

Basic Financial Statements

CATAWBA COUNTY, NORTH CAROLINA
Statement of Net Position
June 30, 2014

Exhibit 1

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 92,788,222	\$ 31,836,728	\$ 124,624,950
Taxes receivable - net	2,410,399	-	2,410,399
Due from other governments	15,362,830	719,818	16,082,648
Notes receivable	516,230	369,971	886,201
Other receivables	2,680,961	403,724	3,084,685
Interest receivable	238,083	128,988	367,071
Inventories	327,147	-	327,147
Prepaid items	164,242	197,755	361,997
Restricted cash and investments	29,855,376	23,952,473	53,807,849
Other assets	-	-	-
Capital assets:			
Land, improvements, and construction in progress	24,585,854	36,671,413	61,257,267
Other capital assets, net of depreciation	68,774,498	26,024,801	94,799,299
Total capital assets	<u>93,360,352</u>	<u>62,696,214</u>	<u>156,056,566</u>
Net investment in joint venture	1,619,741	-	1,619,741
Total assets	<u>239,323,583</u>	<u>120,305,671</u>	<u>359,629,254</u>
Deferred outflows of resources	<u>3,228,486</u>	<u>52,685</u>	<u>3,281,171</u>
Liabilities			
Accounts payable and accrued liabilities	7,711,595	919,686	8,631,281
Liabilities paid from restricted assets	6,290,240	-	6,290,240
Long-term liabilities:			
Due within one year	15,195,917	1,231,590	16,427,507
Due in more than one year	148,298,851	23,273,051	171,571,902
Total long-term liabilities	<u>163,494,768</u>	<u>24,504,641</u>	<u>187,999,409</u>
Total liabilities	<u>177,496,603</u>	<u>25,424,327</u>	<u>202,920,930</u>
Deferred inflows of resources	<u>618,410</u>	<u>-</u>	<u>618,410</u>
Net Position			
Net investment in capital assets	73,669,285	49,571,504	123,240,789
Restricted			
Stabilization by State statute	43,410,080	-	43,410,080
Register of Deeds	1,410	-	1,410
Public safety	4,202,429	-	4,202,429
Fire Protection	1,145,873	-	1,145,873
Debt service	6,290,240	-	6,290,240
Library Endowment	239,217	-	239,217
Social services scholarships	46,048	-	46,048
Parks preservation	49,596	-	49,596
Community development	17,469	-	17,469
Hospital capital projects	5,449,956	-	5,449,956
General capital reserve	452,670	-	452,670
Other	-	-	-
Unrestricted (deficit)	<u>(70,537,217)</u>	<u>45,362,525</u>	<u>(25,174,692)</u>
Total net position	<u>\$ 64,437,056</u>	<u>\$ 94,934,029</u>	<u>\$ 159,371,085</u>

The accompanying notes are an integral part of the financial statements.

Component Units	
Catawba Valley Medical Center	Catawba County ABC Board
\$ 79,300,408	\$ 1,020,312
-	-
1,056,336	-
-	-
30,342,448	-
35,984	-
5,318,086	1,759,666
4,512,588	-
10,736,951	-
6,318,183	-
10,227,164	-
<u>108,863,952</u>	<u>1,745,470</u>
<u>119,091,116</u>	<u>1,745,470</u>
-	-
<u>256,712,100</u>	<u>4,525,448</u>
<u>399,663</u>	<u>-</u>
33,145,674	1,283,152
-	-
8,191,408	97,635
<u>52,737,872</u>	<u>-</u>
<u>60,929,280</u>	<u>97,635</u>
<u>94,074,954</u>	<u>1,380,787</u>
-	-
63,094,989	1,745,470
-	-
-	-
-	-
-	-
-	-
-	-
-	-
5,474,127	-
56,612	480,626
<u>94,411,081</u>	<u>918,565</u>
<u>\$ 163,036,809</u>	<u>\$ 3,144,661</u>

