

4. FINANCIAL MATTERS

A. PRESENTATION OF FY 2012 AUDIT

Attached herewith, please find an electronic copy of the FY 2012 Comprehensive Annual Financial Report (CAFR) prepared by Creedle, Jones, and Alga, P.C., Certified Public Accountants. A printed copy will be at your place Monday evening. Mrs. Robin Jones, CPA, will present their report.

The schedule of findings and questioned costs appears on page 73 of the report— please note that the report includes an unqualified (clean) opinion with no significant deficiencies, no instances of noncompliance and no findings.

Also keep in mind that the audit is only a snapshot of the County's financial position on June 30, 2012 — there have been a number of changes since that time which are not reflected in the audit.

Major items to note for FY 2012:

- In the general fund, overall, we collected \$160,277 or 0.59%, more revenue than budgeted – (pages 50-52). Chiefly responsible for the positive variance were delinquent tax collections, penalties and interest, motor vehicle licenses, and ambulance fees. These additional revenues were partially mitigated by shortfalls in real and personal property taxes, shared industrial corridor revenue from Franklin, and state categorical aid.
- Actual spending was \$736,536 or 2.66% less than budgeted (pages 52-53). Chiefly responsible for the expenditure savings were the Sheriff's Office (Bailiff, Courthouse Security, Law Enforcement, 911), and Emergency Services (reimbursements from Hurricane Irene);
- The school board underspent its local budget by only \$746 (page 53) – substantially less than previous fiscal years;
- Given the fact that your FY 2012 budget included up to \$1,400,777 from the General Fund Reserve, and the Board re-appropriated an additional \$1,094,072 back to the School Board in January 2012, the end of year general fund balance decreased by \$1,761,921, or 28.4%, and remains at \$4,440,258 (page 14). The unappropriated fund balance is currently equivalent to roughly 15.66% of your overall General Fund budget, including transfers;
- Your FY 2013 budget provides for up to \$452,260 to come from the unappropriated general fund reserve, if necessary, to balance.

MOTION REQUIRED: A motion is required to receive and accept the FY 2012 CAFR.

B. FY 2013 SEMIANNUAL APPROPRIATION RESOLUTION

Attached herewith please find the semiannual appropriation resolution for the second half of FY 2013, with total appropriations of \$25,348,949.

MOTION REQUIRED: A motion is required to adopt the attached semiannual appropriation resolution.

C. SCHOOL FUND APPROPRIATION

Attached for your consideration, please find a School Fund appropriation totaling \$112,161.67. The sources of revenue are donations and expenditure refunds – there are no new local funds included.

MOTION REQUIRED: A motion is required to adopt the attached resolution.

D. REQUEST FOR EARLY PAYROLL DISBURSEMENT

In keeping with past traditions, I'm seeking your authority to provide early payroll disbursement for all employees in December. I request a motion to issue payroll checks to all employees for the December pay period on Thursday, December 20, 2012.

MOTION REQUIRED: A motion is required to approve early payroll disbursement.

E. MONTHLY BILLS

Attached for your reference please find spreadsheets itemizing the accounts payable for Southampton County.

This list has been pre-audited by county staff to determine the legality of each expenditure. Specifically, we have checked to assure that funds have been appropriated and are available to cover the expenditure. Each claim has been checked to assure that the obligation has been incurred or that the goods and/or services have been received.

MOTION REQUIRED: A motion is required to authorize payment of the monthly bills.