

# Nash County North Carolina



Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2015



**NASH COUNTY  
NORTH CAROLINA**

*Board of County Commissioners*

*Fred Belfield, Jr., Chairman*

*Billy Morgan, Vice Chairman  
Robbie Davis  
Wayne Outlaw*

*Lou M. Richardson  
Mary Wells  
Lisa Barnes*

*Comprehensive Annual  
Financial Report*

*For the Year Ended June 30, 2015*

*Prepared by:  
Nash County Finance Department*

*County Officials*

*County Manager  
Assistant County Manager  
Finance Officer*

*Zee B. Lamb  
Rosemary Dorsey  
Donna Wood*

Nash County, North Carolina  
Financial Statements and Schedules

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**NASH COUNTY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**TABLE OF CONTENTS**

		<b><u>Page (s)</u></b>
<b>INTRODUCTORY SECTION</b>		
	Letter of Transmittal	i-viii
	GFOA Certificate of Achievement	ix
	Organizational Chart	x
<b>FINANCIAL SECTION</b>		
	<b>INDEPENDENT AUDITOR'S REPORT</b>	1-3
	<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	4-16
	<b>BASIC FINANCIAL STATEMENTS:</b>	
<b><u>Exhibit</u></b>	<b>Government-Wide Financial Statements:</b>	
A	Statement of Net Position	17
B	Statement of Activities	18-19
	<b>Fund Financial Statements:</b>	
C	Balance Sheet - Governmental Funds	20
D	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	21
E	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities	22
F	Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	23
G	Statement of Net Position - Proprietary Funds	24
H	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	25
I	Statement of Cash Flows - Proprietary Funds	26

**NASH COUNTY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**TABLE OF CONTENTS**

<b><u>Exhibit</u></b>		<b><u>Page (s)</u></b>
J	Statement of Fiduciary Net Position - Fiduciary Funds	27
K	Combining Statement of Net Position - All Discretely Presented Component Units	28
L	Combining Statement of Activities - All Discretely Presented Component Units	29-30
	<b>NOTES TO THE FINANCIAL STATEMENTS</b>	31-77
<b><u>Schedule</u></b>	<b>REQUIRED SUPPLEMENTAL FINANCIAL DATA</b>	
A-1	Law Enforcement Officers' Special Separation Allowance - Required Supplementary Information	78
A-2	Other Post-Employment Benefits - Retiree Health Plan - Required Supplementary Information	79
A-3	Local Government Employees' Retirement System - Proportionate Share of Net Pension Liability (Asset) Required Supplementary Information - Last Two Fiscal Years	80
A-4	Local Government Employees' Retirement System - Contributions Required Supplementary Information - Last Two Fiscal Years	81
A-5	Register of Deeds' Supplemental Pension Fund - Proportionate Share of Net Pension Liability (Asset) Required Supplementary Information - Last Two Fiscal Years	82
A-6	Register of Deeds' Supplemental Pension Fund - Contributions Required Supplementary Information - Last Two Fiscal Years	83

**NASH COUNTY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**TABLE OF CONTENTS**

<b><u>Schedule</u></b>		<b><u>Page (s)</u></b>
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</b>		
	<i>GENERAL FUND</i>	
B-1	Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual - General Fund Consolidated	84
B-2	Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	85-100
	<i>REVALUATION FUND</i>	
B-3	Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	101
	<i>ECONOMIC DEVELOPMENT FUND</i>	
B-4	Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	102
	<i>NONMAJOR GOVERNMENTAL FUNDS</i>	
C-1	Combining Balance Sheet	103
C-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	104
	<i>NONMAJOR SPECIAL REVENUE FUNDS</i>	
D-1	Combining Balance Sheet	105-106
D-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	107-108
D-3	<i>Rural Operating Assistance Program</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	109
D-4	<i>Fire Districts Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	110
D-5	<i>Emergency Telephone System Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	111
D-6	<i>Controlled Substance Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	112
D-7	<i>Federal Asset Forfeiture Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	113

**NASH COUNTY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**TABLE OF CONTENTS**

<b><u>Schedule</u></b>		<b><u>Page (s)</u></b>
	<i>NONMAJOR SPECIAL REVENUE FUNDS, (Continued)</i>	
D-8	<i>Stormwater Maintenance Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	114
D-9	<i>Tourism Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	115
D-10	<i>Grant Projects Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	116-117
D-11	<i>Homeland Security</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	118
D-12	<i>Single Family Rehabilitation</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	119
D-13	<i>Urgent Repair Program</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	120
D-14	<i>American Recovery &amp; Reinvestment (ARRA) Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	121
D-15	<i>Abandoned Manufactured Homes Grant</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	122
D-16	<i>CDBG Grant Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	123
D-17	<i>Hazard Mitigation Plan</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	124
	<i>NONMAJOR CAPITAL PROJECT FUNDS</i>	
E-1	Combining Balance Sheet	125-126
E-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds	127-128
E-3	<i>School Capital Project</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	129
E-4	<i>Middlesex Industrial Park</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	130
E-5	<i>Capital Reserve Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	131
E-6	<i>2010 Capital Projects</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual	132
E-7	<i>Nash Community College Road Project</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	133

**NASH COUNTY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**TABLE OF CONTENTS**

<b><u>Schedule</u></b>		<b><u>Page (s)</u></b>
	<i>NONMAJOR CAPITAL PROJECT FUNDS (Continued)</i>	
E-8	<i>Nash Community College Bond Fund Project - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual</i>	134
E-9	<i>Nashville EMS Station Capital Project - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual</i>	135
E-10	<i>Nash Courts/Sheriff Addition Capital Project - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual</i>	136
E-11	<i>Senior Center/Park Capital Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual</i>	137
	<i>ENTERPRISE FUNDS</i>	
F-1	<i>Utilities Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)</i>	138-140
F-2	<i>Highway 58 Emergency Water Line - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)</i>	141
F-3	<i>Rural Center Grants Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)</i>	142
F-4	<i>Castalia Water System Project - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)</i>	143
F-5	<i>97 Sewer - Schedule of Revenue and Expenditures - Budget and Actual (Non-GAAP)</i>	144
F-6	<i>Central Nash Water and Sewer District - Schedule of Revenues and Expenditures Budget and Actual (Non-GAAP)</i>	145-146
	<i>INTERNAL SERVICE FUNDS</i>	
G-1	<i>Combining Statement of Net Position</i>	147
G-2	<i>Combining Statement of Revenues, Expenses, and Changes in Net Position</i>	148
G-3	<i>Combining Statement of Cash Flows</i>	149
G-4	<i>Employee Health Care Benefits - Schedule of Revenues and Expenditures - Financial Plan and Actual (Non-GAAP)</i>	150
G-5	<i>Workers' Compensation Benefits - Schedule of Revenues and Expenditures Financial Plan and Actual (Non-GAAP)</i>	151
	<i>AGENCY FUNDS</i>	
H-1	<i>Combining Statement of Changes in Assets and Liabilities</i>	152
	<i>SUPPLEMENTAL FINANCIAL DATA</i>	
I-1	<i>Schedule of Ad Valorem Taxes Receivable</i>	153
I-2	<i>Analysis of Current Year Levy</i>	154

**NASH COUNTY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**TABLE OF CONTENTS**

	<b><u>Page (s)</u></b>
<b>STATISTICAL SCHEDULES (UNAUDITED):</b>	
Net Position by Component, Last Ten Fiscal Years	155
Changes in Net Position, Last Ten Fiscal Years	156-157
Governmental Activities Tax Revenues by Source, Last Ten Fiscal Years	158
Fund Balances, Governmental Funds, Last Ten Fiscal Years	159
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years	160
General Government Tax Revenues by Source, Last Ten Fiscal Years	161
Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years	162
Property Tax Rates, Direct and Overlapping Governments, Last Ten Fiscal Years	163
Principal Property Tax Payers	164
Property Tax Levies and Collections, Last Ten Fiscal Years	165
Ratio of Outstanding Debt by Type, Last Ten Fiscal Years	166
Ratio of General Bonded Debt Outstanding, Last Six Fiscal Years	167
Direct and Overlapping Governmental Activities Debt	168
Legal Debt Margin Information, Last Ten Fiscal Years	169
Pledged-Revenue Coverage, Last Ten Fiscal Years	170
Demographic and Economic Statistics, Last Ten Fiscal Years	171
Principal Employers, Current Year and Nine Years Ago	172
Full-Time Equivalent County Government Employees by Function, Last Ten Fiscal Years	173
Operating Indicators by Function, Last Ten Fiscal Years	174
Capital Asset Statistics by Function, Last Ten Fiscal Years	175
 <b>COMPLIANCE:</b>	
Report On Internal Control Over Financial Reporting and On Compliance And Other Matters Based On An Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	176-177
Schedule of Findings and Responses	178
Summary Schedule of Prior Year's Findings	179

## ***INTRODUCTORY SECTION***

- *Letter of Transmittal*
- *GFOA Certificate of Achievement*
- *Organizational Chart*

Nash County, North Carolina  
Financial Statements and Schedules

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# NASH COUNTY

NASHVILLE, NORTH CAROLINA 27856

FRED BELFIELD, JR., CHAIRMAN  
BOARD OF COMMISSIONERS

ZEE B. LAMB  
COUNTY MANAGER

VINCE DURHAM  
ATTORNEY

JANICE EVANS  
CLERK TO BOARD

October 26, 2015

Nash County Citizens,  
The Honorable Chairman,  
Members of the Board of Commissioners

Maintaining the fiscal strength and stability of County government are primary goals of the Commissioners. This Comprehensive Annual Financial Report (Financial Statements) of Nash County, North Carolina, for the fiscal year ended June 30, 2015, is prepared to provide you with details about how the County receives, spends and accounts for its money, as well as key indicators of its financial strength. The County's Finance Department is responsible for the accuracy of the Financial Statement data, the completeness and fairness of the presentation, and all disclosures rests with the County. We believe the data and presentation are fair and accurate and that you will find everything necessary in this document to gain an understanding of the County's financial activities over the last fiscal year.

