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**Town of Minnesott Beach**

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**Minnesott Beach, North Carolina**

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**Audit Report**

**June 30, 2016**

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# TOWN OF MINNESOTT BEACH

## MINNESOTT BEACH, NORTH CAROLINA

### TOWN OFFICIALS

#### Mayor

Joshua Potter

#### Town Commissioners

Tim Fowler -Mayor Pro Tem

Carolyn Casey

Cliff Brady

Eber Warren

#### Town Clerk

Carolyn R Braly

**Town of Minnesott Beach, North Carolina**  
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**June 30, 2016**

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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 Minnesott Beach, North Carolina

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Minnesott Beach, North Carolina, as of and for the year ended June 30, 2016, 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, the business-type activities, each major fund, and the aggregate remaining funds of Town of Minnesott Beach, North Carolina as of June 30, 2016, 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 and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset and Contributions, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 Minnesott Beach, North Carolina. The combining and 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 13, 2016

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

## Management's Discussion and Analysis

As management of the Town of Minnesott Beach, we offer readers of the Town of Minnesott Beach's financial statements this narrative overview and analysis of the financial activities of the Town of Minnesott Beach for the fiscal year ended June 30, 2016. 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 Minnesott Beach exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$1,114,705 (*net position*).
- The government's total net position increased by \$86,074, primarily due to an increase in both the governmental and the business-type activities net position.
- As of the close of the current fiscal year, the Town of Minnesott Beach's governmental funds reported combined ending fund balances of \$793,688 with a net change of \$111,462 in fund balance. Approximately 96.01% percent of this total amount, or \$762,036, is unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$762,036 or 711.80% percent of total general fund expenditures for the fiscal year.
- At the end of the current fiscal year, the Town had Restricted Reserves of \$16,985.

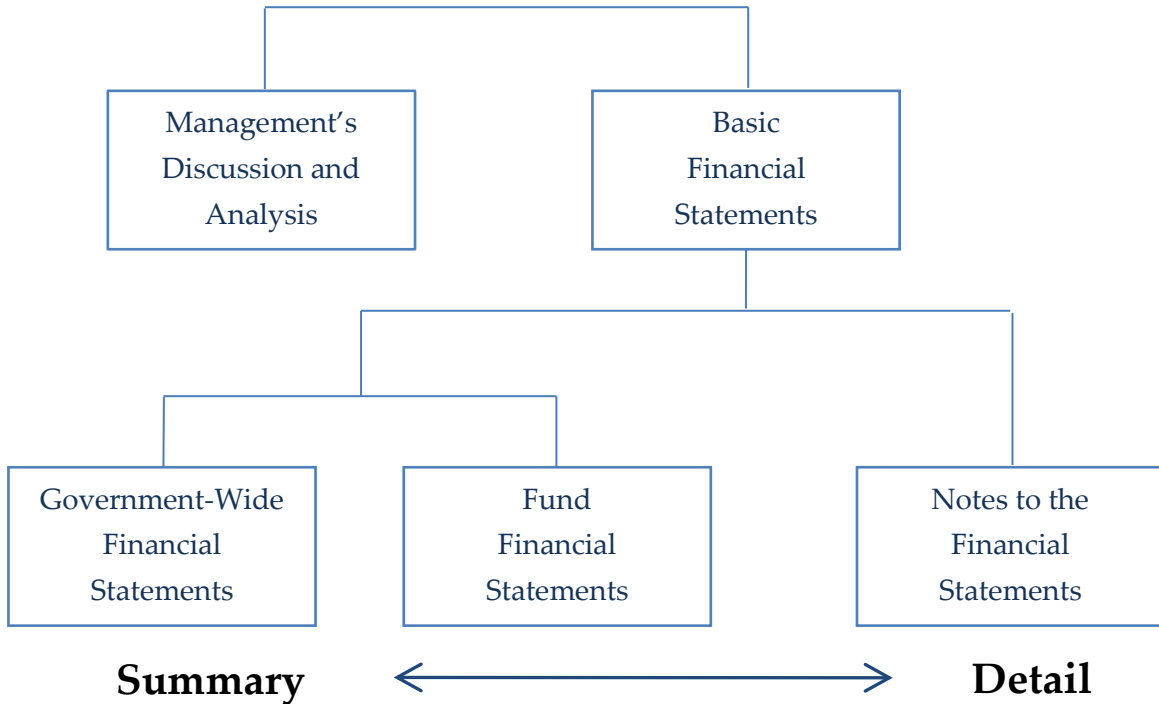
### ***Overview of the Financial Statements***

