

**SAMPSON COUNTY, NORTH CAROLINA**

Annual Financial Report

For the Fiscal Year Ended June 30, 2019



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***Financial Section***

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## **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, 2019, 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, 2019, 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 December 4, 2019 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  
December 4, 2019

## 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, 2019. 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.

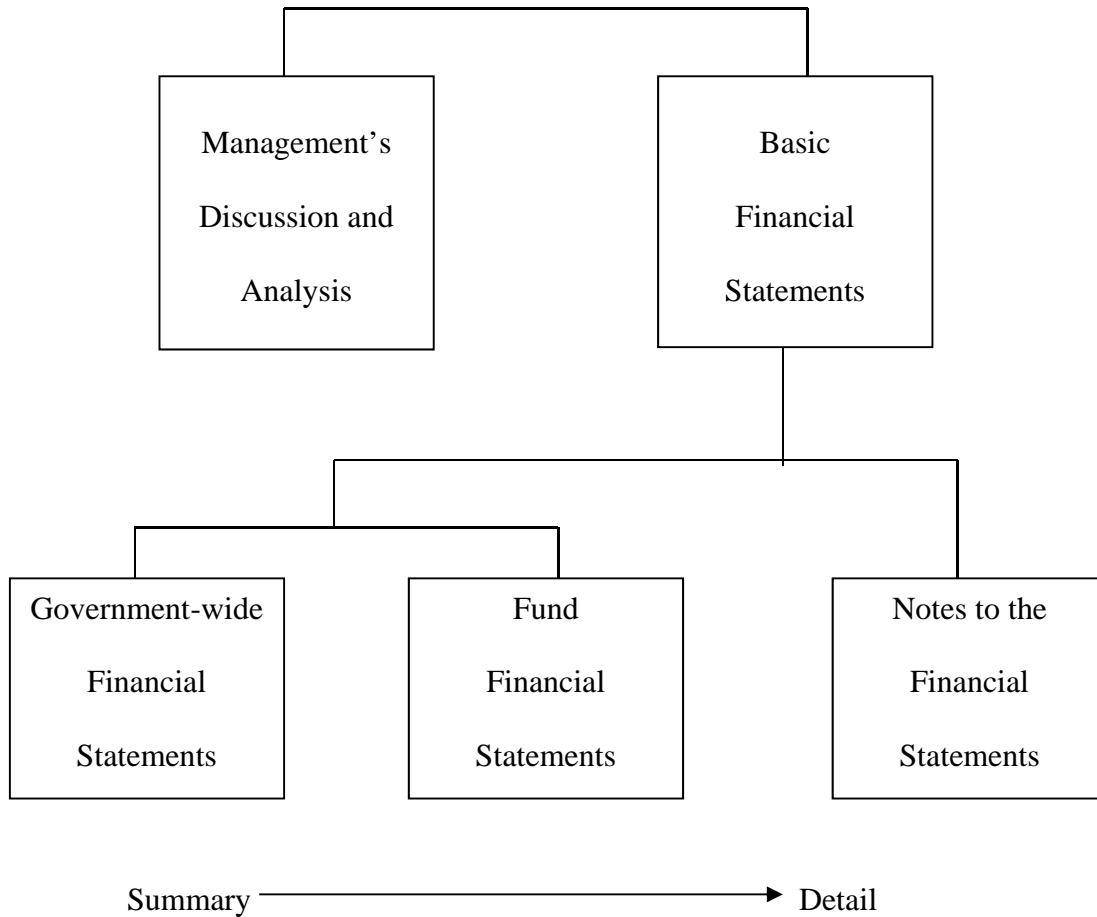
### Financial Highlights

- 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 \$49,772,546(*net position*).
- The government's total net position increased by \$1,482,846, 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 \$38,654,682, an increase of \$3,426,461. Airport expansion capital project decreased the fund balance by \$353,233, Schools Capital Projects fund activity increased the fund balance by \$516,041 and School Construction Fund activity increased the fund balance by \$2,513. Other Non-Major Governmental Funds activity increased fund balance by \$115,824. General fund activity increased fund balance by \$3,145,316. Approximately forty-one percent (41%) of the fund balance amount, \$15,760,765, 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 \$15,760,765, or twenty-two percent (22%) of total general fund expenditures for the fiscal year.
- Sampson County's total long term obligations decreased by \$4,369,602. Several factors led the decrease in total debt as follows:
  - Scheduled payments of principal loans and bonds.
  - No new loans.

### 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 43 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 92 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 \$49,772,546 as of June 30, 2019. The County's net position increased by \$1,482,846 for the fiscal year ended June 30, 2019. The largest portion \$38,619,406 seventy-eight percent (78%) 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 \$14,575,344 (29%) represents resources that are subject to external restrictions on how they may be used. The unrestricted net asset balance is a negative \$3,422,204 fourteen percent (-14%).

**Sampson County's Net Position**  
**Figure 2**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 44,842,150	\$ 44,252,428	\$ 3,883,437	\$ 4,022,391	\$ 48,725,587	\$ 48,274,819
Capital assets	125,914,419	129,586,801	24,055,659	24,609,627	149,970,078	154,196,428
Total assets	<u>\$170,756,569</u>	<u>\$173,839,229</u>	<u>\$ 27,939,096</u>	<u>\$ 28,632,018</u>	<u>\$198,695,665</u>	<u>\$202,471,247</u>
Deferred outflows of resources	\$ 6,814,257	\$ 4,596,332	\$ 131,476	\$ 91,002	6,945,733	4,687,334
Long-term liabilities outstanding	\$133,604,842	\$128,958,474	\$ 12,700,778	\$ 13,019,438	\$146,305,620	\$141,977,912
Other liabilities	6,637,989	14,809,229	638,027	776,820	7,276,016	15,586,049
Total liabilities	<u>\$140,242,831</u>	<u>\$143,767,703</u>	<u>\$ 13,338,805</u>	<u>\$ 13,796,258</u>	<u>\$153,581,636</u>	<u>\$157,563,961</u>
Deferred inflows of resources	\$ 2,262,839	\$ 1,301,156	\$ 24,377	\$ 3,764	\$ 2,287,216	\$ 1,304,920
Net position:						
Net investment in capital assets	\$ 26,664,419	\$ 27,671,801	\$ 11,954,987	\$ 12,052,926	\$ 38,619,406	\$ 39,724,727
Restricted	14,575,344	15,443,163	-	-	14,575,344	15,443,163
Unrestricted	(6,174,607)	(9,748,262)	2,752,403	2,870,072	(3,422,204)	(6,878,190)
Total net position	<u>\$ 35,065,156</u>	<u>\$ 33,366,702</u>	<u>\$ 14,707,390</u>	<u>\$ 14,922,998</u>	<u>\$ 49,772,546</u>	<u>\$ 48,289,700</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 increased our overall collection percentage to more than 97.5%.
- Collections in excess of budget on property taxes, rents, and sales taxes.
- Expenditures as related budget were much lower than expected in the General Fund. Diligent efforts by County Administration and department heads to save tax dollars produced this windfall.

**Sampson County's Changes in Net Position**  
**Figure 3**

	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues:</b>						
<b>Program revenues:</b>						
Charges for services	\$ 9,705,875	\$ 8,459,396	\$ 3,422,768	\$ 3,091,095	\$ 13,128,643	\$ 11,550,491
Operating grants and contributions	14,115,941	12,245,326	-	-	14,115,941	12,245,326
Capital grants and contributions	24,820	93,131	-	28,044	24,820	121,175
<b>General revenues:</b>						
Property taxes	42,050,360	41,402,569	-	-	42,050,360	41,402,569
Other taxes	13,419,372	12,673,375	-	-	13,419,372	12,673,375
Investment earnings, unrestricted	595,811	223,122	57,932	24,894	653,743	248,016
Other	4,053,388	3,167,556	-	-	4,053,388	3,167,556
<b>Total revenues</b>	<b>83,965,567</b>	<b>78,264,475</b>	<b>3,480,700</b>	<b>3,144,033</b>	<b>87,446,267</b>	<b>81,408,508</b>
<b>Expenses:</b>						
General government	16,712,721	9,769,504	-	-	16,712,721	9,769,504
Public safety	22,074,949	20,786,908	-	-	22,074,949	20,786,908
Economic and physical development	1,549,337	1,876,228	-	-	1,549,337	1,876,228
Environmental protection	1,091,216	1,079,264	-	-	1,091,216	1,079,264
Human services	19,725,885	18,199,063	-	-	19,725,885	18,199,063
Cultural and recreation	2,111,022	2,110,643	-	-	2,111,022	2,110,643
Education	14,189,839	13,947,333	-	-	14,189,839	13,947,333
Interest on long-term debt	4,812,144	4,827,477	495,346	508,770	5,307,490	5,336,247
Water and sewer Dist. I	-	-	810,115	699,883	810,115	699,883
Water and sewer Dist. II	-	-	2,390,847	2,004,775	2,390,847	2,004,775
<b>Total expenses</b>	<b>82,267,113</b>	<b>72,596,420</b>	<b>3,696,308</b>	<b>3,213,428</b>	<b>85,963,421</b>	<b>75,809,848</b>
Change in net position before transfers & special items	1,698,454	5,668,055	(215,608)	(69,395)	1,482,846	5,598,660
Transfers	-	(38,750)	-	38,750	-	-
<b>Change in net position</b>	<b>1,698,454</b>	<b>5,629,305</b>	<b>(215,608)</b>	<b>(30,645)</b>	<b>1,482,846</b>	<b>5,598,660</b>
Net position, beginning	33,366,702	27,737,397	14,922,998	14,953,643	48,289,700	42,691,040
<b>Net position, ending</b>	<b>\$ 35,065,156</b>	<b>\$ 33,366,702</b>	<b>\$ 14,707,390</b>	<b>\$ 14,922,998</b>	<b>\$ 49,772,546</b>	<b>\$ 48,289,700</b>



**Governmental activities:** Governmental activities increased the County's net position by \$1,698,454, thereby accounting for one-hundred and fifteen percent (115%) 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
- Rent revenue increased

**Business-type activities:** Business-type activities decreased Sampson County's net position by \$215,608, accounting for a negative fifteen percent (-15%) of the government's total increase in net position. Key elements of this decrease as compared to the prior year are as follows:

- Increases 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 \$15,760,765, while total fund balance was \$32,473,292. 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 twenty-two percent (22%) of total General Fund expenditures, while total fund balance represents forty-five percent (45%) percent of that same amount.

At June 30, 2019, the governmental funds of Sampson County reported a combined fund balance of \$38,654,682, a ten percent (10%) increase over last year. The primary reasons for this increase were 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 \$4,018,407.

The Schools Capital Projects Fund fund balance increased \$516,041. 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 \$851,966.

**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 \$1,933,728 or approximately three percent (3%). The increase was due primarily to grant funding related to Hurricane Florence recovery.

**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 \$215,608. This increase was due primarily to an 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, 2019, totals \$149,970,078 (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	
	2019	2018	2019	2018	2019	2018
Land	\$ 6,368,480	\$ 6,368,480	\$ 225,319	\$ 225,319	\$ 6,593,799	\$ 6,593,799
Buildings & Systems	107,067,699	110,249,726	22,992,360	23,884,401	130,060,059	134,134,127
Machinery & Equipment	4,855,255	5,381,935	167,189	135,722	5,022,444	5,517,657
Vehicles & Motorized Equip.	2,369,589	2,711,317	244,711	220,673	2,614,300	2,931,990
Construction in Progress	5,253,396	4,875,343	426,080	143,512	5,679,476	5,018,855
<b>Total</b>	<b>\$125,914,419</b>	<b>\$129,586,801</b>	<b>\$ 24,055,659</b>	<b>\$ 24,609,627</b>	<b>\$149,970,078</b>	<b>\$154,196,428</b>

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, 2019, Sampson County had total bonded debt outstanding of \$9,645,500 which is debt backed by the full faith and credit of the Water and Sewer Districts. The County also had \$99,250,000 in limited obligation bonds, \$1,667,515 outstanding in installment/purchase contracts, \$4,920,000 outstanding in installment purchase revenue bonds, \$1,342,130 outstanding in qualified zone academy bonds, \$787,657 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	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ -	\$ -	\$ 9,645,500	\$ 9,936,000	\$ 9,645,500	\$ 9,936,000
Installment Purchases	-	-	1,667,515	1,694,038	1,667,515	1,694,038
Qualified Zone Academy Bonds	1,342,130	1,590,703	-	-	1,342,130	1,590,703
Revenue Bonds	4,920,000	5,920,000	-	-	4,920,000	5,920,000
Limited Obligation Bonds	99,250,000	101,915,000	-	-	99,250,000	101,915,000
Unamortized Premium on LOBs	10,403,837	10,873,928	-	-	10,403,837	10,873,928
Unamortized Premium on GOs	-	-	698,902	726,994	698,902	726,994
State Clean Water Bonds	-	-	787,657	926,663	787,657	926,663
Compensated Absences	2,096,608	2,033,233	60,033	55,260	2,156,641	2,088,493
Net Pension Liability (LGERS)	7,470,567	4,804,212	141,330	104,667	7,611,897	4,908,879
Total Pension Liability (LEOSSA)	1,654,448	1,581,086	-	-	1,654,448	1,581,086
Other Post-employment Benefits	10,486,535	11,840,451	228,465	187,549	10,715,000	12,028,000
<b>Total</b>	<b>\$137,624,125</b>	<b>\$140,558,613</b>	<b>\$ 13,229,402</b>	<b>\$ 13,631,171</b>	<b>\$150,853,527</b>	<b>\$154,189,784</b>

Sampson County’s total outstanding debt decreased by \$4,369,602 or four percent (4%) during the past fiscal year, primarily due to the scheduled debt payments.

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 \$262,842,983.

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, 2018 of 3.8% was the same as the State average.
- The property tax base increased by one percent (1%). This was largely due to increases in business personal property listings and home construction.
- The tax collection rate of approximately 97.81% 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 2019-2020 fiscal year.

### **Budget Highlights for the Fiscal Year Ending June 30, 2020**

**Governmental Activities:** In the fiscal year ending June 30, 2020, the County tax rate remained the same at \$.825 cents per \$100 of value. The total operating budget increased by approximately \$5,900,000 primarily due to costs related to personnel.

General Fund revenues are projected to increase \$2,482,446 or approximately four percent (4%). Increase in property tax and sales tax revenues represents the largest increases in revenues.

Budgeted expenditures in the General Fund are budgeted to increase approximately four percent (4%) to \$93,227,307. The largest increases are in costs related to personnel.

**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***

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**SAMPSON COUNTY, NORTH CAROLINA**  
**STATEMENT OF NET POSITION**  
**June 30, 2019**

	Primary Government			Component Units	
	Governmental	Business-Type	Total	Sampson County	Sampson
	Activities	Activities		Tourism Development	Reg. Medical
				Authority	Center, Inc.
<b>ASSETS</b>					
Cash and cash equivalents	\$ 30,623,764	\$ 3,157,290	\$ 33,781,054	\$ 230,540	\$ 2,918,770
Short-term investments	-	-	-	-	1,346,003
Receivables (net)	9,977,377	583,001	10,560,378	17,510	5,571,351
Inventories	8,860	143,146	152,006	-	1,667,895
Prepays	-	-	-	-	575,202
Restricted cash and cash equivalents	4,153,760	-	4,153,760	-	8,887,413
Other non-current receivables	-	-	-	-	-
Net pension asset	78,389	-	78,389	-	-
Capital assets:					
Land, improvements, and construction in progress	11,621,876	651,399	12,273,275	-	1,999,001
Other capital assets, net of depreciation	114,292,543	23,404,260	137,696,803	-	21,072,629
Total capital assets	125,914,419	24,055,659	149,970,078	-	23,071,630
Total assets	\$ 170,756,569	\$ 27,939,096	\$ 198,695,665	\$ 248,050	\$ 44,038,264
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	6,814,257	131,476	6,945,733	-	-
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 2,618,706	\$ 109,402	\$ 2,728,108	\$ 232	\$ 5,225,910
Long-term liabilities:					
Due within one year	5,361,112	528,625	5,889,737	-	2,666,895
Due in more than one year	112,651,463	12,330,983	124,982,446	-	5,020,305
Total pension liability - LEOSSA	1,654,448	-	1,654,448	-	-
Net pension liability - LGERS	7,470,567	141,330	7,611,897	-	-
Net OPEB Liability	10,486,535	228,465	10,715,000	-	-
Total liabilities	140,242,831	13,338,805	153,581,636	232	12,913,110
<b>DEFERRED INFLOWS OF RESOURCES</b>	2,262,839	24,377	2,287,216	-	-
<b>NET POSITION</b>					
Net Investment in capital assets	26,664,419	11,954,987	38,619,406	-	17,015,855
Restricted for:					
Stabilization by state statute	8,842,621	-	8,842,621	17,510	-
Public safety	1,578,963	-	1,578,963	-	-
Debt Service	-	-	-	-	-
Education	4,153,760	-	4,153,760	-	-
Capital acquisitions	-	-	-	-	422,208
Unrestricted	(6,174,607)	2,752,403	(3,422,204)	230,308	13,232,493
Net position of controlled organization	35,065,156	14,707,390	49,772,546	247,818	30,670,556
Noncontrolling interest in entity	-	-	-	-	454,598
Total net position	\$ 35,065,156	\$ 14,707,390	\$ 49,772,546	\$ 247,818	\$ 31,125,154

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

**SAMPSON COUNTY, NORTH CAROLINA**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2019**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 16,712,721	\$ 1,954,247	\$ 430,384	\$ -
Public safety	22,074,949	3,332,493	1,613,206	-
Economic and physical development	1,549,337	-	235,487	24,820
Environmental protection	1,091,216	796,580	298,562	-
Human services	19,725,885	3,622,555	11,538,302	-
Culture and recreation	2,111,022	-	-	-
Education	14,189,839	-	-	-
Interest on long-term debt	4,812,144	-	-	-
Total governmental activities	<u>82,267,113</u>	<u>9,705,875</u>	<u>14,115,941</u>	<u>24,820</u>
Business-type activities:				
Water District II	2,850,135	2,582,926	-	-
Water District I	846,173	839,842	-	-
Total business-type activities	<u>3,696,308</u>	<u>3,422,768</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 85,963,421</u>	<u>\$ 13,128,643</u>	<u>\$ 14,115,941</u>	<u>\$ 24,820</u>
Component units:				
Sampson County Tourism Dev Authority	122,177	-	-	-
Sampson Regional Medical Ctr. Inc.	63,270,286	62,713,297	-	44
Total component unit	<u>\$ 63,392,463</u>	<u>\$ 62,713,297</u>	<u>\$ -</u>	<u>\$ 44</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, 2019**

