
Town of Vandemere

Vandemere, North Carolina

Audit Report

June 30, 2019

TOWN OF VANDEMERE

VANDEMERE, NORTH CAROLINA

TOWN OFFICIALS

Mayor

Judy H. Thaanum

Town Commissioners

Steve Lacy, Pro-Tem

Margaret Rose

Carolyn Jones

Russ Hudson

Robby McCotter

Town Clerk

Chris Venters

Town of Vandemere, North Carolina

Table of Contents

June 30, 2019

	<u>Exhibit/ Schedule Number</u>	<u>Page</u>
Financial Section:		
Independent Auditor's Report		1
Management's Discussion and Analysis		4
Basic Financial Statements:		
I. Government-Wide Financial Statements:		
Statement of Net Position	A-1	12
Statement of Activities	A-2	13
II. Fund Financial Statements:		
Balance Sheet - Governmental Funds	A-3	14
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	A-4	15
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	A-5	16
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance with Statement of Activities	A-6	17
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	A-7	18
III. Notes to the Financial Statements		19
Individual Fund Statements and Schedules:		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	1	30
Other Schedules:		
Schedule of Ad Valorem Taxes Receivable	2	34
Analysis of Current Tax Levy	3	35

LARRY E. CARPENTER, CPA, PA

CERTIFIED PUBLIC ACCOUNTANT

Independent Auditor's Report

To the Honorable Mayor and
Members of the Town Council
Town of Vandemere, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the aggregate remaining fund information of the Town of Vandemere, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town'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 the audit. I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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.

Member:

American Institute of Certified Public Accountants, NC Association of Certified Public Accountants
AICPA – Governmental Audit Quality Center

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Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining funds of Town of Vandemere, North Carolina as of June 30, 2019, and the respective changes in financial position, and cash flows, where appropriate, thereof and the respective budgetary comparison of 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 on pages 4 through 11 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards general accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to 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 the Town of Vandemere, North Carolina. The individual fund statements, budgetary schedules, and other schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements, budgetary schedules, and other schedules are the responsibility of management and were derived from and relates 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 the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, and other schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Larry E. Carpenter, CPA, PA

Greenville, NC
September 12, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the Town of Vandemere, we offer readers of the Town of Vandemere's financial statements this narrative overview and analysis of the financial activities of the Town of Vandemere for the fiscal year ended June 30, 2019. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

