

SAMPSON COUNTY, NORTH CAROLINA

Annual Financial Report

For the Fiscal Year Ended June 30, 2018



	<u>Page</u>
FINANCIAL SECTION	
Independent Auditor's Report	9
Management's Discussion and Analysis	12
 <i>Basic Financial Statements</i> 	
<i>Government-wide Financial Statements:</i>	
Statement of Net Position	25
Statement of Activities	26
 <i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds	28
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	31
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	32
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	35
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	36
Statement of Net Position – Proprietary Funds	38
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	41
Statement of Cash Flows – Proprietary Funds	42
Statement of Fiduciary Net Position – Fiduciary Funds	44
Notes to the Financial Statements	45
 <i>Required Supplementary Financial Data</i> 	
Schedule of County's Proportionate Share of Net Pension Liability – LGERS	94
Schedule of County's Contributions – LGERS	95
Schedule of County's Proportionate Share of Net Pension Asset – ROD	96
Schedule of County's Contributions – ROD	97
Schedule of Changes in Total Pension Liability – Law Enforcement Officers' Special Separation Allowance	98
Schedule of Total Pension Liability as a Percentage of Covered Payroll - LEO	99
Schedule of Changes in the Net OPEB Liability and Related Ratios	100
Schedule of County Contributions.....	101

Combining and Individual Fund Statements and Schedules

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	104
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Schools Capital Projects Fund.....	116
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Revaluation Fund.....	117
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – County Capital Project Fund	118
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Schools & Community Facilities Construction – Capital Project Fund	119
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Airport Construction Fund.....	120
Combining Balance Sheet – Nonmajor Governmental Funds	121
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	126
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Emergency Telephone System Fund.....	131
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Sampson Area Transportation Fund	132
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Head Start Programs Grants Project Fund	133
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Fire Districts Fund.....	134
Statement of Revenues, Expenditures, and Changes in Fund Balance – By Fire District.....	135
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Soil and Water Conservation District Fund.....	136
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Hazard Mitigation Plan Update Fund.....	137
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Community Development Grant Project SFR-14 Fund.....	138
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Urgent Home Repair Grant Project Fund	139
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Homeland Security Grant Project Equipment Fund	140
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Employment and Training Fund	141
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Community Development Grant Project ESFR-17 Fund	142
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Disaster Recovery Grant Project ESFR-17 Hurricane Matthew Fund.....	143
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Disaster Recovery Grant Project DRA-17 Fund	144

SAMPSON COUNTY, NORTH CAROLINA

Table of Contents (Continued)

Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Courthouse Annex I Renovations Capital Project Fund.....	145
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – County Bldgs. Construction & Renovations Capital Project Fund.....	146

Enterprise Funds

Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP) – Water and Sewer District II Fund.....	148
Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP) – Water and Sewer Line Construction Fund – Well Project	150
Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP) – Water and Sewer Line Construction Fund – 403 Infrastructure Project.....	151
Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP) – Water and Sewer Line Construction Fund – 403 Well Construction Project.....	152
Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP) – Water and Sewer Line Construction Fund – 403 Well Treatment Project.....	153
Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP) – Water and Sewer District I Fund.....	154

Agency Funds

Combining Balance Sheets	158
Combining Statement of Changes in Assets and Liabilities	159

Other Schedules

Schedule of Ad Valorem Taxes Receivable.....	162
Analysis of Current Tax Levy.....	163
Ten Largest Taxpayers.....	165
Analysis of Current Tax Levy – County-wide and Special Districts	166

COMPLIANCE SECTION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	170
Report on Compliance For Each Major Federal Program and Internal Control Over Compliance in Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act	172
Report on Compliance For Each Major State Program and Internal Control Over Compliance in Accordance With OMB Uniform Guidance and the State Single Audit Implementation Act	174
Schedule of Findings and Questioned Costs	176
Corrective Action Plan.....	182
Summary Schedule of Prior Audit Findings.....	184
Schedule of Expenditures of Federal and State Awards	185
Notes to Schedule of Expenditures of Federal and State Awards	190

Financial Section



Independent Auditor's Report

To the Board of County Commissioners
Sampson County, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sampson County, North Carolina, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Sampson County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Sampson Regional Medical Center, Inc., which represents 99 percent of the assets, net position, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sampson Regional Medical Center, Inc. is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of Sampson Regional Medical Center, Inc. and Sampson County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

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

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

Opinions

In our opinion, based on our 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, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sampson County, North Carolina as of June 30, 2018, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedules of the County's Proportionate Share of the Net Pension Asset and County's Contributions, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, and the Other Postemployment Benefits schedules of Changes in the Net OPEB Liability and Related Ratios and County Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Sampson 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 *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our 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 basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2018 on our consideration of Sampson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sampson County's internal control over financial reporting and compliance.

W GREENE PLLC

Whiteville, North Carolina
November 15, 2018

Management's Discussion and Analysis

As management of Sampson County, we offer readers of Sampson County's financial statements this narrative overview and analysis of the financial activities of Sampson County for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

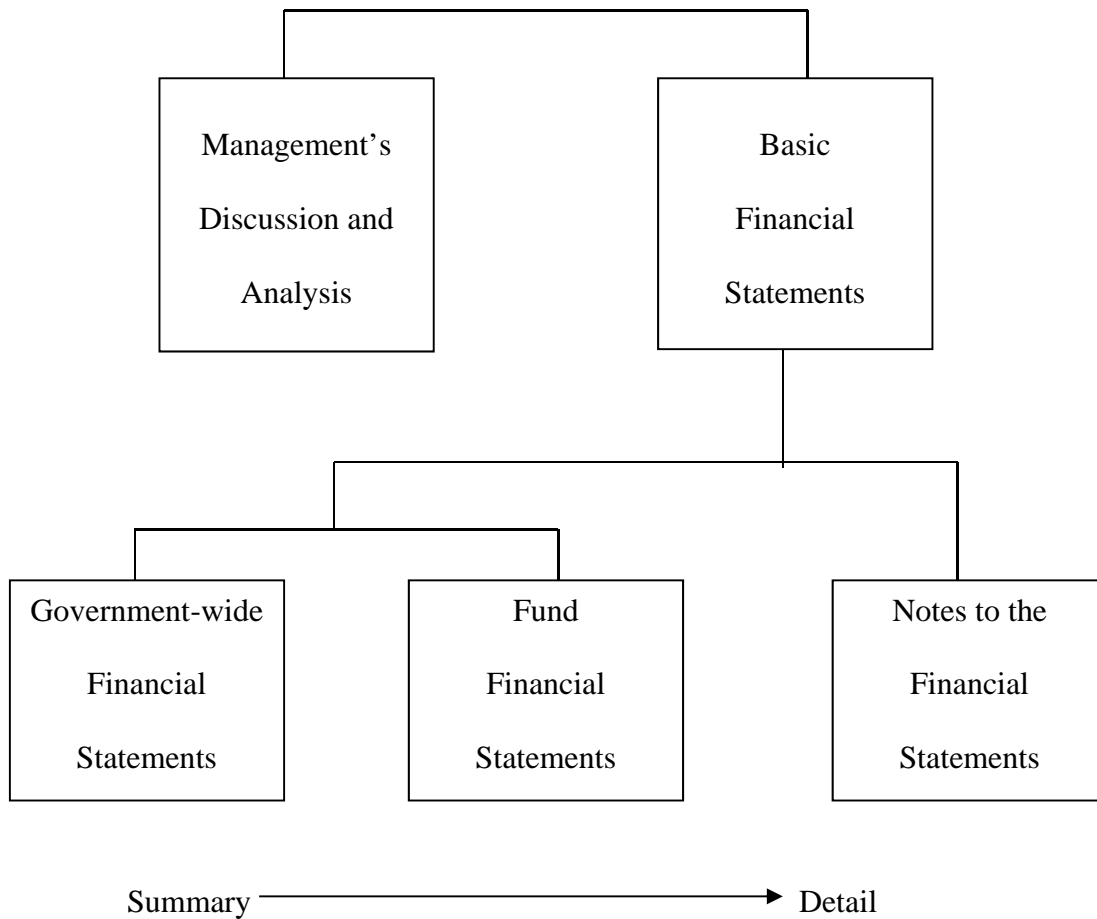
Financial Highlights

- The assets and deferred outflows of resources of Sampson County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$48,289,700(*net position*).
- The government's total net position increased by \$2,442,284, primarily due to increases in net position for the Governmental Activities.
- As of the close of the current fiscal year, Sampson County's governmental funds reported combined ending fund balances of \$35,228,221, an increase of \$2,930,636. Airport expansion capital project decreased the fund balance by \$37,253, Schools Capital Projects fund activity increased the fund balance by \$364,141 and School Construction Fund activity decreased the fund balance by \$747,809. Other Non-Major Governmental Funds activity increased fund balance by \$11,277. General fund activity increased fund balance by \$3,340,280. Approximately forty-nine percent (49%) of the fund balance amount, \$14,430,921, 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 \$14,430,921, or ten percent (10%) of total general fund expenditures for the fiscal year.
- Sampson County's total long term obligations decreased by \$8,863,506. Several factors led the decrease in total debt as follows:
 - Scheduled payments of principal on other loans.
 - Refunding of USDA installment purchase agreements.
 - No new loan proceeds.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Sampson County's basic financial statements. Sampson 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 supplementary information that will enhance the reader's understanding of the financial condition of Sampson County.

Required Components of Annual Financial Report
Figure 1



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. Following the notes is the **required supplemental information**, which contains funding information about the County’s pension plans and post-employment benefits. After that section, **supplemental information** is provided to show details about the County’s funds and internal service fund. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

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

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources 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, parks and recreation, 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 Sampson County. The final category is the component units. Sampson Regional Medical Center is a public hospital operated by a not-for-profit corporation that has leased the hospital from the County for a period of 99 years. The County appoints the board of trustees for the hospital and has issued debt on its behalf. Sampson County Tourism Development Authority was created to develop tourism within the County.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Sampson 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 Sampson 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.

Sampson County adopts an annual budget for its General Fund, as required by North Carolina 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 – Sampson 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. Sampson County uses enterprise funds to account for its water and sewer activities. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the functions of Sampson County. The County uses an internal service fund to account for one activity – its self-insured operations. Because this operation benefits predominantly governmental rather than business-type activities, the internal service fund has been included within the governmental activities in the government-wide financial statements

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 33 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Sampson County's progress in funding its obligation to provide pension benefits to its employees and its obligation to provide post-employment health care benefits to eligible employees. Required supplementary information can be found beginning on page 83 of this report.

Interdependence with Other Entities - The County depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

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 and deferred outflows of resources of Sampson County exceeded its liabilities and deferred inflows of resources by \$48,289,700 as of June 30, 2018. The County's net position increased by \$2,442,284 for the fiscal year ended June 30, 2018. The largest portion \$39,724,727 (82%) reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). Sampson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Sampson County's net 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 Sampson County's net position \$15,443,163 (32%) represents resources that are subject to external restrictions on how they may be used. The unrestricted net asset balance is a negative \$6,878,190 (-14%).

Sampson County's Net Position
Figure 2

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 44,252,428	\$ 42,258,294	\$ 4,022,391	\$ 3,797,189	\$ 48,274,819	\$ 46,055,483
Capital assets	<u>129,586,801</u>	<u>130,899,916</u>	<u>24,609,627</u>	<u>25,368,895</u>	<u>154,196,428</u>	<u>156,268,811</u>
Total assets	<u>\$173,839,229</u>	<u>\$173,158,210</u>	<u>\$ 28,632,018</u>	<u>\$ 29,166,084</u>	<u>\$202,471,247</u>	<u>\$202,324,294</u>
Deferred outflows of resources	\$ 4,596,332	\$ 5,605,092	\$ 91,002	\$ 114,631	4,687,334	5,719,723
Long-term liabilities outstanding	\$128,958,474	\$133,817,829	\$ 13,019,438	\$ 13,452,516	\$141,977,912	\$147,270,345
Other liabilities	<u>14,809,229</u>	<u>9,577,954</u>	<u>776,820</u>	<u>819,413</u>	<u>15,586,049</u>	<u>10,397,367</u>
Total liabilities	<u>\$143,767,703</u>	<u>\$143,395,783</u>	<u>\$ 13,796,258</u>	<u>\$ 14,271,929</u>	<u>\$157,563,961</u>	<u>\$157,667,712</u>
Deferred inflows of resources	\$ 1,301,156	\$ 1,404,037	\$ 3,764	\$ 5,904	\$ 1,304,920	\$ 1,409,941
Net position:						
Net investment in capital assets	\$ 27,671,801	\$ 22,501,526	\$ 12,052,926	\$ 12,358,505	\$ 39,724,727	\$ 34,860,031
Restricted	15,443,163	17,720,664	-	-	15,443,163	17,720,664
Unrestricted	<u>(9,748,262)</u>	<u>(6,258,708)</u>	<u>2,870,072</u>	<u>2,644,377</u>	<u>(6,878,190)</u>	<u>(3,614,331)</u>
Total net position	<u>\$ 33,366,702</u>	<u>\$ 33,963,482</u>	<u>\$ 14,922,998</u>	<u>\$ 15,002,882</u>	<u>\$ 48,289,700</u>	<u>\$ 48,966,364</u>

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

- Continued diligence in the collection of property taxes by maintaining an overall collection percentage in excess of approximately 97%.
- Debt refunding in prior year reduced debt service expenditures.
- Collections in excess of budget on property taxes, ambulance fees, and sales taxes.

- Expenditures as related budget were much lower than expected in the General Fund. Cost saving measures implemented by the Board produced an unexpected windfall.

Sampson County's Changes in Net Position
Figure 3

	Governmental Activities		Business Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 8,459,396	\$ 7,786,879	\$ 3,091,095	\$ 2,651,684	\$ 11,550,491	\$ 10,438,563
Operating grants and contributions	12,245,326	14,696,822	-	-	12,245,326	14,696,822
Capital grants and contributions	93,131	327,703	28,044	455,661	121,175	783,364
General revenues:						
Property taxes	41,402,569	38,934,982	-	-	41,402,569	38,934,982
Other taxes	12,673,375	12,430,397	-	-	12,673,375	12,430,397
Investment earnings, unrestricted	223,122	83,624	24,894	10,675	248,016	94,299
Other	3,167,556	3,107,139	-	387,478	3,167,556	3,494,617
Total revenues	78,264,475	77,367,546	3,144,033	3,505,498	81,408,508	80,873,044
Expenses:						
General government	9,769,504	6,304,693	-	-	9,769,504	6,304,693
Public safety	20,786,908	21,511,511	-	-	20,786,908	21,511,511
Economic and physical development	1,876,228	1,276,854	-	-	1,876,228	1,276,854
Environmental protection	1,079,264	1,036,127	-	-	1,079,264	1,036,127
Human services	18,199,063	20,391,591	-	-	18,199,063	20,391,591
Cultural and recreation	2,110,643	1,916,176	-	-	2,110,643	1,916,176
Education	13,947,333	13,449,772	-	-	13,947,333	13,449,772
Interest on long-term debt	4,827,477	5,736,483	508,770	521,157	5,336,247	6,257,640
Water and sewer Dist. I	-	-	699,883	625,792	699,883	625,792
Water and sewer Dist. II	-	-	2,004,775	2,052,971	2,004,775	2,052,971
Total expenses	72,596,420	71,623,207	3,213,428	3,199,920	75,809,848	74,823,127
Change in net position before transfers & special items	5,668,055	5,744,339	(69,395)	305,578	5,598,660	6,049,917
Transfers	(38,750)	-	38,750	(216,006)	-	(216,006)
Change in net position	5,629,305	5,744,339	(30,645)	89,572	5,598,660	5,833,911
Net position, beginning(restated)	27,737,397	28,219,143	14,953,643	14,913,310	42,691,040	43,132,453
Net position, ending	\$ 33,366,702	\$ 33,963,482	\$ 14,922,998	\$ 15,002,882	\$ 48,289,700	\$ 48,966,364

Governmental activities: Governmental activities increased the County's net position by \$2,522,168, thereby accounting for one-hundred and three percent (103%) of the total increase in net position of Sampson County. Key elements of this increase are as follows:

- Ad valorem tax revenue increased.
- Sales tax revenue increased

Business-type activities: Business-type activities decreased Sampson County's net position by \$79,884, accounting for a negative three percent (-3%) of the government's total increase in net position. Key elements of this decrease as compared to the prior year are as follows:

- Prior year receipt of grant revenues.
- Increase in expenditures.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Sampson County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Sampson 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 Sampson County. At the end of the current fiscal year, unassigned fund balance of the General fund was \$14,430,921, while total fund balance was \$29,327,976. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned balance represents ten percent (10%) of total General Fund expenditures, while total fund balance represents twenty-one percent (21%) percent of that same amount.

At June 30, 2018, the governmental funds of Sampson County reported a combined fund balance of \$35,228,221, a nine percent (9%) increase over last year. The primary reason for this increase was mentioned earlier.

The other major governmental funds include the Schools Capital Projects Fund, the Airport expansion capital project fund, and the School Construction capital project fund. The Schools Capital Projects Fund accounts for the accumulation of resources to fund capital needs and debt for capital needs for the County's school districts. In the current fiscal year, restricted fund balance of the Schools Capital Projects Fund was \$3,502,366.

The Schools Capital Projects Fund fund balance increased \$364,141. This increase was due to revenues that were more than the expenditures for capital outlay for the school systems.

The County's other two major capital project funds are the Airport Expansion Capital Project and the Schools Construction Fund. The Airport Expansion fund accounts for the resources and costs for various construction projects at the Clinton-Sampson Airport. This construction is funded

primarily grant funds from the North Carolina Department of Transportation. The School Construction fund accounts for the resources and costs to construct new school facilities in the County. This fund currently has a fund balance of \$849,453.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$617,573 or approximately one percent (1%).

Proprietary Funds. Sampson County’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. During the year, net position decreased by \$30,645. This increase was due primarily increased costs of operations.

Capital Asset and Debt Administration

Capital assets. Sampson County’s capital assets for its governmental and business-type activities as of June 30, 2018, totals \$154,196,428 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, vehicles, and construction in progress.

Major capital asset transactions during the year include:

- Construction in progress for Airport.
- Construction in progress for County buildings.
- Purchases of new equipment and vehicles.

SAMPSON COUNTY’S CAPITAL ASSETS

(net of depreciation)

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 6,368,480	\$ 6,353,480	\$ 225,319	\$ 225,319	\$ 6,593,799	\$ 6,578,799
Buildings & Systems	110,249,726	112,809,798	23,884,401	22,942,003	134,134,127	135,751,801
Machinery & Equipment	5,381,935	5,727,345	135,722	141,944	5,517,657	5,869,289
Vehicles & Motorized Equip.	2,711,317	2,012,940	220,673	222,453	2,931,990	2,235,393
Construction in Progress	4,875,343	3,996,354	143,512	1,837,175	5,018,855	5,833,529
Total	\$129,586,801	\$130,899,917	\$ 24,609,627	\$ 25,368,894	\$154,196,428	\$156,268,811

Additional information on the County’s capital assets can be found in note II.A.5 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2018, Sampson County had total bonded debt outstanding of \$9,936,000 which is debt backed by the full faith and credit of the Water and Sewer Districts. The County also had \$101,915,000 in limited obligation bonds, \$1,694,038 outstanding in installment/purchase contracts, \$5,920,000 outstanding in installment purchase revenue bonds, \$1,590,703 outstanding in qualified zone academy bonds, \$726,994 outstanding in state clean water bonds – all of which are being paid from general fund, school capital reserve fund, NC Education Lottery and water district service revenues.

**Sampson County’s Outstanding Debt
Figure 5**

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds	\$ -	\$ -	\$ 9,936,000	\$ 10,225,000	\$ 9,936,000	\$ 10,225,000
Installment Purchases	-	68,656,244	1,694,038	1,719,721	1,694,038	70,375,965
Qualified Zone Academy Bonds	1,590,703	1,839,276	-	-	1,590,703	1,839,276
Revenue Bonds	5,920,000	6,930,000	-	-	5,920,000	6,930,000
Limited Obligation Bonds	101,915,000	40,410,000	-	-	101,915,000	40,410,000
Unamortized Premium on LOBs	10,873,928	5,476,613	-	-	10,873,928	5,476,613
Unamortized Premium on GOs	-	-	726,994	755,086	726,994	755,086
State Clean Water Bonds	-	-	926,663	1,065,669	926,663	1,065,669
Compensated Absences	2,033,233	1,887,557	55,260	56,629	2,088,493	1,944,186
Net Pension Liability (LGERS)	4,804,212	6,485,704	104,667	68,490	4,908,879	6,554,194
Total Pension Liability (LEOSSA)	1,581,086	1,412,568	-	-	1,581,086	1,412,568
Other Post-employment Benefits	11,840,451	8,618,139	187,549	136,485	12,028,000	8,754,624
Total	\$140,558,613	\$141,716,101	\$ 13,631,171	\$ 14,027,080	\$154,189,784	\$155,743,181

Sampson County’s total outstanding debt decreased by \$8,863,506 or six percent (6%) during the past fiscal year, primarily due to the scheduled debt payments and refunding several installment purchase debt obligations.

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 Sampson County is \$254,632,006.

Additional information regarding Sampson County’s long-term debt can be found in note II. B. 7 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.

- The County's unemployment rate as of December, 2017 of 4.5% was slightly higher than the state average of 4.3%.
- The property tax base increased by 5.83%. This was largely due to increases in business personal property listings and construction related to a new industry.
- The tax collection rate of approximately 97.66% was slightly higher than the prior year.

Some of these factors and others were considered when management prepared Sampson County’s budget ordinance for the 2018-2019 fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2019

Governmental Activities: In fiscal year June 30, 2019, the County tax rate remained the same at \$.825 cents per \$100 of value. The total operating budget decreased by approximately \$2,000,000 primarily due to the reduction in debt service, and a reduction in funds for human services grant programs.

General Fund revenues are projected to increase \$776,456 or approximately one percent (1%). Increase in property tax and sales tax revenues represents the largest increases in revenues.

Budgeted expenditures in the General Fund are budgeted to decrease approximately one percent (1%) to \$89,911,032. The largest decreases are in costs for debt service and certain grant programs.

Business-type Activities: The water rates in the County will remain steady. General operating expenses are expected to remain steady.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Officer, Sampson County, 406 County Complex Road, Suite 120, Clinton, N.C. 28328.



Basic Financial Statements



**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION**

June 30, 2018

	Primary Government			Component Units	
	Governmental	Business-Type	Total	Sampson County	Sampson
	Activities	Activities		Tourism Development	Reg. Medical
			Authority	Center, Inc.	
ASSETS					
Cash and cash equivalents	\$ 28,171,928	\$ 3,285,192	\$ 31,457,120	\$ 138,491	\$ 3,683,095
Short-term investments	-	-	-	-	1,327,680
Receivables (net)	11,209,547	468,837	11,678,384	12,847	4,793,226
Inventories	9,659	268,362	278,021	-	1,490,128
Prepays	-	-	-	-	503,517
Restricted cash and cash equivalents	4,778,649	-	4,778,649	-	8,810,443
Other non-current receivables	-	-	-	-	-
Net pension asset	82,645	-	82,645	-	-
Capital assets:					
Land, improvements, and construction in progress	11,243,823	368,831	11,612,654	-	1,985,644
Other capital assets, net of depreciation	118,342,978	24,240,796	142,583,774	-	23,425,781
Total capital assets	129,586,801	24,609,627	154,196,428	-	25,411,425
Total assets	\$ 173,839,229	\$ 28,632,018	\$ 202,471,247	\$ 151,338	\$ 46,019,514
DEFERRED OUTFLOWS OF RESOURCES					
	4,596,332	91,002	4,687,334	-	-
LIABILITIES					
Accounts payable and accrued liabilities	\$ 3,209,090	\$ 165,087	\$ 3,374,177	\$ 282	\$ 7,205,811
Long-term liabilities:					
Due within one year	5,214,841	507,066	5,721,907	-	1,089,027
Due in more than one year	128,958,474	13,019,438	141,977,912	-	6,056,034
Total pension liability - LEOSSA	1,581,086	-	1,581,086	-	-
Net pension liability - LGERS	4,804,212	104,667	4,908,879	-	-
Total liabilities	143,767,703	13,796,258	157,563,961	282	14,350,872
DEFERRED INFLOWS OF RESOURCES					
	1,301,156	3,764	1,304,920	-	-
NET POSITION					
Net Investment in capital assets	27,671,801	12,052,926	39,724,727	-	18,266,364
Restricted for:					
Stabilization by state statute	10,196,580	-	10,196,580	12,847	-
Public safety	1,560,803	-	1,560,803	-	-
Debt Service	-	-	-	-	-
Education	3,685,780	-	3,685,780	-	-
Capital acquisitions	-	-	-	-	354,841
Unrestricted	(9,748,262)	2,870,072	(6,878,190)	138,209	12,723,663
Net position of controlled organization	33,366,702	14,922,998	48,289,700	151,056	31,344,868
Noncontrolling interest in entity	-	-	-	-	323,774
Total net position	\$ 33,366,702	\$ 14,922,998	\$ 48,289,700	\$ 151,056	\$ 31,668,642

The accompanying notes are an integral part of this financial statement.