CATAWBA COUNTY, NORTH CAROLINA
Statement of Activities
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 10,807,772	\$ 1,752,070	\$ 946,898	\$ 1,482,720
Public safety	32,732,323	8,068,851	473,188	-
Environmental protection	492,269	5,100	39,279	-
Economic and physical development	13,538,407	2,204,984	536,181	143,071
Human services	47,935,422	6,762,666	26,927,968	-
Culture and recreation	2,847,558	57,436	212,693	-
Education	61,843,087	494,298	-	666,433
Interest on long-term debt	3,774,279	-	-	-
Total governmental activities	<u>173,971,117</u>	<u>19,345,405</u>	<u>29,136,207</u>	<u>2,292,224</u>
Business-type activities				
Solid waste management	5,166,963	5,584,704	102,034	-
Water and sewer	1,612,849	86,927	766,725	126,942
Total business-type activities	<u>6,779,812</u>	<u>5,671,631</u>	<u>868,759</u>	<u>126,942</u>
Total primary government	<u>\$ 180,750,929</u>	<u>\$ 25,017,036</u>	<u>\$ 30,004,966</u>	<u>\$ 2,419,166</u>
Component units				
Catawba Valley Medical Center	\$ 208,345,282	\$ 207,996,410	\$ 1,098,930	\$ 1,029,756
Catawba County ABC Board	<u>12,448,431</u>	<u>12,496,269</u>	<u>-</u>	<u>-</u>
Total Component Units	<u>\$ 220,793,713</u>	<u>\$ 220,492,679</u>	<u>\$ 1,098,930</u>	<u>\$ 1,029,756</u>

General Revenues:

Taxes

Property taxes, levied for general purposes

Local option sales taxes

Other taxes

Investment earnings, unrestricted

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning, previously reported

Restatement

Net position, beginning, restated

Net position, ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Catawba Valley Medical Center	Catawba County ABC Board
\$ (6,626,084)	\$ -	\$ (6,626,084)		
(24,190,284)	-	(24,190,284)		
(447,890)	-	(447,890)		
(10,654,171)	-	(10,654,171)		
(14,244,788)	-	(14,244,788)		
(2,577,429)	-	(2,577,429)		
(60,682,356)	-	(60,682,356)		
(3,774,279)	-	(3,774,279)		
<u>(123,197,281)</u>	<u>-</u>	<u>(123,197,281)</u>		
-	519,775	519,775		
-	(632,255)	(632,255)		
-	(112,480)	(112,480)		
<u>(123,197,281)</u>	<u>(112,480)</u>	<u>(123,309,761)</u>		
			\$ 1,779,814	\$ -
			<u>-</u>	<u>47,838</u>
			\$ 1,779,814	\$ 47,838
			<u>1,355,175</u>	<u>2,829</u>
93,649,723	-	93,649,723	-	-
28,027,368	1,359,558	29,386,926	-	-
1,494,645	297,543	1,792,188	-	-
1,155,474	621,805	1,777,279	1,355,175	2,829
<u>124,327,210</u>	<u>2,278,906</u>	<u>126,606,116</u>	<u>1,355,175</u>	<u>2,829</u>
(1,601,565)	1,601,565	-	-	-
<u>122,725,645</u>	<u>3,880,471</u>	<u>126,606,116</u>	<u>1,355,175</u>	<u>2,829</u>
<u>(471,636)</u>	<u>3,767,991</u>	<u>3,296,355</u>	<u>3,134,989</u>	<u>50,667</u>
66,678,907	91,166,038	157,844,945	159,901,820	3,093,994
(1,770,215)	-	(1,770,215)	-	-
<u>64,908,692</u>	<u>91,166,038</u>	<u>156,074,730</u>	<u>159,901,820</u>	<u>3,093,994</u>
\$ <u>64,437,056</u>	\$ <u>94,934,029</u>	\$ <u>159,371,085</u>	\$ <u>163,036,809</u>	\$ <u>3,144,661</u>