This discussion and analysis are intended to serve as an introduction to Town of Minnesott Beach'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 Minnesott Beach.



**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; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **Notes**. The notes to the financial statements explain in detail some of the data contained in those statements. 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 are divided into two categories: 1) governmental activities; and 2) business-type 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 business-type activities are those that the Town charges customers to provide. These include the water and sewer services offered by the Town of Minnesott Beach.

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 Minnesott Beach, 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 Minnesott Beach 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 18 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.

**Town of Minnesott Beach’s Net Position**

**Figure 2**

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
Current and other assets	\$ 799,325	\$ 695,200
Capital assets	315,500	338,281
Deferred outflows of resources	-	-
Total assets and deferred outflows of resources	<u>1,114,825</u>	<u>1,033,481</u>
Long-term liabilities outstanding	-	-
Other liabilities	120	4,850
Deferred inflows of resources	-	-
Total liabilities and deferred inflow of resources	<u>120</u>	<u>4,850</u>
Net investment on capital assets	315,500	338,281
Restricted for:		
Stabilization by State Statute	14,667	15,152
Streets	16,985	-
Unrestricted	<u>767,553</u>	<u>675,198</u>
Total net position	<u>\$1,114,705</u>	<u>\$ 1,028,631</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 Minnesott Beach exceeded liabilities by \$1,114,705 as of June 30, 2016. The Town's net position increased by \$86,074 for the fiscal year ended June 30, 2016. However, the largest portion, 315,500 or 28.30%, reflects the Town's net investment in capital assets (e.g. land, buildings, machinery, and equipment). The Town of Minnesott Beach uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Minnesott Beach'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 Minnesott Beach's net position, \$31,652 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$767,553 is unrestricted.

**Town of Minnesott Beach's Changes in Net Position**  
**Figure 3**

	<b>Governmental</b>	
	<b>Activities</b>	
	<b>2016</b>	<b>2015</b>
<b>Revenues:</b>		
Program revenues:		
Change for services	\$ 237	\$ 340
Operating grants and contributions	18,847	19,013
General revenues:		
Property taxes	129,703	135,144
Unrestricted intergovernmental revenues	61,439	59,400
Investment earnings	1,936	1,021
Other	3,751	4,621
Total revenues	<u>215,913</u>	<u>219,539</u>
<b>Expenses:</b>		
General government	83,773	99,215
Public works	22,497	19,009
Transportation	23,569	23,652
Total expenses	<u>129,839</u>	<u>141,876</u>
Increase in Net Position before transfers	<u>86,074</u>	<u>77,663</u>
Increase (decrease) in Net Position	86,074	77,663
Net Position, July 1	<u>1,028,631</u>	<u>950,968</u>
Net Position, June 30	<u>\$1,114,705</u>	<u>\$ 1,028,631</u>

### **Governmental activities**

Governmental activities increased the Town's net position by \$86,074.

### **Financial Analysis of the Town's Funds**

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

**Governmental Funds.** The focus of the Town of Minnesott Beach'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 Minnesott Beach's financing requirements.

The general fund is the chief operating fund of the Town of Minnesott Beach. At the end of the current fiscal year, the Town of Minnesott Beach's fund balance available in the General Fund was \$762,036, while total fund balance reached \$793,688. The Town currently has an available fund balance of 711.80% of general fund expenditures, while total fund balance represents 741.36% of the same amount.