**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 9,769,504	\$ 278,908	\$ 113,701	\$ -
Public safety	20,786,908	5,015,932	595,952	-
Economic and physical development	1,876,228	-	147,281	93,131
Environmental protection	1,079,264	808,478	203,111	-
Human services	18,199,063	2,356,078	10,100,794	-
Culture and recreation	2,110,643	-	-	-
Education	13,947,333	-	1,084,487	-
Interest on long-term debt	4,827,477	-	-	-
Total governmental activities	<u>72,596,420</u>	<u>8,459,396</u>	<u>12,245,326</u>	<u>93,131</u>
Business-type activities:				
Water District II	2,475,994	2,401,722	28,044	-
Water District I	737,434	689,373	-	-
Total business-type activities	<u>3,213,428</u>	<u>3,091,095</u>	<u>28,044</u>	<u>-</u>
Total primary government	<u>\$ 75,809,848</u>	<u>\$ 11,550,491</u>	<u>\$ 12,273,370</u>	<u>\$ 93,131</u>
Component units:				
Sampson County Tourism Dev Authority	87,474	-	-	-
Sampson Regional Medical Ctr. Inc.	59,420,733	58,518,187	-	604
Total component unit	<u>\$ 59,508,207</u>	<u>\$ 58,518,187</u>	<u>\$ -</u>	<u>\$ 604</u>

The accompanying notes are an integral part of this financial statement.

**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2018

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Sampson County Tourism Development Authority	Sampson Reg. Medical Center, Inc.
Primary Government:					
Governmental Activities:					
General government	\$ (9,376,895)	\$ -	\$ (9,376,895)		
Public safety	(15,175,024)	-	(15,175,024)		
Economic and physical development	(1,635,816)	-	(1,635,816)		
Environmental protection	(67,675)	-	(67,675)		
Human services	(5,742,191)	-	(5,742,191)		
Culture and recreation	(2,110,643)	-	(2,110,643)		
Education	(12,862,846)	-	(12,862,846)		
Interest on long-term debt	(4,827,477)	-	(4,827,477)		
Total governmental activities	<u>(51,798,567)</u>	<u>-</u>	<u>(51,798,567)</u>		
Business-type activities:					
Water District II	-	(46,228)	(46,228)		
Water District I	-	(48,061)	(48,061)		
Total business-type activities	<u>-</u>	<u>(94,289)</u>	<u>(94,289)</u>		
Total primary government	<u>\$ (51,798,567)</u>	<u>\$ (94,289)</u>	<u>\$ (51,892,856)</u>		
Component units:					
Sampson County Tourism Dev Authority				\$ (87,474)	\$ -
Sampson Regional Medical Ctr. Inc.				-	(901,942)
Total component units				<u>\$ (87,474)</u>	<u>\$ (901,942)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purpose	41,402,569	-	41,402,569	-	-
Other taxes and fees	12,673,375	-	12,673,375	117,966	-
Investment earnings, unrestricted	223,122	24,894	248,016	6	56,176
Miscellaneous, unrestricted	3,167,556	-	3,167,556	1,676	(95,628)
Total general revenues excluding transfers	57,466,622	24,894	57,491,516	119,648	(39,452)
Transfers	(38,750)	38,750	-	-	-
Total general revenues and transfers	<u>57,427,872</u>	<u>63,644</u>	<u>57,491,516</u>	<u>119,648</u>	<u>(39,452)</u>
Change in net position	5,629,305	(30,645)	5,598,660	32,174	(941,394)
Net position - beginning, previously reported	30,844,534	15,002,882	45,847,416	118,882	32,286,262
Restatement	(3,107,137)	(49,239)	(3,156,376)	-	-
Net position, beginning, restated	<u>27,737,397</u>	<u>14,953,643</u>	<u>42,691,040</u>	<u>118,882</u>	<u>32,286,262</u>
Net position - ending	<u>\$ 33,366,702</u>	<u>\$ 14,922,998</u>	<u>\$ 48,289,700</u>	<u>\$ 151,056</u>	<u>\$ 31,344,868</u>

The accompanying notes are an integral part of this financial statement.

SAMPSON COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	Major			
	General	Schools Capital Project	School Construction Fund	Airport Expansion Capital Project
ASSETS				
Cash and cash equivalents	\$ 21,360,867	\$ -	\$ -	\$ -
Restricted cash	1,092,869	2,836,327	849,453	-
Taxes receivable (net)	1,724,287	-	-	-
Accounts receivable	7,741,999	666,039	-	83,420
Due from other funds	931,574	-	-	-
Inventories	9,659	-	-	-
Total Assets	<u>\$ 32,861,255</u>	<u>\$ 3,502,366</u>	<u>\$ 849,453</u>	<u>\$ 83,420</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,738,612	\$ -	\$ -	47,054
Due to general fund	-	-	-	440,124
Total Liabilities	<u>1,738,612</u>	<u>-</u>	<u>-</u>	<u>487,178</u>
Deferred Inflows of Resources:				
Property taxes receivable	1,724,287	-	-	-
Prepaid Taxes	70,380	-	-	-
Total Deferred Inflows of Resources	<u>1,794,667</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Nonspendable				
Inventories	9,659	-	-	-
Restricted				
Stabilization by state statute	8,673,573	666,039	-	83,420
Public safety	565,031	-	-	-
Debt service	-	-	-	-
Education	-	2,836,327	849,453	-
Committed				
Revaluation	527,838	-	-	-
Nonmajor funds	-	-	-	-
Capital projects	2,742,949	-	-	(487,178)
Assigned				
Subsequent year's expenditures	2,378,005	-	-	-
Unassigned	14,430,921	-	-	-
Total fund balances	<u>29,327,976</u>	<u>3,502,366</u>	<u>849,453</u>	<u>(403,758)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 32,861,255</u>	<u>\$ 3,502,366</u>	<u>\$ 849,453</u>	<u>\$ 83,420</u>

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

SAMPSON COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	<u>Non-Major</u>	
	Other	Total
	Governmental	Governmental
	Funds	Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 1,937,585	\$ 23,298,452
Restricted cash	-	4,778,649
Taxes receivable (net)	102,152	1,826,439
Accounts receivable	773,548	9,265,006
Due from other funds	-	931,574
Inventories	-	9,659
Total Assets	<u>\$ 2,813,285</u>	<u>\$ 40,109,779</u>
LIABILITIES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 267,499	\$ 2,053,165
Due to general fund	491,450	931,574
Total Liabilities	<u>758,949</u>	<u>2,984,739</u>
Deferred Inflows of Resources:		
Property taxes receivable	102,152	1,826,439
Prepaid Taxes	-	70,380
Total Deferred Inflows of Resources	<u>102,152</u>	<u>1,896,819</u>
Fund balances:		
Nonspendable		
Inventories	-	9,659
Restricted		
Stabilization by state statute	773,548	10,196,580
Public safety	995,772	1,560,803
Debt service	-	-
Education	-	3,685,780
Committed		
Revaluation	-	527,838
Nonmajor funds	145,760	145,760
Capital projects	37,104	2,292,875
Assigned		
Subsequent year's expenditures	-	2,378,005
Unassigned	-	14,430,921
Total fund balances	<u>1,952,184</u>	<u>35,228,221</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,813,285</u>	<u>\$ 40,109,779</u>

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



SAMPSON COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

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

Total Fund Balance, Governmental Funds	35,228,221
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	129,586,801
Net Pension Asset	82,645
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds	116,986
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position	1,513,122
Benefit payments and pension administration costs for LEOSA are deferred outflows of resources on the Statement of Net Position	26,158
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	728,456
Net Pension Liability	(4,804,212)
Net OPEB Liability	(11,840,451)
Total Pension Liability	(1,581,086)
Deferred gain related to bond refunding issue	(950,418)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(123,322,886)
Deferred inflows of resources for taxes receivable	1,826,439
Pension and OPEB related deferrals	2,048,237
Internal service fund allocation	4,708,690
Net position of governmental activities	<u>\$ 33,366,702</u>

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

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2018

	Major			
	General	Schools Capital Projects	School Construction Fund	Airport Expansion Capital Project
REVENUES				
Ad Valorem taxes	\$ 38,797,467	\$ -	\$ -	\$ -
Other taxes and licenses	10,156,746	2,516,629	-	-
Intergovernmental Revenues:				
Restricted	11,432,376	-	-	93,131
Permits and fees	808,478	-	-	-
Sales and services	6,439,077	-	-	-
Investment earnings	184,172	22,638	1,323	-
Miscellaneous	3,167,154	-	-	-
Total revenues	<u>70,985,470</u>	<u>2,539,267</u>	<u>1,323</u>	<u>93,131</u>
EXPENDITURES				
Current:				
General government	7,112,098	-	-	-
Public safety	17,808,658	-	-	-
Environmental protection	1,060,466	-	-	-
Economic and physical development	1,854,532	-	-	-
Human services	17,533,868	-	-	-
Culture and recreation	2,075,379	-	-	-
Education	13,947,333	-	-	-
Debt service				
Principal	72,870,508	-	-	-
Interest and fees	5,755,825	-	-	-
Administration	106,895	-	-	-
Capital expansion	-	-	749,132	130,384
Total expenditures	<u>140,125,562</u>	<u>-</u>	<u>749,132</u>	<u>130,384</u>
Excess (deficiency) of revenues over expenditures	<u>(69,140,092)</u>	<u>2,539,267</u>	<u>(747,809)</u>	<u>(37,253)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,661,116	-	-	-
Transfers out	(38,750)	(2,175,126)	-	-
Installment purchase debt issued	69,858,006	-	-	-
Total other financing sources (uses)	<u>72,480,372</u>	<u>(2,175,126)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,340,280	364,141	(747,809)	(37,253)
Fund balances-beginning	25,987,696	3,138,225	1,597,262	(366,505)
Fund balances-ending	<u>\$ 29,327,976</u>	<u>\$ 3,502,366</u>	<u>\$ 849,453</u>	<u>\$ (403,758)</u>

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

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2018

	<u>Non-Major</u>	
	Other	Total
	Governmental	Governmental
	Funds	Funds
	<u> </u>	<u> </u>
REVENUES		
Ad Valorem taxes	\$ 2,893,255	\$ 41,690,722
Other taxes and licenses	-	12,673,375
Intergovernmental Revenues:		
Restricted	812,950	12,338,457
Permits and fees	1,211,841	2,020,319
Sales and services	-	6,439,077
Investment earnings	14,989	223,122
Miscellaneous	401	3,167,555
Total revenues	<u>4,933,436</u>	<u>78,552,627</u>
 EXPENDITURES		
Current:		
General government	-	7,112,098
Public safety	2,986,007	20,794,665
Environmental protection	8,697	1,069,163
Economic and physical development	-	1,854,532
Human services	1,441,465	18,975,333
Culture and recreation	-	2,075,379
Education	-	13,947,333
Debt service		
Principal	-	72,870,508
Interest and fees	-	5,755,825
Administration	-	106,895
Capital expansion	-	879,516
Total expenditures	<u>4,436,169</u>	<u>145,441,247</u>
Excess (deficiency) of revenues over expenditures	<u>497,267</u>	<u>(66,888,620)</u>
 OTHER FINANCING SOURCES (USES)		
Transfers in	-	2,661,116
Transfers out	(485,990)	(2,699,866)
Installment purchase debt issued	-	69,858,006
Total other financing sources (uses)	<u>(485,990)</u>	<u>69,819,256</u>
Net change in fund balance	11,277	2,930,636
Fund balances-beginning	1,940,907	32,297,585
Fund balances-ending	<u>\$ 1,952,184</u>	<u>\$ 35,228,221</u>

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



SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2018

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

Net changes in fund balances - total governmental funds	\$ 2,930,636
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 depreciation exceeded capital outlays in the current period.	(1,313,117)
Cost of capital asset disposed of during the year, not recognized on modified accrual basis	-
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	1,513,122
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	26,158
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	728,456
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(288,153)
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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	3,012,502
Difference in insurance expense between fund statements (modified accrual) and government-wide statements (full accrual) due to the allocation of profit from internal service fund	(26,247)
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>(954,052)</u>
Total changes in net position of governmental activities	<u>\$ 5,629,305</u>

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

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-GENERAL FUND
For the Fiscal Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues				
Ad Valorem taxes	\$37,855,460	\$37,855,460	\$38,675,467	\$ 820,007
Other taxes and licenses	10,031,800	10,031,800	10,156,746	124,946
Intergovernmental Revenues:				
Restricted	13,256,973	13,722,625	11,432,376	(2,290,249)
Permits and fees	695,800	695,800	808,478	112,678
Sales and services	6,062,558	6,194,135	6,439,077	244,942
Investment earnings	-	-	157,675	157,675
Miscellaneous	<u>2,729,350</u>	<u>2,749,694</u>	<u>3,167,154</u>	<u>417,460</u>
Total revenues	<u>70,631,941</u>	<u>71,249,514</u>	<u>70,836,973</u>	<u>(412,541)</u>
Expenditures				
Current:				
General government	6,736,619	7,348,727	6,573,012	775,715
Public safety	18,333,193	18,517,979	17,808,658	709,321
Environmental protection	1,152,438	1,170,494	1,060,466	110,028
Economic and physical dev	2,010,404	2,135,269	1,854,532	280,737
Human services	19,971,068	20,523,720	17,533,868	2,989,852
Education	14,335,307	14,789,819	13,947,333	842,486
Culture and recreation	2,143,611	2,203,109	2,075,379	127,730
Debt service				
Principal	4,644,972	74,127,872	73,496,009	631,863
Interest and fees	5,431,906	5,177,200	5,130,324	46,876
Administration	111,614	111,614	106,895	4,719
Contingency	<u>833,231</u>	<u>684,776</u>	<u>-</u>	<u>684,776</u>
Total expenditures	<u>75,704,363</u>	<u>146,790,579</u>	<u>139,586,476</u>	<u>7,204,103</u>
Revenues over (under) expenditures	<u>(5,072,422)</u>	<u>(75,541,065)</u>	<u>(68,749,503)</u>	<u>6,791,562</u>
Other Financing Sources (Uses)				
Transfers in	3,024,930	3,479,442	2,663,116	(816,326)
Transfers out	(1,060,000)	(1,098,751)	(1,098,751)	-
Loan proceeds	<u>777,678</u>	<u>71,189,786</u>	<u>69,858,006</u>	<u>(1,331,780)</u>
Total other financing sources (uses)	<u>2,742,608</u>	<u>73,570,477</u>	<u>71,422,371</u>	<u>(2,148,106)</u>

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

**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL-GENERAL FUND
For the Fiscal Year Ended June 30, 2018**

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(2,329,814)	(1,970,588)	2,672,868	4,643,456
Appropriated Fund Balance	<u>2,329,814</u>	<u>1,970,588</u>	<u>-</u>	<u>(1,970,588)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	2,672,868	<u>\$ 2,672,868</u>
Fund balance -beginning			<u>23,384,321</u>	
Fund balance - ending			<u>\$26,057,189</u>	

The legally budgeted Tax Revaluation and Capital Reserve Funds are consolidated into the General Fund for reporting purposes:

Property taxes & Interest income	148,498
Transfers to General Fund	(2,000)
Transfer from General Fund	1,060,000
Revaluation costs	<u>(539,086)</u>
Fund Balance Beginning	<u>2,603,375</u>
Fund Balance Ending	<u>\$29,327,976</u>

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

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Major			
	Water and Sewer District II	Water and Sewer District I	Total	Internal Service Fund
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 1,390,122	\$ 1,895,070	\$ 3,285,192	\$ 4,873,476
Accounts receivable (net)	64,898	18,841	83,739	1,116
Water fees receivable (net)	345,142	39,956	385,098	-
Inventory	250,399	17,963	268,362	-
Total current assets	<u>2,050,561</u>	<u>1,971,830</u>	<u>4,022,391</u>	<u>4,874,592</u>
Noncurrent assets:				
Capital assets:				
Land, improvements, and construction in progress	352,024	16,807	368,831	-
Other capital assets net of depreciation	<u>22,473,560</u>	<u>1,767,236</u>	<u>24,240,796</u>	<u>-</u>
Total capital assets	<u>22,825,584</u>	<u>1,784,043</u>	<u>24,609,627</u>	<u>-</u>
Total assets	<u>24,876,145</u>	<u>3,755,873</u>	<u>28,632,018</u>	<u>4,874,592</u>
DEFERRED OUTFLOWS OF RESOURCE	<u>70,982</u>	<u>20,020</u>	<u>91,002</u>	<u>-</u>

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Major			Internal Service Fund
	Water and Sewer District II	Water and Sewer District I	Total	
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	120,475	44,612	165,087	165,902
Compensated absences	32,537	18,501	51,038	-
Notes payable	165,528	-	165,528	-
General obligation bonds payable	260,000	30,500	290,500	-
Total Current Liabilities	<u>578,540</u>	<u>93,613</u>	<u>672,153</u>	<u>165,902</u>
Noncurrent liabilities:				
Compensated absences	2,829	1,393	4,222	-
Notes payable	2,455,173	-	2,455,173	-
Unamortized premium on bonds	726,994	-	726,994	-
General obligation bonds payable	8,970,000	675,500	9,645,500	-
Net pension liability	81,640	23,027	104,667	-
Net OPEB liability	146,288	41,261	187,549	-
Total noncurrent liabilities	<u>12,382,924</u>	<u>741,181</u>	<u>13,124,105</u>	<u>-</u>
Total liabilities	<u>12,961,464</u>	<u>834,794</u>	<u>13,796,258</u>	<u>165,902</u>
DEFERRED INFLOWS OF RESOURCE	<u>2,936</u>	<u>828</u>	<u>3,764</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	10,974,883	1,078,043	12,052,926	-
Debt service	-	-	-	-
Unrestricted	<u>1,007,844</u>	<u>1,862,228</u>	<u>2,870,072</u>	<u>4,708,690</u>
Total net position	<u>\$ 11,982,727</u>	<u>\$ 2,940,271</u>	<u>\$ 14,922,998</u>	<u>\$ 4,708,690</u>

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



SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Major		Total	Internal Service Fund
	Water and Sewer District II	Water and Sewer District I		
OPERATING REVENUES				
Charges for services	\$ 2,177,622	\$ 632,213	\$ 2,809,835	\$ 5,888,565
Water tap fees	51,500	7,050	58,550	-
Miscellaneous	172,600	50,110	222,710	1,692
Total operating revenues	<u>2,401,722</u>	<u>689,373</u>	<u>3,091,095</u>	<u>5,890,257</u>
OPERATING EXPENSES				
Administration	532,833	168,863	701,696	-
Water Distribution	89,685	262,022	351,707	-
Operations and maintenance	555,061	153,249	708,310	-
Depreciation	827,196	115,749	942,945	-
Claims paid	-	-	-	5,955,416
Total operating expenses	<u>2,004,775</u>	<u>699,883</u>	<u>2,704,658</u>	<u>5,955,416</u>
Operating income (loss)	<u>396,947</u>	<u>(10,510)</u>	<u>386,437</u>	<u>(65,159)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest earnings	9,958	14,936	24,894	38,912
Interest expense	(471,219)	(37,551)	(508,770)	-
Total nonoperating revenues (expenses)	<u>(461,261)</u>	<u>(22,615)</u>	<u>(483,876)</u>	<u>38,912</u>
Income (loss) before contributions and transfers	(64,314)	(33,125)	(97,439)	(26,247)
Capital contributions	28,044	-	28,044	-
Transfer from general fund	38,750	-	38,750	-
Change in net position	2,480	(33,125)	(30,645)	(26,247)
Total net position - beginning	<u>12,018,653</u>	<u>2,984,229</u>	<u>15,002,882</u>	<u>4,734,937</u>
Net position - beginning, restated	<u>11,980,247</u>	<u>2,973,396</u>	<u>14,953,643</u>	<u>4,734,937</u>
Total net position - ending	<u>\$ 11,982,727</u>	<u>\$ 2,940,271</u>	<u>\$ 14,922,998</u>	<u>\$ 4,708,690</u>

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

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Major			
	Water and Sewer District II	Water and Sewer District I	Total	Internal Service Fund
Cash flows from operating activities:				
Cash received from customers	\$ 2,177,622	\$ 632,213	\$ 2,809,835	\$ 5,888,290
Cash paid for goods and services	(724,390)	(402,758)	(1,127,148)	(5,951,232)
Cash paid to employees for services	(496,516)	(145,419)	(641,935)	-
Customer deposits received	-	-	-	-
Customer deposits returned	-	-	-	-
Other operating revenues	193,947	57,160	251,107	1,692
Net cash provided (used) by operating activities	<u>1,150,663</u>	<u>141,196</u>	<u>1,291,859</u>	<u>(61,250)</u>
Cash flows from noncapital financing activities:				
Due to (from) other funds	-	-	-	-
Transfers from other funds	-	-	-	-
Net cash provided by noncapital and related financing activities	-	-	-	-
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(163,595)	(20,084)	(183,679)	-
Capital contributions-grants	28,044	-	28,044	-
Transfer from general fund	38,750	-	38,750	-
Principal paid on bond maturities and equipment contracts	(424,689)	(29,000)	(453,689)	-
Interest paid on bond maturities and equipment contracts	(499,947)	(37,669)	(537,616)	-
Net cash provided (used) by capital and related financing activities	<u>(1,021,437)</u>	<u>(86,753)</u>	<u>(1,108,190)</u>	<u>-</u>
Cash flows from investing activities:				
Interest	9,958	14,936	24,894	38,912
Net increase (decrease) in cash and cash equivalents	139,184	69,379	208,563	(22,338)
Cash and cash equivalents, July 1	1,250,938	1,825,691	3,076,629	4,895,814
Cash and cash equivalents, June 30	<u>\$ 1,390,122</u>	<u>\$ 1,895,070</u>	<u>\$ 3,285,192</u>	<u>\$ 4,873,476</u>

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

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Major		Total	Internal Service Fund
	Water and Sewer District II	Water and Sewer District I		
Reconciliation of operating income to net cash provided by operating activities				
Operating income (loss)	\$ 396,947	\$ (10,510)	\$ 386,437	\$ (65,159)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	827,196	115,749	942,945	-
Changes in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	161,561	23,966	185,527	(275)
Inventory	(202,166)	-	(202,166)	-
Deferred outflows of resources- pensions	26,863	8,310	35,173	-
Deferred outflows of resources - OPEB	(9,005)	(2,539)	(11,544)	-
Increase (decrease) in liabilities:				
Accounts payable & accrued liab.	(79,005)	(10,863)	(89,868)	4,184
Compensated absences	(754)	(615)	(1,369)	-
Net pension liability	28,560	7,617	36,177	-
Net OPEB liability	2,106	10,581	12,687	-
Deferred inflows of resources - pensions	(1,640)	(500)	(2,140)	-
Deferred inflows of resources - OPEB	-	-	-	-
Total adjustments	753,716	151,706	905,422	3,909
Net cash provided (used) by operating activities	<u>\$ 1,150,663</u>	<u>\$ 141,196</u>	<u>\$ 1,291,859</u>	<u>\$ (61,250)</u>

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 181,355
Accounts receivable	<u>64,752</u>
Total assets	<u>\$ 246,107</u>
LIABILITIES AND NET POSITION	
Liabilities:	
Accounts payable and accrued liabilities	\$ 58,917
Miscellaneous liabilities	<u>187,190</u>
Total liabilities	<u>\$ 246,107</u>

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

SAMPSON COUNTY, NORTH CAROLINA
NOTE TO FINANCIAL STATEMENTS
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Sampson County and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a five-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. Sampson County Water & Sewer Districts I & II (the Districts) exist to provide and maintain a water system for the County residents within the Districts. The Districts are reported as an enterprise fund in the County's financial statements. Sampson County Industrial Facility and Pollution Control Financing Authority (the IFP Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. Sampson Area Development Corporation (the Corporation) exists to issue debt for the construction of public buildings, school buildings, and shell buildings for economic development purposes. The Corporation has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. Sampson Regional Medical Center, Incorporated (the Hospital), which has a September 30 year-end is presented as if it is a separate proprietary fund of the County (discrete presentation). Sampson County Tourism Development Authority (the Authority) is presented as if it is a separate proprietary fund of the County (discrete presentation) and was created to promote travel and tourism in Sampson County using an occupancy tax levied on gross receipts from accommodations. The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Sampson County Water & Sewer Districts I & II	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the Districts.	None Issued
Sampson County Industrial Facility and Pollution Control Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause.	None Issued
Sampson Area Development Corporation	Discrete	The Corporation is governed by a five-member board of directors that is appointed by the County Commissioners. The County can remove any director of the Corporation with or without cause.	None Issued
Sampson Regional Medical Center, Incorporated	Discrete	The Hospital is a public hospital operated by a not-for-profit corporation which has leased the hospital facilities from the County. The County appoints the Board of Trustees for the hospital. The County also issues debt for the Hospital buildings and equipment.	Sampson Regional Medical Center, Inc. 607 Beamon Street Clinton, NC 28328
Sampson County Tourism Development Authority	Discrete	The Authority is governed by a twelve-member board of directors that is appointed by the County Commissioners. The County can remove any director of the Authority with or without cause.	Sampson County Finance Office PO Box 257 Clinton, NC 28329

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting

1. Basis of Presentation, Measurement Focus – Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as 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. The Tax Revaluation Fund and the Capital Projects Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 they are consolidated in the General Fund.