It is our pleasure to submit this Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Nash County.

This report consists of management's representations concerning the finances of Nash County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Nash County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Nash County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Nash County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

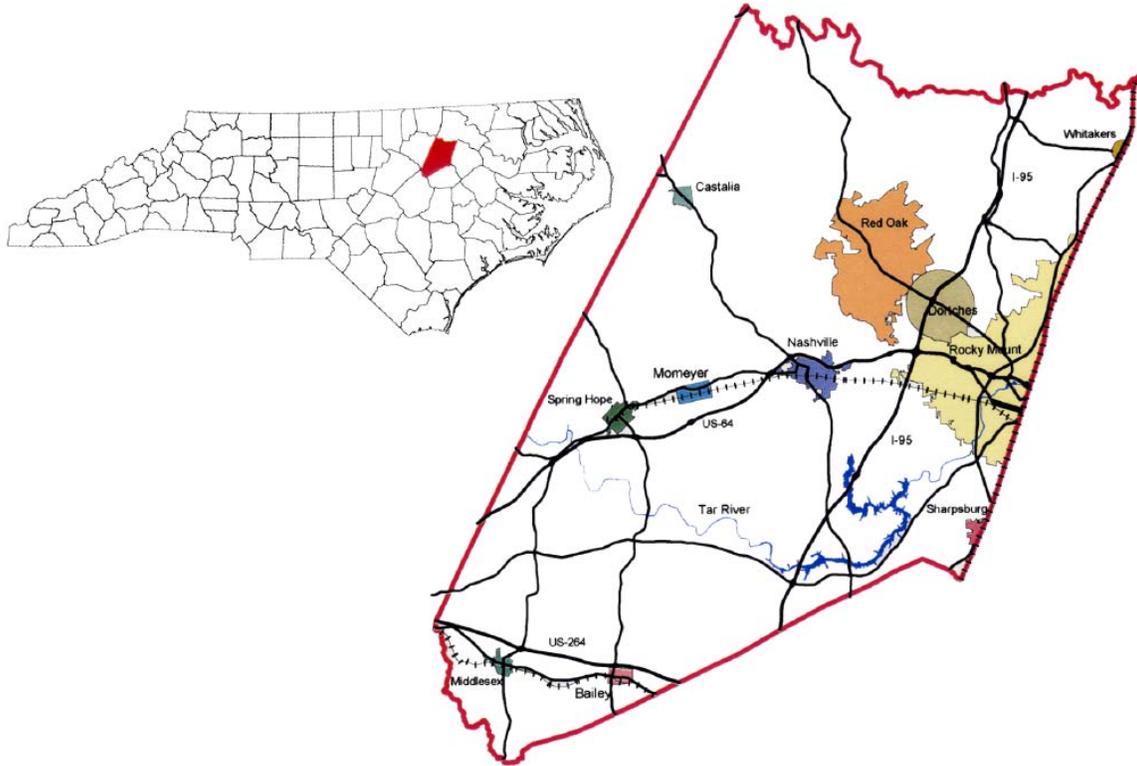
Nash County's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Nash County for the fiscal year ended June 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Nash County's financial statements for the fiscal year ended June 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Nash County was part of a broader, Federal and State mandated "Single Audit" designed to meet the special needs of Federal and State grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal and State awards. These reports are available in Nash County's separately issued Compliance Reports.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Nash County's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

Nash County was established in 1777 from the western part of Edgecombe County. Nash County could be classified as either a northern coastal plain county or a far eastern piedmont county. Falling midway between New York and Florida, Nash County occupies a total area of 542.71 square miles with a land area of 540.33 square miles. Nash County serves a population of 94,338 according to estimates based on the 2010 Census. The County is positioned as a major gateway between the Coastal Plain and Piedmont regions of North Carolina. Within 30 miles of the state capital of Raleigh, Nash County is within an hour's drive of the world-famous Research Triangle Park. Eleven municipalities are located within the County, the largest being the City of Rocky Mount. Nashville is the second largest municipality in population and serves as the county seat. Nash County is empowered to levy a property tax on both real and personal properties located within its boundaries.



The County operates under the commissioner/manager form of government. Policy-making and legislative authority are vested in a governing board consisting of seven elected commissioners. The governing board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The government's manager is responsible for carrying out the policies and ordinances of the governing board, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. Commissioners are elected by districts and serve four-year staggered terms.

Nash County provides its citizens with a wide range of services that include general administration, public safety, economic development, human services, cultural, and operation of Solid Waste Disposal and Water/Sewer infrastructures, as well as other services. This report includes all the County's activities in maintaining these services. The County also extends financial support to certain boards, agencies, and commissions to assist their efforts to serve citizens. Among these are the Nash-Rocky Mount Board of Education, Nash Community College and, Eastpointe MCO (managed care organization), formerly the Beacon Center, providing mental health services. Certain water/sewer services are provided through a legally separate Water and Sewer District, Central Nash Water & Sewer District, which functions, in essence, as a department of Nash County and therefore has been included as an integral part of Nash County's financial statements. Additional information on Central Nash Water & Sewer District can be found in the notes to the financial statements (See Note 1).

The annual budget serves as the foundation for Nash County's financial planning and control. All Nash County departments and outside agencies are required to submit requests for appropriation to the county manager on or before March 15 each year. The county manager uses these requests as the starting point for developing a proposed budget. The county manager then presents a proposed budget to the commissioners for review at the May commissioners meeting. The commissioners are required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of Nash County's fiscal year. The appropriated budget is prepared by fund, function (ex., public safety), and department (ex., sheriff). The county manager is authorized to transfer appropriations within a department. Transfers between departments and budget increases or decreases over \$5,000 require the formal approval of the Board of Commissioners at monthly meetings. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as part of the basic financial statements for the governmental funds. Governmental funds, other than the general fund, with appropriated annual budgets, are presented in the combining and individual fund financial statements. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Nash County operates.

#### ***Local economy***

The local economy of Nash County is well diversified with manufacturing, retail trade, accommodations & food services, and health care and social assistance comprising the largest sectors of employment at 19.763%, 13.09%, 10.20% and 9.40% respectively.

The County saw a 0.2% decline in unemployment to 8.1% from the previous year's 8.3% but is still higher than the state's 6.1%. The local economy has experienced growth in the tax base and job announcements to the area through expansions of Hospira Inc., who announced in May 2015 a \$159 million new building to house a new injectable fill line. Cummins Inc. announced in February a \$24 million investment in new mechanicals at their Rocky Mount engine plant. Carolina Innovative Food Ingredients, Inc. (CIFI) continues to build their new facility to be operational before the end of December 2015. Nutkao USA, an international producer of nut-based spreads, creams, and fillings, was fully operational as of April 2015 and currently has 28 full time employees. The local economy continues to grow and Nash County created the most manufacturing

jobs in the Southern counties with a whopping 71.3% rise in manufacturing employment in 2014 according to BLS statistics.

Major manufacturing operations in Nash County include Cummins, Inc., a diesel engine manufacturer, Universal Leaf North America NC, Inc., a tobacco processing plant, Hospira Inc., a pharmaceutical manufacturer and Kaba Ilco-Unican Corporation, a security lock manufacturer.

Nash County is home to 430 farm operations of various sizes. A few more than half of the primary farm operators indicate their primary occupation to be farming. Interestingly, approximately two-thirds of Nash farm land is owned by non-farming landowners, who lease their land to active farmers. Worldwide demand for several agricultural commodities continued its downward trend, causing Nash farmers to shift their crop plantings in 2015. Flu-cured tobacco acreage decreased 11% to 9,300 acres. Wheat acreage sharply decreased 49% to 4,192 acres. As a result of softening market prices and continued high input costs cotton acreage decreased 11% to 6,695 acres. Soybeans, traditionally considered the “lower risk lower profits” crop due to relatively low input costs, are relatively unchanged at 32,036 acres. As a result of pessimistic attitudes expecting uncertain profitability of other crops, local sweet potato acreage increased 12% to 10,074, with 93% of total acreage being the Covington variety. Poultry and eggs continue to be Nash County’s highest valued agricultural commodities with tobacco and sweet potatoes close behind. On the bright side, as a result of lower corn, soybean and wheat prices, local swine, cattle and poultry growers are enjoying lower feed costs. Recently, the annual estimated farm gate gross receipts for agricultural products grown in Nash County hovers near \$200 million.

### ***Long-Term Financial Planning***

Unassigned fund balance in the general fund (26.7% of total general fund expenditures) falls within the policy guidelines set by the Board of Commissioners. Nash County Fiscal Policy for Reserves states the amount should be no less than 15% at close of each fiscal year. The Board has made one-time use of fund balance for capital expansion for property acquisitions and improvements.

### **Economic Development:**

NC 97 Sewer Expansion Project: The project involves the construction of three wastewater lift stations, extending sewer along Hwy 97 (approx. 10 miles) from an existing system to just east of the Hwy 97 / I-95 Interchange, and will bring access to sewer in three general areas including future service to the Airport. The County has approved a contract with Ralph Hodge Construction. Golden Leaf has agreed to match funding with this project with a grant of \$1,500,000. The project will be completed by September 2016.

Carolina Innovative Food Ingredients (CIFI): CIFI constructed over 120,000 sq. ft. of office, production and warehousing buildings on the Universal Leaf N.A. campus this year. This new company will make a \$19 million investment and employ 64 full-time workers by December 2016. This industry processes sweet potatoes into other food products.

