

Hyde County, North Carolina

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

For the Fiscal Year Ended June 30, 2014

Hyde County, North Carolina
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June 30, 2014

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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, 2014, 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, 2014, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in 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 56 through 59, 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 January 15, 2015 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.

Handwritten signature of Andrew Harris, CPA PLLC

Farmville, North Carolina
January 15, 2015

Management's Discussion and Analysis

**Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2014**

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, 2014. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

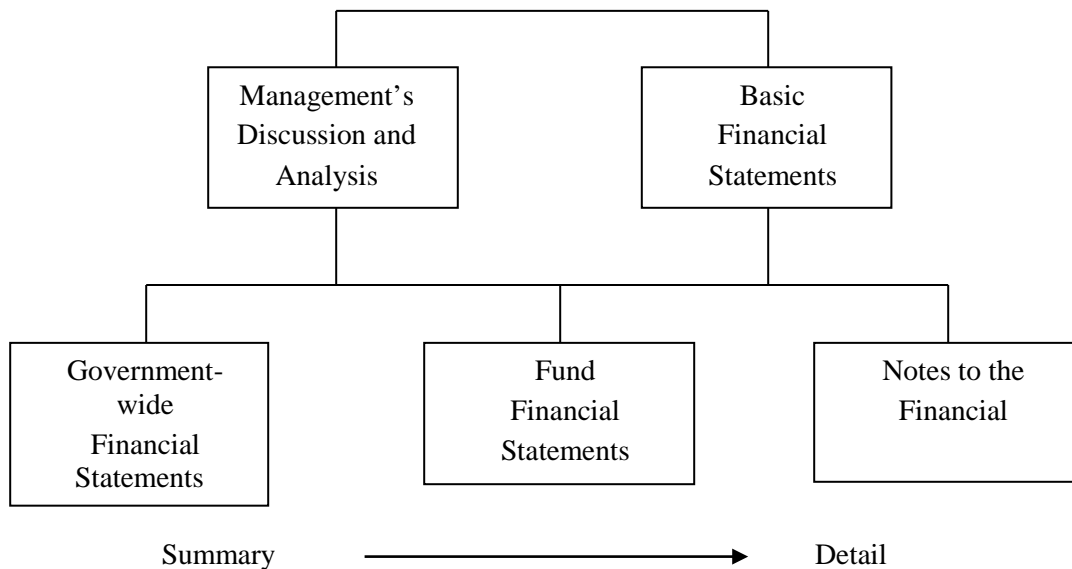
- The assets of the Hyde County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$39,927,631 (net position).
- The government's total net position increased by \$583,964, primarily due to increased net position in the governmental activities.
- At the close of the current fiscal year, the Hyde County's governmental funds reported combined ending fund balances of \$8,784,852, after a net increase in fund balance of \$820,560. Approximately 47.64 percent of this total amount, or \$4,185,188, 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 \$4,292,016, or 37.35 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, 2014

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, 2014

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 22 of this report.

**Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2014**

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 \$39,927,631 as of June 30, 2014. The County's net position increased by \$563,430 for the fiscal year ended June 30, 2014. One of the largest portions \$28,827,170 (72.20%) 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 \$1,827,736 (4.58%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$9,272,725 (23.22%) is unrestricted.

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

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 11,339,299	\$ 10,849,381	\$ 1,659,551	\$ 1,552,113	\$ 12,998,850	\$ 12,401,494
Capital assets	25,748,702	25,621,750	12,149,496	12,528,504	37,898,198	38,150,254
Total Assets	<u>\$ 37,088,001</u>	<u>\$ 36,471,131</u>	<u>\$ 13,809,047</u>	<u>\$ 14,080,617</u>	<u>\$ 50,897,048</u>	<u>\$ 50,551,748</u>
Long-term liabilities						
outstanding	\$ 6,638,134	\$ 6,951,271	\$ 3,187,639	\$ 3,311,283	\$ 9,825,773	\$ 10,262,554
Other liabilities	666,202	448,131	171,054	169,392	837,256	617,523
Total Liabilities	<u>\$ 7,304,336</u>	<u>\$ 7,399,402</u>	<u>\$ 3,358,693</u>	<u>\$ 3,480,675</u>	<u>\$ 10,663,029</u>	<u>\$ 10,880,077</u>
Deferred inflows of resources	306,388	328,005	-	-	306,388	328,005
Net position:						
Net investment in capital assets	\$ 19,812,328	\$ 19,321,389	\$ 9,014,842	\$ 9,271,104	\$ 28,827,170	\$ 28,592,493
Restricted	1,802,327	1,479,816	25,409	18,009	1,827,736	1,497,825
Unrestricted	7,862,622	-	1,410,103	1,310,829	9,272,725	1,310,829
Total Net Position	<u>\$ 29,477,277</u>	<u>\$ 20,801,205</u>	<u>\$ 10,450,354</u>	<u>\$ 10,599,942</u>	<u>\$ 39,927,631</u>	<u>\$ 31,401,147</u>

Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2014

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 94.44% compares unfavorably with the State-wide average of 95.13% and compares favorably to the prior year.

Hyde County's Changes in Net Assets
Figure 3

	Governmental Activities		Business Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues:						
Charges for services	\$ 1,428,957	\$ 1,723,322	\$ 1,667,416	\$ 1,581,658	\$ 3,096,373	\$ 3,304,980
Operating grants and contributions	2,774,467	2,588,522	-	-	2,774,467	2,588,522
Capital grants and contributions	411,141	152,464	-	-	411,141	152,464
General Revenues:						
Property taxes	7,291,091	7,233,235	-	-	7,291,091	7,233,235
Other taxes	2,295,118	2,394,838	-	-	2,295,118	2,394,838
Investment earnings	47,583	42,646	3,405	3,396	50,988	46,042
Other	1,007,444	158,853	-	-	1,007,444	158,853
Total Revenues	\$ 15,255,801	\$ 14,293,880	\$ 1,670,821	\$ 1,585,054	\$ 16,926,622	\$ 15,878,934
Expenses:						
General government	\$ 1,932,297	\$ 1,845,333	\$ -	\$ -	1,932,297	\$ 1,845,333
Public safety	4,293,120	3,632,210	-	-	4,293,120	3,632,210
Transportation	284,195	835,877	-	-	284,195	835,877
Economic and physical development	1,648,143	1,774,917	-	-	1,648,143	1,774,917
Human services	3,301,377	3,306,683	-	-	3,301,377	3,306,683
Cultural and recreation	169,234	156,013	-	-	169,234	156,013
Environmental protection	1,139,116	1,108,945	-	-	1,139,116	1,108,945
Education	1,597,182	1,541,716	-	-	1,597,182	1,541,716
Interest on long-term debt	157,583	245,854	-	-	157,583	245,854
Water and sewer	-	-	1,820,411	1,942,438	1,820,411	1,942,438
Total Expenses	\$ 14,522,247	\$ 14,447,548	\$ 1,820,411	\$ 1,942,438	\$ 16,342,658	\$ 16,389,986
Increase (decrease) in net assets	733,554	(153,668)	(149,590)	(357,384)	583,964	(511,052)
Net Position, beginning as stated	28,743,723	28,897,392	10,599,944	10,957,326	39,343,667	39,854,718
Net Position, June 30	\$ 29,477,277	\$ 28,743,724	\$ 10,450,354	\$ 10,599,942	\$ 39,927,631	\$ 39,343,666

Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2014

Governmental activities. Governmental activities increased the County's net position by \$733,554. Key elements of this decrease include the donation of the East Carolina Bank office in Engelhard for the purpose of Human Services. This donation was valued at \$842,637.

Business-type activities. Business-type activities decreased the County's net position by \$149,590. Key elements of this decrease in related to the depreciation expense that is incurred during the 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 \$4,292,016, while total fund balance reached \$5,777,212. 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 37.35 percent of total General Fund expenditures, while total fund balance represents 50.28 percent of that same amount.

At June 30, 2014 the governmental funds of Hyde County reported a combined fund balance of \$8,784,852, a 10.30 percent increase over last year. The primary reason for this increase is the increase in revenues and decrease in 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 \$1,410,103. The total change in net position the Water and Sewer Fund was \$(149,590). 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, 2014**

Capital Asset and Debt Administration

Capital assets. Hyde County's capital assets for its governmental and business – type activities as of June 30, 2014, totals \$37,870,588 (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:

- Donation of East Carolina Bank Office Building for the use of Human Services
- Completion of the Wanchese Seafood Industrial Park and Qualified School Construction Bond Projects

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

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	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ -	\$ -	\$1,730,654	\$1,837,400	\$ 1,730,654	\$ 1,837,400
Revenue bonds	-	-	1,404,000	1,420,000	1,404,000	1,420,000
Installment purchase	3,534,220	3,698,028	-	-	3,534,220	3,698,028
Compensated absences	273,034	270,788	52,985	53,883	326,019	324,671
Net pension obligation	118,400	111,206	-	-	118,400	111,206
Other postemployment benefits	310,326	268,916	-	-	310,326	268,916
Qualified school construction bonds	2,402,154	2,602,333	-	-	2,402,154	2,602,333
Total	\$6,638,134	\$6,951,271	\$3,187,639	\$3,311,283	\$ 9,825,773	\$10,262,554

Hyde County's total debt decreased by \$436,781 (4.26 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 \$81,464,089.

Hyde County, North Carolina
Management's Discussion and Analysis
For the Year Ended June 30, 2014

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.
- 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, 2014

	Primary Government			Component Unit
	Governmental Activities	Business- type Activities	Total	Hyde County ABC Board
Assets				
Cash and cash equivalents	\$ 8,913,972	\$ 862,118	\$ 9,776,090	\$ 51,676
Receivables (net)	1,886,895	489,318	2,376,213	-
Due from other governments	342,286	152,183	494,469	-
Inventories	-	-	-	49,905
Due from board member	-	-	-	2,723
Restricted cash and cash equivalents	196,146	155,932	352,078	-
Capital Assets:				
Land, improvements, and construction in progress	2,303,081	540,037	2,843,118	-
Other capital assets, net of depreciation	23,445,621	11,609,459	35,055,080	13,002
Total Capital Assets	\$ 25,748,702	\$ 12,149,496	\$ 37,898,198	\$ 13,002
Total Assets	\$ 37,088,001	\$ 13,809,047	\$ 50,897,048	\$ 117,306
Liabilities				
Accounts payable and accrued expenses	\$ 666,202	\$ 40,531	\$ 706,733	\$ 99,792
Customer deposits	-	130,523	130,523	-
Long-term liabilities:				
Due within one year	667,215	177,164	844,379	3,611
Due in more than one year	5,970,919	3,010,475	8,981,394	5,742
Total Long-term Liabilities	\$ 6,638,134	\$ 3,187,639	\$ 9,825,773	\$ 9,353
Total Liabilities	\$ 7,304,336	\$ 3,358,693	\$ 10,663,029	\$ 109,145
Deferred Inflows of Resources	\$ 306,388	\$ -	\$ 306,388	\$ -
Net Position				
Net investment in capital assets	\$ 19,812,328	\$ 9,014,842	\$ 28,827,170	\$ 3,649
Restricted for:				
State statute	786,179	-	786,179	-
Debt service	135,851	25,409	161,260	-
Register of Deeds	36,295	-	36,295	-
Other purposes	24,000	-	24,000	19,529
Economic and physical development	782,600	-	782,600	-
Transportation	9,617	-	9,617	-
Unrestricted (deficit)	7,890,407	1,410,103	9,300,510	(15,017)
Total Net Position	\$ 29,477,277	\$ 10,450,354	\$ 39,927,631	\$ 8,161

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, 2014**

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	\$ 1,932,297	\$ 52,350	\$ -	\$ -	\$ (1,879,947)	\$ -	\$ (1,879,947)	
Public safety	4,293,120	642,043	117,980	250,000	(3,283,097)	-	(3,283,097)	
Transportation	284,195	66,089	-	17,622	(200,484)	-	(200,484)	
Economic and physical development	1,648,143	1,572	725,290	-	(921,281)	-	(921,281)	
Human services	3,301,377	618,078	1,612,114	14,000	(1,057,185)	-	(1,057,185)	
Cultural and recreation	169,234	33,170	13,228	-	(122,836)	-	(122,836)	
Environmental protection	1,139,116	15,655	305,855	73,554	(744,052)	-	(744,052)	
Education	1,597,182	-	-	55,965	(1,541,217)	-	(1,541,217)	
Interest on long-term debt	157,583	-	-	-	(157,583)	-	(157,583)	
Total Governmental Activities	\$ 14,522,247	\$ 1,428,957	\$ 2,774,467	\$ 411,141	\$ (9,907,682)	\$ -	\$ (9,907,682)	
Business-type Activities:								
Water and sewer	1,820,411	1,667,416	-	-	-	(152,995)	(152,995)	
Total Business-type Activities	\$ 1,820,411	\$ 1,667,416	\$ -	\$ -	\$ -	\$ (152,995)	\$ (152,995)	
Total Primary Government	\$ 16,342,658	\$ 3,096,373	\$ 2,774,467	\$ 411,141	(9,907,682)	(152,995)	(10,060,677)	
Component Unit:								
ABC Board	-	-	-	-				17,388
Total Component Units	\$ -	\$ -	\$ -	\$ -				\$ 17,388
General Revenues:								
Taxes:								
Property taxes, levied for general purpose					\$ 7,291,091	\$ -	\$ 7,291,091	\$ -
Local option sales tax					1,622,419	-	1,622,419	-
Other taxes and licenses					672,699	-	672,699	-
Investment earnings, unrestricted					47,583	3,405	50,988	18
Donated assets					842,637	-	842,637	-
Miscellaneous, unrestricted					144,273	-	144,273	(1,585)
Gain on sale of capital assets					20,534	-	20,534	-
Total General Revenues, Special Items, And Transfers					\$ 10,641,236	\$ 3,405	\$ 10,644,641	\$ (1,567)
Change In Net Position					733,554	(149,590)	583,964	15,821
Net position, beginning					28,743,723	10,599,944	39,343,667	(7,660)
Net position, ending					\$ 29,477,277	\$ 10,450,354	\$ 39,927,631	\$ 8,161