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.
<b>Primary Government:</b>					
Governmental Activities:					
General government	\$ (14,328,090)	\$ -	\$ (14,328,090)		
Public safety	(17,129,250)	-	(17,129,250)		
Economic and physical development	(1,289,030)	-	(1,289,030)		
Environmental protection	3,926	-	3,926		
Human services	(4,565,028)	-	(4,565,028)		
Culture and recreation	(2,111,022)	-	(2,111,022)		
Education	(14,189,839)	-	(14,189,839)		
Interest on long-term debt	(4,812,144)	-	(4,812,144)		
Total governmental activities	<u>(58,420,477)</u>	<u>-</u>	<u>(58,420,477)</u>		
Business-type activities:					
Water District II	-	(267,209)	(267,209)		
Water District I	-	(6,331)	(6,331)		
Total business-type activities	<u>-</u>	<u>(273,540)</u>	<u>(273,540)</u>		
Total primary government	<u>\$ (58,420,477)</u>	<u>\$ (273,540)</u>	<u>\$ (58,694,017)</u>		
Component units:					
Sampson County Tourism Dev Authority				\$ (122,177)	\$ -
Sampson Regional Medical Ctr. Inc.				-	(556,945)
Total component units				<u>\$ (122,177)</u>	<u>\$ (556,945)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purpose	42,050,360	-	42,050,360	-	-
Other taxes and fees	13,419,372	-	13,419,372	216,350	-
Investment earnings, unrestricted	595,811	57,932	653,743	5	128,489
Miscellaneous, unrestricted	4,053,388	-	4,053,388	2,584	(245,856)
Total general revenues excluding transfers	60,118,931	57,932	60,176,863	218,939	(117,367)
Transfers	-	-	-	-	-
Total general revenues and transfers	<u>60,118,931</u>	<u>57,932</u>	<u>60,176,863</u>	<u>218,939</u>	<u>(117,367)</u>
Change in net position	1,698,454	(215,608)	1,482,846	96,762	(674,312)
Net position - beginning	33,366,702	14,922,998	48,289,700	151,056	31,344,868
Net position - ending	<u>\$ 35,065,156</u>	<u>\$ 14,707,390</u>	<u>\$ 49,772,546</u>	<u>\$ 247,818</u>	<u>\$ 30,670,556</u>

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

**SAMPSON COUNTY, NORTH CAROLINA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2019**

	Major			
	General	Schools Capital Project	School Construction Fund	Airport Expansion Capital Project
<b>ASSETS</b>				
Cash and cash equivalents	\$ 26,247,844	\$ -	\$ -	\$ -
Restricted cash	-	3,301,794	851,966	-
Taxes receivable (net)	1,629,786	-	-	-
Accounts receivable	6,569,324	716,613	-	1,370
Due from other funds	1,066,484	-	-	-
Inventories	8,860	-	-	-
<b>Total Assets</b>	<b>\$ 35,522,298</b>	<b>\$ 4,018,407</b>	<b>\$ 851,966</b>	<b>\$ 1,370</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 1,328,877	\$ -	\$ -	445
Due to general fund	-	-	-	757,916
<b>Total Liabilities</b>	<b>1,328,877</b>	<b>-</b>	<b>-</b>	<b>758,361</b>
<b>Deferred Inflows of Resources:</b>				
Property taxes receivable	1,629,786	-	-	-
Prepaid Taxes	90,343	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,720,129</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>				
<b>Nonspendable</b>				
Inventories	8,860	-	-	-
<b>Restricted</b>				
Stabilization by state statute	7,635,808	716,613	-	1,370
Public safety	600,416	-	-	-
Debt service	-	-	-	-
Education	-	3,301,794	851,966	-
Revaluation	261,523	-	-	-
<b>Committed</b>				
Nonmajor funds	-	-	-	-
Economic development	1,750,000	-	-	-
Capital projects	3,341,318	-	-	(758,361)
<b>Assigned</b>				
Subsequent year's expenditures	3,114,602	-	-	-
<b>Unassigned</b>				
	15,760,765	-	-	-
<b>Total fund balances</b>	<b>32,473,292</b>	<b>4,018,407</b>	<b>851,966</b>	<b>(756,991)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 35,522,298</b>	<b>\$ 4,018,407</b>	<b>\$ 851,966</b>	<b>\$ 1,370</b>

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

**SAMPSON COUNTY, NORTH CAROLINA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2019**

	Non-Major Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,983,304	\$ 28,231,148
Restricted cash	-	4,153,760
Taxes receivable (net)	92,979	1,722,765
Accounts receivable	488,967	7,776,274
Due from other funds	-	1,066,484
Inventories	-	8,860
Total Assets	<u>\$ 2,565,250</u>	<u>\$ 42,959,291</u>
<b>LIABILITIES</b>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 95,695	\$ 1,425,017
Due to general fund	308,568	1,066,484
Total Liabilities	<u>404,263</u>	<u>2,491,501</u>
Deferred Inflows of Resources:		
Property taxes receivable	92,979	1,722,765
Prepaid Taxes	-	90,343
Total Deferred Inflows of Resources	<u>92,979</u>	<u>1,813,108</u>
Fund balances:		
Nonspendable		
Inventories	-	8,860
Restricted		
Stabilization by state statute	488,830	8,842,621
Public safety	978,547	1,578,963
Debt service	-	-
Education	-	4,153,760
Revaluation	-	261,523
Committed		
Nonmajor funds	-	-
Economic development	-	1,750,000
Capital projects	-	2,582,957
Assigned		
Public safety	777,475	777,475
Environmental protection	77,634	77,634
Human services	(289,090)	(289,090)
Capital expansion	34,612	34,612
Subsequent year's expenditures	-	3,114,602
Unassigned	-	15,760,765
Total fund balances	<u>2,068,008</u>	<u>38,654,682</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,565,250</u>	<u>\$ 42,959,291</u>

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



**SAMPSON COUNTY, NORTH CAROLINA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2019**

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

Total Fund Balance, Governmental Funds	38,654,682
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	125,914,419
Net pension asset.	78,389
Other long-term assets are not available to pay for current period expenditures and therefore are unavailable in the funds	117,437
Charges related to advance refunding bonds issued.	(10,403,837)
Benefit payments and pension administration costs are deferred outflows of resources on the Statement of Net Position	4,339,524
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position.	2,474,733
Net pension liability	(7,470,567)
Net OPEB liability	(10,486,535)
Total pension liability	(1,654,448)
Deferred inflows of resources for taxes.	1,731,938
Deferred gain related to bonding refunding issue.	(893,604)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(108,597,679)
Pension and other post-employment benefits liability	(1,278,892)
Pension deferrals	-
Internal service fund allocation	2,539,596
Net position of governmental activities	<u>\$ 35,065,156</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 Year Ended June 30, 2019**

	Major			
	General	Schools Capital Projects	School Construction Fund	Airport Expansion Capital Project
<b>REVENUES</b>				
Ad Valorem taxes	\$ 39,050,193	\$ -	\$ -	\$ -
Other taxes and licenses	10,755,343	2,664,029	-	-
Intergovernmental Revenues:				
Restricted	11,790,124	-	-	24,820
Permits and fees	820,590	-	-	-
Sales and services	6,224,952	-	-	-
Investment earnings	458,785	58,390	2,740	-
Miscellaneous	3,690,336	-	-	-
Total revenues	<u>72,790,323</u>	<u>2,722,419</u>	<u>2,740</u>	<u>24,820</u>
<b>EXPENDITURES</b>				
Current:				
General government	8,189,805	-	-	-
Public safety	18,707,577	-	-	-
Environmental protection	1,082,172	-	-	-
Economic and physical development	1,548,847	-	-	-
Human services	17,916,204	-	-	-
Culture and recreation	2,111,022	-	-	-
Education	14,189,839	-	-	-
Debt service				
Principal	3,913,572	-	-	-
Interest and fees	4,701,233	-	-	-
Administration	110,911	-	-	-
Capital expansion	-	-	227	378,053
Total expenditures	<u>72,471,182</u>	<u>-</u>	<u>227</u>	<u>378,053</u>
Excess (deficiency) of revenues over expenditures	<u>319,141</u>	<u>2,722,419</u>	<u>2,513</u>	<u>(353,233)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,826,175	-	-	-
Transfers out	-	(2,206,378)	-	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	<u>2,826,175</u>	<u>(2,206,378)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,145,316	516,041	2,513	(353,233)
Fund balances-beginning	29,327,976	3,502,366	849,453	(403,758)
Fund balances-ending	<u>\$ 32,473,292</u>	<u>\$ 4,018,407</u>	<u>\$ 851,966</u>	<u>\$ (756,991)</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 Year Ended June 30, 2019**

	<u>Non-Major</u>	
	Other	Total
	Governmental	Governmental
	Funds	Funds
	<u>                    </u>	<u>                    </u>
<b>REVENUES</b>		
Ad Valorem taxes	\$ 2,905,215	\$ 41,955,408
Other taxes and licenses	-	13,419,372
Intergovernmental Revenues:		
Restricted	1,088,966	12,903,910
Permits and fees	1,710,256	2,530,846
Sales and services	-	6,224,952
Investment earnings	33,573	553,488
Miscellaneous	1,092	3,691,428
Total revenues	<u>5,739,102</u>	<u>81,279,404</u>
 <b>EXPENDITURES</b>		
Current:		
General government	-	8,189,805
Public safety	3,205,472	21,913,049
Environmental protection	7,004	1,089,176
Economic and physical development	-	1,548,847
Human services	1,766,130	19,682,334
Culture and recreation	-	2,111,022
Education	-	14,189,839
Debt service		
Principal	-	3,913,572
Interest and fees	-	4,701,233
Administration	-	110,911
Capital expansion	24,875	403,155
Total expenditures	<u>5,003,481</u>	<u>77,852,943</u>
Excess (deficiency) of revenues over expenditures	<u>735,621</u>	<u>3,426,461</u>
 <b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	-	2,826,175
Transfers out	(619,797)	(2,826,175)
Installment purchase debt issued	-	-
Total other financing sources (uses)	<u>(619,797)</u>	<u>-</u>
Net change in fund balance	115,824	3,426,461
Fund balances-beginning	1,952,184	35,228,221
Fund balances-ending	<u>\$ 2,068,008</u>	<u>\$ 38,654,682</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, 2019**

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

Net changes in fund balances - total governmental funds	\$ 3,426,461
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(3,606,110)
Cost of capital asset disposed of during the year, not recognized on modified accrual basis	(66,270)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	206,997
Benefit payments and administration costs are deferred outflows of resources on the Statement of Net Position	2,010,928
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(94,501)
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.	3,913,573
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	(2,169,094)
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>(1,923,530)</u>
Total changes in net position of governmental funds	<u><u>1,698,454</u></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 Year Ended June 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
<b>Revenues</b>				
Ad Valorem taxes	\$ 38,199,568	\$38,199,568	\$38,928,193	\$ 728,625
Other taxes and licenses	10,176,167	10,176,167	10,755,343	579,176
Intergovernmental Revenues:				
Restricted	11,499,390	13,230,621	11,790,124	(1,440,497)
Permits and fees	705,500	705,500	820,590	115,090
Sales and services	6,576,105	6,677,797	6,224,952	(452,845)
Investment earnings	-	-	395,492	395,492
Miscellaneous	<u>2,740,961</u>	<u>2,841,766</u>	<u>3,653,231</u>	<u>811,465</u>
Total revenues	<u>69,897,691</u>	<u>71,831,419</u>	<u>72,567,925</u>	<u>736,506</u>
<b>Expenditures</b>				
Current:				
General government	7,172,881	8,488,503	7,796,461	692,042
Public safety	19,242,997	19,637,539	18,707,577	929,962
Environmental protection	1,169,372	1,176,682	1,082,172	94,510
Economic and physical dev	2,149,796	2,179,296	1,548,847	630,449
Human services	18,656,169	19,179,356	17,916,204	1,263,152
Education	14,731,938	16,517,979	14,189,839	2,328,140
Culture and recreation	2,257,780	2,275,780	2,111,022	164,758
Debt service				
Principal	4,554,785	4,554,785	3,913,572	641,213
Interest and fees	4,731,293	4,731,293	4,701,233	30,060
Administration	116,767	116,767	110,911	5,856
Contingency	<u>417,584</u>	<u>278,959</u>	<u>-</u>	<u>278,959</u>
Total expenditures	<u>75,201,362</u>	<u>79,136,939</u>	<u>72,077,838</u>	<u>7,059,101</u>
Revenues over (under) expenditures	<u>(5,303,671)</u>	<u>(7,305,520)</u>	<u>490,087</u>	<u>(6,322,595)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,110,927	4,747,846	2,828,175	(1,919,671)
Transfers out	(505,000)	(505,000)	(505,000)	-
Loan proceeds	<u>683,944</u>	<u>683,944</u>	<u>-</u>	<u>(683,944)</u>
Total other financing sources (uses)	<u>3,289,871</u>	<u>4,926,790</u>	<u>2,323,175</u>	<u>(2,603,615)</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 Year Ended June 30, 2019**

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	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(2,013,800)	(2,378,730)	2,813,262	5,191,992
Appropriated Fund Balance	<u>2,013,800</u>	<u>2,378,730</u>	<u>-</u>	<u>(2,378,730)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	2,813,262	<u>\$ 2,813,262</u>
Fund balance -beginning			<u>26,057,189</u>	
Fund balance - ending			<u>\$28,870,451</u>	

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

Property taxes & Interest income	185,293
Transfers to General Fund	(2,000)
Transfer from General Fund	505,000
Transfer from closed capital projects	37,105
Revaluation costs	<u>(393,344)</u>
Fund Balance Beginning	<u>3,270,787</u>
Fund Balance Ending(Exhibit 4)	<u>\$32,473,292</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, 2019**

	Major			Internal Service Fund
	Water and Sewer District II	Water and Sewer District I	Total	
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 1,255,713	\$ 1,901,577	\$ 3,157,290	\$ 2,392,616
Accounts receivable (net)	144,832	42,048	186,880	351,728
Water fees receivable (net)	356,133	39,988	396,121	-
Inventory	110,938	32,208	143,146	-
Total current assets	<u>1,867,616</u>	<u>2,015,821</u>	<u>3,883,437</u>	<u>2,744,344</u>
Noncurrent assets:				
Capital assets:				
Land, improvements, and construction in progress	634,592	16,807	651,399	-
Other capital assets net of depreciation	<u>21,701,541</u>	<u>1,702,719</u>	<u>23,404,260</u>	<u>-</u>
Total capital assets	<u>22,336,133</u>	<u>1,719,526</u>	<u>24,055,659</u>	<u>-</u>
Total assets	<u>24,203,749</u>	<u>3,735,347</u>	<u>27,939,096</u>	<u>2,744,344</u>
<b>DEFERRED OUTFLOWS OF RESOURCE</b>	<u>105,181</u>	<u>26,295</u>	<u>131,476</u>	<u>-</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, 2019**

	Major			Internal Service Fund
	Water and Sewer District II	Water and Sewer District I	Total	
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable and accrued liabilities	92,405	16,997	109,402	204,748
Compensated absences	35,347	19,883	55,230	-
Notes payable	166,395	-	166,395	-
General obligation bonds payable	275,000	32,000	307,000	-
Total Current Liabilities	<u>569,147</u>	<u>68,880</u>	<u>638,027</u>	<u>204,748</u>
Noncurrent liabilities:				
Compensated absences	3,074	1,729	4,803	-
Notes payable	2,288,777	-	2,288,777	-
Unamortized premium on bonds	698,903	-	698,903	-
General obligation bonds payable	8,695,000	643,500	9,338,500	-
Net pension liability	113,064	28,266	141,330	-
Net OPEB liability	182,772	45,693	228,465	-
Total noncurrent liabilities	<u>11,981,590</u>	<u>719,188</u>	<u>12,700,778</u>	<u>-</u>
Total liabilities	<u>12,550,737</u>	<u>788,068</u>	<u>13,338,805</u>	<u>204,748</u>
<b>DEFERRED INFLOWS OF RESOURCE</b>	<u>19,502</u>	<u>4,875</u>	<u>24,377</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	10,910,961	1,044,026	11,954,987	-
Debt service	-	-	-	-
Unrestricted	827,730	1,924,673	2,752,403	2,539,596
Total net position	<u>\$ 11,738,691</u>	<u>\$ 2,968,699</u>	<u>\$ 14,707,390</u>	<u>\$ 2,539,596</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 Year Ended June 30, 2019**

	Major			Internal Service Fund
	Water and Sewer District II	Water and Sewer District I	Total	
<b>OPERATING REVENUES</b>				
Charges for services	\$ 2,186,440	\$ 728,814	\$ 2,915,254	\$ 5,739,298
Water tap fees	48,150	9,900	58,050	-
Miscellaneous	348,336	101,128	449,464	431,186
Total operating revenues	<u>2,582,926</u>	<u>839,842</u>	<u>3,422,768</u>	<u>6,170,484</u>
<b>OPERATING EXPENSES</b>				
Administration	555,049	190,856	745,905	-
Water Distribution	93,658	293,518	387,176	-
Operations and maintenance	913,278	204,385	1,117,663	-
Depreciation	828,862	121,356	950,218	-
Claims paid	-	-	-	8,381,901
Total operating expenses	<u>2,390,847</u>	<u>810,115</u>	<u>3,200,962</u>	<u>8,381,901</u>
Operating income (loss)	<u>192,079</u>	<u>29,727</u>	<u>221,806</u>	<u>(2,211,417)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest earnings	23,173	34,759	57,932	42,323
State grants	-	-	-	-
Transfer from general fund	-	-	-	-
Interest expense	(459,288)	(36,058)	(495,346)	-
Total nonoperating revenues (expenses)	<u>(436,115)</u>	<u>(1,299)</u>	<u>(437,414)</u>	<u>42,323</u>
Change in net position	(244,036)	28,428	(215,608)	(2,169,094)
Total net position - beginning	<u>11,982,727</u>	<u>2,940,271</u>	<u>14,922,998</u>	<u>4,708,690</u>
Total net position - ending	<u>\$ 11,738,691</u>	<u>\$ 2,968,699</u>	<u>\$ 14,707,390</u>	<u>\$ 2,539,596</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 Year Ended June 30, 2019**

	Major			Internal Service Fund
	Water and Sewer District II	Water and Sewer District I	Total	
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 2,440,564	\$ 712,991	\$ 3,153,555	\$ 5,739,298
Cash paid for goods and services	(1,020,901)	(555,930)	(1,576,831)	(8,343,055)
Cash paid to employees for services	(518,239)	(152,876)	(671,115)	-
Customer deposits received	-	-	-	-
Customer deposits returned	-	-	-	-
Other operating revenues	193,947	91,086	285,033	80,574
Net cash provided (used) by operating activities	<u>1,095,371</u>	<u>95,271</u>	<u>1,190,642</u>	<u>(2,523,183)</u>
<b>Cash flows from noncapital financing activities:</b>				
Due to (from) other funds	-	-	-	-
Transfers from other funds	-	-	-	-
Net cash provided by noncapital and related financing activities	-	-	-	-
<b>Cash flows from capital and related financing activities:</b>				
Acquisition and construction of capital assets	(339,406)	(56,840)	(396,246)	-
Capital contributions-grants	-	-	-	-
Transfer from general fund	-	-	-	-
Principal paid on bond maturities and equipment contracts	(425,528)	(30,500)	(456,028)	-
Interest paid on bond maturities and equipment contracts	(488,019)	(36,183)	(524,202)	-
Net cash provided (used) by capital and related financing activities	<u>(1,252,953)</u>	<u>(123,523)</u>	<u>(1,376,476)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>				
Interest	23,173	34,759	57,932	42,323
Net increase (decrease) in cash and cash equivalents	(134,409)	6,507	(127,902)	(2,480,860)
Cash and cash equivalents, July 1	1,390,122	1,895,070	3,285,192	4,873,476
Cash and cash equivalents, June 30	<u>\$ 1,255,713</u>	<u>\$ 1,901,577</u>	<u>\$ 3,157,290</u>	<u>\$ 2,392,616</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 Year Ended June 30, 2019**

	Major			Internal Service Fund
	Water and Sewer District II	Water and Sewer District I	Total	
<b>Reconciliation of operating income to net cash provided by operating activities</b>				
Operating income (loss)	\$ 242,354	\$ 37,170	\$ 279,524	\$ (2,211,417)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	828,862	121,356	950,218	-
Changes in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(90,925)	(23,239)	(114,164)	(350,612)
Inventory	139,461	(14,245)	125,216	-
Increase (decrease) in liabilities:				
Accounts payable & accrued liab.	(27,436)	(27,489)	(54,925)	38,846
Compensated absences	3,055	1,718	4,773	-
Other post-employment benefits	-	-	-	-
Total adjustments	<u>853,017</u>	<u>58,101</u>	<u>911,118</u>	<u>(311,766)</u>
Net cash provided (used) by operating activities	<u>\$ 1,095,371</u>	<u>\$ 95,271</u>	<u>\$ 1,190,642</u>	<u>\$ (2,523,183)</u>

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

**SAMPSON COUNTY, NORTH CAROLINA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
June 30, 2019**

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	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 234,986
Accounts receivable	<u>83,604</u>
Total Assets	<u>\$ 318,590</u>
Liabilities and Net Position	
Liabilities	
Accounts Payable	\$ 108,447
Miscellaneous liabilities	<u>210,143</u>
Total Liabilities	<u>\$ 318,590</u>

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

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTE TO FINANCIAL STATEMENTS**  
**June 30, 2019**

**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.

**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.

**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, 2019**

**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 NCCMT Government Portfolio, a SEC-registered (2a-7) external investment pool, is measured at fair value. The NCCMT – Term Portfolio is a bond fund, has no rating and is measured at fair value. As of June 30, 2019, the Term Portfolio has a duration of .11 years. Because the NCCMT Government and Term Portfolios have a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

**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		\$ -
General Fund	Revaluation		-
Schools Capital Projects	Education	3,301,794	
Schools Construction Fund	Education	851,966	
Total Governmental Activities		4,153,760	
Total Restricted Cash			\$ 4,153,760

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

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**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, 2018. 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, 2019

**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 – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Liabilities and Fund Equity (Continued)**

**11. Net Position/Fund Balances (Continued)**

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.

