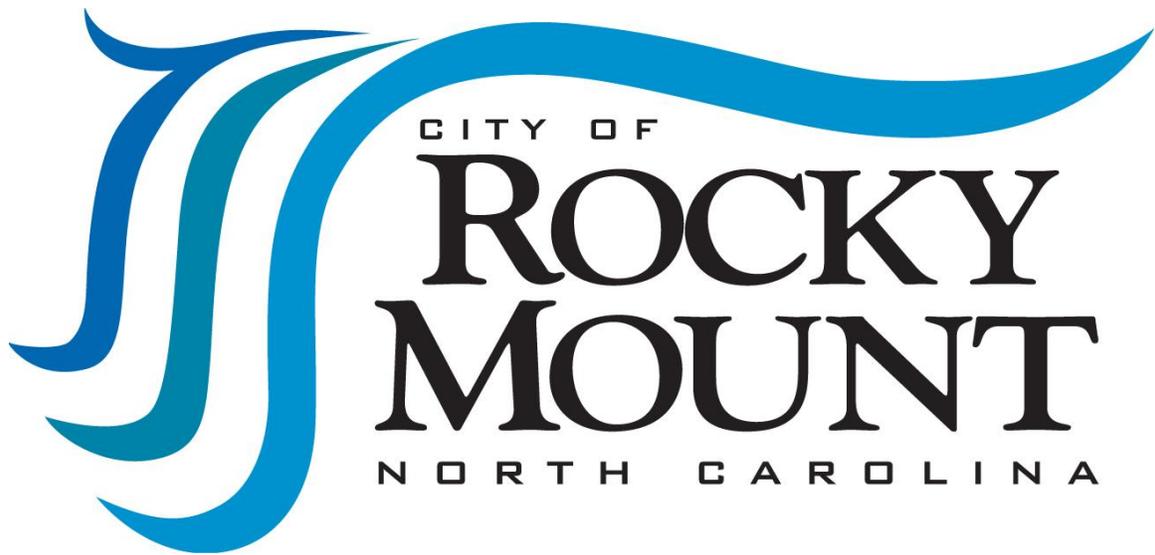


# Compliance Letters



**Fiscal Year Ended June 30, 2013**



# CITY OF ROCKY MOUNT, NORTH CAROLINA

## COMPLIANCE LETTERS FOR THE YEAR ENDED JUNE 30, 2013

### TABLE OF CONTENTS

|   | <u>Page</u> |
|---|-------------|
| Report On Internal Control Over Financial Reporting And On Compliance<br>And Other Matters Based On An Audit Of Financial Statements<br>Performed In Accordance With <i>Government Auditing Standards</i> | 1 - 2       |
| Report On Compliance For Each Major Federal Program; Report<br>on Internal Control Over Compliance; In Accordance With OMB<br>Circular A-133; And The State Single Audit Implementation Act               | 3-4         |
| Report On Compliance For Each Major State Program; Report<br>on Internal Control Over Compliance; In Accordance With OMB<br>Circular A-133; And The State Single Audit Implementation Act                 | 5-6         |
| Schedule of Findings, Responses, and Questioned Costs   | 7-8         |
| Summary Schedule of Prior Year's Audit Findings   | 9           |
| Schedule of Expenditures of Federal and State Awards  | 10-11       |

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# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

## **Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards**

### **Independent Auditor's Report**

To the Honorable Mayor  
and Members of the City Council  
City of Rocky Mount  
Rocky Mount, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Rocky Mount, North Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 28, 2013. The financial statements of the City of Rocky Mount Theatre, LLC were not audited in accordance with *Government Auditing Standards*.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Rocky Mount's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Rocky Mount's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Rocky Mount's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Rocky Mount's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 28, 2013

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

## **Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133; And the State Single Audit Implementation Act**

### **Independent Auditor's Report**

To the Honorable Mayor  
and Members of the City Council  
City of Rocky Mount  
Rocky Mount, North Carolina

#### **Report on Compliance for Each Major Federal Program**

We have audited the City of Rocky Mount's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Rocky Mount's major federal programs for the year ended June 30, 2013. The City of Rocky Mount's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

#### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City of Rocky Mount's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Rocky Mount's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Rocky Mount's compliance

## Opinion on Each Major Federal Program

In our opinion, the City of Rocky Mount complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

## Report on Internal Control Over Compliance

Management of the City of Rocky Mount is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Rocky Mount's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Rocky Mount's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 28, 2013

# MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

*"A Professional Association of Certified Public Accountants and Management Consultants"*

## **Report On Compliance For Each Major State Program; Report On Internal Control Over Compliance; In Accordance With OMB Circular A-133; And The State Single Audit Implementation Act**

### **Independent Auditor's Report**

To the Honorable Mayor  
and Members of the City Council  
City of Rocky Mount  
Rocky Mount, North Carolina

#### **Report on Compliance for Each Major State Program**

We have audited the City of Rocky Mount's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the City of Rocky Mount's major State programs for the year ended June 30, 2013. The City of Rocky Mount's major State programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

#### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City of Rocky Mount's major State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and in applicable sections of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the City of Rocky Mount's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State program. However, our audit does not provide a legal determination of the City of Rocky Mount's compliance.

## Opinion on Each Major State Program

In our opinion, the City of Rocky Mount complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2013.

## Report on Internal Control Over Compliance

Management of the City of Rocky Mount is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Rocky Mount's internal control over compliance with the requirements that could have a direct and material effect on a major State program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Rocky Mount's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a State program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a State program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 28, 2013

# CITY OF ROCKY MOUNT, NORTH CAROLINA

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2013

### 1. Summary of Auditor's Results

#### Financial Statements

|   |               |
|---|---------------|
| Type of auditor's report issued   | Unmodified    |
| Internal control over financial reporting:  |               |
| • Material weakness(es) identified?   | No            |
| • Significant deficiency(s) identified that are not considered to be material weaknesses? | None reported |
| Non-compliance material to financial statements noted?                                    | No            |

#### Federal Awards

|  |               |
|--|---------------|
| Internal control over major federal programs:  |               |
| • Material weakness (es) identified?   | No            |
| • Significant deficiency(s) identified that are not considered to be material weaknesses?                              | None reported |
| Type of auditors' report issued on compliance for major federal programs   | Unmodified    |
| Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? | No            |

Identification of major federal programs:

| <u>Program Name or Cluster</u>                             | <u>CFDA #</u>                  |
|--|--------------------------------|
| Non-urbanized Area Formula Program                         | 20.509                         |
| Federal Transit Cluster                                    | 20.500, 20.507, 20.525, 20.526 |
| Highway Planning and Construction Cluster                  | 20.205, 20.219, 23.003         |
| CDBG Entitlements Grants Cluster                           | 14.218, 14.253, 14.254         |
| Home Investment Partnership Program                        | 14.239                         |
| Capitalization Grants for Clean Water State Revolving Fund | 66.458                         |

|   |                  |
|---|------------------|
| Dollar threshold used to distinguish between Type A and Type B Programs | <u>\$300,000</u> |
|---|------------------|

|  |     |
|--|-----|
| Auditee qualified as low-risk auditee? | Yes |
|--|-----|

# CITY OF ROCKY MOUNT, NORTH CAROLINA

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2013

### State Awards

Internal control over major State programs:

- Material weakness (es) identified? No
- Significant deficiency(s) identified that are not considered to be material weaknesses? None reported

Type of auditors' report issued on compliance for major State programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act? No

Identification of major State programs:

### Program Name

Powell Bill

### **2. Findings Related to the Audit of the Basic Financial Statements**

None

### **3. Findings and Questioned Costs Related to the Audit of Federal Awards**

None

### **4. Findings and Questioned Costs Related to the Audit of State Awards**

None

**CITY OF ROCKY MOUNT, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS**  
**FOR THE YEAR ENDED JUNE 30, 2013**

None.

CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FROM GRANT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

| Grantor / Pass - Through Grantor / Program Title                                 | Federal CFDA Number | Pass - Through Grantor Number | Grant Award          | Prior Year Expenditure | Federal Exp 6/30/13 | State Exp 6/30/13 |
|--|---------------------|-------------------------------|----------------------|------------------------|---------------------|-------------------|
| <b>FEDERAL FINANCIAL ASSISTANCE PROGRAMS:</b>                                    |                     |                               |                      |                        |                     |                   |
| <b>U.S. Department of Transportation</b>   |                     |                               |                      |                        |                     |                   |
| <b>Direct Program -</b>  |                     |                               |                      |                        |                     |                   |
| <b>Federal Transit Cluster:</b>  |                     |                               |                      |                        |                     |                   |
| Operating, Section 9 (50 fed /50 local) 2012 NC-90-X487                          | 20.507              |                               | \$ 27,023            | \$ -                   | \$ 27,023           | \$ -              |
| Operating, Section 9 (50 fed /50 local) 2012 NC-90-X504                          | 20.507              |                               | 357,063              | -                      | 357,063             | -                 |
| Capital, Section 5307 (80 fed /10 local/10 SMAP) 2012 NC-90-X487                 | 20.500              |                               | 491,249              | 360,686                | 130,369             | -                 |
| Capital, Section 5307 (80 fed / 10 local/10 SMAP) 2013 NC-90-X504                | 20.500              |                               | 394,937              | -                      | 393,310             | -                 |
| Capital, Section 5307 (80 fed /10 local/10 SMAP) 2009 NC-96-0010 Recovery Act    | 20.500              |                               | 991,722              | 951,079                | -                   | -                 |
| <b>Federal Transit Cluster Total</b>   |                     |                               | <b>2,261,994</b>     | <b>1,311,765</b>       | <b>907,765</b>      | <b>-</b>          |
| <b>Passed through North Carolina Department of Transportation:</b>               |                     |                               |                      |                        |                     |                   |
| <b>Federal Transit Administration</b>  |                     |                               |                      |                        |                     |                   |
| Planning, Sect 5303 (80/10/10) #13-08-115, WO#36230.25.12.6                      | 20.505              |                               | 33,470               | -                      | 26,776              | 3,346             |
| <b>Nonurbanized Area Formula Program</b>   |                     |                               |                      |                        |                     |                   |
| Rural, Admin 2013 #13-CT-043 WO#36233.24.10.1                                    | 20.509              |                               | 165,498              | -                      | 153,278             | 9,580             |
| Rural, Operating 2013 #13-CT-043 WO#36233.24.10.2                                | 20.509              |                               | 97,500               | -                      | 75,611              | -                 |
| Rural Capital 2013 #13-CT-043 WBS#36233-24.10.3                                  | 20.509              |                               | 164,295              | -                      | 109,037             | 13,629            |
| Rural Mobility Management #11-ED-043   | 20.509              |                               | 63,000               | -                      | 27,179              | 3,396             |
| <b>Federal Transit Administration Total</b>                                      |                     |                               | <b>523,763</b>       | <b>-</b>               | <b>391,881</b>      | <b>29,951</b>     |
| <b>Highway Planning and Construction Cluster</b>                                 |                     |                               |                      |                        |                     |                   |
| Downtown Redevelopment Project: E-4992, WBS: 41063.1.1, 41063.3.1                | 20.205              |                               | 4,561,414            | 3,519,540              | 1,041,875           | -                 |
| PWP Transportation Planning FY 2013 (80fed / 20 local)                           | 20.205              |                               | 241,336              | -                      | 168,020             | -                 |
| Intersection Improvements - TiffanyBlvd/Benvenue Road (C-4970D)                  | 20.205              |                               | 75,000               | 70,372                 | -                   | 4,628             |
| <b>Highway Planning and Construction Cluster Total</b>                           |                     |                               | <b>4,877,750</b>     | <b>3,589,911</b>       | <b>1,209,895</b>    | <b>4,628</b>      |