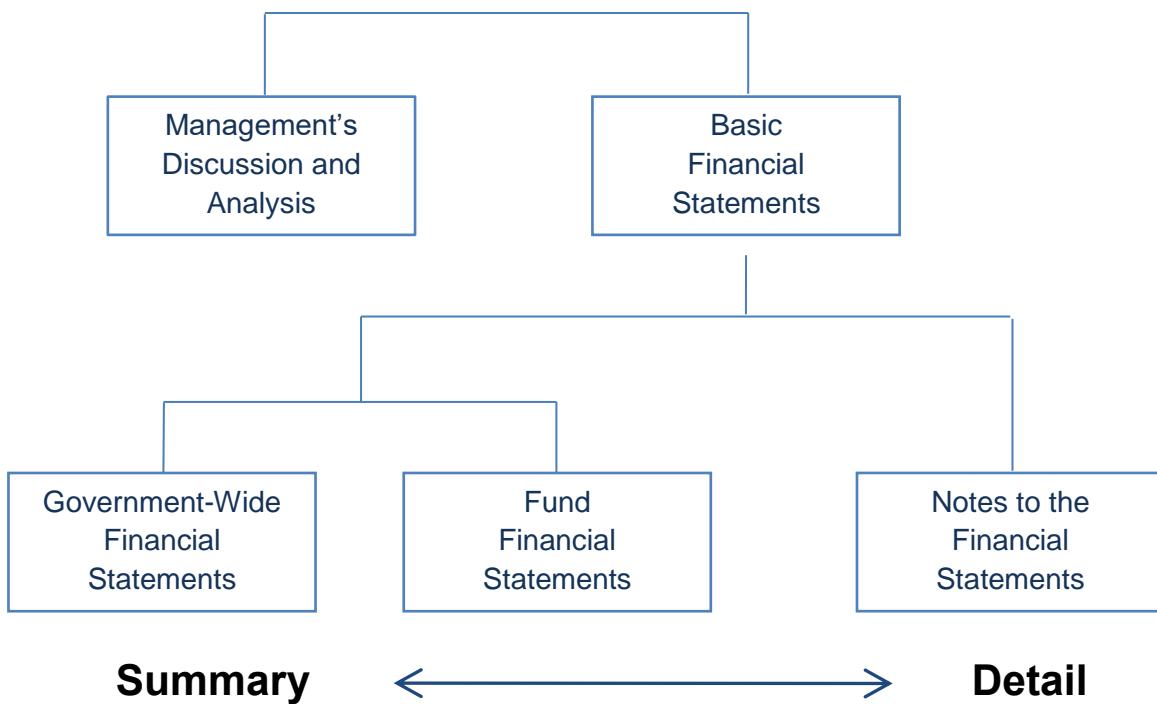
Financial Highlights

- The assets and deferred outflows of resources of the Town of Vandemere exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$1,513,104 (*net position*).
- The government's total net position increased by \$44,166, primarily due to an increase in the governmental fund.
- As of the close of the current fiscal year, the Town of Vandemere's governmental funds reported combined ending fund balances of \$360,194 with a net change of \$47,909 in fund balance. Approximately 69.47% of this total amount, or \$250,216, is unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$250,216, or 273.88% percent of total general fund expenditures for the fiscal year.
- At the end of the current fiscal year, the Town of Vandemere had Restricted Reserves of \$103,218.
- The Town of Vandemere's total debt decreased by \$2,867, (-3.96%) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Town of Vandemere's basic financial statements. The Town'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 Town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of Vandemere.

Components of the Annual Financial Report
Figure 1:



Basic Financial Statements

The first two statements (Exhibits A-1 and A-2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Town's financial status.

The next statements (Exhibits A-3 through A-7) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the budgetary comparison statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the Town's individual funds. 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 Town'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 Town's financial status as a whole.

Management Discussion and Analysis

Town of Vandemere

The two government-wide statements report the Town's net position and how it has changed. Net position is the difference between the Town'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 Town's financial condition.

The government-wide statements consist of the governmental activities. The governmental activities include most of the Town's basic services such as public safety, cultural and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities.

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

Fund financial statements

The fund financial statements (see Figure 1) provide a more detailed look at the Town'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. The Town of Vandemere, 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 Town's budget ordinance. All of the funds of the Town fall into one category: governmental 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 Town'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 that provides a short-term spending 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 Town'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.

The Town of Vandemere adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town 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 Town Council; 2) the final budget as amended by the Town Council; 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.

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 begin on page 19 of this report.

Management Discussion and Analysis

Town of Vandemere

Interdependence with Other Entities: The Town depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Town is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign government and other holders of publicly held U.S. Treasury Securities.

Government-Wide Financial Analysis

Town of Vandemere's Net Position

Figure 2

	Governmental Activities	
	2019	2018
Current and other assets	\$ 368,617	\$ 297,094
Capital assets	1,215,017	1,222,567
Deferred outflows of resources	-	-
Total assets and deferred outflows of resources	<u>1,583,634</u>	<u>1,534,852</u>
Current liabilities	7,163	6,518
Noncurrent liabilities	-	-
Deferred inflows of resources	-	-
Total liabilities and deferred inflow of resources	<u>7,163</u>	<u>6,064</u>
Net investment in capital assets	1,148,401	1,162,730
Restricted	109,978	107,191
Unrestricted	254,725	209,712
Total net position	<u>\$ 1,513,104</u>	<u>\$ 1,468,938</u>

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets of the Town of Vandemere exceeded liabilities by \$1,513,104 as of June 30, 2019. The Town's net position increased by \$44,166 for the fiscal year ended June 30, 2019. However, the largest portion, \$1,148,401 or 75.90%, reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town of Vandemere uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Vandemere's net investment in 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 the Town of Vandemere's net position, \$109,978 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$254,725 is unrestricted.

