

UNION COUNTY, NORTH CAROLINA
FINANCIAL RESULTS FOR THE
FISCAL YEAR ENDED JUNE 30, 2013

Building a
Financially
Sustainable
Future

FOR TONIGHT'S MEETING

- Review of the County's Current Position
- Review of the Significant Fund Balances
- General Fund
 - Available Funds
 - Debt Commitments
- Capital Projects Fund
 - FY 2013 Beginning and Ending Balances
 - FY 2013 Expenditures
- Enterprise Fund Net Position
 - Water and Sewer Enterprise Fund
 - Water and Sewer Future Commitments

****Note: Unless Otherwise Shown All Information is as of
June 30, 2013****

COUNTY'S CURRENT FINANCIAL POSITION

FY 2013 Union County Net Position	Governmental Activities	Business Type Activities	Total
Net Investment In Capital Assets	\$ 44,668,785	158,884,335	203,553,120
Restricted	20,887,064	1,052,416	21,939,480
Unrestricted	(336,677,648)	89,214,629	(247,463,019)
Total Net Assets	\$ (271,121,799)	249,151,380	(21,970,419)

At June 30, 2013, Total Government Assets were Less than Total Government Liabilities by \$21,970,419.

REVIEW OF SIGNIFICANT FUND BALANCES

	June 30, 2012	June 30, 2013
General Fund Total Fund Balance	\$ 65,993,514	79,669,056
General Capital Projects Fund Balance	73,050,880	42,008,197
Enterprise Funds Unrestricted Net Assets	91,612,879	89,452,705
Total	\$ 230,657,273	211,129,958

- *General Fund* - The general fund is the central fund which accounts for tax dollars and the general activities of government. The fund of “Last Resort”
- *General Capital Projects Fund* - Funds appropriated for specific capital projects. 100% Allocated to Projects.
- *Enterprise Funds* - Enterprise Funds are generated through user fees. In this case the Water and Sewer Fund, Solid Waste Fund, and the Stormwater Fund. The net assets in these funds are to be used for operations and projects servicing the rate payers.

GENERAL FUND OPERATING RESULTS

General Fund Revenue	Budget	Actual	\$ Over/(Under)	% Over/(Under)
Ad Valorem Taxes	\$ 154,380,261	157,703,452	3,323,191	2.15%
Local Option Sales Tax	25,700,108	26,834,776	1,134,668	4.42%
Other Taxes and License	1,673,500	2,093,213	419,713	25.08%
Intergovernmental Revenues	30,691,368	30,831,772	140,404	0.46%
Permits and Fees	2,573,492	4,063,547	1,490,055	57.90%
Sales and Services	4,559,025	4,383,686	(175,339)	-3.85%
Investment Earnings	500,000	116,820	(383,180)	-76.64%
Miscellaneous Revenue	6,599,940	7,062,545	462,605	7.01%
Total Revenues	\$ 226,677,694	233,089,811	6,412,117	2.83%
General Fund Expenditures	Budget	Actual	\$ Over/(Under)	% Over/(Under)
General Government	\$ 12,394,781	10,780,114	(1,614,667)	-13.03%
Public Safety	32,938,228	31,018,979	(1,919,249)	-5.83%
Economic and Physical Development	3,135,336	2,158,639	(976,697)	-31.15%
Human Services	38,744,737	36,633,250	(2,111,487)	-5.45%
Cultural and Recreational	6,153,208	5,791,576	(361,632)	-5.88%
Education	82,882,499	82,882,387	(112)	0.00%
Debt Service (P&I)	52,621,223	51,778,771	(842,452)	-1.60%
Contingency	344,277	-	(344,277)	-100.00%
Non-Departmental	195,095	-	(195,095)	-100.00%
Total Expenditures	\$ 229,409,384	221,043,716	(8,365,668)	-3.65%
Total Revenue Over/(Under) Expenditures	\$ (2,731,690)	12,046,095		

NORTH CAROLINA GENERAL STATUTES 159-13(B)(6)

The estimated percentage of collection of property taxes shall not be greater than the percentage of the levy actually realized in cash as of June 30 during the preceding fiscal year. For the purposes of the calculation under this subdivision only, the levy for the registered motor vehicle tax under Article 22A of Chapter 105 of the General Statutes shall be based on the nine month period ending March 31 of the preceding fiscal year, and the collections realized in cash with respect to this levy shall be based on the 12-month period ending June 30 of the preceding fiscal year.