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

Hyde County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2014

	<u>Major</u>	<u>Non-Major</u>	<u>Total</u>
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 6,313,408	\$ 2,600,564	\$ 8,913,972
Restricted cash	196,146	-	196,146
Receivables, net:			
Property taxes	804,789	2,145	806,934
Accounts	160,276	31,280	191,556
Other	265,711	622,694	888,405
Due from other governments	342,286	-	342,286
Due from other funds	164,895	-	164,895
Total Assets	<u>\$ 8,247,511</u>	<u>\$ 3,256,683</u>	<u>\$ 11,504,194</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 617,128	\$ 49,074	\$ 666,202
Due to other funds	-	164,895	164,895
Total Liabilities	<u>617,128</u>	<u>213,969</u>	<u>831,097</u>
Deferred Inflows of Resources	<u>1,853,171</u>	<u>35,074</u>	<u>1,888,245</u>
Fund Balances:			
Restricted:			
Stabilization by State Statute	\$ 191,174	\$ 622,790	\$ 813,964
Debt service	135,851	-	135,851
Other purposes	24,000	430,861	454,861
Register of Deeds	36,295	-	36,295
Economic and physical development	-	782,600	782,600
Transportation	-	9,617	9,617
Committed:			
Public safety	-	168,112	168,112
Human services	-	789,374	789,374
Environmental protection	337,571	-	337,571
Economic and physical development	-	137,409	137,409
Tax Revaluation	284,666	-	284,666
Cultural and recreation	-	10,848	10,848
Assigned:			
Subsequent year's expenditures	475,639	162,857	638,496
Unassigned:			
Total Fund Balances	<u>\$ 5,777,212</u>	<u>\$ 3,007,640</u>	<u>\$ 8,784,852</u>
Total Liabilities And Fund Balances	<u>\$ 8,247,511</u>	<u>\$ 3,256,683</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	25,748,702
Deferred inflows of resources for taxes	1,581,857
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.	(6,638,134)
Net Position Of Governmental Activities	<u>\$ 29,477,277</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, 2014

	<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	\$ 7,284,563	\$ 19,850	\$ 7,304,413
Local option sales taxes	1,622,419	-	1,622,419
Other taxes and licenses	96,479	414,587	511,066
Unrestricted intergovernmental	144,790	-	144,790
Restricted intergovernmental	2,329,913	990,003	3,319,916
Permits and fees	78,992	-	78,992
Sales and services	524,058	400,441	924,499
Investment earnings	9,513	38,070	47,583
Miscellaneous	143,490	9,223	152,713
Total Revenues	<u>\$12,234,217</u>	<u>\$ 1,872,174</u>	<u>\$ 14,106,391</u>
Expenditures			
Current:			
General government	\$ 1,830,024	\$ 7,137	\$ 1,837,161
Public safety	3,300,624	87,794	3,388,418
Environmental protection	890,744	3,580	894,324
Transportation	51,501	-	51,501
Economic and physical development	417,799	1,175,357	1,593,156
Human services	2,678,526	462,426	3,140,952
Cultural and recreational	43,000	126,235	169,235
Intergovernmental:			
Education	1,536,193	-	1,536,193
Capital outlay	220,549	9,271	229,820
Debt service:			
Principal	363,987	-	363,987
Interest	157,583	-	157,583
Total Expenditures	<u>\$11,490,530</u>	<u>\$ 1,871,800</u>	<u>\$ 13,362,330</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>\$ 743,687</u>	<u>\$ 374</u>	<u>\$ 744,061</u>
Other Financing Sources (Uses)			
Transfers from other funds	\$ 25,791	\$ 151,205	\$ 176,996
Transfers to other funds	(151,205)	(25,791)	(176,996)
Proceeds from QZAB	55,965	-	55,965
Sale of capital assets	20,534	-	20,534
Total Other Financing Sources And Uses	<u>\$ (48,915)</u>	<u>\$ 125,414</u>	<u>\$ 76,499</u>
Net Change In Fund Balance	\$ 694,772	\$ 125,788	\$ 820,560
Fund balances, beginning	5,082,440	2,881,852	7,964,292
Fund balances, ending	<u>\$ 5,777,212</u>	<u>\$ 3,007,640</u>	<u>\$ 8,784,852</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, 2014

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

Net changes in fund balances - total governmental funds	\$ 820,560
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	(715,524)
Donated assets not recorded in the fund statements	842,476
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(527,095)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	363,987
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>(50,850)</u>
Total changes in net position of governmental activities	<u><u>\$ 733,554</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, 2014

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues				
Ad valorem taxes	\$ 6,902,033	\$ 6,902,033	\$ 7,284,563	\$ 382,530
Local option sales tax	1,505,000	1,581,000	1,622,419	41,419
Other taxes and licenses	98,600	98,600	96,479	(2,121)
Unrestricted intergovernmental	68,128	68,128	144,790	76,662
Restricted intergovernmental	2,222,682	2,882,632	2,329,913	(552,719)
Permits and fees	59,250	59,700	78,992	19,292
Sales and services	369,105	369,105	524,058	154,953
Investment earnings	10,000	10,000	8,059	(1,941)
Miscellaneous	7,100	88,536	143,490	54,954
Total Revenues	<u>\$ 11,241,898</u>	<u>\$ 12,059,734</u>	<u>\$ 12,232,763</u>	<u>\$ 173,029</u>
Expenditures				
Current:				
General government	\$ 1,747,973	\$ 2,236,242	\$ 1,845,951	\$ 390,291
Public safety	3,459,495	3,674,475	3,451,462	223,013
Environmental protection	900,000	946,078	910,094	35,984
Transportation	95,100	95,100	51,501	43,599
Economic and physical development	505,437	554,619	438,983	115,636
Human services	3,050,526	3,292,993	2,691,776	601,217
Cultural and recreational	43,000	43,000	43,000	-
Intergovernmental:				
Education	1,419,568	1,543,568	1,536,193	7,375
Debt Service:				
Principal retirement	440,837	440,837	363,987	76,850
Interest and other charges	69,242	104,242	157,583	(53,341)
Total Expenditures	<u>\$ 11,731,178</u>	<u>\$ 12,931,154</u>	<u>\$ 11,490,530</u>	<u>\$ 1,440,624</u>
Revenues Over (Under) Expenditures	<u>\$ (489,280)</u>	<u>\$ (871,420)</u>	<u>\$ 742,233</u>	<u>\$ 1,613,653</u>
Other financing sources (uses):				
Transfers from other funds	28,428	353,768	48,928	(304,840)
Transfers to other funds	(135,592)	(136,792)	(201,205)	(64,413)
Proceeds from QZAB	55,965	55,965	55,965	-
Sale of capital assets	70,000	70,000	20,534	(49,466)
Total Other Financing Sources (Uses)	<u>\$ 18,801</u>	<u>\$ 342,941</u>	<u>\$ (75,778)</u>	<u>\$ (418,719)</u>
Revenues And Other Sources Over (Under)	<u>\$ (470,479)</u>	<u>\$ (528,479)</u>	<u>\$ 666,455</u>	<u>\$ 1,194,934</u>
Expenditures And Other Uses	470,479	528,479	-	(528,479)
Fund balance appropriated	-	-	-	-
Net Change In Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>666,455</u>	<u>\$ 666,455</u>
Fund balance, beginning			4,488,519	
Fund Balance, ending			<u>\$ 5,154,974</u>	
A legally budgeted Capital Reserve Fund and Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Investment earnings - Capital Reserve Fund			\$ 693	
Investment earnings - Revaluation Fund			761	
Transfer from general fund			50,000	
Transfer to general fund			(23,137)	
Fund balance, beginning - Capital Reserve Fund			360,016	
Fund balance, beginning - Revaluation Fund			233,905	
Fund Balance, ending (Exhibit 4)			<u>\$ 5,777,212</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, 2014

	Sewer Fund
Assets	
Current Assets:	
Cash and cash equivalents	\$ 862,118
Receivables, net	489,318
Grant receivable	152,183
Restricted cash and cash equivalents	155,932
Total Current Assets	\$ 1,659,551
Noncurrent Assets:	
Capital Assets:	
Land and construction in progress	\$ 540,037
Other capital assets, net of depreciation	11,609,459
Total Capital Assets	\$ 12,149,496
Total Assets	\$ 13,809,047
Liabilities	
Current Liabilities:	
Accounts payable	\$ 40,531
Customer deposits	130,523
Compensated absences	52,985
General obligation bonds payable	124,179
Total Current Liabilities	\$ 348,218
Noncurrent Liabilities:	
General obligation bonds payable	\$ 3,010,475
Total Noncurrent Liabilities	\$ 3,010,475
Total Liabilities	\$ 3,358,693
Net Position	
Net investment in capital assets	\$ 9,014,842
Restricted:	
Debt Service	25,409
Unrestricted	1,410,103
Total Net Position	\$ 10,450,354

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, 2014

	Sewer Fund
Operating Revenues	
Charges for services	\$ 1,631,324
Meter installations	12,498
Miscellaneous	23,594
Total Operating Revenues	\$ 1,667,416
Operating Expenses	
Water and sewer operations	\$ 1,303,323
Depreciation	408,294
Total Operating Expenses	\$ 1,711,617
Operating Income (Loss)	\$ (44,201)
Non-operating Revenues (Expenses)	
Interest and investment revenue	\$ 3,405
Interest expense	(108,794)
Total Nonoperating Revenue (Expenses)	\$ (105,389)
Change In Net Position	\$ (149,590)
Total Net Position, beginning	10,599,944
Total Net Position, ending	\$ 10,450,354

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, 2014

	Water and Sewer Fund
Cash Flows From Operating Activities:	
Cash received from customers	\$ 1,574,765
Cash paid for goods and services	(703,565)
Cash paid to employees for services	(608,514)
Customer deposits received, net	9,520
Other operating revenue	23,594
Net Cash Provided by Operating Activities	\$ 295,800
Cash Flows From Capital and Related Financing Activities:	
Acquisition and construction of capital assets	\$ (29,286)
Principal paid on bond maturities and equipment contracts	(122,744)
Interest paid on bond maturities and equipment contracts	(108,794)
Net Cash Used by Capital and Related Financing Activities	\$ (260,824)
Cash Flows From Investing Activities:	
Interest on investments	\$ 3,405
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 38,381
Cash and Cash Equivalents, beginning	979,669
Cash and Cash Equivalents, ending	\$ 1,018,050
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ (44,201)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	\$ 408,294
Changes In Assets and Liabilities:	
(Increase) decrease in accounts receivable	(69,057)
Increase (decrease) in accounts payable and accrued liabilities	(7,858)
Increase (decrease) in customer deposits	9,520
Increase (decrease) in accrued vacation pay	(898)
Total Adjustments	\$ 340,001
Net Cash Provided by Operating Activities	\$ 295,800

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, 2014

	Total Agency Funds
Assets	
Cash and cash equivalents	\$ 73,864
Taxes receivable	4,633
Total Assets	\$ 78,497
 Liabilities	
Miscellaneous liabilities	\$ 9,290
Deferred revenues	4,633
Accounts payable	64,574
Total Liabilities	\$ 78,497
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, 2014

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, 2014

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 a 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-five legally budgeted funds. The Ocracoke Occupancy Tax, Hurricane Irene Fund, Hydeland Home Health Fund, Mattamuskeet Opportunities Fund, West Quarter Fund, Mainland Occupancy Tax Fund, 4-H Fund, E-911 Fund, Hyde County Senior Center 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 SBEA Hyde Project Fund, CDBG Program

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

Repayment Fund, Swan Quarter Water Shed District Fund, CDBG – Contingency, PDM Program, and Homemaker Fund are reported as nonmajor special revenue funds. The Wanchese Seafood Industrial Park Fund and the Airport Grant Fund are reported as capital projects funds. The Capital Reserve Fund and Revaluation Fund is consolidated in the General Fund in accordance with GASB Statement No. 54.

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.

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 30, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

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

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, 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 annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the following Capital Projects Funds: Wanchese Seafood Industrial Park Fund and Airport Grant Fund and the following Enterprise Capital Projects Fund, 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, CDBG – Contingency Fund, PDM Program Fund, and the Hurricane Irene Fund.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the 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.

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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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. Money in the Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150.

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. 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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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 two items that meet this criterion – prepaid taxes 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.

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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.

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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, 2014**

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 \$20,692,425 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)	\$ 33,139,393
Less accumulated depreciation	<u>(7,390,691)</u>
Net capital assets	\$ 25,748,702
Liabilities for deferred inflows of resources reported in the fund statements but not the government-wide	1,581,857
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	(5,936,374)
Compensated absences	(273,034)
Other postemployment benefits	<u>(428,726)</u>
Total adjustment	<u><u>\$ 20,692,425</u></u>

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

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 \$(87,006) as follows:

Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 209,744
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.	(925,268)
Donated assets not recorded in fund statements	842,476
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	363,987
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	(2,246)
Other postemployment benefits	(48,604)
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	(527,095)
Total Adjustment	\$ (87,006)

II. Stewardship, Compliance, and Accountability

A. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2014, expenditures made in the County’s Ocracoke Occupancy Tax Fund exceeded the authorized appropriations by \$48,843 at the functional level. In the

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

County's Hurricane Irene Fund, expenditures exceeded appropriations at the functional level by \$11,697. In the County's CDBG - Contingency Fund, expenditures exceeded appropriations at the functional level by \$26,339. In the Mattamuskeet Opportunities Fund, the transfer to the General Fund, totaling \$64,820, to close out the Mattamuskeet Opportunities Fund that was not properly budgeted. Management and the Board will more closely review the budget reports to ensure compliance in future years.

B. Deficit Fund Balance or Net Assets of Individual Funds

For the fiscal year ended June 30, 2014, the County's HMGP – Isabel Elevation Project Fund has a deficit fund balance of \$1,000. The County's Hyde County Senior Center Fund has a deficit fund balance of \$33,967. The PDM Program Fund has a deficit fund balance of \$9,350. The CAPS / Personal Care Chore Health Fund has a deficit fund balance of \$40,061. The County's CDBG Contingency Fund has a deficit fund balance of 585. The County's Homemaker Fund has a deficit fund balance of \$6,150. Management and the Board will more closely review fund balances to ensure compliance in future years.