**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, 2019**

**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 \$(3,589,526) 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)	\$ 183,624,951
Less accumulated depreciation	<u>57,710,532</u>
Net capital assets	<u>125,914,419</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	117,437
Net pension asset	78,389
Contributions to the pension plan in the current fiscal year	1,720,119
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	(893,604)
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	2,539,596
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	1,731,938
Pension related deferrals and OPEB related deferrals	3,060,632
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	(988,941)
Bonds, leases, and installment financing	(115,915,967)
Compensated absences	(2,096,608)
Net OPEB liability	(10,486,535)
Net Pension liability	(7,470,567)
Total Pension liability	<u>(1,654,448)</u>
Total adjustment	<u>\$ (3,589,526)</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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 \$(1,728,007) is comprised of the following:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 1,648,449
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	(5,254,559)
Cost of disposed capital assets not recorded in the fund statements	(66,270)
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	4,383,664
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	1,720,119
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)	1,081
Difference in insurance expense between fund statements (modified accrual) and government-wide statements (full accrual) due to allocation of profit from internal service fund	(2,169,094)
OPEB Expense	(406,067)
Pension Expense	(2,238,882)
Amortization of debt issuance costs	56,814
Compensated absences	(63,375)
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 taxes receivable and related items	(94,501)
Total adjustment	<u>\$ (1,728,007)</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

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**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, 2019, the County's deposits had a carrying amount of \$9,475,952 and a bank balance of \$8,752,475. Of the bank balance, \$946,943 was covered by federal depository insurance; \$7,805,532 was covered by collateral held under the Pooling Method.

At June 30, 2019, Sampson County had \$4,660 cash on hand.

The Hospital's deposits had a carrying amount of \$2,918,770 and a bank balance of \$3,406,905 as of September 30, 2018. Of the bank balances, \$250,000 was covered by federal depository insurance as of September 30, 2018 and the remainder was covered under the Pooling Method.

The Authority's deposits had a carrying amount of \$230,540 and a bank balance of \$230,495 as of June 30, 2019. Of the bank balance, \$230,495 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, 2019**

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**II. DETAIL NOTES ON ALL FUNDS (Continued)**

**A. Assets (Continued)**

**2. Investments**

At June 30, 2019, the County's investments consisted of \$28,689,188 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, 2018, the Hospital's investments consisted of the following:

<b>Investment Type</b>	<b>Valuation Measurement Method</b>	<b>Fair Value</b>	<b>Less Than 1 Year</b>	<b>2-3 Years</b>
NC Capital Management Trust – Term Portfolio	Fair Value	8,145,926	N/A	N/A
Total		\$ 8,145,926	N/A	N/A

The Hospital's investment in the NC Capital Management Trust's Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of September 30, 2018. 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, 2019**

**II. DETAIL NOTES ON ALL FUNDS (Continued)**

**A. Assets (Continued)**

**3. Receivables**

Receivables at the government-wide level at June 30, 2019, were as follows:

	<b>Accounts</b>	<b>Taxes &amp; Accrued Interest</b>	<b>Due from Other Governments</b>	<b>Other</b>	<b>Total</b>
Governmental Activities					
General	\$ 1,902,136	\$ 1,797,786	\$ 5,028,089	\$ -	\$ 8,728,011
Accrued Interest	-	117,437	-	-	117,437
Other Governmental	488,967	102,779	717,983	-	1,309,729
Total Receivables	2,391,103	2,018,002	5,746,072	-	10,155,177
Less: Allowance Amount	-	(177,800)	-	-	(177,800)
Total	\$ 2,391,103	\$ 1,840,202	\$ 5,746,072	\$ -	\$ 9,977,377
Business-type Activities					
Water Districts I and II	\$ 518,351	\$ -	\$ 186,850	\$ 30	\$ 705,231
Total Receivables	518,351	-	186,850	30	705,231
Less: Allowance Amount	(122,230)	-	-	-	(122,230)
Total	\$ 396,121	\$ -	\$ 186,850	\$ 30	\$ 583,001

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

Local Option Sales Tax	\$ 3,738,670
Other Taxes and Grants	2,007,402
Total	<u>\$ 5,746,072</u>

The Hospital's accounts receivable are presented net of the allowance for uncollectible accounts of \$14,011,000.

The Authority's accounts receivable are presented net of the allowance for uncollectible accounts of \$-0-.

**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.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 4,131,330	\$ 1,074,146	\$ 5,205,476
2016	4,138,494	703,544	4,842,038
2017	4,123,298	329,864	4,453,162
2018	4,190,602	-	4,190,602
	<u>\$ 16,583,724</u>	<u>\$ 2,107,554</u>	<u>\$ 18,691,278</u>



**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**II. DETAIL NOTES ON ALL FUNDS (Continued)**

**A. Assets (Continued)**

**5. Capital Assets**

**Primary Government**

Capital asset activity for the year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
<b>Capital assets not being depreciated</b>				
Land	\$ 6,368,480	\$ -	\$ -	\$ 6,368,480
Construction in progress	4,875,343	378,053	-	5,253,396
Total assets not being depreciated	<u>11,243,823</u>	<u>378,053</u>	<u>-</u>	<u>11,621,876</u>
<b>Capital assets being depreciated:</b>				
Buildings and improvements	151,510,271	500,230	6,292	152,004,209
Equipment	14,403,217	286,675	2,501,363	12,188,529
Vehicles and motor equipment	8,808,979	483,489	1,482,131	7,810,337
Total Assets being depreciated	<u>174,722,467</u>	<u>1,270,394</u>	<u>3,989,786</u>	<u>172,003,075</u>
Less accumulated depreciation for:				
Buildings and improvements	41,260,545	3,680,212	4,247	44,936,510
Equipment	9,021,282	781,492	2,469,500	7,333,274
Vehicles and motor equipment	6,097,662	792,855	1,449,769	5,440,748
Total accumulated depreciation	<u>56,379,489</u>	<u>\$ 5,254,559</u>	<u>\$ 3,923,516</u>	<u>57,710,532</u>
Total capital assets being depreciated, net	<u>118,342,978</u>			<u>114,292,543</u>
<b>Governmental activity capital assets, net</b>	<u>\$ 129,586,801</u>			<u>\$ 125,914,419</u>

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

	<u>Depreciation</u>
General Government	\$ 4,038,719
Public Safety	987,797
Economic and Physical Development	30,648
Human Services	123,936
Environmental Protection	10,101
Cultural and Recreational	63,358
Total	<u>\$ 5,254,559</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**II. DETAIL NOTES ON ALL FUNDS (Continued)**

**B. Assets (Continued)**

**5. Capital Assets (Continued)**

**Business-Type Activities**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Water District II</b>				
<b>Capital assets not being depreciated</b>				
Land	\$ 208,512	\$ -	\$ -	\$ 208,512
Construction in progress	143,512	282,568	-	426,080
Total capital assets not being depreciated	<u>2,045,687</u>	<u>282,568</u>	<u>-</u>	<u>634,592</u>
<b>Capital assets being depreciated</b>				
Distribution systems	31,750,519	-	-	31,750,519
Equipment	305,307	25,299	35,641	294,965
Vehicles	199,111	31,544	-	230,655
Total capital assets being depreciated	<u>32,254,937</u>	<u>56,843</u>	<u>35,641</u>	<u>32,276,139</u>
Less accumulated depreciation for:				
Distribution systems	9,502,326	793,764	-	10,296,090
Equipment	186,480	16,330	35,641	167,169
Vehicles	92,571	18,768	-	111,339
Total accumulated depreciation	<u>9,781,377</u>	<u>\$ 828,862</u>	<u>\$ 35,641</u>	<u>10,574,598</u>
Total capital assets being depreciated, net	<u>22,473,560</u>			<u>21,701,541</u>
<b>Water District II capital assets, net</b>	<u>\$ 22,825,584</u>			<u>\$ 22,336,133</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Water District I</b>				
<b>Capital assets not being depreciated</b>				
Land	\$ 16,807	\$ -	\$ -	\$ 16,807
Total capital assets not being depreciated	<u>16,807</u>	<u>-</u>	<u>-</u>	<u>16,807</u>
<b>Capital assets being depreciated</b>				
Distribution systems	3,931,081	-	-	3,931,081
Equipment	39,020	25,295	15,183	49,132
Vehicles	196,081	31,544	12,295	215,330
Total capital assets being depreciated	<u>4,166,182</u>	<u>56,839</u>	<u>27,478</u>	<u>4,195,543</u>
Less accumulated depreciation for:				
Distribution systems	2,294,873	98,277	-	2,393,150
Equipment	22,125	2,797	15,183	9,739
Vehicles	81,948	20,282	12,295	89,935
Total accumulated depreciation	<u>2,398,946</u>	<u>\$ 121,356</u>	<u>\$ 27,478</u>	<u>2,492,824</u>
Total capital assets being depreciated, net	<u>1,767,236</u>			<u>1,702,719</u>
<b>Water District I capital assets, net</b>	<u>1,784,043</u>			<u>1,719,526</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 24,609,627</u>			<u>\$ 24,055,659</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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, 2019.

**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, 2018 was as follows:

<b>Sampson Regional Medical Center</b>	<b>9/30/17</b>	<b>Increases</b>	<b>Decreases</b>	<b>9/30/18</b>
<b>Capital assets not being depreciated</b>				
Land	\$ 1,972,056	\$ -	\$ -	\$ 1,972,056
Construction in progress	13,588	26,945	13,588	26,945
Total capital assets not being depreciated	1,985,644	26,945	13,588	1,999,001
<b>Capital assets being depreciated</b>				
Land improvements	2,098,992	-	-	2,098,992
Buildings and improvements	41,905,529	-	-	41,905,529
Furniture and equipment	55,993,815	1,473,343	443,804	57,023,354
Total capital assets being depreciated	99,998,336	1,473,343	443,804	101,027,875
Less accumulated depreciation for:				
Land improvements	1,881,257	53,193	-	1,934,450
Buildings and improvements	26,974,433	1,733,337	-	28,707,770
Furniture and equipment	47,716,865	2,039,849	443,688	49,313,026
Total accumulated depreciation	76,572,555	3,826,379	443,688	79,955,246
Total capital assets being depreciated, net	23,425,781			21,072,629
<b>Sampson Regional Medical Center capital assets, net</b>	<b>\$ 25,411,425</b>			<b>\$23,071,630</b>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**II. DETAIL NOTES ON ALL FUNDS (Continued)**

**B. Liabilities**

**1. Payables**

Payables at the government-wide level at June 30, 2019, were as follows:

	<b>Vendors</b>	<b>Salaries &amp; Benefits</b>	<b>Accrued Interest</b>	<b>Total</b>
Governmental Activities				
General	\$ 1,393,734	\$ 139,890	\$ 988,941	\$ 2,522,565
Other Governmental	86,549	9,592	-	96,141
Total	<u>\$ 1,480,283</u>	<u>\$ 149,482</u>	<u>\$ 988,941</u>	<u>\$ 2,618,706</u>
Business-type Activities				
Water District II	\$ 48,543	\$ 530	\$ 43,332	\$ 92,405
Water District I	14,272	154	2,571	16,997
Total	<u>\$ 62,815</u>	<u>\$ 684</u>	<u>\$ 45,903</u>	<u>\$ 109,402</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](http://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, 2019, was 8.50% of compensation for law enforcement officers and 7.75% 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 \$1,750,269 for the year ended June 30, 2019.

*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, 2019

**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, 2019, the County reported a liability of \$7,611,897 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 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, 2019, the County's proportion was .320860% (measured as of June 30, 2018), which was a decrease of .000460% from its proportion measured as of June 30, 2018 (measured as of June 30, 2017).

For the year ended June 30, 2019, the County recognized pension expense of \$2,116,629. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,174,334	\$ 39,404
Changes in assumptions	2,019,904	-
Net difference between projected and actual earnings on pension plan investments	1,044,887	-
Changes in proportion and differences between County contributions and proportionate share of contributions	48,864	56,448
County contributions subsequent to the measurement date	1,750,269	-
Total	<u>\$ 6,038,258</u>	<u>\$ 95,852</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

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**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)**

\$1,750,269 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, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>		
2020	\$	2,020,800
2021		1,326,016
2022		247,779
2023		597,542
2024		-
Thereafter		-
Total	\$	<u>4,192,137</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2017 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 percent
Investment rate of return	7.00 percent, net pension plan investment expense, including inflation

The plan currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuitants Mortality Table* 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, 2017 valuation were based on the results of an actuarial experience study as of 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, 2019**

**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, 2019 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 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 7.00%. 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, 2019

**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 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
County's proportionate share of the net pension liability (asset)	\$ 1,828,434	\$ 7,611,897	\$ (1,306,244)

*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, 2019

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**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 (valuation date), 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>89</u>
Total	<u>92</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, 2017 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	3.64 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.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2014.

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
 June 30, 2019

**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 \$26,158 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, 2019, the County reported a total pension liability of \$1,654,448. The total pension liability was measured as of December 31, 2018 based on a December 31, 2017 actuarial valuation. The total pension liability was rolled forward to December 31, 2018 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the County recognized pension expense of \$151,030.

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 28,180	\$ 57,940
Changes in assumptions	88,778	91,500
County benefit payments & plan administrative expense made subsequent to the measurement date	26,158	-
Total	<u>\$ 143,116</u>	<u>\$ 149,440</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, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30:</b>	
2020	\$ (6,263)
2021	(6,263)
2022	(6,263)
2023	(6,263)
2024	(5,484)
Thereafter	(1,946)
Total	<u>\$ (32,482)</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, 2019

**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 3.64 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 (2.64 percent) or 1-percentage-point higher (4.64 percent) than the current rate:

	<b>1% Decrease (2.64%)</b>	<b>Discount Rate (3.64%)</b>	<b>1% Increase (4.64%)</b>
Total pension liability	\$ 1,826,035	\$ 1,654,448	\$ 1,498,844

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

	2019
Beginning balance	\$ 1,581,086
Service cost	107,072
Interest on the total pension liability	49,388
Changes of benefit terms	-
Differences between expected and actual experience in the measurement of the total pension liability	33,538
Changes of assumptions or other inputs	(80,304)
Benefit payments	(36,332)
Other changes	-
Ending balance of the total pension liability	<u>\$ 1,654,448</u>

*Changes of assumptions.* Changes of assumptions and other inputs reflect a change in the discount rate from 3.16 percent at June 30, 2017 to 3.64 percent at June 30, 2018.

*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, 2017 valuation were based on the results of an actuarial experience study as of 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 \$923,245 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](http://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, 2019.

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 2019

**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, 2019, the County reported an asset of \$78,389 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017. The total pension asset was then rolled forward to the measurement date of June 30, 2018 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, 2018, the County's proportion was .47328%, which was a decrease of .0109% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, the County recognized pension expense of \$16,389. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 691	\$ 3,578
Changes of assumptions	3,687	-
Net difference between projected and actual earnings on pension plan investments	12,495	-
Changes in proportion and differences between County contributions and proportionate share of contributions	2,872	399
County contributions subsequent to the measurement date	4,614	-
Total	<u>\$ 24,359</u>	<u>\$ 3,977</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 2019

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**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, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>		
2020	\$	8,416
2021		1,729
2022		3,682
2023		1,941
2024		-
Thereafter		-
Total	\$	<u>15,768</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2017 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, 2017 valuation were based on the results of an actuarial experience study as of 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, 2019

**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, 2019 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 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 3.00%. 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 System contributions will continue to follow the current funding policy. Based on those assumptions, the System'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:

	<u>1% Decrease (2.75%)</u>	<u>Discount Rate (3.75%)</u>	<u>1% Increase (4.75%)</u>
County's proportionate share of the net pension liability (asset)	\$ (61,806)	\$ (78,389)	\$ (92,375)

*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, 2019**

**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, 2017, 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, 2018, with an actuarial valuation date as of December 31, 2017. 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)	\$ 7,611,897	\$ (78,389)	\$ -	\$ 7,533,508
Proportion of the Net Pension Liability (Asset)	.32086%	.47328%	N/A	
Total Pension Liability	\$ -	\$ -	\$ 1,654,448	\$ 1,654,448
Pension Expense	\$ 2,116,629	\$ 16,389	\$ 151,030	\$ 2,284,048

At June 30, 2019, 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	\$ 1,174,334	\$ 691	\$ 28,180	\$ 1,203,205
Changes of assumptions	2,019,904	3,687	88,778	2,112,369
Net difference between projected and actual earnings on pension plan investments	1,044,887	12,495	-	1,057,382
Changes in proportion and differences between County contributions and proportionate share of contributions	48,864	2,872	-	51,736
County contributions (LGERS, ROD)/benefit payments and administrative costs (LEOSSA) subsequent to the measurement date	1,750,269	4,614	26,158	1,781,041
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ 39,404	\$ 3,578	\$ 57,940	\$ 100,922
Changes of assumptions	-	-	91,500	91,500
Changes in proportion and differences between County contributions and proportionate share of contributions	56,448	399	-	56,847

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
 June 30, 2019

**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, 2018, 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, 2018 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, 2019, 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	248
Total	306

**Total OPEB Liability**

The County's total OPEB liability of \$10,715,000 was measured as of July 1, 2018 and was determined by an actuarial valuation as of July 1, 2017.

*Actuarial assumptions and other inputs.* The total OPEB liability in the July 1, 2018 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	3.62 percent
Healthcare Cost Trend Rates	5.00 percent to 6.50 percent

The discount rate is based on the yield of the Municipal GO AA 20-year yield curve rate as of June 29, 2018.

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
June 30, 2019

**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**

	<b>Total OPEB Liability</b>
<b>Balance at July 1, 2018</b>	\$ 12,028,000
<b>Changes for the year</b>	
Service cost	442,000
Interest	427,000
Changes of benefit terms	-
Differences between expected and actual experience	(1,156,000)
Changes in assumptions or other inputs	(55,000)
Benefit payments	(971,000)
<b>Net changes</b>	<u>(1,313,000)</u>
<b>Balance at June 30, 2019</b>	<u>\$ 10,715,000</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.56% to 3.62%.