At June 30, 2016, the governmental funds of the Town of Minnesott Beach reported a combined fund balance of \$793,688 with a net increase in fund balance of \$111,462.

### **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 Minnesott Beach's investment in capital assets for its governmental and business—type activities as of June 30, 2016, totaled \$315,500 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles.

**Town of Minnesott Beach's Capital Assets**  
*(Net of Accumulated Depreciation)*

**Figure 4**

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
Land	\$ 21,769	\$ 21,769
Buildings	31,726	31,726
Vehicles and Equipment	53,505	50,772
Vehicles	13,400	13,400
Infrastructure	399,170	399,170
Subtotal	519,570	516,837
Accumulated depreciation	(204,070)	(178,553)
Capital assets, net	<u>\$ 315,500</u>	<u>\$ 338,284</u>

**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 Minnesott Beach,**  
**11758 Hwy 306 South**  
**Minnesott Beach, NC 28510**

## **BASIC FINANCIAL STATEMENTS**

## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**Town of Minnesott Beach, North Carolina**  
**Statement of Net Position**  
**June 30, 2016**

	<b>Primary Government</b>
	<b>Governmental Activities</b>
<b>ASSETS</b>	
<i>Current Assets</i>	
Cash and cash equivalents	\$ 762,156
Restricted cash	16,985
Taxes receivables, net	5,517
Accounts receivable, net	14,667
<b>Total Current Assets</b>	<b>799,325</b>
<i>Noncurrent Assets</i>	
Land	21,769
Other capital assets, net of depreciation	293,731
<b>Total Assets</b>	<b>1,114,825</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>	
Accounts payable	120
<b>Total Current Liabilities</b>	<b>120</b>
<i>Noncurrent Liabilities</i>	
<b>Total Liabilities</b>	<b>120</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	315,500
<i>Restricted for:</i>	
Stabilization by state statute	14,667
Streets	16,985
<i>Unrestricted</i>	767,553
<b>Total Net Position</b>	<b>\$ 1,114,705</b>

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

**Town of Minnesott Beach, North Carolina  
Statement of Activities  
For the Year Ended June 30, 2016**

<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>Government Governmental Activities</u>
<b>Primary Government</b>					
<b>Governmental Activities:</b>					
General government	\$ 83,773	\$ 237	\$ --	\$ --	\$ (83,536)
Public Works	22,497	--	--	--	(22,497)
Transportation	23,569	--	18,847	--	(4,722)
<b>Total Governmental Activities</b>	<b>129,839</b>	<b>237</b>	<b>18,847</b>	<b>--</b>	<b>(110,755)</b>

**General Purpose Revenues and Transfers:**

**Revenues**

Ad Valorem Taxes	129,703
Other taxes and licenses	61,439
Investment earnings	1,936
Miscellaneous	3,751

**Total General Revenues and Transfers** 196,829

**Change in Net Position** **86,074**

*Net Position at Beginning of Period* 1,028,631

**Net Position at End of Period** **\$ 1,114,705**

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

## **Fund Financial Statement**

**Town of Minnesott Beach, North Carolina**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2016**

	<b>Major Fund</b>
	<b>General Fund</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 762,156
Restricted cash	16,985
Taxes receivables, net	5,517
Accounts receivable, net	14,667
<b>Total Assets</b>	<b>799,325</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Aggregated deferred outflows	--
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 799,325</b>
<b>LIABILITIES</b>	
Accounts payable	\$ 120
<b>Total Liabilities</b>	<b>120</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Aggregated deferred inflows	5,517
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>5,637</b>
<b>FUND BALANCE</b>	
Restricted	
Stabilization by state statute	14,667
Streets	16,985
Unassigned	762,036
<b>Total Fund Balance</b>	<b>793,688</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 799,325</b>

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

**Town of Minnesott Beach, North Carolina**  
**Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position**  
**June 30, 2016**