Schools Capital Projects Fund- This fund accounts for receipts and disbursements of sales tax funds that are earmarked for school capital outlay and debt service.

Schools Construction Capital Project Fund- This fund accounts for the resources and costs to build and renovate school buildings in the County.

Airport Expansion Apron Capital Project Fund- This fund accounts for the resources and costs to build and expand the Clinton-Sampson Airport.

The County reports the following major enterprise funds:

Sampson County Water District ii Fund- This fund is used to account for the operations of Water and Sewer District II within the County.

Sampson County Water District I Fund – This fund is used to account for the operations of Water and Sewer District I within the County.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued)

1. Basis of Presentation, Measurement Focus – Basis of Accounting (Continued)

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; 4-H fund, which accounts for moneys deposited with the County for use by the 4-H program; Tax Collection Fund, which accounts for property taxes billed and collected for various municipalities within the County; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Sampson County Board of Education; Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed and collected by the County for various municipalities and special districts within the County; Detention Center Trust Fund, which accounts for monies deposited with the County for use by inmates at the County Detention Center; Miscellaneous Agency Funds; which accounts for monies deposited with the County for use by various boards and organizations in the County.

Non-major Funds - The County maintains fifteen legally budgeted funds. The Emergency Telephone System Fund, Sampson Area Transportation, Head Start, the Fire Districts Fund, Soil and Water District, Hazard Mitigation Plan Update, Community Development Grant SFR-14, Urgent Home Repair, Homeland Security Equipment, Employment and Training, Community Development Grant ESFR-17, Disaster Recovery Grant ESFR-17, and Disaster Recovery Grant DRA-17 are reported as nonmajor special revenue funds. The Courthouse Annex Renovations and County Buildings Construction are reported as capital projects funds.

2. Measurement Focus, Basis of Accounting

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the 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.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued)

2. Measurement Focus, Basis of Accounting (Continued)

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

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

The County considers all revenues available if they are collected within 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. As of September 1, 2013, State law altered the procedures for the assessment and collection of the property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the beer and wine 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. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. 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 is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then general revenues.

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Special Revenue Funds (excluding grant projects), Debt Service Funds and the Enterprise Funds. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the Capital Projects Fund, the Special Revenue Grant Projects, and the Enterprise Capital Projects Fund, which are consolidated with the related enterprise operating fund for reporting purposes.

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 project level for the multi-year funds. The balances in the Capital Reserve Fund will be appropriated when transferred to a Capital Projects Fund in accordance with the project ordinance adopted for the Reserve Fund. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations. The governing board must approve all amendments. During the year, several immaterial amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1. Deposits and Investments

All deposits of the County, the Authority and the Sampson Regional Medical Center, Inc. are made in board-designated official depositories and are secured as required by G.S.159-31. The County, the Authority and the Hospital may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County, the Authority and the Hospital may establish time deposit accounts such as NOW and Super-NOW accounts, money market accounts, and certificates of deposits.

State law [G.S.159-30(c)] authorizes the County, the Authority and the Hospital 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 majority of the County, the Authority and the Hospital's investments are carried at fair value. Non-participating interest earning contracts are accounted for at cost. The NC Capital Management Trust Government Portfolio, a SEC-registered 2a-7 external investment pool, is measured at amortized cost, 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 and the Authority pool money from several funds, except the Pension Trust Fund, to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are considered cash and cash equivalents. Sampson Regional Medical Center, Inc. considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

Cash held for school capital and public safety as required by state statute. Money in the Tax Revaluation Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150.

Sampson County Restricted Cash			
Governmental Activities			
General Fund	Public Safety		\$ 565,031
General Fund	Revaluation		527,838
Schools Capital Projects	Education		2,836,327
Schools Construction Fund	Education		849,453
Total Governmental Activities			4,778,649
Total Restricted Cash			\$ 4,778,649

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity (Continued)

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, 2017. 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. Inventories and Prepaid Items

The inventories of the County are valued at cost (first-in, first-out), which approximates market. The Hospital's inventories are valued at the lower of cost, derived primarily by use of the weighted average valuation method, or market. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when consumed. The inventory of the County's enterprise funds as well as those of the Hospital consists of materials and supplies held for consumption. The cost of the inventory carried in the County's enterprise funds and that of the Hospital is recorded as an expense as it is consumed. The Authority has no inventory.

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 received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The minimum capitalization threshold for land, buildings, improvements, lines and other plant and distribution systems, furniture and equipment, and vehicles is \$2,500.

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

Asset Class	Estimated Useful Lives
Buildings	40 years
Improvements	20 years
Vehicles	3-10 years
Furniture and equipment	5-20 years
Water distribution systems	40 years

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity (Continued)

7. Capital Assets (Continued)

The County holds title to certain Sampson County and Clinton City Boards 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 Boards of Education give the Boards 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 Boards 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 Sampson County and Clinton City Boards of Education.

Property and equipment acquisitions of the Hospital are recorded at cost. Property and equipment donated for hospital operations are recorded as additions to the donor-restricted plant replacement and expansion funds of the Hospital at fair value at the date of receipt and as a transfer to the Hospital's general fund balance when the assets are placed in service.

Depreciation of Hospital property and equipment is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. Hospital equipment under capital leases is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Estimated useful lives of the assets are as follows:

Asset Class	Estimated Useful Lives
Land improvements	5-15 years
Buildings	5-40 years
Fixed equipment	8-20 years
Movable equipment	3-20 years
Vehicles	4-6 years

The Authority has no fixed assets.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has two items that meet this criterion – pension related deferrals and contributions made to the pension plan in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has three items that meet the criterion for this category - prepaid taxes, deferred gain on bond refunding and other pension related deferrals.

9. Long-Term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Fund Equity (Continued)

10. Compensated Absences

The vacation policies of the County and the Hospital provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned in the County's government-wide, proprietary fund, and Hospital statements.

The sick leave policies of the County and the Hospital 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 none of the entities have any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made by the County or its component units.

Net Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through State statute.

Fund Balances

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

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Inventories - portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

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

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

Restricted for Public Safety - portion of fund balance that is restricted by revenue source for expenditures in the Sheriff's department and portion of fund balance that is restricted by revenue source for fire protection expenditures.

Restricted for Education - portion of fund balance that can only be used for School Capital per G.S. 159-18-22.

Restricted for Debt Service - portion of fund balance required to be maintained in accordance with debt covenants.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities and Fund Equity (Continued)

11. Net Position/Fund Balances (Continued)

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

Committed for various departments – portion of fund balance not available for appropriation because it represents revenues that were for specific purposes. This includes committed portion of fund balance in the nonmajor funds.

Committed for LEO pension obligation – portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance obligations.

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

Assigned Fund Balance - portion of fund balance that the Sampson 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.

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

Sampson County adheres to the North Carolina Local Government Commission's recommendation of a minimum fund balance for the general fund which instructs management to conduct the business of the County in such a manner that available fund balance does not go below eight percent of budgeted expenditures. Any portion of the general fund balance in excess of 8% of budgeted expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the County in a future budget.

12. Defined Benefit Pension and OPEB Plans

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS), the Registers of Deeds' Supplemental Pension Fund (RODSPF), the Law Enforcement Officers' Special Separation Allowance (LEOSSA) (collectively, the "state-administered defined benefit pension plans"), and one other postemployment benefit plan(OPEB), the Healthcare Benefit Plan (HCB). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the HCB and additions to/deductions from the HCB's fiduciary net position have been determined on the same basis as they are reported by the HCB. For this purpose, the HCB recognizes benefit payments when due and payable in accordance with the benefit terms. Investments for all plans are reported at fair value.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Reconciliation of Government-wide and Fund Financial Statements

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between total fund balance for the governmental funds and net position for governmental activities as reported in the government-wide statement of net position. The net adjustment of \$(1,861,519) consists of the following:

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)	\$ 185,966,290
Less accumulated depreciation	56,379,489
Net capital assets	<u>129,586,801</u>
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund statements	116,986
Net pension asset	82,645
Contributions to the pension plan in the current fiscal year	1,513,122
Benefit payments and pension administration costs for LEOSSA	26,158
Contributions to OPEB plan in the current fiscal year	728,456
Deferred gain on bond refunding	(950,418)
Equity of internal service fund which is used by management to charge the costs of employee health insurance to individual funds is reported in the government-wide statements but not the fund statements	4,708,690
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	1,826,439
Pension related deferrals and OPEB related deferrals	2,048,237
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:	
Accrued interest payable	(990,022)
Bonds, leases, and installment financing	(120,299,631)
Compensated absences	(2,033,233)
Net OPEB liability	(11,840,451)
Net Pension liability	(4,804,212)
Total Pension liability	<u>(1,581,086)</u>
Total adjustment	<u>\$ (1,861,519)</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Reconciliation of Government-wide and Fund Financial Statements (Continued)

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances for the governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The total adjustment of \$2,698,669 is comprised of the following:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 3,856,012
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	(5,169,129)
This amount is the net effect of these differences in the treatment of long-term debt and related items; it has no effect on the statement of activities – it affects only the government-wide statements	3,012,502
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	1,513,122
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	26,158
Contributions to the OPEB plan are deferred outflows of resources on the Statement of Net Position	728,456
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	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	979,059
Difference in insurance expense between fund statements (modified accrual) and government-wide statements (full accrual) due to allocation of profit from internal service fund	(26,247)
OPEB Expense	(115,175)
Pension Expense	(1,728,444)
Amortization of debt issuance costs	56,184
Compensated absences	(145,676)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Change in accrued interest on taxes receivable	(20,376)
Change in accrued taxes receivable	(267,777)
Total adjustment	<u>\$ 2,698,669</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All of the County's, Authority's and the Hospital'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, Authority's or the Hospital'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, Authority and the Hospital, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the Authority or the Hospital or with the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the County, Authority or the Hospital 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, Authority and the Hospital rely on the State Treasurer to monitor those financial institutions. The County, Authority and the Hospital analyze the financial soundness of any other financial institution used by them. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The Authority and the Hospital have no policy regarding custodial credit risk for deposits.

At June 30, 2018, the County's deposits had a carrying amount of \$9,169,392 and a bank balance of \$9,767,319. Of the bank balance, \$1,192,203 was covered by federal depository insurance; \$8,575,116 were covered by collateral held under the Pooling Method.

At June 30, 2018, Sampson County had \$4,870 cash on hand.

The Hospital's deposits had a carrying amount of \$3,683,095 and a bank balance of \$3,749,281 as of September 30, 2017. Of the bank balances, \$250,000 was covered by federal depository insurance as of September 30, 2017 and the remainder was covered under the Pooling Method.

The Authority's deposits had a carrying amount of \$138,491 and a bank balance of \$139,024 as of June 30, 2018. Of the bank balance, \$139,024 was in interest bearing deposits and were covered by collateral held under the pooling method.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

A. Assets (Continued)

2. Investments

At June 30, 2018, the County's investments consisted of \$27,242,862 in the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The County has no policy on credit risk.

At September 30, 2017, the Hospital's investments consisted of the following:

Investment Type	Valuation Measurement Method	Fair Value	Less Than 1 Year	2-3 Years
US Treasuries and Agency Bonds	Fair Value-Level 1	\$ 2,352,680	\$ 2,352,680	\$ -
NC Capital Management Trust – Government Portfolio	Amortized Cost	7,785,443	N/A	N/A
Cash	Fair Value-Level 1	3,683,095	N/A	N/A
Total		\$ 13,821,218	\$ 2,352,680	\$ -

The Hospital's investment in the NC Capital Management Trust's Government Portfolio carried a credit rating of AAAM by Standard & Poor's as of September 30, 2017. Investment grade bonds include U.S. Treasury issues with ratings of A or better by Standard & Poor's and corporate bonds guaranteed by the FDIC.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

A. Assets (Continued)

3. Receivables

Receivables at the government-wide level at June 30, 2018, were as follows:

	Accounts	Taxes & Accrued Interest	Due from Other Governments	Other	Total
Governmental Activities					
General	\$ 3,798,252	\$ 1,892,287	\$ 3,944,863	\$ -	\$ 9,635,402
Accrued Interest	-	116,986	-	-	116,986
Other Governmental	741,873	111,952	781,134	-	1,634,959
Total Receivables	4,540,125	2,121,225	4,725,997	-	11,387,347
Less: Allowance Amount	-	(177,800)	-	-	(177,800)
Total	\$ 4,540,125	\$ 1,943,425	\$ 4,725,997	\$ -	\$ 11,209,547
Business-type Activities					
Water Districts I and II	\$ 507,328	\$ -	\$ 83,739	\$ -	\$ 591,067
Total Receivables	507,328	-	83,739	-	591,067
Less: Allowance Amount	(122,230)	-	-	-	(122,230)
Total	\$ 385,098	\$ -	\$ 83,739	\$ -	\$ 468,837

Due from other governments that owed to the County consists of the following:

Local Option Sales Tax	\$ 3,328,379
Other Taxes and Grants	1,397,618
Total	<u>\$ 4,725,997</u>

The Hospital's accounts receivable are presented net of the allowance for uncollectible accounts of \$12,139,000.

The Authority's accounts receivable are presented net of the allowance for uncollectible accounts of \$12,847.

4. Property Tax – Use Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forest land may be taxed by the County at the present use-value as opposed to market value. When the property loses its eligibility for the 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.

Year Levied	Tax	Interest	Total
2014	\$ 4,059,335	\$ 1,055,427	\$ 5,114,762
2015	4,131,330	702,326	4,833,656
2016	4,138,494	331,080	4,469,574
2017	4,123,298	-	4,123,298
	<u>\$ 16,452,457</u>	<u>\$ 2,088,833</u>	<u>\$ 18,541,290</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

A. Assets (Continued)

5. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2018, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 6,353,480	\$ 15,000	\$ -	\$ 6,368,480
Construction in progress	3,996,354	878,989	-	4,875,343
Total assets not being depreciated	<u>10,349,834</u>	<u>893,989</u>	<u>-</u>	<u>11,243,823</u>
Capital assets being depreciated:				
Buildings and improvements	150,417,529	1,092,742	-	151,510,271
Equipment	13,840,959	562,256	-	14,403,217
Vehicles and motor equipment	7,501,954	1,307,025	-	8,808,979
Total Assets being depreciated	<u>171,760,442</u>	<u>2,962,023</u>	<u>-</u>	<u>174,722,467</u>
Less accumulated depreciation for:				
Buildings and improvements	37,607,731	3,652,814	-	41,260,545
Equipment	8,235,203	786,079	-	9,021,282
Vehicles and motor equipment	5,367,426	730,236	-	6,097,662
Total accumulated depreciation	<u>51,210,360</u>	<u>\$ 5,169,129</u>	<u>\$ -</u>	<u>56,379,489</u>
Total capital assets being depreciated, net	<u>120,550,082</u>			<u>118,342,978</u>
Governmental activity capital assets, net	<u>\$ 130,899,916</u>			<u>\$ 129,586,801</u>

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

	<u>Depreciation</u>
General Government	\$ 3,972,403
Public Safety	986,146
Economic and Physical Development	31,636
Human Services	110,093
Environmental Protection	10,101
Cultural and Recreational	58,750
Total	<u>\$ 5,169,129</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Assets (Continued)

5. Capital Assets (Continued)

Business-Type Activities

Water District II	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	\$ 208,512	\$ -	\$ -	\$ 208,512
Construction in progress	1,837,175	143,512	1,837,175	143,512
Total capital assets not being depreciated	<u>2,045,687</u>	<u>143,512</u>	<u>1,837,175</u>	<u>352,024</u>
Capital assets being depreciated				
Distribution systems	29,913,344	1,837,175	-	31,750,519
Equipment	300,864	4,443	-	305,307
Vehicles	183,472	16,088	-	199,111
Total capital assets being depreciated	<u>30,397,680</u>	<u>1,857,706</u>	<u>-</u>	<u>32,254,937</u>
Less accumulated depreciation for:				
Distribution systems	8,708,562	793,764	-	9,502,326
Equipment	170,494	15,986	-	186,480
Vehicles	75,125	17,446	-	92,571
Total accumulated depreciation	<u>8,954,181</u>	<u>\$ 827,196</u>	<u>\$ -</u>	<u>9,781,377</u>
Total capital assets being depreciated, net	<u>21,443,499</u>			<u>22,473,560</u>
Water District II capital assets, net	<u>\$ 23,489,186</u>			<u>\$ 22,825,584</u>
Water District I	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	\$ 16,807	\$ -	\$ -	\$ 16,807
Total capital assets not being depreciated	<u>16,807</u>	<u>-</u>	<u>-</u>	<u>16,807</u>
Capital assets being depreciated				
Distribution systems	3,931,081	-	-	3,931,081
Equipment	34,576	4,444	-	39,020
Vehicles	180,441	15,640	-	196,081
Total capital assets being depreciated	<u>4,146,098</u>	<u>20,084</u>	<u>-</u>	<u>4,166,182</u>
Less accumulated depreciation for:				
Distribution systems	2,193,860	98,277	-	2,294,873
Equipment	23,002	1,859	-	22,125
Vehicles	66,334	15,613	-	81,948
Total accumulated depreciation	<u>2,283,196</u>	<u>\$ 115,749</u>	<u>\$ -</u>	<u>2,398,946</u>
Total capital assets being depreciated, net	<u>1,862,902</u>			<u>1,767,236</u>
Water District I capital assets, net	<u>1,879,709</u>			<u>1,784,043</u>
Business-type activities capital assets, net	<u>\$ 25,368,895</u>			<u>\$ 24,609,627</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

A. Assets (Continued)

5. Capital Assets

Construction Commitments

The government has no active construction projects as of June 30, 2018.

Discretely presented component units

The Authority does not have any fixed assets.

Capital asset activity for Sampson Regional Medical Center for the year ended September 30, 2017 was as follows:

Sampson Regional Medical Center	9/30/16	Increases	Decreases	9/30/17
Capital assets not being depreciated				
Land	\$ 1,972,056	\$ -	\$ -	\$ 1,972,056
Construction in progress	799,812	892,696	1,678,920	13,588
Total capital assets not being depreciated	<u>2,771,868</u>	<u>892,696</u>	<u>1,678,920</u>	<u>1,985,644</u>
Capital assets being depreciated				
Land improvements	2,098,992	-	-	2,098,992
Buildings and improvements	41,413,090	492,439	-	41,905,529
Furniture and equipment	53,969,255	2,111,351	86,791	55,993,815
Total capital assets being depreciated	<u>97,481,337</u>	<u>2,603,790</u>	<u>86,791</u>	<u>99,998,336</u>
Less accumulated depreciation for:				
Land improvements	1,821,363	59,894	-	1,881,257
Buildings and improvements	25,210,780	1,763,653	-	26,974,433
Furniture and equipment	45,608,048	2,181,492	72,675	47,716,865
Total accumulated depreciation	<u>72,640,191</u>	<u>4,005,039</u>	<u>72,675</u>	<u>76,572,555</u>
Total capital assets being depreciated, net	<u>24,841,146</u>			<u>23,425,781</u>
Sampson Regional Medical Center capital assets, net	<u>\$ 27,613,014</u>			<u>\$25,411,425</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2018, were as follows:

	Vendors	Salaries & Benefits	Accrued Interest	Total
Governmental Activities				
General	\$ 1,728,331	\$ 176,184	\$ 990,022	\$ 2,894,537
Other Governmental	298,079	16,474	-	314,553
Total	<u>\$ 2,026,410</u>	<u>\$ 192,658</u>	<u>\$ 990,022</u>	<u>\$ 3,209,090</u>
Business-type Activities				
Water District II	\$ 75,807	\$ 697	\$ 43,971	\$ 120,475
Water District I	41,562	175	2,875	44,612
Total	<u>\$ 117,369</u>	<u>\$ 872</u>	<u>\$ 46,846</u>	<u>\$ 165,087</u>

2. Pension Plan and Other Postemployment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in 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 membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. 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, by calling (919) 981-5454, or at www.osc.nc.gov.

II. DETAIL NOTES ON ALL FUNDS (Continued)

A. Liabilities (Continued)

2. Pension Plan and Other Postemployment Obligations (Continued)

a. Local Governmental Employees' Retirement System (Continued)

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2018, was 8.25% of compensation for law enforcement officers and 7.56% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$1,545,509 for the year ended June 30, 2018.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan and Other Postemployment Obligations (Continued)

a. Local Governmental Employees' Retirement System (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the County reported a liability of \$4,908,879 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. The total pension liability was then rolled forward to the measurement date of June 30, 2017 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2017, the County's proportion was .32132%, which was an increase of .01250% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the County recognized pension expense of \$1,648,786. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 282,797	\$ 138,955
Changes in assumptions	701,056	-
Net difference between projected and actual earnings on pension plan investments	1,191,881	-
Changes in proportion and differences between County contributions and proportionate share of contributions	65,579	42,118
County contributions subsequent to the measurement date	1,540,895	-
Total	<u>\$ 3,782,208</u>	<u>\$ 181,073</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan and Other Postemployment Obligations (Continued)

a. Local Governmental Employees' Retirement System (Continued)

\$1,540,895 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2019	\$	255,687
2020		1,425,311
2021		729,514
2022		(350,272)
2023		-
Thereafter		-
Total	<u>\$</u>	<u>2,060,240</u>

Actuarial Assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 7.75 percent, including inflation and productivity factor
Investment rate of return	7.20 percent, net pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan and Other Postemployment Obligations (Continued)

a. Local Governmental Employees' Retirement System (Continued)

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	<u>100%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2016 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan and Other Postemployment Obligations (Continued)

a. Local Governmental Employees' Retirement System (Continued)

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
County's proportionate share of the net pension liability (asset)	\$ 14,736,567	\$ 4,908,879	\$ (3,294,137)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

b. Law Enforcement Officers Special Separation Allowance

Plan Description

Sampson 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 under the age of 62 who have completed at least 30 years creditable service or have attained 55 years of age and have completed five or more years of creditable service. 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.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan and Other Postemployment Obligations (Continued)

b. Law Enforcement Officers Special Separation Allowance (Continued)

Plan Description (Continued)

All full-time County law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2017, the Separation Allowance's membership consisted of:

Retirees receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>92</u>
Total	<u>95</u>

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

The Separation Allowance has no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statement 73.

Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2016 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	3.16 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2017.

Mortality rates are based on the RP-2000 Mortality tables with adjustments for mortality improvements based on Scale AA.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

b. Law Enforcement Officers Special Separation Allowance (Continued)

Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$25,084 as benefits came due for the reporting period.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the County reported a total pension liability of \$1,581,086. The total pension liability was measured as of December 31, 2017 based on a December 31, 2016 actuarial valuation. The total pension liability was rolled forward to December 31, 2017 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2018, the County recognized pension expense of \$150,538.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 71,352
Changes in assumptions	109,328	29,955
County benefit payments & plan administrative expense made subsequent to the measurement date	26,158	-
Total	<u>\$ 135,486</u>	<u>\$ 101,307</u>

\$26,158 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2019	\$ 1,207
2020	1,207
2021	1,207
2022	1,207
2023	1,207
Thereafter	1,986
Total	<u>\$ 8,021</u>

\$25,234 paid as benefits came due and \$924 of administrative expenses subsequent to the measurement date are reported as deferred outflows of resources.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

b. Law Enforcement Officers Special Separation Allowance (Continued)

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 3.16 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.16 percent) or 1-percentage-point higher (4.16 percent) than the current rate:

	1% Decrease (2.16%)	Discount Rate (3.16%)	1% Increase (4.16%)
Total pension liability	\$ 1,746,313	\$ 1,581,086	\$ 1,431,164

Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance

	2018
Beginning balance	\$ 1,412,568
Service cost	94,447
Interest on the total pension liability	54,041
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	(84,764)
Changes of assumptions or other inputs	129,878
Benefit payments	(25,084)
Other changes	-
Ending balance of the total pension liability	<u>\$ 1,581,086</u>

Changes of assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 3.86 percent at June 30, 2016 to 3.16 percent at June 30, 2017.

