u>
Revenues and Other Financing Sources Over Expenditures	<u>\$ -</u>	<u>63,981</u>	<u>\$ 63,981</u>

(continued)

Hyde County, North Carolina
Water and Sewer Fund
Schedule of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2013

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:			
Revenues and Other Financing Sources Over Expenditures		<u>\$ 63,981</u>	
Reconciling Items:			
Debt principal		\$ 1,857,000	
Capital outlay		27,672	
Loan proceeds		(1,853,400)	
Decrease in accrued vacation pay		(7,130)	
Depreciation		(408,056)	
Transfer from Engelhard Water Treatment Plant Fund		<u>(37,452)</u>	
Total Reconciling Items		<u>\$ (421,366)</u>	
Change In Net Position		<u><u>\$ (357,385)</u></u>	

Hyde County, North Carolina
Engelhard Water Treatment Plant Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non - GAAP)
From Inception and for the Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal and state grants	\$ 2,800,000	\$ 2,800,001	\$ -	\$ 2,800,001	\$ 1
Investment earnings	-	7,856	-	7,856	7,856
Total Revenues	<u>\$ 2,800,000</u>	<u>\$ 2,807,857</u>	<u>\$ -</u>	<u>\$ 2,807,857</u>	<u>\$ 7,857</u>
Expenditures					
Capital outlay:					
Project Costs	\$ 3,253,476	\$ 3,506,944	\$ -	\$ 3,506,944	\$ (253,468)
Administrative	1,056,528	960,274	-	960,274	96,254
Capital outlay	37,800	37,800	-	37,800	-
Contingency	273,196	122,972	-	122,972	150,224
Total Expenditures	<u>\$ 4,621,000</u>	<u>\$ 4,627,990</u>	<u>\$ -</u>	<u>\$ 4,627,990</u>	<u>\$ (6,990)</u>
Revenues Under Expenditures	<u>\$ (1,821,000)</u>	<u>\$ (1,820,133)</u>	<u>\$ -</u>	<u>\$ (1,820,133)</u>	<u>\$ 867</u>
Other Financing Sources					
Transfers from General Fund	\$ 401,000	\$ 401,000	\$ -	\$ 401,000	\$ -
Transfers to Water Fund	-	-	(37,452)	(37,452)	(37,452)
Sales tax refund	-	36,585	-	36,585	36,585
Loan proceeds	1,420,000	1,420,000	-	1,420,000	-
Total Other Financing Sources	<u>\$ 1,821,000</u>	<u>\$ 1,857,585</u>	<u>\$ (37,452)</u>	<u>\$ 1,820,133</u>	<u>\$ (867)</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 37,452</u>	<u>\$ (37,452)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning			<u>37,452</u>		
Fund Balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
Mattamuskeet Lodge Sewer Project Fund
Schedule of Revenues and Expenditures - Budget and Actual (Non - GAAP)
From Inception and for the Year Ended June 30, 2013

	<u>Project Authorization</u>	<u>Prior Year</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
Revenues					
Restricted Intergovernmental:					
Federal and state grants	\$ 4,000,000	\$ 557,543	\$ -	\$ 557,543	\$(3,442,457)
Expenditures - Sewer Project:					
Capital Outlay:					
Planning, design, & administration	\$ 367,000	\$ 355,410	\$ -	\$ 355,410	\$ 11,590
Capital outlay	3,593,000	111,568	-	111,568	3,481,432
Administration	40,000	15,220	-	15,220	24,780
Total Expenditures	<u>\$ 4,000,000</u>	<u>\$ 482,198</u>	<u>\$ -</u>	<u>\$ 482,198</u>	<u>\$ 3,517,802</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 75,345</u>	<u>\$ -</u>	<u>\$ 75,345</u>	<u>\$ 75,345</u>
Other Financing Sources					
Transfer from other funds	<u>\$ -</u>	<u>\$ 325,000</u>	<u>\$ -</u>	<u>\$ 325,000</u>	<u>\$ 325,000</u>
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	<u><u>\$ -</u></u>	<u><u>\$ 400,345</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 400,345</u></u>	<u><u>\$ 400,345</u></u>
Fund Balance, beginning			<u>400,346</u>		
Fund Balance, ending			<u><u>\$400,346</u></u>		