Management Discussion and Analysis
Town of Vandemere

Town of Vandemere's Changes in Net Position
Figure 3

	Governmental Activities	
	2019	2018
Revenues:		
Program revenues:		
Charges for services	\$ 21,007	\$ 20,408
Operating grants and contributions	15,014	15,703
Capital grants and contributions	-	-
General revenues:		
Property taxes	53,463	47,506
Other taxes	32,580	-
Restricted intergovernmental	-	-
Investment earnings	100	87
Other	18,047	32,763
Total revenues	<u>140,211</u>	<u>116,467</u>
Expenses:		
General government	52,433	55,822
Public safety	-	12,770
Transportation	10,979	68
Economic and physical development	688	20,579
Environmental protection	20,993	6,694
Culture and recreation	7,755	2,948
Interest on long-term debt	3,197	-
Total expenses	<u>96,045</u>	<u>98,881</u>
Increase in Net Position before transfers	<u>44,166</u>	<u>17,586</u>
 Increase (decrease) in Net Position	44,166	17,586
Net Position, July 1	<u>1,468,938</u>	<u>1,451,352</u>
Net Position, June 30	<u>\$ 1,513,104</u>	<u>\$1,468,938</u>

Governmental activities: Governmental activities increased the Town net assets by \$44,166. Key elements of the increase are as follows:

- Tax Revenues remained steady

Financial Analysis of the Town's Funds

As noted earlier, the Town of Vandemere uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Management Discussion and Analysis
Town of Vandemere

Governmental Funds. The focus of the Town of Vandemere's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Vandemere's financing requirements.

The general fund is the chief operating fund of the Town of Vandemere. At the end of the current fiscal year, the Town of Vandemere's fund balance available in the General Fund was \$250,216, while total fund balance reached \$360,194. The Town currently has an available fund balance of 273.88% of general fund expenditures, while total fund balance represents 394.25% of the same amount.

At June 30, 2019, the governmental funds of the Town of Vandemere reported a fund balance of \$360,194 with a net increase in fund balance of \$47,909.

The North Carolina Local Government Commission strongly recommends that local governments maintain an undesignated fund balance of at least 8% of general fund expenditures. Undesignated fund balance is a sub classification of unassigned fund balance after consideration for management's policy designations.

General Fund Budgetary Highlights

During the fiscal year, the Town 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.

Capital Asset and Debt Administration

Capital assets. The Town of Vandemere's investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$1,215,017 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment. The Town's capital expenditures during the year consisted of the purchase of land for the development of a waterfront park.

Town of Vandemere's Capital Assets

(Net of Accumulated Depreciation)

Figure 4

	Governmental Activities	
	2019	2018
Land	\$ 1,025,233	\$ 1,025,233
Buildings	188,959	196,315
Equipment	825	1,020
Total	\$ 1,215,017	\$ 1,230,256

Management Discussion and Analysis
Town of Vandemere

Long-term Debt. As of June 30, 2019, the Town had an outstanding installment obligation of \$69,482, backed by the full faith and credit of the Town.

Town of Vandemere
General Obligations and Loans
Figure 5

	Governmental Activities	
	2019	2018
Notes payable	\$ 66,615	\$ 69,482
Total	<u>\$ 66,615</u>	<u>\$ 69,482</u>

Economic Factors and Next Year's Budget and Rates

The following key economic indicators reflect the general condition of the Town. The economic crisis of prior years continues to contribute to the factors below:

- High unemployment, an aged population, no industrial development, and very little retail business help to create a situation where the Town's customer base is eroded. The resulting ratio of expense versus revenue creates a difficult situation in keeping rates and fees low while maintaining an adequate level of service. In addition, most residents are on fixed income.

Budget Highlights for the Fiscal Year Ending June 30, 2019

Tax revenues along with other general fund revenues are expected to remain constant and no property tax rate increase is being considered at this time.