Changes in Benefit Terms. Reported compensation adjusted to reflect the assumed rate of pay as of the valuation date.

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

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 that the County 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.

The County contributed \$507,282 for the reporting year. No amounts were forfeited.

d. Registers of Deed's Supplemental Pension Fund

Plan Description. Carolina County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF 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. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. 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, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$4,614 for the year ended June 30, 2018.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

3. Pension Plan Obligations (Continued)

d. Registers of Deed's Supplemental Pension Fund (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the County reported an asset of \$82,645 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2017. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016. The total pension liability was then rolled forward to the measurement date of June 30, 2017 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2017, the County's proportion was .48418%, which was a decrease of .0166% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the County recognized pension expense of \$13,168. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,419	\$ 266
Changes of assumptions	13,944	-
Net difference between projected and actual earnings on pension plan investments	7,025	-
Changes in proportion and differences between County contributions and proportionate share of contributions	2,638	1,476
County contributions subsequent to the measurement date	4,614	-
Total	<u>\$ 29,640</u>	<u>\$ 1,742</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

d. Registers of Deed's Supplemental Pension Fund (Continued)

\$4,614 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2019	\$	13,063
2020		7,626
2021		804
2022		1,791
2023		-
Thereafter		-
Total	<u>\$</u>	<u>23,284</u>

Actuarial Assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.5 to 7.75 percent, including inflation and productivity factor
Investment rate of return	3.75 percent, net pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

d. Registers of Deed's Supplemental Pension Fund (Continued)

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2017 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2017 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 3.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.75 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	\$ (64,958)	\$ (82,645)	\$ (97,519)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

e. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The net pension liability for LGERS and ROD was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of June 30, 2017, with an actuarial valuation date as of December 31, 2016. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 4,908,879	\$ (82,645)	\$ -	\$ 4,826,234
Proportion of the Net Pension Liability (Asset)	.32132%	.48418%	N/A	
Total Pension Liability	\$ -	\$ -	\$ 1,581,086	\$ 1,581,086
Pension Expense	\$ 1,648,786	\$ 13,168	\$ 150,538	\$ 1,812,492

At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 282,797	\$ 1,419	\$ -	\$ 284,216
Changes of assumptions	701,056	13,944	109,328	824,328
Net difference between projected and actual earnings on pension plan investments	1,191,881	7,025	-	1,198,906
Changes in proportion and differences between County contributions and proportionate share of contributions	65,579	2,638	-	68,217
County contributions (LGERS, ROD)/benefit payments and administrative costs (LEOSSA) subsequent to the measurement date	1,540,895	4,614	26,158	1,571,667
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ 138,955	\$ 266	\$ 71,352	\$ 210,573
Changes of assumptions	-	-	29,955	29,955
Changes in proportion and differences between County contributions and proportionate share of contributions	42,118	1,476	-	43,594

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

e. Other Postemployment Benefit

Plan Description

Plan Administration. Under the County's annual budget ordinance as of July 1, 2017, Sampson County provides healthcare benefits through the Healthcare Benefits Plan (the HCB Plan) as a single-employer defined benefit plan to cover retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have worked at least 15 continuous years in local or State government with the last 10 years worked with Sampson County under the original plan. The County pays 100% of the individual premium for employees who have worked at least 15 years as stated above, must have worked for Sampson County as least 20 consecutive years and not retire before the age 58 to qualify for the plan. The HCB Plan is available to qualified retirees at 100% until the age of 65 or until Medicare eligible, whichever is sooner. Also, the County's retirees can purchase coverage for their dependents at the County's group rates. Employees who do not have at least five years creditable service in the retirement system as of July 1, 2017 are not eligible to participate in the plan. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Management of the HCB Plan is vested in the Sampson County Board of Commissioners.

Plan Membership. At June 30, 2018, HCB Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	58
Inactive employees entitled to but not yet receiving benefits	0
Active plan members	<u>248</u>
Total	<u><u>306</u></u>

Total OPEB Liability

The County's total OPEB liability of \$12,028,000 was measured as of July 1, 2017 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.00 percent
Salary Increases	2.50 percent
Discount Rate	3.56 percent
Healthcare Cost Trend Rates	7.00 percent

The discount rate is based on the yield of the Municipal GO AA 20-year yield curve rate as of June 30, 2017.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

e. Other Postemployment Benefit (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2017	\$ 11,911,000
Changes for the year	
Service cost	431,000
Interest	426,000
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	(740,000)
Net changes	<u>117,000</u>
Balance at June 30, 2018	<u>\$ 12,028,000</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.56% to 3.56%.

Mortality rates were based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period January 2010 through December 2014.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.56 percent) or 1-percentage-point higher (4.56 percent) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 12,902,000	\$ 12,028,000	\$ 11,202,000

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare costs trend rates:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 10,861,000	\$ 12,028,000	\$ 13,390,000

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

e. Other Postemployment Benefit (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the Town recognized OPEB expense of \$857,000. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Benefit payments and administrative costs made subsequent to the measurement date	740,000	-
Total	<u>\$ 740,000</u>	<u>\$ -</u>

\$740,000 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2019	\$ -
2020	-
2021	-
2022	-
2023	-
Thereafter	-
	<u>\$ -</u>

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

f. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership 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. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

g. Sampson Regional Medical Center, Inc. Pension Plan

Benefit Plans – The Sampson Regional Medical Center, Inc. Plan (Plan) is a single-employer defined contribution plan. Employees become eligible for the plan after completing one year of employment and 1,000 hours of service. The Hospital may contribute 2% of participant earnings. The Hospital may also make a year-end discretionary contribution which shall be determined by the Board of Trustees on an annual basis. There were no discretionary contributions for plan years 2017 and 2016.

The Hospital also has a tax deferred retirement savings plan. All full time employees of the Hospital and part-time employees who work at least 1,000 hours during the plan year are eligible to participate. The Hospital matches 50% for participants with 1-9 years of service, 60% for participants with 10-14 years of service, and 80% for participants with 15 or more years of service, of the first 5% of the compensation deferred by each participant. The Hospital contributed \$447,330 to the Plan for the current year.

3. Closure and Postclosure Care Costs – Landfill Facility

On October 9, 1993, the County leased its interests in all landfill sites to a commercial concern. Under the agreement, the County is not responsible for closure and post-closure requirements defined by the Environmental Protection Agency's regulation, Solid Waste Disposal Facility Criteria.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

4. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pensions – difference between expected and actual experience	\$ 284,216	\$ 210,573
Pensions – difference between projected and actual investment earnings	1,198,906	-
Pensions – change in proportion and difference between employer contributions and proportionate share of contributions	68,217	43,594
Pensions – change in assumptions	824,328	29,955
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	1,545,509	-
Benefit payments for the OPEB plan paid Subsequent to measurement date	740,000	-
Benefit payments/administration costs paid subsequent to the measurement date (LEOSSA)	26,158	-
Deferred gain on refunding of debt	-	950,418
Prepaid Taxes not yet earned (General)	-	70,380
Taxes Receivable, net, less penalties (General)	-	1,724,287
Taxes Receivable, net, less penalties (Special Revenue)	-	102,152
Total	\$ 4,687,334	\$ 3,131,359

5. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County carries commercial insurance for all of these risks of loss. The County's general insurance coverage provides property and contents insurance up to \$19,500,000 and liability coverage up to \$9 million. Workers' compensation insurance provides coverage for bodily injury by accident of \$3,100,000 for each accident and coverage for bodily injury or disease up to \$3,550,000 for each employee. There is a policy limit of \$3,100,000 for bodily injury by disease. Settled claims for these risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

The County does not carry flood insurance because no County structures have been designated as being in a flood plane by the Federal Emergency Management Agency.

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 in the amount of \$25,000 each.

The following officials are separately bonded as follows: Finance Officer (\$100,000), Tax Collector (\$150,000), Tax Assessor (\$200,000), Assistant Tax Assessor (\$100,000), Register of Deeds (\$50,000), Sheriff (\$75,000) and Public Works Director (\$100,000).

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.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

5. Risk Management (Continued)

The County is the provider of an employee health care plan administered by Blue Cross and Blue Shield of North Carolina to provide health insurance to its employees. This plan, which is accounted for in the Employee Health Insurance Internal Service Fund, provides coverage of up to \$50,000 per incident for each employee. The excess over \$50,000, up to \$1,000,000, is covered by Blue Cross and Blue Shield. The pool is self-sustaining through employee and employer premiums.

Aggregate liabilities for claims for the current year were estimated by the Plan Administrator. Each year the Plan Administrator provides a financial projection of total claims for the coming year, which includes a premium for aggregate stop loss insurance. This amount is budgeted and paid in 12 monthly installments. If claims exceed the financial projection provided by the Plan Administrator, there is aggregate stop loss insurance to cover these claims. A reconciliation of changes in the aggregate liabilities for claims for the current year is as follows:

	June 30,
	2018
Claims payable, beginning of year	<u>\$ 161,718</u>
Add: Claims received	5,955,416
Less: Claims paid	<u>5,951,232</u>
Claims payable, end of year	<u><u>\$ 165,902</u></u>

The Hospital is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption, errors and omissions; injuries to employees; natural disasters and professional and general liability claims and judgments. The Hospital has purchased commercial insurance which, in the opinion of the Hospital's management, is adequate to prevent the outcome of such claims arising from such matters from having a material adverse effect on the financial position and results of operations of the Hospital. The basic level of coverage is \$1,000,000 for any one claim and \$3,000,000 in the annual aggregate. No accrual has been made for incurred but not reported claims because the amount is not reasonably estimable based on the Hospital's claims history. The Hospital's insurance coverages are generally provided under claims made policies. Should the claims made policies not be renewed or replaced with equivalent insurance, claims based on occurrences during their terms, but reported subsequently, would be uninsured. Management anticipates that such coverages will be renewed or replaced with equivalent insurance as they expire.

6. Contingent Liabilities

At June 30, 2018, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations

a. Installment Purchase

The County's installment purchase agreements payable at June 30, 2018 are comprised of the following individual issues:

Serviced by the Water and Sewer Districts:

Installment agreements with USDA for the construction of water wells, secured by the equipment and land. The total cost of the loans is \$1,792,000 and will be repaid in 38 annual installments of \$82,293 including interest at 2.75% and 3.5%. Principal and interest repayments will began in fiscal year 2015-2016. At June 30, 2018, there were 34 payments remaining.

\$ 1,694,038

Annual debt service payments of the installment purchases as of June 30, 2018, including \$1,183,099 of interest, are:

Year Ending June 30	Business-type Activities	
	Principal	Interest
2019	\$ 26,523	\$ 55,770
2020	27,390	54,903
2021	28,286	54,007
2022	29,211	53,082
2023	30,167	52,126
2024-2028	166,324	245,141
2029-2033	195,448	216,017
2034-2038	229,735	181,730
2039-2043	270,109	141,356
2044-2048	317,661	93,804
2049-2052	373,184	35,163
Total	<u>\$ 1,694,038</u>	<u>\$ 1,183,099</u>

b. Qualified Zone Academy Bonds

As authorized by State law (G.S. 160A-20), the County entered into an installment financing agreement with Bank of America for renovations on Clinton City Board of Education owned facilities. The County's obligation under the contract will be designated as "Qualified Zone Academy Bonds (QZAB)" pursuant to the federal QZAB program. These are Qualified Zone Academy Bonds in the amount of \$2,000,000 secured by the building and land of Clinton High School. The loan will be repaid in 14 annual installments of \$160,712 including interest at 0%. At June 30, 2018, there were 5 payments remaining.

As authorized by State law (G.S. 160A-20), the County entered into an installment financing agreement with Regions Bank for renovations on Sampson County Board of Education owned facilities. The County's obligation under the contract will be designated as "Qualified Zone Academy Bonds (QZAB)" pursuant to the federal QZAB program. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. These are Qualified Zone Academy Bonds in the amount of \$2,000,000 secured by the buildings and land. The loan will be repaid in 14 annual installments including interest at 1%. At June 30, 2018, there were 5 payments remaining.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

b. Qualified Zone Academy Bonds (Continued)

For Sampson County, the future minimum payments as of June 30, 2018 are:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2019	\$ 305,713	\$ 7,300
2020	317,141	5,850
2021	317,141	4,440
2022	317,140	2,950
2023	333,568	1,500
Total	<u>\$ 1,590,703</u>	<u>\$ 22,040</u>

c. General Obligation Indebtedness

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

The County's general obligation bonds payable at June 30, 2018 are comprised of the following individual issues:

Serviced by the County's Water and Sewer Districts:

\$1,093,000 Water and Sewer Bonds		
Issued on August 7, 1995, due in annual installments of \$11,500 to \$46,000 through June 1, 2035, 5.125% interest rate		\$ 706,000
\$9,990,000 Refunding, Series 2015 General Obligation Bonds		
Due in semi-annual installments of \$170,981 to \$558,469 through June 1, 2044, variable interest rate		9,230,000
Total		<u>\$ 9,936,000</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

c. General Obligation Indebtedness (Continued)

Annual debt service requirements to maturity for the District's general obligation bonds, including interest of \$6,023,877 are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2019	\$ -	\$ -	\$ 290,500	\$ 435,214
2020	-	-	307,000	423,251
2021	-	-	318,500	410,611
2022	-	-	325,500	397,494
2023	-	-	337,500	384,074
2024-2028	-	-	1,910,000	1,703,898
2029-2033	-	-	2,230,000	1,303,044
2034-2038	-	-	2,352,000	743,916
2039-2043	-	-	1,700,000	216,494
2044	-	-	165,000	5,981
Total	\$ -	\$ -	\$ 9,936,000	\$ 6,023,977
Unamortized premium	-	-	726,994	
Carrying Value	\$ -	\$ -	\$ 10,662,994	\$ 6,023,977

d. Refunding Bonds

On April 7, 2010, the Sampson Area Development Corporation amended the Installment Payment Revenue Bonds dated January 15, 1999, of which \$15,675,000 was currently outstanding, to refund that bond issue that financed the construction of schools in Sampson County. The installment purchase of \$15,560,000 was issued pursuant to a deed of trust that requires that legal title remain with the Corporation as long as the debt is outstanding. The Corporation has entered into a lease with the Sampson County and Clinton City Boards of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Boards of Education. The lease calls for \$0 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 Boards of Education.

The installment purchase was executed on April 7, 2010 to the outstanding amount of the January, 1999 issue. The transaction calls for 15 annual principal payments of \$985,000 to \$1,280,000 and thirty semiannual interest payments, due on December 1 and June 1, at interest rates varying from 2 percent to 5.25 percent. These refunding bonds which mature through June 1, 2024 are reported in the General Fund because they are being repaid from General Fund revenues. Balance outstanding at June 30, 2018 was \$5,920,000.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

8. Long-Term Obligations (Continued)

d. Refunding Bonds (Continued)

Annual debt service requirements to maturity for the County's revenue bonds, including interest of \$1,040,838 are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2019	\$ 1,000,000	\$ 283,475
2020	990,000	243,475
2021	980,000	203,875
2022	980,000	154,875
2023	985,000	103,425
2024	985,000	51,713
Total	<u>\$ 5,920,000</u>	<u>\$ 1,040,838</u>

e. Revenue Bonds

On April 25, 2017, the Hospital entered into a refinancing agreement to consolidate the promissory note, Series 2004B bonds and Series 2007 bonds into one promissory note with a bank for \$5,750,000 with a variable interest rate equal to 1 month LIBOR plus 1.60%. The note will be due in 120 equal monthly installment payments of \$47,920 plus interest, beginning May 28, 2017 and maturing April 28, 2027. The revenue bonds are reported on the Hospital's financial statements because the principal and interest on the bonds are payable from the net revenues of the Hospital. The revenue bonds do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any of the County's property or upon its income, receipts, or revenues. The taxing power of the County is not pledged for the payment of the principal or interest on the revenue bonds and no owner has the right to compel the exercise of the taxing power of the County or the forfeiture of any of its property in connection with any default under the bond order.

Revenue bond annual debt service requirements to maturity for Sampson Regional Medical Center, Inc., including interest of \$988,456, are as follows:

Year Ending September 30		
	Principal	Interest
2018	\$ 575,040	\$ 106,849
2019	575,040	106,849
2020	575,040	106,849
2021	575,040	106,849
2022	575,040	106,849
Thereafter	2,540,917	454,211
Total	<u>\$ 5,416,117</u>	<u>\$ 988,456</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

f. State Clean Water Bond Loan

The County has a State Clean Water Bond Loan for construction of water lines. The loan calls for 20 annual payments of \$46,374 plus interest at 2.87% beginning June 1, 2004. This debt is serviced by the Water and Sewer District II Enterprise Fund.

\$ 278,241

The County has a State Clean Water Bond Loan for construction of water lines. The loan calls for 20 annual payments of \$92,632 plus interest at 5.25% beginning June 1, 2008. This debt is serviced by the Water and Sewer District II Enterprise Fund.

648,422

\$ 926,663

Debt service requirements to maturity, including interest of \$129,433 are as follows:

Year Ending June 30	Business-type Activities	
	Principal	Interest
2019	\$ 139,005	\$ 33,217
2020	139,005	28,301
2021	139,005	23,386
2022	139,005	18,471
2023	139,005	13,555
2024-2025	231,638	12,503
Total	<u>\$ 926,663</u>	<u>\$ 129,433</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

g. Limited Obligation Bonds

On June 3, 2015 the County issued Limited Obligation Bonds (“LOBs”) to purchase these certificates. When debt service is due, the County will remit the debt service payments for their respective bond to the County, who will then remit it to the bondholder. The Limited Obligation Bonds are appropriation-backed with bi-annual interest payments with a 3.375% average interest rate over the life of the term. As of June 30, 2018, the balance of the bonds was \$38,870,000.

On September 13, 2017 the County issued Limited Obligation Bonds (“LOBs”) to refinance prior installment agreements with the USDA. When debt service is due, the County will remit the debt service payments for their respective bond to the County, who will then remit it to the bondholder. The Limited Obligation Bonds are appropriation-backed with bi-annual interest payments with a 4.38% average interest rate over the life of the term. As of June 30, 2018, the balance of the bond was \$63,045,000.

Year Ending June 30	Governmental Activities	
	Principal	Interest
2019	\$ 2,665,000	\$ 4,405,219
2020	2,695,000	4,303,744
2021	2,730,000	4,189,044
2022	2,790,000	4,058,494
2023	2,835,000	3,917,869
2024-2028	19,575,000	16,963,156
2029-2033	22,725,000	11,750,944
2034-2038	19,200,000	6,830,522
2039-2043	14,195,000	3,556,531
2044-2048	12,505,000	906,487
Total principal payments	101,915,000	60,882,010
Unamortized premiums	10,873,928	-
Total	<u>\$ 112,788,928</u>	<u>\$ 60,882,010</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

h. Conduit Debt Obligations

Sampson County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2018, there were two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$43,200,000.

Debt Related to Capital Activities

Of the total Governmental Activities debt listed, \$7,510,703 relates to assets the County does not hold title.

i. 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, 2018:

	Beginning			Ending	Current
	Balance, Restated	Increases	Decreases	Balance	Portion of
					Balance
Governmental activities:					
Installment purchases	\$ 68,656,244	\$ -	\$ 68,656,244	\$ -	\$ -
Qualified Zone Academy bonds	1,839,276	-	248,573	1,590,703	305,713
Revenue bonds	6,930,000	-	1,010,000	5,920,000	1,000,000
Limited Obligation bonds	40,410,000	63,990,000	2,485,000	101,915,000	2,665,000
Unamortized premium on LOBs	5,476,613	5,868,006	470,691	10,873,928	-
Net pension liability (LGERS)	6,485,704	-	1,681,492	4,804,212	-
Total pension liability (LEOSSA)	1,412,568	168,518	-	1,581,086	-
Compensated absences	1,887,557	145,676	-	2,033,233	1,301,269
Net OPEB Liability	11,725,276	115,175	-	11,840,451	-
Total governmental activities	<u>\$ 144,823,238</u>	<u>\$70,287,375</u>	<u>\$ 74,552,000</u>	<u>\$140,558,613</u>	<u>\$ 5,214,841</u>
Business-type activities:					
General obligation debt	\$ 10,225,000	\$ -	\$ 289,000	\$ 9,936,000	\$ 290,500
Installment purchases	1,719,721	-	25,683	1,694,038	26,523
State Clean Water bonds	1,065,669	-	139,006	926,663	139,005
Unamortized premium on GOs	755,086	-	28,092	726,994	-
Net pension liability (LGERS)	68,490	36,177	-	104,667	-
Compensated absences	56,629	-	1,369	55,260	51,038
Net OPEB Liability	185,724	1,825	-	187,549	-
Total business-type activities	<u>\$ 14,076,319</u>	<u>\$ 38,002</u>	<u>\$ 483,149</u>	<u>\$ 13,631,171</u>	<u>\$ 507,066</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

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

Discretely presented component units:	Beginning Balance	Increase	Decrease	Ending Balance	Current Portion of Balance
Revenue bonds	\$ 6,241,769	\$ 5,750,000	\$ 6,575,652	\$ 5,416,117	\$ 575,040
Capital Leases	2,009,716	184,000	464,722	1,728,944	513,987
Compensated absences	1,813,768	-	135,930	1,677,838	-
Total	\$ 10,065,253	\$ 5,934,000	\$ 7,176,304	\$ 8,822,899	\$ 1,089,027

C. Interfund Balances and Activity

Transfers to/from other funds at June 30, 2018 consists of the following:

From the General Fund to Water District II	\$ 38,750
From the General Fund to the County Capital Project fund to provide for County & School Building construction and major repairs	<u>1,060,000</u>
Total Transfers out from the General Fund	<u>1,098,750</u>
From the Sampson Area Transportation Fund to the General Fund to provide services for the elderly	485,990
From the School Capital Reserve Fund to the General Fund to pay debt on school projects and school capital outlay	2,175,126
From the County Capital Project Fund to the General Fund to pay for Livestock Arena maintenance costs	<u>2,000</u>
Total Transfers into the General Fund	<u>2,663,116</u>
Total	<u><u>\$ 3,761,866</u></u>

Interfund balances at June 30, 2018, consists of the following:

Due to the General Fund from:	
Airport Construction Capital Project Fund	\$ 440,124
Nonmajor Governmental Funds	
Hazard Mitigation Plan Update Special Revenue Fund	36
Sampson Area Transportation Special Revenue Fund	443,680
Community Development ESFR-17 Special Revenue Fund	846
Disaster Recovery ESFR-17 Matthew Special Revenue Fund	45,564
Disaster Recovery NCEM DRA-17 Special Revenue Fund	<u>1,324</u>
Total nonmajor (other) governmental funds	<u>491,450</u>
Total all funds	<u><u>\$ 931,574</u></u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

II. DETAIL NOTES ON ALL FUNDS (Continued)

D. Net Investment in Capital Assets

	Governmental	Business-type
Capital Assets	\$ 129,586,801	\$ 24,609,627
Less: long-term debt	101,915,000	12,556,701
Add: unexpended debt proceeds	-	-
Net Investment in Capital Assets	\$ 27,671,801	\$ 12,052,926

E. Fund Balance

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

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

<i>Total fund balance – General Fund</i>	\$ 29,327,976
Less:	
Restricted	
Inventories	9,659
Stabilization by State Statute	8,673,573
Public Safety	565,031
Debt Service	-
Revaluation	527,838
Capital Projects	2,742,949
LEO Special Separation Allowance	-
Appropriated Fund Balance in 2018-2019 budget	2,378,005
Remaining Fund Balance	14,430,921

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contract that remain unperformed at year-end.

<i>Encumbrances</i>	General Fund	Non-Major Funds
\$ -	\$ -	\$ -

III. RELATED ORGANIZATION

The Sampson County Board of Commissioners is responsible for appointing the members of the board of the Sampson County Industrial Facilities and Pollution Control Financing Authority, but the County's accountability for this organization does not extend beyond making these appointments. The Authority exists to aid in the financing of industrial and manufacturing facilities and to aid in financing pollution control facilities for industry in connection with manufacturing and industrial facilities and/or public utilities for the purpose of stimulating economic development.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

IV. JOINT VENTURES

A. Eastpointe Area Mental Health Developmental Disabilities and Substance Abuse Services Center

The County, in conjunction with the County of Duplin, the County of Lenoir and the County of Wayne participates in the Eastpointe Area Mental Health Developmental Disabilities and Substance Abuse Services Center. Each participating government appoints members to the fifteen-member board – Wayne County appoints six members and Duplin, Lenoir and Sampson each appoint three members. The Center is a joint venture established to administer the mental health, mental developmental disabilities and substance abuse programs of Duplin, Lenoir, Sampson and Wayne counties.