CATAWBA COUNTY, NORTH CAROLINA

Balance Sheet
Governmental Funds
June 30, 2014

	Major Funds			Non Major Funds	Total Governmental Funds
	General Fund	General Capital Projects Fund	School Construction Fund	Other Governmental Funds	
Assets					
Cash and investments	\$ 41,756,698	\$ 31,478,426	\$ 3,118,350	\$ 16,434,748	\$ 92,788,222
Taxes receivable - net	2,274,899			135,500	2,410,399
Due from other governments	12,696,936	913,906	447,568	1,304,420	15,362,830
Notes receivable	516,230			-	516,230
Other receivables	2,675,249	5,712		-	2,680,961
Interest receivable	114,274	76,599	9,989	37,221	238,083
Inventories	327,147			-	327,147
Prepaid items	164,242			-	164,242
Restricted cash and investments	2,525,566	17,957,394	9,372,416	-	29,855,376
Total assets	63,051,241	50,432,037	12,948,323	17,911,889	144,343,490
Liabilities					
Accounts payable and accrued liabilities	5,475,995	1,143,596	852,849	239,155	7,711,595
Liabilities to be paid from restricted assets	1,644,590	-	4,645,650	-	6,290,240
Total liabilities	7,120,585	1,143,596	5,498,499	239,155	14,001,835
Deferred Inflows of Resources	5,367,344	-	-	137,084	5,504,428
Fund Balances					
Nonspendable					
Inventories	327,147	-	-	-	327,147
Prepaid	164,242	-	-	-	164,242
Restricted					
Stabilization by State Statute	14,650,010	26,787,620	457,557	1,514,893	43,410,080
Register of Deeds	1,410	-	-	-	1,410
Public Safety	-	-	-	2,582,688	2,582,688
Fire Protection	-	-	-	1,145,873	1,145,873
Debt service	1,839,350	-	4,645,650	-	6,485,000
Library Endowment	-	-	-	239,217	239,217
Scholarship	-	-	-	46,048	46,048
Parks Preservation	-	-	-	49,596	49,596
Community Development	-	-	-	17,469	17,469
School Capital and Construction	-	-	4,726,766	-	4,726,766
Hospital Capital	-	-	-	5,449,956	5,449,956
General Capital Reserve	452,670	-	-	-	452,670
General Capital	-	17,957,394	-	-	17,957,394
Committed					
Tax Revaluation	192,437	-	-	-	192,437
General Capital	-	4,543,427	-	-	4,543,427
School Capital	-	-	-	6,465,739	6,465,739
Hospital Construction	-	-	-	24,171	24,171
Assigned					
Public Health	289,199	-	-	-	289,199
Social Services	4,304,485	-	-	-	4,304,485
County Manager	122,118	-	-	-	122,118
Human Resources	614,061	-	-	-	614,061
Library	400,697	-	-	-	400,697
Subsequent year's expenditures	6,471,106	-	-	-	6,471,106
Unassigned	20,734,380	-	(2,380,149)	-	18,354,231
Total fund balances	50,563,312	49,288,441	7,449,824	17,535,650	124,837,227
Total liabilities, deferred inflows of resources, and fund balances	\$ 63,051,241	\$ 50,432,037	\$ 12,948,323	\$ 17,911,889	\$ 144,343,490

The accompanying notes are an integral part of the financial statements.

CATAWBA COUNTY, NORTH CAROLINA
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2014

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

Total <i>fund balances</i> for governmental funds (Exhibit 3)	\$ 124,837,227
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	93,360,352
The County has an equity interest in a joint venture. This investments is not a current financial resource and therefore not reported in the funds	1,619,741
Charges related to refunding bond issues	3,228,486
Liabilites for earned revenues considered deferred inflows of resources in fund statements	4,886,018
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4)	<u>(163,494,768)</u>
Net position of governmental activities (Exhibit 1)	<u>\$ 64,437,056</u>

CATAWBA COUNTY, NORTH CAROLINA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014