Future Interstate Corridor: The Nash County Commissioners, by Resolution, supported the conversion of the section of US Highway 64 that runs through Nash County into Future I-495 which will increase mobility between two significant metropolitan areas: Raleigh, NC and Norfolk, VA. If developed, this future interstate is expected to also encourage economic development for those businesses and industries that have an interest in a safe, fast, highway route to the Port of Virginia.

Shell Building at Middlesex Corporate Center: The Board of Commissioners are considering factors for the first shell building at Middlesex Corporate Center.

### **Public Water and Sewer:**

Central Nash Water and Sewer District: The Central Nash Water & Sewer District was formed in 2007 for the purpose of extending water and sewer lines to rural areas in the southern portion of the county in an effort to address poor water quality, public health, economic development potential, and fire protection along major roadways. Phases 1, 2, 3, and the original designed 4 are now complete and serving over 2,765 water and 268 sewer customers. Limited Phase 4 funds are still available which may be used to construct waterlines along a few additional roads.

Red Oak/Dortches Area Water Recruitment Initiative: Nash County began recruiting potential water customers in the Red Oak/Dortches area and currently have approximately 996 signups. The recruitment process has determined that there is enough interest to pursue providing public water to a portion (Phase 1) of this area at a cost of \$8.7 million which would serve over 1,000 customers in the initial phase. Engineers are working to complete a preliminary engineering report and environmental assessments necessary to begin design.

### ***Major Initiatives***

**Courthouse & Sheriff's Office Expansion:** Nash County has decided to move forward with a planned expansion of the existing courthouse and sheriff's office to accommodate additional space needs for both areas. The County has approved a contract with Moseley Architects to conduct a Space Needs Study which will include the preparation of several alternatives for the Board of Commissioners consideration. The selected alternative will then be designed by this firm in 2015-16 and constructed the year after.

**Nashville EMS Station:** In the Town of Nashville, a new 3,600 square foot Emergency Medical Station including the supervisor's office has been approved to replace the Momeyer Station 200 with construction planned to begin in the fall of 2015. The county has secured ownership of the site and has awarded the construction contract to Hill Building Contractors, Inc. The total project costs are estimated to be under \$499,000.

### **Technology:**

**Security System:** Using a report compiled by the US Marshalls for facility security and safety, Nash County implemented a security system incorporating 6 sites (Claude Mayo Jr. Administration Building, Senior Center, Sheriff Department, Narcotics, Courthouse, and 911 DR Site). The security system incorporates 44 IP cameras and 65 card swipe doors to prevent unauthorized access to secure areas.

**AirFiber to Nashville Health Department:** Incorporated an AirFiber connection between the Claude Mayo Jr. Administration Building and the Nashville Health Department replacing existing Point to Point connection that was unreliable and problematic.

**High-Speed Internet Initiative (Update):** Since the completion of the initial phase of identifying demand and need for high speed internet in the County, the Nash County Broadband Team has begun conversations with ISP providers that might be interested in the project.

**CJIS Security Policy:** Working with the Sheriff's Office, Nash County procured a solution that would enable all Sheriff personnel who have computer access to Criminal Justice Information Services (CJIS) data to adhere to the two factor authentication mandate required by the CJIS Security Policy.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Nash County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. This makes the twenty-fourth consecutive year Nash County received the award. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

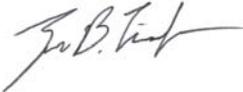
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

### **Acknowledgements**

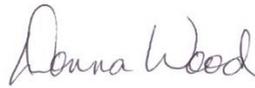
The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report and to the county's independent certified public accountants, Martin Starnes & Associates, CPA's, P.A. for their assistance and guidance. Credit also must be given to the members of the Board of Commissioners for their continuing interest and support in conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

NASH COUNTY, NORTH CAROLINA



Zee B. Lamb  
County Manager



Donna Wood  
Finance Officer



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

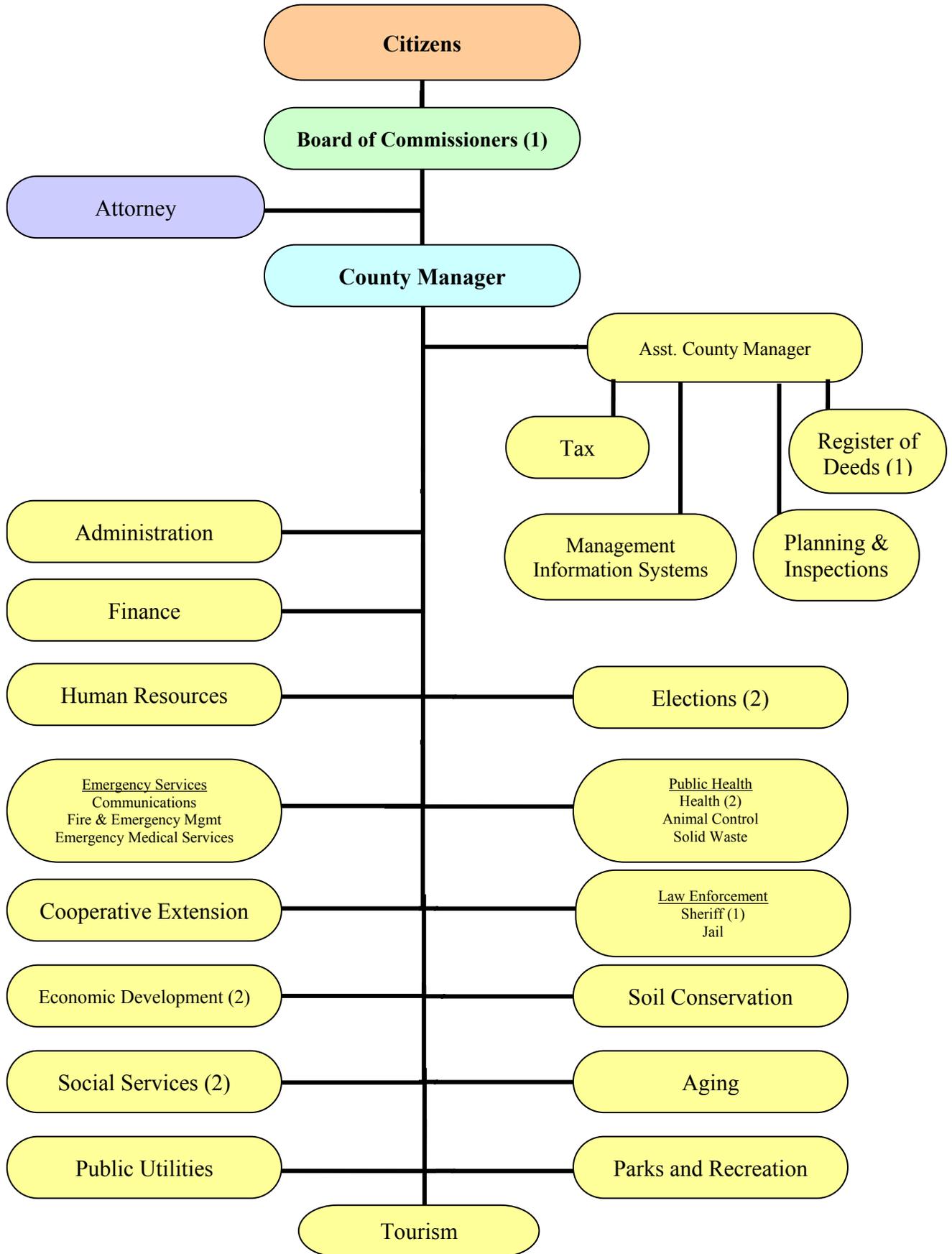
**Nash County  
North Carolina**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# Nash County Organizational Chart



(1) Elected Office (2) Governed by Boards

## ***FINANCIAL SECTION***

- *Independent Auditor's Report*
- *Management's Discussion and Analysis*
- *Basic Financial Statements*
- *Notes to Financial Statements*

Nash County, North Carolina  
Financial Statements and Schedules

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

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

## **Independent Auditor's Report**

To the Board of Commissioners  
Nash County  
Nashville, North Carolina

### **Report On the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Nash County'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 our audit. We did not audit the financial statements of the Nash Health Care Systems and Subsidiaries which represent 99% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Nash Health Care Systems and Subsidiaries are based solely on the report of the other auditors. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Nash County Tourism Development Authority, Nash County Business Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board were not audited in accordance with *Government Auditing Standards*.

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.

### ***Opinions***

In our opinion, based upon our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County as of June 30, 2015, and the respective changes in financial position, and cash flows, where applicable thereof, and the respective budgetary comparison for 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 Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance and Other Post-Employment Benefit's Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Asset and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist 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 Nash County's basic financial statements. The introductory information, combining and individual fund financial statements, budgetary schedules, supplemental ad valorem tax schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, and supplemental ad valorem tax schedules are the responsibility of management and were derived from, and relate 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 to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual fund financial statements, budgetary schedules, and supplemental ad valorem tax schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory information and the statistical section have not been subjected to the auditing procedures applied in the audit of basic financial statements and; accordingly, we do not express an opinion or provide assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2015 on our consideration of Nash County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Nash County's internal control over financial reporting and compliance.