Hyde County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2013

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Social Services				
Assets:				
Cash and Cash Equivalents	\$ 8,476	\$ 41,757	\$ 42,053	\$ 8,180
Liabilities:				
Miscellaneous Liabilities	\$ 8,476	\$ 41,757	\$ 42,053	\$ 8,180
Ocracoke Special Mosquito Control Fund				
Assets:				
Cash and cash equivalents	\$ 53,001	\$ 53,001	\$ 52,248	\$ 53,754
Taxes receivable	6,353	53,326	53,235	6,444
Total Assets	<u>\$ 59,354</u>	<u>\$ 106,327</u>	<u>\$ 105,483</u>	<u>\$ 60,198</u>
Liabilities:				
Miscellaneous liabilities	\$ 53,001	\$ 53,001	\$ 52,248	\$ 53,754
Deferred revenues	6,353	53,326	53,235	6,444
Total Liabilities	<u>\$ 59,354</u>	<u>\$ 106,327</u>	<u>\$ 105,483</u>	<u>\$ 60,198</u>
Fines and Forfeitures				
Assets:				
Cash and Cash Equivalents	\$ 28	\$ 30,636	\$ 30,636	\$ 28
Liabilities:				
Miscellaneous Liabilities	\$ 28	\$ 30,636	\$ 30,636	\$ 28
Motor Vehicle Tax				
Assets:				
Cash and Cash Equivalents	\$ -	\$ 1,931	\$ 1,931	\$ -
Liabilities:				
Miscellaneous Liabilities	\$ -	\$ 1,931	\$ 1,931	\$ -

(continued)

Hyde County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2013

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Engelhard Municipal Sewer District				
Assets:				
Cash and Cash Equivalents	\$ 17,744	\$ 111,517	\$ 111,870	\$ 17,391
Liabilities:				
Miscellaenous Liabilities	\$ 17,744	\$ 111,517	\$ 111,870	\$ 17,391
Totals - All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 79,249	\$ 238,842	\$ 238,738	\$ 79,353
Taxes receivable	6,353	53,326	53,235	6,444
Total assets	<u>\$ 85,602</u>	<u>\$292,168</u>	<u>\$ 291,973</u>	<u>\$ 85,797</u>
Liabilities:				
Miscellaneous liabilities	\$ 8,504	\$ 74,324	\$ 74,620	\$ 8,208
Deferred revenues	6,353	53,326	53,235	6,444
Accounts payable	70,745	164,518	164,118	71,145
Total Liabilities	<u>\$ 85,602</u>	<u>\$292,168</u>	<u>\$ 291,973</u>	<u>\$ 85,797</u>

Other Schedules

This section contains additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

Hyde County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2013

Fiscal Year	Uncollected Balance June 30, 2012	Additions	Collections And Credits	Uncollected Balance June 30, 2013
2012-2013	\$ -	\$ 7,225,098	\$ 6,789,991	\$ 435,107
2011-2012	396,273	-	207,309	188,964
2010-2011	162,610	-	43,516	119,094
2009-2010	123,531	-	31,324	92,207
2008-2009	66,627	-	12,069	54,558
2007-2008	54,013	-	5,965	48,048
2006-2007	37,416	-	4,389	33,027
2005-2006	30,943	-	4,960	25,983
2004-2005	30,810	-	3,121	27,689
2003-2004	38,251	-	2,445	35,806
2002-2003	45,072	-	45,072	0
	\$ 985,546	\$ 7,225,098	\$ 7,150,161	\$ 1,060,483
Less: allowance for uncollectible accounts:				
General Fund				276,900
West Quarter District Fund				100
Ocracoke Special Mosquito Control Fund				900
Total allowance for uncollectible ad valorem taxes receivable				\$ 277,900
Ad valorem taxes receivable - net:				
Governmental Funds				776,988
Fiduciary Funds				5,595
Totals				\$ 782,583
Ad valorem taxes - General Fund				
Reconciling items:				
Interest collected				(86,711)
Property tax collection in Special Revenue and Fiduciary Funds				73,272
Discoveries and adjustments				14,142
Taxes written off				45,072
Total reconciling items				\$ 45,775
Total collections and credits				\$ 7,150,161

Hyde County, North Carolina
Analysis of Current Tax Levy
County - wide Levy
For the Fiscal Year Ended June 30, 2013

