

**CABARRUS COUNTY TOURISM  
AUTHORITY  
d/b/a Cabarrus County Convention And  
Visitors Bureau**

**Audited Financial Statements**

**June 30, 2015 and 2014**

**CABARRUS COUNTY TOURISM AUTHORITY  
d/b/a Cabarrus County Convention And Visitors Bureau**

**Concord, North Carolina**

**Audited**

**Financial Statements**

**As Of And For**

**The Years Ended**

**June 30, 2015 and 2014**

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## CONTENTS

<b>Independent Auditors' Report .....</b>	<b>Page 2-3</b>
 <b>Financial Statements -- Overview:</b>	
Statements of Financial Position .....	4
Statement of Activities .....	5 – 6
Statement of Functional Expenses.....	7 – 8
Statements of Cash Flows .. ..	9
Notes To Financial Statements .....	10 – 15



**POTTER & COMPANY**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT**

Board of Directors  
**Cabarrus County Tourism Authority**  
**d/b/a Cabarrus County Convention and Visitors Bureau**  
Concord, North Carolina

We have audited the accompanying financial statements **Cabarrus County Tourism Authority d/b/a Cabarrus County Convention and Visitors Bureau** (a nonprofit organization), which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

***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 an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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 opinion.

*Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Cabarrus County Tourism Authority d/b/a Cabarrus County Convention and Visitors Bureau** as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Pottin + Company, P.A.

September 14, 2015  
Concord, North Carolina

**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2015 and 2014**

<b>ASSETS</b>	2015	2014
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,315,357	\$ 1,571,216
Accounts receivable	1,350	1,350
Accounts receivable - County	413,778	373,496
Total Current Assets	2,730,485	1,946,062
<b>PROPERTY AND EQUIPMENT</b>		
Computer equipment	71,256	71,256
Vehicles	118,407	118,407
Leasehold improvements	199,551	189,431
Office equipment	75,345	72,898
Other fixed assets	7,935	7,935
	472,494	459,927
Accumulated depreciation	(218,695)	(161,014)
Total Property and Equipment, net	253,799	298,913
<b>TOTAL ASSETS</b>	\$ 2,984,284	\$ 2,244,975
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 54,338	\$ 45,511
Accrued salaries	103,542	94,078
Accrued expenses	12,247	11,796
Total Current Liabilities	170,127	151,385
<b>TOTAL LIABILITIES</b>	170,127	151,385
<b>NET ASSETS</b>		
Unrestricted	2,637,267	1,916,700
Temporarily restricted	176,890	176,890
<b>TOTAL NET ASSETS</b>	2,814,157	2,093,590
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 2,984,284	\$ 2,244,975

*The Accompanying Notes Are An Integral Part Of This Statement.*

**CABARRUS COUNTY TOURISM AUTHORITY**  
*d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU*  
**STATEMENT OF ACTIVITIES**  
*For the Year Ended June 30, 2015*

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Total</u>
<b>REVENUE</b>			
Occupancy tax	\$ 4,865,215	\$ -	\$ 4,865,215
Advertising fees	34,850	-	34,850
Program fees	5,158	-	5,158
Interest	3,068	-	3,068
	<u>4,908,291</u>	<u>-</u>	<u>4,908,291</u>
Total Revenue	4,908,291	-	4,908,291
	<u>4,908,291</u>	<u>-</u>	<u>4,908,291</u>
<b>EXPENSES</b>			
Program	3,559,565	-	3,559,565
Management and general	628,159	-	628,159
	<u>4,187,724</u>	<u>-</u>	<u>4,187,724</u>
Total Expenses	4,187,724	-	4,187,724
	<u>720,567</u>	<u>-</u>	<u>720,567</u>
Increase in Net Assets	720,567	-	720,567
Net Assets Beginning of Year	<u>1,916,700</u>	<u>176,890</u>	<u>2,093,590</u>
Net Assets at End of Year	<u>\$ 2,637,267</u>	<u>\$ 176,890</u>	<u>\$ 2,814,157</u>