Requests for Information

This report is designed to provide an overview of the Town'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:

Town Clerk
Town of Vandemere
PO Box 338
Vandemere, NC 2858

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Town of Vandemere, North Carolina
Statement of Net Position
June 30, 2019

	Primary Governmental Activities
ASSETS	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 251,182
Taxes receivable, net	7,457
Other receivable and assets	6,760
Restricted cash and cash equivalents	103,218
Total Current Assets	368,617
<i>Noncurrent Assets</i>	
Land and other nondepreciable assets	1,025,233
Other capital assets, net of depreciation	189,784
Total Assets	1,583,634
DEFERRED OUTFLOWS OF RESOURCES	
Aggregated deferred outflows	--
Total Deferred Outflows of Resources	--
LIABILITIES	
<i>Current Liabilities</i>	
Accrued salaries and employees payroll taxes	966
Accrued interest payable	2,948
Current portion of long-term debt	3,249
Total Current Liabilities	7,163
<i>Noncurrent Liabilities</i>	
Due in more than one year	63,367
Total Liabilities	70,530
DEFERRED INFLOWS OF RESOURCES	
Aggregated deferred inflows	--
Total Deferred Inflows of Resources	--
NET POSITION	
Net investment in capital assets	1,148,401
<i>Restricted for:</i>	
Stabilization by State Statute	6,760
Streets	103,218
<i>Unrestricted</i>	254,725
Total Net Position	\$ 1,513,104

Town of Vandemere, North Carolina
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue Primary Government
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental Activities:					
General government	\$ 52,433	\$ 99	\$ --	\$ --	\$ (52,334)
Transportation	10,979	--	14,914	--	3,935
Economic and physical development	688	--	--	--	(688)
Environmental protection	20,993	20,262	--	--	(731)
Cultural and recreational	7,755	646	100	--	(7,009)
Interest and other charges	3,197	--	--	--	(3,197)
Total Governmental Activities	96,045	21,007	15,014	--	(60,024)

General Purpose Revenues and Transfers:

Revenues

Ad valorem taxes	53,463
Unrestricted intergovernmental	32,580
Insurance recovery	18,051
Investment earnings	100
Miscellaneous Income	(4)

Total General Revenues and Transfers

104,190

Change in Net Position

44,166

Net Position at Beginning of Period

1,468,938

Net Position at End of Period

\$ 1,513,104

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

FUND FINANCIAL STATEMENTS

Town of Vandemere, North Carolina
Balance Sheet
Governmental Funds
June 30, 2019

	Major Fund
	General Fund
ASSETS	
Cash and cash equivalents	\$ 251,182
Taxes receivable, net	7,457
Other receivable and assets	6,760
Restricted cash and cash equivalents	<u>103,218</u>
Total Assets	<u>368,617</u>
DEFERRED OUTFLOWS OF RESOURCES	
Aggregated deferred outflows	--
Total Assets and Deferred Outflows of Resources	<u>\$ 368,617</u>
LIABILITIES	
Accrued salaries and employees payroll taxes	\$ 966
Total Liabilities	<u>966</u>
DEFERRED INFLOWS OF RESOURCES	
Aggregated deferred inflows	<u>7,457</u>
Total Liabilities and Deferred Inflows of Resources	<u>8,423</u>
FUND BALANCE	
Restricted	
Stabilization by State Statute	6,760
Streets	103,218
Unassigned	<u>250,216</u>
Total Fund Balance	<u>360,194</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 368,617</u>

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

Town of Vandemere, North Carolina
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2019

A-4

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balance - Governmental Funds	\$ 360,194
Some liabilities, including accrued interest payable not paid in the current period and therefore are not reported in the funds.	(2,948)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,215,016
Long-term liabilities used in governmental activities are not financial uses and, therefore are not reported in the funds.	(66,481)
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. (change in earned vacation pay, change in accrued interest expense)	(133)
Earned revenues considered deferred inflows of resources in fund statements.	7,457
Total Net Position-Governmental Funds	\$ 1,513,104

Town of Vandemere, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2019

	Major Fund
	General Fund
Revenues	
Ad valorem taxes	\$ 52,521
Unrestricted intergovernmental	32,580
Restricted intergovernmental	14,914
Sales and services	13,758
Grants & contributions	100
Miscellaneous Income	7,246
Investment earnings	100
Total Revenues	<u>121,219</u>
Expenditures	
General government	44,882
Transportation	10,979
Economic and physical development	688
Environmental protection	20,993
Cultural and recreational	7,755
Principal	2,867
Interest and other charges	3,197
Total Expenditures	<u>91,361</u>
Net Other Financing Sources (Uses)	<u>18,051</u>
Net Change in Fund Balance	<u>47,909</u>
<i>Fund Balance at Beginning of Period</i>	<i>312,285</i>
Fund Balance at End of Period	<u>\$ 360,194</u>