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

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
October 26, 2015

Nash County, North Carolina  
Financial Statements and Schedules

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## Management's Discussion and Analysis

As management of Nash County, we offer readers of Nash County's financial statements this narrative overview and analysis of the financial activities of Nash County for the fiscal year ended June 30, 2015. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

### **Financial Highlights**

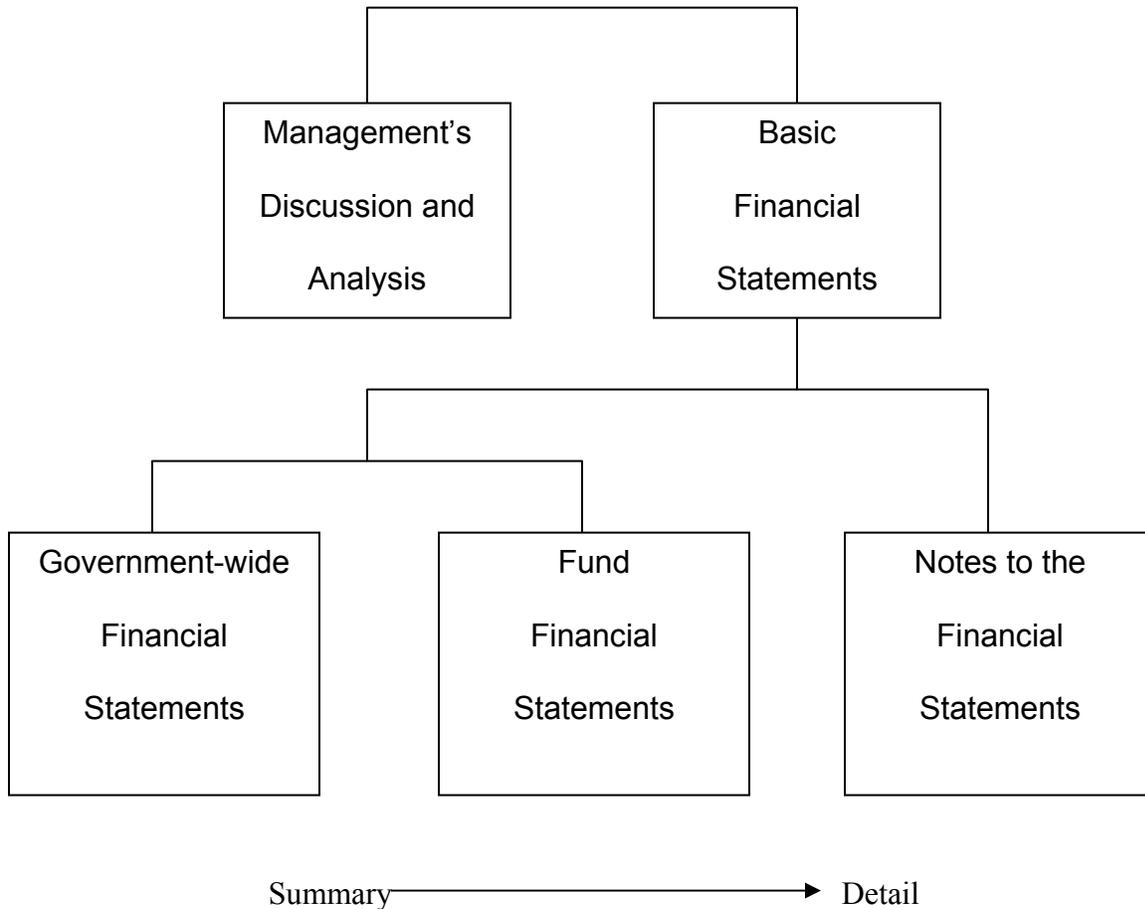
- The assets and deferred outflows of resources of Nash County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$54,074,522 (*net position*). Of this amount, \$26,693,574 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position decreased by \$3,886,018, primarily due to the implementation of Governmental Standards Board (GASB) Statement 68 in fiscal year 2015.
- As of the close of the current fiscal year, Nash County's governmental funds reported combined ending fund balances of \$47,251,856 after a net decrease in fund balance of (\$4,810,911). Approximately 20.55% of this total amount, or \$9,714,627, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$24,835,909, or 26.7%, of total General Fund expenditures for the fiscal year.
- The tax rate was unchanged at 67 cents per \$100 valuation.
- Nash County's total debt decreased by (\$3,539,119) (5.47%) during the past fiscal year due primarily to the installment financing refunding of 2004 Certificate of Participation and scheduled principal debt payments.
- Nash County maintained its ratings by Standard & Poor's, AA- and Aa2 by Moody's. Additionally, the County's Limited Obligation Bonds are rated Aa3 by Moody's and A+ by Standard & Poor's.

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

This discussion and analysis are intended to serve as an introduction to Nash County's basic financial statements. The County'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 County 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 Nash County.

## Required Components of Annual Financial Report

Figure 1



### Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **Government-wide Financial Statements** of the County. They provide both short and long-term information about the County and the discretely presented component units' financial status.

The next statements (Exhibits C – L) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the fund financial statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary 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 County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the County's and the County's discretely presented component units' 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 County's and the County's discretely presented component units' financial status as a whole.

The government-wide and combining statements report the County's net position and the discretely presented component units' net position and how they have changed. Net position is the difference between the of the County's assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's and the County's discretely presented component units' financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's and the discretely presented component units' basic services such as general government, public safety, environmental protection, transportation, economic and physical development, human services, cultural and education. Property taxes, sales taxes, and State and Federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These activities include water and sewer, solid waste disposal, and convenience center operations of Nash County. The final category is the component units. Nash Health Care Systems is a public hospital operated by a not-for-profit corporation that has leased the hospital from the County for a period of 30 years. The County appoints the Board of Trustees for the Hospital and has issued debt on its behalf. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable for the Board by appointing its members and because the Board is required to distribute its profits to the County.

The government-wide financial statements are on Exhibits A and B of this report.

## **Fund Financial Statements**

The fund financial statements provide a more detailed look at the County'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. Nash County, 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 County's budget ordinance. All of the funds of Nash County can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 County'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*. This method also has a current financial resources 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 County'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.

Nash County 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 County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County 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 Board; 2) the final budget as amended by the Board; 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. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

**Proprietary Funds** – Nash County maintains two kinds of proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Nash County uses its enterprise fund to account for its water and sewer activity and for its solid waste management function. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. Nash County uses *Internal Service Funds* to account for its employee group insurance and workers compensation insurance. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County has six agency funds.

**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 are in the Financial Section of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Nash County's progress in funding its obligation to provide pension and other postemployment benefits to its employees. This information can be found in the Required Supplementary Information section of this report.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of Nash County exceeded liabilities and deferred inflows of resources by \$54,074,522 as of June 30, 2015. The County's net position decreased by \$3,886,018 for the fiscal year ended June 30, 2015. The decrease was primarily due to the implementation of the Governmental Accounting Standards Board (GASB) statement 68 which required the County to record beginning net pension liability and the effects on net position of contributions made by the County during the measurement period (fiscal year ending June 30, 2014). As a result, net position for the governmental and business-type activities decreased by \$3,482,405. In addition, the General Government transferred economic development funds to the Utility Fund to assist with water projects.

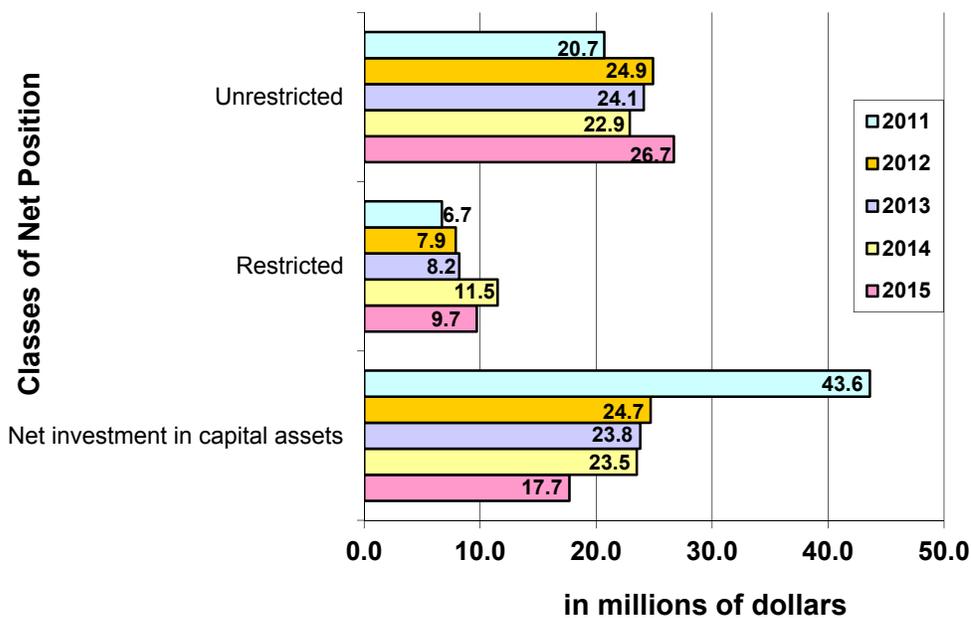
One of the County's largest portions of net position, \$17,721,382 or 32.8% reflects the County's net investment in capital assets (e.g. land, buildings, machinery and equipment). Nash County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Nash County's investment in its 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 Nash County's net position \$9,662,291 or 17.8% represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$26,690,849 (49.4%) is unrestricted.

## Nash County's Net Position

### Figure 2

	Governmental Activities		Business-type Activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current and other assets	\$ 59,982,267	\$ 60,547,766	\$ 6,509,985	\$ 6,269,122	\$ 66,492,252	\$ 66,816,888
Capital assets	46,856,756	47,507,386	31,762,137	31,680,274	78,618,893	79,187,660
Total assets	<u>106,839,023</u>	<u>108,055,152</u>	<u>38,272,122</u>	<u>37,949,396</u>	<u>145,111,145</u>	<u>146,004,548</u>
Total deferred outflows of resources	1,923,595	-	58,827	-	1,982,422	-
Long-term liabilities outstanding	60,084,807	61,802,227	17,608,854	17,863,575	77,693,661	79,665,802
Other liabilities	7,242,296	6,776,392	1,318,717	1,524,592	8,561,013	8,300,984
Total liabilities	<u>67,327,103</u>	<u>68,578,619</u>	<u>18,927,571</u>	<u>19,388,167</u>	<u>86,254,674</u>	<u>87,966,786</u>
Total deferred inflows of resources	6,564,769	77,222	199,602	-	6,764,371	77,222
Net position:						
Net investment in capital assets	249,745	6,576,499	17,471,637	16,973,274	17,721,382	23,549,773
Restricted	9,662,291	11,477,584	-	-	9,662,291	11,477,584
Unrestricted	24,958,710	21,345,228	1,732,139	1,587,955	26,690,849	22,933,183
Total net position	<u>\$ 34,870,746</u>	<u>\$ 39,399,311</u>	<u>\$ 19,203,776</u>	<u>\$ 18,561,229</u>	<u>\$ 54,074,522</u>	<u>\$ 57,960,540</u>

### Primary Government Net Position 5 Year Comparison



Several particular aspects of the County's financial operations and economy influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by increasing the collection percentage from 97.73% to 98.38 %.
- Sales tax revenue increased, which reflects some recovery over fiscal year 2014.
- Increased EMS fees due to increased transports.