	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	\$1,134,197,133	0.640	\$ 7,184,522	\$ 6,933,495	\$ 251,027
Mosquito tax			53,916	53,106	810
Swan Quarter Water Shed			3,893	3,893	-
West Quarter			16,192	16,192	-
Discoveries	52,969	0.640	339	339	-
Abatements	(2,637,813)	0.640	(16,882)	(9,245)	(7,637)
Total property valuation	\$1,131,612,289				
Net levy			\$ 7,241,980	\$ 6,997,780	\$ 244,200
Uncollected taxes at June 30, 2013			435,107	366,948	68,159
Current year's taxes collected			\$ 6,806,873	\$ 6,630,832	\$ 176,041
Current levy collection percentage			93.99%	94.76%	72.09%

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**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***

To the County Council
Hyde County, North Carolina

I have audited in accordance with the 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, the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregated remaining fund information of the Hyde County, North Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statement, which collectively comprises the Hyde County's basic financial statements, and have issued my report thereon dated November 25, 2013. I conducted my 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.

Internal Control Over Financial Reporting

Management of Hyde County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing my audit, I considered Hyde County's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Hyde County's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when 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 misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency or 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.

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My consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be certain deficiencies in internal control over financial reporting described in the accompanying schedule of findings and responses that I consider to be significant deficiencies in internal control over financial reporting, which includes items 13-01 , 13-02, 13-03, 13-04, and 13-05.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hyde County's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 13-06 and 13-07.

Hyde County's Responses to Findings

The County's responses to the findings identified in my audit are described in the accompanying schedule of findings and responses. The County's response was not subjected to the auditing procedures applied in the financial statements, and accordingly, I express no opinion on it.

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Farmville, North Carolina
November 25, 2013

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**Report On Compliance With Requirements Applicable
To Each Major Federal Program And Internal Control
Over Compliance In Accordance With OMB Circular A-133
and the State Single Audit Implementation Act**

To the County Council
Hyde County, North Carolina

Report on Compliance for Each Major Federal Program

I have audited Hyde County, North Carolina's compliance 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 the County's major federal programs for the year ended June 30, 2013. Hyde 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

My responsibility is to express an opinion on compliance for each of Hyde County's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether noncompliance 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 Hyde County's compliance with those requirements and performing such other procedures, as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination on Hyde County's compliance.

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Opinion on Each Major Federal Program

In my opinion, Hyde 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, 2013.

Other Matters

The results of my auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 13-06 and 13-07. My opinion on each major federal program is not modified with respect to these matters.

Hyde County's response to the noncompliance findings identified in my audit is described in the accompanying schedule of findings and questioned costs. Hyde County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

Report on Internal Control Over Compliance

Management of Hyde 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 my audit of compliance, I considered Hyde County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the 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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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.

My 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 significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, I identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 13-06 and 13-07 that I consider to be a significant deficiency.

The County's response to the internal control over compliance findings identified in my audit is described in the accompanying schedules of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, I express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of my 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.

A handwritten signature in black ink that reads "Andrew Hain, CPA". The signature is written in a cursive style with a large initial 'A'.

Farmville, North Carolina
November 25, 2013

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**Report On Compliance With Requirements Applicable
To Each Major State Program And Internal Control Over
Compliance In Accordance With OMB Circular A-133
And the State Single Audit Implementation Act**

To the County Council
Hyde County, North Carolina

Report on Compliance for Each Major Federal Program

I have audited Hyde County, North Carolina's compliance 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 the Authority's major federal programs for the year ended June 30, 2013. Hyde 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

My responsibility is to express an opinion on compliance for each of Hyde County's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether noncompliance 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 Hyde County's compliance with those requirements and performing such other procedures, as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination on Hyde County's compliance.

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Opinion on Each Major Federal Program

In my opinion, Hyde 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, 2013.

Report on Internal Control Over Compliance

Management of Hyde 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 my audit of compliance, I considered the Hyde County's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing my 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, I do not express an opinion on the effectiveness of the 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, noncompliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance 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.

My 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 significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my 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.



Farmville, North Carolina
November 25, 2013

**Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant Deficiency(s) identified that are not considered to be material weaknesses Yes None Reported

Noncompliance material to financial statements noted Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant Deficiency(s) identified that are not considered to be material weaknesses Yes None Reported

Type of auditor’s report issued on compliance for major federal programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 Yes No

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
10.551 and 10.561	Supplemental Nutrition Assistance Program Cluster
14.228	Community Development Block Grant
93.778	Medicaid
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B Programs \$300,000

Auditee qualified as low-risk auditee? Yes No

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section II – Financial Statement Findings

Significant Deficiencies

Finding: 13 – 01 Account Reconciliations

Criteria: The County should appropriately reconcile all general ledger accounts monthly.