Exhibit A-6

Town of Vandemere, North Carolina
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance with Statement of Activities
For the Year Ended June 30, 2019

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

Total Net Change in Fund Balances - Governmental Funds	\$ 47,909
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.	(7,551)
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. (change in earned vacation pay, change in accrued interest expense)	2,867
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	940
Changes in Net Position-Governmental Funds	\$ 44,166

Town of Vandemere, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended June 30, 2019

	Budgeted Amounts			Variance Favorable (Unfavorable) Final to Actual
	Original	Final	Actual	
Revenues				
Ad valorem taxes	\$ 46,000	\$ 46,000	\$ 52,521	\$ 6,521
Unrestricted intergovernmental	28,600	28,600	32,580	3,980
Restricted intergovernmental	15,000	15,000	14,914	(86)
Sales and services	13,300	13,300	13,758	458
Grants and contribution	200	200	100	(100)
Miscellaneous Income	7,950	7,950	7,246	(704)
Investment earnings	82	82	100	18
Total Revenues	111,132	111,132	121,219	10,087
Other Financing Sources				
Insurance recovery	--	--	18,051	18,051
Total Revenues and Other Financing Sources	111,132	111,132	139,270	28,138
Expenditures				
General government	46,050	46,050	44,882	1,168
Transportation	23,500	23,500	10,979	12,521
Economic and physical development	1,000	1,000	688	312
Environmental protection	21,000	21,000	20,993	7
Cultural and recreational	13,482	13,482	7,755	5,727
Principal	2,900	2,900	2,867	33
Interest and other charges	3,200	3,200	3,197	3
Total Expenditures	111,132	111,132	91,361	19,771
Other Financing Uses				
Total Expenditures and Other Financing Uses	111,132	111,132	91,361	19,771
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses				
	--	--	47,909	47,909
Net Change in Fund Balance	--	--	47,909	47,909
Fund Balance at Beginning of Period	312,285	312,285	312,285	--
Fund Balance at End of Period	\$ 312,285	\$ 312,285	\$ 360,194	\$ 47,909

Notes To The Financial Statements

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

NOTE I—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Vandemere 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 Town of Vandemere is a municipal corporation that is governed by an elected mayor and a five-member council. As required by generally accepted accounting principles, these financial statements present the financial information of the Town.

B. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for the Town and for each function of the Town'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 Town's funds. 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.

The Town reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Town. The General Fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue sources are local option sales taxes and various other taxes and licenses. The primary expenditures are for public safety and general government.

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

C. Measurement Focus and Basis of Accounting

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

Government-wide Financial Statements. The government-wide fund financial statements are reported using the economic resources measurement focus. The government-wide 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 Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, 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 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.

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 Town considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on 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 utilities franchise tax, collected and held by the State at year-end on behalf of the Town are recognized as revenue. Sales taxes are considered a shared revenue for the Town of Vandemere because the tax is levied by Pamlico County

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

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

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Funds. All annual appropriations lapse at the fiscal-year end. 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 fund. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations. The Town Manager has the authority to amend appropriations within departments. All other amendments must be approved by the governing board.

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

1. Deposits and Investments

All deposits of the Town are made in board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Town may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Town may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)], authorizes the Town 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 Town's investments are reported at fair value as determined by quoted market prices. The securities of the NCCMT-Cash Portfolio, a SEC registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT-Term Portfolio's securities are valued at fair value.

2. Cash and Cash Equivalents

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

3. Restricted Assets

Powell Bill funds are classified as restricted cash because they can be expended only for the purposes of maintaining, repairing, constructing, reconstructing, or widening local streets per G.S. 136-41.1 through 136-41.4. Customer deposits are classified as restricted cash because they must be returned to the customer at the conclusion of service.