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

The actuarial assumptions used in the July 1, 2018 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 (2.62 percent) or 1-percentage-point higher (4.62 percent) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 11,478,000	\$ 10,715,000	\$ 9,991,000

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* 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 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	\$ 9,581,000	\$ 10,715,000	\$ 12,040,000

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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, 2019, the County recognized OPEB expense of \$720,000. At June 30, 2019, the County 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	\$ -	\$ 1,006,000
Changes of assumptions	-	48,000
Benefit payments and administrative costs made subsequent to the measurement date	740,000	-
Total	<u>\$ 740,000</u>	<u>\$ 1,054,000</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, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30:</b>	
2020	\$ (157,000)
2021	(157,000)
2022	(157,000)
2023	(157,000)
2024	(157,000)
Thereafter	(269,000)
	<u>\$ (1,054,000)</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 2018 and 2017.

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 \$564,916 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, 2019**

**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	\$ 1,203,205	\$ 1,106,922
Pensions – difference between projected and actual investment earnings	1,057,382	-
Pensions – change in proportion and difference between employer contributions and proportionate share of contributions	51,736	56,847
Pensions – change in assumptions	2,112,369	139,500
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	1,754,883	-
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	-	893,604
Prepaid Taxes not yet earned (General)	-	90,343
Taxes Receivable, net, less penalties (General)	-	1,629,786
Taxes Receivable, net, less penalties (Special Revenue)	-	92,979
<b>Total</b>	<b>\$ 6,945,733</b>	<b>\$ 4,009,981</b>

**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, 2019**

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**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, 2019
Claims payable, beginning of year	<u>\$ 165,902</u>
Add: Claims received	8,381,901
Less: Claims paid	<u>8,343,055</u>
Claims payable, end of year	<u><u>\$ 204,748</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, 2019, 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, 2019

**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, 2019 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, 2019, there were 33 payments remaining.

\$ 1,667,515

Annual debt service payments of the installment purchases as of June 30, 2019, including \$1,127,330 of interest, are:

Year Ending June 30	Business-type Activities	
	Principal	Interest
2020	\$ 27,390	\$ 54,903
2021	28,286	54,007
2022	29,211	53,082
2023	30,167	52,126
2024	31,155	51,138
2025-2029	171,775	239,690
2030-2034	201,865	209,600
2035-2039	237,290	174,175
2040-2044	279,007	132,458
2045-2049	328,143	83,322
2050-2052	303,226	22,829
Total	<u>\$ 1,667,515</u>	<u>\$ 1,127,330</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, 2019, there were 4 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, 2019, there were 4 payments remaining.



**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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, 2019 are:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2020	\$ 334,283	\$ 5,850
2021	334,283	4,400
2022	334,283	2,950
2023	339,281	1,500
2024	-	-
Total	<u>\$ 1,342,130</u>	<u>\$ 14,700</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, 2019 are comprised of the following individual issues:

Serviced by the County's Water and Sewer Districts:

<b>\$1,093,000 Water and Sewer Bonds</b>		
Issued on August 7, 1995, due in annual installments of \$11,500 to \$46,000 through June 1, 2035, 5.125% interest rate		\$ 675,500
<b>\$9,990,000 Refunding, Series 2015 General Obligation Bonds</b>		
Due in semi-annual installments of \$170,981 to \$558,469 through June 1, 2044, variable interest rate		8,970,000
Total		<u>\$ 9,645,500</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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 \$5,588,763 are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2020	\$ -	\$ -	\$ 307,000	\$ 423,251
2021	-	-	318,500	410,611
2022	-	-	325,500	397,494
2023	-	-	337,500	384,074
2024	-	-	354,000	370,153
2025-2029	-	-	1,987,000	1,630,254
2030-2034	-	-	2,270,000	1,202,719
2035-2039	-	-	2,361,000	626,201
2040-2044	-	-	1,385,000	144,006
2045	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,645,500</b>	<b>\$ 5,588,763</b>
Unamortized premium	-	-	698,902	
<b>Carrying Value</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,344,402</b>	<b>\$ 5,588,763</b>

**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, 2019 was \$4,920,000.

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
 June 30, 2019

**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 \$757,363 are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
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
2025	-	-
Total	<u>\$ 4,920,000</u>	<u>\$ 757,363</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 \$881,607, are as follows:

Year Ending September 30		
	Principal	Interest
2019	\$ 575,040	\$ 106,849
2020	575,040	106,849
2021	575,040	106,849
2022	575,040	106,849
2023	575,040	106,849
Thereafter	1,965,877	347,362
Total	<u>\$ 4,841,077</u>	<u>\$ 881,607</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

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**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.

\$ 231,868

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.

555,789  
\$ 787,657

Debt service requirements to maturity, including interest of \$96,216 are as follows:

Year Ending June 30	Business-type Activities	
	Principal	Interest
2020	\$ 139,005	\$ 28,301
2021	139,005	23,386
2022	139,005	18,471
2023	139,005	13,555
2024	139,005	8,779
2025	92,632	3,724
Total	<u>\$ 787,657</u>	<u>\$ 96,216</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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, 2019, the balance of the bonds was \$37,350,000.

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, 2019, the balance of the bond was \$61,900,000.

Year Ending June 30	Governmental Activities	
	Principal	Interest
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	2,910,000	3,774,244
2025-2029	21,030,000	15,973,181
2030-2034	23,050,000	10,662,744
2035-2039	17,140,000	6,102,966
2040-2044	14,725,000	2,966,444
2045-2049	9,345,000	528,063
Total principal payments	99,250,000	56,476,793
Unamortized premiums	10,403,837	-
Total	<u>\$ 109,653,837</u>	<u>\$ 56,476,793</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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.

**Debt Related to Capital Activities**

Of the total Governmental Activities debt listed, \$6,262,130 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, 2019:

	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion of Balance
<b>Governmental activities:</b>					
Installment purchases	\$ -	\$ -	\$ -	\$ -	\$ -
Qualified Zone Academy bonds	1,590,703	-	248,573	1,342,130	334,283
Revenue bonds	5,920,000	-	1,000,000	4,920,000	990,000
Limited Obligation bonds	101,915,000	-	2,665,000	99,250,000	2,695,000
Unamortized premium on LOBs	10,873,928	-	470,091	10,403,837	-
Net pension liability (LGRS)	4,804,212	2,666,355	-	7,470,567	-
Total pension liability (LEOSSA)	1,581,086	73,362	-	1,654,448	-
Compensated absences	2,033,233	63,375	-	2,096,608	1,341,829
Net OPEB Liability	11,840,451	-	1,353,916	10,486,535	-
Total governmental activities	\$ 140,558,613	\$ 2,803,092	\$ 5,737,580	\$ 137,624,125	\$ 5,361,112
<b>Business-type activities:</b>					
General obligation debt	\$ 9,936,000	\$ -	\$ 290,500	\$ 9,645,500	\$ 307,000
Installment purchases	1,694,038	-	26,523	1,667,515	27,390
State Clean Water bonds	926,663	-	139,006	787,657	139,005
Unamortized premium on GOs	726,994	-	28,092	698,902	-
Net pension liability (LGRS)	104,667	36,663	-	141,330	-
Compensated absences	55,260	4,773	-	60,033	55,230
Net OPEB Liability	187,549	40,916	-	228,465	-
Total business-type activities	\$ 13,631,171	\$ 82,352	\$ 484,121	\$ 13,229,402	\$ 528,625

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**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.

<b>Discretely presented component units:</b>	Beginning Balance	Increase	Decrease	Ending Balance	Current Portion of Balance
Revenue bonds	\$ 5,416,117	\$ -	\$ 575,040	\$ 4,841,077	\$ 575,040
Capital Leases	1,728,944	-	514,246	1,214,698	460,430
Compensated absences	1,677,838	-	46,413	1,631,425	-
<b>Total</b>	<b>\$ 8,822,899</b>	<b>\$ -</b>	<b>\$ 1,135,699</b>	<b>\$ 7,687,200</b>	<b>\$ 1,035,470</b>

**C. Interfund Balances and Activity**

Transfers to/from other funds at June 30, 2019 consists of the following:

From the General Fund to the County Capital Project fund to provide for County & School Building construction and major repairs	\$ 505,000
Total Transfers out from the General Fund	<u>505,000</u>
From the Sampson Area Transportation Fund to the General Fund to provide services for the elderly	617,305
From the School Capital Reserve Fund to the General Fund to pay debt on school projects and school capital outlay	2,206,378
From the County Bldgs. Construction Fund to the General Fund	2,492
From the County Capital Project Fund to the General Fund to pay for Livestock Arena maintenance costs	2,000
Total Transfers into the General Fund	<u>2,828,175</u>
Total	<u><u>\$ 3,333,175</u></u>

Interfund balances at June 30, 2019, consists of the following:

Due to the General Fund from:	
Airport Construction Capital Project Fund	\$ 757,916
Nonmajor Governmental Funds	
Hazard Mitigation Plan Update Special Revenue Fund	-
Sampson Area Transportation Special Revenue Fund	298,808
Community Development ESFR-17 Special Revenue Fund	6,292
Disaster Recovery NCEM Hazard Mitigation Special Revenue Fund	538
Disaster Recovery NCEM DRA-17 Special Revenue Fund	2,930
Total nonmajor (other) governmental funds	<u>308,568</u>
Total all funds	<u><u>\$ 1,066,484</u></u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

**II. DETAIL NOTES ON ALL FUNDS (Continued)**

**D. Net Investment in Capital Assets**

	Governmental	Business-type
Capital Assets	\$ 125,914,419	\$ 24,055,659
Less: long-term debt	99,250,000	12,100,672
Add: unexpended debt proceeds	-	-
<b>Net Investment in Capital Assets</b>	<b>\$ 26,664,419</b>	<b>\$ 11,954,987</b>

**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>	\$ 32,473,292
Less:	
Inventories	8,860
Stabilization by State Statute	7,635,808
Public Safety	600,416
Debt Service	-
Revaluation	261,523
Capital Projects	3,341,318
Economic Development	1,750,000
Appropriated Fund Balance in 2019-2020 budget	3,114,602
Remaining Fund Balance	15,760,765

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts 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.



**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, 2019. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$216,280 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 \$1,417,500 and \$48,023 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2019. 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, 2019. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at Sunset Avenue, Clinton, North Carolina.

**V. 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.

**VI. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through December 4, 2019, which is the date the financial statements were available to be issued.

**SAMPSON COUNTY, NORTH CAROLINA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**June 30, 2019**

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**VII. 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, \$216,350 was collected, \$216,350 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.

**VIII. 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: Disaster Recovery NCEM DRA-17 (\$1,608); and Disaster Recovery NCEM Hazard Mitigation (\$538) Capital Project Fund: Airport Expansion (\$756,991). The deficits occurred because of the timing of payments. Management intends to appropriate funds as necessary to cover deficit fund balance.

***Required Supplemental Financial Data***

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

**Local Government Employees' Retirement System**

	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.32086%	0.32132%	0.30882%	0.30020%	0.30319%	0.30300%
County's proportion of the net pension liability (asset) (\$)	\$ 7,611,897	\$ 4,908,879	\$ 6,554,194	\$ 1,347,286	\$ (1,788,051)	\$ 3,652,314
County's covered-employee payroll	\$ 20,094,797	\$ 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	37.88%	25.01%	36.07%	7.91%	-10.65%	21.98%
Plan fiduciary net position as a percentage of the total pension liability**	92.00%	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

\*\*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 SIX FISCAL YEARS**

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**Local Government Employees' Retirement System**

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,750,269	\$ 1,540,895	\$ 1,465,307	\$ 1,240,804	\$ 1,215,792	\$ 1,170,977
Contributions in relation to the contractually required contribution	\$ 1,750,269	1,540,895	1,465,307	1,240,804	1,215,792	1,170,977
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 21,952,460	\$ 20,094,797	\$ 19,626,173	\$ 18,168,885	\$ 17,033,631	\$ 16,791,093
Contributions as a percentage of covered-employee payroll	7.92%	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 SIX FISCAL YEARS\***

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**Register of Deeds' Supplemental Pension Fund**

	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.47328%	0.48418%	0.50078%	0.48569%	0.48841%	0.45784%
County's proportion of the net pension liability (asset) (\$)	\$ (78,389)	\$ (82,645)	\$ (93,625)	\$ (112,554)	\$ (110,703)	\$ (97,795)
County's covered-employee payroll	\$ 61,032	\$ 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	(128.44%)	(135.47%)	(159.03%)	(192.52%)	(196.26%)	-168.10%
Plan fiduciary net position as a percentage of the total pension liability**	153.31%	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 SIX FISCAL YEARS**

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**Register of Deeds' Supplemental Pension Fund**

	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 4,614	\$ 4,614	\$ 4,478	\$ 3,974	\$ 4,133	\$ 3,988
Contributions in relation to the contractually required contribution	4,614	4,614	4,478	3,974	4,133	3,988
Contributions deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered employee payroll	\$ 61,032	\$ 61,032	\$ 61,005	\$ 58,872	\$ 58,464	\$ 56,407
Contributions as a percentage of covered-employee payroll	7.56%	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, 2019**

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**Law Enforcement Officers' Special Separation Allowance**

	2019	2018	2017
<b>Beginning balance</b>	\$ 1,581,086	\$ 1,412,568	\$ 1,334,635
Service cost	107,072	94,447	97,635
Interest on the total pension liability	49,388	54,041	47,199
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	33,538	(84,764)	-
Changes of assumptions or other inputs	(80,304)	129,878	(41,817)
Benefit payments	(36,332)	(25,084)	(25,084)
Other changes	-	-	-
<b>Ending balance of the total pension liability</b>	<u>\$ 1,654,448</u>	<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, 2019**

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**Law Enforcement Officers' Special Separation Allowance**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 1,654,448	\$ 1,581,086	\$ 1,412,568
Covered payroll	3,843,201	3,802,584	3,553,569
Total pension liability as a percentage of covered payroll	<u>43.05%</u>	<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, 2019\***

<u>Total OPEB Liability</u>	<u>2019</u>	<u>2018</u>
Service Cost	\$ 442,000	\$ 431,000
Interest	427,000	426,000
Changes of benefit terms	-	-
Differences between expect and actual experience	(1,156,000)	-
Changes of assumptions	(55,000)	-
Benefit payments	(971,000)	(740,000)
<b>Net changes in Total OPEB Liability</b>	<b>(1,313,000)</b>	<b>117,000</b>
<b>Total OPEB Liability - Beginning</b>	<b>12,028,000</b>	<b>11,911,000</b>
<b>Total OPEB Liability - Ending</b>	<b><u>\$ 10,715,000</u></b>	<b><u>\$ 12,028,000</u></b>
 <b><u>Plan Fiduciary Net Position</u></b>		
Contributions - employer	\$ 971,000	\$ 740,000
Contributions - employee	-	-
Net investment income	-	-
Benefit payments, including refunds of employee contributions	(971,000)	(740,000)
Administrative expenses	-	-
Other	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b><u>-</u></b>	<b><u>-</u></b>
 <b>County's Net OPEB Liability - Ending</b>	 <b><u>\$ 10,715,000</u></b>	 <b><u>\$ 12,028,000</u></b>
 <b>Plan Fiduciary Net Position as a percentage of the Total OPEB Liability</b>	 <b>0.00%</b>	 <b>0.00%</b>

\*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, 2019**

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 971,000	\$ 740,000
Contributions in relation to the actuarially determined contribution	971,000	740,000
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Expected covered-employee payroll	\$ 10,446,000	\$ 10,446,000
Contributions as a percentage of covered-employee payroll	9.30%	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***

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**SAMPSON COUNTY, NORTH CAROLINA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Taxes:			
Ad valorem	\$ 37,905,568	\$ 38,649,855	\$ 744,287
Penalties and interest	294,000	278,338	(15,662)
Total	38,199,568	38,928,193	728,625
Sales Tax:			
One cent	3,873,772	4,056,178	182,406
One half cent article 40	2,634,105	2,793,351	159,246
One half cent article 42	914,550	977,919	63,369
Article 44	1,600,000	1,693,799	93,799
One quarter cent article 46	1,153,740	1,234,096	80,356
Total	10,176,167	10,755,343	579,176
Restricted:			
State grants	11,640,481	10,413,623	(1,226,858)
Federal grants	1,362,534	1,124,679	(237,855)
Court facility fees	164,000	189,250	25,250
Local grants	63,606	62,572	(1,034)
Total	13,230,621	11,790,124	(1,440,497)
Permits and Fees:			
Register of deeds	309,000	340,234	31,234
Inspection	349,000	435,384	86,384
Franchise	47,500	44,972	(2,528)
Total	705,500	820,590	115,090
Sales and Services:			
Tax Collection Fees:			
Towns	4,710	4,599	(111)
City of Clinton	60,400	59,122	(1,278)
Tax collection	227,000	143,630	(83,370)
Jail fees	1,366,000	1,464,122	98,122
Sheriff fees	931,692	930,924	(768)
Health fees	920,825	1,051,082	130,257
Ambulance fees	2,675,000	2,021,681	(653,319)
Aging services fees	492,170	549,792	57,622
Total	6,677,797	6,224,952	(452,845)

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Investment Earnings	\$ -	\$ 395,492	\$ 395,492
Miscellaneous:			
Board of elections	-	177	177
Short-term vehicle lease	16,500	20,553	4,053
Recreation	46,000	43,744	(2,256)
Agri-Exposition center	273,925	229,547	(44,378)
Rent	2,069,886	2,790,222	720,336
Other	435,455	568,988	133,533
Total	2,841,766	3,653,231	811,465
Total revenues	71,831,419	72,567,925	736,506
<b>Expenditures</b>			
General Government			
Governing Body			
Salaries and employee benefits		85,288	
Operations and maintenance		39,229	
Total	132,025	124,517	7,508
Administration			
Salaries and employee benefits		437,932	
Operations and maintenance		38,739	
Total	509,060	476,671	32,389
Human Resources			
Salaries and employee benefits		252,833	
Operations and maintenance		50,475	
Total	360,483	303,308	57,175
Airport			
Operations and maintenance		96,518	
Total	110,483	96,518	13,965
Finance			
Salaries and employee benefits		1,413,634	
Operations and maintenance		756,628	
Capital outlay		-	
Total	2,328,021	2,170,262	157,759

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Data Processing			
Salaries and employee benefits		\$ 249,788	
Operations and maintenance		424,568	
Capital outlay		28,774	
Total	\$ 808,781	703,130	\$ 105,651
Communications Tower			
Operations and maintenance		18,421	
Total	20,192	18,421	1,771
Tax Administration			
Salaries and employee benefits		971,087	
Operations and maintenance		406,167	
Total	1,511,979	1,377,254	134,725
Legal			
Salaries and employee benefits		158,822	
Operations and maintenance		13,897	
Total	194,217	172,719	21,498
Courts			
Operations and maintenance		23,679	
Total	27,666	23,679	3,987
Board of Elections			
Salaries and employee benefits		85,420	
Operations and maintenance		173,487	
Total	284,836	258,907	25,929
Register of Deeds			
Salaries and employee benefits		324,333	
Operations and maintenance		76,242	
Capital outlay		4,850	
Total	419,245	405,425	13,820



**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Public Buildings			
Salaries and employee benefits		\$ 403,435	
Operations and maintenance		909,109	
Capital outlay		353,106	
Total	\$ 1,781,515	1,665,650	\$ 115,865
Total General Government	8,488,503	7,796,461	692,042
Public Safety			
Sheriff			
Salaries and employee benefits		5,750,295	
Operations and maintenance		1,303,494	
Capital outlay		624,713	
Total	7,835,602	7,678,502	157,100
Detention Center			
Salaries and employee benefits		2,046,992	
Operations and maintenance		1,271,472	
Capital outlay		52,582	
Total	3,813,736	3,371,046	442,690
Communications			
Salaries and employee benefits		1,011,321	
Operations and maintenance		95,273	
Capital outlay		1,623	
Total	1,146,050	1,108,217	37,833
Emergency Management			
Salaries and employee benefits		455,498	
Operations and maintenance		139,537	
Capital outlay		78,159	
Total	692,783	673,194	19,589
Volunteer Fire Departments			
Assistance to County fire departments		250,752	
Total	253,441	250,752	2,689

