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**Town of Vandemere**

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**Vandemere, North Carolina**

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**Audit Report**

**June 30, 2020**

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# TOWN OF VANDEMERE

## VANDEMERE, NORTH CAROLINA

### TOWN OFFICIALS

#### Mayor

Judy H. Thaanum

#### Town Commissioners

Russ Hudson

Carolyn Jones

Steve Lacy

Margaret Rose

Robby McCotter

#### Town Clerk

Sandy Allen

Tom Woodruff- Town Manager

Town of Vandemere, North Carolina  
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June 30, 2020

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# LARRY E. CARPENTER, CPA, PA

CERTIFIED PUBLIC ACCOUNTANT

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## **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, 2020, 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, 2020, 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  
October 28, 2020

## **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, 2020. 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***

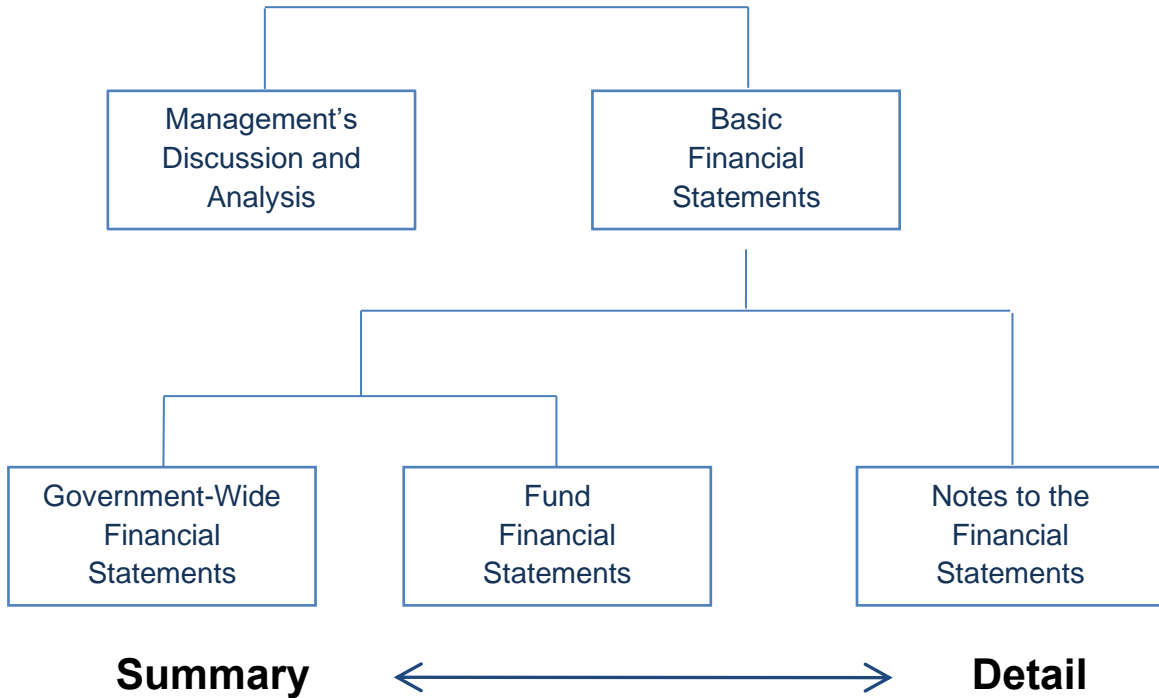
- The assets and deferred outflows of resources of the Town of Vandemere exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$1,610,676 (*net position*).
- The government's total net position increased by \$97,572, primarily due to an increase in the governmental fund.
- As of the close of the current fiscal year, the Town of Vandemere's governmental funds reported combined ending fund balances of \$461,141 with a net change of \$100,947 in fund balance. Approximately 80.86% of this total amount, or \$372,858, is unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$372,858, or 257.60% 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 \$82,701.
- 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.

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.

**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**

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Current and other assets	\$ 468,685	\$ 297,094
Capital assets	1,207,662	1,215,017
Deferred outflows of resources	-	-
Total assets and deferred outflows of resources	<u>1,676,347</u>	<u>1,583,634</u>
Current liabilities	6,064	6,518
Noncurrent liabilities	-	-
Deferred inflows of resources	-	-
Total liabilities and deferred inflow of resources	<u>6,064</u>	<u>7,163</u>
Net investment in capital assets	1,144,668	1,162,730
Restricted	88,283	107,191
Unrestricted	<u>377,725</u>	<u>254,725</u>
Total net position	<u>\$ 1,610,676</u>	<u>\$ 1,513,104</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 \$1,610,676 as of June 30, 2020. The Town's net position increased by \$97,572 for the fiscal year ended June 30, 2020. However, the largest portion, \$1,144,668 or 71.07%, 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, \$88,283 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$377,725 is unrestricted.