Condition: The County did not reconcile various general ledger accounts during the fiscal year.

Effect: The County’s account receivables, taxes receivables, other receivables, and fund balance were materially incorrect at year end in both the governmental activities and business-type activities.

Cause: At year end, the County did not have a closing process in place to reconcile the various balance sheet items and material income statement accounts. In previous years, the County relied on the auditor to reconcile material balance sheet and income statement items at year end.

Recommendation: The County should reconcile the general ledger accounts to supporting documentation on a monthly basis or consider hiring a fee accountant to assist staff with reconciling general ledger accounts.

Views of responsible officials:
 The County agrees with this finding.

Corrective action: The County will implement procedures to reconcile material general ledger accounts on a monthly basis.

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding: 13 – 02 Segregation of Duties

Criteria: Duties should be segregated to provide reasonable assurance that transactions are handled appropriately.

Condition: There is a lack of segregation of duties among County personnel in the following areas: revenues, receipts, and receivables for both the governmental funds and the proprietary funds.

Effect: Transactions could be mishandled.

Cause: There is a limited number of personnel for certain functions.

Recommendation: The duties should be segregated as much as possible and alternative controls should be used to compensate for lack of separation. The governing board should provide some of these controls.

Views of responsible officials:
The County agrees with this finding.

Corrective action: The County will continue to review procedures to improve internal controls in each department.

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding: 13 – 03	USDA Loan Requirement
Criteria:	Entities with loans from the United States Department of Agriculture (“USDA”) requiring a savings account should maintain a separate savings account for the required reserve.
Condition:	The County does not have enough cash in its required reserve account.
Effect:	The County has not followed loan requirements established by the USDA.
Cause:	The County did not transfer enough cash during the year to meet the annual loan reserve requirement.
Recommendation:	The County should transfer enough cash during the year to meet the loan reserve requirement.
Views of responsible officials:	The County agrees with this finding.
Corrective action:	The County will transfer the appropriate amount of cash annually to meet the requirements established by the USDA.

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding: 13 – 04 Budget Violation

Criteria: G.S. 159-8(a) states that all moneys received and expended by a local government or public authority should be included in the budget ordinance.

Condition: Hyde County expended more for the Swan Quarter Dike Fund, Qualified School Construction Bond Fund, CDBG Revitalization Strategy Fund, and Engelhard Water Treatment Plant Fund than appropriated in the capital project budget ordinance in the amount of \$88,921, \$66,550, \$90,788, and \$6,990, respectively. Overexpenditures occurred in the Hurricane Irene Fund, E-911 Fund, Water and Sewer Fund, and various activities in the General Fund.

Effect: Monies were spent that had not been appropriated.

Cause: The County did not properly adopt budget amendments in each fund as revenues were received, change orders occurred during the project, or expenditures were overspent.

Recommendation: Budget amendments should be adopted when revenues are received that exceed estimated revenues in the budget ordinance prior to expending the funds.

Views of responsible officials:
The County agrees with this finding. Budget amendments will be adopted prior to making expenditures that exceed budgeted amounts.

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding: 13 – 05 Deficit Fund Balance

Criteria: The County should maintain a positive fund balance in each of its funds.

Condition: The County has five funds with a negative fund balance, HMGP – Isabel Elevation Project Fund, Senior Center Fund, Mattamuskeet Opportunities Fund, Wanchese Seafood Industrial Park Fund, PDM Program Fund, and CAPS / Personal Care Chore Health Fund.

Effect: Various of the County’s funds have a deficit fund balance. The General Fund advances money to each of the funds to pay expenditures of each of the funds.

Cause: A portion of the County’s General Fund fund balance is restricted due to the amount of expenditures paid in each fund in the prior fiscal years from the General Fund. The restricted fund balance has a negative impact on unassigned fund balance.

Recommendation: The County should be more aware of spending in each of the funds to reduce the negative impact on unassigned fund balance in the General Fund.

Views of responsible officials:

The County agrees with this finding. The County will be more aware of future spending to ensure that these funds do not absorb the General Fund unassigned fund balance in the future.