	Major Funds			Non Major Funds	Total Governmental Funds
	General Fund	General Capital Projects Fund	School Construction Fund	Other Governmental Funds	
Revenues					
Ad valorem taxes	\$ 88,556,119	\$ -	-	\$ 6,037,846	\$ 94,593,965
Other taxes	21,727,718	2,679,230	-	4,107,873	28,514,821
Unrestricted intergovernmental revenues	1,902,192	-	-	-	1,902,192
Restricted intergovernmental revenues	34,663,147	43,304	-	1,358,983	36,065,434
Licenses and permits	2,130,735	-	-	-	2,130,735
Sales and services	11,363,376	-	-	-	11,363,376
Investment earnings	550,066	366,554	62,580	176,273	1,155,473
Miscellaneous	2,886,785	651,860	-	1,290	3,539,935
Total revenues	<u>163,780,138</u>	<u>3,740,948</u>	<u>62,580</u>	<u>11,682,265</u>	<u>179,265,931</u>
Expenditures					
Current					
General government	11,329,249	-	-	-	11,329,249
Public safety	25,609,625	-	-	6,320,518	31,930,143
Environmental protection	461,359	-	-	-	461,359
Economic and physical development	13,435,354	-	-	138,427	13,573,781
Human services	47,114,736	-	-	-	47,114,736
Culture and recreation	2,769,125	-	-	-	2,769,125
Education	40,004,060	-	-	-	40,004,060
Capital outlay	-	11,503,124	17,566,147	4,272,880	33,342,151
Debt service					
Principal	12,078,442	-	-	-	12,078,442
Interest	3,794,348	-	-	-	3,794,348
Sinking fund escrow	1,853,902	-	-	-	1,853,902
Payment to refunded bond escrow agent	1,014,000	-	-	-	1,014,000
Bond issuance costs	23,583	-	-	-	23,583
Total expenditures	<u>159,487,783</u>	<u>11,503,124</u>	<u>17,566,147</u>	<u>10,731,825</u>	<u>199,288,879</u>
Excess of revenues over (under) expenditures	<u>4,292,355</u>	<u>(7,762,176)</u>	<u>(17,503,567)</u>	<u>950,440</u>	<u>(20,022,948)</u>
Other Financing Sources (Uses)					
Transfers from other funds	50,000	1,753,907	1,043,303	94,855	2,942,065
Transfers to other funds	(4,397,993)	-	-	(145,637)	(4,543,630)
Refunding limited obligation bonds issued	1,810,000	-	-	-	1,810,000
Limited obligation bonds issued	-	20,125,000	-	-	20,125,000
Premium on limited obligation bonds	39,911	2,161,054	-	-	2,200,965
Payment to refunded bond escrow agent	(1,849,125)	-	-	-	(1,849,125)
Total other financing sources (uses)	<u>(4,347,207)</u>	<u>24,039,961</u>	<u>1,043,303</u>	<u>(50,782)</u>	<u>20,685,275</u>
Net change in fund balance	(54,852)	16,277,785	(16,460,264)	899,658	662,327
Fund Balances - Beginning of Year	50,618,164	33,010,656	25,680,303	16,635,992	125,945,115
Restatement (Note 9)	-	-	(1,770,215)	-	(1,770,215)
Fund Balances - Beginning of Year Restated	<u>50,618,164</u>	<u>33,010,656</u>	<u>23,910,088</u>	<u>16,635,992</u>	<u>124,174,900</u>
Fund Balances - End of Year	<u>\$ 50,563,312</u>	<u>\$ 49,288,441</u>	<u>\$ 7,449,824</u>	<u>\$ 17,535,650</u>	<u>\$ 124,837,227</u>

The accompanying notes are an integral part of the financial statements.

CATAWBA COUNTY, NORTH CAROLINA
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2014

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in <i>fund balances</i> - total governmental funds (Exhibit 4)	\$	662,327
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 net capital outlays exceeded depreciation in the current period.		8,701,069
Governmental funds do not report the changes in the net investment in joint ventures. However in the Statement of Activities the current year increase (decrease) in this investment is recorded.		(253,318)
Revenues in the statement of activities that do not provide current financial resources are not recorded as revenues in the funds.		(1,265,520)
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 assets. 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.		(6,962,779)
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>(1,353,415)</u>
Total changes in net position of governmental activities (Exhibit 2)	\$	<u><u>(471,636)</u></u>