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

Total Fund Balance - Governmental Funds	\$	793,688
Capital assets used in governmental activities are financial resources and, therefore, are not reported in the funds.		315,500
Liabilities for earned revenues considered deferred inflows of resources in fund statements.		<u>5,517</u>
<b>Total Net Position-Governmental Funds</b>	<b>\$</b>	<b><u>1,114,705</u></b>

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

**Town of Minnesott Beach, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2016**

	<b>Major Fund</b>
	<b>General Fund</b>
<b>Revenues</b>	
Ad Valorem Taxes	\$ 132,310
Other taxes and licenses	61,484
Restricted governmental revenues	18,847
Investment earnings	1,936
Service Charges & Fees	192
Miscellaneous	3,751
<b>Total Revenues</b>	<b>218,520</b>
<b>Expenditures</b>	
General government	82,750
Public Works	22,497
Transportation	1,811
<b>Total Expenditures</b>	<b>107,058</b>
<b>Excess of Revenues Over</b>	
<b>(Under) Expenditures</b>	<b>111,462</b>
<b>Other Financing Sources (Uses)</b>	<b>--</b>
<b>Net Other Financing Sources (Uses)</b>	<b>--</b>
<b>Net Change in Fund Balance</b>	<b>111,462</b>
<i>Fund Balance at Beginning of Period</i>	682,226
<b>Fund Balance at End of Period</b>	<b>\$ 793,688</b>

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

**Town of Minnesott Beach, 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, 2016**

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

Total Net Change in Fund Balances - Governmental Funds	\$	111,462
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of these 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 plus assets donated to the town and acquired from other revenues.		(22,781)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(2,607)
<b>Changes in Net Position-Governmental Funds</b>	<b>\$</b>	<b><u>86,074</u></b>

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

**Town of Minnesott Beach, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual**  
**General Fund**  
**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable) Final to Actual
<b>Revenues</b>				
Ad valorem taxes	\$ 125,745	\$ 125,745	\$ 132,310	\$ 6,565
Other taxes and licenses	37,340	37,340	61,484	24,144
Restricted governmental	18,500	18,500	18,847	347
Investment earnings	355	355	1,936	1,581
Service Charges & Fees	192	192	192	--
Miscellaneous	650	650	3,751	3,101
<b>Total Revenues</b>	182,782	182,782	218,520	35,738
<b>Other Financing Sources</b>				
<b>Total Revenues and Other Financing Sources</b>	182,782	182,782	218,520	35,738
<b>Expenditures</b>				
General government	139,882	133,882	82,750	51,132
Public works	20,400	26,400	21,910	4,490
Transportation	24,000	24,000	2,398	21,602
<b>Total Expenditures</b>	184,282	184,282	107,058	77,224
<b>Other Financing Uses</b>				
Fund Balance Appropriated	(1,500)	(1,500)	--	(1,500)
<b>Total Expenditures and Other Financing Uses</b>	182,782	182,782	107,058	75,724
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	--	--	111,462	111,462
<b>Net Change in Fund Balance</b>	\$ --	\$ --	111,462	\$ 111,462
<i>Fund Balance at Beginning of Period</i>			682,226	
<b>Fund Balance at End of Period</b>			\$ 793,688	

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



## **Notes To The Financial Statements**

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

**NOTE I— SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Town of Minnesott Beach 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 Minnesott Beach is a municipal corporation that is governed by an elected mayor and a four-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. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the 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. Separate statements for each fund category — governmental and proprietary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating revenues are ancillary activities such as investment earnings.

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

The Town reports the following major governmental funds:

**Governmental Funds.** Governmental funds are those used to account for the Town's expendable financial resources and related liabilities (except those accounted for in proprietary or agency funds).

The following are the Town's governmental fund types:

**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.

***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 and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary 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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town enterprise fund are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

*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

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

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, 2015, 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, 2015 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 Minnesott Beach because the tax is levied by Pamlico County 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.