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the Town levies ad valorem taxes on property other than motor vehicles on July 1st, the beginning of the fiscal year. The taxes are due on September 1st (lien date); however, interest does not accrue until the following January 6th. These taxes are based on the assessed values as of January 1, 2016. As allowed by State law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

6. Inventory & Prepaid Items

Inventories are not maintained as they are considered immaterial. Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements and expenses as the items are used.

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. 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.

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Infrastructure	30 years
Buildings	20-40 years
Improvements	10-20 years
Furniture and equipment	5-10 years
Vehicles	4-5 years

8. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows 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 Town has one item that meets this criterion, contributions made to the pension plan in the 2017 fiscal year. In addition to liabilities, the statement of financial position will sometimes 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 Town has one item that meet the criterion for this category—property taxes receivable.

9. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs, except for prepaid insurance costs, are expensed in the reporting period in which they are incurred. Prepaid insurance costs are expensed over the life of the debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

10. Net Position/Fund Balances

Net Position

Net position in government-wide fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 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. The Town does not have any nonspendable fund balances for the governmental fund types.

Restricted Fund Balance — This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

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

Restricted for Streets—Powell Bill — portion of fund balance that is restricted by revenue source for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

Committed Fund Balance — portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Town of Vandemere's governing body (highest level of decision-making authority). The governing body can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or otherwise revise the limitation.

Assigned Fund Balance — portion of fund balance that the Town of Vandemere intends to use for specific purposes.

Subsequent years' expenditures — portion of fund balance that is appropriated in the next years' budget that is not already classified in restricted or committed. The governing body approves the appropriation.

Unassigned Fund Balance — the portion of fund balance that has not been restricted, committed, or

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

assigned to specific purposes or other funds.

NOTE II—STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Significant Violations of Finance-Related Legal and Contractual Provisions

1. Noncompliance with North Carolina General Statutes

NONE

2. Contractual Violations

NONE

3. Deficit in Fund Balance or Net Position of Individual Funds

NONE

4. Excess of Expenditures over Appropriations

NONE

NOTE III—DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits and Investments

All the deposits of the City are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the City'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 City these deposits are considered to be held by the City's agents in their 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 City or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the City under the Pooling Method, the potential exists for under-collateralization. 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 City has no formal policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The City complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

Town of Vandemere, North Carolina
 Notes to the Financial Statements
 For the Fiscal Year Ended June 30, 2019

At June 30, 2019, the Town's deposits had a carrying amount of \$354,325 and a bank balance of \$355,486. Of the bank balance, \$355,486 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. The Town had petty cash of \$75.

2. Receivables — Allowance for Doubtful Accounts

The amounts presented in the Balance Sheet and the Statement of Net Position is net of the following allowance for doubtful accounts:

General Fund:

Taxes receivable	\$ 2,700
Accounts receivable	-
Total	<u>2,700</u>

3. Capital Assets

Governmental Capital Assets

A summary of changes in the Town's capital assets used in governmental activities follows:

General Fund Capital Assets

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$1,025,233	\$ -	\$ -	\$ 1,025,233
Total capital assets not being depreciated	<u>1,025,233</u>	<u>-</u>	<u>-</u>	<u>1,025,233</u>
Capital assets being depreciated:				
Buildings	299,211	-	-	299,211
Equipment	6,753	-	-	6,753
Total capital assets being depreciated	<u>305,964</u>	<u>-</u>	<u>-</u>	<u>305,964</u>
Less accumulated depreciation for:				
Buildings	102,896	7,355	-	110,251
Equipment	5,733	195	-	5,928
Total accumulated depreciation	<u>108,629</u>	<u>\$ 7,551</u>	<u>\$ -</u>	<u>116,180</u>
Total capital assets being depreciated, net	<u>197,335</u>			<u>189,784</u>
Governmental activity capital assets, net	<u><u>\$1,222,568</u></u>			<u><u>\$ 1,215,017</u></u>

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

Governmental Activities:

General Government	\$ 7,551
Total	<u>\$ 7,551</u>

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

B. Liabilities

1. Deferred Outflows and Inflows of Resources

Deferred outflows of resources is comprised of the following:

Deferred inflows of resources at year-end is comprised of the following:

Source	Amount
Prepaid taxes (General Fund)	\$ -
Taxes receivable (General Fund), less penalties	<u>7,457</u>
Total	<u><u>\$ 7,457</u></u>