CATAWBA COUNTY, NORTH CAROLINA**General Fund****Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over/Under</u>
Revenues				
Ad Valorem taxes	\$ 85,117,917	\$ 85,117,917	\$ 88,556,119	\$ 3,438,202
Other taxes	20,264,046	20,264,046	21,727,718	1,463,672
Unrestricted intergovernmental revenues	1,841,000	1,841,000	1,902,192	61,192
Restricted intergovernmental revenues	36,916,079	37,642,524	34,663,147	(2,979,377)
Licenses and permits	1,861,447	1,861,447	2,130,735	269,288
Sales and services	11,578,366	11,569,366	11,363,376	(205,990)
Investment earnings	501,000	501,000	540,922	39,922
Miscellaneous	2,734,138	2,917,399	2,886,785	(30,614)
Total revenues	<u>160,813,993</u>	<u>161,714,699</u>	<u>163,770,994</u>	<u>2,056,295</u>
Expenditures				
Current				
General government	12,738,625	12,595,992	10,960,050	1,635,942
Public safety	26,618,867	26,939,476	25,609,625	1,329,851
Environmental protection	603,309	603,309	461,359	141,950
Economic and physical development	14,380,781	14,396,372	13,435,354	961,018
Human services	54,656,486	54,669,945	47,114,736	7,555,209
Culture and recreation	3,145,286	3,145,286	2,769,125	376,161
Education	40,365,232	40,365,232	40,004,060	361,172
Debt service				
Principal	12,155,603	12,078,790	12,078,442	348
Interest	3,432,250	3,509,063	3,794,348	(285,285)
Sinking fund escrow	1,853,905	1,853,905	1,853,902	3
Payment to refunded bond escrow agent	-	-	1,014,000	(1,014,000)
Bond issuance costs	-	-	23,583	(23,583)
Total expenditures	<u>169,950,344</u>	<u>170,157,370</u>	<u>159,118,584</u>	<u>11,038,786</u>
Excess of revenues over (under) expenditures	<u>(9,136,351)</u>	<u>(8,442,671)</u>	<u>4,652,410</u>	<u>13,095,081</u>
Other Financing Sources (Uses)				
Transfers from other funds	50,000	50,000	50,000	-
Transfers to other funds	(4,727,806)	(4,788,534)	(4,788,534)	-
Refunding limited obligation bonds issued	-	-	1,810,000	1,810,000
Premium on limited obligation bonds	-	-	39,911	39,911
Payment to refunded bond escrow agent	-	-	(1,849,125)	(1,849,125)
Fund balance appropriated	13,814,157	13,181,205	-	(13,181,205)
Total other financing sources (uses)	<u>9,136,351</u>	<u>8,442,671</u>	<u>(4,737,748)</u>	<u>(13,180,419)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(85,338)</u>	<u>\$ (85,338)</u>
Fund Balances - Beginning of Year			<u>49,998,294</u>	
Fund Balances - End of Year			<u>\$ 49,912,956</u>	
A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Investment earnings			4,206	
Transfer from other funds			390,541	
Expenditures			(369,199)	
Fund Balance, Beginning			171,113	
A legally budgeted General Capital Reserve Fund is consolidated into the General Fund for reporting purposes:				
Investment earnings			4,938	
Fund Balance, Beginning			448,757	
Fund Balance, Ending (Exhibit 4)			<u>\$ 50,563,312</u>	

The accompanying notes are an integral part of the financial statements.

CATAWBA COUNTY, NORTH CAROLINA
Statement of Net Position
Proprietary Funds
June 30, 2014