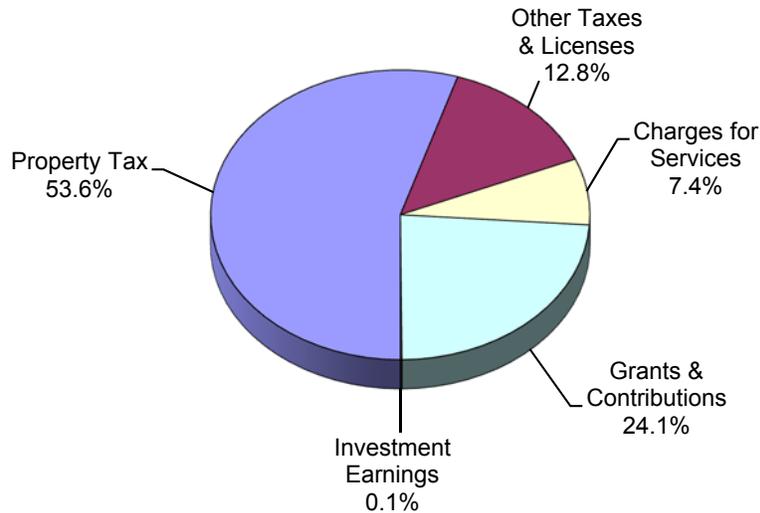
### Nash County Changes in Net Position

Figure 3

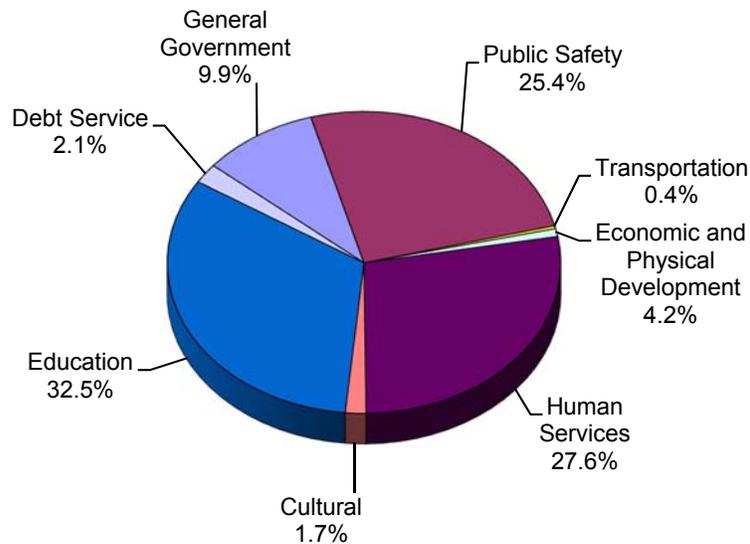
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 6,916,005	\$ 6,934,572	\$ 3,804,714	\$ 3,684,044	\$ 10,720,719	\$ 10,618,616
Operating grants and contributions	22,867,767	24,480,208	-	-	22,867,767	24,480,208
Capital grants and contributions	81,657	56,785	1,133,588	1,119,740	1,215,245	1,176,525
General Revenues:						
Property taxes	51,316,899	51,846,151	-	-	51,316,899	51,846,151
Other taxes	12,930,830	12,031,907	-	-	12,930,830	12,031,907
Other:	122,178	147,247	4,698	3,524	126,876	150,771
Total revenues	94,235,336	95,496,870	4,943,000	4,807,308	99,178,336	100,304,178
Transfers	(558,475)	-	558,475	-	-	-
Expenses:						
General Government	8,970,694	9,411,187	-	-	8,970,694	9,411,187
Public safety	23,902,952	24,142,347	-	-	23,902,952	24,142,347
Transportation	300,342	322,183	-	-	300,342	322,183
Economic and physical development	1,532,645	3,264,870	-	-	1,532,645	3,264,870
Human services	25,982,297	26,866,248	-	-	25,982,297	26,866,248
Cultural	1,604,936	1,681,890	-	-	1,604,936	1,681,890
Education	30,547,692	26,030,698	-	-	30,547,692	26,030,698
Debt service - interest	1,991,634	2,423,982	-	-	1,991,634	2,423,982
Water and sewer	-	-	2,683,558	2,292,325	2,683,558	2,292,325
Solid waste disposal	-	-	2,065,199	2,057,507	2,065,199	2,057,507
Total expenses	94,833,192	94,143,405	4,748,757	4,349,832	99,581,949	98,493,237
Change in net position	(1,156,331)	1,353,465	752,718	457,476	(403,613)	1,810,941
Net position, beginning	39,399,311	38,045,846	18,561,229	18,103,753	57,960,540	56,149,599
Restatement	(3,372,234)	-	(110,171)	-	(3,482,405)	-
Net position, ending	\$34,870,746	\$39,399,311	\$19,203,776	\$18,561,229	\$54,074,522	\$57,960,540

**Governmental Activities.** Governmental activities decreased the County’s net position for fiscal year 2015 by (\$1,156,331) from prior year in addition to restatement of (\$3,372,234) due to GASB Statement 68 implementation for a total net decrease of (\$4,528,565) in FY 2015.

**Governmental Activities Revenue Sources  
For Fiscal Year 2015**

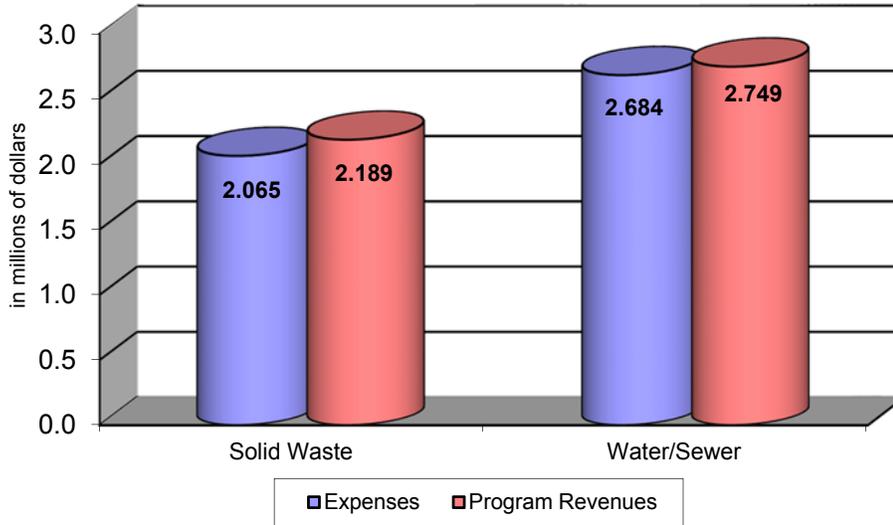


**Governmental Activities Functional Expenses  
For Fiscal Year 2015**



**Business-type Activities.** Business-type activities increased Nash County’s net position for fiscal year 2015 by \$752,718 over prior year with an additional restatement decrease of (\$110,171) due to GASB Statement 68 implementation. The net position increase is primarily the result of the transfer of funds from economic development to assist with water project debt service.

**Business-type Activities  
2014-15 Expenses and Program Revenues**



**Financial Analysis of the County’s Funds**

As noted earlier, Nash County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of Nash County’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Nash County’s financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government’s net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Nash County. At the end of the current fiscal year, fund balance available in the General Fund was \$34,647,710 while total fund balance reached \$40,820,993. The Governing Body of Nash County has determined that the County should maintain an available fund balance of 15% of General Fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has an available fund balance of 36.9% of General Fund expenditures, while total fund balance represents 43.5% of that same amount.

At June 30, 2015, the governmental funds of Nash County reported a combined fund balance of \$47,251,856, a (\$4,810,911) decrease from last year. This decrease is primarily the result of the net changes resulting from the decrease in fiscal year 2015 of unspent debt proceeds for Nash Community College Bond funds and the debt proceeds from the installment financing refunding of the 2004 COPS of \$3,787,000.

**General Fund Budgetary Highlights.** During the fiscal year, the County 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. Total amendments to the General Fund increased revenues by \$4,897,890 or 5.0% due primarily to increases in restricted inter-governmental revenues and proceeds from installment refinancing refunding of debt.

Differences between the original budget and final budget are briefly summarized as follows:

- \$150,000 in Education for Nash Rocky Mount Schools – emergency capital funding from Lottery Funds
- \$322,000 in Public Safety for EMS - Ambulances
- \$255,038 in Human Services due primarily to increased funding for Child Care Development and Child Protective Services
- \$3,787,000 in Debt Service for Installment Financing Refunding of 2004 Certificate of Participation

**Proprietary Funds.** Nash County's proprietary fund provides the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Utilities Fund at the end of the fiscal year amounted to \$2,185,857 and those for Central Nash Water and Sewer District equaled (\$453,718). The total change in net position for both major funds was (\$61,920) and \$814,638 respectively with an additional restatement decrease of (\$110,171) in the Utilities Fund due to GASB statement 68 which required the County to record beginning net pension liability and the effects on net position of contributions made by the County during fiscal year ending June 30, 2014. The Utilities Fund includes operation of the Water/Sewer and Solid Waste Disposal Divisions. Other factors concerning the finances of this fund are addressed in Nash County's business-type activities later in this discussion.