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

***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.

***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, 2015. 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.

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

**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**

The inventories of the Town are valued at cost (first-in, first-out), which approximates market. The inventories of the Town's enterprise funds consist of materials and supplies held for subsequent use. The cost of these inventories is expensed when consumed rather than when purchased.

**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.

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

Asset	Years
Infrastructure	20
Buildings	40
Improvements	25
Vehicles	5
Furniture and Fixtures	7
Equipment	5
Computer Equipment	3
Software	3

**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 2015 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

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

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 two items that meet the criterion for this category—property taxes receivable and deferrals of pension expense that result from the implementation of GASB Statement 68.

**9. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type 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.

**10. Net Position/Fund Balances**

*Net Position*

Net position in government-wide and proprietary 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.

*Inventories* — portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

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

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

*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 Minnesott Beach'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 Minnesott Beach 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 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



**Town of Minnesott Beach, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June30,2016**

**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.

At June 30, 2016, the Town's deposits had a carrying amount of \$779,091 and a bank balance of \$779,146. Of the bank balance, \$779,146 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At year the Town had cash on hand of \$50.

**2. Receivables — Allowance for Doubtful Accounts**

Fund	6/30/2016
General Fund:	
Taxes Receivable, net	\$ 5,517
Accounts Receivable, net	14,667
Total	\$ 20,184

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

**3. Capital Assets**

**Governmental Capital Assets**

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

	<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	\$ 21,769	\$ -	\$ -	\$ 21,769
Total capital assets not being depreciated	<u>21,769</u>	<u>-</u>	<u>-</u>	<u>21,769</u>
<b>Capital assets being depreciated:</b>				
Buildings	31,726	-	-	31,726
Equipment	50,772	2,733	-	53,505
Vehicles	13,400	-	-	13,400
Infrastructure	399,170	-	-	399,170
Total capital assets being depreciated	<u>495,068</u>	<u>2,733</u>	<u>-</u>	<u>497,801</u>
<b>Less accumulated depreciation for:</b>				
Buildings	18,071	793	-	18,864
Equipment	40,196	2,966	-	43,162
Vehicles	5,197	2,140	-	7,337
Infrastructure	115,089	19,618	-	134,707
Total accumulated depreciation	<u>178,553</u>	<u>\$ 25,517</u>	<u>\$ -</u>	<u>204,070</u>
Total capital assets being depreciated, net	<u>316,515</u>			<u>293,731</u>
<b>Governmental activity capital assets, net</b>	<u>\$ 338,284</u>			<u>\$ 315,500</u>

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

<b>Governmental Activities:</b>	
General Government	\$ 3,759
Transportation	21,758
<b>Total</b>	<u>\$ 25,517</u>

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

**B. Liabilities**

**1. Deferred Outflows and Inflows of Resources**

Deferred outflows of resources were none at yearend.

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

<b>Source</b>	<b>Amount</b>
Taxes receivable, net ( <i>General Fund</i> )	\$ 5,517
Total	<u>\$ 5,517</u>

**2. Fund Balance**

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

Total Fund Balance - General Fund	<b>\$ 793,688</b>
<i>Less:</i>	
Stabilization by State Statute	14,667
Streets	16,985
Remaining Fund Balance	762,036

**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 natural 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 finance officer has a performance bond for \$50,000 through a commercial surety bond agency.

**Town of Minnesott Beach, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June30,2016**

***B. 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 13, 2016, the date the financial statements were available to be issued.

**INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

**Town of Minnesott Beach, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual**  
**For the Fiscal Year Ended June 30, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Ad Valorem Taxes		\$ 132,310	
Penalties and interest		-	
<b>Total</b>	<u>125,745</u>	<u>132,310</u>	<u>6,565</u>
<b>Other Taxes and Licenses</b>			
Local option sales tax		39,437	
Utility franchise tax		19,707	
Beer & wine tax		2,046	
Solid waste disposal		294	
<b>Total Taxes and License</b>	<u>37,340</u>	<u>61,484</u>	<u>24,144</u>
<b>Restricted Intergovernmental Revenues</b>			
Powell Bill Allocation		18,847	
<b>Total</b>	<u>18,500</u>	<u>18,847</u>	<u>347</u>
<b>Investment Earnings</b>			
Interest		1,936	
<b>Total</b>	<u>355</u>	<u>1,936</u>	<u>1,581</u>
<b>Miscellaneous</b>			
Miscellaneous revenue		3,751	
Gargabe Collections		192	
<b>Total</b>	<u>842</u>	<u>3,943</u>	<u>3,101</u>
<b>Total Revenues</b>	<u>\$ 182,782</u>	<u>\$ 218,520</u>	<u>\$ 35,738</u>

**Town of Minnesott Beach, North Carolina  
General Fund  
Schedule of Revenue, Expenditures, and Changes  
In Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Expenditures</b>			
General Government			
Salaries and benefits		\$ 20,027	
Garbage collection		34,313	
Other operating costs		28,410	
<b>Total</b>	<u>133,882</u>	<u>82,750</u>	<u>51,132</u>
Public Works			
Salaries and benefits		3,910	
Other operating costs		18,000	
<b>Total</b>	<u>26,400</u>	<u>21,910</u>	<u>4,490</u>
<b>Transportation</b>			
Capital outlay		587	
Other operating costs		1,811	
<b>Total</b>	<u>\$ 24,000</u>	<u>\$ 2,398</u>	<u>\$ 21,602</u>
<b>Environmental Protections</b>			
Solid waste services		\$ -	
Tipping fees		-	
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>184,282</u>	<u>107,058</u>	<u>77,224</u>
Revenue over (under) expenditures	(1,500)	111,462	109,962
Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Sale of fixed asset		-	-
Fund Balance Appropriated	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 111,462</u>	<u>\$ 111,462</u>
<b>Fund Balances</b>			
Beginning of year, July 1		<u>682,226</u>	
End of year, June 30		<u>\$ 793,688</u>	

## **OTHER SCHEDULES**



**Town of Minnesott Beach, North Carolina**  
**General Fund**  
**Schedule of Ad Valorem Taxes Receivable**  
**For the Fiscal Year Ended June 30, 2016**

Fiscal Year	Uncollected Balance July 1, 2015	Additions and Adjustments	Collections and Credits	Uncollected Balance June 30, 2016
2015-2016	\$ -	\$ 132,493	\$ 130,375	\$ 2,118
2014-2015	4,293		3,352	941
2013-2014	1,104		444	660
2012-2013	928		360	569
2011-2012	513		67	446
2010-2011	503		140	363
2009-2010	483		141	342
2008-2009	250		116	134
2007-2008	444		44	400
2006-2007	64		19	45
	<u>8,582</u>	<u>132,493</u>	<u>135,058</u>	<u>6,017</u>

Less: Allowance for Uncollectible Accounts 500

Ad Valorem Taxes Receivables, Net \$ 5,517

**Reconciliation with Revenues:**

Ad Valorem Tax - General Fund	\$ 132,310
Reconciling items:	
Interest collected	(568)
Releases and adjustments	<u>3,316</u>
Total Collections and Credits	<u>135,058</u>

**Town of Minnesott Beach, North Carolina  
General Fund  
Analysis of Current Tax Levy  
For the Fiscal Year Ended June 30, 2016**

	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	<u>\$ 101,917,692</u>	<u>0.0013</u>	<u>\$132,493</u>	<u>\$125,292</u>	<u>\$ 7,201</u>
Total Net Levy for Current Year	<u>\$ 101,917,692</u>				
Net levy			132,493	125,292	7,201
Less uncollected taxes at June 30, 2016			<u>2,118</u>	<u>2,118</u>	<u>-</u>
Current year's taxes collected			<u>\$130,375</u>	<u>\$ 123,174</u>	<u>\$ 7,201</u>
Current levy collection percentage			<u>98.40%</u>	<u>98.31%</u>	<u>100.00%</u>