GENERAL FUND BALANCE

	As of June 30, 2013	
General Fund Total Fund Balance	\$	79,669,056
Less: Non-Spendable Fund Balance		(279,914)
Less: Restricted Fund Balance		(13,342,913)
Less: Unassigned 16% Reserve Policy		(35,366,994)
Less: Assigned For Schools Capital		(3,000,000)
Less: Assigned for FY 2014 Budget		(761,390)
Total Available Fund Balance	\$	26,917,845

GENERAL FUND BALANCE

- *Non-Spendable Fund Balance* - assets that are not inherently available such as inventories, non-financial assets, legal or contractual limitations, etc.
- *Restricted Fund Balance* - assets and resources that are subject to externally enforceable legal restrictions.

General Fund Restricted Fund Balance	As of June 30, 2013
Accounts Receivable	\$ 12,384,284
Encumbrances	659,821
Grants, Contributions, and Donations	298,808
Total Restricted Fund Balance	\$ 13,342,913

GENERAL FUND BALANCE

Unassigned 16% Reserve Policy

- Board of County Commissioners adopted policy reflects the 8 percent Local Government Commission requirement plus the Board's 8 percent requirement.
- 16 percent of "Regular Operating Costs"
- The adequacy of unassigned fund balance in the general fund should be assessed based upon a government's specific circumstances, debt requirements, and cash flow needs.

GENERAL FUND BALANCE

Unassigned 16% Reserve Policy

- The Government Finance Officers Association recommends, at a minimum, that general-purpose governments, such as the County, regardless of size, maintain unrestricted fund balance in the general fund of no less than two months of regular general fund operating expenditures.
- Two months of operating equates to 16.7 percent. It is with this recommendation in mind that the Board of County Commissioners' reserve fund policy is 16 percent.

GENERAL FUND BALANCE

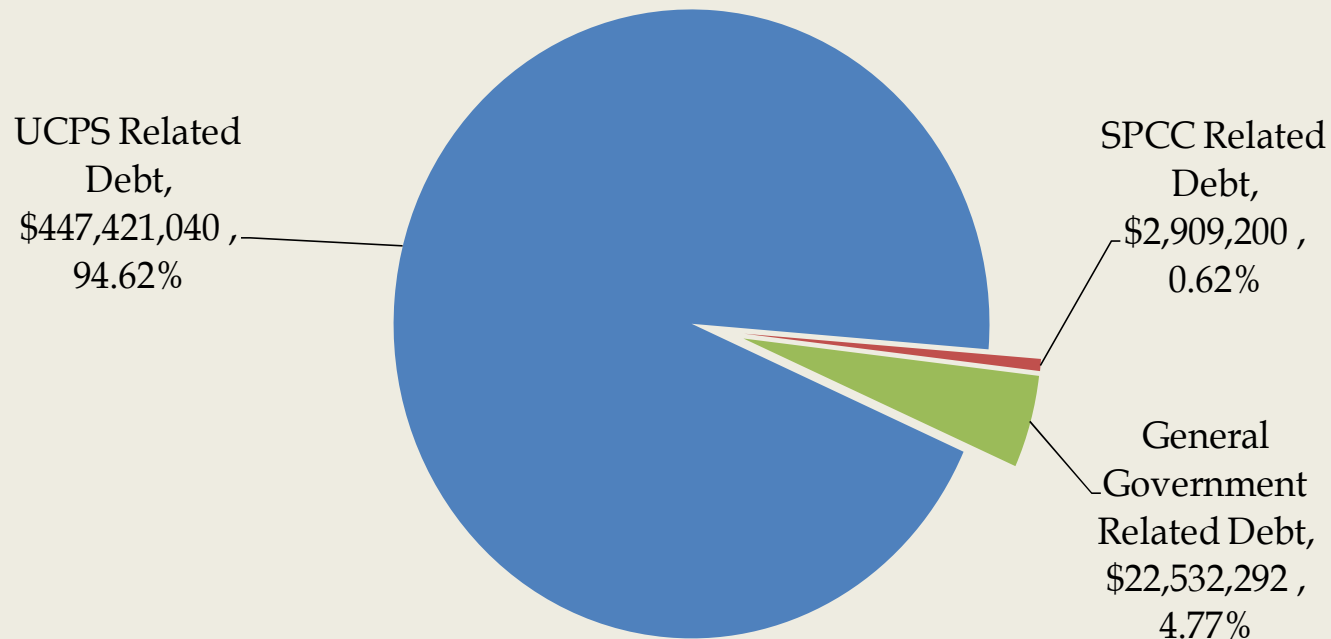
- *Assigned for Schools Capital* - \$3,000,000 originally budgeted for FY 2013-14 UCPS Capital.
- *Assigned for FY 2014 Budget* - Fund Balance Appropriated in FY 2013-14.