**Town of Vandemere's Changes in Net Position**  
**Figure 3**

	Governmental	
	Activities	
	2020	2019
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 31,396	\$ 21,007
Operating grants and contributions	94,990	15,014
Capital grants and contributions	-	-
General revenues:		
Property taxes	51,232	53,463
Other taxes	32,072	32,580
Restricted intergovernmental	-	-
Investment earnings	86	100
Other	36,002	18,047
Total revenues	<u>245,778</u>	<u>140,211</u>
<b>Expenses:</b>		
General government	106,412	52,433
Public safety	-	-
Transportation	11,296	10,979
Economic and physical development	-	688
Environmental protection	21,491	20,993
Culture and recreation	6,411	7,755
Interest on long-term debt	2,596	3,197
Total expenses	<u>148,206</u>	<u>96,045</u>
Increase in Net Position before transfers	<u>97,572</u>	<u>44,166</u>
Increase (decrease) in Net Position	97,572	44,166
Net Position, July 1	1,513,104	1,468,938
Net Position, June 30	<u>\$ 1,610,676</u>	<u>\$ 1,513,104</u>

**Governmental activities:** Governmental activities increased the Town net assets by \$97,572. 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.

**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 \$372,858, while total fund balance reached \$461,141. The Town currently has an available fund balance of 257.60% of general fund expenditures, while total fund balance represents 318.59% of the same amount.

At June 30, 2020, the governmental funds of the Town of Vandemere reported a fund balance of \$461,141 with a net increase in fund balance of \$100,947.

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, 2020, amounts to \$1,207,662 (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**

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Land	\$ 1,025,233	\$ 1,025,233
Buildings	181,604	188,960
Equipment	825	825
<b>Total</b>	<b>\$ 1,207,662</b>	<b>\$ 1,230,256</b>

**Long-term Debt.** As of June 30, 2020, the Town had an outstanding installment obligation of \$62,994, backed by the full faith and credit of the Town.

**Town of Vandemere  
 General Obligations and Loans  
 Figure 5**

	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Notes payable	\$ 62,994	\$ 66,615
Total	\$ 62,994	\$ 66,615

**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, 2021**

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, 2020**

	<b>Primary Governmental Activities</b>
<b>ASSETS</b>	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 372,858
Taxes receivable, net	7,544
Other receivable and assets	5,582
Restricted cash and cash equivalents	82,701
<b>Total Current Assets</b>	<b>468,685</b>
<i>Noncurrent Assets</i>	
Land and other nondepreciable assets	1,025,233
Other capital assets, net of depreciation	182,429
<b>Total Assets</b>	<b>1,676,347</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Aggregated deferred outflows	--
<b>Total Deferred Outflows of Resources</b>	<b>--</b>
<b>LIABILITIES</b>	
<i>Current Liabilities</i>	
Accrued interest payable	2,677
Current portion of long-term debt	3,387
<b>Total Current Liabilities</b>	<b>6,064</b>
<i>Noncurrent Liabilities</i>	
Due in more than one year	59,607
<b>Total Liabilities</b>	<b>65,671</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Aggregated deferred inflows	--
<b>Total Deferred Inflows of Resources</b>	<b>--</b>
<b>NET POSITION</b>	
Net investment in capital assets	1,144,668
<i>Restricted for:</i>	
Stabilization by State Statute	5,582
Streets	82,701
<i>Unrestricted</i>	377,725
<b>Total Net Position</b>	<b>\$ 1,610,676</b>

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

**Town of Vandemere, North Carolina  
Statement of Activities  
For the Year Ended June 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
<b>Primary Government</b>					
<b>Governmental Activities:</b>					
General government	\$ 106,412	\$ 450	\$ 80,167	\$ --	\$ (25,795)
Transportation	11,296	--	14,823	--	3,527
Environmental protection	21,491	30,826	--	--	9,335
Cultural and recreational	6,411	120	--	--	(6,291)
Interest and other charges	2,596	--	--	--	(2,596)
<b>Total Governmental Activities</b>	<b>148,206</b>	<b>31,396</b>	<b>94,990</b>	<b>--</b>	<b>(21,820)</b>