The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2018. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$224,680 to the Center to supplement its activities. Complete financial statements for the Center may be obtained from the Center's offices in Beulaville, North Carolina.

B. Sampson Community College

The County, in conjunction with the State of North Carolina and the Sampson County Board of Education, participates in a joint venture to operate Sampson Community College. Each of the three participants appoints four members of the thirteen-member board of trustees of the Community College. The president of the Community College's student government serves as a non-voting ex officio member of the Community College's board of trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,400,201 and \$0- to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2018. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2018. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at Sunset Avenue, Clinton, North Carolina.

V. 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.

	Federal	State
State/County Special Assistance	\$ -	\$ 548,889
Temporary Assistance to Needy Families	229,979	-
Medicaid	72,384,652	37,152,701
Energy Assistance	377,400	-
Program for Women, Infants, and Children	1,534,724	-
Title IV-E, Foster Care	278,439	92,172
Special Children Adoption	73,200	-
State Children's Insurance Program – NC Health Choice	1,834,281	6,103
Total	<u>\$ 76,712,675</u>	<u>\$ 37,799,865</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2018

VI. SUMMARY DISCLOSURE OF SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Federal and State Assisted Programs

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant 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.

VII. SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 15, 2018, which is the date the financial statements were available to be issued.

VIII. RELATED PARTY TRANSACTIONS

The County appoints the board members of the TDA based on citizens who represent lodging providers within the County. The legislation that created the TDA gives the County the authority to levy and collect an occupancy tax and remit to the TDA. For the year, \$117,966 was collected, \$117,966 was remitted to the Authority, and \$0 is remaining to be distributed to the Authority. The County finance officer also serves as the finance officer of the TDA.

The TDA operates an office out of a County owned facility (Agri-Expo Center) and pays rent to the County for use of the facility.

IX. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balance or Net Position of Individual Funds

The County experienced deficit fund balances in the following funds: Special Revenue Funds: Sampson Area Transportation (\$41,546), Hazard Mitigation Plan Update (\$36), Community Development ESFR-17 (\$13), and Disaster Recovery NCEM DRA-17 (\$1,380); Capital Project Funds: Airport Expansion (\$403,758). The deficits occurred because of the timing of payments. Management intends to appropriate funds as necessary to cover deficit fund balance.

X. CHANGE IN ACCOUNTING PRINCIPLES/RESTATEMENT

The County implemented Governmental Accounting Standards Board (GASB) No. Statement 75, *Accounting and Financial Reporting for Financial Reporting for Postemployment Benefits Other than Pensions*, in the fiscal year ending June 30, 2018. The implementation of the statement required the County to record beginning net OPEB liability and the effects on net position of contributions paid by the County to the OPEB Trust during the measurement period, as well as the removal of the net OPEB obligation. As a result, net position for the governmental and business-type activities decreased by \$3,107,137 and \$49,239, respectively.

Required Supplemental Financial Data

**SAMPSON COUNTY, NORTH CAROLINA
PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS***

Local Government Employees' Retirement System

	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.32132%	0.30882%	0.30020%	0.30319%	0.30300%
County's proportion of the net pension liability (asset) (\$)	\$ 4,908,879	\$ 6,554,194	\$ 1,347,286	\$ (1,788,051)	\$ 3,652,314
County's covered-employee payroll	\$ 19,626,173	\$ 18,168,885	\$ 17,033,631	\$ 16,791,093	\$ 16,615,280
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	25.01%	36.07%	7.91%	-10.65%	21.98%
Plan fiduciary net position as a percentage of the total pension liability**	94.18%	91.47%	98.09%	102.64%	94.35%

*The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30

**This will be the same percentage for all participant employers in the LGERS plan

**SAMPSON COUNTY, NORTH CAROLINA
SAMPSON COUNTY'S CONTRIBUTIONS
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS**

Local Government Employees' Retirement System

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,540,895	\$ 1,465,307	\$ 1,240,804	\$ 1,215,792	\$ 1,170,977
Contributions in relation to the contractually required contribution	1,540,895	1,465,307	1,240,804	1,215,792	1,170,977
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered employee payroll	\$ 20,094,797	\$ 19,626,173	\$ 18,168,885	\$ 17,033,631	\$ 16,791,093
Contributions as a percentage of covered-employee payroll	7.67%	7.47%	6.83%	7.14%	6.97%

**SAMPSON COUNTY, NORTH CAROLINA
 PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
 REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND
 LAST FIVE FISCAL YEARS***

Register of Deeds' Supplemental Pension Fund

	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.48418%	0.50078%	0.48569%	0.48841%	0.45784%
County's proportion of the net pension liability (asset) (\$)	\$ (82,645)	\$ (93,625)	\$ (112,554)	\$ (110,703)	\$ (97,795)
County's covered-employee payroll	\$ 61,005	\$ 58,872	\$ 58,464	\$ 56,407	\$ 58,176
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(135.47%)	(159.03%)	(192.52%)	(196.26%)	-168.10%
Plan fiduciary net position as a percentage of the total pension liability**	153.77%	160.17%	197.29%	193.88%	190.50%

*The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

**This will be the same percentage for all participant employers in the RODSPF plan.

**SAMPSON COUNTY, NORTH CAROLINA
SAMPSON COUNTY'S CONTRIBUTIONS
REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND
LAST FIVE FISCAL YEARS**

Register of Deeds' Supplemental Pension Fund

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 4,614	\$ 4,478	\$ 3,974	\$ 4,133	\$ 3,988
Contributions in relation to the contractually required contribution	4,614	4,478	3,974	4,133	3,988
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 61,032	\$ 61,005	\$ 58,872	\$ 58,464	\$ 56,407
Contributions as a percentage of covered-employee payroll	7.56%	7.34%	6.75%	7.07%	7.07%

SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
For the Year Ended June 30, 2018

Law Enforcement Officers' Special Separation Allowance

	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 1,412,568	\$ 1,334,635
Service cost	94,447	97,635
Interest on the total pension liability	54,041	47,199
Changes of benefit terms	-	-
Differences between expected and actual experience in the measurement of the total pension liability	(84,764)	-
Changes of assumptions or other inputs	129,878	(41,817)
Benefit payments	(25,084)	(25,084)
Other changes	-	-
Ending balance of the total pension liability	<u>\$ 1,581,086</u>	<u>\$ 1,412,568</u>

The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
For the Year Ended June 30, 2018

Law Enforcement Officers' Special Separation Allowance

	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 1,581,086	\$ 1,412,568
Covered payroll	3,802,584	3,553,569
Total pension liability as a percentage of covered payroll	<u>41.58%</u>	<u>39.75%</u>

Notes to the schedules:

Sampson County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
HEALTHCARE BENEFITS PLAN
For the Year Ended June 30, 2018*

<u>Total OPEB Liability</u>	<u>2018</u>
Service Cost	\$ 431,000
Interest	426,000
Changes of benefit terms	-
Differences between expect and actual experience	-
Changes of assumptions	-
Benefit payments	(740,000)
Net changes in Total OPEB Liability	<u>117,000</u>
Total OPEB Liability - Beginning	<u>11,911,000</u>
Total OPEB Liability - Ending	<u><u>\$ 12,028,000</u></u>
 <u>Plan Fiduciary Net Position</u>	
Contributions - employer	\$ 740,000
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds of employee contribution	(740,000)
Administrative expenses	-
Other	-
Net Change in Plan Fiduciary Net Position	<u><u>-</u></u>
 County's Net OPEB Liability - Ending	 <u><u>\$ 12,028,000</u></u>
 Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	 0.00%

*Plan measurement date is the reporting date. Employer measurement date is one year prior to reporting date

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS
HEALTHCARE BENEFITS PLAN
For the Year Ended June 30, 2018**

	<u>2018</u>
Actuarially determined contribution	\$ 740,000
Contributions in relation to the actuarially determined contribution	<u>740,000</u>
Contribution deficiency (excess)	<u>\$ -</u>
Expected covered-employee payroll	\$ 10,446,000
Contributions as a percentage of covered-employee payroll	7.08%

Notes to Schedule:

The employer has elected to make an annual contribution equal to the benefit payments. The employer share of net benefits is the difference between the expected benefit payments and the retiree contributions. It is sometimes referred to as "pay-as-you-go."

The expected benefit payments are actuarially determined to reflect the age difference between the overall covered group and the retiree group.

Actuarially determined contributions, which are based on the expected "pay-as-you-go" cost, and actual contributions are from the measurement periods ending June 30 of the year prior to the year-end of the reporting periods shown. This is the first valuation under GASB 75 for the reported Plan.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	N/A
Amortization period	N/A
Asset valuation method	There are no assets held in trust for this plan
Inflation	N/A
Healthcare cost trend rates	7.00 percent initial, decreasing .5 percent each year to 5 percent
Salary increases	2.5 percent
Investment rate of return	N/A
Retirement age	In the 2017 actuarial valuation, assumed life expectancies were adjusted as a result of adopting the RP-2014 Health Annuitant Mortality Table. In prior years, those assumptions were based on the 1994 Group Annuity Mortality table.
Mortality	In the 2017 actuarial valuation, assumed life expectancies were adjusted as a result of adopting the RP-2014 Health Annuitant Mortality Table fully generational, with base year 2006, projected using two-dimensional mortality improvement scale MP-2017. In prior years, those assumptions were based on the 1994 Group Annuity Mortality table.



***Combining and Individual Fund
Statements and Schedules***

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes:			
Ad valorem	\$ 37,561,460	\$ 38,357,438	\$ 795,978
Penalties and interest	294,000	318,029	24,029
Total	<u>37,855,460</u>	<u>38,675,467</u>	<u>820,007</u>
Sales Tax:			
One cent	3,854,500	3,821,337	(33,163)
One half cent article 40	2,621,000	2,637,365	16,365
One half cent article 42	910,000	924,220	14,220
Article 44	1,498,300	1,607,200	108,900
One quarter cent article 46	1,148,000	1,166,624	18,624
Total	<u>10,031,800</u>	<u>10,156,746</u>	<u>124,946</u>
Restricted:			
State grants	13,278,406	10,831,603	(2,446,803)
Federal grants	191,903	303,523	111,620
Court facility fees	160,000	184,056	24,056
Local grants	92,316	113,194	20,878
Total	<u>13,722,625</u>	<u>11,432,376</u>	<u>(2,290,249)</u>
Permits and Fees:			
Register of deeds	309,000	344,458	35,458
Inspection	310,300	378,024	67,724
Local subdivision fees	24,500	38,182	13,682
Franchise	52,000	47,814	(4,186)
Total	<u>695,800</u>	<u>808,478</u>	<u>112,678</u>
Sales and Services:			
Tax Collection Fees:			
Towns	4,650	4,831	181
City of Clinton	55,400	59,039	3,639
Tax collection	213,000	215,038	2,038
Jail fees	1,454,500	1,481,535	27,035
Sheriff fees	890,336	918,330	27,994
Health fees	791,788	987,611	195,823
Ambulance fees	2,325,000	2,346,451	21,451
Aging services fees	459,461	426,242	(33,219)
Total	<u>\$ 6,194,135</u>	<u>\$ 6,439,077</u>	<u>\$ 244,942</u>

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Investment Earnings	\$ -	\$ 157,675	\$ 157,675
Miscellaneous:			
Board of elections	-	9,709	9,709
Short-term vehicle lease	15,000	17,685	2,685
Recreation	47,100	45,209	(1,891)
Agri-Exposition center	272,725	236,041	(36,684)
Rent	2,069,886	2,522,421	452,535
Other	344,983	336,089	(8,894)
Total	2,749,694	3,167,154	417,460
Total revenues	71,249,514	70,836,973	(412,541)
Expenditures			
General Government			
Governing Body			
Salaries and employee benefits		91,271	
Operations and maintenance		40,768	
Total	143,751	132,039	11,712
Administration			
Salaries and employee benefits		426,681	
Operations and maintenance		33,856	
Total	477,543	460,537	17,006
Human Resources			
Salaries and employee benefits		258,709	
Operations and maintenance		26,724	
Total	314,124	285,433	28,691
Airport			
Operations and maintenance		105,410	
Total	120,453	105,410	15,043
Finance			
Salaries and employee benefits		523,822	
Operations and maintenance		308,314	
Capital outlay		349,420	
Total	\$ 1,544,969	\$ 1,181,556	\$ 363,413

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Data Processing			
Salaries and employee benefits		\$ 272,093	
Operations and maintenance		311,668	
Capital outlay		173,585	
Total	\$ 853,032	757,346	\$ 95,686
Communications Tower			
Operations and maintenance		15,530	
Total	22,383	15,530	6,853
Tax Administration			
Salaries and employee benefits		977,114	
Operations and maintenance		476,921	
Total	1,459,972	1,454,035	5,937
Legal			
Professional services		28,479	
Total	62,000	28,479	33,521
Courts			
Operations and maintenance		204,096	
Total	27,556	24,473	3,083
Board of Elections			
Salaries and employee benefits		114,348	
Operations and maintenance		179,623	
Total	426,261	293,971	132,290
Register of Deeds			
Salaries and employee benefits		326,082	
Operations and maintenance		81,443	
Total	417,862	407,525	10,337
Public Buildings			
Salaries and employee benefits		372,973	
Operations and maintenance			
Operations and maintenance		1,053,705	
Total	1,478,821	1,426,678	52,143
Total General Government	\$ 7,348,727	\$ 6,573,012	\$ 775,715

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Public Safety			
Sheriff			
Salaries and employee benefits		\$ 5,435,847	
Operations and maintenance		1,226,269	
Capital outlay		633,213	
Total	\$ 7,475,896	7,295,329	\$ 180,567
Detention Center			
Salaries and employee benefits		2,098,617	
Operations and maintenance		1,214,028	
Capital outlay		40,184	
Total	3,679,876	3,352,829	327,047
Communications			
Salaries and employee benefits		1,016,836	
Operations and maintenance		95,012	
Total	1,122,092	1,111,848	10,244
Emergency Management			
Salaries and employee benefits		435,300	
Operations and maintenance		139,238	
Total	588,635	574,538	14,097
Volunteer Fire Departments			
Assistance to County fire departments		246,856	
Total	250,441	246,856	3,585
Inspections			
Salaries and employee benefits		396,843	
Operations and maintenance		47,686	
Total	453,693	444,529	9,164
Coroner			
Professional services		51,250	
Total	\$ 63,600	\$ 51,250	\$ 12,350

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Rescue			
Salaries and employee benefits		\$ 3,421,269	
Assistance to County rescue units		148,649	
Operations and maintenance		646,397	
Capital outlay		206,915	
Total	\$ 4,567,516	4,423,230	\$ 144,286
Dive Team			
Contracted services		15,940	
Total	15,940	15,940	-
Animal Control			
Salaries and employee benefits		144,980	
Operations and maintenance		147,329	
Total	300,290	292,309	7,981
Total Public Safety	18,517,979	17,808,658	709,321
Environmental Protection			
Solid Waste			
Contracted services		850,528	
Operations and maintenance		12,718	
Total	937,940	863,246	74,694
Forestry			
State forestry program		129,459	
Total	140,262	129,459	10,803
Cooperative Extension Programs			
4-H Programs		63,145	
Horticulture Project		-	
Lagoon Management		1,965	
Seminars		2,651	
Total	92,292	67,761	24,531
Total Environmental Protection	1,170,494	1,060,466	110,028
Economic and Physical Development			
Planning and Zoning			
Salaries and employee benefits		5,291	
Contracted services		183,305	
Total	\$ 246,905	\$ 188,596	\$ 58,309

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Industrial Development			
Salaries and employee benefits		\$ 161,180	
Operations and maintenance		911,734	
Total	\$ 1,201,586	1,072,914	\$ 128,672
Industrial Utility			
Operations and maintenance		-	
Total	57,000	-	57,000
N.C. Cooperative Extension Service			
Salaries and employee benefits		346,870	
Operations and maintenance		36,557	
Total	391,293	383,427	7,866
Soil Conservation			
Salaries and employee benefits		202,272	
Operations and maintenance		7,323	
Total	238,485	209,595	28,890
Total Economic and Physical Development	2,135,269	1,854,532	280,737
Human Services			
Mental Health Administration			
Eastpointe Mental Health		224,680	
Total	224,680	224,680	-
Veterans			
Salaries and employee benefits		129,075	
Operations and maintenance		26,665	
Total	170,753	155,740	15,013
Youth Needs Task Force			
Salaries and employee benefits		66,433	
Programs		88,808	
Total	188,541	155,241	33,300
Health			
Administration			
Salaries and employee benefits		11,575	
Operations and maintenance		48,658	
Total	\$ 66,653	\$ 60,233	\$ 6,420

**SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018**

	Budget	Actual	Variance Positive (Negative)
Rural Health			
Salaries and employee benefits		\$ 48,371	
Operations and maintenance		14,635	
Capital outlay		4,230	
Total	\$ 100,000	67,236	\$ 32,764
School Nurse Initiative			
Contracted services		400,000	
Total	400,000	400,000	-
BCCCP Wise Woman			
Salaries and employee benefits		5,960	
Operations and maintenance		589	
Total	8,151	6,549	1,602
Communicable Disease			
Salaries and employee benefits		249,492	
Operations and maintenance		54,395	
Total	323,070	303,887	19,183
Adult Services			
Salaries and employee benefits		18,090	
Operations and maintenance		11,421	
Total	30,824	29,511	1,313
Health Promotion			
Salaries and employee benefits		33,915	
Operations and maintenance		6,854	
Total	41,152	40,769	383
Breast and Cervical Cancer			
Salaries and employee benefits		2,429	
Operations and maintenance		10,484	
Total	15,313	12,913	2,400
Immunization			
Salaries and employee benefits		85,472	
Operations and maintenance		62,764	
Total	\$ 152,321	\$ 148,236	\$ 4,085

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Maternal Health & Outreach			
Salaries and employee benefits		\$ 429,578	
Operations and maintenance		152,159	
Total	\$ 630,537	581,737	\$ 48,800
Family Planning			
Salaries and employee benefits		292,209	
Operations and maintenance		83,319	
Total	401,742	375,528	26,214
WIC			
Salaries and employee benefits		296,025	
Operations and maintenance		88,333	
Total	384,680	384,358	322
Child Services Coordination			
Salaries and employee benefits		197,806	
Operations and maintenance		35,586	
Total	265,830	233,392	32,438
Pregnancy Care Management			
Salaries and employee benefits		180,469	
Operations and maintenance		21,279	
Total	208,770	201,748	7,022
Child Health			
Salaries and employee benefits		98,557	
Operations and maintenance		28,830	
Total	130,008	127,387	2,621
Environmental Health			
Salaries and employee benefits		403,349	
Operations and maintenance		40,782	
Total	468,464	444,131	24,333
Food and Lodging			
Operations and maintenance		10,165	
Total	11,416	10,165	1,251
State Bio-Terrorism			
Salaries and employee benefits		45,556	
Operations and maintenance		1,089	
Total	\$ 47,806	\$ 46,645	\$ 1,161

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Infant Mortality Reduction			
Salaries and employee benefits		\$ 36,608	
Operations and maintenance		23,616	
Total	\$ 63,500	60,224	\$ 3,276
Total Health	3,750,237	3,534,649	215,588
Social Services			
Administration			
Salaries and employee benefits		7,781,028	
Operations and maintenance		1,620,922	
Capital outlay		31,587	
Total	9,643,717	9,433,537	210,180
Assistance			
Food stamp issuance		21,534	
WFBG programs		-	
Medicaid transportation		112,383	
Daycare		201,213	
AA-AD-AB rest homes		590,995	
Aid to the blind		5,227	
Crisis intervention program		112,658	
In-Home services		10,003	
Foster care		604,697	
Adoption assistance		198,950	
Low income energy assistance		377,400	
Other programs		116,029	
Total	4,828,035	2,351,089	2,476,946
Total Social Services	14,471,752	11,784,626	2,687,126
Aging and In-Home Services			
Personal Care CAP Medicaid			
Salaries and employee benefits		149,287	
Operations and maintenance		62,088	
Total	212,336	211,375	961
SHIIP			
Salaries and employee benefits		2,664	
Operations and maintenance		522	
Total	\$ 6,323	\$ 3,186	\$ 3,137

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Transportation			
Salaries and employee benefits		\$ 28,962	
Salaries and employee benefits		5,898	
Operations and maintenance			
Total	\$ 34,951	34,860	\$ 91
Personal Care Block Grant			
Salaries and employee benefits		130,278	
Operations and maintenance		214,955	
Total	346,439	345,233	1,206
Home Repairs			
Salaries and employee benefits		75,962	
Operations and maintenance		106,843	
Capital outlay		5,500	
Total	191,389	188,305	3,084
Senior Center and Senior Ctr Outreach			
Salaries and employee benefits		83,017	
Operations and maintenance		37,171	
Total	121,690	120,188	1,502
Adult Daycare			
Salaries and employee benefits		193,489	
Operations and maintenance		59,309	
Total	260,731	252,798	7,933
Information/Case Assistance			
Salaries and employee benefits		61,378	
Operations and maintenance		4,686	
Total	68,072	66,064	2,008
Nutrition Program			
Salaries and employee benefits		135,802	
Operations and maintenance		277,220	
Total	\$ 429,319	\$ 413,022	\$ 16,297

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Family Caregiver Support			
Salaries and employee benefits		\$ 43,901	
Operations and maintenance		-	
Total	\$ 46,507	43,901	\$ 2,606
Total Aging and In-Home Services	1,717,757	1,678,932	38,825
Total Human Services	20,523,720	17,533,868	2,989,852
Education			
Contributions to other units			
Current Expense			
Sampson County Board of Education	8,676,489	8,676,489	-
Clinton City Board of Education	3,152,517	3,152,517	-
Sampson Community College	1,400,201	1,400,201	-
Capital Outlay			
Sampson County Board of Education	1,265,836	456,091	809,745
Clinton City Board of Education	294,776	262,035	32,741
Sampson Community College	-	-	-
Total Education	14,789,819	13,947,333	842,486
Culture and Recreation			
Library			
Salaries and employee benefits		561,239	
Operations and maintenance		134,121	
Capital outlay		137,217	
Total	855,340	832,577	22,763
Special Appropriations			
Special projects		56,823	
Total	57,642	56,823	819
Recreation			
Salaries and employee benefits		409,896	
Operations and maintenance		133,135	
Programs		106,706	
Capital outlay		4,992	
Total Recreation	\$ 696,218	\$ 654,729	\$ 41,489

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (CONTINUED)
For the Year ended June 30, 2018

	Budget	Actual	Variance Positive (Negative)
Agri-Exposition Center			
Salaries and employee benefits		\$ 133,805	
Operations and maintenance		378,368	
Capital outlay		19,077	
Total	\$ 593,909	531,250	\$ 62,659
Total Culture and Recreation	2,203,109	2,075,379	127,730
Debt Service			
Principal		72,870,508	
Interest and fees		5,755,825	
Administration		106,895	
Total Debt Service	79,416,686	78,733,228	683,458
Contingency	684,776	-	684,776
Total expenditures	146,790,579	139,586,476	7,204,103
Excess (deficiency) of revenues over expenditures	(75,541,065)	(68,749,503)	6,791,562
Other financing sources (uses)			
Transfers in	3,479,442	2,663,116	(816,326)
Transfers out	(1,098,751)	(1,098,751)	-
Loan proceeds	71,189,786	69,858,006	(1,331,780)
Total Other Financing Sources (Uses)	73,570,477	71,422,371	(2,148,106)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(1,970,588)	2,672,868	4,643,456
Appropriated Fund Balance	1,970,588	-	(1,970,588)
Net change in fund balance	\$ -	2,672,868	\$ 2,672,868
Fund balance - beginning		23,384,321	
Fund balance - ending		\$ 26,057,189	

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL-SCHOOLS CAPITAL PROJECT FUND
For the Fiscal Year Ended June 30, 2018

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Other taxes and licenses	\$ 2,563,100	\$ 2,516,629	\$ (46,471)
Investment earnings		22,638	22,638
Total revenues	<u>2,563,100</u>	<u>2,539,267</u>	<u>(23,833)</u>
Expenditures			
Unallocated capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers (out)			
To General Fund for:			
County schools capital outlay	(1,265,836)	(456,091)	809,745
City schools capital outlay	(294,776)	(262,035)	32,741
Debt service	<u>(1,457,000)</u>	<u>(1,457,000)</u>	<u>-</u>
Total other financing uses	(3,017,612)	(2,175,126)	842,486
Revenues, Expenditures and Other Financing Uses			
Over (Under) Expenditures	(454,512)	364,141	818,653
Appropriated Fund Balance	<u>454,512</u>	<u>-</u>	<u>(454,512)</u>
Net change in fund balance	<u>\$ -</u>	<u>364,141</u>	<u>\$ 364,141</u>
Fund balance - beginning		<u>3,138,225</u>	
Fund balance - ending		<u>\$ 3,502,366</u>	