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Inspections			
Salaries and employee benefits		\$ 522,612	
Operations and maintenance		64,560	
Total	\$ 645,095	587,172	\$ 57,923
Coroner			
Professional services		57,900	
Total	63,600	57,900	5,700
Rescue			
Salaries and employee benefits		3,529,502	
Assistance to County rescue units		148,649	
Operations and maintenance		806,660	
Capital outlay		114,941	
Total	4,803,418	4,599,752	203,666
Dive Team			
Contracted services		15,940	
Total	15,940	15,940	-
Animal Control			
Salaries and employee benefits		187,556	
Operations and maintenance		177,546	
Total	367,874	365,102	2,772
Total Public Safety	19,637,539	18,707,577	929,962
Environmental Protection			
Solid Waste			
Contracted services		860,433	
Operations and maintenance		12,707	
Total	948,940	873,140	75,800
Forestry			
State forestry program		144,412	
Total	147,126	144,412	2,714

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Cooperative Extension Programs			
4-H Programs		\$ 51,783	
Environmental Defense		710	
Lagoon Management		7,533	
Seminars		4,594	
Total	\$ 80,616	64,620	\$ 15,996
Total Environmental Protection	1,176,682	1,082,172	94,510
Economic and Physical Development			
Industrial Development			
Salaries and employee benefits		164,189	
Operations and maintenance		794,983	
Total	1,228,291	959,172	269,119
Industrial Utility			
Operations and maintenance		100	
Total	308,300	100	308,200
N.C. Cooperative Extension Service			
Salaries and employee benefits		336,836	
Operations and maintenance		41,113	
Total	401,213	377,949	23,264
Soil Conservation			
Salaries and employee benefits		203,250	
Operations and maintenance		8,376	
Total	241,492	211,626	29,866
Total Economic and Physical Development	2,179,296	1,548,847	630,449
Human Services			
Mental Health Administration			
Eastpointe Mental Health		216,680	
Total	216,680	216,680	-

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
<b>Veterans</b>			
Salaries and employee benefits		\$ 125,554	
Operations and maintenance		24,590	
Total	\$ 168,853	150,144	\$ 18,709
<b>Youth Needs Task Force</b>			
Salaries and employee benefits		67,409	
Programs		100,429	
Total	191,002	167,838	23,164
<b>Health</b>			
<b>Administration</b>			
Salaries and employee benefits		12,714	
Operations and maintenance		54,343	
Total	119,096	67,057	52,039
<b>Rural Health</b>			
Salaries and employee benefits		36,017	
Operations and maintenance		29,148	
Capital outlay		-	
Total	182,764	65,165	117,599
<b>School Nurse Initiative</b>			
Contracted services		400,000	
Total	400,000	400,000	-
<b>BCCCP Wise Woman</b>			
Salaries and employee benefits		2,000	
Operations and maintenance		-	
Total	7,830	2,000	5,830
<b>Communicable Disease</b>			
Salaries and employee benefits		189,110	
Operations and maintenance		45,989	
Total	335,268	235,099	100,169

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
<b>Adult Services</b>			
Salaries and employee benefits		\$ 18,619	
Operations and maintenance		54,362	
Total	\$ 82,901	72,981	\$ 9,920
<b>Breast and Cervical Cancer</b>			
Salaries and employee benefits		3,474	
Operations and maintenance		8,459	
Total	14,945	11,933	3,012
<b>Immunization</b>			
Salaries and employee benefits		119,182	
Operations and maintenance		88,811	
Total	222,140	207,993	14,147
<b>Maternal Health &amp; Outreach</b>			
Salaries and employee benefits		363,717	
Operations and maintenance		179,060	
Total	602,969	542,777	60,192
<b>Family Planning</b>			
Salaries and employee benefits		281,271	
Operations and maintenance		85,604	
Total	383,138	366,875	16,263
<b>WIC</b>			
Salaries and employee benefits		333,072	
Operations and maintenance		65,564	
Total	399,529	398,636	893
<b>Child Services Coordination</b>			
Salaries and employee benefits		176,284	
Operations and maintenance		19,221	
Total	213,454	195,505	17,949
<b>Pregnancy Care Management</b>			
Salaries and employee benefits		188,736	
Operations and maintenance		34,487	
Total	249,268	223,223	26,045

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Child Health			
Salaries and employee benefits		\$ 81,030	
Operations and maintenance		17,869	
Total	\$ 112,414	98,899	\$ 13,515
Environmental Health			
Salaries and employee benefits		446,616	
Operations and maintenance		98,698	
Capital outlay		8,400	
Total	563,201	553,714	9,487
Food and Lodging			
Operations and maintenance		11,065	
Total	11,416	11,065	351
State Bio-Terrorism			
Salaries and employee benefits		38,590	
Operations and maintenance		1,143	
Total	40,937	39,733	1,204
Total Health	3,941,270	3,492,655	448,615
Social Services			
Administration			
Salaries and employee benefits		8,245,453	
Operations and maintenance		1,633,143	
Capital outlay		-	
Total	9,987,489	9,878,596	108,893

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Assistance			
Food stamp issuance		\$ 17,489	
WFBG programs		244	
Medicaid transportation		79,424	
AA-AD-AB rest homes		594,410	
Aid to the blind		5,657	
Crisis intervention program		38,617	
In-Home services		13,041	
Foster care		939,340	
Adoption assistance		142,954	
Low income energy assistance		348,800	
Other programs		80,492	
Total	\$ 2,831,246	2,260,468	\$ 570,778
Total Social Services	12,818,735	12,139,064	679,671
Aging and In-Home Services			
Personal Care CAP Medicaid			
Salaries and employee benefits		151,472	
Operations and maintenance		83,183	
Total	252,289	234,655	17,634
SHIIP			
Salaries and employee benefits			
Salaries and employee benefits		2,906	
Operations and maintenance		3,702	
Total	9,347	6,608	2,739
Personal Care Block Grant			
Salaries and employee benefits		131,954	
Operations and maintenance		268,429	
Total	437,000	400,383	36,617
Home Repairs			
Salaries and employee benefits		88,124	
Operations and maintenance		97,904	
Capital outlay		4,336	
Total	194,218	190,364	3,854

**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Senior Center and Senior Ctr Outreach			
Salaries and employee benefits		\$ 89,319	
Operations and maintenance		44,633	
Total	\$ 136,968	133,952	\$ 3,016
Adult Daycare			
Salaries and employee benefits		208,069	
Operations and maintenance		39,024	
Total	256,697	247,093	9,604
Information/Case Assistance			
Salaries and employee benefits		67,684	
Operations and maintenance		6,012	
Total	75,096	73,696	1,400
Nutrition Program			
Salaries and employee benefits		136,766	
Operations and maintenance		301,963	
Total	446,835	438,729	8,106
Family Caregiver Support			
Salaries and employee benefits		9,299	
Operations and maintenance		15,044	
Total	34,366	24,343	10,023
Total Aging and In-Home Services	1,842,816	1,749,823	92,993
Total Human Services	19,179,356	17,916,204	1,263,152



**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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Education			
Contributions to other units			
Current Expense			
Sampson County Board of Education	\$ 8,773,283	\$ 8,773,283	\$ -
Clinton City Board of Education	3,201,655	3,201,655	-
Sampson Community College	1,417,500	1,417,500	-
Capital Outlay			
Sampson County Board of Education	2,032,911	473,251	1,559,660
Clinton City Board of Education	388,630	276,127	112,503
Sampson Community College	704,000	48,023	655,977
Total Education	<u>16,517,979</u>	<u>14,189,839</u>	<u>2,328,140</u>
Culture and Recreation			
Library			
Salaries and employee benefits		536,790	
Operations and maintenance		140,465	
Capital outlay		97,060	
Total	<u>815,768</u>	<u>774,315</u>	<u>41,453</u>
Special Appropriations			
Special projects		69,192	
Total	<u>69,892</u>	<u>69,192</u>	<u>700</u>
Recreation			
Salaries and employee benefits		435,719	
Operations and maintenance		96,498	
Programs		101,601	
Capital outlay		32,189	
Total	<u>691,288</u>	<u>666,007</u>	<u>25,281</u>
Agri-Exposition Center			
Salaries and employee benefits		129,462	
Operations and maintenance		396,688	
Capital outlay		75,358	
Total	<u>698,832</u>	<u>601,508</u>	<u>97,324</u>
Total Culture and Recreation	<u>2,275,780</u>	<u>2,111,022</u>	<u>164,758</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, 2019**

	Final Budget	Actual	Variance Positive (Negative)
Debt Service			
Principal		\$ 3,913,572	
Interest and fees		4,701,233	
Administration		110,911	
Total Debt Service	\$ 9,402,845	8,725,716	\$ 677,129
Contingency	278,959	-	278,959
Total expenditures	79,136,939	72,077,838	7,059,101
Excess (deficiency) of revenues over expenditures	(7,305,520)	490,087	(6,322,595)
<b>Other financing sources (uses)</b>			
Transfers in	4,747,846	2,828,175	(1,919,671)
Transfers out	(505,000)	(505,000)	-
Loan proceeds	683,944	-	(683,944)
Total Other Financing Sources (Uses)	4,926,790	2,323,175	(2,603,615)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(2,378,730)	2,813,262	(434,532)
Appropriated Fund Balance	2,378,730	-	(2,378,730)
Net change in fund balance	\$ -	2,813,262	\$ (2,813,262)
Fund balance - beginning		26,057,189	
Fund balance - ending		\$ 28,870,451	

**SAMPSON COUNTY, NORTH CAROLINA  
 REVALUATION FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

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	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Ad-valorem taxes	\$ -	\$ 122,000	\$ 122,000
Investment earnings		5,029	5,029
Total revenues	<u>122,000</u>	<u>127,029</u>	<u>127,029</u>
<b>Expenditures</b>			
Real property appraisals	<u>410,000</u>	<u>393,344</u>	<u>16,656</u>
Excess (deficiency) of revenues over expenditures	<u>(288,000)</u>	<u>(266,315)</u>	<u>143,685</u>
<b>Other Financing Sources</b>			
Transfer from General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures	(288,000)	(266,315)	21,685
Appropriated Fund Balance	<u>288,000</u>	<u>-</u>	<u>(288,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(266,315)</u>	<u>\$ (266,315)</u>
Fund balance - beginning		<u>527,838</u>	
Fund balance - ending		<u>\$ 261,523</u>	

**SAMPSON COUNTY, NORTH CAROLINA  
COUNTY CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Investment earnings:			
Library reserve	\$ -	\$ 5	\$ 5
Airport reserve	-	6,473	6,473
Livestock arena reserve	-	920	920
Schools building reserve	-	25,185	25,185
County building reserve	-	24,906	24,906
Water line repairs	-	775	775
Total revenues	<u>-</u>	<u>58,264</u>	<u>58,264</u>
<b>Expenditures</b>			
County building reserve	287,105	-	287,105
Airport reserve	10,000	-	10,000
Schools building reserve	450,000	-	450,000
Total expenditures	<u>747,105</u>	<u>-</u>	<u>747,105</u>
Excess (deficiency) of revenues over expenditures	<u>(747,105)</u>	<u>58,264</u>	<u>805,369</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in (out)			
To General fund	(2,000)	(2,000)	-
To Airport capital project	(3,198)	-	3,198
From Closed capital project	37,105	37,105	-
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	157,500	45,000
Total other financing sources (uses)	<u>491,907</u>	<u>540,105</u>	<u>48,198</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>(255,198)</u>	<u>598,369</u>	<u>853,567</u>
Appropriated Fund Balance	<u>255,198</u>	<u>-</u>	<u>(255,198)</u>
Net change in fund balance	<u>\$ -</u>	<u>598,369</u>	<u>\$ 598,369</u>
Fund balance - beginning		<u>2,742,949</u>	
Fund balance - ending		<u>\$ 3,341,318</u>	

**SAMPSON COUNTY, NORTH CAROLINA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL-SCHOOLS CAPITAL PROJECT FUND**  
**For the Year Ended June 30, 2019**

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	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Other taxes and licenses	\$ 2,592,500	\$ 2,664,029	\$ 71,529
Investment earnings		58,390	58,390
Total revenues	<u>2,592,500</u>	<u>2,722,419</u>	<u>129,919</u>
<b>Expenditures</b>			
Unallocated capital outlay	-	-	-
Total expenditures	-	-	-
<b>Other Financing Sources (Uses)</b>			
Transfers (out)			
To General Fund for:			
County schools capital outlay	(2,032,911)	(473,251)	1,559,660
City schools capital outlay	(388,630)	(276,127)	112,503
Debt service	<u>(1,457,000)</u>	<u>(1,457,000)</u>	-
Total other financing uses	(3,878,541)	(2,206,378)	1,672,163
Revenues, Expenditures and Other Financing Uses			
Over (Under) Expenditures	(1,286,041)	516,041	1,802,082
Appropriated Fund Balance	<u>1,286,041</u>	-	<u>(1,286,041)</u>
Net change in fund balance	<u>\$ -</u>	516,041	<u>\$ 516,041</u>
Fund balance - beginning		<u>3,502,366</u>	
Fund balance - ending		<u>\$ 4,018,407</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 Year Ended June 30, 2019**

	Project Authorization	Prior Years	Actual Current Year	Inception to Date	Variance with Final Positive (Negative)
<b>Revenues</b>					
Investment earnings	\$ 24,000	\$ 151,869	\$ 2,740	\$ 154,609	\$ 130,609
Sales tax refund	-	279,498	-	279,498	279,498
Total revenues	<u>24,000</u>	<u>431,367</u>	<u>2,740</u>	<u>434,107</u>	<u>410,107</u>
<b>Expenditures</b>					
School Construction:					
Clinton City Schools other	2,024,000	2,004,307	-	2,004,307	19,693
Sampson County Schools other	2,000,000	1,994,107	227	1,994,334	5,666
Community Facilities	<u>2,536,536</u>	<u>2,460,437</u>	<u>-</u>	<u>2,460,437</u>	<u>76,099</u>
Total expenditures	6,560,536	6,458,851	227	6,459,078	101,458
Excess (deficiency) of revenues over expenditures	<u>(6,536,536)</u>	<u>(6,027,484)</u>	<u>2,513</u>	<u>(6,024,971)</u>	<u>511,565</u>
<b>Other Financing Sources (Uses)</b>					
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>849,453</u>	<u>2,513</u>	<u>851,966</u>	<u>851,966</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 849,453</u>	2,513	<u>\$ 851,966</u>	<u>\$ 851,966</u>
Fund balance - beginning			<u>849,453</u>		
Fund balance - ending			<u>\$ 851,966</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State, Federal, and Local Grants:					
Federal AIR-21	\$ 4,870,697	\$ 3,978,097	\$ 24,820	\$ 4,002,917	\$ (867,780)
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>4,132,812</u>	<u>24,820</u>	<u>4,157,632</u>	<u>(983,660)</u>
<b>Expenditures</b>					
Capital Expansion:					
Professional services	1,771,793	1,388,371	37,933	1,426,304	345,489
Capital outlay	58,520	58,520	-	58,520	-
Construction costs	3,155,506	2,946,560	8,870	2,955,430	200,076
Land	<u>426,068</u>	<u>340,027</u>	<u>331,250</u>	<u>671,277</u>	<u>(245,209)</u>
Total expenditures	<u>5,411,887</u>	<u>4,733,478</u>	<u>378,053</u>	<u>5,111,531</u>	<u>300,356</u>
Excess (deficiency) of revenues over expenditures	<u>(270,595)</u>	<u>(600,666)</u>	<u>(353,233)</u>	<u>(953,899)</u>	<u>(683,304)</u>
<b>Other Financing Sources</b>					
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>\$ (403,758)</u>	<u>(353,233)</u>	<u>\$ (756,991)</u>	<u>\$ (756,991)</u>
Fund balance - beginning			<u>(403,758)</u>		
Fund balance - ending			<u>\$ (756,991)</u>		

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2019**

	Special Revenue Funds			
	Emergency Telephone System	Sampson Area Transportation	Head Start	Fire Districts
<b>ASSETS</b>				
Cash and cash equivalents	\$ 827,149	\$ -	\$ -	\$ 988,664
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	92,979
Other receivables	20,083	420,563	-	31,020
<b>TOTAL ASSETS</b>	<b>\$ 847,232</b>	<b>\$ 420,563</b>	<b>\$ -</b>	<b>\$ 1,112,663</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Current Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 49,674	\$ 26,367	\$ -	\$ 10,117
Due to General Fund	-	298,808	-	-
Deferred tax revenue	-	-	-	92,979
<b>Total Liabilities</b>	<b>49,674</b>	<b>325,175</b>	<b>-</b>	<b>103,096</b>
<b>Fund Balances (Deficits):</b>				
<b>Restricted</b>				
Stabilization by state statute	20,083	420,563	-	31,020
Public safety	-	-	-	978,547
<b>Assigned</b>				
General government	-	-	-	-
Public safety	777,475	-	-	-
Environmental protection	-	-	-	-
Human services	-	(325,175)	-	-
Culture and recreation	-	-	-	-
Capital expansion	-	-	-	-
Subsequent year's expenditures	-	-	-	-
<b>Unassigned</b>				
Unassigned	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>797,558</b>	<b>95,388</b>	<b>-</b>	<b>1,009,567</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 847,232</b>	<b>\$ 420,563</b>	<b>\$ -</b>	<b>\$ 1,112,663</b>



**SAMPSON COUNTY, NORTH CAROLINA  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 June 30, 2019**

	Special Revenue Funds			
	Soil and Water District	Hazard Mitigation Plan Update	Community Development SFR-14	Urgent Home Repair Project
<b>ASSETS</b>				
Cash and cash equivalents	\$ 77,497	\$ -	\$ -	\$ 42,909
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	-
Other receivables	137	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 77,634</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 42,909</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Current Liabilities:</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to General Fund	-	-	-	-
Deferred tax revenue	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficits):</b>				
<b>Restricted</b>				
Stabilization by state statute	-	-	-	-
Public Safety	-	-	-	-
<b>Assigned</b>				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental protection	77,634	-	-	-
Human services	-	-	-	42,909
Culture and recreation	-	-	-	-
Capital expansion	-	-	-	-
Subsequent year's expenditures	-	-	-	-
<b>Unassigned</b>				
<b>Total Fund Balances (Deficits)</b>	<b>77,634</b>	<b>-</b>	<b>-</b>	<b>42,909</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 77,634</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 42,909</b>

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2019**

	Special Revenue Funds			
	Homeland Security Equipment	Employment and Training	Community Development ESFR-17	Disaster Recovery ESFR-17 Matthew
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 12,473
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	-
Other receivables	-	-	15,033	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,033</b>	<b>\$ 12,473</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Current Liabilities:</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 8,728	\$ -
Due to General Fund	-	-	6,292	-
Deferred tax revenue	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>15,020</b>	<b>-</b>
<b>Fund Balances (Deficits):</b>				
<b>Restricted</b>				
Stabilization by state statute	-	-	15,033	-
Public Safety	-	-	-	-
<b>Assigned</b>				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental protection	-	-	-	-
Human services	-	-	(15,020)	12,473
Culture and recreation	-	-	-	-
Capital expansion	-	-	-	-
Subsequent year's expenditures	-	-	-	-
<b>Unassigned</b>				
<b>Total Fund Balances (Deficits)</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>12,473</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,033</b>	<b>\$ 12,473</b>