**General Purpose Revenues and Transfers:**

**Revenues**

Ad valorem taxes	51,232
Unrestricted intergovernmental	32,072
Proceeds from insurance settlement	35,982
Miscellaneous Income	20
Investment earnings	86

**Total General Revenues and Transfers** 119,392

**Change in Net Position** **97,572**

*Net Position at Beginning of Period* 1,513,104

**Net Position at End of Period** **\$ 1,610,676**

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, 2020**

	<b>Major Fund</b>
	<b>General Fund</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 372,858
Taxes receivable, net	7,544
Other receivable and assets	5,582
Restricted cash and cash equivalents	82,701
<b>Total Assets</b>	<b>468,685</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Aggregated deferred outflows	--
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 468,685</b>
<b>LIABILITIES</b>	
<b>Total Liabilities</b>	--
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Aggregated deferred inflows	7,544
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>7,544</b>
<b>FUND BALANCE</b>	
Restricted	
Stabilization by State Statute	5,582
Streets	82,701
Unassigned	372,858
<b>Total Fund Balance</b>	<b>461,141</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 468,685</b>

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, 2020**

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

Total Fund Balance - Governmental Funds	\$	461,141
Some liabilities, including accrued interest payable not paid in the current period and therefore are not reported in the funds.		(2,677)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		1,207,662
Other long-term liabilities (accrued interest payable, bonds payable, earned vacation payable) are not due and payable in the current period and, therefore are not reported in the funds.		373
Long-term liabilities used in governmental activities are not financial uses and, therefore are not reported in the funds.		(63,367)
Earned revenues considered deferred inflows of resources in fund statements.		7,544
<b>Total Net Position-Governmental Funds</b>	<b>\$</b>	<b><u>1,610,676</u></b>

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

**Town of Vandemere, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

	<b>Major Fund</b>
	<b>General Fund</b>
<b>Revenues</b>	
Ad valorem taxes	\$ 51,145
Unrestricted intergovernmental	32,072
Restricted intergovernmental	14,823
Sales and services	21,846
Miscellaneous Income	89,737
Proceeds from insurance settlement	35,982
Investment earnings	86
<b>Total Revenues</b>	<b>245,691</b>
<b>Expenditures</b>	
General government	99,058
Transportation	11,296
Environmental protection	21,491
Cultural and recreational	6,835
Principal	3,197
Interest and other charges	2,867
<b>Total Expenditures</b>	<b>144,744</b>
<b>Excess of Revenues Over</b>	
<b>Net Change in Fund Balance</b>	<b>100,947</b>
<i>Fund Balance at Beginning of Period</i>	<i>360,194</i>
<b>Fund Balance at End of Period</b>	<b>\$ 461,141</b>

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

**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, 2020**

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

Total Net Change in Fund Balances - Governmental Funds	\$	100,947
<p>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, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		3,622
<p>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.</p>		
		(7,355)
<p>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.</p>		
		271
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		88
<b>Changes in Net Position-Governmental Funds</b>	<b>\$</b>	<b><u>97,572</u></b>

**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, 2020**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable) Final to Actual
<b>Revenues</b>				
Ad valorem taxes	\$ 51,000	\$ 51,000	\$ 51,145	\$ 145
Unrestricted intergovernmental	25,600	25,600	32,072	6,472
Restricted intergovernmental	15,000	15,000	14,823	(177)
Sales and services	12,000	12,000	21,846	9,846
Grants and contribution	200	200	--	(200)
Miscellaneous Income	8,250	8,250	89,737	81,487
Proceeds from insurance settlement	--	--	35,982	35,982
Investment earnings	87	87	86	(1)
<b>Total Revenues</b>	<u>112,137</u>	<u>112,137</u>	<u>245,691</u>	<u>133,554</u>
<b>Other Financing Sources</b>				
<b>Total Revenues and Other Financing Sources</b>	<u>112,137</u>	<u>112,137</u>	<u>245,691</u>	<u>133,554</u>
<b>Expenditures</b>				
General government	46,637	46,637	99,058	(52,421)
Transportation	23,500	23,500	11,296	12,204
Economic and physical development	1,600	1,600	--	1,600
Environmental protection	21,000	21,000	21,491	(491)
Cultural and recreational	13,300	13,300	6,835	6,465
Principal	3,200	3,200	3,197	3
Interest and other charges	2,900	2,900	2,867	33
<b>Total Expenditures</b>	<u>112,137</u>	<u>112,137</u>	<u>144,744</u>	<u>(32,607)</u>
<b>Other Financing Uses</b>				
<b>Total Expenditures and Other Financing Uses</b>	<u>112,137</u>	<u>112,137</u>	<u>144,744</u>	<u>(32,607)</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>--</u>	<u>--</u>	<u>100,947</u>	<u>100,947</u>
<b>Net Change in Fund Balance</b>	<u>--</u>	<u>--</u>	<u>100,947</u>	<u>100,947</u>
<i>Fund Balance at Beginning of Period</i>	360,194	360,194	360,194	--
<b>Fund Balance at End of Period</b>	<u>\$ 360,194</u>	<u>\$ 360,194</u>	<u>\$ 461,141</u>	<u>\$ 100,947</u>