	Business-Type Activities - Enterprise Funds		
	Solid Waste Management Fund	Water and Sewer Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Current assets			
Cash and investments	\$ 19,286,777	12,549,951	\$ 31,836,728
Due from other governments	131,886	587,932	719,818
Notes receivable	-	369,971	369,971
Accounts receivables (net of allowance)	392,493	11,231	403,724
Other receivables	45,638	83,350	128,988
Prepaid fees	1,598	196,157	197,755
Restricted cash and investments	-	<u>23,952,473</u>	<u>23,952,473</u>
Total current assets	<u>19,858,392</u>	<u>37,751,065</u>	<u>57,609,457</u>
Noncurrent assets			
Capital assets			
Land, non-depreciable improvements, and construction in progress	7,989,245	28,682,168	36,671,413
Other capital assets, net of depreciation	<u>18,298,905</u>	<u>7,725,896</u>	<u>26,024,801</u>
Total capital assets	<u>26,288,150</u>	<u>36,408,064</u>	<u>62,696,214</u>
Total assets	<u>46,146,542</u>	<u>74,159,129</u>	<u>120,305,671</u>
Deferred outflows of resources			
Deferred charge on debt refunding	-	52,685	52,685
Total deferred outflows of resources	<u>-</u>	<u>52,685</u>	<u>52,685</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	412,822	506,864	919,686
Accrued landfill closure and postclosure care costs	175,000	-	175,000
Installment loan payable	-	978,778	978,778
Compensated absences payable	<u>69,236</u>	<u>8,576</u>	<u>77,812</u>
Total current liabilities	<u>657,058</u>	<u>1,494,218</u>	<u>2,151,276</u>
Noncurrent liabilities			
Accrued landfill closure and postclosure care costs	10,006,541	-	10,006,541
Installment loan payable	-	12,830,508	12,830,508
Installment loan premium	-	189,588	189,588
Compensated absences payable	48,878	13,645	62,523
Other post employment benefits obligation	<u>178,790</u>	<u>5,101</u>	<u>183,891</u>
Total noncurrent liabilities	<u>10,234,209</u>	<u>13,038,842</u>	<u>23,273,051</u>
Total liabilities	<u>10,891,267</u>	<u>14,533,060</u>	<u>25,424,327</u>
Net Position			
Net investment in capital assets	26,288,150	23,283,354	49,571,504
Unrestricted	<u>8,967,125</u>	<u>36,395,400</u>	<u>45,362,525</u>
Total net position	<u>\$ 35,255,275</u>	<u>\$ 59,678,754</u>	<u>\$ 94,934,029</u>

The accompanying notes are an integral part of the financial statements

CATAWBA COUNTY, NORTH CAROLINA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2014

Business-Type Activities - Enterprise Funds

	Solid Waste Management Fund	Water and Sewer Fund	Total
Operating Revenues			
Charges for services	\$ 4,714,821	\$ -	\$ 4,714,821
Methane recovery	784,241	-	784,241
Other operating revenues	70,750	-	70,750
Total operating revenues	<u>5,569,812</u>	<u>-</u>	<u>5,569,812</u>
Operating Expenses			
Administration	517,298	83,149	600,447
Recycling	55,407	-	55,407
Solid waste management improvements	192,688	-	192,688
Solid waste code enforcement	74,398	-	74,398
Biodiesel and freon recovery	35,540	-	35,540
Sanitary landfill	2,653,467	-	2,653,467
Landfill closure and postclosure costs	175,000	-	175,000
Convenience centers	1,100	-	1,100
Blackburn landfill methane recovery	742,278	-	742,278
Water and sewer	-	977,283	977,283
Depreciation	719,787	214,248	934,035
Total operating expenses	<u>5,166,963</u>	<u>1,274,680</u>	<u>6,441,643</u>
Operating income (loss)	<u>402,849</u>	<u>(1,274,680)</u>	<u>(871,831)</u>
Nonoperating Revenues (Expenses)			
Engineering fees	-	19,000	19,000
Sales Taxes - Article 46 - one quarter of one percent	-	1,359,558	1,359,558
Interest on long term debt	-	(337,595)	(337,595)
Investment earnings	210,488	411,317	621,805
Miscellaneous	4,565	67,927	72,492
Municipal revenue sharing	-	766,725	766,725
Scrap tire grant	35,570	-	35,570
Solid waste disposal taxes	297,543	-	297,543
Loss on capital assets	-	(574)	(574)
FEMA - disaster recovery funds	66,464	-	66,464
Electronics management distribution	10,327	-	10,327
Total nonoperating revenues (expenses)	<u>624,957</u>	<u>2,286,358</u>	<u>2,911,315</u>
Income (loss) before contributions and transfers	<u>1,027,806</u>	<u>1,011,678</u>	<u>2,039,484</u>
Capital contributions	-	126,942	126,942
Transfer from General Fund	1,565	1,600,000	1,601,565
Change in net position	1,029,371	2,738,620	3,767,991
Net Position - Beginning of Year	<u>34,225,904</u>	<u>56,940,134</u>	<u>91,166,038</u>
Net Position - End of Year	<u>\$ 35,255,275</u>	<u>\$ 59,678,754</u>	<u>\$ 94,934,029</u>