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2019**

	Special Revenue Funds		
	Disaster Rec. NCEM DRA-17	Disaster Rec. NCEM Hazard Mitigation	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ -	\$ 1,948,692
Restricted cash	-	-	-
Taxes receivable (net)	-	-	92,979
Other receivables	2,131	-	488,967
<b>TOTAL ASSETS</b>	<b>\$ 2,131</b>	<b>\$ -</b>	<b>\$ 2,530,638</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Current Liabilities:			
Accounts payable and accrued liabilities	\$ 809	\$ -	\$ 95,695
Due to General Fund	2,930	538	308,568
Deferred tax revenue	-	-	92,979
<b>Total Liabilities</b>	<b>3,739</b>	<b>538</b>	<b>497,242</b>
Fund Balances (Deficits):			
Restricted			
Stabilization by state statute	2,131	-	488,830
Public Safety	-	-	978,547
Assigned			
General government	-	-	-
Public safety	-	-	777,475
Environmental protection	-	-	77,634
Human services	(3,739)	(538)	(289,090)
Culture and recreation	-	-	-
Capital expansion	-	-	-
Subsequent year's expenditures	-	-	-
Unassigned			
Total Fund Balances (Deficits)	(1,608)	(538)	2,033,396
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,131</b>	<b>\$ -</b>	<b>\$ 2,530,638</b>

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2019**

	Capital Project Funds			Total Nonmajor Governmental Funds
	Courthouse Annex Renovation	County Bldgs Construction & Renovation	Total Nonmajor Capital Project Funds	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 29,104	\$ 5,508	\$ 34,612	\$ 1,983,304
Restricted cash	-	-	-	-
Taxes receivable (net)	-	-	-	92,979
Other receivables	-	-	-	488,967
<b>TOTAL ASSETS</b>	<b>\$ 29,104</b>	<b>\$ 5,508</b>	<b>\$ 34,612</b>	<b>\$ 2,565,250</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Current Liabilities:</b>				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ 95,695
Due to General Fund	-	-	-	308,568
Deferred tax revenue	-	-	-	92,979
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>497,242</b>
<b>Fund Balances (Deficits):</b>				
<b>Restricted</b>				
Stabilization by state statute	-	-	-	488,830
Public Safety	-	-	-	978,547
<b>Assigned</b>				
General government	-	-	-	-
Public safety	-	-	-	777,475
Environmental protection	-	-	-	77,634
Human services	-	-	-	(289,090)
Culture and recreation	-	-	-	-
Capital expansion	29,104	5,508	34,612	34,612
Subsequent year's expenditures	-	-	-	-
<b>Unassigned</b>				
	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>29,104</b>	<b>5,508</b>	<b>34,612</b>	<b>2,068,008</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 29,104</b>	<b>\$ 5,508</b>	<b>\$ 34,612</b>	<b>\$ 2,565,250</b>

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2019**

	Special Revenue Funds			
	Emergency Telephone System	Sampson Area Transportation	Head Start	Fire Districts
<b>Revenues</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 2,905,215
Sales taxes	-	-	-	-
State, federal and local grants	-	410,568	-	-
Fees	240,994	1,469,262	-	-
Investment earnings	14,631	-	-	17,570
Miscellaneous	-	-	-	-
Total revenues	<u>255,625</u>	<u>1,879,830</u>	<u>-</u>	<u>2,922,785</u>
<b>Expenditures</b>				
General government	-	-	-	-
Public safety	264,807	-	-	2,940,665
Environmental protection	-	-	-	-
Human services	-	1,125,591	1,401	-
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	<u>264,807</u>	<u>1,125,591</u>	<u>1,401</u>	<u>2,940,665</u>
Excess (deficiency) of revenues over expenditures:	<u>(9,182)</u>	<u>754,239</u>	<u>(1,401)</u>	<u>(17,880)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(617,305)	-	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(617,305)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(9,182)	136,934	(1,401)	(17,880)
Fund balances - beginning	<u>806,740</u>	<u>(41,546)</u>	<u>1,401</u>	<u>1,027,447</u>
Fund balances - ending	<u>\$ 797,558</u>	<u>\$ 95,388</u>	<u>\$ -</u>	<u>\$ 1,009,567</u>

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2019**

	Special Revenue Funds			
	Soil and Water District	Hazard Mitigation Plan Update	Community Development SFR-14	Urgent Home Repair Project
<b>Revenues</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
State, federal and local grants	7,050	-	-	65,000
Fees	-	-	-	-
Investment earnings	1,372	-	-	-
Miscellaneous	1,056	36	-	-
Total revenues	<u>9,478</u>	<u>36</u>	<u>-</u>	<u>65,000</u>
<b>Expenditures</b>				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental protection	7,004	-	-	-
Human services	-	-	1,425	28,108
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	<u>7,004</u>	<u>-</u>	<u>1,425</u>	<u>28,108</u>
Excess (deficiency) of revenues over expenditures	<u>2,474</u>	<u>36</u>	<u>(1,425)</u>	<u>36,892</u>
<b>Other Financing Sources (Uses)</b>				
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	2,474	36	(1,425)	36,892
Fund balances - beginning	<u>75,160</u>	<u>(36)</u>	<u>1,425</u>	<u>6,017</u>
Fund balances - ending	<u>\$ 77,634</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,909</u>

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2019**

	Special Revenue Funds			
	Homeland Security Equipment	Employment and Training	Community Development ESFR-17	Disaster Recovery ESFR-17 Matthew
<b>Revenues</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
State, federal and local grants	-	-	199,242	404,975
Fees	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>199,242</u>	<u>404,975</u>
<b>Expenditures</b>				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental protection	-	-	-	-
Human services	-	11,020	199,216	396,472
Culture and recreation	-	-	-	-
Capital Expansion	24,875	-	-	-
Total Expenditures	<u>24,875</u>	<u>11,020</u>	<u>199,216</u>	<u>396,472</u>
Excess (deficiency) of revenues over expenditures:	<u>(24,875)</u>	<u>(11,020)</u>	<u>26</u>	<u>8,503</u>
<b>Other Financing Sources (Uses)</b>				
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	(24,875)	(11,020)	26	8,503
Fund balances - beginning	24,875	11,020	(13)	3,970
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13</u>	<u>\$ 12,473</u>

**SAMPSON COUNTY, NORTH CAROLINA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2019**

	Special Revenue Funds		
	Disaster Rec. NCEM DRA-17	Disaster Rec. NCEM Hazard Mitigation	Total Nonmajor Special Revenue Funds
<b>Revenues</b>			
Ad valorem taxes	\$ -	\$ -	\$ 2,905,215
Sales taxes	-	-	-
State, federal and local grants	2,131	-	1,088,966
Fees	-	-	1,710,256
Investment earnings	-	-	33,573
Miscellaneous	-	-	1,092
Total revenues	<u>2,131</u>	<u>-</u>	<u>5,739,102</u>
<b>Expenditures</b>			
General government	-	-	-
Public safety	-	-	3,205,472
Environmental protection	-	-	7,004
Human services	2,359	538	1,766,130
Culture and recreation	-	-	-
Capital Expansion	-	-	24,875
Total Expenditures	<u>2,359</u>	<u>538</u>	<u>5,003,481</u>
Excess (deficiency) of revenues over expenditures:	<u>(228)</u>	<u>(538)</u>	<u>735,621</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	(617,305)
Installment purchase debt issued	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(617,305)</u>
Net change in fund balances	(228)	(538)	118,316
Fund balances - beginning	(1,380)	-	1,915,080
Fund balances - ending	<u>\$ (1,608)</u>	<u>\$ (538)</u>	<u>\$ 2,033,396</u>



**SAMPSON COUNTY, NORTH CAROLINA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2019**

	Capital Project Funds			Total Nonmajor Governmental Funds
	Courthouse Annex Renovations	County Bldgs Construction Renovations	Total Nonmajor Capital Project Funds	
<b>Revenues</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 2,905,215
Sales taxes	-	-	-	-
State, federal and local grants	-	-	-	1,088,966
Fees	-	-	-	1,710,256
Investment earnings	-	-	-	33,573
Miscellaneous	-	-	-	1,092
Total revenues	-	-	-	5,739,102
<b>Expenditures</b>				
General government	-	-	-	-
Public safety	-	-	-	3,205,472
Environmental protection	-	-	-	7,004
Human services	-	-	-	1,766,130
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	24,875
Total Expenditures	-	-	-	5,003,481
Excess (deficiency) of revenues over expenditures	-	-	-	735,621
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(2,492)	(2,492)	(619,797)
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	-	(2,492)	(2,492)	(619,797)
Net change in fund balances	-	(2,492)	(2,492)	115,824
Fund balances - beginning	29,104	8,000	37,104	1,952,184
Fund balances - ending	\$ 29,104	\$ 5,508	\$ 34,612	\$ 2,068,008

**SAMPSON COUNTY, NORTH CAROLINA  
EMERGENCY TELEPHONE SYSTEM FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

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	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
NC 911 PSAP fees	\$ 260,794	\$ 240,994	\$ (19,800)
Investment earnings	-	14,631	14,631
Total revenues	<u>260,794</u>	<u>255,625</u>	<u>(5,169)</u>
<b>Expenditures</b>			
Operations and maintenance	32,426	27,222	5,204
Telephone and postage	113,877	88,596	25,281
Contracted services	90,991	75,917	15,074
Capital outlay	73,072	73,072	-
Total expenditures	<u>310,366</u>	<u>264,807</u>	<u>45,559</u>
Excess (deficiency) of revenues over expenditures	<u>(49,572)</u>	<u>(9,182)</u>	<u>40,390</u>
<b>Other financing sources (uses)</b>			
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Finance Sources (Uses) Over (Under) Expenditures	(49,572)	(9,182)	40,390
Appropriated Fund Balance	<u>49,572</u>	<u>-</u>	<u>(49,572)</u>
Net change in fund balance	<u>\$ -</u>	<u>(9,182)</u>	<u>\$ (9,182)</u>
Fund balance - beginning		<u>806,740</u>	
Fund balance - ending		<u>\$ 797,558</u>	

**SAMPSON COUNTY, NORTH CAROLINA**  
**SAMPSON AREA TRANSPORTATION**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2019**

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
State Grants:			
Transportation-capital improvements	\$ 58,501	\$ 55,127	\$ (3,374)
Transportation-riders	166,821	166,464	(357)
Development funds	173,383	172,230	(1,153)
Workfirst	16,772	16,747	(25)
Mileage fees	<u>1,419,603</u>	<u>1,469,262</u>	<u>49,659</u>
Total revenues	<u>1,835,080</u>	<u>1,879,830</u>	<u>44,750</u>
<b>Expenditures</b>			
Salaries and employee benefits	812,656	746,468	66,188
Gas, oil, and tires	184,815	184,802	13
Maintenance and repairs	38,486	36,683	1,803
Operations	82,140	60,626	21,514
Insurance and bonds	36,162	36,162	-
Capital outlay	<u>63,516</u>	<u>60,850</u>	<u>2,666</u>
Total expenditures	<u>1,217,775</u>	<u>1,125,591</u>	<u>92,184</u>
Excess (deficiency) of revenues over expenditures	<u>617,305</u>	<u>754,239</u>	<u>136,934</u>
<b>Other Financing Sources (Uses)</b>			
Transfers:			
To General fund	<u>(617,305)</u>	<u>(617,305)</u>	<u>-</u>
Total other financing sources (uses)	<u>(617,305)</u>	<u>(617,305)</u>	<u>-</u>
Revenues and Other Finance Sources (Uses) Over (Under) Expenditures	-	136,934	136,934
Appropriated Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>136,934</u>	<u>\$ 136,934</u>
Fund balance - beginning		<u>(41,546)</u>	
Fund balance - ending		<u>\$ 95,388</u>	

**SAMPSON COUNTY, NORTH CAROLINA  
GRANTS PROJECT - HEAD START PROGRAMS  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

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

**SAMPSON COUNTY, NORTH CAROLINA  
 FIRE DISTRICTS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2019**

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	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Ad Valorem Taxes:			
Current year	\$ 2,731,633	\$ 2,839,812	\$ 108,179
Prior year	59,450	63,091	3,641
Penalties and interest	-	2,312	2,312
Investment earnings	-	17,570	17,570
Total revenues	<u>2,791,083</u>	<u>2,922,785</u>	<u>131,702</u>
<b>Expenditures</b>			
Fire protection	<u>2,951,476</u>	<u>2,940,665</u>	<u>10,811</u>
Total expenditures	<u>2,951,476</u>	<u>2,940,665</u>	<u>10,811</u>
Excess (deficiency) of revenues over expenditures	<u>(160,393)</u>	<u>(17,880)</u>	<u>142,513</u>
Appropriated Fund Balance	<u>160,393</u>	<u>-</u>	<u>(160,393)</u>
Net change in fund balance	<u>\$ -</u>	<u>(17,880)</u>	<u>\$ (17,880)</u>
Fund balance - beginning		<u>1,027,447</u>	
Fund balance - ending		<u>\$ 1,009,567</u>	

**SAMPSON COUNTY, NORTH CAROLINA  
FIRE DISTRICTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BY DISTRICT  
For the Year Ended June 30, 2019**

<u>District</u>	<u>Ad Valorem Taxes &amp; Investment Earnings</u>	<u>Fire Protection Transfers to Districts</u>	<u>Revenues Over (Under) Expenditures</u>	<u>Fund Balance June 30, 2018</u>	<u>Fund Balance June 30, 2019</u>
Coharie	\$ 156,207	\$ 154,603	\$ 1,604	\$ 93,791	\$ 95,395
Franklin	173,552	153,200	20,352	65,563	85,915
Godwin-Falcon	28,794	28,200	594	7,881	8,475
Halls	145,701	145,100	601	24,011	24,612
Herring	146,651	147,570	(919)	18,349	17,430
Honeycutt-Salemburg	181,107	203,400	(22,293)	66,709	44,416
Newton Grove	92,128	89,085	3,043	16,867	19,910
Piney Grove	89,339	88,661	678	32,132	32,810
Plain View	261,801	274,800	(12,999)	71,399	58,400
Spivey's Corner	163,251	182,482	(19,231)	54,064	34,833
Turkey	158,978	151,900	7,078	50,161	57,239
Vanns Crossroads	79,218	78,300	918	20,766	21,684
Clinton	537,796	510,000	27,796	141,700	169,496
Clement	220,130	207,400	12,730	123,302	136,032
Autryville	115,555	111,100	4,455	9,973	14,428
Garland	137,980	129,000	8,980	37,492	46,472
Taylor's Bridge	177,889	230,700	(52,811)	103,026	50,215
Goshen	56,708	55,164	1,544	90,261	91,805
	<u>\$ 2,922,785</u>	<u>\$ 2,940,665</u>	<u>\$ (17,880)</u>	<u>\$ 1,027,447</u>	<u>\$ 1,009,567</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 Year Ended June 30, 2019**

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	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
State Grant	\$ 3,600	\$ 7,050	\$ 3,450
Miscellaneous	1,000	1,056	56
Investment earnings	-	1,372	1,372
Total revenues	<u>4,600</u>	<u>9,478</u>	<u>4,878</u>
<b>Expenditures</b>			
Travel	2,000	1,337	663
Operations and maintenance	<u>8,100</u>	<u>5,667</u>	<u>2,433</u>
Total expenditures	10,100	7,004	3,096
Excess (deficiency) of revenues over expenditures	<u>(5,500)</u>	<u>2,474</u>	<u>1,782</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures	(5,500)	2,474	7,974
Appropriated Fund Balance	<u>5,500</u>	<u>-</u>	<u>(5,500)</u>
Net change in fund balance	<u>\$ -</u>	<u>2,474</u>	<u>\$ 2,474</u>
Fund balance - beginning		<u>75,160</u>	
Fund balance - ending		<u>\$ 77,634</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 60,000	\$ 44,265	\$ -	\$ 44,265	\$ (15,735)
Miscellaneous	-	-	36	36	36
Total revenue	<u>60,000</u>	<u>44,265</u>	<u>36</u>	<u>44,301</u>	<u>(15,699)</u>
<b>Expenditures</b>					
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>44,000</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>	36	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning			<u>(36)</u>		
Fund balance - ending			<u>\$ -</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 568,930	\$ 530,898	\$ -	\$ 530,898	\$ (38,032)
Miscellaneous	1,425	1,500	-	1,500	75
Total revenue	<u>570,355</u>	<u>532,398</u>	<u>-</u>	<u>532,398</u>	<u>(37,957)</u>
<b>Expenditures</b>					
Administration	120,355	114,124	1,425	115,549	4,806
Housing rehabilitation	450,000	416,849	-	416,849	33,151
Total expenditures	<u>570,355</u>	<u>530,973</u>	<u>1,425</u>	<u>532,398</u>	<u>37,957</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 1,425</u>	(1,425)	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning			<u>1,425</u>		
Fund balance - ending			<u>\$ -</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 515,000	\$ 375,000	\$ 65,000	\$ 440,000	\$ (75,000)
Interest earned	390	826	-	826	436
Total revenue	<u>515,390</u>	<u>375,826</u>	<u>65,000</u>	<u>440,826</u>	<u>(74,564)</u>
<b>Expenditures</b>					
Salaries and employee benefits	5,609	5,609	-	5,609	-
Building materials	159,990	86,787	11,483	98,270	61,720
Department supplies	9,000	7,587	-	7,587	1,413
Contracted services	319,136	249,701	16,625	266,326	52,810
Transfer to state agency	21,655	20,125	-	20,125	1,530
Total expenditures	<u>515,390</u>	<u>369,809</u>	<u>28,108</u>	<u>397,917</u>	<u>117,473</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 6,017</u>	36,892	<u>\$ 42,909</u>	<u>\$ 42,909</u>
Fund balance - beginning			<u>6,017</u>		
Fund balance - ending			<u>\$ 42,909</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 94,588	\$ 75,513	\$ -	\$ 75,513	\$ (19,075)
Total revenue	<u>94,588</u>	<u>75,513</u>	<u>-</u>	<u>75,513</u>	<u>(19,075)</u>
<b>Expenditures</b>					
Administration	-	-	-	-	-
Clearance activity	-	-	-	-	-
Department supplies	26,309	26,309	-	26,309	-
Capital Outlay	68,279	24,329	24,875	49,204	19,075
Total expenditures	<u>94,588</u>	<u>50,638</u>	<u>24,875</u>	<u>75,513</u>	<u>19,075</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 24,875</u>	(24,875)	<u>\$ -</u>	<u>\$ -</u>
Fund balance - beginning			<u>24,875</u>		
Fund balance - ending			<u>\$ -</u>		

**SAMPSON COUNTY, NORTH CAROLINA  
EMPLOYMENT AND TRAINING FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Year Ended June 30, 2019**

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	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
State and local grants	\$ -	\$ -	\$ -
Investment earnings	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Salaries and employee benefits	-	-	-
Operations and maintenance	11,021	11,020	1
Total expenditures	<u>11,021</u>	<u>11,020</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	<u>(11,021)</u>	<u>(11,020)</u>	<u>(1)</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures	(11,021)	(11,020)	1
Appropriated Fund Balance	11,021	-	(11,021)
Net change in fund balance	<u>\$ -</u>	<u>(11,020)</u>	<u>\$ (11,020)</u>
Fund balance - beginning		<u>11,020</u>	
Fund balance - ending		<u>\$ -</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 490,000	\$ 33,462	\$ 199,242	\$ 232,704	\$ (257,296)
Miscellaneous	-	-	-	-	-
Total revenue	<u>490,000</u>	<u>33,462</u>	<u>199,242</u>	<u>232,704</u>	<u>(257,296)</u>
<b>Expenditures</b>					
Administration	140,000	33,475	77,866	111,341	28,659
Housing rehabilitation	350,000	-	121,350	121,350	228,650
Total expenditures	<u>490,000</u>	<u>33,475</u>	<u>199,216</u>	<u>232,691</u>	<u>257,309</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (13)</u>	26	<u>\$ 13</u>	<u>\$ 13</u>
Fund balance - beginning			<u>(13)</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 839,340	\$ 164,540	\$ 404,975	\$ 569,515	\$ (269,825)
Miscellaneous	-	-	-	-	-
Total revenue	<u>839,340</u>	<u>164,540</u>	<u>404,975</u>	<u>569,515</u>	<u>(269,825)</u>
<b>Expenditures</b>					
Administration	190,000	35,030	75,362	110,392	79,608
Housing rehabilitation	649,340	125,540	321,110	446,650	202,690
Total expenditures	<u>839,340</u>	<u>160,570</u>	<u>396,472</u>	<u>557,042</u>	<u>282,298</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 3,970</u>	8,503	<u>\$ 12,473</u>	<u>\$ 12,473</u>
Fund balance - beginning			<u>3,970</u>		
Fund balance - ending			<u>\$ 12,473</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 500,000	\$ -	\$ 2,131	\$ 2,131	\$ (497,869)
Miscellaneous	-	-	-	-	-
Total revenue	<u>500,000</u>	<u>-</u>	<u>2,131</u>	<u>2,131</u>	<u>(497,869)</u>
<b>Expenditures</b>					
Administration	100,000	1,380	2,359	3,739	96,261
Housing rehabilitation	400,000	-	-	-	400,000
Total expenditures	<u>500,000</u>	<u>1,380</u>	<u>2,359</u>	<u>3,739</u>	<u>496,261</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (1,380)</u>	(228)	<u>\$ (1,608)</u>	<u>\$ (1,608)</u>
Fund balance - beginning			<u>(1,380)</u>		
Fund balance - ending			<u>\$ (1,608)</u>		