*The Accompanying Notes Are An Integral Part Of This Statement.*

**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2014 Total</u>
<b>REVENUE</b>			
Occupancy tax	\$ 4,356,402	\$ -	\$ 4,356,402
Advertising fees	25,786	-	25,786
Program fees	5,008	-	5,008
Interest	3,123	-	3,123
Miscellaneous income	150	-	150
	<u>4,390,469</u>	<u>-</u>	<u>4,390,469</u>
Total Revenue	4,390,469	-	4,390,469
Net assets released from restriction	<u>110,000</u>	<u>(110,000)</u>	<u>-</u>
Total Revenue and Reclassifications	<u>4,500,469</u>	<u>(110,000)</u>	<u>4,390,469</u>
<b>EXPENSES</b>			
Program	3,470,298	-	3,470,298
Management and general	592,994	-	592,994
	<u>4,063,292</u>	<u>-</u>	<u>4,063,292</u>
Total Expenses	4,063,292	-	4,063,292
Increase (Decrease) in Net Assets	437,177	(110,000)	327,177
Net Assets Beginning of Year	<u>1,479,523</u>	<u>286,890</u>	<u>1,766,413</u>
Net Assets at End of Year	<u>\$ 1,916,700</u>	<u>\$ 176,890</u>	<u>\$ 2,093,590</u>

*The Accompanying Notes Are An Integral Part Of This Statement.*



**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the year ended June 30, 2015**

	Program Services	Management & General	Total
Salaries, wages, and bonuses	\$ 845,416	\$ 149,191	\$ 994,607
Payroll taxes	65,275	11,519	76,794
Insurance - health	112,328	19,823	132,151
Employee retirement (LGERS & 401K)	101,370	17,889	119,259
<b>Total salaries and related benefits</b>	<b>1,124,389</b>	<b>198,422</b>	<b>1,322,811</b>
Administration fee	206,772	36,489	243,261
Employee relations	7,970	1,407	9,377
Insurance - general	4,638	819	5,457
Insurance - workers comp	2,386	421	2,807
Insurance - unemployment	12,880	2,273	15,153
Mileage	1,859	328	2,187
Office equipment	32,656	5,763	38,419
Office supplies	12,249	2,162	14,411
Other operating costs	8,333	1,471	9,804
Postage/shipping	15,115	2,667	17,782
Professional services	10,378	1,831	12,209
Rent expense	147,529	26,034	173,563
Staff development	7,795	1,375	9,170
Telephone	27,182	4,796	31,978
Vehicle expense	5,592	987	6,579
Advertising/specialties	284,297	50,170	334,467
Collateral production	148,844	26,266	175,110
Corporate communications	7,274	1,284	8,558
Dues and subscriptions	35,879	6,332	42,211
Event expenses	99,098	17,488	116,586
FAM tours	14,034	2,477	16,511
Business development	87,276	15,402	102,678
Media relations	34,948	6,167	41,115
Partnerships	50,184	8,856	59,040
Agreements	19,567	3,453	23,020
Services	129,282	22,815	152,097
Sponsorship	817,974	144,348	962,322
Trade shows	66,061	11,658	77,719
Web technology	88,095	15,546	103,641
<b>Total expenses before depreciation</b>	<b>3,510,536</b>	<b>619,507</b>	<b>4,130,043</b>
Depreciation expense	49,029	8,652	57,681
<b>Total expenses</b>	<b>\$ 3,559,565</b>	<b>\$ 628,159</b>	<b>\$ 4,187,724</b>

*The Accompanying Notes Are An Integral Part Of This Statement.*

**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the year ended June 30, 2014**

	Program Services	Management & General	Total
Salaries, wages, and bonuses	\$ 808,659	\$ 142,704	\$ 951,363
Payroll taxes	60,890	10,745	71,635
Insurance - health	103,282	18,226	121,508
Employee retirement (LGERS & 401K)	95,666	16,882	112,548
<b>Total salaries and related benefits</b>	<b>1,068,497</b>	<b>188,557</b>	<b>1,257,054</b>
Administration fee	185,147	32,673	217,820
Employee relations	6,576	1,161	7,737
Insurance - general	5,473	966	6,439
Insurance - workers comp	2,806	495	3,301
Insurance - unemployment	16,844	2,972	19,816
Mileage	2,188	386	2,574
Office equipment	34,650	6,115	40,765
Office supplies	10,266	1,812	12,078
Other operating costs	8,856	1,563	10,419
Postage/shipping	18,837	3,324	22,161
Professional services	10,897	1,923	12,820
Rent expense	141,386	24,950	166,336
Staff development	14,638	2,583	17,221
Telephone	27,446	4,844	32,290
Vehicle expense	7,615	1,344	8,959
Advertising/specialties	251,338	44,354	295,692
Collateral production	94,564	16,688	111,252
Corporate communications	10,239	1,807	12,046
Dues and subscriptions	32,630	5,758	38,388
Event expenses	121,896	21,511	143,407
FAM tours	16,788	2,963	19,751
Business development	94,309	16,643	110,952
Media relations	25,106	4,430	29,536
Partnerships	45,065	7,953	53,018
Agreements	16,231	2,864	19,095
Services	126,426	22,311	148,737
Sponsorship	767,616	135,462	903,078
Sports development	110,000	-	110,000
Trade shows	72,831	12,852	85,683
Web technology	82,609	14,578	97,187
<b>Total expenses before depreciation</b>	<b>3,429,770</b>	<b>585,842</b>	<b>4,015,612</b>
Depreciation expense	40,528	7,152	47,680
<b>Total expenses</b>	<b>\$ 3,470,298</b>	<b>\$ 592,994</b>	<b>\$ 4,063,292</b>