| <b>Total U.S. Department of Transportation</b>                                   |                     |                               | <b>7,663,507</b>     | <b>4,901,677</b>       | <b>2,509,542</b>    | <b>34,579</b>     |
| <b>U.S. Department of Housing and Urban Development</b>                          |                     |                               |                      |                        |                     |                   |
| <b>CDBG - Entitlement Grants Cluster</b>   |                     |                               |                      |                        |                     |                   |
| Community Development Entitlement Grant-2008                                     | 14.218              |                               | 681,281              | 629,367                | 8,001               | -                 |
| Community Development Entitlement Grant-2010                                     | 14.218              |                               | 663,046              | 655,260                | 6,478               | -                 |
| Community Development Entitlement Grant-2011                                     | 14.218              |                               | 716,521              | 701,604                | 6,628               | -                 |
| Community Development Entitlement Grant-2012                                     | 14.218              |                               | 601,983              | 398,943                | 195,802             | -                 |
| Community Development Entitlement Grant-2013                                     | 14.218              |                               | 490,032              | -                      | 265,683             | -                 |
| <b>CDBG - Entitlement Grants Cluster Total</b>                                   |                     |                               | <b>3,152,863</b>     | <b>2,385,174</b>       | <b>482,592</b>      | <b>-</b>          |
| <b>Home Investment Partnership Program</b>                                       |                     |                               |                      |                        |                     |                   |
| Community Development Home Grant-2005  | 14.239              |                               | 833,312              | 777,126                | -                   | -                 |
| Community Development Home Grant-2006  | 14.239              |                               | 793,028              | 764,598                | -                   | -                 |
| Community Development Home Grant-2007  | 14.239              |                               | 746,761              | 688,985                | -                   | -                 |
| Community Development Home Grant-2008  | 14.239              |                               | 760,068              | 650,920                | -                   | -                 |
| Community Development Home Grant-2009  | 14.239              |                               | 750,036              | 564,311                | 121,014             | -                 |
| Community Development Home Grant-2010  | 14.239              |                               | 833,642              | 458,677                | 136,418             | -                 |
| Community Development Home Grant-2011  | 14.239              |                               | 835,997              | 355,812                | 314,357             | -                 |
| Community Development Home Grant-2012  | 14.239              |                               | 736,315              | 81,676                 | 38,412              | -                 |
| Community Development Home Grant-2013  | 14.239              |                               | 507,988              | -                      | 50,798              | -                 |
| Lead Based Paint Hazard Reduction - Grant # NCLHB037207                          | 14.900              |                               | 2,765,585            | 2,535,714              | -                   | -                 |
| <b>Passed through NC Housing Finance Agency</b>                                  |                     |                               |                      |                        |                     |                   |
| CTP Program (Stewart B. McKinney Homeless Assistance Act - FAF)                  | 14                  | CTP-11                        | 65,000               | -                      | 65,000              | -                 |
| CTP Program (Stewart B. McKinney Homeless Assistance Act - FAF)                  | 14                  | CTP-12                        | 65,000               | -                      | -                   | -                 |
| <b>Passed through NC Department of Commerce-Division of Community Assistance</b> |                     |                               |                      |                        |                     |                   |
| Neighborhood Stabilization Program   | 14.256              | 08-N-1894                     | 2,100,000            | 1,798,566              | 299,371             | -                 |
| <b>Total U.S. Department of Housing and Urban Development</b>                    |                     |                               | <b>14,945,595</b>    | <b>11,061,560</b>      | <b>1,507,961</b>    | <b>-</b>          |
| <b>U.S. Department of Justice</b>  |                     |                               |                      |                        |                     |                   |
| <b>Direct Program -</b>  |                     |                               |                      |                        |                     |                   |