The accompanying notes are an integral part of the financial statements



CATAWBA COUNTY, NORTH CAROLINA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2014

Business-Type Activities - Enterprise Funds

	Solid Waste Management Fund	Water and Sewer Fund	Total
Cash Flows from Operating Activities			
Cash received from customers	\$ 5,518,940	8,209	\$ 5,527,149
Cash paid for goods and services	(2,821,576)	(1,124,289)	(3,945,865)
Cash paid to employees	(1,513,422)	(81,325)	(1,594,747)
Other operating revenues	70,750	-	70,750
Net cash provided (used) by operating activities	<u>1,254,692</u>	<u>(1,197,405)</u>	<u>57,287</u>
Cash Flows from Noncapital Financing Activities			
Tire disposal tax	187,319	-	187,319
Solid waste disposal tax	62,391	-	62,391
White goods disposal tax	47,833	-	47,833
Scrap tire grant	35,570	-	35,570
Other charges	14,892	-	14,892
FEMA - disaster recover funds	66,464	-	66,464
Other taxes	-	1,359,558	1,359,558
Domestic haulers	-	86,927	86,927
Municipal revenue sharing	-	766,725	766,725
Transfer from general fund	1,565	1,600,000	1,601,565
Total cash provided by noncapital financing activities	<u>416,034</u>	<u>3,813,210</u>	<u>4,229,244</u>
Cash Flows from Capital and Related Financing Activities			
Installment loan proceeds for capital	-	-	-
Community development block grant	-	45,255	45,255
State clean water grant	-	81,687	81,687
Principal paid on installment notes payable	-	(969,775)	(969,775)
Interest paid on installment notes payable	-	(347,798)	(347,798)
Acquisition and construction of capital assets	(339,485)	(4,732,776)	(5,072,261)
Net cash provided (used) by capital and related financing activities	<u>(339,485)</u>	<u>(5,923,407)</u>	<u>(6,262,892)</u>
Cash Flows from Investing Activities			
Investment earnings	194,439	388,531	582,970
Net increase (decrease) in cash and cash equivalents	1,525,680	(2,919,071)	(1,393,391)
Cash and cash equivalents - beginning of year	<u>17,761,097</u>	<u>39,421,495</u>	<u>57,182,592</u>
Cash and cash equivalents - end of year	<u>\$ 19,286,777</u>	<u>36,502,424</u>	<u>\$ 55,789,201</u>

CATAWBA COUNTY, NORTH CAROLINA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2014

Business-Type Activities - Enterprise Funds

	<u>Solid Waste Management Fund</u>	<u>Water and Sewer Fund</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 402,849	(1,274,680)	(871,831)
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation and amortization	719,787	214,248	934,035
Increase (decrease) in landfill closure and postclosure care costs	175,000	-	175,000
Changes in assets and liabilities			
(Increase) decrease in refundable sales tax	38,821	5,962	44,783
(Increase) decrease in other receivables	(18,943)	2,247	(16,696)
(Increase) decrease in notes receivables	-	(161,316)	(161,316)
Increase (decrease) in accounts payable and other liabilities	(91,054)	14,309	(76,745)
Increase (decrease) in compensated absences	1,853	1,146	2,999
Increase (decrease) in accrued salaries and other benefits	26,379	679	27,058
Total adjustments	<u>851,843</u>	<u>77,275</u>	<u>929,118</u>
Net cash provided by operating activities	<u>\$ 1,254,692</u>	<u>(1,197,405)</u>	<u>\$ 57,287</u>
Noncash investing, capital and financing activities:			
(Premium)/deferred charge from debt refunding	-	(10,203)	(10,203)
	<u>\$ -</u>	<u>\$ (10,203)</u>	<u>\$ (10,203)</u>

The accompanying notes are an integral part of the financial statements

CATAWBA COUNTY, NORTH CAROLINA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Agency Funds
Assets	
Cash and investments	<u>\$ 74,576</u>
Liabilities	
Miscellaneous liabilities	<u>\$ 74,576</u>

The accompanying notes are an integral part of the financial statements