### **Capital Asset and Debt Administration**

**Capital Assets.** Nash County's capital assets for its governmental and business-type activities as of June 30, 2015 totals \$78,618,893 (net of accumulated depreciation). These assets include buildings, land, vehicles, equipment and construction in progress. The total decrease was \$568,765, a 1.4% decrease in governmental activities.

Major capital asset transactions during the year include:

- The Business Development Authority dissolved in November 2014 and land cost of \$1,795,283 was transferred to the County.

- Retirement and replacement of vehicles for Public Safety.
- The Nash County equity interest in Rocky Mount-Wilson Airport was previously reported as a percent of the Airport capital assets. A decrease of \$1,051,253 in FY15 adjusted from General Government capital assets in order to record the equity investment as a joint venture based on Nash County's equity interest in the Airport.

**Nash County's Capital Assets  
(net of depreciation)**

**Figure 4**

	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land and improvements	\$ 10,416,606	\$ 8,771,986	\$ 676,135	\$ 745,497	\$ 11,092,741	\$ 9,517,483
Buildings	32,455,163	34,283,664	18,892	13,577	32,474,055	34,297,241
Infrastructure	394,311	437,048	12,499,548	10,177,929	12,893,859	10,614,977
Furniture and equipment	2,458,766	2,753,174	179,151	193,209	2,637,917	2,946,383
Vehicles	1,125,193	1,256,297	41,063	19,386	1,166,256	1,275,683
Construction in progress	6,717	5,217	18,347,348	20,530,676	18,354,065	20,535,893
<b>Total</b>	<b>\$ 46,856,756</b>	<b>\$ 47,507,386</b>	<b>\$ 31,762,137</b>	<b>\$ 31,680,274</b>	<b>\$ 78,618,893</b>	<b>\$ 79,187,660</b>

Additional information on the County's capital assets can be found in the Capital Assets Footnote, Note 5, within the Notes to the Financial Statements.

- **Long-term Debt.** As of June 30, 2015, Nash County had total debt outstanding of \$61,084,893. Of this amount, \$21,246,000 (34.8%) represents bonds secured by specified revenue sources. Total debt decreased \$3,539,119 during the past fiscal year, due primarily to the installment financing refunding of 2004 Certificate of Participation.

**Nash County's Outstanding Debt**

**Figure 5**

	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Installment purchase contracts	\$ 11,907,271	\$ 13,466,893	\$ 1,844,500	\$ 2,190,000	\$ 13,751,771	\$ 15,656,893
Water Bonds	-	-	12,406,000	12,517,000	12,406,000	12,517,000
Limited Obligation Bonds	25,010,000	25,975,000	-	-	25,010,000	25,975,000
General Obligation Bonds	8,840,000	9,310,000	-	-	8,840,000	9,310,000
Discount on Bond Issuance	1,077,122	1,165,119	-	-	1,077,122	1,165,119
<b>Total Debt</b>	<b>\$ 46,834,393</b>	<b>\$ 49,917,012</b>	<b>\$ 14,250,500</b>	<b>\$ 14,707,000</b>	<b>\$ 61,084,893</b>	<b>\$ 64,624,012</b>

Nash County's General Obligation Bonds are currently rated Aa2 by Moody's and AA- by Standard & Poor's. Additionally, the County's Limited Obligation Bonds are rated Aa3 by Moody's and A+ by Standard & Poor's.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Nash County is \$555,362,209 (3.68%) for 2015. The County has \$8,840,000 in General Obligation Bonds and \$12,406,000 in Water & Sewer Bonds at June 30, 2015.

Additional information regarding Nash County's long-term debt can be found in the Long-Term Obligations Footnote, Note 11, within the Notes to the Financial Statements.

### **Economic Factors and Next Year's Budgets and Rates**

The following key economic indicators reflect the economic condition of the County.

- The June 2015 unemployment rate for Nash County is 8.1% down from 8.3% in prior year.
- Nash County had industrial expansion commitments of \$43,000,000 in capital expenditures.

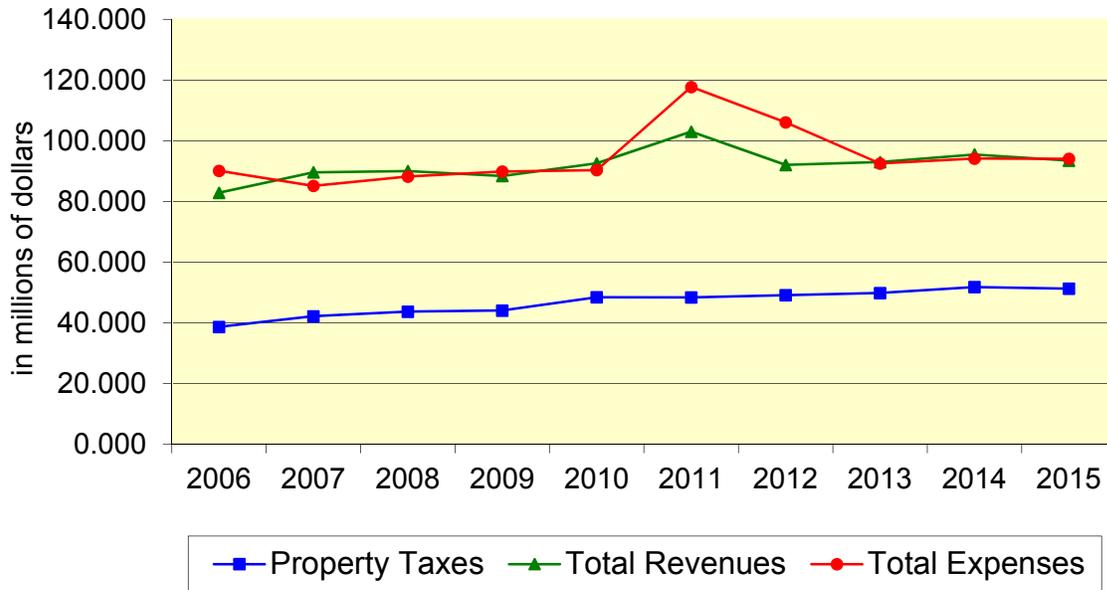
All of these growth factors were considered in preparing Nash County's budget for the 2016 fiscal year.

### **Budget Highlights for the Fiscal Year Ending June 30, 2016**

**Governmental Activities.** Nash County has appropriated \$2,801,105 of unassigned General Fund balance in the 2016 fiscal year budget. Overall revenues are expected to increase primarily due to enhanced collection efforts and a modest tax base growth as well as increased sales tax due to increasing economic conditions.

Budgeted expenditures in the General Fund increased for the 2016 year to \$91,789,878 due primarily to a 1.5% across the board pay adjustment, a reserve for the implementation of the FY2015 salary study, increased funding for economic development FY2016 economic incentives, increased funding for election costs due to the upcoming election cycle, increased funding for Nash Rocky Mount Schools based on the fiscal year 2015 agreement and increased funding for Nash Community College.

**Governmental Activities**  
**Comparison of Total Expenses, Property Taxes, and Total Revenues**



**Business-type Activities.** Water rates increased based on rising prices to purchase bulk water, there were no changes to sewer rates. Rates for landfill services remain at \$48 per ton; rural household fees, which support Convenience Center operations, increased from \$96 to \$125 per rural household. General operating expenses are anticipated to remain level for 2016.

**Requests for Information**

This report is designed to provide an overview of the County’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 the Director of Finance, Nash County, 120 W. Washington St., Suite 3072, Nashville, NC 27856. You can also call (252)-459-9803, visit our website [www.co.nash.nc.us](http://www.co.nash.nc.us) or send an email to [donna.wood@nashcountync.gov](mailto:donna.wood@nashcountync.gov) for more information.

Nash County, North Carolina  
Financial Statements and Schedules

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***BASIC FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

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***GOVERNMENT- WIDE FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
JUNE 30, 2015