*The Accompanying Notes Are An Integral Part Of This Statement.*

**CABARRUS COUNTY TOURISM AUTHORITY**  
*d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU*  
**STATEMENTS OF CASH FLOWS**  
*For the Years Ended June 30, 2015 and 2014*

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 720,567	\$ 327,177
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	57,681	47,680
Changes in net assets and liabilities:		
Increase in accounts receivable	(40,282)	(54,832)
Increase in accounts payable	8,827	18,711
Increase in accrued salaries	9,464	7,343
Increase in accrued expenses	451	1,906
	<u>756,708</u>	<u>347,985</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<u>(12,567)</u>	<u>(55,540)</u>
	<u>(12,567)</u>	<u>(55,540)</u>
 <b>NET INCREASE IN CASH</b>	744,141	292,445
 Cash at Beginning of Year	<u>1,571,216</u>	<u>1,278,771</u>
 Cash at End of Year	<u>\$ 2,315,357</u>	<u>\$ 1,571,216</u>

*The Accompanying Notes Are An Integral Part Of This Statement.*

**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**NOTES TO THE FINANCIAL STATEMENT**  
**June 30, 2015 and 2014**

**NOTE 1 - NATURE OF ACTIVITIES**

Nature of the Organization

Cabarrus County Tourism Authority d/b/a Cabarrus County Convention and Visitors Bureau (the Organization) is a non-profit organization, incorporated under the laws of the State of North Carolina, created to promote tourism in Cabarrus County, North Carolina. The Organization was created on June 6, 2008. In 2008, the Organization was part of Cabarrus County, North Carolina and was reported as a special revenue fund in the financial statements of Cabarrus County, North Carolina. The Organization is supported by the room occupancy tax in Cabarrus County, North Carolina. Cabarrus County, North Carolina collects and remits the room occupancy tax collected, less an administration fee, to the Organization.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect on outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables. There was no allowance for doubtful accounts at June 30, 2015 and 2014. All accounts receivable are expected to be collected. No amount was written off for the years ended June 30, 2015 and 2014.

Donated Property

Donated property and other noncash donations are recorded as contributions at their estimated fair market value as established by the donor at the date of donation.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Advertising

Advertising costs are expensed as incurred. Total advertising expense for the year ended June 30, 2015 and 2014 was \$334,467 and \$295,692, respectively.

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**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

NOTE 2 - **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When the restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Income Tax Status

Cabarrus County Tourism Authority is recognized as an organization exempt from federal income tax and not subject to private foundation status under Section 501(c)(6) of the Internal Revenue Code.

The Organization has adopted ASC 740-10, effective for audit years ending after December 15, 2009, as it relates to uncertain tax positions for the years ended June 30, 2015 and 2014 and has evaluated its tax positions for all open tax years. Currently, the 2012, 2013 and 2014 tax years are open and subject to examination by the Internal Revenue Service. However, the Organization is not currently under audit nor has the Organization been contacted by the Internal Revenue Service.

Based on the evaluation of the Organization's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the years ended June 30, 2015 and 2014.

Net Assets

The net assets of the Organization herein are classified and reported as:

*Unrestricted net assets* - Net assets that are not subject to donor-imposed stipulations.

*Temporarily restricted net assets* - Net assets subject to donor imposed stipulations that may, or will, be met either by actions of the Organization and/or the passage of time.