**SAMPSON COUNTY, NORTH CAROLINA
 REVALUATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Ad-valorem taxes	\$ -	\$ 122,000	\$ 122,000
Investment earnings		4,996	4,996
Total revenues	<u>122,000</u>	<u>126,996</u>	<u>126,996</u>
Expenditures			
Real property appraisals	<u>945,850</u>	<u>539,086</u>	<u>406,764</u>
Excess (deficiency) of revenues over expenditures	<u>(823,850)</u>	<u>(412,090)</u>	<u>533,760</u>
Other Financing Sources			
Transfer from General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures	(823,850)	(412,090)	411,760
Appropriated Fund Balance	<u>823,850</u>	<u>-</u>	<u>(823,850)</u>
Net change in fund balance	<u>\$ -</u>	<u>(412,090)</u>	<u>\$ (412,090)</u>
Fund balance - beginning		<u>939,928</u>	
Fund balance - ending		<u>\$ 527,838</u>	

**SAMPSON COUNTY, NORTH CAROLINA
COUNTY CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Investment earnings:			
Library reserve	\$ -	\$ 5	\$ 5
Airport reserve	-	7,969	7,969
Livestock arena reserve	-	1,038	1,038
Schools building reserve	-	6,266	6,266
County building reserve	-	5,422	5,422
Water line repairs	-	802	802
Total revenues	<u>-</u>	<u>21,502</u>	<u>21,502</u>
Other Financing Sources (Uses)			
Transfers in (out)			
To General fund	(1,052,000)	(2,000)	1,050,000
To Airport capital project	(32,184)	-	32,184
From General Fund for Airport Reserve	10,000	10,000	-
From General Fund for County School Bldg Reserve	225,000	225,000	-
From General Fund for City School Bldg Reserve	112,500	112,500	-
From General Fund for SCC Bldg Reserve	112,500	112,500	-
From General Fund for County Bldg Reserve	<u>600,000</u>	<u>600,000</u>	<u>-</u>
Total other financing sources (uses)	(24,184)	1,058,000	1,082,184
Excess (deficiency) of revenues over expenditures	<u>(24,184)</u>	<u>1,079,502</u>	<u>1,103,686</u>
Appropriated Fund Balance	<u>24,184</u>	<u>-</u>	<u>(24,184)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,079,502</u>	<u>\$ 1,079,502</u>
Fund balance - beginning		<u>1,663,447</u>	
Fund balance - ending		<u>\$ 2,742,949</u>	

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-SCHOOLS & COMMUNITY FACILITIES CONSTRUCTION -
CAPITAL PROJECT FUND
From Inception and for the Fiscal Year Ended June 30, 2018

	Project Authorization	Prior Years	Actual Current Year	Inception to Date	Variance with Final Positive (Negative)
Revenues					
Investment earnings	\$ 24,000	\$ 150,546	\$ 1,323	\$ 151,869	\$ 127,869
Sales tax refund	-	279,498	-	279,498	279,498
Total revenues	<u>24,000</u>	<u>430,044</u>	<u>1,323</u>	<u>431,367</u>	<u>407,367</u>
Expenditures					
School Construction:					
Clinton City Schools other	2,024,000	2,004,307	-	2,004,307	19,693
Sampson County Schools other	2,000,000	1,993,580	527	1,994,107	5,893
Community Facilities	<u>2,536,536</u>	<u>1,711,832</u>	<u>748,605</u>	<u>2,460,437</u>	<u>76,099</u>
Total expenditures	6,560,536	5,709,719	749,132	6,458,851	101,685
Excess (deficiency) of revenues over expenditures	<u>(6,536,536)</u>	<u>(5,279,675)</u>	<u>(747,809)</u>	<u>(6,027,484)</u>	<u>509,052</u>
Other Financing Sources (Uses)					
Transfers in (out)					
To General Fund for:					
From School capital reserve	-	340,401	-	340,401	340,401
COPs debt premium	2,536,536	2,536,536	-	2,536,536	-
Loan proceeds	<u>4,000,000</u>	<u>4,000,000</u>	<u>-</u>	<u>4,000,000</u>	<u>-</u>
Total other financing uses	<u>6,536,536</u>	<u>6,876,937</u>	<u>-</u>	<u>6,876,937</u>	<u>340,401</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>-</u>	<u>1,597,262</u>	<u>(747,809)</u>	<u>849,453</u>	<u>849,453</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,597,262</u>	<u>(747,809)</u>	<u>\$ 849,453</u>	<u>\$ 849,453</u>
Fund balance - beginning			<u>1,597,262</u>		
Fund balance - ending			<u>\$ 849,453</u>		

SAMPSON COUNTY, NORTH CAROLINA
AIRPORT EXPANSION CAPITAL PROJECT FUND - AIRPORT CONSTRUCTION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State, Federal, and Local Grants:					
Federal AIR-21	\$ 4,870,697	\$ 3,884,966	\$ 93,131	\$ 3,978,097	\$ (892,600)
City of Clinton	270,595	152,904	-	152,904	(117,691)
Other revenue	-	1,811	-	1,811	1,811
Total revenues	<u>5,141,292</u>	<u>4,039,681</u>	<u>93,131</u>	<u>4,132,812</u>	<u>(1,008,480)</u>
Expenditures					
Capital Expansion:					
Professional services	1,771,793	1,281,200	107,171	1,388,371	383,422
Capital outlay	58,520	58,520	-	58,520	-
Construction costs	3,155,506	2,923,347	23,213	2,946,560	208,946
Land	<u>426,068</u>	<u>340,027</u>	<u>-</u>	<u>340,027</u>	<u>86,041</u>
Total expenditures	<u>5,411,887</u>	<u>4,603,094</u>	<u>130,384</u>	<u>4,733,478</u>	<u>678,409</u>
Excess (deficiency) of revenues over expenditures	<u>(270,595)</u>	<u>(563,413)</u>	<u>(37,253)</u>	<u>(600,666)</u>	<u>(330,071)</u>
Other Financing Sources					
Transfers In:					
From Airport Capital Reserve	<u>270,595</u>	<u>196,908</u>	<u>-</u>	<u>196,908</u>	<u>(73,687)</u>
Total other financing sources	<u>270,595</u>	<u>196,908</u>	<u>-</u>	<u>196,908</u>	<u>(73,687)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (366,505)</u>	<u>(37,253)</u>	<u>\$ (403,758)</u>	<u>\$ (403,758)</u>
Fund balance - beginning			<u>(366,505)</u>		
Fund balance - ending			<u>\$ (403,758)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018**

	Special Revenue Funds			
	Emergency Telephone System	Sampson Area Transportation	Head Start	Fire Districts
ASSETS				
Cash and cash equivalents	\$ 784,373	\$ -	\$ 1,401	\$ 995,989
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	102,152
Other receivables	22,468	596,832	-	31,675
TOTAL ASSETS	\$ 806,841	\$ 596,832	\$ 1,401	\$ 1,129,816
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ 101	\$ 194,698	\$ -	\$ 217
Due to General Fund	-	443,680	-	-
Deferred tax revenue	-	-	-	102,152
Total Liabilities	101	638,378	-	102,369
Fund Balances (Deficits):				
Restricted				
Stabilization by state statute	22,468	596,832	-	31,675
Public safety	-	-	-	995,772
Assigned				
General government	-	-	-	-
Public safety	784,272	-	-	-
Environmental protection	-	-	-	-
Human services	-	(638,378)	1,401	-
Culture and recreation	-	-	-	-
Capital expansion	-	-	-	-
Subsequent year's expenditures	-	-	-	-
Unassigned				
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	806,740	(41,546)	1,401	1,027,447
TOTAL LIABILITIES AND FUND BALANCES	\$ 806,841	\$ 596,832	\$ 1,401	\$ 1,129,816

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018**

	Special Revenue Funds			
	Soil and Water District	Hazard Mitigation Plan Update	Community Development SFR-14	Urgent Home Repair Project
ASSETS				
Cash and cash equivalents	\$ 75,381	\$ -	\$ 1,425	\$ 6,017
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	-
Other receivables	-	-	-	-
TOTAL ASSETS	\$ 75,381	\$ -	\$ 1,425	\$ 6,017
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ 221	\$ -	\$ -	\$ -
Due to General Fund	-	36	-	-
Deferred tax revenue	-	-	-	-
Total Liabilities	221	36	-	-
Fund Balances (Deficits):				
Restricted				
Stabilization by state statute	-	-	-	-
Public Safety	-	-	-	-
Assigned				
General government	-	-	-	-
Public safety	-	(36)	-	-
Environmental protection	75,160	-	-	-
Human services	-	-	1,425	6,017
Culture and recreation	-	-	-	-
Capital expansion	-	-	-	-
Subsequent year's expenditures	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	75,160	(36)	1,425	6,017
TOTAL LIABILITIES AND FUND BALANCES	\$ 75,381	\$ -	\$ 1,425	\$ 6,017

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018**

	Special Revenue Funds			
	Homeland Security Equipment	Employment and Training	Community Development ESFR-17	Disaster Recovery ESFR-17 Matthew
ASSETS				
Cash and cash equivalents	\$ 24,875	\$ 11,020	\$ -	\$ -
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	-
Other receivables	-	-	11,873	110,700
TOTAL ASSETS	\$ 24,875	\$ 11,020	\$ 11,873	\$ 110,700
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 11,040	\$ 61,166
Due to General Fund	-	-	846	45,564
Deferred tax revenue	-	-	-	-
Total Liabilities	-	-	11,886	106,730
Fund Balances (Deficits):				
Restricted				
Stabilization by state statute	-	-	11,873	110,700
Public Safety	-	-	-	-
Assigned				
General government	-	11,020	-	-
Public safety	24,875	-	-	-
Environmental protection	-	-	-	-
Human services	-	-	(11,886)	(106,730)
Culture and recreation	-	-	-	-
Capital expansion	-	-	-	-
Subsequent year's expenditures	-	-	-	-
Unassigned				
	-	-	-	-
Total Fund Balances (Deficits)	24,875	11,020	(13)	3,970
TOTAL LIABILITIES AND FUND BALANCES	\$ 24,875	\$ 11,020	\$ 11,873	\$ 110,700

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018**

	<u>Special Revenue Funds</u>	
	<u>Disaster Recovery NCEM DRA-17</u>	<u>Total Nonmajor Special Revenue Funds</u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 1,900,481
Restricted cash	-	-
Taxes receivable (net)	-	102,152
Other receivables	-	773,548
TOTAL ASSETS	\$ -	\$ 2,776,181
LIABILITIES AND FUND BALANCES		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 56	\$ 267,499
Due to General Fund	1,324	491,450
Deferred tax revenue	-	102,152
Total Liabilities	1,380	861,101
Fund Balances (Deficits):		
Restricted		
Stabilization by state statute	-	773,548
Public Safety	-	995,772
Assigned		
General government	-	11,020
Public safety	-	809,111
Environmental protection	-	75,160
Human services	(1,380)	(749,531)
Culture and recreation	-	-
Capital expansion	-	-
Subsequent year's expenditures	-	-
Unassigned		
Total Fund Balances (Deficits)	(1,380)	1,915,080
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 2,776,181

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018**

	Capital Project Funds			Total Nonmajor Governmental Funds
	Courthouse Annex Renovation	County Bldgs Construction & Renovation	Total Nonmajor Capital Project Funds	
ASSETS				
Cash and cash equivalents	\$ 29,104	\$ 8,000	\$ 37,104	\$ 1,937,585
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	102,152
Other receivables	-	-	-	773,548
TOTAL ASSETS	<u>\$ 29,104</u>	<u>\$ 8,000</u>	<u>\$ 37,104</u>	<u>\$ 2,813,285</u>
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 267,499
Due to General Fund	-	-	-	491,450
Deferred tax revenue	-	-	-	102,152
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>861,101</u>
Fund Balances (Deficits):				
Restricted				
Stabilization by state statute	-	-	-	773,548
Public Safety	-	-	-	995,772
Assigned				
General government	-	-	-	11,020
Public safety	-	-	-	809,111
Environmental protection	-	-	-	75,160
Human services	-	-	-	(749,531)
Culture and recreation	-	-	-	-
Capital expansion	29,104	8,000	37,104	37,104
Subsequent year's expenditures	-	-	-	-
Unassigned				
Total Fund Balances (Deficits)	<u>29,104</u>	<u>8,000</u>	<u>37,104</u>	<u>1,952,184</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 29,104</u>	<u>\$ 8,000</u>	<u>\$ 37,104</u>	<u>\$ 2,813,285</u>

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018**

	Special Revenue Funds			
	Emergency Telephone System	Sampson Area Transportation	Head Start	Fire Districts
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 2,893,255
Sales taxes	-	-	-	-
State, federal and local grants	-	508,414	-	-
Fees	269,616	942,225	-	-
Investment earnings	6,224	-	-	8,165
Miscellaneous	-	-	-	-
Total revenues	<u>275,840</u>	<u>1,450,639</u>	<u>-</u>	<u>2,901,420</u>
Expenditures				
General government	-	-	-	-
Public safety	266,683	-	-	2,719,324
Environmental protection	-	-	-	-
Human services	-	1,133,007	-	-
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	<u>266,683</u>	<u>1,133,007</u>	<u>-</u>	<u>2,719,324</u>
Excess (deficiency) of revenues over expenditures	<u>9,157</u>	<u>317,632</u>	<u>-</u>	<u>182,096</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	(485,990)	-	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(485,990)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,157	(168,358)	-	182,096
Fund balances - beginning	<u>797,583</u>	<u>126,812</u>	<u>1,401</u>	<u>845,351</u>
Fund balances - ending	<u>\$ 806,740</u>	<u>\$ (41,546)</u>	<u>\$ 1,401</u>	<u>\$ 1,027,447</u>

SAMPSON COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	Special Revenue Funds			
	Soil and Water District	Hazard Mitigation Plan Update	Community Development SFR-14	Urgent Home Repair Project
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
State, federal and local grants	15,050	-	41,484	50,000
Fees	-	-	-	-
Investment earnings	600	-	-	-
Miscellaneous	401	-	-	-
Total revenues	<u>16,051</u>	<u>-</u>	<u>41,484</u>	<u>50,000</u>
Expenditures				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental protection	8,697	-	-	-
Human services	-	-	41,367	71,666
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	<u>8,697</u>	<u>-</u>	<u>41,367</u>	<u>71,666</u>
Excess (deficiency) of revenues over expenditures	<u>7,354</u>	<u>-</u>	<u>117</u>	<u>(21,666)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,354	-	117	(21,666)
Fund balances - beginning	<u>67,806</u>	<u>(36)</u>	<u>1,308</u>	<u>27,683</u>
Fund balances - ending	<u>\$ 75,160</u>	<u>\$ (36)</u>	<u>\$ 1,425</u>	<u>\$ 6,017</u>

SAMPSON COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	Special Revenue Funds			
	Homeland Security Equipment	Employment and Training	Community Development ESFR-17	Disaster Recovery ESFR-17 Matthew
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
State, federal and local grants	-	-	33,462	164,540
Fees	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	33,462	164,540
Expenditures				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental protection	-	-	-	-
Human services	-	-	33,475	160,570
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	-	-	33,475	160,570
Excess (deficiency) of revenues over expenditures	-	-	(13)	3,970
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(13)	3,970
Fund balances - beginning	24,875	11,020	-	-
Fund balances - ending	\$ 24,875	\$ 11,020	\$ (13)	\$ 3,970

SAMPSON COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018

	<u>Special Revenue Funds</u>	
	<u>Disaster Recovery NCEM DRA-17</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues		
Ad valorem taxes	\$ -	\$ 2,893,255
Sales taxes	-	-
State, federal and local grants	-	812,950
Fees	-	1,211,841
Investment earnings	-	14,989
Miscellaneous	-	401
Total revenues	<u>-</u>	<u>4,933,436</u>
Expenditures		
General government	-	-
Public safety	-	2,986,007
Environmental protection	-	8,697
Human services	1,380	1,441,465
Culture and recreation	-	-
Capital Expansion	-	-
Total Expenditures	<u>1,380</u>	<u>4,436,169</u>
Excess (deficiency) of revenues over expenditures	<u>(1,380)</u>	<u>497,267</u>
Other Financing Sources (Uses)		
Transfers in	-	-
Transfers out	-	(485,990)
Installment purchase debt issued	-	-
Total other financing sources (uses)	<u>-</u>	<u>(485,990)</u>
Net change in fund balances	(1,380)	11,277
Fund balances - beginning	-	1,903,803
Fund balances - ending	<u>\$ (1,380)</u>	<u>\$ 1,915,080</u>

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018**

	Capital Project Funds			Total Nonmajor Governmental Funds
	Courthouse Annex Renovations	County Bldgs Construction Renovations	Total Nonmajor Capital Project Funds	
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 2,893,255
Sales taxes	-	-	-	-
State, federal and local grants	-	-	-	812,950
Fees	-	-	-	1,211,841
Investment earnings	-	-	-	14,989
Miscellaneous	-	-	-	401
Total revenues	-	-	-	4,933,436
Expenditures				
General government	-	-	-	-
Public safety	-	-	-	2,986,007
Environmental protection	-	-	-	8,697
Human services	-	-	-	1,441,465
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	-	-	-	4,436,169
Excess (deficiency) of revenues over expenditures	-	-	-	497,267
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(485,990)
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	-	-	-	(485,990)
Net change in fund balances	-	-	-	11,277
Fund balances - beginning	29,104	8,000	37,104	1,940,907
Fund balances - ending	\$ 29,104	\$ 8,000	\$ 37,104	\$ 1,952,184

**SAMPSON COUNTY, NORTH CAROLINA
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
NC 911 PSAP fees	\$ 297,600	\$ 269,616	\$ (27,984)
Investment earnings	-	6,224	6,224
Total revenues	<u>297,600</u>	<u>275,840</u>	<u>(21,760)</u>
Expenditures			
Operations and maintenance	25,427	13,163	12,264
Telephone and postage	120,136	88,540	31,596
Contracted services	89,934	80,144	9,790
Capital outlay	87,368	84,836	2,532
Total expenditures	<u>322,865</u>	<u>266,683</u>	<u>56,182</u>
Excess (deficiency) of revenues over expenditures	<u>(25,265)</u>	<u>9,157</u>	<u>34,422</u>
Other financing sources (uses)			
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Finance Sources (Uses) Over (Under) Expenditures	(25,265)	9,157	34,422
Appropriated Fund Balance	<u>25,265</u>	<u>-</u>	<u>(25,265)</u>
Net change in fund balance	<u>\$ -</u>	<u>9,157</u>	<u>\$ 9,157</u>
Fund balance - beginning		<u>797,583</u>	
Fund balance - ending		<u>\$ 806,740</u>	

**SAMPSON COUNTY, NORTH CAROLINA
SAMPSON AREA TRANSPORTATION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
State Grants:			
Transportation-capital improvements	\$ 162,850	\$ 153,604	\$ (9,246)
Transportation-riders	166,821	166,821	-
Development funds	173,732	171,217	(2,515)
Workfirst	16,772	16,772	-
Mileage fees	<u>1,237,350</u>	<u>942,225</u>	<u>(295,125)</u>
Total revenues	<u>1,757,525</u>	<u>1,450,639</u>	<u>(306,886)</u>
Expenditures			
Salaries and employee benefits	740,488	701,561	38,927
Gas, oil, and tires	166,170	146,722	19,448
Maintenance and repairs	48,475	31,867	16,608
Operations	100,887	50,374	50,513
Insurance and bonds	34,570	34,570	-
Capital outlay	<u>180,945</u>	<u>167,913</u>	<u>13,032</u>
Total expenditures	<u>1,271,535</u>	<u>1,133,007</u>	<u>138,528</u>
Excess (deficiency) of revenues over expenditures	<u>485,990</u>	<u>317,632</u>	<u>(168,358)</u>
Other Financing Sources (Uses)			
Transfers:			
To General fund	<u>(485,990)</u>	<u>(485,990)</u>	<u>-</u>
Total other financing sources (uses)	<u>(485,990)</u>	<u>(485,990)</u>	<u>-</u>
Revenues and Other Finance Sources (Uses) Over (Under) Expenditures	-	(168,358)	(168,358)
Appropriated Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(168,358)</u>	<u>\$ (168,358)</u>
Fund balance - beginning		<u>126,812</u>	
Fund balance - ending		<u>\$ (41,546)</u>	

**SAMPSON COUNTY, NORTH CAROLINA
GRANTS PROJECT - HEAD START PROGRAMS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018**

	Final Budget	Reported in Prior Year	Current Year	Total Actual	Variance Positive (Negative)
Revenues					
State & Federal Grants:					
DHHS Head Start	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures					
Head Start Programs:					
Salaries and employee benefits	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
PA-20 Employee training	-	-	-	-	-
Total Head Start program	-	-	-	-	-
Total expenditures	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
Appropriated Fund Balance		-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund balance - beginning			1,401		
Fund balance - ending			<u>\$ 1,401</u>		

**SAMPSON COUNTY, NORTH CAROLINA
 FIRE DISTRICTS
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Ad Valorem Taxes:			
Current year	\$ 2,570,000	\$ 2,815,307	\$ 245,307
Prior year	69,924	75,467	5,543
Penalties and interest	-	2,481	2,481
Investment earnings	-	8,165	8,165
Total revenues	<u>2,639,924</u>	<u>2,901,420</u>	<u>261,496</u>
Expenditures			
Fire protection	<u>2,719,324</u>	<u>2,719,324</u>	<u>-</u>
Total expenditures	<u>2,719,324</u>	<u>2,719,324</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(79,400)</u>	<u>182,096</u>	<u>261,496</u>
Appropriated Fund Balance	<u>79,400</u>	<u>-</u>	<u>(79,400)</u>
Net change in fund balance	<u>\$ -</u>	<u>182,096</u>	<u>\$ 182,096</u>
Fund balance - beginning		<u>845,351</u>	
Fund balance - ending		<u>\$ 1,027,447</u>	

**SAMPSON COUNTY, NORTH CAROLINA
FIRE DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BY DISTRICT
For the Fiscal Year Ended June 30, 2018**

<u>District</u>	<u>Ad Valorem Taxes & Investment Earnings</u>	<u>Fire Protection Transfers to Districts</u>	<u>Revenues Over (Under) Expenditures</u>	<u>Fund Balance June 30, 2017</u>	<u>Fund Balance June 30, 2018</u>
Coharie	\$ 156,937	\$ 147,700	\$ 9,237	\$ 84,554	\$ 93,791
Franklin	159,061	152,600	6,461	59,102	65,563
Godwin-Falcon	28,094	26,100	1,994	5,887	7,881
Halls	145,315	142,100	3,215	20,796	24,011
Herring	143,796	149,900	(6,104)	24,453	18,349
Honeycutt-Salemburg	178,062	181,700	(3,638)	70,347	66,709
Newton Grove	84,275	79,500	4,775	12,092	16,867
Piney Grove	91,290	85,724	5,566	26,566	32,132
Plain View	260,752	270,800	(10,048)	81,447	71,399
Spivey's Corner	168,317	155,000	13,317	40,747	54,064
Turkey	164,385	170,000	(5,615)	55,776	50,161
Vanns Crossroads	79,567	71,100	8,467	12,299	20,766
Clinton	506,845	482,000	24,845	116,855	141,700
Clement	216,064	199,800	16,264	107,038	123,302
Autryville	112,287	114,400	(2,113)	12,086	9,973
Garland	130,592	119,000	11,592	25,900	37,492
Taylor's Bridge	175,545	158,900	16,645	86,381	103,026
Goshen	100,236	13,000	87,236	3,025	90,261
	<u>\$ 2,901,420</u>	<u>\$ 2,719,324</u>	<u>\$ 182,096</u>	<u>\$ 845,351</u>	<u>\$ 1,027,447</u>