	Governmental Activities	Business- Type Activities	Total Primary Government	Discretely Presented Component Units	Total Reporting Unit
<b>Assets:</b>					
Cash and cash equivalents	\$ 27,483,064	\$ 5,908,180	\$ 33,391,244	\$ 11,116,608	\$ 44,507,852
Investments	19,219,833	-	19,219,833	-	19,219,833
Receivables:					
Taxes receivable, net	2,791,262	-	2,791,262	130,495	2,921,757
Accounts receivable, net	6,071,700	315,589	6,387,289	40,144,743	46,532,032
Prepaid items and other assets	23,385	-	23,385	26,115,074	26,138,459
Inventories	-	-	-	5,860,491	5,860,491
Cash and cash equivalents - restricted	599,817	204,320	804,137	220,296,713	221,100,850
Net investment in Joint Venture	954,575	-	954,575	-	954,575
Net pension asset	2,838,631	81,896	2,920,527	53,194	2,973,721
Capital assets:					
Non-depreciable capital assets	10,185,651	18,655,533	28,841,184	4,579,772	33,420,956
Other capital assets, net of depreciation	36,671,105	13,106,604	49,777,709	147,703,956	197,481,665
Total assets	<u>106,839,023</u>	<u>38,272,122</u>	<u>145,111,145</u>	<u>456,001,046</u>	<u>601,112,191</u>
<b>Deferred Outflows of Resources:</b>					
Deferred charge on refunding	10,744	-	10,744	-	10,744
Pension deferrals	66,146	1,919	68,065	-	68,065
Contributions to pension plan in current fiscal year	1,846,705	56,908	1,903,613	3,377,991	5,281,604
Total deferred outflows of resources	<u>1,923,595</u>	<u>58,827</u>	<u>1,982,422</u>	<u>3,377,991</u>	<u>5,360,413</u>
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	3,111,431	651,804	3,763,235	42,006,522	45,769,757
Accrued interest payable	417,593	55,413	473,006	-	473,006
Distribution payable	-	-	-	192,509	192,509
Liabilities payable from restricted assets:					
Customer deposits	-	90,320	90,320	-	90,320
Current portion of accrued landfill post-closure costs	-	100,000	100,000	-	100,000
Current portion of compensated absences	101,824	1,680	103,504	-	103,504
Current portion of long-term debt	3,608,448	419,500	4,027,948	2,405,779	6,433,727
Long-term liabilities:					
Accrued landfill post-closure costs	-	3,297,816	3,297,816	-	3,297,816
Non-current portion of long-term debt	44,097,777	13,871,000	57,968,777	107,505,394	165,474,171
OPEB liability	13,195,524	408,109	13,603,633	-	13,603,633
Unfunded pension obligation	859,842	-	859,842	-	859,842
Non-current portion of compensated absences	1,934,664	31,929	1,966,593	-	1,966,593
Total liabilities	<u>67,327,103</u>	<u>18,927,571</u>	<u>86,254,674</u>	<u>152,110,204</u>	<u>238,364,878</u>
<b>Deferred Inflows of Resources:</b>					
Prepaid property taxes	109,968	-	109,968	-	109,968
Pension deferrals	6,454,801	199,602	6,654,403	911,782	7,566,185
Total deferred inflows of resources	<u>6,564,769</u>	<u>199,602</u>	<u>6,764,371</u>	<u>911,782</u>	<u>7,676,153</u>
<b>Net Position:</b>					
Net investment in capital assets	249,745	17,471,637	17,721,382	43,674,786	61,396,168
Restricted for:					
Stabilization by State statute	6,258,819	-	6,258,819	130,495	6,389,314
Public safety	709,132	-	709,132	-	709,132
Human services	2,556,977	-	2,556,977	-	2,556,977
Economic and physical development	137,363	-	137,363	515,443	652,806
Working capital	-	-	-	286,924	286,924
Unrestricted	<u>24,958,710</u>	<u>1,732,139</u>	<u>26,690,849</u>	<u>261,749,403</u>	<u>288,440,252</u>
Total net position	<u>\$ 34,870,746</u>	<u>\$ 19,203,776</u>	<u>\$ 54,074,522</u>	<u>\$ 306,357,051</u>	<u>\$ 360,431,573</u>

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

NASH COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 8,970,694	\$ 1,967,285	\$ -	\$ -
Public safety	23,902,952	4,433,456	979,487	74,157
Transportation	300,342	-	-	7,500
Economic and physical development	1,532,645	-	1,578,048	-
Human services	25,982,297	515,264	20,116,986	-
Cultural	1,604,936	-	-	-
Education	30,547,692	-	193,246	-
Debt service - interest	1,991,634	-	-	-
Total governmental activities	<u>94,833,192</u>	<u>6,916,005</u>	<u>22,867,767</u>	<u>81,657</u>
<b>Business-Type Activities:</b>				
Water and sewer	2,683,558	1,615,200	-	1,133,588
Solid waste disposal	2,065,199	2,189,514	-	-
Total business-type activities	<u>4,748,757</u>	<u>3,804,714</u>	<u>-</u>	<u>1,133,588</u>
Total primary government	<u>\$ 99,581,949</u>	<u>\$ 10,720,719</u>	<u>\$ 22,867,767</u>	<u>\$ 1,215,245</u>
<b>Component Units:</b>				
Tourism Development Authority	\$ 707,522	\$ -	\$ 786,654	\$ -
Health Care Systems and Subsidiaries	111,818,947	109,480,718	-	-
ABC Board	9,398,172	9,695,450	-	-
Total component units	<u>\$ 121,924,641</u>	<u>\$ 119,176,168</u>	<u>\$ 786,654</u>	<u>\$ -</u>

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

NASH COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	Total Reporting Unit
	Governmental Activities	Business-Type Activities	Total		
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
General government	\$ (7,003,409)	\$ -	\$ (7,003,409)	\$ -	\$ (7,003,409)
Public safety	(18,415,852)	-	(18,415,852)	-	(18,415,852)
Transportation	(292,842)	-	(292,842)	-	(292,842)
Economic and physical development	45,403	-	45,403	-	45,403
Human services	(5,350,047)	-	(5,350,047)	-	(5,350,047)
Cultural	(1,604,936)	-	(1,604,936)	-	(1,604,936)
Education	(30,354,446)	-	(30,354,446)	-	(30,354,446)
Debt service - interest	(1,991,634)	-	(1,991,634)	-	(1,991,634)
Total governmental activities	<u>(64,967,763)</u>	<u>-</u>	<u>(64,967,763)</u>	<u>-</u>	<u>(64,967,763)</u>
<b>Business-Type Activities:</b>					
Water and sewer	-	65,230	65,230	-	65,230
Solid waste disposal	-	124,315	124,315	-	124,315
Total business-type activities	<u>-</u>	<u>189,545</u>	<u>189,545</u>	<u>-</u>	<u>189,545</u>
Total primary government	<u>(64,967,763)</u>	<u>189,545</u>	<u>(64,778,218)</u>	<u>-</u>	<u>(64,778,218)</u>
<b>Component Units:</b>					
Tourism Development Authority	-	-	-	79,132	79,132
Health Care Systems and Subsidiaries	-	-	-	(2,338,229)	(2,338,229)
ABC Board	-	-	-	297,278	297,278
Total component units	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,961,819)</u>	<u>(1,961,819)</u>
<b>General Revenues:</b>					
Taxes:					
Ad valorem taxes	51,316,899	-	51,316,899	-	51,316,899
Local option sales tax	12,641,148	-	12,641,148	-	12,641,148
Excise tax	210,501	-	210,501	-	210,501
Other taxes	79,181	-	79,181	-	79,181
Investment earnings	122,178	4,698	126,876	2,388,964	2,515,840
Miscellaneous	-	-	-	(1,731,283)	(1,731,283)
Total general revenues	<u>64,369,907</u>	<u>4,698</u>	<u>64,374,605</u>	<u>657,681</u>	<u>65,032,286</u>
<b>Transfers</b>	<u>(558,475)</u>	<u>558,475</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers	<u>63,811,432</u>	<u>563,173</u>	<u>64,374,605</u>	<u>657,681</u>	<u>65,032,286</u>
Change in net position	<u>(1,156,331)</u>	<u>752,718</u>	<u>(403,613)</u>	<u>(1,304,138)</u>	<u>(1,707,751)</u>
<b>Net Position:</b>					
Beginning of year - July 1	39,399,311	18,561,229	57,960,540	311,985,791	369,946,331
Restatement	<u>(3,372,234)</u>	<u>(110,171)</u>	<u>(3,482,405)</u>	<u>(4,324,602)</u>	<u>(7,807,007)</u>
Beginning of year - restated	<u>36,027,077</u>	<u>18,451,058</u>	<u>54,478,135</u>	<u>307,661,189</u>	<u>362,139,324</u>
End of year - June 30	<u>\$ 34,870,746</u>	<u>\$ 19,203,776</u>	<u>\$ 54,074,522</u>	<u>\$ 306,357,051</u>	<u>\$ 360,431,573</u>

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

Nash County, North Carolina  
Financial Statements and Schedules

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***FUND FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

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**BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2015**

	<u>Major</u>	<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Other</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Governmental</u>	<u>Funds</u>
		<u>Funds</u>	<u>Funds</u>
<b>Assets:</b>			
Cash and cash equivalents	\$ 17,412,619	\$ 6,411,342	\$ 23,823,961
Investments	19,219,833	-	19,219,833
Taxes receivable, net	2,791,262	-	2,791,262
Accounts receivable, net	5,927,499	85,635	6,013,134
Due from other funds	2,725	-	2,725
Prepaid items and other assets	23,385	-	23,385
Restricted assets:			
Restricted cash	568,141	31,676	599,817
Total assets	<u>\$ 45,945,464</u>	<u>\$ 6,528,653</u>	<u>\$ 52,474,117</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 2,223,241	\$ 95,065	\$ 2,318,306
Due to other funds	-	2,725	2,725
Total liabilities	<u>2,223,241</u>	<u>97,790</u>	<u>2,321,031</u>
<b>Deferred Inflows of Resources:</b>			
Property taxes receivable	2,791,262	-	2,791,262
Prepaid property taxes	109,968	-	109,968
Total deferred inflows of resources	<u>2,901,230</u>	<u>-</u>	<u>2,901,230</u>
<b>Fund Balances:</b>			
Non-spendable, not in spendable form:			
Prepaid assets	23,385	-	23,385
Restricted:			
Stabilization by State statute	6,149,898	108,921	6,258,819
Restricted, all other	2,556,977	878,171	3,435,148
Committed	422,590	5,352,971	5,775,561
Assigned	6,832,234	104,937	6,937,171
Unassigned	24,835,909	(14,137)	24,821,772
Total fund balances	<u>40,820,993</u>	<u>6,430,863</u>	<u>47,251,856</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 45,945,464</u>	<u>\$ 6,528,653</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	46,856,756
Net pension asset	2,838,631
Net investment in joint venture	954,575
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position.	1,846,705
Pension related deferrals	(6,388,655)
Long-term liabilities, accrued interest and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(64,215,672)
Assets and liabilities of the internal service funds used by management to account for insurance costs are included in governmental activities in the Statement of Net Position.	2,924,544
Liabilities for earned revenues considered deferred inflows of resources in the fund statements	2,791,262
Charges related to refunding bond issue	10,744
Pension expense	
Net position of governmental activities	<u>\$ 34,870,746</u>