**SAMPSON COUNTY, NORTH CAROLINA  
DISASTER RECOVERY GRANT PROJECT  
NC EMERGENCY MANAGEMENT HAZARD MITIGATION  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
From Inception and for the Year Ended June 30, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State and local grants	\$ 611,512	\$ -	\$ -	\$ -	\$ (611,512)
Miscellaneous	-	-	-	-	-
Total revenue	<u>611,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(611,512)</u>
<b>Expenditures</b>					
Administration	53,669	-	538	538	53,131
Other professional services	47,324	-	-	-	47,324
Acquistion and elevation	510,519	-	-	-	510,519
Total expenditures	<u>611,512</u>	<u>-</u>	<u>538</u>	<u>538</u>	<u>610,974</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	(538)	<u>\$ (538)</u>	<u>\$ (538)</u>
Fund balance - beginning			-		
Fund balance - ending			<u>\$ (538)</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
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>
<b>Expenditures</b>					
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>
<b>Other Financing Sources (Uses)</b>					
Transfer to general fund	(78,234)	(78,234)	-	(78,234)	-
Installment purchase debt issued	<u>2,050,000</u>	<u>2,050,000</u>	<u>-</u>	<u>2,050,000</u>	<u>-</u>
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			<u>29,104</u>		
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, 2019**

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues</b>					
State grant	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-
Sales Tax Refund	2,492	2,493	-	2,493	1
Total revenues	<u>2,492</u>	<u>2,493</u>	<u>-</u>	<u>2,493</u>	<u>1</u>
<b>Expenditures</b>					
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>(1,147,390)</u>	<u>(1,141,882)</u>	<u>-</u>	<u>(1,141,882)</u>	<u>5,508</u>
<b>Other Financing Sources (Uses)</b>					
Transfer to capital reserve	(2,492)	-	(2,492)	(2,492)	-
Installment purchase debt issued	1,149,882	1,149,882	-	1,149,882	-
Total other financing sources	<u>1,147,390</u>	<u>1,149,882</u>	<u>(2,492)</u>	<u>1,147,390</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 8,000</u>	<u>(2,492)</u>	<u>\$ 5,508</u>	<u>\$ 5,508</u>
Fund balance - beginning			<u>8,000</u>		
Fund balance - ending			<u>\$ 5,508</u>		

## ***Enterprise Funds***

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**SAMPSON COUNTY, NORTH CAROLINA**  
**WATER AND SEWER FUND - DISTRICT II**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**For the Year Ended June 30, 2019**

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	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for Services:			
Water sales	\$	\$ 2,186,440	\$
Penalties		34,591	
Tap fees		48,150	
Miscellaneous		<u>313,743</u>	
Total Operating Revenues	<u>2,459,893</u>	<u>2,582,924</u>	<u>123,031</u>
Nonoperating Revenues:			
Interest earnings		<u>23,173</u>	
Total Nonoperating Revenues	<u>-</u>	<u>23,173</u>	<u>23,173</u>
Total Revenues	<u>2,459,893</u>	<u>2,606,097</u>	<u>146,204</u>
Expenditures:			
Salaries and employee benefits		511,318	
Bulk water purchases		91,534	
Training		2,205	
Contracted services		385,993	
Operations and maintenance		517,605	
Capital outlay		56,840	
Debt service principal		425,528	
Debt service interest		<u>488,019</u>	
Total Expenditures	<u>2,500,565</u>	<u>2,479,042</u>	<u>21,523</u>
Revenues Over (Under) Expenditures	(40,672)	127,055	167,727
Other Financing Sources, and (uses)			
Transfer to capital project	-	-	-
Appropriated Fund Balance	<u>40,672</u>	<u>-</u>	<u>(40,672)</u>
Total other financing sources (uses)	<u>40,672</u>	<u>-</u>	<u>(40,672)</u>
Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 127,055</u>	<u>\$ 127,055</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**WATER AND SEWER FUND - DISTRICT II**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**For the Year Ended June 30, 2019**

---

Reconciliation from budgetary basis (modified accrual) to full accrual

Revenues and Other Financing Sources

Over (Under) Expenditures \$ 127,055

Reconciling Items:

Debt principal	425,528
Increase in deferred outflows of resources - pensions	34,199
Increase in net pension liability	(31,424)
Decrease in deferred inflows of resources - pensions	1,488
Increase in net OPEB liability	(36,484)
Increase in deferred inflows of resources - OPEB	(18,052)
Compensated absences	(3,055)
Accrued interest	639
Bad debt expense	-
Capital contributions in capital projects	-
Transfers	-
Depreciation	(828,862)
Amortization of bond premiums	28,092
Capital outlay	<u>56,840</u>
Total reconciling items	<u>(371,091)</u>
Change in net position	<u>\$ (244,036)</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, 2019**

	Project Authorization	Actual		Inception to Date	Variance
		Prior Years	Current Year		Positive (Negative)
<b>Revenues:</b>					
<b>State Federal and Local Grants:</b>					
USDA Rural Development	\$ 834,850	\$ 835,000	\$ -	\$ 835,000	\$ 150
Sales Tax Refund	116,460	116,460	-	116,460	-
Total Revenues	<u>951,310</u>	<u>951,460</u>	<u>-</u>	<u>951,460</u>	<u>150</u>
<b>Expenditures:</b>					
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	<u>2,679,150</u>	<u>2,679,150</u>	<u>-</u>	<u>2,679,150</u>	<u>-</u>
Revenues Over (Under) Expenditures	(1,727,840)	(1,727,690)	-	(1,727,690)	150
<b>Other Financing Sources (Uses):</b>					
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 WELL CONSTRUCTION PROJECT**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**From Inception and for the Year Ended June 30, 2019**

	Project Authorization	Actual		Inception to Date	Variance
		Prior Years	Current Year		Positive (Negative)
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	<u>1,239,430</u>	<u>28,044</u>	<u>-</u>	<u>28,044</u>	<u>(1,211,386)</u>
Expenditures:					
Engineering	150,096	35,385	84,191	119,576	30,520
Other professional services	-	-	-	-	-
Land	-	-	-	-	-
Construction	1,245,000	54,571	124,428	178,999	1,066,001
Contingency	124,500	-	-	-	124,500
Legal	-	-	-	-	-
Total Expenditures	<u>1,519,596</u>	<u>89,956</u>	<u>208,619</u>	<u>298,575</u>	<u>1,221,021</u>
Revenues Over (Under) Expenditures	(280,166)	(61,912)	(208,619)	(270,531)	9,635
Other Financing Sources:					
Transfer from Water District II	216,006	216,006	-	216,006	-
Transfer from 403 Infrastructure	64,160	-	-	-	(64,160)
	<u>280,166</u>	<u>216,006</u>	<u>-</u>	<u>216,006</u>	<u>(64,160)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 154,094</u>	<u>\$ (208,619)</u>	<u>\$ (54,525)</u>	<u>\$ (54,525)</u>

**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, 2019**

	Project Authorization	Actual		Inception to Date	Variance
		Prior Years	Current Year		Positive (Negative)
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	73,950	127,505	122,495
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>53,555</u>	<u>73,950</u>	<u>127,505</u>	<u>1,223,495</u>
Revenues Over (Under) Expenditures	(337,750)	(53,555)	(73,950)	(127,505)	210,245
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>\$ (53,555)</u>	<u>\$ (73,950)</u>	<u>\$ (127,505)</u>	<u>\$ (127,505)</u>



**SAMPSON COUNTY, NORTH CAROLINA  
WATER AND SEWER FUND - DISTRICT I  
SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP)  
For the Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services:			
Water sales	\$	\$ 728,814	\$
Penalties		10,042	
Tap fees		9,900	
Miscellaneous		<u>91,086</u>	
Total Operating Revenues	<u>826,301</u>	<u>839,842</u>	<u>13,541</u>
Nonoperating Revenues:			
Interest earnings		<u>34,759</u>	
Total Nonoperating Revenues	<u>-</u>	<u>34,759</u>	<u>34,759</u>
Total Revenues	<u>826,301</u>	<u>874,601</u>	<u>48,300</u>
Expenditures:			
Salaries and employee benefits		147,664	
Bulk water purchases		267,425	
Training		640	
Contracted services		112,062	
Operations and maintenance		151,806	
Capital outlay		56,840	
Debt service principal		30,500	
Debt service interest		<u>36,183</u>	
Total Expenditures	<u>838,109</u>	<u>803,120</u>	<u>34,989</u>
Revenues Over (Under) Expenditures	\$ (11,808)	\$ 71,481	\$ 83,289
Appropriated fund balance	<u>11,808</u>	<u>-</u>	<u>(11,808)</u>
Revenues over expenditures and appropriated fund balance	<u>\$ -</u>	<u>\$ 71,481</u>	<u>\$ 71,481</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**WATER AND SEWER FUND - DISTRICT I**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**For the Year Ended June 30, 2019**

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Reconciliation from budgetary basis (modified accrual) to full accrual	
Revenues Over (Under) Expenditures	\$ <u>71,481</u>
Reconciling Items:	
Debt principal	30,500
Increase in deferred outflows of resources - pensions	6,275
Increase in net pension liability	(5,239)
Decrease in deferred inflows of resources - pensions	372
Increase in net OPEB liability	(4,432)
Increase in deferred inflows of resources - OPEB	(4,419)
Bad debt expense	-
Depreciation	(121,356)
Compensated absences	(1,718)
Capital outlay	56,840
Accrued interest	<u>124</u>
Total reconciling items	<u>(43,053)</u>
Change in net position	<u>\$ 28,428</u>

***Agency Funds***

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**SAMPSON COUNTY, NORTH CAROLINA**  
**AGENCY FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2019**

	Social Services Funds	Miscellaneous	Property Tax Collection Funds	Motor Vehicle Tax Funds	Fines and Forfeitures
ASSETS					
Cash and cash equivalents	\$ 63,879	\$ 107,659	\$ 9,813	\$ 2,487	\$ -
Accounts receivable	-	-	-	47,122	36,482
TOTAL ASSETS	<u>\$ 63,879</u>	<u>\$ 107,659</u>	<u>\$ 9,813</u>	<u>\$ 49,609</u>	<u>\$ 36,482</u>

**LIABILITIES AND FUND BALANCES**

Liabilities:					
Accounts payable	\$ -	\$ 71,965	\$ -	\$ -	\$ 36,482
Miscellaneous liabilities	63,879	35,694	9,813	49,609	-
TOTAL LIABILITIES	<u>\$ 63,879</u>	<u>\$ 107,659</u>	<u>\$ 9,813</u>	<u>\$ 49,609</u>	<u>\$ 36,482</u>

	Detention Center Trust	Total June 30, 2019
ASSETS		
Cash and cash equivalents	\$ 51,148	\$ 234,986
Accounts receivable	-	83,604
TOTAL ASSETS	<u>\$ 51,148</u>	<u>\$ 318,590</u>

**LIABILITIES AND FUND BALANCES**

Liabilities:		
Accounts payable	\$ -	\$ 108,447
Miscellaneous liabilities	51,148	210,143
TOTAL LIABILITIES	<u>\$ 51,148</u>	<u>\$ 318,590</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS**  
**AND LIABILITIES - AGENCY FUNDS**  
**For the Year Ended June 30, 2019**

	Balance July 1	Additions	Deductions	Balance June 30
<u>Social Services Funds</u>				
Assets:				
Cash and cash equivalents	\$ 44,315	\$ 244,370	\$ 224,806	\$ 63,879
	<u>44,315</u>	<u>244,370</u>	<u>224,806</u>	<u>63,879</u>
Liabilities:				
Accounts payable	-	201,842	201,842	-
Miscellaneous liabilities	44,315	42,528	22,964	63,879
	<u>\$ 44,315</u>	<u>\$ 244,370</u>	<u>\$ 224,806</u>	<u>\$ 63,879</u>
<u>Miscellaneous Agency Funds</u>				
Assets:				
Cash and cash equivalents	\$ 83,592	\$ 97,605	\$ 73,538	\$ 107,659
Accounts receivable	262	-	262	-
	<u>83,854</u>	<u>97,605</u>	<u>73,800</u>	<u>107,659</u>
Liabilities:				
Accounts payable	38,662	71,965	38,662	71,965
Miscellaneous liabilities	45,192	25,640	35,138	35,694
	<u>\$ 83,854</u>	<u>\$ 97,605</u>	<u>\$ 73,800</u>	<u>\$ 107,659</u>
<u>Tax Collection Funds</u>				
Assets:				
Cash and cash equivalents	\$ 4,656	\$ 3,190,741	\$ 3,185,584	\$ 9,813
Accounts receivable	-	-	-	-
	<u>4,656</u>	<u>3,190,741</u>	<u>3,185,584</u>	<u>9,813</u>
Liabilities:				
Miscellaneous liabilities	4,656	3,190,741	3,185,584	9,813
	<u>\$ 4,656</u>	<u>\$ 3,190,741</u>	<u>\$ 3,185,584</u>	<u>\$ 9,813</u>
<u>Motor Vehicle Tax Funds</u>				
Assets:				
Cash and cash equivalents	\$ 2,507	\$ 481,421	\$ 481,441	\$ 2,487
Accounts receivable	44,235	47,122	44,235	47,122
	<u>46,742</u>	<u>528,543</u>	<u>525,676</u>	<u>49,609</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Miscellaneous liabilities	46,742	528,543	525,676	49,609
	<u>\$ 46,742</u>	<u>\$ 528,543</u>	<u>\$ 525,676</u>	<u>\$ 49,609</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS**  
**AND LIABILITIES - AGENCY FUNDS**  
**For the Year Ended June 30, 2019**

	Balance July 1	Additions	Deductions	Balance June 30
<b>Fines and Forfeitures</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 413,598	\$ 413,598	\$ -
Accounts receivable	20,255	36,482	20,255	36,482
	<u>20,255</u>	<u>450,080</u>	<u>433,853</u>	<u>36,482</u>
<b>Liabilities:</b>				
Accounts payable	20,255	413,618	397,391	36,482
	<u>\$ 20,255</u>	<u>\$ 413,618</u>	<u>\$ 397,391</u>	<u>\$ 36,482</u>
<b>Detention Center Trust</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 46,285	\$ 406,766	\$ 401,903	\$ 51,148
	<u>46,285</u>	<u>406,766</u>	<u>401,903</u>	<u>51,148</u>
<b>Liabilities:</b>				
Miscellaneous liabilities	46,285	406,766	401,903	51,148
	<u>\$ 46,285</u>	<u>\$ 406,766</u>	<u>\$ 401,903</u>	<u>\$ 51,148</u>
	Balance July 1	Additions	Deductions	Balance June 30
<b>Total of all Agency Funds</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 181,355	\$ 4,834,501	\$ 4,780,870	\$ 234,986
Accounts receivable	64,752	83,604	64,752	83,604
	<u>246,107</u>	<u>4,918,105</u>	<u>4,845,622</u>	<u>318,590</u>
<b>Liabilities:</b>				
Accounts payable	58,917	687,425	637,895	108,447
Miscellaneous liabilities	187,190	4,194,218	4,171,265	210,143
	<u>\$ 246,107</u>	<u>\$ 4,881,643</u>	<u>\$ 4,809,160</u>	<u>\$ 318,590</u>

## ***Other Schedules***

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**SAMPSON COUNTY, NORTH CAROLINA**  
**GENERAL FUND**  
**SCHEDULE OF AD VALOREM TAXES RECEIVABLE**  
**June 30, 2019**

	Uncollected Balance July 1, 2018	Additions	Collections and Credits	Uncollected Balance June 30, 2019
County-wide:				
General County:				
Fiscal Year 2008-2009	\$ 67,225	\$ -	\$ 67,225	\$ -
Fiscal Year 2009-2010	58,627	-	1,866	56,761
Fiscal Year 2010-2011	58,304	-	2,730	55,574
Fiscal Year 2011-2012	65,448	-	2,941	62,507
Fiscal Year 2012-2013	83,285	-	6,532	76,753
Fiscal Year 2013-2014	93,019	-	13,709	79,310
Fiscal Year 2014-2015	70,037	-	20,898	49,139
Fiscal Year 2015-2016	184,065	-	56,753	127,312
Fiscal Year 2016-2017	318,370	-	162,356	156,014
Fiscal Year 2017-2018	910,026	-	634,149	275,877
Fiscal Year 2018-2019	-	39,407,283	38,548,744	858,539
<b>Total General County</b>	<u>1,908,406</u>	<u>39,407,283</u>	<u>39,517,903</u>	<u>1,797,786</u>
Fire Districts:				
Plain View	6,597	266,637	265,003	8,231
Spivey's Corner	3,026	169,479	168,329	4,176
Halls	4,117	148,133	147,741	4,509
Franklin	6,883	175,694	175,072	7,505
Turkey	4,700	161,097	160,735	5,062
Vanns	5,730	78,516	80,139	4,107
Godwin-Falcon	272	29,071	29,073	270
Coharie	7,420	159,813	156,660	10,573
Herring	4,293	149,512	148,372	5,433
Honeycutt-Salemburg	7,563	182,900	182,497	7,966
Piney Grove	1,921	90,529	90,510	1,940
Newton Grove	4,819	93,009	93,411	4,417
Clinton	16,795	545,615	545,193	17,217
Clement	6,829	223,516	222,855	7,490
Autryville	3,780	118,648	117,819	4,609
Garland	7,167	137,265	139,196	5,236
Taylor's Bridge	2,657	169,182	168,814	3,025
Goshen	858	54,971	55,299	530
Taylor's Bridge Service	406	10,198	10,121	483
	<u>95,833</u>	<u>2,963,785</u>	<u>2,956,839</u>	<u>102,779</u>
Less Allowance for Uncollectable Ad Valorem Taxes	<u>177,800</u>	<u>-</u>	<u>-</u>	<u>177,800</u>
<b>Ad Valorem Taxes Receivable (net)</b>	<u>\$ 1,826,439</u>	<u>\$ 42,371,068</u>	<u>\$ 42,474,742</u>	<u>\$ 1,722,765</u>
Reconciliation with Revenues				
Taxes Ad Valorem General Fund		\$ 38,649,855		
Taxes Ad Valorem Revaluation Fund		122,000		
Penalties and interest		280,650		
Taxes Ad Valorem Fire Districts		2,839,812		
Discounts, adjustments and releases		515,298		
Amounts written off per statute of limitations		<u>67,127</u>		
Total Collections and Credits		<u>\$ 42,474,742</u>		