**SAMPSON COUNTY, NORTH CAROLINA
SOIL AND WATER CONSERVATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
State Grant	\$ 3,600	\$ 15,050	\$ 11,450
Miscellaneous	1,000	401	(599)
Investment earnings	-	600	600
Total revenues	<u>4,600</u>	<u>16,051</u>	<u>11,451</u>
Expenditures			
Travel	3,408	3,046	362
Operations and maintenance	<u>7,632</u>	<u>5,651</u>	<u>1,981</u>
Total expenditures	11,040	8,697	2,343
Excess (deficiency) of revenues over expenditures	<u>(6,440)</u>	<u>7,354</u>	<u>9,108</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures	(6,440)	7,354	13,794
Appropriated Fund Balance	<u>6,440</u>	<u>-</u>	<u>(6,440)</u>
Net change in fund balance	<u>\$ -</u>	<u>7,354</u>	<u>\$ 7,354</u>
Fund balance - beginning		<u>67,806</u>	
Fund balance - ending		<u><u>\$ 75,160</u></u>	

**SAMPSON COUNTY, NORTH CAROLINA
HAZARD MITIGATION PLAN UPDATE
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 60,000	\$ 44,265	\$ -	\$ 44,265	\$ (15,735)
Miscellaneous	-	-	-	-	-
Total revenue	<u>60,000</u>	<u>44,265</u>	<u>-</u>	<u>44,265</u>	<u>(15,735)</u>
Expenditures					
Supplies	8,000	22	-	22	7,978
Travel	1,500	-	-	-	1,500
Printing	6,500	279	-	279	6,221
Contract services	<u>44,000</u>	<u>44,000</u>	<u>-</u>	<u>44,000</u>	<u>-</u>
Total expenditures	<u>60,000</u>	<u>44,301</u>	<u>-</u>	<u>44,301</u>	<u>15,699</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (36)</u>	<u>-</u>	<u>\$ (36)</u>	<u>\$ (36)</u>
Fund balance - beginning			<u>(36)</u>		
Fund balance - ending			<u>\$ (36)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COMMUNITY DEVELOPMENT GRANT PROJECT
SINGLE FAMILY REHABILITATION SFR-14
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 568,930	\$ 489,414	\$ 41,484	\$ 530,898	\$ (38,032)
Miscellaneous	-	1,500	-	1,500	1,500
Total revenue	<u>568,930</u>	<u>490,914</u>	<u>41,484</u>	<u>532,398</u>	<u>(36,532)</u>
Expenditures					
Administration	118,930	98,022	16,102	114,124	4,806
Housing rehabilitation	450,000	391,584	25,265	416,849	33,151
Total expenditures	<u>568,930</u>	<u>489,606</u>	<u>41,367</u>	<u>530,973</u>	<u>37,957</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 1,308</u>	117	<u>\$ 1,425</u>	<u>\$ 1,425</u>
Fund balance - beginning			<u>1,308</u>		
Fund balance - ending			<u>\$ 1,425</u>		

**SAMPSON COUNTY, NORTH CAROLINA
URGENT HOME REPAIR GRANT PROJECT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 450,000	\$ 325,000	\$ 50,000	\$ 375,000	\$ (75,000)
Interest earned	390	826	-	826	436
Total revenue	<u>450,390</u>	<u>325,826</u>	<u>50,000</u>	<u>375,826</u>	<u>(74,564)</u>
Expenditures					
Salaries and employee benefits	5,609	5,609	-	5,609	-
Building materials	97,470	67,569	19,218	86,787	10,683
Department supplies	7,587	7,587	-	7,587	-
Contracted services	319,599	217,378	32,323	249,701	69,898
Transfer to state agency	20,125	-	20,125	20,125	-
Total expenditures	<u>450,390</u>	<u>298,143</u>	<u>71,666</u>	<u>369,809</u>	<u>80,581</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 27,683</u>	(21,666)	<u>\$ 6,017</u>	<u>\$ 6,017</u>
Fund balance - beginning			<u>27,683</u>		
Fund balance - ending			<u>\$ 6,017</u>		

**SAMPSON COUNTY, NORTH CAROLINA
 HOMELAND SECURITY GRANT PROJECT
 2006 EQUIPMENT
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 From Inception and for the Year Ended June 30, 2017**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 69,748	\$ 75,513	\$ -	\$ 75,513	\$ 5,765
Total revenue	<u>69,748</u>	<u>75,513</u>	<u>-</u>	<u>75,513</u>	<u>5,765</u>
Expenditures					
Administration	-	-	-	-	
Clearance activity	-	-	-	-	
Department supplies	26,346	26,309	-	26,309	37
Capital Outlay	43,402	24,329	-	24,329	19,073
Total expenditures	<u>69,748</u>	<u>50,638</u>	<u>-</u>	<u>50,638</u>	<u>19,110</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 24,875</u>	<u>-</u>	<u>\$ 24,875</u>	<u>\$ 24,875</u>
Fund balance - beginning			<u>24,875</u>		
Fund balance - ending			<u>\$ 24,875</u>		

**SAMPSON COUNTY, NORTH CAROLINA
EMPLOYMENT AND TRAINING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
State and local grants	\$ -	\$ -	\$ -
Investment earnings	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Salaries and employee benefits	-	-	-
Operations and maintenance	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance - beginning		<u>11,020</u>	
Fund balance - ending		<u>\$ 11,020</u>	

**SAMPSON COUNTY, NORTH CAROLINA
COMMUNITY DEVELOPMENT GRANT PROJECT
NC HOUSING FINANCE ESFR-17
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 175,000	\$ -	\$ 33,462	\$ 33,462	\$ (141,538)
Miscellaneous	-	-	-	-	-
Total revenue	<u>175,000</u>	<u>-</u>	<u>33,462</u>	<u>33,462</u>	<u>(141,538)</u>
Expenditures					
Administration	50,000	-	33,475	33,475	16,525
Housing rehabilitation	125,000	-	-	-	125,000
Total expenditures	<u>175,000</u>	<u>-</u>	<u>33,475</u>	<u>33,475</u>	<u>141,525</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	(13)	<u>\$ (13)</u>	<u>\$ (13)</u>
Fund balance - beginning			<u>-</u>		
Fund balance - ending			<u>\$ (13)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
DISASTER RECOVERY GRANT PROJECT
NC HOUSING FINANCE ESFR-17 HURRICANE MATTHEW
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 839,340	\$ -	\$ 164,540	\$ 164,540	\$ (674,800)
Miscellaneous	-	-	-	-	-
Total revenue	<u>839,340</u>	<u>-</u>	<u>164,540</u>	<u>164,540</u>	<u>(674,800)</u>
Expenditures					
Administration	190,000	-	35,030	35,030	154,970
Housing rehabilitation	649,340	-	125,540	125,540	523,800
Total expenditures	<u>839,340</u>	<u>-</u>	<u>160,570</u>	<u>160,570</u>	<u>678,770</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	3,970	<u>\$ 3,970</u>	<u>\$ 3,970</u>
Fund balance - beginning			<u>-</u>		
Fund balance - ending			<u>\$ 3,970</u>		

**SAMPSON COUNTY, NORTH CAROLINA
DISASTER RECOVERY GRANT PROJECT
NC EMERGENCY MANAGEMENT DRA-17
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Miscellaneous	-	-	-	-	-
Total revenue	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(500,000)</u>
Expenditures					
Administration	100,000	-	1,380	1,380	98,620
Housing rehabilitation	400,000	-	-	-	400,000
Total expenditures	<u>500,000</u>	<u>-</u>	<u>1,380</u>	<u>1,380</u>	<u>498,620</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	(1,380)	<u>\$ (1,380)</u>	<u>\$ (1,380)</u>
Fund balance - beginning			-		
Fund balance - ending			<u>\$ (1,380)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COURTHOUSE ANNEX I RENOVATIONS CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State, Federal, and Local Grants:					
Federal-USDA	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ -
Investment earnings	-	-	-	-	-
Sales tax refund	3,234	3,283	-	3,283	49
Total revenues	<u>100,000</u>	<u>103,283</u>	<u>-</u>	<u>103,283</u>	<u>49</u>
Expenditures					
Capital Expansion:					
Engineering	79,139	60,051	-	60,051	19,088
Construction costs	1,912,113	1,905,704	-	1,905,704	6,409
Legal and administration	5,514	5,190	-	5,190	324
Capitalized interest	75,000	75,000	-	75,000	-
Contingency	-	-	-	-	-
Total expenditures	<u>2,071,766</u>	<u>2,045,945</u>	<u>-</u>	<u>2,045,945</u>	<u>25,821</u>
Excess (deficiency) of revenues over expenditures	<u>(1,971,766)</u>	<u>(1,942,662)</u>	<u>-</u>	<u>(1,942,662)</u>	<u>25,870</u>
Other Financing Sources (Uses)					
Transfer to general fund	(78,234)	(78,234)	-	(78,234)	-
Installment purchase debt issued	2,050,000	2,050,000	-	2,050,000	-
Total other financing sources (uses)	<u>1,971,766</u>	<u>1,971,766</u>	<u>-</u>	<u>1,971,766</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 29,104</u>	<u>-</u>	<u>\$ 29,104</u>	<u>\$ 29,104</u>
Fund balance - beginning			29,104		
Fund balance - ending			<u>\$ 29,104</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COUNTY BUILDINGS CONSTRUCTION AND RENOVATION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2018**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State grant	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-
Sales Tax Refund	-	2,493	-	2,493	2,493
Total revenues	<u>-</u>	<u>2,493</u>	<u>-</u>	<u>2,493</u>	<u>2,493</u>
Expenditures					
County administration offices					
Contingency	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Engineering	110,920	110,920	-	110,920	-
Relocation	507	-	-	-	507
General contractor	1,033,455	1,033,455	-	1,033,455	-
Total expenditures	<u>1,149,882</u>	<u>1,144,375</u>	<u>-</u>	<u>1,144,375</u>	<u>5,507</u>
Excess (deficiency) of revenues over expenditures	<u>(1,149,882)</u>	<u>(1,141,882)</u>	<u>-</u>	<u>(1,141,882)</u>	<u>8,000</u>
Other Financing Sources (Uses)					
Transfer from general fund	-	-	-	-	-
Installment purchase debt issued	1,149,882	1,149,882	-	1,149,882	-
Total other financing sources	<u>1,149,882</u>	<u>1,149,882</u>	<u>-</u>	<u>1,149,882</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 8,000</u>	<u>-</u>	<u>\$ 8,000</u>	<u>\$ 8,000</u>
Fund balance - beginning			8,000		
Fund balance - ending			<u>\$ 8,000</u>		

Enterprise Funds

**SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER FUND - DISTRICT II
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2018**

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for Services:			
Water sales	\$	\$ 2,177,622	\$
Penalties		38,078	
Tap fees		51,500	
Miscellaneous		<u>134,522</u>	
Total Operating Revenues	<u>2,217,107</u>	<u>2,401,722</u>	<u>184,615</u>
Nonoperating Revenues:			
Interest earnings		<u>9,957</u>	
Total Nonoperating Revenues	<u>-</u>	<u>9,957</u>	<u>9,957</u>
Total Revenues	<u>2,217,107</u>	<u>2,411,679</u>	<u>194,572</u>
Expenditures:			
Salaries and employee benefits		624,242	
Bulk water purchases		89,685	
Training		2,943	
Contracted services		252,761	
Operations and maintenance		305,329	
Capital outlay		20,084	
Debt service principal		424,689	
Debt service interest		<u>499,947</u>	
Total Expenditures	<u>2,328,626</u>	<u>2,219,680</u>	<u>108,946</u>
Revenues Over (Under) Expenditures	(111,519)	191,999	303,518
Other Financing Sources, and (uses)			
Transfer to capital project	-	-	-
Appropriated Fund Balance	<u>111,519</u>	<u>-</u>	<u>(111,519)</u>
Total other financing sources (uses)	<u>111,519</u>	<u>-</u>	<u>(111,519)</u>
Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 191,999</u>	<u>\$ 191,999</u>

SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER FUND - DISTRICT II
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2018

Reconciliation from budgetary basis (modified accrual) to full accrual

Revenues and Other Financing Sources

Over (Under) Expenditures \$ 191,999

Reconciling Items:

Debt principal	424,689
Compensated absences	754
(Decrease) in deferred outflows of resources - pensions	(26,863)
(Increase) in net pension liability	(28,560)
Decrease in deferred inflows of resources - pensions	1,640
Increase in deferred outflows of resources - OPEB	9,005
(Increase) in net OPEB liability	(2,106)
(Increase) in deferred inflows of resources - OPEB	-
Accrued interest	637
Bad debt expense	-
Capital contributions in capital projects	28,044
Transfers	38,750
Depreciation	(827,196)
Amortization of bond premiums	28,092
Capital outlay	<u>163,595</u>
Total reconciling items	<u>(189,519)</u>
Change in net assets	<u><u>\$ 2,480</u></u>

SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER LINE CONSTRUCTION FUND-WELL PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Year Ended June 30, 2018

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
State Federal and Local Grants:					
USDA Rural Development	\$ 834,850	\$ 835,000	\$ -	\$ 835,000	\$ 150
Sales Tax Refund	116,460	116,460	-	116,460	-
Total Revenues	951,310	951,460	-	951,460	150
Expenditures:					
Engineering	349,927	349,927	-	349,927	-
Other professional services	14,984	14,984	-	14,984	-
Land	77,435	77,435	-	77,435	-
Construction	2,169,466	2,169,466	-	2,169,466	-
Capitalized interest	58,970	58,970	-	58,970	-
Legal	8,368	8,368	-	8,368	-
Total Expenditures	2,679,150	2,679,150	-	2,679,150	-
Revenues Over (Under) Expenditures	(1,727,840)	(1,727,690)	-	(1,727,690)	150
Other Financing Sources (Uses):					
Transfer to water capital project	(64,160)	-	-	-	64,160
Installment purchase debt proceeds	1,792,000	1,792,000	-	1,792,000	-
	<u>1,727,840</u>	<u>1,792,000</u>	<u>-</u>	<u>1,792,000</u>	<u>64,160</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 64,310</u>	<u>\$ -</u>	<u>\$ 64,310</u>	<u>\$ 64,310</u>

SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER LINE CONSTRUCTION FUND-403 INFRASTRUCTURE PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Year Ended June 30, 2018

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
State Federal and Local Grants:					
NC Department of Commerce	\$ 781,500	\$ 781,500	\$ -	\$ 781,500	\$ -
DOC Economic Development Div.	566,925	566,925	-	566,925	-
Golden Leaf Funding	450,000	450,000	-	450,000	-
Total Revenues	<u>1,798,425</u>	<u>1,798,425</u>	<u>-</u>	<u>1,798,425</u>	<u>-</u>
Expenditures:					
Engineering	108,090	108,090	-	108,090	-
Other professional services	36,216	36,216	-	36,216	-
Land	-	-	-	-	-
Construction	1,691,481	1,691,480	-	1,691,480	1
Contingency	-	-	-	-	-
Legal	1,389	1,389	-	1,389	-
Total Expenditures	<u>1,837,176</u>	<u>1,837,175</u>	<u>-</u>	<u>1,837,175</u>	<u>1</u>
Revenues Over (Under) Expenditures	(38,751)	(38,750)	-	(38,750)	1
Other Financing Sources:					
County contribution	38,751	-	38,750	38,750	(1)
	<u>38,751</u>	<u>-</u>	<u>38,750</u>	<u>38,750</u>	<u>(1)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (38,750)</u>	<u>\$ 38,750</u>	<u>\$ -</u>	<u>\$ -</u>

SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER LINE CONSTRUCTION FUND-403 WELL CONSTRUCTION PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Year Ended June 30, 2018

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
State Federal and Local Grants:					
EDA Department of Commerce	\$ 684,750	\$ -	\$ -	\$ -	\$ (684,750)
Golden Leaf Funding	554,680	-	28,044	28,044	(526,636)
Total Revenues	1,239,430	-	28,044	28,044	(1,211,386)
Expenditures:					
Engineering	150,096	-	35,385	35,385	114,711
Other professional services	-	-	-	-	-
Land	-	-	-	-	-
Construction	1,245,000	-	54,571	54,571	1,190,429
Contingency	124,500	-	-	-	124,500
Legal	-	-	-	-	-
Total Expenditures	1,519,596	-	89,956	89,956	1,429,640
Revenues Over (Under) Expenditures	(280,166)	-	(61,912)	(61,912)	218,254
Other Financing Sources:					
Transfer from Water District II	216,006	216,006	-	216,006	-
Transfer from 403 Infrastructure	64,160	-	-	-	(64,160)
	280,166	216,006	-	216,006	(64,160)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ 216,006	\$ (61,912)	\$ 154,094	\$ 154,094

SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER LINE CONSTRUCTION FUND-WELL TREATMENT PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Year Ended June 30, 2018

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
State Federal and Local Grants:					
State Clean Water Grant	\$1,013,250	\$ -	\$ -	\$ -	\$ (1,013,250)
Total Revenues	<u>1,013,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,013,250)</u>
Expenditures:					
Other professional services	250,000	-	53,555	53,555	196,445
Construction	<u>1,101,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,101,000</u>
Total Expenditures	<u>1,351,000</u>	<u>-</u>	<u>53,555</u>	<u>53,555</u>	<u>1,297,445</u>
Revenues Over (Under) Expenditures	(337,750)	-	(53,555)	(53,555)	284,195
Other Financing Sources:					
State reserve loan	<u>337,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(337,750)</u>
	<u>337,750</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(337,750)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,555)</u>	<u>\$ (53,555)</u>	<u>\$ (53,555)</u>

**SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER FUND - DISTRICT I
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2018**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services:			
Water sales	\$	\$ 632,213	\$
Penalties		11,055	
Tap fees		7,050	
Miscellaneous		<u>39,055</u>	
Total Operating Revenues	<u>632,208</u>	<u>689,373</u>	<u>57,165</u>
Nonoperating Revenues:			
Interest earnings		<u>14,936</u>	
Total Nonoperating Revenues	<u>-</u>	<u>14,936</u>	<u>14,936</u>
Total Revenues	<u>632,208</u>	<u>704,309</u>	<u>72,101</u>
Expenditures:			
Salaries and employee benefits		142,717	
Bulk water purchases		262,022	
Training		854	
Contracted services		73,382	
Operations and maintenance		82,306	
Capital outlay		20,084	
Debt service principal		29,000	
Debt service interest		<u>37,669</u>	
Total Expenditures	<u>717,208</u>	<u>648,034</u>	<u>69,174</u>
Revenues Over (Under) Expenditures	\$ (85,000)	\$ 56,275	\$ 141,275
Appropriated fund balance	<u>85,000</u>	<u>-</u>	<u>(85,000)</u>
Revenues over expenditures and appropriated fund balance	<u>\$ -</u>	<u>\$ 56,275</u>	<u>\$ 56,275</u>

**SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER FUND - DISTRICT I
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2018**

Reconciliation from budgetary basis (modified accrual) to full accrual	
Revenues Over (Under) Expenditures	\$ 56,275
Reconciling Items:	
Debt principal	29,000
Bad debt expense	-
Depreciation	(115,749)
Compensated absences	615
(Decrease) in deferred outflows of resources - pensions	(8,310)
(Increase) in net pension liability	(7,617)
Decrease in deferred inflows of resources - pensions	500
Increase in deferred outflows of resources - OPEB	2,539
(Increase) in net OPEB liability	(10,580)
(Increase) in deferred inflows of resources - OPEB	-
Capital outlay	20,084
Accrued interest	118
Total reconciling items	<u>(89,400)</u>
Change in net assets	<u>\$ (33,125)</u>



Agency Funds

SAMPSON COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	Social Services Funds	Miscellaneous	Property Tax Collection Funds	Motor Vehicle Tax Funds	Fines and Forfeitures
ASSETS					
Cash and cash equivalents:	\$ 44,315	\$ 83,592	\$ 4,656	\$ 2,507	\$ -
Accounts receivable	<u>-</u>	<u>262</u>	<u>-</u>	<u>44,235</u>	<u>20,255</u>
TOTAL ASSETS	<u>\$ 44,315</u>	<u>\$ 83,854</u>	<u>\$ 4,656</u>	<u>\$ 46,742</u>	<u>\$ 20,255</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 38,662	\$ -	\$ -	\$ 20,255
Miscellaneous liabilities:	<u>44,315</u>	<u>45,192</u>	<u>4,656</u>	<u>46,742</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 44,315</u>	<u>\$ 83,854</u>	<u>\$ 4,656</u>	<u>\$ 46,742</u>	<u>\$ 20,255</u>

	Detention Center Trust	Total June 30, 2018
ASSETS		
Cash and cash equivalents:	\$ 46,285	\$ 181,355
Accounts receivable	<u>-</u>	<u>64,752</u>
TOTAL ASSETS	<u>\$ 46,285</u>	<u>\$ 246,107</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ -	\$ 58,917
Miscellaneous liabilities:	<u>46,285</u>	<u>187,190</u>
TOTAL LIABILITIES	<u>\$ 46,285</u>	<u>\$ 246,107</u>

SAMPSON COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUNDS
For the Fiscal Year Ended June 30, 2018

	Balance July 1	Additions	Deductions	Balance June 30
<u>Social Services Funds</u>				
Assets:				
Cash and cash equivalent:	\$ 87,816	\$ 344,736	\$ 388,237	\$ 44,315
	<u>87,816</u>	<u>344,736</u>	<u>388,237</u>	<u>44,315</u>
Liabilities:				
Accounts payable	-	196,465	196,465	-
Miscellaneous liabilities:	<u>87,816</u>	<u>148,271</u>	<u>191,772</u>	<u>44,315</u>
	<u>\$ 87,816</u>	<u>\$ 344,736</u>	<u>\$ 388,237</u>	<u>\$ 44,315</u>
<u>Miscellaneous Agency Fund:</u>				
Assets:				
Cash and cash equivalent:	\$ 46,887	\$ 50,745	\$ 14,040	\$ 83,592
Accounts receivable	-	262	-	262
	<u>46,887</u>	<u>51,007</u>	<u>14,040</u>	<u>83,854</u>
Liabilities:				
Accounts payable	-	38,662	-	38,662
Miscellaneous liabilities:	<u>46,887</u>	<u>12,345</u>	<u>14,040</u>	<u>45,192</u>
	<u>\$ 46,887</u>	<u>\$ 51,007</u>	<u>\$ 14,040</u>	<u>\$ 83,854</u>
<u>Tax Collection Funds</u>				
Assets:				
Cash and cash equivalent:	\$ 9,111	\$ 3,190,155	\$ 3,194,610	\$ 4,656
Accounts receivable	-	-	-	-
	<u>9,111</u>	<u>3,190,155</u>	<u>3,194,610</u>	<u>4,656</u>
Liabilities:				
Miscellaneous liabilities:	<u>9,111</u>	<u>3,190,155</u>	<u>3,194,610</u>	<u>4,656</u>
	<u>\$ 9,111</u>	<u>\$ 3,190,155</u>	<u>\$ 3,194,610</u>	<u>\$ 4,656</u>
<u>Motor Vehicle Tax Funds</u>				
Assets:				
Cash and cash equivalent:	\$ 3,059	\$ 483,533	\$ 484,085	\$ 2,507
Accounts receivable	<u>42,931</u>	<u>44,235</u>	<u>42,931</u>	<u>44,235</u>
	<u>45,990</u>	<u>527,768</u>	<u>527,016</u>	<u>46,742</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Miscellaneous liabilities:	<u>45,990</u>	<u>527,768</u>	<u>527,016</u>	<u>46,742</u>
	<u>\$ 45,990</u>	<u>\$ 527,768</u>	<u>\$ 527,016</u>	<u>\$ 46,742</u>

SAMPSON COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUNDS
For the Fiscal Year Ended June 30, 2018

	Balance July 1	Additions	Deductions	Balance June 30
<u>Fines and Forfeitures</u>				
Assets:				
Cash and cash equivalent:	\$ -	\$ 382,800	\$ 382,800	\$ -
Accounts receivable	<u>67,845</u>	<u>20,255</u>	<u>67,845</u>	<u>20,255</u>
	<u>67,845</u>	<u>403,055</u>	<u>450,645</u>	<u>20,255</u>
Liabilities:				
Accounts payable	<u>67,845</u>	<u>403,055</u>	<u>450,645</u>	<u>20,255</u>
	<u>\$ 67,845</u>	<u>\$ 403,055</u>	<u>\$ 450,645</u>	<u>\$ 20,255</u>
<u>Detention Center Trust</u>				
Assets:				
Cash and cash equivalent:	\$ 37,076	\$ 390,610	\$ 381,401	\$ 46,285
	<u>37,076</u>	<u>390,610</u>	<u>381,401</u>	<u>46,285</u>
Liabilities:				
Miscellaneous liabilities:	<u>37,076</u>	<u>390,610</u>	<u>381,401</u>	<u>46,285</u>
	<u>\$ 37,076</u>	<u>\$ 390,610</u>	<u>\$ 381,401</u>	<u>\$ 46,285</u>
	Balance July 1	Additions	Deductions	Balance June 30
<u>Total of all Agency Funds</u>				
Assets:				
Cash and cash equivalent:	\$ 183,949	\$ 4,842,579	\$ 4,845,173	\$ 181,355
Accounts receivable	<u>110,776</u>	<u>64,752</u>	<u>110,776</u>	<u>64,752</u>
	<u>294,725</u>	<u>4,907,331</u>	<u>4,955,949</u>	<u>246,107</u>
Liabilities:				
Accounts payable	67,845	638,182	647,110	58,917
Miscellaneous liabilities:	<u>226,880</u>	<u>4,269,149</u>	<u>4,308,839</u>	<u>187,190</u>
	<u>\$ 294,725</u>	<u>\$ 4,907,331</u>	<u>\$ 4,955,949</u>	<u>\$ 246,107</u>