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Section III – Federal Award Findings and Questioned Costs

Centers for Medicare and Medicaid Services

Passed through the NC Dept. of Health and Human Services

Program Name: Medical Assistance Program

CFDA # 93.778

Finding: 13 – 06

SIGNIFICANT DEFICIENCY

Eligibility

Criteria: In accordance with Medicaid for the Aged, Blind, and Disabled eligibility guidelines, the requirement applicable in this case, the case record should contain documentation that tax records and Register of Deeds were checked to verify if the individual owns property. In addition, the applicant's file should contain evidence that their State Residence was verified.

Condition: Five of the sixty files examined did not have tax records and/or State Residence documentation that were properly verified.

Questioned Costs: \$0; All eligibility requirements were met upon subsequent review of property records. All recipients were still eligible after the subsequent review.

Context: I examined sixty case records and determined that five applicants did not have evidence that tax records or State Residence were properly verified.

Effect: Case record was incomplete.

Cause: During its review of files, the department did not verify that the supporting documentation for this program's eligibility guidelines was included in the appropriate case record.

Recommendation: Case records should be reviewed to determine if the eligibility guideline documentation is complete.

Views of responsible officials and planned corrective actions:

The County agrees with the finding and will implement adequate review procedures to ensure that this problem does not recur.

**Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013**

Section III – Federal Award Findings and Questioned Costs

Reporting Requirements

Finding: 13 – 07 Data Collection Form

SIGNIFICANT DEFICIENCY

Criteria: Entities required to have a Single Audit performed should complete the Data Collection Form and file it with the Single Audit Clearinghouse within 9 months of the year end.

Condition: The County has not completed a Data Collection Form for the years ended June 30, 2009, 2010, 2011, 2012, and 2013.

Questioned Costs: \$0; This is a reporting issue that will be corrected.

Effect: The County has not followed reporting guidelines.

Cause: The County was unaware of this requirement.

Recommendation: The County should complete the Data Collection Form for the fiscal year ended June 30, 2013 as soon as the audit engagement is complete.

Views of responsible officials:
 The County agrees with this finding.

Corrective action: The County will complete the required Data Collection Form for the fiscal year ended June 30, 2009, 2010, 2011, 2012, and 2013.

**Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013**

Section IV – State Award Findings and Questioned Costs

None reported

**Hyde County, North Carolina
Corrective Action
For the Fiscal Year Ended June 30, 2013**

Section II – Financial Statement Findings

Significant Deficiency

Finding: 13-01

Name of contact person: William Rich, County Manager

Corrective action: The County agrees with the finding will implement procedures and processes to reconcile material general ledger accounts on a periodic basis.

Proposed Completion Date: The board will implement this procedure immediately.

Finding: 13-02

Name of contact person: William Rich, County Manager

Corrective Action: The County agrees with the finding and will segregate duties as much as possible and alternative controls will be used to compensate for lack of separation.

Proposed Completion Date: The board will implement this procedure immediately.

Finding: 13-03

Name of contact person: William Rich, County Manager

Corrective Action: The County agrees with the finding and will establish a savings account at a bank and make the required deposits annually to meet the requirements established by the USDA.

Proposed Completion Date: The board will implement this procedure immediately.

Finding: 13-04

Name of contact person: William Rich, County Manager

Corrective Action: In the future, the Town will prepare budget amendments will be adopted prior to making expenditures that exceed budgeted amounts.

Proposed Completion Date: The board will implement the above procedure immediately.

Hyde County, North Carolina
Corrective Action
For the Fiscal Year Ended June 30, 2013

Section II – Financial Statement Findings

Finding: 13-05

Name of contact person: William Rich, County Manager

Corrective Action: The County will be more aware of future spending to ensure that these funds do not absorb the General Fund unassigned fund balance in the future.

Proposed Completion Date: The board will implement the above procedure immediately.

Section III – Federal Award Findings and Questioned Costs

Significant Deficiencies

Finding: 13-06

Name of contact person: William Rich, County Manager

Corrective Action: The County agrees with the finding and will implement adequate review procedures to ensure that this problem does not recur.

Proposed Completion Date: The board will implement this procedure immediately.

Finding: 13-07

Name of contact person: William Rich, County Manager

Corrective Action: The County agrees with the finding and will complete the required Data Collection Form for the fiscal year ended June 30, 2009, 2010, 2011, 2012 and 2013.

Proposed Completion Date: The board will implement this procedure immediately.