C. Budget Violation

In accordance with section 159-8(a), each local government shall operate under an annual balanced budget ordinance. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balance is equal to appropriations. For the fiscal year ended June 30, 2014, the County's Hurricane Irene Fund budget was not in balance. Budgeted expenditures exceeded budgeted revenues by \$495,176. Management and the Board will more closely review fund budgets to ensure compliance in future years.

In accordance with section 159-8(a), each local government shall operate under an annual balanced budget ordinance. Estimated revenues and appropriations were not budgeted for three nonmajor funds, the Mattamuskeet Opportunities Fund, Revolving Loan Fund, and CDBG Program Repayment Fund. Management and the Board will more closely review fund budgets 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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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, 2014, the County's deposits had a carrying amount of \$10,101,823 and a bank balance of \$10,129,977. Of the bank balance, \$500,000 was covered by federal depository insurance, and \$157,019 in non-interest bearing deposits and \$9,472,958 in interest bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2014, Hyde County had \$264 cash on hand.

At June 30, 2014, the carrying amount of deposits for Hyde County ABC Board was \$51,676 and the bank balance was \$53,062. All of the bank balance was covered by federal depository insurance.

At June 30, 2014, Hyde County ABC Board had \$500 cash on hand.

2. Investments

At June 30, 2014, the County's investments consisted of \$100,209 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, 2014, 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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 639,778	\$ -	\$ 639,778
2011	719,438	-	719,438
2012	814,281	-	814,281
2013	844,202	-	844,202
Total	<u>\$ 2,173,497</u>	<u>\$ -</u>	<u>\$ 2,173,497</u>

4. Receivables

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

	<u>Accounts</u>	<u>Taxes and Related Accrued Interest</u>	<u>Other</u>	<u>Total</u>
Governmental Activities:				
General	\$ 194,403	\$ 1,016,989	\$ 265,711	\$ 1,477,103
Other Governmental	31,280	2,145	622,694	656,119
Total Receivables	<u>\$ 225,683</u>	<u>\$ 1,019,134</u>	<u>\$ 888,405</u>	<u>\$ 2,133,222</u>
Allowance for doubtful accounts	<u>(34,127)</u>	<u>(212,200)</u>	<u>-</u>	<u>(246,327)</u>
Total Governmental Activities	<u>\$ 191,556</u>	<u>\$ 806,934</u>	<u>\$ 888,405</u>	<u>\$ 1,886,895</u>
Business-type Activities:				
Water and Sewer Fund	\$ 764,543	\$ -	\$ -	\$ 764,543
Total Receivables	<u>\$ 764,543</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 764,543</u>
Allowance for doubtful accounts	<u>(275,225)</u>	<u>-</u>	<u>-</u>	<u>(275,225)</u>
Total Business-type Activities	<u>\$ 489,318</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 489,318</u>

The due from other governments that is owed to the County consisted of the following at June 30, 2014:

Governmental Activities:	
Local Option Sales Tax	\$ 220,563
Department of Revenue	121,265
Total Governmental Activities	<u>\$ 341,828</u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

5. Capital Assets

Primary Government

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 2,270,075	\$ 25,000	\$ -	2,295,075
Construction in progress	3,315,214	8,006	3,315,214	8,006
Total Capital Assets Not Being Depreciated	<u>\$ 5,585,289</u>	<u>\$ 33,006</u>	<u>\$ 3,315,214</u>	<u>\$ 2,303,081</u>
Capital Assets Being Depreciated:				
Buildings	\$ 14,730,414	\$ 4,132,690	\$ -	\$ 18,863,104
Computer equipment	245,455	32,530	-	277,985
Equipment	901,845	36,459	-	938,304
Vehicles	1,471,395	129,249	-	1,600,644
Infrastructure	9,152,775	3,500	-	9,156,275
Total Capital Assets Being Depreciated	<u>\$ 26,501,884</u>	<u>\$ 4,334,428</u>	<u>\$ -</u>	<u>\$ 30,836,312</u>
Less Accumulated Depreciation For:				
Buildings	\$ 2,541,600	\$ 372,141	\$ -	\$ 2,913,741
Computer equipment	201,504	15,700	-	217,204
Equipment	527,360	70,205	-	597,565
Vehicles	1,217,875	76,556	-	1,294,431
Infrastructure	1,977,084	390,666	-	2,367,750
Total Accumulated Depreciation	<u>\$ 6,465,423</u>	<u>\$ 925,268</u>	<u>\$ -</u>	<u>\$ 7,390,691</u>
Total Capital Assets Being Depreciated, net	<u>\$ 20,036,461</u>			<u>\$ 23,445,621</u>
Governmental Activity Capital Assets, net	<u>\$ 25,621,750</u>			<u>\$ 25,748,702</u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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

General government	\$ 176,003
Public safety	224,312
Transportation	51,302
Human services	39,699
Environmental protection	12,612
Education	60,989
Economic and physical development	360,351
Total depreciation expense	<u>\$ 925,268</u>

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type Activities:				
Water and Sewer Fund:				
Capital Assets Not Being Depreciated:				
Land	\$ 57,839	\$ -	\$ -	\$ 57,839
Construction in progress	482,198	-	-	482,198
Total Capital Assets Not Being Depreciated	<u>\$ 540,037</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 540,037</u>
Capital Assets Being Depreciated:				
Buildings	\$ 17,484,970	\$ -	\$ -	\$ 17,484,970
Computer equipment	14,917	-	-	14,917
Equipment	267,170	5,707	1,076	271,801
Vehicles	193,394	23,579	-	216,973
Total Capital Assets Being Depreciated	<u>\$ 17,960,451</u>	<u>\$ 29,286</u>	<u>\$ 1,076</u>	<u>\$ 17,988,661</u>
Less Accumulated Depreciation For:				
Buildings	\$ 5,610,329	\$ 376,517	\$ -	\$ 5,986,846
Computer equipment	14,604	83	-	14,687
Equipment	220,723	13,188	1,076	232,835
Vehicles	126,328	18,506	-	144,834
Total Accumulated Depreciation	<u>\$ 5,971,984</u>	<u>\$ 408,294</u>	<u>\$ 1,076</u>	<u>\$ 6,379,202</u>
Total Capital Assets Being Depreciated, net	<u>\$ 11,988,467</u>			<u>\$ 11,609,459</u>
Water Capital Assets, net	<u>\$ 12,528,504</u>			<u>\$ 12,149,496</u>

Construction Commitments

The government has active construction projects as of June 30, 2014. The projects include the HMGP – Hurricane Isabel Elevation Project, the Mattamuskeet Lodge Sewer Project, CDBG – Supplemental Assistance, and the Airport Grant Project Fund. At June 30, 2014, the government’s commitments with contractors are as follows:

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

Project	Spent-to-date	Remaining Commitment
HMGP - Hurricane Isabel Elevation Project	\$ 1,762,502	\$ 1,217,266
Mattamuskeet Lodge Sewer Project	482,198	3,517,802
CDBG - Supplemental Assistance	615,000	25,036
Airport Grant Fund	8,006	151,994
Total	<u>\$ 2,867,706</u>	<u>\$ 4,912,098</u>

Discretely Presented Component Unit

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

	Useful Life	Cost	Accumulated Depreciation	Net
Equipment	3 - 10 yrs	\$ 29,373	\$ 28,961	\$ 412
Vehicle	5 yrs	17,986	5,396	12,590
		<u>47,359</u>	<u>34,357</u>	<u>13,002</u>

B. Liabilities

1. Payables

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

	Vendors	Other	Total
Governmental Activities:			
General	\$ 282,402	\$ 334,726	\$ 617,128
Other Governmental	40,840	8,233	49,073
Total-governmental Activities	<u>\$ 323,242</u>	<u>\$ 342,959</u>	<u>\$ 666,201</u>
Business-type Activities:			
Water and Sewer Fund	40,531	-	40,531
Total Business-type Activities	<u>\$ 40,531</u>	<u>\$ -</u>	<u>\$ 40,531</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.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

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 7.07% and 7.28%, 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, 2014, 2013, and 2012 were \$316,340, \$302,387, and \$311,799, 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, 2014, 2013, and 2012 were \$3,924, \$0, and \$0, respectively. The contributions made by the County equaled the required contributions for each year. During the year, the ABC Board continued to work with LGERS staff to bring the board into compliance. The ABC Board has not made all required contributions for all years.

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, 2013, the Separation Allowance's membership consisted of:

Retirees receiving benefits	\$	-
Terminated plan members entitled to but not yet receiving benefits		-
Active plan members		15
	\$	15

A separate report was not issued for the plan.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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.

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, 2013 was 17 years.

Annual required contribution	\$ 10,694
Interest on net pension obligation	5,560
Adjustment to annual required contribution	(9,060)
Annual Pension Cost	\$ 7,194
Contributions made	-
Increase in net pension obligation	7,194
Net pension obligation beginning of year	111,206
Net Pension Obligation End of Year	\$ 118,400

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

3 Year Trend Information

For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012	9,847	0%	101,716
2013	9,490	0%	111,206
2014	7,194	0%	118,400

4) **Funded Status and Funding Progress**

As of December 31, 2013, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$49,087, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$49,087. The covered payroll (annual payroll of active employees covered by the plan) was \$637,182, and the ratio of the UAAL to the covered payroll was 7.70 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.

c. Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2014 were \$62,457 which consisted of \$31,057 from the County and \$31,400 from the law enforcement officers.

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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.

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, 2014, the County's required and actual contributions were \$325.

f. Other Postemployment Benefit

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

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, 2013, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	\$ 5	\$ -
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	96	14
	\$ 101	\$ 14

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 1.60% 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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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	\$	67,855
Interest on net OPEB obligation		10,757
Adjustment to annual required contribution		(10,276)
Annual OPEB Cost (Expense)	\$	68,336
Contributions made		(26,926)
Increase (Decrease) in Net OPEB Obligation	\$	41,410
Net OPEB Obligation, beginning of year		268,916
Net OPEB Obligation, end of year	\$	<u>310,326</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the HCB Plan, and the net OPEB obligation for 2013 were as follows:

3 Year Trend Information			
For Year Ended	Annual OPEB	Percentage of	Net OPEB
June 30	Cost	Annual OPEB Cost	Obligation
		Contributed	
2013	\$ 92,731	43.80%	\$ 226,287
2014	\$ 87,089	51.10%	\$ 268,916
2015	\$ 68,336	39.40%	\$ 310,326

Funded Status and Funding Progress. As of December 31, 2013, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$763,530, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$763,530. The covered payroll (annual payroll of active employees covered by the plan) was \$4,253,513, and the ratio of UAAL to the covered payroll was 18.0 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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members 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, 2013, 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 7.75 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, 2013, was 30 years.

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:

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

	Unavailable Revenue	Unearned Revenue
Prepaid taxes not yet earned (General)	\$ -	\$ 22,570
Taxes receivable, net (General), less penalties	799,574	-
Taxes receivable, net (Special Revenue)	2,145	-
Grant related proceeds (General)	586,933	-
Grant related proceeds (Special Revenue)	1,745	-
QZAB Bond (General)	-	283,818
Accounts Receivable - Patient fees (General)	160,276	-
Accounts Receivable - Patient fees (Special Revenue)	31,184	-
Total	\$ 1,581,857	\$ 306,388

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 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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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.

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

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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.

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, 2014, including \$1,758,900 of interest, are:

c. 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, 2014

\$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. \$ 1,746,654

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

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 107,179	\$ 48,732
2016	110,063	45,741
2017	113,380	42,671
2018	116,118	39,507
2019	119,284	36,268
2020-2024	644,243	129,500
2025-2029	536,387	37,454
	<u><u>\$ 1,746,654</u></u>	<u><u>\$ 379,873</u></u>

c. Revenue Bonds

\$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% \$ 1,388,000

The County was in compliance with the covenants as to rates, fees, rentals, and charges in Section 5.02 of the Bond Order, authorizing the issuance for the Water and Sewer Revenue Bonds, Series 2011. Section 5.02 of the Bond Order requires the debt service coverage ratio to be no less than 100% of the debt service requirement excluding revenue bonds plus 110% of the revenue bonds debt service requirement.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

Operating revenues	1,667,416
Operating expenses	<u>1,303,323</u>
Operating income	364,093
Nonoperating revenues (expenses)	<u>3,405</u>
Income available for debt service	367,498
Subordinated indebtedness debt service requirement	155,870
110% of Debt service requirement	<u>83,237</u>
100% of Debt service plus 110% of revenue bonds	<u>239,107</u>
Debt service ratio	<u>153.70%</u>

The future payments of the revenue bonds are as follows:

Year Ending June 30	Principal	Interest
2015	\$ 17,000	\$ 58,990
2016	18,000	58,268
2017	18,000	57,503
2018	19,000	56,738
2019	20,000	55,930
2020-2024	115,000	266,050
2025-2029	140,000	239,488
2030-2034	172,000	207,145
2035-2039	212,000	167,365
2040-2044	261,000	118,363
2045-2049	322,000	57,928
2050	74,000	3,145
	<u>\$ 1,388,000</u>	<u>\$ 1,346,913</u>

d. Qualified School Construction Bonds

The County has issued a bond in order to finance school construction.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

\$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.

\$ 2,402,154

Year Ending June 30	Governmental-type Activities	
	Principal	Interest
2015	\$ 200,179	\$ 22,340
2016	200,179	20,478
2017	200,179	18,617
2018	200,179	16,755
2019	200,179	14,893
2020-2024	1,000,897	46,542
2025-2026	400,358	5,585
	\$ 2,402,150	\$ 145,210

At June 30, 2014 Hyde County had a legal debt margin of \$81,464,089.

e. Long-term Obligation Activity

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

	Beginning			Ending	Current
	Balance	Increases	Decreases	Balance	Portion of
					Balance
Governmental Activities:					
Installment purchase	\$3,698,028	\$ -	\$ 163,808	\$3,534,220	\$ 167,076
Qualified school construction bonds	2,602,333	-	200,179	2,402,154	200,179
Compensated absences	270,788	2,246	-	273,034	273,034
Net pension obligation	111,206	7,194	-	118,400	-
Other postemployment benefits	268,916	41,410	-	310,326	26,926
Total Governmental Activities	\$6,951,271	\$ 50,850	\$ 363,987	\$6,638,134	\$ 667,215
Business-type Activities:					
General obligation debt	\$1,853,400	\$ -	\$ 106,746	\$1,746,654	\$ 107,179
Revenue bonds debt	1,404,000	-	16,000	1,388,000	17,000
Compensated absences	53,883	-	898	52,985	52,985
Total Business-type Activities	\$3,311,283	\$ -	\$ 123,644	\$3,187,639	\$ 177,164

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.