Other Schedules

SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
June 30, 2018

	Uncollected Balance July 1, 2017	Additions	Collections and Credits	Uncollected Balance June 30, 2018
County-wide:				
General County:				
Fiscal Year 2007-2008	\$ 75,045	\$ -	\$ 75,045	\$ -
Fiscal Year 2008-2009	71,854	-	4,629	67,225
Fiscal Year 2009-2010	62,757	-	4,130	58,627
Fiscal Year 2010-2011	67,145	-	8,841	58,304
Fiscal Year 2011-2012	78,961	-	13,513	65,448
Fiscal Year 2012-2013	105,483	-	22,198	83,285
Fiscal Year 2013-2014	132,847	-	39,828	93,019
Fiscal Year 2014-2015	121,526	-	51,494	70,032
Fiscal Year 2015-2016	319,668	-	151,717	167,951
Fiscal Year 2016-2017	1,111,107			318,370
Fiscal Year 2017-2018	-	38,838,361	37,928,335	910,026
Total General County	2,146,393	38,838,361	38,299,730	1,892,287
Fire Districts:				
Plain View	10,707	262,250	265,680	7,277
Spivey's Corner	3,801	192,490	192,927	3,364
Halls	5,999	145,902	147,370	4,531
Franklin	9,514	159,170	161,058	7,626
Turkey	5,955	167,018	167,796	5,177
Vanns	11,463	81,321	80,985	11,799
Godwin-Falcon	320	29,391	29,433	278
Coharie	8,919	159,093	159,676	8,336
Herring	5,070	164,366	164,840	4,596
Honeycutt-Salemburg	7,973	204,150	203,783	8,340
Piney Grove	2,018	93,299	93,225	2,092
Newton Grove	10,617	80,003	85,359	5,261
Clinton	17,786	519,260	518,029	19,017
Clement	8,676	217,790	218,983	7,483
Autryville	5,281	114,044	114,930	4,395
Garland	7,083	135,414	134,406	8,091
Taylor's Bridge	3,136	168,191	168,440	2,887
Goshen	760	100,680	100,525	915
Taylor's Bridge Service	543	9,939	9,995	487
	<u>125,621</u>	<u>3,003,771</u>	<u>3,017,440</u>	<u>111,952</u>
Less Allowance for Uncollectable Ad Valorem Taxes	<u>177,800</u>	<u>-</u>	<u>-</u>	<u>177,800</u>
Ad Valorem Taxes Receivable (net)	<u>\$ 2,094,214</u>	<u>\$ 41,842,132</u>	<u>\$ 41,317,170</u>	<u>\$ 1,826,439</u>
Reconciliation with Revenues				
Taxes Ad Valorem General Fund		\$ 38,357,438		
Taxes Ad Valorem Revaluation Fund		122,000		
Penalties and interest		320,510		
Taxes Ad Valorem Fire Districts		2,890,774		
Discounts, adjustments and releases		(448,297)		
Amounts written off per statute of limitations		74,745		
Total Collections and Credits		<u>\$ 41,317,170</u>		

**SAMPSON COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
For the Fiscal Year Ended June 30, 2018**

	County Wide			Total Levy	
	Property Valuation	Tax Rate Per \$100 of Value	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year rate	\$ 4,432,740,242	.825	\$ 36,570,107	\$ 31,938,699	\$ 4,631,408
Discoveries	288,385,091	.825	2,379,177	2,379,177	-
Abatements:					
Real, personal, & business property	(13,445,212)	.825	(110,923)	(110,923)	-
Motor vehicles at current year rate	-	.825	-	-	-
Total Property Valuation	<u>4,707,680,121</u>		<u>38,838,361</u>	<u>34,206,953</u>	<u>4,631,408</u>
Net Levy			38,838,361	34,206,953	4,631,408
Uncollected taxes at June 30, 2018			<u>910,026</u>	<u>910,026</u>	<u>-</u>
Current year taxes collected			<u>37,928,335</u>	<u>33,296,927</u>	<u>4,631,408</u>
Current levy collection percentage			<u>97.66%</u>	<u>97.34%</u>	<u>100.00%</u>

**SAMPSON COUNTY, NORTH CAROLINA
 ANALYSIS OF CURRENT TAX LEVY
 COUNTY-WIDE LEVY
 For the Fiscal Year Ended June 30, 2018**

Secondary Market Disclosures:

Assessed Valuation:

Assesment ratio (1)	100 %
Real property	\$ 3,367,792,707
Personal property	1,163,467,328
Public service companies (2)	<u>176,420,086</u>
Total assessed valuation	\$ 4,707,680,121
Tax rate per \$100	<u>0.825</u>
Levy (includes discoveries, releases and abatements) (3)	\$ 38,838,361

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

Fire protection districts	\$ <u>3,003,820</u>
---------------------------	---------------------

1. Percentage of appraised value has been established by statute.
2. Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.
3. The levy includes interest and penalties.

SAMPSON COUNTY, NORTH CAROLINA
TEN LARGEST TAXPAYERS
For the Fiscal Year Ended June 30, 2018

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2017 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Enviva Pellets Sampson LLC	Manufacturing	\$ 129,313,533	2.75 %
Duke Energy Progress Inc	Utility	120,615,388	2.56
South River EMC	Utility	86,465,516	1.84
Prestage Farms	Swine/Poultry Grower	63,970,150	1.36
Smithfield Packing Co.	Meat Packing	60,765,544	1.29
USCOC of Greater North Carolina	Cellular Provider	31,270,426	0.66
Four County EMC	Utility	31,180,028	0.66
Smithfield Farmland	Swine Grower	26,910,428	0.57
Prestage AG Energy of NC LLC	Utility	24,771,380	0.53
Piedmont Natural Gas Co	Utility	22,350,868	0.47
		<u>\$ 597,613,261</u>	<u>12.69 %</u>

**SAMPSON COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE AND SPECIAL DISTRICTS
For the Fiscal Year Ended June 30, 2018**

	Total Property Valuation	Rate Per \$100 of Value	Amount of Levy	Discoveries	Abatements
County-Wide					
Real, Personal, and Business Property	\$ 4,146,297,333	.825	\$ 31,938,699	\$ 2,379,177	\$ 110,923
Registered Motor Vehicles	561,383,170	.825	4,631,408	-	-
	<u>4,707,680,121</u>		<u>36,570,107</u>	<u>2,379,177</u>	<u>110,923</u>
Fire Districts:					
Plain View	290,040,000	.090	252,989	9,267	1,220
Spivey's Corner	169,881,000	.100	151,686	40,806	22,611
Halls	208,271,429	.070	138,817	7,087	114
Franklin	198,806,250	.080	152,725	6,449	129
Turkey	236,948,571	.070	156,729	10,291	1,156
Vanns	80,848,000	.100	74,517	6,805	474
Godwin-Falcon	28,369,000	.100	27,027	2,365	1,023
Coharie	185,922,353	.085	148,371	10,726	1,063
Herring	170,365,882	.085	138,252	26,116	19,557
Honeycutt-Salemburg	180,725,000	.100	172,402	31,753	23,430
Piney Grove	123,312,000	.075	88,539	4,761	816
Newton Grove	123,038,462	.065	75,348	4,656	29
Clinton	515,535,000	.100	480,056	39,210	3,731
Clement	241,343,333	.090	206,118	11,675	584
Autryville	119,046,316	.095	109,588	4,458	952
Garland	133,805,000	.100	126,620	8,797	1,612
Taylor's Bridge	238,704,286	.070	152,669	15,524	1,100
Goshen	143,798,571	.070	100,489	194	24
Taylor's Bridge Service	28,394,286	.035	9,379	560	1
			<u>2,762,321</u>	<u>241,500</u>	<u>79,626</u>
Grand Total			<u>\$ 39,332,428</u>	<u>\$ 2,620,677</u>	<u>\$ 190,549</u>

**SAMPSON COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE AND SPECIAL DISTRICTS
For the Fiscal Year Ended June 30, 2018**

	<u>Net Tax Levy for Year</u>	<u>Uncollected Taxes</u>	<u>Current Year Collected</u>	<u>Percent Collected</u>
County-Wide				
Real, Personal, and Business Property	\$ 34,206,953	\$ 910,026	\$ 33,296,927	97.34 %
Registered Motor Vehicles	4,631,408	-	4,631,408	100.00
	<u>38,838,361</u>	<u>910,026</u>	<u>37,928,335</u>	<u>97.66</u>
Fire Districts:				
Plain View	261,036	4,902	256,134	98.12
Spivey's Corner	169,881	2,402	167,479	98.59
Halls	145,790	3,169	142,621	97.83
Franklin	159,045	5,126	153,919	96.78
Turkey	165,864	3,457	162,407	97.92
Vanns	80,848	3,484	77,364	95.69
Godwin-Falcon	28,369	215	28,154	99.24
Coharie	158,034	5,599	152,435	96.46
Herring	144,811	3,432	141,379	97.63
Honeycutt-Salemburg	180,725	5,988	174,737	96.69
Piney Grove	92,484	1,435	91,049	98.45
Newton Grove	79,975	3,362	76,613	95.80
Clinton	515,535	12,537	502,998	97.57
Clement	217,209	5,392	211,817	97.52
Autryville	113,094	2,847	110,247	97.48
Garland	133,805	5,616	128,189	95.80
Taylor's Bridge	167,093	2,112	164,981	98.74
Goshen	100,659	760	99,899	99.24
Taylor's Bridge Service	9,938	310	9,628	96.88
	<u>2,924,195</u>	<u>72,145</u>	<u>2,852,050</u>	<u>97.53</u>
Grand Total	<u>\$ 41,762,556</u>	<u>\$ 982,171</u>	<u>\$ 40,780,385</u>	<u>97.65 %</u>



Compliance Section

**Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

Independent Auditor's Report

To the Board of County Commissioners
Sampson County, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sampson County, North Carolina, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprises Sampson County's basic financial statements, and have issued our report thereon dated November 15, 2018. Our report includes a reference to other auditors who audited the financial statements of the Sampson Regional Medical Center, Inc., as described in our report on Sampson County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of Sampson Regional Medical Center, Inc. and Sampson County Tourism Development Authority were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sampson County's financial statements are free from material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

W Greene PLLC

Whiteville, North Carolina
November 15, 2018

**Report on Compliance for Each Major Federal Program; Report on
Internal Control Over Compliance; In Accordance with OMB Uniform Guidance;
and the State Single Audit Implementation Act**

Independent Auditor's Report

To the Board of County Commissioners
Sampson County, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Sampson County, North Carolina, compliance with the types of compliance requirements described in the OMB *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 Sampson County's major federal programs for the year ended June 30, 2018. Sampson County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sampson County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act require that we 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 Sampson County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Sampson 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, 2018.

Report on Internal Control Over Compliance

Management of Sampson County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sampson 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 our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

W GREENE PLLC

Whiteville, North Carolina
November 15, 2018

**Report on Compliance For Each Major State Program; Report on
Internal Control Over Compliance; In Accordance with OMB Uniform Guidance;
and the State Single Audit Implementation Act**

Independent Auditor's Report

To the Board of County Commissioners
Sampson County, North Carolina

Report on Compliance for Each Major State Program

We have audited Sampson County, North Carolina, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Sampson County's major state programs for the year ended June 30, 2018. Sampson County's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sampson County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of Title 2 US *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, and the State Single Audit Implementation Act require that we 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 state program occurred. An audit includes examining, on a test basis, evidence about Sampson County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, Sampson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of Sampson County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sampson County's internal control over compliance with the types of requirements that could have a direct and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 state 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 state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

W Greene PLLC

Whiteville, North Carolina
November 15, 2018

SAMPSON COUNTY, NORTH CAROLINA
 Schedule of Findings and Questioned Costs (Continued)
 For the Fiscal Year Ended June 30, 2018

SECTION I. SUMMARY OF AUDITOR'S RESULTS (Continued)
--

State Awards

Internal control over major State programs:

Material weakness(es) identified?	_____	Yes	_____	X	No
					None
Significant deficiency(s) identified	_____	Yes	_____	X	Reported

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	_____	Yes	_____	X	No
---	-------	-----	-------	---	----

Identification of major State programs:

- Program Name
 General Aid to Counties
 School Nurse Funding Initiative
 Medical Assistance Program (Title XIX - Medicaid)
 TB Control
 State Aid to Public Libraries

SAMPSON COUNTY, NORTH CAROLINA

Schedule of Findings and Questioned Costs (Continued)

For the Fiscal Year Ended June 30, 2018

SECTION II. FINANCIAL STATEMENT FINDINGS

None Reported

SAMPSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2018

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Reported.

SAMPSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2018

SECTION IV. STATE AWARD FINDINGS AND QUESTIONED COSTS
--

None Reported.

NORTH CAROLINA'S
SAMPSON COUNTY

FINANCE DEPARTMENT
David K. Clack, Finance Officer

Corrective Action Plan
For the Fiscal Year Ended June 30, 2018

SECTION II. FINANCIAL STATEMENT FINDINGS

None Reported.

NORTH CAROLINA'S
SAMPSON COUNTY

FINANCE DEPARTMENT
David K. Clack, Finance Officer

Corrective Action Plan
For the Fiscal Year Ended June 30, 2018

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Reported.

SECTION IV. STATE AWARD FINDINGS AND QUESTIONED COSTS

None Reported.

SAMPSON COUNTY, NORTH CAROLINA

Summary Schedule of Prior Audit Findings

For the Fiscal Year Ended June 30, 2018

SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding: 2017-001

Online Verification not performed or missing from file.

Status: Corrected

Finding: 2017-002

Asset Verification not performed or missing from file.

Status: Corrected

Finding: 2017-003

Information not properly input or updated correctly in the NCFAST system.

Status: Corrected

SAMPSON COUNTY, NORTH CAROLINA
 Schedule of Expenditures of Federal and State Awards
 For the Year Ended June 30, 2018

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
<u>U.S. Department of Agriculture</u>					
<u>Food and Nutrition Service</u>					
<i>Passed-through the N.C. Dept. of Health and Human Services:</i>					
Division of Social Services:					
Administration:					
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		803,015	-	803,015
<i>Passed-through the N.C. Dept. of Health and Human Services:</i>					
Division of Public Health:					
Administration:					
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557		381,438	-	-
Total U.S. Dept. of Agriculture			1,184,453	-	803,015
<u>U.S. Dept. of Transportation</u>					
Federal Aviation Administration					
<i>Passed-through the N.C. Department of Transportation:</i>					
State Aid to Airports					
Airport Improvement Program	20.106		70,214	-	-
Total State Aid to Airports			70,214	-	-
Public Transportation Division					
Community Transportation:					
Administration	20.509		187,663	-	-
Capital	20.509		104,790	-	-
Total Community Transportation			292,453	-	-
Total U.S. Dept. of Transportation			362,667	-	-
<u>U.S. Dept. of Housing & Urban Development</u>					
<i>Passed-through the N.C. Housing Finance Agency:</i>					
Home Investment Partnership Program	14.239	SFR14	41,367	-	-
Total U.S. Dept. of Housing & Urban Development			41,367	-	-
<u>U.S. Dept. of Justice</u>					
Asset Forfeiture Fund					
Equitable Sharing Program	16.922		52,608	-	-
Office for Victims of Crime					
<i>Passed through NC Dept. of Public Safety</i>					
Victims of Crime Act	16.575		58,074	-	44,049
Total U.S. Dept. of Justice			110,682	-	44,049

SAMPSON COUNTY, NORTH CAROLINA
 Schedule of Expenditures of Federal and State Awards (Continued)
 For the Year Ended June 30, 2018

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>Institute of Museum & Library Services</u>					
<i>Passed-through the N.C. Dept. of Cultural Resources:</i>					
LSTA EZ Edge Technology Grant	45.310		49,963	-	-
<u>U.S. Dept. of Homeland Security</u>					
<i>Passed-through the N.C. Dept. of Public Safety:</i>					
FY 2016 EMPG	97.042		38,642	-	-
Total U.S. Dept. of Homeland Security			38,642	-	-
<u>U.S. Dept. of Health and Human Services</u>					
<u>Centers for Disease Control and Prevention</u>					
<i>Passed-through the N.C. Dept. of Health and Human Services:</i>					
<i>Division of Public Health:</i>					
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements					
	93.074		40,937		
Well-Integrated Screening & Eval. for Women Across Nation Project Grants and Cooperative Agreements					
	93.094		8,151	-	-
for Tuberculosis Control Programs					
	93.116		31,266	-	-
Family Planning Services					
	93.217		38,105	-	-
Immunization Grants					
	93.268		-	-	-
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds					
	93.539		18,974		
Tribal Organizations financed by Prevention & Public Health Funds					
	93.752		765		
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)					
	93.758		39,984	-	-
Cancer Prevention and Control Programs for State, Territorial and T					
	93.898		5,355	-	-
Preventive Health Services - Sexually Transmitted Diseases Control					
	93.977		692	-	-
Maternal and Child Health Services Block Grant					
	93.959		84,313	63,242	-
<u>Administration on Aging</u>					
<i>Passed-through the Mid-Carolina Council of Govts:</i>					
Division of Aging and Adult Services					
<u>Aging Cluster</u>					
Congregate Nutr. & Home Del. Meal					
	93.045		211,052	-	23,450
Access Services					
	93.044		47,045	-	5,227
In-Home & Support Services					
	93.044		293,860	-	32,651
Total Aging Cluster			551,957	-	61,328
<u>Administration for Children and Families</u>					
<i>Passed-through the N.C. Dept. of Health and Human Services:</i>					
Division of Social Services:					
<u>Foster Care and Adoption Programs Cluster (Note 3)</u>					
Title IV-E Foster Care - Administration					
	93.658		362,134	32,502	323,216
Title IV-E Foster Care - Direct Benefit Payments					
	93.658		278,439	92,172	77,096
Adoption/Foster Care					
			45,014	-	60,410
Total Foster Care and Adoption Programs Cluster (Note 3)			685,587	124,674	460,722

SAMPSON COUNTY, NORTH CAROLINA

Schedule of Expenditures of Federal and State Awards (Continued)

For the Year Ended June 30, 2018

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Department of Health & Human Services (Continued)</u>					
<u>Administration for Children and Families (Continued)</u>					
<i>Passed-through the N.C. Dept. of Health and Human Services:</i>					
Division of Social Services:					
<u>Temporary Assistance for Needy Families (TANF) Cluster</u>					
TANF - Work First - Administration	93.558		84,714	-	109,471
Total TANF Cluster			<u>84,714</u>	-	<u>109,471</u>
Family Preservation	93.556		43,089	-	-
AFDC Payments	93.560		(1,343)	(368)	(368)
Child Support Enforcement	93.563		756,736	(4)	389,838
Refugee and Entrant Assistance - State Administered Prog. - Admin	93.566		583	-	-
Refugee and Entrant Assistance - Payments	93.566		180	-	-
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568		547,759	-	-
Stephanie Tubbs Jones Child Welfare Services Program					
- Permanency Planning - Families for Kids	93.645		15,069	-	5,023
SSBG - Other Service and Training	93.667		322,077	1,418	105,598
Independent Living Grant (LINKS)	93.674		5,614	1,403	-
Subsidized Child Care (Note 3)					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Child Care Development Fund-Administration	93.596		101,813	-	-
Total Child Care Fund Cluster			<u>101,813</u>	-	-
Division of Child Development:					
Smart Start			-	-	-
State Appropriations			-	14,623	-
TANF - MOE			-	13	-
Total Subsidized Child Care Cluster (Note 3)			<u>101,813</u>	<u>14,636</u>	-
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778		2,141,640	9,234	919,114
Total Medical Assistance Program			<u>2,141,640</u>	<u>9,234</u>	<u>919,114</u>

SAMPSON COUNTY, NORTH CAROLINA
 Schedule of Expenditures of Federal and State Awards (Continued)
 For the Year Ended June 30, 2018

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Department of Health & Human Services (Continued)</u>					
<u>Administration for Children and Families (Continued)</u>					
<i>Passed-through the N.C. Dept. of Health and Human Services:</i>					
Division of Social Services:					
Administration:					
State Children's Insurance Program - N.C. Health Choice	93.767		69,604	22	-
Total State Children's Insurance Program - N.C. Health Choice			69,604	22	-
Total U.S. Dept. of Health and Human Services			5,593,621	214,257	2,050,726
Total Federal Awards			7,381,395	214,257	2,897,790
State Awards:					
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
ST Child Welfare/CPS/CS LD			-	22,405	-
Energy Assistance			-	785	-
AFDC Incentive			-	687	-
F/C at Risk Maximization			-	1,561	264
SFHF Maximization			-	25,015	25,015
State Foster Home			-	43,035	43,035
Total Division of Social Services			-	93,488	68,314
Division of Public Health:					
General Aid to Counties			-	130,364	-
Public Health Nursing			-	1,200	-
General Communicable Disease Control			-	3,659	-
Breast and Cervical Cancer Program			-	3,825	-
Food and Lodging Fees			-	10,890	-
Child Health			-	1,969	-
Family Planning - State			-	14,862	-
Maternal Health			-	26,707	-
HIV/STD State			-	500	-
Gonorrhea Partner Services			-	1,325	-
STD Drugs.			-	265	-
School Nurse Funding Initiative			-	400,000	-
TB Control			-	62,434	-
Women's Health Service Fund			-	9,269	-
Total Division of Public Health			-	667,269	-
Total N. C. Department of Health and Human Services			-	760,757	68,314

SAMPSON COUNTY, NORTH CAROLINA
 Schedule of Expenditures of Federal and State Awards (Continued)
 For the Year Ended June 30, 2018

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>N.C. Dept. of Public Instruction</u>					
N.C. Education Lottery			-	-	-
Total N.C. Dept. of Public Instruction			-	-	-
<u>N.C. Housing Finance Agency</u>					
Essential Single Family Rehab. Loan Pool		ESFRPL1724	-	33,475	-
Essential Single Family Rehab. Loan Disaster Recovery		ESFRLPDR28	-	160,570	-
Urgent Home Repair Program			-	71,667	-
Total N. C. Housing Finance Agency			-	265,712	-
<u>Golden Leaf Foundation</u>					
Well Project I-40		FY2015-068	-	28,044	61,913
<u>N.C. Department of Public Safety</u>					
DPS Disaster Recovery Act Housing			-	1,380	-
Division of Juvenile Justice & Delinquency Prevention					
Juvenile Justice Crime Prevention Council Programs:					
Administration			-	6,061	-
Teen Court & Restitution			-	80,190	-
Youth Inspire Program			-	30,450	-
Temporary Shelter Program			-	3,320	-
Juvenile Innovations Program			-	6,500	-
Total N.C. Dept. of Public Safety			-	127,901	-
<u>N.C. Department of Cultural Resources</u>					
Division of State Library					
State Aid to Public Libraries			-	118,154	-
<u>N.C. Department of Insurance</u>					
Seniors Health Insurance Information Program			-	3,186	-
<u>N.C. Department of Commerce</u>					
State Building Re-Use (Brooks Brothers)			-	22,335	-
<u>N.C. Dept. of Transportation</u>					
Transit Development Program (Capital and Noncapital)		DOT-11	-	10,272	-
Rural Capital Program		DOT-14	-	20,629	-
Rural Operating Assistance Program (ROAP) Cluster					
- ROAP Elderly and Disabled Transportation Assistance Program		DOT-16CL	-	73,071	-
- ROAP Rural General Public Program		DOT-16CL	-	93,750	-
- ROAP Work First Transitional - Employment Transportation Assistance Program		DOT-16CL	-	16,772	-
Total ROAP Cluster			-	183,593	-
Total N.C. Dept. of Transportation			-	214,494	-
Total State Awards			-	1,540,583	130,227
Total Federal and State Awards			7,381,395	1,754,840	3,028,017

SAMPSON COUNTY, NORTH CAROLINA

Notes to Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2018

I. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and State awards (SEFSA) includes the federal and State grant activity of Sampson County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2018. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Sampson County, it is not intended to and does not present the financial position, changes in net position or cash flows of Sampson County.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND INDIRECT COST RATE

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Sampson County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

III. CLUSTER OF PROGRAMS

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.