| Bulletproof Vest Partnership Grant 2010  | 16.607              |                               | 5,653                | 4,838                  | -                   | -                 |
| Bulletproof Vest Partnership Grant 2011  | 16.607              |                               | 3,226                | -                      | 3,226               | -                 |
| Bulletproof Vest Partnership Grant 2012  | 16.607              |                               | 3,990                | -                      | 1,635               | -                 |
| 2009 COPS Hiring Recovery-Recovery Act (2009-RK-KW-0551)                         | 16.710              |                               | 1,088,808            | 1,016,130              | 69,060              | -                 |
| <b>JAG Program Cluster</b>   |                     |                               |                      |                        |                     |                   |
| 2009 Edward Byrne Memorial JAG (2009-DJ-BX-0843)                                 | 16.738              |                               | 79,319               | 79,319                 | -                   | -                 |
| 2011 Edward Byrne Memorial JAG (2011-DJ-BX-2638)                                 | 16.738              |                               | 64,217               | 38,530                 | 25,687              | -                 |
| 2012 Edward Byrne Memorial JAG (2012-DJ-BX-0375)                                 | 16.738              |                               | 54,701               | -                      | 32,821              | -                 |
| 2009 Edward Byrne Memorial JAG-Recovery Act (2009-SB-B9-0843)                    | 16.738              |                               | 377,520              | 377,280                | 240                 | -                 |
| <b>JAG Program Cluster Total</b>   |                     |                               | <b>575,757</b>       | <b>495,129</b>         | <b>\$ 58,747</b>    | <b>-</b>          |
| <b>Total U.S. Department of Justice</b>  |                     |                               | <b>1,677,434</b>     | <b>1,516,097</b>       | <b>\$ 132,669</b>   | <b>-</b>          |
| <b>U. S. Environmental Protection Agency:</b>                                    |                     |                               |                      |                        |                     |                   |
| <b>Passed through NC Department of Environment and Natural Resources</b>         |                     |                               |                      |                        |                     |                   |
| <b>Capitalization Grants for Clean Water State Revolving Funds</b>               |                     |                               |                      |                        |                     |                   |
| 'Clean Water SRF- WWTP Oxygen CS370394-08/E-SRF-T-11-0289                        | 66.458              |                               | 2,340,000            | 1,662,374              | 587,444             | -                 |
| 'Clean Water SRF- River Drive CS370394-04 / E-SRF-T-12-0291                      | 66.458              |                               | 1,751,025            | -                      | 1,751,025           | -                 |
| <b>Total U.S. Environmental Protection Agency</b>                                |                     |                               | <b>4,091,025</b>     | <b>1,662,374</b>       | <b>2,338,469</b>    | <b>-</b>          |
| <b>U.S. Department of Homeland Security-Federal Emergency Mgt. Agency</b>        |                     |                               |                      |                        |                     |                   |
| Assistance to Firefighters-Operations and Safety Agreement No. EMW-2012-FO-04620 | 97.044              |                               | 160,000              | -                      | -                   | -                 |
| <b>Passed through North Carolina Crime Control and Public Safety:</b>            |                     |                               |                      |                        |                     |                   |
| Public Disaster Grant 07-0702-01-453 - Hurricane Irene                           | 97.036              |                               | 5,630,000            | 5,419,740              | (472)               | (158)             |
| <b>Total Federal Emergency Management Agency</b>                                 |                     |                               | <b>5,790,000</b>     | <b>5,419,740</b>       | <b>(472)</b>        | <b>(158)</b>      |
| <b>U.S. Department of Health and Human Services</b>                              |                     |                               |                      |                        |                     |                   |
| Public Access Defibrillation Projects- D67RH24678                                | 93.259              |                               | 299,932              | -                      | 60,431              | -                 |
| <b>Total US Department of Health and Human Services</b>                          |                     |                               | <b>299,932</b>       | <b>-</b>               | <b>60,431</b>       | <b>-</b>          |
| <b>Total Federal Financial Assistance Programs</b>                               |                     |                               | <b>\$ 34,467,493</b> | <b>\$ 24,561,448</b>   | <b>6,548,599</b>    | <b>34,422</b>     |