C. Interfund Balances and Activity

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

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

From the E-911 Fund to the General Fund to assist with current year expenditures	\$ 25,593
From the Capital Reserve Fund to the General Fund to assist with current year expenditures	23,137
From the General Fund to the Wanchese Seafood Industrial Park Fund to close the fund	793
From the CDBG Jumpstart Hyde Project Fund to the General Fund	198
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 Mattamuskeet Opportunities to close the fund	64,820
From the General Fund to the Senior Center Fund to assist with current year expenditures	85,592
	<u>\$ 250,133</u>

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

From the Hyde County Senior Center to the General Fund for payment of expenditures	\$ 46,513
From the PDM Program Fund to the General Fund for the payment of expenditures	58,248
From the Homemaker Fund to the General Fund for the payment of expenditures	5,870
From the CDBG Contingency Fund to the General Fund for the payment of expenditures	585
From the CAPS/Personal Chore Health Fund to the General Fund for the payment of expenditures	53,678
	<u>\$ 164,894</u>

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.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

Total fund balance - General Fund	\$	5,777,212
Less:		
Stabilization by State Statute		185,959
Debt service		135,851
Other purposes		24,000
Register of Deeds		36,295
Tax Revaluation		284,666
Enviromental protection		337,571
Appropriated Fund Balance in 2012 budget		475,639
Remaining Fund Balance	\$	4,297,231

IV. On-Behalf Payments for Fringe Benefits and Salaries

For the fiscal year ended June 30, 2014, Hyde County has recognized on-behalf payments for pension contributions made by the state as a revenue and an expenditure of \$65,822 for the 184 volunteer firemen who perform firefighting duties for the County's fire departments and on-behalf payments of \$13,594 as a revenue and an expenditure for the 38 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 \$3,872 to the Council during the fiscal year ended June 30, 2014. 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.

**Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014**

	Federal	State
Temporary assistance to needy families	\$ 36,513	\$ -
Medicaid	4,641,095	2,713,119
Children health insurance program - NC Health Choice	89,046	28,094
Food Stamp program	1,378,323	-
Special supplemental nutrition program for Women, Infants, & Children	80,002	-
Adoption assistance	-	11,412
Adult assistance	-	50,320
Total	\$ 6,224,979	\$ 2,802,945

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, 2014, 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.

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

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.

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, 2014, the balance of the County's ADM allocation account was \$38,281. 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, 2014, the balance of the County's Lottery Fund account was \$0. 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, 2014, the Boards have not submitted a grant application to the Commission on School Facility Needs.

X. Economic Dependence

Hyde County, North Carolina
Notes to the Financial Statements
For the Year Ended June 30, 2014

The County receives a substantial amount of revenue each year from the Hyde County Prison. For the year ended June 30, 2014, revenue from the Hyde County Prison represented 36% of the total Water and Sewer Fund revenues.

XI. Date of Management Evaluation

Management has evaluated subsequent events through January 15, 2015, the date on which the financial statements were available to be issued.

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%
12/31/2013	-	49,087	49,087	0.0%	637,182	7.70%

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%
2014	10,694	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	12/31/2013
Actuarial cost method	Projected unit credit
Amortization method	Level dollar closed
Remaining amortization period	17 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate 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%
12/31/2013	-	763,530	763,530	0.0%	4,253,513	18.0%

**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	39.3%
2014	67,855	39.7%

Notes to the Required Schedules:

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

Valuation date	12/31/2013
Actuarial cost method	Projected unit credit
Amortization method	Level 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	7.75% - 5.00%
Year of ultimate trend rate	2019
*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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad Valorem Taxes:			
Taxes		\$ 7,192,840	
Interest		91,723	
Total	<u>\$ 6,902,033</u>	<u>\$ 7,284,563</u>	<u>\$ 382,530</u>
Local Option Sales Taxes:			
Article 39 and 44		\$ 635,287	
Article 40 one - half of one percent		332,021	
Article 42 one - half of one percent		315,006	
Medicaid Hold Harmless payment		340,105	
Total	<u>\$ 1,581,000</u>	<u>\$ 1,622,419</u>	<u>\$ 41,419</u>
Other Taxes and Licenses:			
Real estate stamp excise tax		\$ 40,234	
Scrap tire disposal tax		6,895	
White goods disposal tax		825	
Local occupancy tax		44,339	
Franchise tax - cable tv		3,386	
Beer and wine licenses		800	
Total	<u>\$ 98,600</u>	<u>\$ 96,479</u>	<u>\$ (2,121)</u>
Unrestricted Intergovernmental:			
Payments in lieu of taxes-outside sources		\$ 119,778	
Beer and wine tax		25,012	
Total	<u>\$ 68,128</u>	<u>\$ 144,790</u>	<u>\$ 76,662</u>
Restricted Intergovernmental:			
State grants		\$ 722,991	
Federal grants		137,130	
Social service grants - federal and state		1,195,251	
Other grants		189,007	
On-behalf of payments - Fire and Rescue		79,416	
Unauthorized substance tax		404	
Court facility fees		3,598	
ABC bottles taxes		2,116	
Total	<u>\$ 2,882,632</u>	<u>\$ 2,329,913</u>	<u>\$ (552,719)</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Permits and Fees:			
Building permits		\$ 16,883	
Concealed handgun permits		2,985	
Inspection fees		25,584	
Register of deeds		20,470	
Election filing fees		2,577	
Sheriff fees		9,073	
Private well fees		660	
Code enforcement penalties		750	
Homeownership recovery fee		10	
Total	<u>\$ 59,700</u>	<u>\$ 78,992</u>	<u>\$ 19,292</u>
Sales and Services:			
Rents, concessions, and fees		\$ 81,303	
Jail fees		1,355	
Household garbage collection		11,230	
Ambulance and rescue squad fees		386,910	
Airport gas sales		18,113	
Health department fees		25,147	
Total	<u>\$ 369,105</u>	<u>\$ 524,058</u>	<u>\$ 154,953</u>
Investment Earnings	<u>10,000</u>	<u>8,059</u>	<u>(1,941)</u>
Miscellaneous:			
Insurance claims		\$ 64,408	
Judgment proceeds		60,958	
Donations		622	
Other revenues		17,502	
Total	<u>\$ 88,536</u>	<u>\$ 143,490</u>	<u>\$ 54,954</u>
Total Revenues	<u>\$ 12,059,734</u>	<u>\$ 12,232,763</u>	<u>\$ 173,029</u>
Expenditures			
General Government:			
Governing Body:			
Salaries and employee benefits		\$ 23,285	
Other operating expenditures		3,045	
Total		<u>\$ 26,330</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Administration:			
Salaries and employee benefits		\$ 194,603	
Other operating expenditures		364,528	
Capital outlay		3,180	
Total		\$ 562,311	
Elections:			
Salaries and employee benefits		\$ 29,627	
Other operating expenditures		39,712	
Capital outlay		6,632	
Total		\$ 75,971	
Finance:			
Salaries and employee benefits		\$ 128,006	
Other operating expenditures		22,144	
Capital outlay		1,515	
Total		\$ 151,665	
Human Resources:			
Salaries and employee benefits		\$ 55,871	
Other operating expenditures		9,299	
Capital outlay		2,000	
Total		\$ 67,170	
Taxes:			
Salaries and employee benefits		\$ 140,564	
Other operating expenditures		38,012	
Capital outlay		250	
Total		\$ 178,826	
Legal:			
Contracted services		31,034	
Register of Deeds:			
Salaries and employee benefits		\$ 105,726	
Other operating expenditures		61,508	
Capital outlay		2,350	
Total		\$ 169,584	

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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Public Buildings:			
Salaries and employee benefits		\$ 120,631	
Other operating expenditures		269,098	
Public Safety Center Project		8,800	
ECB Renovations Project		12,908	
Government Center Project		62,387	
Creekside Drive Waterline Project		104,880	
Total		<u>\$ 578,704</u>	
Court Facilities:			
Other operating expenditures		4,356	
Total General Government	<u>\$ 2,236,242</u>	<u>\$ 1,845,951</u>	<u>\$ 390,291</u>
Public Safety:			
Sheriff:			
Salaries and employee benefits		\$ 1,064,935	
Other operating expenditures		159,487	
Capital outlay		63,770	
Total		<u>\$ 1,288,192</u>	
ABC Rehabilitation:			
Other operating expenditures		<u>12,048</u>	
Jail:			
Salaries and employee benefits		\$ 56,294	
Other operating expenditures		109,049	
Total		<u>\$ 165,343</u>	
Emergency Management:			
Salaries and employee benefits		\$ 79,684	
Other operating expenditures		77,030	
Capital outlay		1,844	
Total		<u>\$ 158,558</u>	
Fire:			
Contracted services		<u>249,479</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Inspections:			
Salaries and employee benefits		\$ 100,199	
Other operating expenditures		25,978	
Capital outlay		253	
Total		<u>\$ 126,430</u>	
Rescue:			
Salaries and employee benefits		\$ 1,055,539	
Other operating expenditures		295,774	
Capital outlay		84,971	
Total		<u>\$ 1,436,284</u>	
Animal Control:			
Salaries and employee benefits		\$ 5,382	
Other operating expenditures		7,196	
Total		<u>\$ 12,578</u>	
Medical Examiner:			
Other operating expenditures		2,550	
Total Public Safety	<u>\$ 3,674,475</u>	<u>\$ 3,451,462</u>	<u>\$ 223,013</u>
Environmental Protection:			
Solid Waste:			
Salaries and employee benefits		\$ 336,528	
Other operating expenditures		554,216	
Capital outlay		19,350	
Total Environmental Protection	<u>\$ 946,078</u>	<u>\$ 910,094</u>	<u>\$ 35,984</u>
Transportation:			
Airport:			
Other operating expenditures		51,501	
Total Transportation	<u>\$ 95,100</u>	<u>\$ 51,501</u>	<u>\$ 43,599</u>
Economic and Physical Development:			
Planning:			
Salaries and employee benefits		\$ 108,340	
Other operating expenditures		50,581	
Capital outlay		260	
Total		<u>\$ 159,181</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Agricultural Extension:			
Salaries and employee benefits		\$ 59,277	
Other operating expenditures		19,027	
Capital outlay		1,957	
Total		<u>\$ 80,261</u>	
Swan Quarter Dike Project:			
Capital outlay		18,197	
Total		<u>\$ 18,197</u>	
Juvenile Crime Prevention:			
Salaries and employee benefits		\$ 18,681	
Other operating expenditures		37,192	
Total		<u>\$ 55,873</u>	
Soil and Water Conservation:			
Salaries and employee benefits		\$ 104,325	
Other operating expenditures		20,376	
Capital outlay		770	
Total		<u>\$ 125,471</u>	
Total Economic and Physical Development	<u>\$ 554,619</u>	<u>\$ 438,983</u>	<u>\$ 115,636</u>
Human Services:			
Health:			
Administration:			
Salaries and employee benefits		\$ 129,664	
Other operating expenditures		137,537	
Total		<u>\$ 267,201</u>	
Public Management Entity:			
Other operating expenditures		2,534	
Capital outlay		556	
Total		<u>\$ 3,090</u>	
Communicable Diseases:			
Salaries and employee benefits		\$ 10,028	
Other operating expenditures		1,585	
Total		<u>\$ 11,613</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Immunization:			
Salaries and employee benefits		\$ 4,502	
Other operating expenditures		2,405	
Total		<u>\$ 6,907</u>	
Medical Assistance:			
Salaries and employee benefits		<u>14,677</u>	
Health Promotions - Risk Reduction:			
Salaries and employee benefits		\$ 24,372	
Other operating expenditures		12,052	
Total		<u>\$ 36,424</u>	
Child Health - State:			
Salaries and employee benefits		\$ 5,402	
Other operating expenditures		5,839	
Total		<u>\$ 11,241</u>	
Maternal Health - State:			
Salaries and employee benefits		\$ 16,133	
Other operating expenditures		4,922	
Total		<u>\$ 21,055</u>	
Breast and Cervical Cancer:			
Salaries and employee benefits		\$ 5,070	
Other operating expenditures		10,516	
Total		<u>\$ 15,586</u>	
Food and Lodging:			
Salaries and employee benefits		\$ 31,812	
Other operating expenditures		4,656	
Capital outlay		736	
Total		<u>\$ 36,468</u>	
Women, Infants, and Children:			
Salaries and employee benefits		\$ 29,165	
Other operating expenditures		2,103	
Total		<u>\$ 31,268</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Pregnancy Care Management:			
Salaries and employee benefits		\$ 11,411	
Other operating expenditures		175	
Total		<u>\$ 11,586</u>	
Tobacco Free Hyde			
Other operating expenditures		<u>\$ 6,885</u>	
Environmental Health:			
Salaries and employee benefits		\$ 63,672	
Other operating expenditures		5,868	
Total		<u>\$ 69,540</u>	
Mosquito Control:			
Salaries and employee benefits		\$ 42,410	
Other operating expenditures		5,550	
Total		<u>\$ 47,960</u>	
Adult Health:			
Salaries and employee benefits		\$ 63,852	
Other operating expenditures		12,804	
Capital outlay		309	
Total		<u>\$ 76,965</u>	
Family Planning - State:			
Salaries and employee benefits		\$ 39,704	
Other operating expenditures		19,095	
Capital outlay		199	
Total		<u>\$ 58,998</u>	
Child Service Coordinator - State:			
Salaries and employee benefits		\$ 10,473	
Other operating expenses		238	
Total		<u>\$ 10,711</u>	
Kate B. Reynolds Grant:			
Salaries and employee benefits		\$ 24,621	
Other operating expenses		41,833	
Total		<u>\$ 66,454</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Community Transformation			
Other operating expenditures		\$ 136	
Total		<u>\$ 136</u>	
Mental Health:			
Other operating expenditures		<u>10,914</u>	
Social Services:			
Medical Assistance Program:			
Salaries and employee benefits		\$ 727,368	
Other operating expenditures		194,643	
Capital outlay		6,121	
Total		<u>\$ 928,132</u>	
SBA Home Loans/Grants:			
Transportation		\$ 4,668	
In-Home chore		18,722	
Total		<u>\$ 23,390</u>	
CAPS - Medicaid:			
Salaries and employee benefits		\$ 43,545	
Other operating expenditures		22,832	
Total		<u>\$ 66,377</u>	
Public Assistance:			
Special assistance		\$ 50,702	
Medical assistance		534	
Total		<u>\$ 51,236</u>	
Day Care:			
Salaries and employee benefits		\$ 67,745	
Assistance payments		128,331	
Total		<u>\$ 196,076</u>	
Mattamuskeet Opportunities:			
Salaries and employee benefits		78,175	
Other operating expenditures		62,154	
Total		<u>140,329</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Project Direct Legacy for Men:			
Salaries and employee benefits		1,912	
Other operating expenditures		4,731	
Total		<u>6,643</u>	
Primary Care Telemedicine:			
Salaries and employee benefits		10,842	
Other operating expenditures		14,538	
Capital outlay		962	
Total		<u>26,342</u>	
Triple P Program:			
Salaries and employee benefits		24,040	
Other operating expenditures		85,777	
Capital outlay		2,099	
Total		<u>111,916</u>	
Family Connects:			
Other operating expenditures		504	
Capital outlay		2,268	
Total		<u>2,772</u>	
Services:			
SSBG In-home chore		20,613	
SSBG blind		1,840	
SSBG transportation		84	
Crisis intervention		24,996	
Medicaid transportation		50,765	
IV-B adoption assistance		3,804	
General assistance		2,346	
Personal care equipment		569	
200% of poverty		3,076	
AFDC emergency assistance		5,000	
Hyde county transit		12,992	
LIEAP		46,900	
Other operating expenditures		9,845	
Total		<u>\$ 182,830</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Bioterrorism:			
Other operating expenditures		\$ 1,405	
Total		<u>\$ 1,405</u>	
Elderly Nutrition:			
Other operating expenditures		<u>\$ 30,320</u>	
Transportation:			
Elderly and disabled		\$ 41,645	
Pregnant women and children		9,238	
Work first transportation		50,654	
Total		<u>\$ 101,537</u>	
Veteran's Services:			
Salaries and employee benefits		\$ 5,851	
Other operating expenditures		480	
Total		<u>\$ 6,331</u>	
Private Well Services:			
Salaries and employee benefits		\$ 411	
Other operating expenditures		49	
Total		<u>\$ 460</u>	
Total Human Services	<u>\$ 3,292,993</u>	<u>\$ 2,691,776</u>	<u>\$ 601,217</u>
Cultural and Recreational:			
Cultural contributions		43,000	
Total Culture and Recreation	<u>\$ 43,000</u>	<u>\$ 43,000</u>	<u>\$ -</u>
Education:			
Public schools - current		\$ 1,247,583	
Public schools - capital outlay		288,610	
Total Education	<u>\$ 1,543,568</u>	<u>\$ 1,536,193</u>	<u>\$ 7,375</u>
Debt Service:			
Capital lease / installment purchase		\$ 107,843	
QSCB bond principal		200,179	
QZAB bond principal		55,965	
Interest and fees		157,583	
Total Debt Service	<u>\$ 545,079</u>	<u>\$ 521,570</u>	<u>\$ 23,509</u>
Total Expenditures	<u>\$ 12,931,154</u>	<u>\$ 11,490,530</u>	<u>\$ 1,440,624</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues Over Expenditures	<u>\$ (871,420)</u>	<u>\$ 742,233</u>	<u>\$ 1,613,653</u>
Other Financing Sources (Uses)			
Transfers from other funds:			
Special Revenue Funds	\$ 353,768	\$ 48,928	\$ (304,840)
Transfers to other funds:			
Special Revenue Funds	(136,792)	(201,205)	(64,413)
Total	<u>\$ 216,976</u>	<u>\$ (152,277)</u>	<u>\$ (369,253)</u>
Proceeds from QZAB	55,965	55,965	-
Sale of capital assets	<u>70,000</u>	<u>20,534</u>	<u>(49,466)</u>
Total Other Financing Sources (Uses)	<u>\$ 125,965</u>	<u>\$ (75,778)</u>	<u>\$ (418,719)</u>
Appropriated Fund Balance	<u>528,479</u>	<u>-</u>	<u>(528,479)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 666,455</u>	<u>\$ 666,455</u>
Fund Balance, beginning		4,488,516	
Fund Balance, ending		<u><u>\$ 5,154,971</u></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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Investment earnings	\$ 500	\$ 761	\$ 261
Expenditures			
Contract Services	50,000	-	50,000
Revenues Over (Under) Expenditures	\$ (49,500)	\$ 761	\$ 50,261
Other Financing Sources			
Transfer from General Fund	50,000	50,000	-
Fund balance appropriated	(500)	-	500
Net Change in Fund Balance	<u>\$ -</u>	50,761	<u>\$ 50,761</u>
Fund Balance, beginning		233,905	
Fund Balance, ending		<u>\$ 284,666</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Investment earnings	5,000	693	(4,307)
Total revenues	<u>\$ 5,000</u>	<u>\$ 693</u>	<u>\$ (4,307)</u>
 Other Financing Sources (Uses)			
Transfers To Other Funds:			
General Fund	(5,000)	(23,137)	18,137
Total Other Financing Sources (Uses)	<u>\$ (5,000)</u>	<u>\$ (23,137)</u>	<u>\$ 18,137</u>
 Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>
 Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ (22,444)</u></u>	<u><u>\$ 13,830</u></u>
 Fund Balance, beginning		<u>360,016</u>	
Fund Balance, ending		<u><u>\$ 337,572</u></u>	

**Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014**

	Special Revenue Funds			
	Ocracoke Occupancy Tax Fund	Hurricane Irene Fund	Hydeland Home Health	Mattamuskeet Opportunities
Assets				
Cash and cash equivalents	\$ 763,245	\$ 342,342	\$ 928,653	\$ -
Accounts receivable, net	-	-	8,417	-
Taxes receivable, net	-	-	-	-
Other receivables	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	<u>\$ 763,245</u>	<u>\$ 342,342</u>	<u>\$ 937,070</u>	<u>\$ -</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 26,803	\$ 581	\$ 4,844	\$ -
Due to other funds	-	-	-	-
Deferred inflow of resources	-	-	10,162	-
Total Liabilities	<u>\$ 26,803</u>	<u>\$ 581</u>	<u>\$ 15,006</u>	<u>\$ -</u>
Fund Balances:				
Restricted:				
Reserved by state statute	\$ -	\$ -	\$ 8,417	\$ -
Economic and Physical development	736,442	-	-	-
Public Safety	-	-	-	-
Cultural and recreation	-	-	-	-
Human services	-	-	-	-
Transportation	-	-	-	-
Other purposes	-	341,761	-	-
Education	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Human services	-	-	780,957	-
Environmental Protection	-	-	-	-
Economic and Physical development	-	-	-	-
Tax revaluation	-	-	-	-
Cultural and recreation	-	-	-	-
Assigned:				
Subsequent years' expenditures	-	-	132,690	-
Unassigned:				
Total Fund Balances	<u>\$ 736,442</u>	<u>\$ 341,761</u>	<u>\$ 922,064</u>	<u>\$ -</u>
Total Liabilities and Fund Balances	<u>\$ 763,245</u>	<u>\$ 342,342</u>	<u>\$ 937,070</u>	<u>\$ -</u>

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue Funds			
	West	Mainland	4-H	E-911
	Quarter	Occupancy		
	District	Tax		
Assets				
Cash and cash equivalents	\$ 17,849	\$ 28,270	\$ 13,682	\$ 205,207
Accounts receivable, net	-	-	-	-
Taxes receivable, net	141	-	-	-
Other receivables	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	<u>\$ 17,990</u>	<u>\$ 28,270</u>	<u>\$ 13,682</u>	<u>\$ 205,207</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 2,834	\$ 6,928
Due to other funds	-	-	-	-
Deferred revenue	141	-	-	-
Total Liabilities	<u>\$ 141</u>	<u>\$ -</u>	<u>\$ 2,834</u>	<u>\$ 6,928</u>
Fund Balances:				
Restricted:				
Reserved by state statute	\$ -	\$ -	\$ -	\$ -
Economic and Physical development	-	-	-	-
Public Safety	-	-	-	-
Cultural and recreation	-	-	-	-
Human services	-	-	-	-
Transportation	-	-	-	-
Other purposes	17,849	28,270	-	-
Education	-	-	-	-
Committed:				
Public Safety	-	-	-	168,112
Human services	-	-	-	-
Environmental Protection	-	-	-	-
Economic and Physical development	-	-	-	-
Tax revaluation	-	-	-	-
Cultural and recreation	-	-	10,848	-
Assigned:				
Subsequent years' expenditures	-	-	-	30,167
Unassigned	-	-	-	-
Total Fund Balances	<u>\$ 17,849</u>	<u>\$ 28,270</u>	<u>\$ 10,848</u>	<u>\$ 198,279</u>
Total Liabilities and Fund Balances	<u><u>\$ 17,990</u></u>	<u><u>\$ 28,270</u></u>	<u><u>\$ 13,682</u></u>	<u><u>\$ 205,207</u></u>

**Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014**

	Special Revenue Funds			
	Hyde County Senior Center	Revolving Loan	CAPS / Personal Care Chore Health	HMGP - Isabel Elevation Project
Assets				
Cash and cash equivalents	\$ 15,251	\$ 137,409	\$ -	\$ 1,000
Accounts receivable, net	96	-	22,767	-
Taxes receivable, net	-	-	-	-
Other receivables	-	607,076	15,618	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	<u>\$ 15,347</u>	<u>\$ 744,485</u>	<u>\$ 38,385</u>	<u>\$ 1,000</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ 2,801	\$ -	\$ 2,002	\$ 2,000
Due to other funds	46,513	-	53,678	-
Deferred revenue	-	-	22,767	-
Total Liabilities	<u>\$ 49,314</u>	<u>\$ -</u>	<u>\$ 78,447</u>	<u>\$ 2,000</u>
Fund Balances:				
Restricted:				
Reserved by state statute	\$ 96	\$ 607,076	\$ 15,618	\$ -
Economic and Physical development	-	-	-	-
Public Safety	-	-	-	-
Cultural and recreation	-	-	-	-
Human services	-	-	-	-
Transportation	-	-	-	-
Other purposes	-	-	-	-
Education	-	-	-	-
Committed:				
Public Safety	-	-	-	-
Human services	-	-	-	-
Environmental Protection	-	-	-	-
Economic and Physical development	-	137,409	-	-
Tax revaluation	-	-	-	-
Cultural and recreation	-	-	-	-
Assigned:				
Subsequent years' expenditures	-	-	-	-
Unassigned	(34,063)	-	(55,680)	(1,000)
Total Fund Balances	<u>\$ (33,967)</u>	<u>\$ 744,485</u>	<u>\$ (40,062)</u>	<u>\$ (1,000)</u>
Total Liabilities and Fund Balances	<u>\$ 15,347</u>	<u>\$ 744,485</u>	<u>\$ 38,385</u>	<u>\$ 1,000</u>

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Special Revenue Funds			
	CDBG Supplemental Assistance	CDBG Scattered Site Project	CDBG SBEA Hyde Project	CDBG Program Repayment
Assets				
Cash and cash equivalents	\$ 19,216	\$ -	\$ -	\$ 26,942
Accounts receivable, net	-	-	-	-
Taxes receivable, net	-	-	-	-
Other receivables	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	<u>\$ 19,216</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,942</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:				
Restricted:				
Reserved by state statute	\$ -	\$ -	\$ -	\$ -
Economic and Physical development	19,216	-	-	26,942
Public Safety	-	-	-	-
Cultural and recreation	-	-	-	-
Human services	-	-	-	-
Transportation	-	-	-	-
Other purposes	-	-	-	-
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>\$ 19,216</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,942</u>
Total Liabilities and Fund Balances	<u>\$ 19,216</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,942</u>

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	<u>Special Revenue Funds</u>				Total Nonmajor Special Revenue Funds
	Swan Quarter Water Shed District	CDBG - Contingency Fund	PDM Program Fund	Homemaker Fund	
Assets					
Cash and cash equivalents	\$ 42,981	\$ -	\$ 48,900	\$ -	\$ 2,590,947
Accounts receivable, net	-	-	-	-	31,280
Taxes receivable, net	2,004	-	-	-	2,145
Other receivables	-	-	-	-	622,694
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total Assets	<u>\$ 44,985</u>	<u>\$ -</u>	<u>\$ 48,900</u>	<u>\$ -</u>	<u>\$ 3,247,066</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 280	\$ 49,073
Due to other funds	-	585	58,248	5,870	164,894
Deferred revenue	2,004	-	-	-	35,074
Total Liabilities	<u>\$ 2,004</u>	<u>\$ 585</u>	<u>\$ 58,248</u>	<u>\$ 6,150</u>	<u>\$ 249,041</u>
Fund Balances:					
Restricted:					
Reserved by state statute	\$ -	\$ -	\$ -	\$ -	\$ 622,790
Economic and Physical development	-	-	-	-	782,600
Public Safety	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Human services	-	-	-	-	-
Transportation	-	-	-	-	-
Other purposes	42,981	-	-	-	430,861
Education	-	-	-	-	-
Committed:					
Public Safety	-	-	-	-	168,112
Human services	-	-	-	-	789,374
Environmental Protection	-	-	-	-	-
Economic and Physical development	-	-	-	-	137,409
Tax revaluation	-	-	-	-	-
Cultural and recreation	-	-	-	-	10,848
Assigned:					
Subsequent years' expenditures	-	-	-	-	162,857
Unassigned	-	(585)	(9,348)	(6,150)	(106,826)
Total Fund Balances	<u>\$ 42,981</u>	<u>\$ (585)</u>	<u>\$ (9,348)</u>	<u>\$ (6,150)</u>	<u>\$ 2,998,025</u>
Total Liabilities and Fund Balances	<u>\$ 44,985</u>	<u>\$ -</u>	<u>\$ 48,900</u>	<u>\$ -</u>	<u>\$ 3,247,066</u>