## **Notes To The Financial Statements**

Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

**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, 2020

**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, 2020

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

Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

considered cash and cash equivalents.

**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, 2020

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

<b>Asset Class</b>	<b>Estimated Useful Lives</b>
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, 2020

**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.

Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

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

For the fiscal year ended June 30, 2020, the expenditures made in the Town's General Fund exceeded the authorized appropriations made by the governing board for the following functions: general government, and environmental protection by \$52,421 and \$491 respectively. These over expenditures occurred due to the town not properly budgeting for FEMA funds received for a prior year hurricane as well as the expenses paid for damages caused by the hurricane. Management and the Board will take these items into consideration and will more closely review the budget reports to ensure compliance in future years.

**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



Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

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.

At June 30, 2020, the Town's deposits had a carrying amount of \$455,559 and a bank balance of \$455,475. Of the bank balance, \$455,475 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. The Town had petty cash of \$84.

**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>

Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

**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>
<b>Governmental Activities:</b>				
<b>Capital assets not being depreciated:</b>				
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>
<b>Capital assets being depreciated:</b>				
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>
<b>Less accumulated depreciation for:</b>				
Buildings	110,251	7,355	-	117,606
Equipment	5,928	-	-	5,928
Total accumulated depreciation	<u>116,179</u>	<u>\$ 7,355</u>	<u>\$ -</u>	<u>123,534</u>
Total capital assets being depreciated, net	<u>189,785</u>			<u>182,429</u>
<b>Governmental activity capital assets, net</b>	<u><u>\$1,215,018</u></u>			<u><u>\$ 1,207,662</u></u>

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

<b>Governmental Activities:</b>	
General Government	\$ 7,355
Total	<u>\$ 7,355</u>

**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:

<u>Source</u>	<u>Amount</u>
Prepaid taxes (General Fund)	\$ -
Taxes receivable (General Fund), less penalties	<u>7,544</u>
Total	<u><u>\$ 7,544</u></u>

Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

**2. Fund Balance**

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

<b>Total Fund Balance-General Fund</b>	<b>\$ 461,141</b>
Less:	
Stabilization by State Statute	5,582
Streets-Powell Bill	82,701
Working Capital / Fund Balance Policy	
Remaining Fund Balance	372,858

**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 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.

Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

**Changes in Long-Term Liabilities**

**Government Activities**

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

	July 1, 2019	Additions	Retirements	June 30, 2020	Current Maturities
Installment loans	\$ 66,615	\$ -	\$ 3,621	\$ 62,994	\$ 3,387
Total	\$ 66,615	\$ -	\$ 3,621	\$ 62,994	\$ 3,387

**Notes Payable – Governmental Activities**

Notes payable consists of the following individual issues outstanding at June 30, 2020:

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.	<u>\$ 62,994</u>
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Annual debt service payments of the installment purchase as of year end are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	3,387	2,677	6,064
2022	3,531	2,533	6,064
2023	3,681	2,383	6,064
2024	3,837	2,227	6,064
2025-2029	21,775	8,545	30,320
2030-2034	26,783	5,810	32,593
	<u>\$ 62,994</u>	<u>\$ 24,175</u>	<u>\$ 87,169</u>

**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.

Town of Vandemere, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2020

**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 October 28, 2020 the date the financial statements were available to be issued.