CITY OF ROCKY MOUNT, NORTH CAROLINA

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FROM GRANT INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2013

| Grantor / Pass - Through Grantor / Program Title                           | Federal<br>CFDA<br>Number | Pass -<br>Through<br>Grantor<br>Number | Grant Award          | Prior Year<br>Expenditure | Federal Exp<br>6/30/13 | State Exp<br>6/30/13 |
|--|---------------------------|--|----------------------|---------------------------|------------------------|----------------------|
| <b>STATE FINANCIAL ASSISTANCE PROGRAMS:</b>                                |                           |  |                      |                           |                        |                      |
| <b>North Carolina Department of Transportation:</b>                        |                           |  |                      |                           |                        |                      |
| <b>Public Transportation Division:</b>                                     |                           |  |                      |                           |                        |                      |
| State Maintenance Assistance Program FY13                                  |                           |  | \$ 191,781           | \$ -                      | \$ -                   | \$ 191,781           |
| <b>Division of Highways:</b>   |                           |  |                      |                           |                        |                      |
| State Street-Aid Allocation Fund (Powell Bill)                             |                           |  | 1,627,259            | -                         | -                      | 1,043,573            |
| <b>Rail Division:</b>  |                           |  |                      |                           |                        |                      |
| Gold Leaf St. Improvements: WBS:40325.1.6 TIP 7-4804-A                     |                           |  | 75,000               | -                         | -                      | 75,000               |
| <b>Total N.C. Department of Transportation</b>                             |                           |  | <u>1,894,040</u>     | <u>-</u>                  | <u>-</u>               | <u>1,310,354</u>     |
| <b>North Carolina Department of Environmental &amp; Natural Resources:</b> |                           |  |                      |                           |                        |                      |
| Recycling Grant (Contract 4077)  |                           |  | 16,888               | -                         | -                      | 16,888               |
| <b>Passed through the N.C. Parks &amp; Recreation Trust Fund</b>           |                           |  |                      |                           |                        |                      |
| Soccer Sports Complex - PARTF - Project #2009-605                          |                           |  | 197,000              | 111,979                   | -                      | 85,021               |
| <b>Passed through the N.C. Clean Water Management Trust Fund</b>           |                           |  |                      |                           |                        |                      |
| Tar River Trails - Contract# GA11099 CWMTF# 2010-213                       |                           |  | 61,000               | -                         | -                      | 33,245               |
| <b>Total N.C. Department of Environmental &amp; Natural Resources</b>      |                           |  | <u>274,888</u>       | <u>111,979</u>            | <u>-</u>               | <u>135,153</u>       |
| <b>North Carolina Department of Insurance:</b>                             |                           |  |                      |                           |                        |                      |
| NC Safe Kids Grant - Nash Co. Risk Watch Contract                          |                           |  | 59,692               | 55,974                    | -                      | 3,718                |
| NC Safe Kids Grant - Nash Co. Risk Watch Contract                          |                           |  | 20,000               | 16,707                    | -                      | 3,294                |
| <b>Total North Carolina Department of Insurance</b>                        |                           |  | <u>79,692</u>        | <u>72,681</u>             | <u>-</u>               | <u>7,011</u>         |
| <b>North Carolina Dept of Health &amp; Human Services</b>                  |                           |  |                      |                           |                        |                      |
| Summer Feeding Program 2009  |                           |  | 139,896              | 94,248                    | -                      | 17,560               |
| Summer Feeding Program 2013  |                           |  | 60,000               | -                         | -                      | 7,511                |
| <b>Passed through the Upper Coastal Plain Area Agency on Aging</b>         |                           |  |                      |                           |                        |                      |
| Senior Center General Purpose Funding                                      |                           |  | 12,285               | -                         | -                      | 12,285               |
| <b>Total NC Dept of Health &amp; Human Services</b>                        |                           |  | <u>212,181</u>       | <u>94,248</u>             | <u>-</u>               | <u>37,356</u>        |
| <b>North Carolina Dept of Commerce</b>                                     |                           |  |                      |                           |                        |                      |
| <b>Main Street Solution Fund</b>   |                           |  |                      |                           |                        |                      |
| North Carolina Main Street Solutions Fund Grant                            |                           |  | 202,500              | 50,000                    | -                      | 50,000               |
| <b>Total North Carolina Dept of Commerce</b>                               |                           |  | <u>202,500</u>       | <u>50,000</u>             | <u>-</u>               | <u>50,000</u>        |
| <b>Total State Assistance Programs</b>                                     |                           |  | <u>2,663,301</u>     | <u>328,908</u>            | <u>-</u>               | <u>1,539,875</u>     |
| <b>TOTAL FEDERAL AND STATE FINANCIAL ASSISTANCE PROGRAMS</b>               |                           |  | <u>\$ 37,130,793</u> | <u>\$ 24,890,356</u>      | <u>\$ 6,548,599</u>    | <u>\$ 1,574,297</u>  |

Note 1 - Expenditures are reported on the modified accrual basis of accounting.

**Note 2 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal and State Awards includes the federal and State grant activity of the City of Rocky Mount and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the State Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

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