**Hyde County, North Carolina
Corrective Action
For the Fiscal Year Ended June 30, 2013**

Section IV – State Award Findings and Questioned Costs

None reported.

Hyde County, North Carolina
Summary Schedule of Prior Year Audit Findings
For the Fiscal Year Ended June 30, 2013

- Finding: 12-01 Account Reconciliations
- Status: The County should reconcile the general ledger accounts to supporting documentation on a periodic basis. Ongoing.
- Finding: 12-02 Segregation of Duties
- Status: Duties are being separated as much as possible and alternative controls are being implemented to compensate for lack of separation. The Board is becoming more involved in providing some of these controls. Ongoing.
- Finding: 12-03 USDA Loan Requirement
- Status: Corrected.
- Finding: 12-04 Budget Violations
- Status: There were several budget violations in the current fiscal year.
- Finding: 12-05 Medicaid for the Aged, Blind, and Disabled Eligibility Guidelines
- Status: Case records should be reviewed to determine if the eligibility guideline documentation is complete.
- Finding: 12-06 Data Collection Form
- Status: The County should complete the Data Collection Form for the fiscal years ended June 30, 2009, 2010, 2011, 2012 and 2013 as soon as the audit engagement is complete.

Hyde County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2013

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Federal (Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Local</u> <u>Expenditures</u>
Federal Awards:				
<u>U.S. Dept. of Agriculture</u>				
<u>Food and Nutrition Service</u>				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Administration:				
<u>Food Stamp Cluster:</u>				
State Administrative Matching Grants for				
the Supplemental Nutrition Assistance Program	10.561	107,264	-	107,264
Total Food Stamp Cluster		<u>107,264</u>	<u>-</u>	<u>107,264</u>
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Administration:				
Special Supplemental Nutrition Program for				
Women, Infants, & Children (WIC)	10.557	30,504	-	-
Direct Benefit Payments:				
Special Supplemental Nutrition Program for				
Women, Infants, & Children (WIC)	10.557	85,203	-	-
Total U.S. Dept. of Agriculture		<u>222,971</u>	<u>-</u>	<u>107,264</u>
<u>U.S. Dept. of Housing and Urban Development</u>				
<u>Office of Community Planning and Urban Development</u>				
Passed-through N.C. Dept of Commerce:				
Division of Community Investment and Assistance:				
NC Small Cities CDBG and Neighborhood Stabilization Program	14.228	490,734	-	-
Total Community Development Block Grant Small Cities		<u>490,734</u>	<u>-</u>	<u>-</u>
Total U.S. Dept. of Housing and Urban Development		<u>490,734</u>	<u>-</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>				
<u>Administration on Aging:</u>				
NC Division of Aging and Adult Services				
Passed through the Albemarle Commission:				
Aging Cluster:				
Special Programs for Aging - Title III	93.045	18,142	-	-
Division of Social Services:				
Adoption / foster care	N/A	709	1,379	1,291
TANF	93.558	597	-	-
In-home Services	93.667	2,656	-	379
Crisis Intervention Payments	93.568	41,446	-	-
Family Preservation	93.556	84	-	-
CSE Incentive Recovery	93.563	200	470	103
IV-D Administration	96.563	92,661	-	47,734
Work First	93.558	52,696	-	18,784
Low-income energy assistance	93.568	23,857	-	-
Social Services block grant	93.667	43,831	5,078	16,136
Total Administration for Children and Families		<u>258,737</u>	<u>6,927</u>	<u>84,427</u>