2. Fund Balance

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

Total Fund Balance-General Fund	\$ 360,194
Less:	
Stabilization by State Statute	6,760
Streets-Powell Bill	103,218
Working Capital / Fund Balance Policy	
Remaining Fund Balance	250,216

3. Risk Management

The town 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 disasters. The town participates in three self-funded risk-financing pools administered by the North Carolina League of Municipalities. Through these pools, the town obtains general liability and auto liability coverage of \$1 million per occurrence, property coverage up to the total insurance values of the property policy, workers' compensation coverage up to statutory limits. The pools are reinsured through commercial companies for single occurrence claims against general liability, auto liability and property in excess of \$500,000 and \$300,000 up to statutory limits for workers' compensation. The property liability pool has an aggregate limit for the total property losses in a single year, with the reinsurance limit based upon a percentage of the total insurance values.

There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The Mayor and

Town of Vandemere, North Carolina
 Notes to the Financial Statements
 For the Fiscal Year Ended June 30, 2019

the Town Manager/Finance Officer are each bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket bond for \$10,000.

4. Long-Term Obligations

Governmental Activities

The Town records long-term debt of the governmental funds at face value in the government-wide statement of net position. All general obligation bonds serviced by the Town's general fund are collateralized by the full faith, credit, and taxing power of the Town. Principal and interest payments are appropriated when due.

Changes in Long-Term Liabilities

Government Activities

The following is a summary of changes in the Town's long-term liabilities:

	July 1, 2018	Additions	Retirements	June 30, 2019	Current Maturities
Installment loans	\$ 69,482	\$ -	\$ 2,867	\$ 66,615	\$ 3,249
Total	\$ 69,482	\$ -	\$ 2,867	\$ 66,615	\$ 3,249

Notes Payable – Governmental Activities

Notes payable consists of the following individual issues outstanding at June 30, 2019:

USDA installment note payable, annual payments of \$6,064 beginning July 2004 through July 2034: interest at 4.5%. Equity reserve to be established at a rate of \$606 per year until one years' payment is reserved. The is collateralized by real estate. \$ 66,615

Annual debt service payments of the installment purchase as of year end are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	3,249	2,815	6,064
2021	3,387	2,677	6,064
2022	3,531	2,533	6,064
2023	3,681	2,383	6,064
2024-2028	20,888	9,432	30,320
2029-2033	25,720	4,600	30,320
2034	6,161	246	6,407
	<u>\$ 66,615</u>	<u>\$ 24,688</u>	<u>\$ 84,896</u>

Town of Vandemere, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2019

C. Interfund Balances and Activity

The interfund balances resulted from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE IV —SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federal and State Assisted Programs

The Town 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 monies 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 monies.

NOTE V —SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 12, 2019 the date the financial statements were available to be issued.

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Schedule 1

**Town of Vandemere, North Carolina
General Fund
Schedule of Revenue, Expenditures, and Changes
In Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad Valorem Taxes			
Taxes		52,521	
Total	<u>46,000</u>	<u>52,521</u>	<u>6,521</u>
Unrestricted Intergovernmental Revenues			
Local option sales tax		18,387	
Utility franchise tax		12,917	
Beer & wine tax		1,089	
Other		187	
Total	<u>28,600</u>	<u>32,580</u>	<u>3,980</u>
Restricted Intergovernmental Revenues			
Powell Bill allocation		14,914	
Total	<u>15,000</u>	<u>14,914</u>	<u>(86)</u>
Sales and Services			
Garbage services		13,112	
Park rental & fees		646	
Total	<u>13,300</u>	<u>13,758</u>	<u>(458)</u>