Hyde County, North Carolina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Wanchese Seafood Industrial Park	Airport Grant Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ -	\$ 9,617	\$ 9,617	\$ 2,600,564
Accounts receivable, net	-	-	-	31,280
Taxes receivable, net	-	-	-	2,145
Other receivables	-	-	-	622,694
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Total Assets	\$ -	\$ 9,617	\$ 9,617	\$ 3,256,683
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 49,074
Due to other funds	-	-	-	164,894
Deferred revenue	-	-	-	35,074
Total Liabilities	\$ -	\$ -	\$ -	\$ 249,042
Fund Balances:				
Restricted:				
Reserved by state statute	\$ -	\$ -	\$ -	\$ 622,790
Economic and Physical development	-	-	-	782,600
Public Safety	-	-	-	-
Cultural and recreation	-	-	-	-
Human services	-	-	-	-
Transportation	-	9,617	9,617	9,617
Other purposes	-	-	-	430,861
Education	-	-	-	-
Committed:				
Public Safety	-	-	-	168,112
Human services	-	-	-	789,374
Environmental Protection	-	-	-	-
Economic and Physical development	-	-	-	137,409
Tax revaluation	-	-	-	-
Cultural and recreation	-	-	-	10,848
Assigned:				
Subsequent years' expenditures	-	-	-	162,857
Unassigned	-	-	-	(106,826)
Total Fund Balances	\$ -	\$ 9,617	\$ 9,617	\$ 3,007,642
Total Liabilities and Fund Balances	\$ -	\$ 9,617	\$ 9,617	\$ 3,256,684

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			
	Ocracoke Occupancy Tax Fund	Hurricane Irene Fund	Hydeland Home Health	Mattamuskeet Opportunities
REVENUES				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses	406,030	-	-	-
Restricted intergovernmental	-	73,555	-	-
Sales and services	10,033	-	161,807	-
Investment earnings	3,858	-	6,209	-
Miscellaneous	5,000	-	-	-
Total revenues	\$ 424,921	\$ 73,555	168,016	-
EXPENDITURES				
Current:				
General government	\$ -	\$ -	-	-
Public safety	-	-	-	-
Economic and physical development	408,288	-	-	-
Human services	-	-	316,044	-
Environmental protection	-	-	-	-
Cultural and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	1,265	-
Total expenditures	\$ 408,288	\$ -	317,309	-
Excess (deficiency) of revenues over expenditures	\$ 16,633	\$ 73,555	(149,293)	-
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	-	64,820
Transfers to other funds	-	-	-	-
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources and uses	-	-	-	64,820
Net change in fund balances	\$ 16,633	\$ 73,555	(149,293)	64,820
Fund balances, beginning	719,810	268,207	1,071,359	(64,820)
Fund balances, ending	\$ 736,443	\$ 341,762	\$ 922,066	\$ -

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			
	West Quarter	Mainland		
	District	Occupancy	4-H	E-911
	District	Tax		
REVENUES				
Ad valorem taxes	\$ 3,863	\$ -	\$ -	\$ -
Other taxes and licenses	-	8,557	-	-
Restricted intergovernmental	-	-	-	-
Sales and services	-	-	25,302	107,428
Investment earnings	74	-	-	515
Miscellaneous	-	-	-	-
Total revenues	3,937	8,557	25,302	107,943
EXPENDITURES				
Current:				
General government	7,137	-	-	-
Public safety	-	-	-	87,794
Economic and physical development	-	975	-	-
Human services	-	-	-	-
Environmental protection	-	-	-	-
Cultural and recreation	-	-	31,168	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	7,137	975	31,168	87,794
Excess (deficiency) of revenues over expenditures	(3,200)	7,582	(5,866)	20,149
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	(25,593)
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources and uses	-	-	-	(25,593)
Net change in fund balances	(3,200)	7,582	(5,866)	(5,444)
Fund balances, beginning	21,049	20,688	16,715	203,721
Fund balances, ending	\$ 17,849	\$ 28,270	\$ 10,849	\$ 198,277

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

	<u>Special Revenue Funds</u>			
	<u>Hyde County</u>	<u>Revolving</u>	<u>CAPS / Personal</u>	<u>HMGP - Isabel</u>
	<u>Senior Center</u>	<u>Loan</u>	<u>Care Chore</u>	<u>Elevation</u>
	<u>Health</u>	<u>Project</u>		
REVENUES				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses	-	-	-	-
Restricted intergovernmental	10,650	-	-	-
Sales and services	585	-	95,286	-
Investment earnings	-	27,410	4	-
Miscellaneous	2,651	-	-	-
Total revenues	<u>13,886</u>	<u>27,410</u>	<u>95,290</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic and physical development	-	-	-	-
Human services	-	-	118,701	-
Environmental protection	-	-	-	-
Cultural and recreation	95,067	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>95,067</u>	<u>-</u>	<u>118,701</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(81,181)</u>	<u>27,410</u>	<u>(23,411)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	85,592	-	-	-
Transfers to other funds	-	-	-	-
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources and uses	<u>85,592</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>4,411</u>	<u>27,410</u>	<u>(23,411)</u>	<u>-</u>
Fund balances, beginning	<u>(38,378)</u>	<u>717,075</u>	<u>(16,650)</u>	<u>(1,000)</u>
Fund balances, ending	<u>\$ (33,967)</u>	<u>\$ 744,485</u>	<u>\$ (40,061)</u>	<u>\$ (1,000)</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			
	CDBG Supplemental Assistance	CDBG Scattered Site Project	CDBG SBEA Hyde Project	CDBG Program Repayment
REVENUES				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses	-	-	-	-
Restricted intergovernmental	-	42,524	-	-
Sales and services	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	1,572
Total revenues	-	42,524	-	1,572
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic and physical development	-	42,524	-	-
Human services	-	-	-	-
Environmental protection	-	-	-	-
Cultural and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	42,524	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	1,572
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	(198)	-
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources and uses	-	-	(198)	-
Net change in fund balances	-	-	(198)	1,572
Fund balances, beginning	19,216	-	198	25,369
Fund balances, ending	\$ 19,216	\$ -	\$ -	\$ 26,941

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 - Contingency Fund	PDM Program Fund	Homemaker Fund	Total Nonmajor Special Revenue Funds
REVENUES					
Ad valorem taxes	\$ 15,987	\$ -	\$ -	\$ -	\$ 19,850
Other taxes and licenses	-	-	-	-	414,587
Restricted intergovernmental	-	518,198	253,685	21,531	920,143
Sales and services	-	-	-	-	400,441
Investment earnings	-	-	-	-	38,070
Miscellaneous	-	-	-	-	9,223
Total revenues	<u>\$ 15,987</u>	<u>\$ 518,198</u>	<u>\$ 253,685</u>	<u>\$ 21,531</u>	<u>\$ 1,802,314</u>
EXPENDITURES					
Current:					
General government	\$ -	\$ -	\$ -	\$ -	\$ 7,137
Public safety	-	-	-	-	87,794
Economic and physical development	-	518,783	204,787	-	1,175,357
Human services	-	-	-	27,681	462,426
Environmental protection	3,580	-	-	-	3,580
Cultural and recreation	-	-	-	-	126,235
Education	-	-	-	-	-
Capital outlay	-	-	-	-	1,265
Total expenditures	<u>\$ 3,580</u>	<u>\$ 518,783</u>	<u>\$ 204,787</u>	<u>\$ 27,681</u>	<u>\$ 1,863,794</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 12,407</u>	<u>\$ (585)</u>	<u>\$ 48,898</u>	<u>\$ (6,150)</u>	<u>\$ (61,480)</u>
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	-	-	-	-	150,412
Transfers to other funds	-	-	-	-	(25,791)
Insurance recovery	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources and uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,621</u>
Net change in fund balances	<u>\$ 12,407</u>	<u>\$ (585)</u>	<u>\$ 48,898</u>	<u>\$ (6,150)</u>	<u>\$ 63,141</u>
Fund balances, beginning	30,574	-	(58,248)	-	2,934,885
Fund balances, ending	<u>\$ 42,981</u>	<u>\$ (585)</u>	<u>\$ (9,350)</u>	<u>\$ (6,150)</u>	<u>\$ 2,998,026</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

	Wanchese Seafood Industrial Park Fund	Airport Grant Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 19,850
Other taxes and licenses	-	-	-	414,587
Restricted intergovernmental	52,238	17,622	69,860	990,003
Sales and services	-	-	-	400,441
Investment earnings	-	-	-	38,070
Miscellaneous	-	-	-	9,223
Total revenues	<u>\$ 52,238</u>	<u>\$ 17,622</u>	<u>\$ 69,860</u>	<u>\$ 1,872,174</u>
EXPENDITURES				
Current:				
General government	\$ -	\$ -	\$ -	\$ 7,137
Public safety	-	-	-	87,794
Economic and physical development	-	-	-	1,175,357
Human services	-	-	-	462,426
Environmental protection	-	-	-	3,580
Cultural and recreation	-	-	-	126,235
Education	-	-	-	-
Capital outlay	-	8,006	8,006	9,271
Total expenditures	<u>\$ -</u>	<u>\$ 8,006</u>	<u>\$ 8,006</u>	<u>\$ 1,871,800</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 52,238</u>	<u>\$ 9,616</u>	<u>\$ 61,854</u>	<u>\$ 374</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	\$ 793	\$ -	\$ 793	\$ 151,205
Transfers to other funds	-	-	-	(25,791)
Insurance recovery	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources and uses	<u>\$ 793</u>	<u>\$ -</u>	<u>\$ 793</u>	<u>\$ 125,414</u>
Net change in fund balances	<u>\$ 53,031</u>	<u>\$ 9,616</u>	<u>\$ 62,647</u>	<u>\$ 125,788</u>
Fund balances, beginning	(53,031)	-	(53,031)	2,881,854
Fund balances, ending	<u>\$ -</u>	<u>\$ 9,616</u>	<u>\$ 9,616</u>	<u>\$ 3,007,642</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Other taxes and licenses:			
Occupancy taxes	\$ 351,945	\$ 406,030	\$ 54,085
Investment earnings	2,500	3,858	1,358
Sales and services:			
Rent income	-	10,033	10,033
Miscellaneous:			
Donations	5,000	5,000	-
Total Revenues	<u>\$ 359,445</u>	<u>\$ 424,921</u>	<u>\$ 65,476</u>
 Expenditures			
Economic and physical development	<u>359,445</u>	<u>408,288</u>	<u>(48,843)</u>
 Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 16,633</u>	<u>\$ 16,633</u>
 Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 16,633</u>	<u>\$ 16,633</u>
 Fund Balance, beginning		<u>719,810</u>	
Fund Balance, ending		<u>\$ 736,443</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, 2014

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
FEMA grant	\$ 2,291,801	\$ 1,717,031	\$ 55,166	\$ 1,772,197	\$ (519,604)
State grants	735,910	596,743	18,389	615,132	(120,778)
Total Revenues	<u>\$ 3,027,711</u>	<u>\$ 2,217,275</u>	<u>\$ 73,555</u>	<u>\$ 2,387,329</u>	<u>\$ (640,382)</u>
Expenditures					
Environmental protection	3,815,675	3,827,372	-	3,827,372	(11,697)
Revenues Over (Under) Expenditures	<u>\$ (787,964)</u>	<u>\$ (1,576,883)</u>	<u>\$ 73,555</u>	<u>\$ (1,440,043)</u>	<u>\$ (652,079)</u>
Other Financing Sources (Uses)					
Transfer from other funds	\$ 2,979,517	\$ 2,979,517	\$ -	\$ 2,979,517	\$ -
Transfer to other funds	(2,979,517)	(1,490,500)	-	(1,490,500)	1,489,017
Insurance recovery	292,788	292,788	-	292,788	-
Total Other Financing Sources (Uses)	<u>\$ 292,788</u>	<u>\$ 1,755,990</u>	<u>\$ -</u>	<u>\$ 1,781,805</u>	<u>\$ 1,489,017</u>
Net Change in Fund Balance	<u>\$ (495,176)</u>	<u>\$ 179,107</u>	73,555	<u>\$ 341,762</u>	<u>\$ 836,938</u>
Fund Balance, beginning			268,207		
Fund Balance, ending			<u>\$ 341,762</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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Sales and services:			
Fees	\$ 316,500	\$ 161,807	\$ (154,693)
Investment earnings	6,500	6,209	(291)
Total revenues	<u>\$ 323,000</u>	<u>\$ 168,016</u>	<u>\$ (154,984)</u>
Expenditures			
Salaries and benefits	232,261	225,906	6,355
Other Expenses	136,191	90,138	46,053
Capital Outlay	1,225	1,265	(40)
Total expenditures	<u>369,677</u>	<u>317,309</u>	<u>52,368</u>
Revenues Over (Under) Expenditures	<u>\$ (46,677)</u>	<u>\$ (149,293)</u>	<u>\$ (102,616)</u>
Other Financing (Uses)			
Transfer to other funds	(2,835)	-	2,835
Transfer from other funds	49,512	-	(49,512)
Total other financing sources	<u>\$ 46,677</u>	<u>\$ -</u>	<u>\$ (46,677)</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ (149,293)</u></u>	<u><u>\$ (149,293)</u></u>
Fund Balance, beginning		<u>1,071,359</u>	
Fund Balance, ending		<u><u>\$ 922,066</u></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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Sales and service:			
East Behavior Health	\$ -	\$ -	\$ -
Donations	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Expenditures			
Human services	<u>-</u>	<u>-</u>	<u>-</u>
 Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Other Financing Sources (Uses)			
Transfers from other funds:			
General Fund	<u>\$ -</u>	<u>\$ 64,820</u>	<u>\$ 64,820</u>
 Net Change in Fund Balance	<u><u>\$ -</u></u>	<u>\$ 64,820</u>	<u>\$ 64,820</u>
 Fund Balance, beginning		<u>(64,820)</u>	
Fund Balance, ending		<u><u>\$ -</u></u>	