*Permanently restricted net assets* - Net assets subject to donor-imposed stipulations that they be maintained permanently by or for the benefit of Cabarrus County Tourism Authority. The Organization had no permanently restricted net assets at year end.

Functional Expenses

Expenses are charged directly to program or management and general categories based on specific identification.

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**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment are stated at cost. Donations of property and equipment are recorded as support at their estimated fair value as established by the donor. Repair and maintenance items are charged to expense as incurred. Major renewals and betterments which significantly increase the asset's useful life are capitalized. Depreciation is computed using the straight-line method over the following estimated useful lives:

Computer Equipment	5 years
Vehicles	5 years
Leasehold Improvements	15 years
Office Equipment	5 years
Other fixed assets	5 years

Depreciation expense for the years ended June 30, 2015 and 2014 was \$57,681 and \$47,680, respectively.

Subsequent Events

Management has evaluated subsequent events through September 14, 2015, the date the financial statements were available to be issued.

Sales Tax

The State of North Carolina imposes sales tax on all of the Organization's sales to nonexempt customers. The Organization collects that sales tax from customers and remits the entire amount to the State.

**NOTE 3 - CONCENTRATIONS**

Approximately 99% of the Organization's funding and accounts receivable for the year ended June 30, 2015 and 2014 comes from Room Occupancy Tax collected by Cabarrus County, North Carolina and disbursed to the Organization.

**NOTE 4 - CONCENTRATION OF CASH**

The Organization places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation (FDIC) covers \$250,000 for substantially all depository accounts. During the year, the Organization from time to time may have had amounts on deposit in excess of the insured limits. At June 30, 2015 and 2014, all deposits of the Organization in excess of the insured limits were collateralized.

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**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

**NOTE 5 - ACCRUED SALARIES**

Accrued salaries consist of the following at June 30, 2015 and 2014:

	2015	2014
Accrued wages payable	\$ 54,020	\$ 44,782
Accrued vacation pay	49,522	49,296
	\$ 103,542	\$ 94,078

**NOTE 6 - RELATED PARTY TRANSACTIONS**

A board member Tim Hagler, is Vice President of Community Relations for Charlotte Motor Speedway. The Organization paid Charlotte Motor Speedway \$500,000 during the years ended June 30, 2015 and 2014, respectively, under a marketing agreement.

A board member, Ray Soporowski, is General Manager of Concord Mills. The Organization paid Concord Mills \$20,000 during the years ended June 30, 2015 and 2014, respectively, under a marketing agreement.

A board member, Jennifer Parsley, is the owner of Adventures in Motorsports. The Organization paid Adventures in Motorsports \$1,500 and \$6,285 during the years ended June 30, 2015 and 2014, respectively, for assistance with destination tours.

**NOTE 7- RETIREMENT PLAN**

The Organization is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at [www.osc.nc.gov](http://www.osc.nc.gov).

*Benefits Provided.* LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of

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**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

*Contributions.* Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Organization employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Organization's contractually required contribution rate for the year ended June 30, 2015, was 7.74% and for June 30, 2014 was 7.74% of compensation, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Organization were \$72,383 and \$68,376 for the years ended June 30, 2015 and June 30, 2014, respectively.

*Refunds of Contributions* – Organization employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

The Organization also offers a NC401(K) tax deferred annuity program. Eligible employees can contribute to the plan from their salary. The Organization currently contributes 5% of the employees' salary. The amount paid to the retirement program by the Organization during the year ended June 30, 2015 and 2014 was \$46,876 and \$44,172, respectively.

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**CABARRUS COUNTY TOURISM AUTHORITY**  
**d/b/a CABARRUS COUNTY CONVENTION AND VISITORS BUREAU**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2015 and 2014**

**NOTE 8 - LEASES**

The Organization leases its office space, computers, servers, and a copier under operating leases. Lease expense for the years ended June 30, 2015 and 2014 was \$173,563 and \$166,336, respectively

Future minimum lease payments under the operating leases for office space and equipment as of June 30, 2015 are as follows:

<u>Years ending June 30,</u>	
2016	\$ 158,644
2017	49,811
2018	25,878
2019	1,490
2020	-
Thereafter	<u>-</u>
	<u>\$ 235,823</u>

**NOTE 9 - TEMPORARILY RESTRICTED ASSETS**

Temporarily restricted net assets of the Organization consist of monies designated for the Sports Development program in the amount of \$176,890 at June 30, 2015 and 2014.