## **INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**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, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
<b>Ad Valorem Taxes</b>			
Taxes		51,145	
Total	<u>51,000</u>	<u>51,145</u>	<u>145</u>
<b>Unrestricted Intergovernmental Revenues</b>			
Local option sales tax		19,204	
Utility franchise tax		11,589	
Beer & wine tax		1,088	
Other		191	
Total	<u>25,600</u>	<u>32,072</u>	<u>6,472</u>
<b>Restricted Intergovernmental Revenues</b>			
Powell Bill allocation		14,823	
Total	<u>15,000</u>	<u>14,823</u>	<u>(177)</u>
<b>Sales and Services</b>			
Garbage services		21,726	
Park rental & fees		120	
Total	<u>12,000</u>	<u>21,846</u>	<u>9,846</u>

**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, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Investment Earnings</b>			
Interest		86	
Total	87	86	(1)
<b>Non Operating Revenues</b>			
FEMA		35,982	
Total	-	35,982	35,982
<b>Grants and Contributions</b>			
Contributions			
Total	200	-	(200)
<b>Other Revenues</b>			
Auction proceeds			
Building lease		9,100	
Grant funds (tractor)		80,167	
Zoning		450	
Miscellaneous		20	
Total	8,250	89,737	81,487
<b>Total Revenue</b>	<b>\$ 112,137</b>	<b>\$ 245,691</b>	<b>\$ 133,554</b>
<b>Expenditures</b>			
<b>General Government</b>			
Salaries and benefits		13,036	
Professional services		6,139	
Dues & subscriptions		468	
Advertisement		85	
Utility		2,362	
Insurance & bonds		10,369	
Repairs & maintenance		4,368	
Telephone		2,434	
Other operating expenses		59,797	
Total	46,637	99,058	(52,421)



**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, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Transportation</b>			
Street lights		8,285	
Street maintenance		3,011	
Total	<u>23,500</u>	<u>11,296</u>	<u>12,204</u>
<b>Economic and Physical Development</b>			
Pavillion		-	
Total	<u>1,600</u>	<u>-</u>	<u>1,600</u>
<b>Environmental Protection</b>			
Solid waste disposal		21,491	
Total	<u>21,000</u>	<u>21,491</u>	<u>(491)</u>
<b>Cultural and Recreational</b>			
Recreation		3,626	
Operating expenses		3,209	
Total	<u>13,300</u>	<u>6,835</u>	<u>6,465</u>

**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, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Debt Services</b>			
Principal retirement		3,197	
Interest		2,867	
Total	<u>6,100</u>	<u>6,064</u>	<u>36</u>
Total Expenditures	<u>112,137</u>	<u>144,744</u>	<u>(34,207)</u>
Revenue over (under) expenditures	<u>-</u>	<u>100,947</u>	<u>100,947</u>
Net change in fund balance	<u>\$ -</u>	<u>100,947</u>	<u>\$ 100,947</u>
Fund balance - July 1		<u>360,194</u>	
Fund balance - June 30		<u>\$ 461,141</u>	

## **OTHER SCHEDULES**

**Town of Vandemere, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**For the Fiscal Year Ended June 30, 2020**

Fiscal Year	Uncollected Balance July 1, 2019	Additions	Collections and Credits	Uncollected Balance June 30, 2020
2020	\$ -	\$ 52,126	49,543	2,583
2019	2,033		635	1,398
2018	1,250		377	873
2017	1,003		318	685
2016	920		287	633
2015	1,078		232	846
2014	760		(17)	777
2013	763		(119)	882
2012	1,028		(65)	1,093
2011	365		(109)	474
2010	364		364	-
	<u>\$ 9,564</u>	<u>\$ 52,126</u>	<u>\$ 51,446</u>	<u>\$ 10,244</u>
				Less: Allowance for Uncollectible Accounts <u>2,700</u>
				Ad Valorem Taxes Receivables, Net <u>7,544</u>
<b>Reconciliation with Revenues:</b>				
				Ad Valorem Tax - General Fund \$ 51,145
				Reconciling items:
				Interest collected (756)
				Releases and adjustments <u>1,057</u>
				Total Collections and Credits <u>\$ 51,446</u>

Schedule 3

Town of Vandemere, North Carolina  
 General Fund  
 Analysis of Current Tax Levy  
 For the Fiscal Year Ended June 30, 2020

	Property Valuation	Rate per \$100	Total Levy	Total Levy Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
<b>Original Levy:</b>					
Property tax at current year's tax rate					
Net Valuation	\$ 22,663,652	0.23	\$ 52,126	\$ 47,883	\$ 4,243
Less uncollected taxes at June 30, 2020			2,583	2,583	-
Current year's taxes collected			<u>\$ 49,543</u>	<u>\$ 45,300</u>	<u>\$ 4,243</u>
Current levy collection percentage			<u>95.04%</u>	<u>94.60%</u>	