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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes	\$ 3,940	\$ 3,863	\$ (77)
Investment earnings	150	74	(76)
Total Revenues	<u>\$ 4,090</u>	<u>\$ 3,937</u>	<u>\$ (153)</u>
Expenditures			
General government	<u>11,090</u>	<u>7,137</u>	<u>3,953</u>
Fund balance appropriated	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(3,200)</u>	<u>\$ (3,200)</u>
Fund Balance, beginning		<u>21,049</u>	
Fund Balance, ending		<u>\$ 17,849</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, 2014**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Other Taxes and Licenses:			
Occupancy taxes	<u>\$ 6,500</u>	<u>\$ 8,557</u>	<u>\$ 2,057</u>
Expenditures			
Economic and physical development	<u> 6,500</u>	<u> 975</u>	<u> 5,525</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 7,582</u>	<u>\$ 7,582</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ 7,582</u></u>	<u><u>\$ 7,582</u></u>
Fund Balance, beginning		<u> 20,688</u>	
Fund Balance, ending		<u><u>\$ 28,270</u></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, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Sales and Services:			
Fees	<u>\$ 26,480</u>	<u>\$ 25,302</u>	<u>\$ (1,178)</u>
Expenditures			
Cultural and recreation	<u>35,048</u>	<u>31,168</u>	<u>3,880</u>
Fund balance appropriated	<u>8,568</u>	<u>-</u>	<u>(8,568)</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ (5,866)</u></u>	<u><u>\$ (5,866)</u></u>
Fund Balance, beginning		<u>16,715</u>	
Fund Balance, ending		<u><u>\$ 10,849</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Sales and Services:			
E-911 and wireless charges	\$ 97,926	\$ 107,428	\$ 9,502
Investment earnings	1,000	515	(485)
Total revenues	\$ 98,926	\$ 107,943	\$ 9,017
Expenditures			
Public safety	103,500	87,794	15,706
Revenues (Under) Expenditures	\$ (4,574)	\$ 20,149	\$ 24,723
Other Financing Sources (Uses)			
Transfer to General fund	\$ (25,593)	\$ (25,593)	\$ -
Total Other financing sources (uses)	\$ (25,593)	\$ (25,593)	\$ -
Net Change in Fund Balance	\$ -	(5,444)	\$ 24,723
Fund Balance, beginning		203,721	
Fund Balance, ending		\$ 198,277	

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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Restricted Intergovernmental:			
Federal and state grants	\$ 15,189	\$ 10,650	\$ (4,539)
Sales and Services:			
Rent income	400	585	185
Miscellaneous:			
Fundraisers	2,500	2,651	151
Total Revenues	\$ 18,089	\$ 13,886	\$ (4,203)
Expenditures			
Administration	\$ 48,842	\$ 48,018	\$ 824
Cultural and recreation	54,839	47,049	7,790
Total Expenditures	\$ 103,681	\$ 95,067	\$ 8,614
Revenues Over (Under) Expenditures	\$ (85,592)	\$ (81,181)	\$ 4,411
Other Financing Sources (Uses)			
Transfers From Other Funds:			
General Fund	85,592	85,592	-
Revenues over expenditures and other sources	\$ -	\$ 4,411	\$ 4,411
Net Change in Fund Balance	\$ -	4,411	\$ 4,411
Fund Balance, beginning		(38,378)	
Fund Balance, ending		\$ (33,967)	

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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings	\$ -	\$ 27,410	\$ -
Total Revenues	<u>-</u>	<u>27,410</u>	<u>27,410</u>
Expenditures			
Economic and physical development	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over expenditures	<u>\$ -</u>	<u>\$ 27,410</u>	<u>\$ 27,410</u>
Other Financing Sources (Uses)			
Transfer to General fund	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance	<u>\$ -</u>	<u>27,410</u>	<u>\$ 27,410</u>
Fund Balance, beginning		<u>717,075</u>	
Fund Balance, ending		<u>\$ 744,485</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Sales and Services:			
Fees	\$ 145,833	\$ 95,286	\$ (50,547)
Investment earnings	-	4	4
Total Revenues	\$ 145,833	\$ 95,290	\$ (50,543)
Expenditures			
Human services	135,069	109,528	25,541
Operating	10,764	9,173	1,591
Total expenditures	145,833	118,701	27,132
Net Change in Fund Balance	\$ -	\$ (23,411)	\$ (23,411)
Fund Balance, beginning		(16,650)	
Fund Balance, ending		\$ (40,061)	

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, 2014

	<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, 2014

	<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, 2014

	<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	\$ 357,476	\$ 42,524	\$ 400,000	\$ -
Expenditures					
Economic and Physical Development:					
Clearance	\$ 25,000	\$ 24,326	\$ -	\$ 24,326	\$ 674
Planning	7,000	-	-	-	7,000
Administration	33,000	177,909	267	178,176	(145,176)
Reconstruction	335,000	155,241	42,257	197,498	137,502
Total Expenditures	<u>\$ 400,000</u>	<u>\$ 240,721</u>	<u>\$ 42,524</u>	<u>\$ 400,000</u>	<u>\$ -</u>
Other Financing Sources (Uses)					
Transfers from other funds:					
General Fund	-	-	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 116,755</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, 2014

	<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	\$ 494,442	\$ -	\$ 494,442	\$ (558)
Expenditures					
Economic and Physical Development:					
Construction and rehabilitation	\$ 284,500	\$ 325,388	\$ -	\$ 325,388	\$ (40,888)
Capital outlay	136,500	90,000	-	90,000	46,500
Planning	17,000	30,537	-	30,537	(13,537)
Administration	57,000	48,319	-	48,319	8,681
Total Expenditures	<u>\$ 495,000</u>	<u>\$ 429,180</u>	<u>\$ -</u>	<u>\$ 494,244</u>	<u>\$ 756</u>
Other Financing Sources (Uses)					
Transfers to other funds:					
General Fund	-	-	(198)	(198)	(198)
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 198</u>	<u>\$ (198)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, beginning			<u>198</u>		
Fund Balance, ending			<u>\$ -</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Miscellaneous	\$ -	\$ 1,572	\$ 1,572
Expenditures			
Economic and Physical Development	-	-	-
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 1,572</u>	<u>\$ 1,572</u>
Fund Balance, beginning		25,369	
Fund Balance, ending		<u>\$ 26,941</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Ad valorem taxes	\$ 10,080	\$ 15,987	\$ 5,907
Total Revenues	<u>\$ 10,080</u>	<u>\$ 15,987</u>	<u>\$ 5,907</u>
Expenditures			
Environmental protection	\$ 10,080	\$ 3,580	\$ 6,500
Net Change in Fund Balance	<u>\$ -</u>	\$ 12,407	<u>\$ 12,407</u>
Fund Balance, beginning		30,574	
Fund Balance, ending		<u>\$ 42,981</u>	

Hyde County, North Carolina
Homemaker Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Restricted intergovernmental	\$ 28,353	\$ 21,531	\$ (6,822)
Total Revenues	<u>\$ 28,353</u>	<u>\$ 21,531</u>	<u>\$ (6,822)</u>
Expenditures			
Human Services	\$ 28,353	\$ 27,681	\$ 672
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (6,150)</u>	<u>\$ (6,150)</u>
Fund Balance, beginning		-	
Fund Balance, ending		<u>\$ (6,150)</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, 2014

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Year	Current Year		
Revenues					
State grants	\$ 600,000	\$ 107,556	\$ 518,198	\$ 625,754	\$ 25,754
Total Revenues	<u>\$ 600,000</u>	<u>\$ 107,556</u>	<u>\$ 518,198</u>	<u>\$ 625,754</u>	<u>\$ 25,754</u>
Expenditures					
Capital Outlay:					
Administration	\$ 41,500	\$ 44,506	\$ 77	\$ 44,583	\$ (3,083)
Planning	3,500	-	-	-	3,500
Public Facility Improvements	555,000	63,050	518,706	581,756	(26,756)
Total Expenditures	<u>\$ 600,000</u>	<u>\$ 107,556</u>	<u>\$ 518,783</u>	<u>\$ 626,339</u>	<u>\$ (26,339)</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (585)</u>	<u>\$ (585)</u>	<u>\$ (585)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (585)</u>	<u>\$ (585)</u>	<u>\$ (585)</u>
Fund balance, beginning			-		
Fund balance, ending			<u>\$ (585)</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, 2014

	<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	\$ 148,954	\$ 188,170	\$ (223,113)
Hazard Mitigation Grant	325,288	-	92,731	92,731	(232,557)
Owners contributions	137,094	45,618	12,000	57,618	(79,476)
Total Revenues	<u>\$ 873,665</u>	<u>\$ 84,834</u>	<u>\$ 253,685</u>	<u>\$ 338,519</u>	<u>\$ (535,146)</u>
Expenditures					
Economic and Physical Development:					
Planning	<u>\$ 873,665</u>	<u>\$ 143,082</u>	<u>\$ 204,787</u>	<u>\$ 347,869</u>	<u>\$ 525,796</u>
Total Expenditures	<u>\$ 873,665</u>	<u>\$ 143,082</u>	<u>\$ 204,787</u>	<u>\$ 347,869</u>	<u>\$ 525,796</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (58,248)</u>	\$ 48,898	<u>\$ (9,350)</u>	<u>\$ (9,350)</u>
Fund Balance, beginning			(58,248)		
Fund Balance, ending			<u>\$ (9,350)</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, 2014

	Project Authorization	Prior Year	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Golden Leaf Foundation	\$ 265,800	\$ 212,640	\$ 52,238	\$ 264,878	\$ (922)
Total Revenues	<u>\$ 265,800</u>	<u>\$ 212,640</u>	<u>\$ 52,238</u>	<u>\$ 264,878</u>	<u>\$ (922)</u>
Expenditures					
Capital Outlay:					
Construction	\$ 265,800	\$265,671	\$ -	\$ 265,671	\$ 129
	<u>\$ -</u>	<u>\$ (53,031)</u>	<u>\$ 52,238</u>	<u>\$ (793)</u>	<u>\$ (793)</u>
Revenues Over (Under) Expenditures					
Other Financing Sources (Uses)					
Transfers from other funds:					
General Fund	-	-	793	793	793
	<u>\$ -</u>	<u>\$ (53,031)</u>	<u>\$ 53,031</u>	<u>\$ (793)</u>	<u>\$ (793)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (53,031)</u>	<u>\$ 53,031</u>	<u>\$ (793)</u>	<u>\$ (793)</u>
Fund Balance, beginning			(53,031)		
Fund Balance, ending			<u>\$ -</u>		

Hyde County, North Carolina
Airport 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, 2014

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Year	Current Year		
Revenues					
Restricted intergovernmental - state grant	\$ 144,000	\$ -	\$ 17,622	\$ 17,622	\$ (126,378)
Local match	16,000	-	-	-	(16,000)
Total Revenues	<u>\$ 160,000</u>	<u>\$ -</u>	<u>\$ 17,622</u>	<u>\$ 17,622</u>	<u>\$ (142,378)</u>
Expenditures					
Capital Outlay:					
Airport improvements	\$ 160,000	\$ -	\$ 8,006	\$ 8,006	\$ 151,994
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,616</u>	<u>\$ 9,616</u>	<u>\$ 9,616</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,616</u>	<u>\$ 9,616</u>	<u>\$ 9,616</u>
Fund Balance, beginning			-		
Fund Balance, ending			<u>\$ 9,616</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, 2014

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Charges for Services:			
Water sales	\$ 1,628,000	\$ 1,302,169	
Sewer charges	25,000	317,371	
Penalties and interest	-	22,687	
Total	<u>\$ 1,653,000</u>	<u>1,642,227</u>	<u>\$ 10,773</u>
Meter installations	<u>10,000</u>	<u>12,498</u>	<u>2,498</u>
Other operating revenues	<u>10,000</u>	<u>12,691</u>	<u>2,691</u>
Total Operating Revenues	<u>\$ 1,673,000</u>	<u>\$ 1,667,416</u>	<u>\$ (5,584)</u>
Nonoperating Revenues:			
Interest earnings	<u>5,500</u>	<u>3,405</u>	<u>(2,095)</u>
Total Revenues	<u>\$ 1,678,500</u>	<u>\$ 1,670,821</u>	<u>\$ (7,679)</u>
Expenditures			
Water Distribution and Sewage Collection:			
Salaries and employee benefits		\$ 703,565	
Supplies		44,333	
Other operating expenditures		548,970	
Computer support		7,353	
Total	<u>\$ 1,328,563</u>	<u>\$ 1,304,221</u>	<u>\$ 24,342</u>
Debt service:			
Interest and other charges		\$ 108,794	
Debt principal		122,746	
Total	<u>\$ 235,941</u>	<u>\$ 231,540</u>	<u>\$ 4,401</u>
Capital outlay	<u>113,996</u>	<u>29,286</u>	<u>84,710</u>
Total Expenditures	<u>\$ 1,678,500</u>	<u>\$ 1,565,047</u>	<u>\$ 113,453</u>
Other Financing Sources (Uses):			
Loan Proceeds	-	-	-
Transfer from other funds:			
Engelhard Water Treatment Plant Fund	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over Expenditures	<u>\$ -</u>	<u>105,774</u>	<u>\$ 105,774</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, 2014

	<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>\$ 105,774</u>	
Reconciling Items:			
Debt principal		\$ 122,746	
Capital outlay		29,286	
Decrease in accrued vacation pay		898	
Depreciation		<u>(408,294)</u>	
Total Reconciling Items		<u>\$ (255,364)</u>	
Change In Net Position		<u><u>\$ (149,590)</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, 2014

	<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, 2014

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Social Services				
Assets:				
Cash and Cash Equivalents	\$ 8,180	\$ 39,548	\$ 38,796	\$ 8,932
Liabilities:				
Miscellaneous Liabilities	\$ 8,180	\$ 39,548	\$ 38,796	\$ 8,932
Ocracoke Special Mosquito Control Fund				
Assets:				
Cash and cash equivalents	\$ 53,754	\$ 54,043	\$ 53,754	\$ 54,043
Taxes receivable	6,444	52,232	54,043	4,633
Total Assets	<u>\$ 60,198</u>	<u>\$ 106,275</u>	<u>\$ 107,797</u>	<u>\$ 58,676</u>
Liabilities:				
Miscellaneous liabilities	\$ 53,754	\$ 54,043	\$ 53,754	\$ 54,043
Deferred revenues	6,444	52,232	54,043	4,633
Total Liabilities	<u>\$ 60,198</u>	<u>\$ 106,275</u>	<u>\$ 107,797</u>	<u>\$ 58,676</u>
Fines and Forfeitures				
Assets:				
Cash and Cash Equivalents	\$ -	\$ 27,851	\$ 27,851	\$ -
Liabilities:				
Miscellaneous Liabilities	\$ -	\$ 27,851	\$ 27,851	\$ -
Motor Vehicle Tax				
Assets:				
Cash and Cash Equivalents	\$ 28	\$ 483	\$ 153	\$ 358
Liabilities:				
Miscellaneous Liabilities	\$ 28	\$ 483	\$ 153	\$ 358