**SAMPSON COUNTY, NORTH CAROLINA**  
**ANALYSIS OF CURRENT TAX LEVY**  
**COUNTY-WIDE LEVY**  
**For the Year Ended June 30, 2019**

	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	\$ 4,545,954,303	.825	\$ 37,504,123	\$ 32,674,593	\$ 4,829,530
Discoveries	232,591,636	.825	1,918,881	1,918,881	-
Abatements:					
Real, personal, & business property	(22,848,606)	.825	(188,501)	(188,501)	-
Motor vehicles at current year rate	-	.825	-	-	-
Total Property Valuation	<u>4,755,697,333</u>		<u>39,234,503</u>	<u>34,404,973</u>	<u>4,829,530</u>
Net Levy			39,234,503	34,404,973	4,829,530
Uncollected taxes at June 30, 2019			<u>858,539</u>	<u>858,539</u>	<u>-</u>
Current year taxes collected			<u>38,375,964</u>	<u>33,546,434</u>	<u>4,829,530</u>
Current levy collection percentage			<u>97.81</u>	<u>97.50</u>	<u>100.00%</u>

**SAMPSON COUNTY, NORTH CAROLINA  
 ANALYSIS OF CURRENT TAX LEVY  
 COUNTY-WIDE LEVY  
 For the Year Ended June 30, 2019**

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**Secondary Market Disclosures:**

Assessed Valuation:

Assesment ratio (1)	100 %
Real property	\$ 3,427,694,558
Personal property	1,154,148,825
Public service companies (2)	<u>173,853,950</u>
Total assessed valuation	\$ 4,755,697,333
Tax rate per \$100	<u>0.825</u>
Levy (includes discoveries, releases and abatements) (3)	\$ 39,234,503

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>2,963,785</u>
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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 Year Ended June 30, 2019**

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<u>Taxpayer</u>	<u>Type of Business</u>	<u>2017 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Duke Energy Progress Inc	Utility	\$ 124,791,994	2.62 %
Enviva Pellets Sampson LLC	Manufacturing	114,559,766	2.41
South River EMC	Utility	83,990,739	1.77
Smithfield Packing Co.	Meat Packing	73,566,284	1.55
Prestage Farms	Swine/Poultry Grower	63,881,670	1.34
USCOC of Greater North Carolina	Cellular Provider	31,515,012	0.66
Four County EMC	Utility	30,398,526	0.64
Smithfield Farmland	Swine Grower	26,892,018	0.57
Prestage AG Energy of NC LLC	Utility	21,882,793	0.46
Piedmont Natural Gas Co	Utility	20,754,470	0.44
		<u>\$ 592,233,272</u>	<u>12.45 %</u>

**SAMPSON COUNTY, NORTH CAROLINA**  
**ANALYSIS OF CURRENT TAX LEVY**  
**COUNTY-WIDE AND SPECIAL DISTRICTS**  
**For the Year Ended June 30, 2019**

	Total Property Valuation	Rate Per \$100 of Value	Amount of Levy	Discoveries	Abatements
County-Wide					
Real, Personal, and Business Property	\$ 4,170,299,375	.825	\$ 32,674,593	\$ 1,918,881	\$ 188,501
Registered Motor Vehicles	585,397,958	.825	4,829,530	-	-
	<u>4,755,697,333</u>		<u>37,504,123</u>	<u>1,918,881</u>	<u>188,501</u>
Fire Districts:					
Plain View	295,368,889	.090	258,564	8,077	809
Spivey's Corner	165,535,000	.100	159,361	10,121	3,947
Halls	210,548,571	.070	140,417	7,718	751
Franklin	218,628,750	.080	168,624	7,073	794
Turkey	229,504,286	.070	155,738	5,362	447
Vanns	78,207,000	.100	75,886	2,631	310
Godwin-Falcon	29,069,000	.100	27,692	1,379	2
Coharie	187,604,706	.085	150,505	9,311	352
Herring	175,364,706	.085	142,393	7,121	454
Honeycutt-Salemburg	182,576,000	.100	173,682	9,223	329
Piney Grove	119,749,333	.075	87,427	3,103	718
Newton Grove	123,546,667	.075	88,224	4,787	351
Clinton	542,946,000	.100	515,710	29,912	2,676
Clement	245,898,889	.090	212,948	10,572	2,211
Autryville	123,952,632	.095	113,652	4,999	896
Garland	136,956,000	.100	131,618	5,650	312
Taylor's Bridge	241,101,429	.070	158,662	10,522	413
Goshen	137,327,500	.040	54,183	788	40
Taylor's Bridge Service	28,960,000	.035	9,637	561	62
			<u>2,824,923</u>	<u>138,910</u>	<u>15,874</u>
Grand Total			<u>\$ 40,329,046</u>	<u>\$ 2,057,791</u>	<u>\$ 204,375</u>

**SAMPSON COUNTY, NORTH CAROLINA  
ANALYSIS OF CURRENT TAX LEVY  
COUNTY-WIDE AND SPECIAL DISTRICTS  
For the Year Ended June 30, 2019**

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	<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	\$ 34,404,973	\$ 858,539	\$ 33,546,434	97.50 %
Registered Motor Vehicles	<u>4,829,530</u>	<u>-</u>	<u>4,829,530</u>	<u>100.00</u>
	<u>39,234,503</u>	<u>858,539</u>	<u>38,375,964</u>	<u>97.81</u>
Fire Districts:				
Plain View	265,832	5,662	260,170	97.87
Spivey's Corner	165,535	3,273	162,262	98.02
Halls	147,384	3,452	143,932	97.66
Franklin	174,903	5,061	169,842	97.11
Turkey	160,653	3,482	157,171	97.83
Vanns	78,207	1,859	76,348	97.62
Godwin-Falcon	29,069	255	28,814	99.12
Coharie	159,464	7,762	151,702	95.13
Herring	149,060	4,220	144,840	97.17
Honeycutt-Salemburg	182,576	5,444	177,132	97.02
Piney Grove	89,812	1,390	88,422	98.45
Newton Grove	92,660	3,216	89,444	96.53
Clinton	542,946	11,182	531,764	97.94
Clement	221,309	5,317	215,992	97.60
Autryville	117,755	2,784	114,971	97.64
Garland	136,956	3,097	133,859	97.74
Taylor's Bridge	168,771	2,239	166,532	98.67
Goshen	54,931	374	54,557	99.32
Taylor's Bridge Service	<u>10,136</u>	<u>306</u>	<u>9,830</u>	<u>96.98</u>
	<u>2,947,959</u>	<u>70,375</u>	<u>2,877,584</u>	<u>97.61</u>
Grand Total	<u>\$ 42,182,462</u>	<u>\$ 928,914</u>	<u>\$ 41,253,548</u>	<u>97.80 %</u>



## ***Compliance Section***

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

**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, 2019, and the related notes to the financial statements, which collectively comprises Sampson County's basic financial statements, and have issued our report thereon dated December 4, 2019. 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 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  
December 4, 2019

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**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, 2019. 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 Federal and State statutes, regulations, and the terms and conditions of its federal awards 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, 2019.

## **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  
December 4, 2019

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**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, 2019. 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 state statutes, regulations, and the terms and conditions of its state awards 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, 2019.

## **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  
December 4, 2019



**SAMPSON COUNTY, NORTH CAROLINA**  
 Schedule of Findings and Questioned Costs (Continued)  
 For the Fiscal Year Ended June 30, 2019

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

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?	<u>        </u> Yes	<u>  X  </u> No
		None
Significant deficiency(s) identified	<u>        </u> Yes	<u>  X  </u> Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?          Yes   X   No

Identification of major federal programs:

<u>CFDA#</u>	<u>Names of Federal Program or Cluster</u>
93.778	Medical Assistance Program (Title XIX - Medicaid)
93.658, 93.659	IV-E Foster Care and Adoption Assistance Cluster
16.922	Asset Forfeiture Fund - Equitable Sharing Program
93.994	Maternal and Child Health Services
93.667	SSBG - Other Service and Training

Dollar threshold used to distinguish between Type A and Type B Programs \$          750,000

Auditee qualified as low-risk auditee?          Yes   X   No

**SAMPSON COUNTY, NORTH CAROLINA**  
 Schedule of Findings and Questioned Costs (Continued)  
 For the Fiscal Year Ended June 30, 2019

<b>SECTION I. SUMMARY OF AUDITOR'S RESULTS (Continued)</b>
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**State Awards**

Internal control over major State programs:

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

Type of auditor's report issued on compliance for major State programs:	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	_____	Yes	_____	<u>X</u>	No
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Identification of major State programs:

- Program Name  
 Public School Building Capital Fund  
 Essential Single Family Rehab.



**SAMPSON COUNTY, NORTH CAROLINA**  
Schedule of Findings and Questioned Costs (Continued)  
For the Fiscal Year Ended June 30, 2019

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**SECTION II. FINANCIAL STATEMENT FINDINGS**

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*None Reported*

**SAMPSON COUNTY, NORTH CAROLINA**  
Schedule of Findings and Questioned Costs (Continued)  
For the Fiscal Year Ended June 30, 2019

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<b>SECTION III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS</b>
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*None Reported.*

**SAMPSON COUNTY, NORTH CAROLINA**  
Schedule of Findings and Questioned Costs (Continued)  
For the Fiscal Year Ended June 30, 2019

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<b>SECTION III. STATE AWARD FINDINGS AND QUESTIONED COSTS</b>
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*None Reported.*

NORTH CAROLINA'S  
**SAMPSON COUNTY**

FINANCE DEPARTMENT  
*David K. Clack, Finance Officer*

Corrective Action Plan  
For the Fiscal Year Ended June 30, 2019

<b>SECTION II. FINANCIAL STATEMENT FINDINGS</b>
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*None Reported.*

NORTH CAROLINA'S  
**SAMPSON COUNTY**

FINANCE DEPARTMENT  
*David K. Clack, Finance Officer*

Corrective Action Plan  
For the Fiscal Year Ended June 30, 2019

**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, 2019

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*None Reported*

**SAMPSON COUNTY, NORTH CAROLINA**  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<b>Federal Awards:</b>					
<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		924,923	99,548	825,375
<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		399,529	-	-
Total U.S. Dept. of Agriculture			1,324,452	99,548	825,375
<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		47,737	-	-
Total State Aid to Airports			47,737	-	-
Public Transportation Division					
Community Transportation:					
Administration	20.509		153,013	-	-
Capital	20.509		178,784	-	-
Total Community Transportation			331,797	-	-
Total U.S. Dept. of Transportation			379,534	-	-
<u>U.S. Dept. of Housing &amp; Urban Development</u>					
<i>Passed-through the N.C. Housing Finance Agency:</i>					
Home Investment Partnership Program	14.239	SFR14	1,425	-	-
Total U.S. Dept. of Housing & Urban Development			1,425	-	-
<u>U.S. Dept. of Justice</u>					
Asset Forfeiture Fund					
Equitable Sharing Program	16.922		77,390	-	-
Office for Victims of Crime					
Passed through NC Dept. of Public Safety					
Victims of Crime Act	16.575		15,546	-	8,160
Total U.S. Dept. of Justice			92,936	-	8,160

**SAMPSON COUNTY, NORTH CAROLINA**  
 Schedule of Expenditures of Federal and State Awards (Continued)  
 For the Year Ended June 30, 2019

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 &amp; Library Services</u>					
<i>Passed-through the N.C. Dept. of Cultural Resources:</i>					
LSTA EZ Edge Technology Grant	45.310		-	-	-
<u>U.S. Dept. of Homeland Security</u>					
<i>Passed-through the N.C. Dept. of Public Safety:</i>					
FY 2016 EMPG	97.042		38,524	-	-
Division of Emergency Management					
Distater Grants - Public Assistance	97.036		4,500	1,500	-
Total U.S. Dept. of Homeland Security			43,024	1,500	-
<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		37,526		
Well-Integrated Screening & Eval. for Women Across Nation Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.094		540	-	-
Family Planning Services	93.116		34,479	-	-
Immunization Grants	93.217		36,678	-	-
Well-Integrated Screening & Eval. for Women Across Nation (Wisewomen)	93.268		18,974	-	-
Temporary Assistance for Needy Families	93.436		4,819	-	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.558		10,922	-	-
Cancer Prevention and Control Programs for State, Territorial and Tribal	93.758		-	-	-
Preventive Health Services - Sexually Transmitted Diseases Control (Maternal and Child Health Services Block Grant)	93.898		6,120	-	-
Preventive Health and Human Services Block Grant	93.977		100	-	-
Maternal and Child Health Services Block Grant	93.959		-	-	-
Preventive Health and Human Services Block Grant	93.991		35,809	-	-
Maternal and Child Health Services Block Grant	93.994		96,091	37,331	-
<u>Administration on Aging</u>					
<i>Passed-through the Mid-Carolina Council of Govts:</i>					
<i>Division of Aging and Adult Services</i>					
<u>Aging Cluster</u>					
Congregate Nutr. & Home Del. Meal	93.045		206,821	-	22,980
Access Services	93.044		80,743	-	8,972
In-Home & Support Services	93.044		296,230	-	32,914
Total Aging Cluster			583,794	-	64,866
<u>Administration for Children and Families</u>					
<i>Passed-through the N.C. Dept. of Health and Human Services:</i>					
<i>Division of Social Services:</i>					
<u>Foster Care and Adoption Programs Cluster (Note 3)</u>					
Title IV-E Foster Care - Administration	93.658		420,007	33,374	383,399
Title IV-E Foster Care - Direct Benefit Payments	93.658		309,613	106,375	93,496
Title IV-E Adoption Assistance - Administration	93.659		5,366	-	5,366
Adoption/Foster Care			44,689	-	92,043
Total Foster Care and Adoption Programs Cluster (Note 3)			779,675	139,749	574,304



**SAMPSON COUNTY, NORTH CAROLINA**  
 Schedule of Expenditures of Federal and State Awards (Continued)  
 For the Year Ended June 30, 2019

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 &amp; 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		522,969	-	727,917
TANF - Work First - Service	93.558		198,417	-	3,252
Total TANF Cluster			721,386	-	731,169
Family Preservation	93.556		36,985	-	-
AFDC Payments	93.560		(37)	(10)	(10)
Child Support Enforcement	93.563		743,692	-	383,114
Refugee and Entrant Assistance - State Administered Prog. - Admin.	93.566		210	-	-
Refugee and Entrant Assistance - Payments	93.566		(21)	-	-
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568		449,697	-	-
Stephanie Tubbs Jones Child Welfare Services Program					
- Permanency Planning - Families for Kids	93.645		14,550	-	4,950
SSBG - Other Service and Training	93.667		337,756	1,464	111,066
Independent Living Grant (LINKS)	93.674		15,420	3,855	-
Subsidized Child Care					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Child Care Development Fund-Administration	93.596		110,542	-	-
Total Child Care Fund Cluster			110,542	-	-
Division of Child Development:					
Smart Start			-	-	-
State Appropriations			-	-	-
TANF - MOE			-	-	-
Total Subsidized Child Care Cluster			110,542	-	-
Division of Social Services:					
Administration:					
Medical Assistance Program	93.778		1,938,748	8,187	805,557
Total Medical Assistance Program			1,938,748	8,187	805,557

**SAMPSON COUNTY, NORTH CAROLINA**  
Schedule of Expenditures of Federal and State Awards (Continued)  
For the Year Ended June 30, 2019

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 &amp; 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		80,172	-	-
Total State Children's Insurance Program - N.C. Health Choice			80,172	-	-
Total U.S. Dept. of Health and Human Services			6,094,627	190,576	2,675,016
Total Federal Awards			7,935,998	291,624	3,508,551
<b>State Awards:</b>					
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
ST Child Welfare/CPS/CS LD			-	26,866	-
Energy Assistance			-	5,750	-
AFDC Incentive			-	350	-
F/C at Risk Maximization			-	9,328	1,956
SFHF Maximization			-	133,841	133,841
State Foster Home			-	65,877	65,877
Total Division of Social Services			-	242,012	201,674
Division of Public Health:					
CHA/CHIP Peer Review			-	130,364	-
Public Health Nursing			-	1,600	-
General Communicable Disease Control			-	3,659	-
Breast and Cervical Cancer Program			-	3,825	-
Healthy Community Activities			-	4,137	-
Child Health			-	1,969	-
Family Planning - State			-	29,057	-
Maternal Health			-	66,977	-
HIV/STD State			-	500	-
PCM for Women Ineligible for Medicaid			-	45,817	-
STD Drugs.			-	1,590	-
School Nurse Funding Initiative			-	400,000	-
TB Control			-	62,434	-
Women's Health Service Fund			-	9,269	-
Total Division of Public Health			-	761,198	-
Total N. C. Department of Health and Human Services			-	1,003,210	201,674

**SAMPSON COUNTY, NORTH CAROLINA**

Schedule of Expenditures of Federal and State Awards (Continued)

For the Year Ended June 30, 2019

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			-	695,500	-
Total N.C. Dept. of Public Instruction			-	695,500	-
<u>N.C. Housing Finance Agency</u>					
Essential Single Family Rehab. Loan Pool		ESFRPL1724	-	199,216	-
Essential Single Family Rehab. Loan Disaster Recovery		ESFRLPDR28	-	396,472	-
Urgent Home Repair Program			-	28,108	-
Total N. C. Housing Finance Agency			-	623,796	-
<u>N.C. Department of Public Safety</u>					
DPS Disaster Recovery Act Housing			-	2,359	-
Division of Juvenile Justice & Delinquency Prevention					
Juvenile Justice Crime Prevention Council Programs:					
Administration			-	7,819	-
Teen Court & Restitution			-	74,873	-
Youth Inspire Program			-	31,072	-
Mediation in Schools Program			-	22,884	-
Temporary Shelter Program			-	5,280	-
Juvenile Innovations Program			-	3,000	-
Total N.C. Dept. of Public Safety			-	147,287	-
<u>N.C. Department of Cultural Resources</u>					
Division of State Library					
State Aid to Public Libraries			-	116,056	-
<u>N.C. Department of Insurance</u>					
Seniors Health Insurance Information Program			-	6,608	-
<u>N.C. Dept. of Transportation</u>					
Transit Development Program (Capital and Noncapital)		DOT-11	-	9,563	-
Rural Capital Program		DOT-14	-	22,348	-
Rural Operating Assistance Program (ROAP) Cluster					
- ROAP Elderly and Disabled Transportation Assistance Program		DOT-16CL	-	73,005	-
- ROAP Rural General Public Program		DOT-16CL	-	93,484	-
- ROAP Work First Transitional - Employment Transportation Assistance Program		DOT-16CL	-	16,772	-
Total ROAP Cluster			-	183,261	-
Total N.C. Dept. of Transportation			-	215,172	-
Total State Awards			-	2,807,629	201,674
Total Federal and State Awards			7,935,998	3,099,253	3,710,225

**SAMPSON COUNTY, NORTH CAROLINA**

Notes to Schedule of Expenditures of Federal and State Awards  
 For the Year Ended June 30, 2019

**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, 2019. 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: Foster Care and Adoption.

**IV. 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 determination that cause benefit payments to be issued by the State. These amounts disclose this additional aid to:

<u>Program Title</u>	<u>CFDA No.</u>	<u>Federal</u>	<u>State</u>
Special Supplemental Nutrition Program for Women, Infant and Children	10.557	\$ 1,365,100	\$ -
Supplemental Nutrition Assistance Program	10.551	19,631,573	-
Temporary Assistance for Needy Families	93.558	198,417	-
Adoption Assistance	93.659	404,341	98,542
Foster Care - Title IV-E	93.658	309,614	106,375
Medical Assistance Program	93.778	73,802,452	38,130,265
Children's Health Insurance Program	93.767	2,049,761	-
Child Welfare Services Adoption		2,555	61,085
State/County Special Assistance Program		-	520,396