**Schedule 1
Continued**

**Town of Vandemere, North Carolina
General Fund
Schedule of Revenue, Expenditures, and Changes
In Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Investment Earnings			
Interest		100	
Total	<u>82</u>	<u>100</u>	<u>18</u>
Grants and Contributions			
Contributioins		100	100
	<u>-</u>	<u>100</u>	<u>(100)</u>
	<u>200</u>	<u>100</u>	<u>(100)</u>
Other Revenues			
Auction proceeds			
Building lease		7,150	
Zoning		100	
Miscellaneous		(4)	
Total	<u>7,950</u>	<u>7,246</u>	<u>(704)</u>
Total Revenue	<u>\$ 111,132</u>	<u>\$ 121,219</u>	<u>\$ 10,087</u>
Expenditures			
General Government			
Salaries and benefits		12,839	
Professional services		6,188	
Dues & subscriptions		2,173	
Advertisement		255	
Utility		3,093	
Insurance & bonds		9,722	
Repairs & maintenance		5,069	
Telephone		3,041	
Other operating expenses		2,502	
Total	<u>46,050</u>	<u>44,882</u>	<u>1,168</u>

**Schedule 1
Continued**

**Town of Vandemere, North Carolina
General Fund
Schedule of Revenue, Expenditures, and Changes
In Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Transportation			
Street lights	6,972		
Street maintenance	4,007		
Total	<u>23,500</u>	<u>10,979</u>	<u>12,521</u>
Economic and Physical Development			
Pavillion	688		
Total	<u>1,000</u>	<u>688</u>	<u>312</u>
Environmental Protection			
Solid waste disposal	20,993		
Total	<u>21,000</u>	<u>20,993</u>	<u>7</u>
Cultural and Recreational			
Recreation	5,415		
Operating expenses	2,340		
Total	<u>13,482</u>	<u>7,755</u>	<u>5,727</u>

**Schedule 1
Continued**

**Town of Vandemere, North Carolina
General Fund**
**Schedule of Revenue, Expenditures, and Changes
In Fund Balance - Budget and Actual**
For the Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Debt Services			
Principal retirement		2,867	
Interest		3,197	
	<u>6,100</u>	<u>6,064</u>	36
Total Expenditures	<u>111,132</u>	<u>91,361</u>	19,459
Revenue over (under) expenditures	<u>-</u>	<u>29,858</u>	29,858
Other Financing Sources (Uses)			
Insurance- Hurricane Damage	-	18,051	-
Transfers to	-	-	-
Proceeds from sale of assets	-	-	-
Total	<u>-</u>	<u>47,909</u>	29,858
Net change in fund balance	<u>\$ -</u>	<u>47,909</u>	<u>\$ 29,858</u>
Fund balance - July 1		312,285	
Fund balance - June 30		<u>\$ 360,194</u>	

OTHER SCHEDULES

Schedule 2

Town of Vandemere, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
For the Fiscal Year Ended June 30, 2019

Fiscal Year	Uncollected Balance July 1, 2018	Additions	Collections and Credits	Uncollected Balance June 30, 2019
2019	\$ -	\$ 52,159	50,126	2,033
2018	1,359		109	1,250
2017	1,371		368	1,003
2016	1,266		346	920
2015	1,490		412	1,078
2014	1,014		254	760
2013	1,077		314	763
2012	1,139		111	1,028
2011	500		135	365
2010	400		35	364
2009	723		131	592
	\$ 10,339	\$ 52,159	\$ 52,342	\$ 10,157

Less: Allowance for Uncollectible Accounts 2,700

Ad Valorem Taxes Receivables, Net 7,457

Reconciliation with Revenues:

Ad Valorem Tax - General Fund	\$ 52,522
Reconciling items:	
Interest collected	-
Releases and adjustments	180
Total Collections and Credits	<u>\$ 52,342</u>

Schedule 3

Town of Vandemere, North Carolina
General Fund
Analysis of Current Tax Levy
For the Fiscal Year Ended June 30, 2019

	Property Valuation	Rate per \$100	Total Levy	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:						
Property tax at current year's tax rate						
Net Valuation	<u>\$ 22,678,013</u>	<u>0.23</u>	<u>\$ 52,159</u>	<u>\$ 47,810</u>	<u>\$ 4,349</u>	
Net levy	<u>\$ 22,678,013</u>					
Less uncollected taxes at June 30, 2019		<u>2,033</u>	<u>2,033</u>			<u>-</u>
Current year's taxes collected		<u>\$ 50,126</u>	<u>\$ 45,777</u>	<u>\$ 4,349</u>		
Current levy collection percentage		<u>96.10%</u>	<u>95.75%</u>	<u>100.00%</u>		