Assigned for FY 2014 Budget	As of October 2013	
Unemployment Insurance Prepayment	\$	215,000
Appropriation for Trial Expenses		450,000
Appropriated for Projects from FY 2014		40,132
Pre-Paid Rent at Union Village		56,258
Total Assigned for FY 2014 Budget	\$	761,390

GENERAL FUND DEBT COMMITMENTS

General Fund Supported Debt	Outstanding	FY 2014 Payment
UCPS Related Debt	\$ 447,421,040	46,065,182
SPCC Related Debt	2,909,200	354,305
General Government Related Debt	22,532,292	3,065,027
Total General Fund Supported Debt	\$ 472,862,532	49,484,514

Note: Includes Lottery and Local Option Sales Tax Support



GENERAL CAPITAL PROJECTS FUND

	June 30, 2012	June 30, 2013
General Capital Projects Fund Balance	\$ 73,050,880	42,008,197
Less: Restricted Fund Balance	(3,514,592)	(2,295,462)
Less: Assigned for Capital Projects	(69,536,288)	(39,712,735)
Total Available Fund Balance	\$ -	-

GENERAL CAPITAL PROJECTS FUND

Project	FY 2013
Energy Efficiency and Conservation Block Grant	\$ 137,907
I.T. Infrastructure	246,444
Historic Post Office Roof Replacement	138,064
Garage Expansion	244,340
Jail Roof Replacement	2,750
Jail Control System	119,906
Law Enforcement-Firearms Range	15,075
Inspections Mobile Office	5,315
Jesse Helms Park Bridge	13,247
Schools Capital Outlay From FY 2011 Spent in FY 2013	22,720
SPCC Building Purchase	3,500,000
DSS Business Automation	898,726
Energy Savings Projects	9,757
Human Services Campus	164,610
Schools Capital Outlay From FY 2013	3,639,974
Government Facilities Renovations	2,076,048
SWAP Termination - Transfer	20,023,787
Total Spent in FY 2013 on Capital Projects	\$ 31,258,670

GENERAL CAPITAL PROJECTS FUND

Project	October 2013
Jail Expansion	\$ 1
Firearms Training Facility	3,226,708
Historic Post Office Renovations	85,323
Jesse Helms Park Bridge	101,722
Jesse Helms Park Passive Area	527,878
Document Imaging and Server Replacement	801,152
Inspections Mobile Office	12,160
DSS Document Imaging PHASE I	1,100
Jail Roof Replacement	80,412
Historic Post Office Roof Replacement	4,786
County Garage Expansion	7,118
Energy Savings	97,218
Human Services Campus	34,883,890
SWAP Termination Payment	1,476,213
DSS Document Imaging PHASE II	93,339
PHONE SYSTEM UPGRADE	240,008
ELECTRONIC MED RECORDS	175,000
Historic Court House Renovations Study	75,000
Sheriff's Special Response Vehicle Garage	250,000
Parks and Recreation Master Plan	100,000
Government Center Renovations	165,983
Total General Capital Projects Fund	\$ 42,405,011

ENTERPRISE FUND NET POSITION

Unrestricted Net Position	June 30, 2012	June 30, 2013
Water and Sewer Enterprise Fund	\$ 87,285,510	84,931,611
Solid Waste Enterprise Fund	4,284,545	4,471,267
Stormwater Enterprise Fund	42,824	49,827
Total	\$ 91,612,879	89,452,705

- Enterprise Funds are funded through USER FEES.
- Water and Sewer Rates were approved in FY 2012 to begin to build funding for major projects.

WATER AND SEWER CAPITAL PLAN

Project	Six-Year Plan
<i>System Improvements and Expansion</i>	
853 South Improvements	\$ 14,975,600
853 West Improvements	26,591,300
935 Zone Improvements	413,400
Additional Anson Capacity	14,496,200
Crooked Creek Basin Improvements	18,375,950
CRWTP Improvements	42,649,820
Developer Funded Projects	37,292,884
Eastside Wastewater Improvements	12,564,962
New 880 Pressure Zone	12,933,597
New Eastern Water Supply	129,064,010
New Lake Twitty Sewer Shed	5,301,300
Short Line Extensions	4,010,000
Town Center Sewer Development	1,959,340
Twelve Mile Creek WWTP System Improvements	67,605,400
UCPW Buildings and Improvements	10,665,376
Total Water and Sewer Improvements and Expansion	\$ 398,899,139
<i>System Rehabilitation and Renewal Programs</i>	
Wastewater Pump Station Improvements	\$ 3,453,700
Wastewater Rehabilitation and Replacement	11,207,960
Water and Wastewater Master Plan	530,000
Water Rehabilitation and Replacement	10,880,267
Water Tank Rehabilitation	1,266,250
Total Water and Sewer Rehabilitation and Renewal	\$ 27,338,177

Total Six-Year Program is \$426,237,316

QUESTIONS??