(continued)

Hyde County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2014

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Engelhard Municipal Sewer District				
Assets:				
Cash and Cash Equivalents	\$ 17,391	\$ 111,369	\$ 118,229	\$ 10,531
Liabilities:				
Miscellaenous Liabilities	\$ 17,391	\$ 111,369	\$ 118,229	\$ 10,531
Totals - All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 79,353	\$ 233,294	\$ 238,783	\$ 73,864
Taxes receivable	6,444	52,232	54,043	4,633
Total assets	<u>\$ 85,797</u>	<u>\$285,526</u>	<u>\$ 292,826</u>	<u>\$ 78,497</u>
Liabilities:				
Miscellaneous liabilities	\$ 8,208	\$ 67,882	\$ 66,800	\$ 9,290
Deferred revenues	6,444	52,232	54,043	4,633
Accounts payable	71,145	165,412	171,983	64,574
Total Liabilities	<u>\$ 85,797</u>	<u>\$285,526</u>	<u>\$ 292,826</u>	<u>\$ 78,497</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, 2014

Fiscal Year	Uncollected Balance June 30, 2013	Additions	Collections And Credits	Uncollected Balance June 30, 2014
2013-2014	\$ -	\$ 7,242,248	\$ 6,839,295	\$ 402,953
2012-2013	431,595	-	236,372	195,223
2011-2012	187,136	-	77,585	109,551
2010-2011	117,717	-	35,838	81,879
2009-2010	91,462	-	28,197	63,265
2008-2009	54,252	-	9,411	44,841
2007-2008	47,805	-	6,366	41,439
2006-2007	32,892	-	6,116	26,776
2005-2006	25,890	-	1,405	24,485
2004-2005	27,618	-	1,040	26,578
2003-2004	35,682	-	35,682	0
	\$ 1,052,049	7,242,248	7,277,307	\$ 1,016,990
Less: allowance for uncollectible accounts:				
	General Fund			212,090
	Total allowance for uncollectible ad valorem taxes receivable			\$ 212,090
Ad valorem taxes receivable - net:				
	Governmental Funds			804,900
	Totals			\$ 804,900
Ad valorem taxes - General Fund				\$ 7,282,756
Reconciling items:				
	Interest collected			(89,917)
	Discoveries and adjustments			70,514
	Taxes written off			21,209
	Total reconciling items			\$ 1,806
	Total collections and credits			\$ 7,284,562

Hyde County, North Carolina
Analysis of Current Tax Levy
County - wide Levy
For the Fiscal Year Ended June 30, 2014

	County - wide		Total Levy		
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$1,134,864,122	0.640	\$ 7,262,469	\$ 6,965,126	\$ 297,343
Discoveries	103,281	0.640	661	661	-
Abatements	(3,278,438)	0.640	(20,982)	(20,256)	(726)
Total property valuation	<u>\$1,131,688,966</u>				
Net levy			\$ 7,242,148	\$ 6,945,531	\$ 296,617
Uncollected taxes at June 30, 2013			<u>402,853</u>	<u>389,569</u>	<u>13,284</u>
Current year's taxes collected			<u>\$ 6,839,295</u>	<u>\$ 6,555,962</u>	<u>\$ 283,333</u>
Current levy collection percentage			<u>94.44%</u>	<u>94.39%</u>	<u>95.52%</u>

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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 Controller 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, 2014, 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 January 15, 2014.

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.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified. I did identify 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 14-01 , 14-02, 14-03, and 14-04.

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 14-05 and 14-06.

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.

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

Farmville, North Carolina
January 15, 2015

Andrew Harris, CPA PLLC

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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, 2014. 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.

**Member American Institute of Certified Public Accountants
Member North Carolina Association of Certified Public Accountants**

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, 2014.

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 14-05 and 14-06. 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 14-05 and 14-06 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.

Andrew Harris, CPA PLLC

Farmville, North Carolina
January 15, 2015

**Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted _____ Yes X No

Federal Awards

Internal control over major federal programs:

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

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

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

Identification of major federal programs:

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

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

Auditee qualified as low-risk auditee? _____ Yes X No

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section II – Financial Statement Findings

Significant Deficiencies

Finding: 14 – 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 cash, 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, 2014

Section II – Financial Statement Findings

Finding: 14 – 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, 2014

Section II – Financial Statement Findings

Finding: 14 – 03 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. G.S. 159-8(a) states that each local government shall operate under an annual balanced budget. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balance is equal to appropriations.

Condition: Hyde County expended more for the Ocracoke Occupancy Tax Fund, Hurricane Irene Fund, and CDBG – Contingency Fund than appropriated in the capital project budget ordinance in the amount of \$48,843, \$11,697, and \$26,339, respectively. The County’s Hurricane Irene Fund’s budgeted expenditures exceeded budgeted revenues by \$495,176.

Effect: Monies were spent that had not been appropriated and the annual budget ordinance was not balanced.

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. The annual budget ordinance was not balanced when approved by the board of commissioners.

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

Views of responsible officials:
The County agrees with this finding. Budget amendments will be adopted prior to making expenditures that exceed budgeted amounts. The annual budget ordinance will be balanced when approved by the board of commissioners.

Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section II – Financial Statement Findings

Finding: 14 – 04 Deficit Fund Balance

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

Condition: The County has six funds with a negative fund balance, HMGP – Isabel Elevation Project Fund, Senior Center Fund, PDM Program Fund, CAPS / Personal Care Chore Health Fund, CDBG Contingency Fund, and the Homemaker 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, 2014

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: 14 – 05

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 proper DMA-5046 Notice of Transportation rights.

Condition: Three 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 two applicants did not have evidence that tax records or State Residence were properly verified. One applicant did not have the proper DMA-5036 Notice of Transportation rights.

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, 2014

Section III – Federal Award Findings and Questioned Costs

Reporting Requirements

Finding: 14 – 06 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, 2013, and 2014.

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, 2014 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, 2013, and 2014.

**Hyde County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014**

Section IV – State Award Findings and Questioned Costs

None reported

**Hyde County, North Carolina
Corrective Action
For the Fiscal Year Ended June 30, 2014**

Section II – Financial Statement Findings

Significant Deficiency

Finding: 14-01

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: 14-02

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: 14-03

Name of contact person: William Rich, County Manager

Corrective Action: In the future, the County will prepare budget amendments will be adopted prior to making expenditures that exceed budgeted amounts. The County will ensure that the board of commissioners approve a balanced budget.

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

**Hyde County, North Carolina
Corrective Action
For the Fiscal Year Ended June 30, 2014**

Section II – Financial Statement Findings

Finding: 14-04

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: 14-05

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: 14-06

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, 2014**

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, 2014

- Finding: 13-01 Account Reconciliations
- Status: The County should reconcile the general ledger accounts to supporting documentation on a periodic basis. Ongoing.
- Finding: 13-02 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: 13-03 USDA Loan Requirement
- Status: Corrected.
- Finding: 13-04 Budget Violations
- Status: There were several budget violations in the current fiscal year. The approved budget ordinance was not properly balanced. The staff will ensure that proper budget amendments are made during the year and that the board will approve a balanced budget in the future.
- Finding: 13-05 Deficit Fund Balance
- Status: There were five funds with deficit fund balances in the current fiscal year. The staff should become more aware of spending in each of the funds to reduce the negative impact on unassigned fund balance in the General Fund.
- Finding: 13-06 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: 13-07 Data Collection Form
- Status: The County should complete the Data Collection Form for the fiscal years ended June 30, 2009, 2010, 2011, 2012, 2013 and 2014 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, 2014

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
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:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	121,531	-	121,531
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	31,362	-	-
Direct Benefit Payments:				
Special Supplemental Nutrition Program for Women, Infants, & Children (WIC)	10.557	80,002	-	-
Total U.S. Dept. of Agriculture		232,895	-	121,531
<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	560,722	-	-
Total Community Development Block Grant Small Cities		560,722	-	-
Total U.S. Dept. of Housing and Urban Development		560,722	-	-
<u>U.S. Department of Health and Human Services</u>				
<u>Division of Aging and Adult Services</u>				
NC Division of Aging and Adult Services				
Passed through the Albemarle Commission:				
Aging Cluster:				
Special Programs for Aging - Title III	93.045	10,650	-	-
Division of Social Services:				
SSBG - In-home Services	93.667	973	-	138
Crisis Intervention Payments	93.568	25,295	-	-
Permanency Planning	93.645	1,274	-	425
Refugee Assistance	93.566	308	-	-
CSE Incentive Recovery	93.563	173	68	89
Child Support Enforcement - IV-D Administration	96.563	85,075	-	43,826
TANF - Work First	93.558	52,036	-	48,677
Low-income energy assistance	93.568	52,965	-	-
Social Services block grant	93.667	28,951	4,762	11,237
Total Administration for Children and Families		247,050	4,830	104,392

Hyde County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2014

Grantor/Pass-through <u>Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Fed. (Direct & Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
Passed-through N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Children Health Insurance Program - NC Health Choice	93.767	18,788	754	5,670
Medicaid - MA Expansion	93.778	6,092	254	-
Medicaid - MA Vehicle Expense	93.778	6,249	3,265	-
Medicaid - State/County Special Assistance	93.778	6,701	-	6,701
Medicaid - Medical Transportation Service	93.778	69,136	22,428	26,248
Medicaid - Medical Assistance	93.778	169,332	-	142,627
Direct Benefit Payments:				
TANF - Payments and Penalties	93.558	36,513	-	-
Total Division of Social Services		312,811	26,701	181,246
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Medical Assistance:				
Direct Benefit Payments:				
Medicaid - Medical Assistance Program	93.778	4,641,095	2,713,119	-
Children Health Insurance Program - NC Health Choice	93.767	89,046	28,094	-
Total Division of Medical Assistance		4,730,141	2,741,213	-
<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	31,651	-	-
Division of Child Development:				
Child Care Development Fund Block Grant	93.575	39,095	-	-
Child Care Development Fund - Mandatory	93.596	25,442	-	-
Child Care Development Fund - Match	93.596	18,025	7,165	-
Total Child Care Development Fund Cluster		114,213	7,165	-
Foster Care Title IV-E	93.658	1,358	688	38
Temporary Assistance For Needy Families	93.558	21,902	-	-
State Appropriations	N/A	-	2,591	-
TANF-MOE	N/A	-	13,226	-
Total Subsidized Child Care (Note 3)		23,260	16,505	38
<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	4,240	-	-
Public Health Emergency Preparedness	93.069	29,718	-	-
Prevention - Investigations And Technical Assistance	93.744	118	-	-
Statewide Health Promotion Program	93.991	10,783	-	-
Comprehensive Breast and Cervical Cancer	93.919	3,461	7,650	-

Hyde County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2014

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>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	29,634	23,089	-
State Health Access Program	93.256	-	-	-
Family Planning Services	93.217	16,665	-	-
Total U.S. Dept of Health and Human Services		<u>5,532,744</u>	<u>2,827,153</u>	<u>285,676</u>
<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	147,897	18,389	-
Pre-Disaster Mitigation Program	97.047	148,954	-	-
Total U.S. Dept of Homeland Security		<u>296,851</u>	<u>18,389</u>	<u>-</u>
<u>U.S. Department of Transportation</u>				
Passed through N.C. Department of Transportation:				
Capital Assistance Program for Elderly Persons	20.513	8,688	1,086	-
Airport Improvement Program	20.106	9,027	-	-
Total U.S. Department of Transportation		<u>17,715</u>	<u>1,086</u>	<u>-</u>
<u>U.S. Department of Education</u>				
Passed through N.C. Department of Health and Human Services:				
Race to the Top-Early Learning Challenge	84.412	96,464	-	-
Total Federal Awards		<u>6,737,391</u>	<u>2,846,628</u>	<u>407,207</u>
State Awards:				
<u>N.C. Dept. of Health and Human Services</u>				
Division of Social Services:				
Workfirst non-reimbursable		-	-	4,003
County Funded Programs		-	-	325,558
Foster Care		640	-	1,670
Total Division of Social Services		<u>640</u>	<u>-</u>	<u>331,231</u>
Direct Benefit Payments:				
State / County Special Assistance Domiciliary Care		-	50,320	50,320
CWS Adoption Subsidy		-	11,412	3,804
Total Division of Social Service		<u>-</u>	<u>61,732</u>	<u>54,124</u>
Division of Public Health:				
General		-	71,630	-
Communicable Disease		-	11,044	-
Tuberculosis		-	1,566	-
Food and Lodging Fees		-	3,319	-
Maternal Health		-	856	-
Mosquito - Public Health Pesticide		-	4,035	-
Environmental Health		-	4,000	-
WHSF		-	3,075	-
ESMM Community Grants		-	6,286	-
Total Division of Public Health		<u>-</u>	<u>105,811</u>	<u>-</u>
Total N.C. Dept of Health and Human Services		<u>640</u>	<u>167,543</u>	<u>385,355</u>

Hyde County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Fiscal Year Ended June 30, 2014

<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 Transportation</u>				
Division of Public Transportation:				
Elderly & Disabled Transportation Assistance		-	46,067	-
Rural General Public		-	50,654	-
Work First Transitional / Employment Transportation Asst.		-	4,394	-
Total Dept. of Transportation		-	101,115	-
 <u>N.C. Dept. of Commerce</u>				
Division of Policies and Programs:				
NC Tomorrow Grant		-	-	-
Total N.C. Dept. of Commerce		-	-	-
 Total State awards		640	268,658	385,355
 Total Federal and State awards		6,738,031	3,115,286	792,562

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.