Hyde County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2013

Grantor/Pass-through <u>Grantor/Program Title</u>	Federal CFDA <u>Number</u>	Fed. (Direct & Pass-through) <u>Expenditures</u>	State <u>Expenditures</u>	Local <u>Expenditures</u>
<u>Centers for Medicare and Medicaid Services</u>				
Passed-through N.C. Dept. of Health and Human Services:				
Division of Social Services:				
NC Health Choice	93.767	13,718	268	4,106
MA Expansion	93.778	7,128	7,128	-
MA Vehicle Expense	93.778	10,309	5,441	-
Medical Transportation Service	93.778	77,782	21,044	37,964
Medical Assistance	93.778	175,308	-	175,308
Direct Benefit Payments:				
TANF Payments and Penalties	93.558	30,247	32	32
Total Centers for Medicare and Medicaid Services		<u>314,492</u>	<u>33,913</u>	<u>217,410</u>
<u>Centers for Medicare and Medicaid Services</u>				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Medical Assistance:				
Direct Benefit Payments:				
Medical Assistance Program	93.778	4,937,577	2,902,462	573
<u>Subsized Child Care (Note 3)</u>				
<u>Child Care Development Fund Cluster:</u>				
Division of Social Services:				
Child Care Development Fund - Administration	93.596	56,410	-	-
Division of Child Development:				
Child Care Development Fund Block Grant	93.575	48,730	-	-
Child Care Development Fund - Mandatory	93.596	23,868	-	-
Child Care Development Fund - Match	93.596	11,192	3,306	-
Total Child Care Development Fund Cluster		<u>140,200</u>	<u>3,306</u>	<u>-</u>
Foster Care Title IV-E	93.658	1,349	631	-
Temporary Assistance For Needy Families	93.558	30,747	-	-
Social Services Block Grant	93.667	300	-	-
State Appropriations	N/A	-	4,841	-
TANF-MOE	N/A	-	10,573	-
Smart Start	N/A	-	1,045	-
Total Subsidized Child Care (Note 3)		<u>172,596</u>	<u>20,396</u>	<u>-</u>
<u>Centers for Disease Control</u>				
Passed through N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Immunization Program / Aid to County Funding	93.268	4,281	-	-
Public Health Emergency Preparedness	93.069	43,859	-	-
Prevention - Investigations And Technical Assistance	93.283	494	-	-
Statewide Health Promotion Program	93.991	9,640	-	-
Comprehensive Breast and Cervical Cancer	93.919	3,700	7,650	-

Hyde County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2013

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>Health Resources and Services Administration</u>				
Passed through N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Maternal and child health block grant	93.994	33,539	25,157	-
State Health Access Program	93.256	2,199	-	-
Family Planning Services	93.217	18,857	-	-
Total U.S. Dept of Health and Human Services		5,818,113	2,996,505	302,410
<u>U.S. Dept. of Homeland Security</u>				
Passed through N.C. Dept of Public Safety:				
Division of Emergency Management:				
Federal Disaster Assistance	97.048	72,374	24,125	-
Pre-Disaster Mitigation Program	97.047	39,216	-	-
Total U.S. Dept of Homeland Security		111,590	24,125	-
U.S. Department of Transportation				
Passed through N.C. Department of Transportation				
Airport Improvement Program	20.106	399,614	-	-
Total U.S. Department of Transportation		399,614	-	-
Total federal awards		7,043,022	3,020,630	409,674
State Awards:				
<u>N.C. Dept. of Health and Human Services</u>				
Division of Social Services:				
Workfirst non-reimbursable		-	-	10,754
County Funded Programs		-	-	380,709
State / County Special Assistance		-	-	9,050
Total Division of Social Services		-	-	400,513
Direct Benefit Payments:				
State / County Special Assistance Domiciliary Care		-	43,812	44,880
CWS Adoption Subsidy		-	11,412	3,804
Total Division of Social Service		-	55,224	48,684
Division of Public Health				
General		-	71,630	-
Communicable Disease		-	11,044	-
Tuberculosis		-	1,026	-
Healthy Communities		-	2,839	-
TB Medical Service		-	540	-
Mosquito - Public Health Pesticide		-	3,147	-
Environmental Health		-	4,000	-
WHSF		-	240	-
Risk Reduction/Health Promotion		-	6,206	-
Total Division of Public Health		-	100,672	-
Total N.C. Dept of Health and Human Services		-	155,896	449,197
<u>N.C. Dept. of Transportation</u>				
Division of Public Transportation: 147				
Elderly & Disabled Transportation Assistance		-	42,207	-
Rural General Public		-	42,833	-
Work First Transitional / Employment Transportation Asst.		-	5,083	-

Hyde County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2013

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>Fed. (Direct &</u> <u>Pass-through)</u> <u>Expenditures</u>	<u>State</u> <u>Expenditures</u>	<u>Local</u> <u>Expenditures</u>
<u>N.C. Dept. of Commerce</u>				
Division of Policies and Programs:				
NC Tomorrow Grant		-	49,985	-
Total N.C. Dept. of Commerce		-	49,985	-
Total State awards		-	296,004	449,197
Total federal and State awards		7,043,022	3,316,634	858,871

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 Hyde 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 this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefits payments are paid directly to recipients and are not included in the County's 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. 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.