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

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Major</u>	<u>Nonmajor</u>	
	<u>General</u>	<u>Other</u>	
	<u>Fund</u>	<u>Governmental</u>	<u>Total</u>
	<u>Funds</u>		
<b>Revenues:</b>			
Ad valorem taxes	\$ 48,901,989	\$ 2,932,311	\$ 51,834,300
Other taxes and licenses	12,930,830	-	12,930,830
Unrestricted intergovernmental	346,302	-	346,302
Restricted intergovernmental	20,310,232	2,041,351	22,351,583
Permits and fees	943,497	-	943,497
Sales and services	4,816,209	-	4,816,209
Investment earnings	114,710	5,191	119,901
Miscellaneous	1,209,106	14,666	1,223,772
Total revenues	<u>89,572,875</u>	<u>4,993,519</u>	<u>94,566,394</u>
<b>Expenditures:</b>			
Current:			
General government	8,309,005	-	8,309,005
Public safety	20,124,871	3,518,678	23,643,549
Transportation	139,212	161,130	300,342
Economic and physical development	1,902,670	1,316,284	3,218,954
Human services	26,074,117	-	26,074,117
Cultural and recreation	1,616,347	-	1,616,347
Education	23,269,689	7,211,679	30,481,368
Debt service:			
Principal	7,255,937	-	7,255,937
Interest	1,933,211	-	1,933,211
Issuance	95,000	-	95,000
Total expenditures	<u>90,720,059</u>	<u>12,207,771</u>	<u>102,927,830</u>
Revenues over (under) expenditures	<u>(1,147,184)</u>	<u>(7,214,252)</u>	<u>(8,361,436)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	144,222	1,801,179	1,945,401
Transfers out	(2,359,654)	(144,222)	(2,503,876)
Refunding bonds issued	3,787,000	-	3,787,000
Capital lease obligations issued	322,000	-	322,000
Total other financing sources (uses)	<u>1,893,568</u>	<u>1,656,957</u>	<u>3,550,525</u>
Net change in fund balances	746,384	(5,557,295)	(4,810,911)
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>40,074,609</u>	<u>11,988,158</u>	<u>52,062,767</u>
End of year - June 30	<u>\$ 40,820,993</u>	<u>\$ 6,430,863</u>	<u>\$ 47,251,856</u>

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

**NASH COUNTY, NORTH CAROLINA**

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015**

Amounts reported for governmental activities in the Statement of Activities (Exhibit B) are different due to the following items:

Net change in fund balances - total governmental funds (Exhibit D)	\$ (4,810,911)
Property tax revenues in the governmental funds statement that were actually earned are reflected as revenues in the prior periods on the Statement of Activities.	(517,401)
Expenses related to compensated absences, accrued interest, OPEB, and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(1,655,882)
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	3,215,326
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,745,938)
Gain (loss) on the disposal of capital assets during the year, not recognized on the modified accrual basis	(68,765)
Gain (loss) from the change in Net Investment in Joint Venture related to the Rocky Mount/Wilson Airport during the year, not recognized on the modified accrual basis	(96,678)
Internal Service Fund	609,325
Principal repayments are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense, rather they are a decrease in liabilities.	7,255,937
Contributions to the pension plan in the current fiscal year and deferred charges on refunding are deferred outflows of resources on the Statement of Net Position.	1,857,449
Pension expense	(177,790)
Governmental funds report the effect of bond premiums when the debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities.	87,997
Proceeds from issuance of debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, they are not a revenue, rather they are an increase in liabilities.	<u>(4,109,000)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ (1,156,331)</u>

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

## NASH COUNTY, NORTH CAROLINA

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Over/Under</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Ad valorem taxes	\$ 46,686,000	\$ 46,686,000	\$ 48,901,989	\$ 2,215,989
Other taxes and licenses	12,154,000	12,154,000	12,930,830	776,830
Unrestricted intergovernmental	392,000	397,000	346,302	(50,698)
Restricted intergovernmental	19,042,204	19,741,401	20,310,232	568,831
Permits and fees	1,023,200	1,023,200	943,497	(79,703)
Sales and services	4,877,821	4,877,821	4,816,209	(61,612)
Investment earnings	130,000	130,000	114,301	(15,699)
Miscellaneous	1,240,060	1,324,752	1,027,776	(296,976)
Total revenues	<u>85,545,285</u>	<u>86,334,174</u>	<u>89,391,136</u>	<u>3,056,962</u>
<b>Expenditures:</b>				
Current:				
General government	9,704,431	9,463,540	8,103,291	1,360,249
Public safety	20,283,803	20,913,399	20,124,871	788,528
Transportation	169,126	169,126	139,212	29,914
Economic and physical development	1,746,435	1,981,893	1,837,387	144,506
Human services	27,558,466	28,187,171	26,074,117	2,113,054
Cultural and recreation	1,640,243	1,660,085	1,616,347	43,738
Education	22,953,904	23,457,151	23,269,689	187,462
Debt service:				
Principal	3,434,519	7,321,362	7,255,937	65,425
Interest	2,018,019	1,938,561	1,933,211	5,350
Issuance	-	95,000	95,000	-
Total expenditures	<u>89,508,946</u>	<u>95,187,288</u>	<u>90,449,062</u>	<u>4,738,226</u>
Revenues over (under) expenditures	<u>(3,963,661)</u>	<u>(8,853,114)</u>	<u>(1,057,926)</u>	<u>7,795,188</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	144,222	144,222
Transfers out	(115,000)	(2,416,179)	(2,416,179)	-
Capital lease obligations issued	-	322,000	322,000	-
Refunding bonds issued	-	3,787,000	3,787,000	-
Fund balance appropriated	4,118,661	7,200,293	-	(7,200,293)
Contingency	(40,000)	(40,000)	-	40,000
Total other financing sources (uses)	<u>3,963,661</u>	<u>8,853,114</u>	<u>1,837,043</u>	<u>(7,016,071)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	779,117	<u>\$ 779,117</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			36,566,302	
End of year - June 30			<u>\$ 37,345,419</u>	

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

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2015

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
<b>Assets:</b>				
<b>Current assets:</b>				
Cash and investments	\$ 5,905,966	\$ 2,214	\$ 5,908,180	\$ 3,659,103
Due from other funds	533,429	-	533,429	-
Accounts receivable, net	315,589	-	315,589	58,566
Restricted cash and investments	90,320	114,000	204,320	-
Total current assets	<u>6,845,304</u>	<u>116,214</u>	<u>6,961,518</u>	<u>3,717,669</u>
<b>Non-current assets:</b>				
Net pension asset	81,896	-	81,896	-
Non-depreciable capital assets	436,548	18,218,985	18,655,533	-
Other capital assets, net of depreciation	13,106,604	-	13,106,604	-
Total non-current assets	<u>13,625,048</u>	<u>18,218,985</u>	<u>31,844,033</u>	<u>-</u>
Total assets	<u>20,470,352</u>	<u>18,335,199</u>	<u>38,805,551</u>	<u>3,717,669</u>
<b>Deferred Outflows of Resources:</b>				
Pension deferrals	1,919	-	1,919	-
Contributions to pension plan in current fiscal year	56,908	-	56,908	-
Total deferred outflows of resources	<u>58,827</u>	<u>-</u>	<u>58,827</u>	<u>-</u>
<b>Liabilities:</b>				
<b>Current liabilities:</b>				
Accounts payable and accrued liabilities	651,804	-	651,804	793,125
Accrued interest payable	18,910	36,503	55,413	-
Due to other funds	-	533,429	533,429	-
Current portion of accrued landfill post-closure costs	100,000	-	100,000	-
Current portion of compensated absences	1,680	-	1,680	-
Current portion of long-term debt	305,500	114,000	419,500	-
Liabilities payable from restricted assets:				
Customer deposits	90,320	-	90,320	-
Total current liabilities	<u>1,168,214</u>	<u>683,932</u>	<u>1,852,146</u>	<u>793,125</u>
<b>Non-current liabilities:</b>				
Non-current portion of long-term debt	1,579,000	12,292,000	13,871,000	-
OPEB liability	408,109	-	408,109	-
Accrued landfill closure and post-closure care costs	3,297,816	-	3,297,816	-
Compensated absences	31,929	-	31,929	-
Total non-current liabilities	<u>5,316,854</u>	<u>12,292,000</u>	<u>17,608,854</u>	<u>-</u>
Total liabilities	<u>6,485,068</u>	<u>12,975,932</u>	<u>19,461,000</u>	<u>793,125</u>
<b>Deferred Inflows of Resources:</b>				
Pension deferrals	199,602	-	199,602	-
<b>Net Position:</b>				
Net investment in capital assets	11,658,652	5,812,985	17,471,637	-
Unrestricted	2,185,857	(453,718)	1,732,139	2,924,544
Total net position	<u>\$ 13,844,509</u>	<u>\$ 5,359,267</u>	<u>\$ 19,203,776</u>	<u>\$ 2,924,544</u>

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

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
<b>Operating Revenues:</b>				
Charges for sales and services	\$ 3,590,868	\$ -	\$ 3,590,868	\$ 6,135,521
Other operating revenue	205,811	8,035	213,846	-
Total operating revenues	<u>3,796,679</u>	<u>8,035</u>	<u>3,804,714</u>	<u>6,135,521</u>
<b>Operating Expenses:</b>				
Water and sewer operations	1,307,413	-	1,307,413	-
Solid waste disposal operations	2,065,199	-	2,065,199	-
System repairs and improvements	48,243	309,073	357,316	-
Depreciation	495,368	-	495,368	-
Insurance claims	-	-	-	5,528,473
Total operating expenses	<u>3,916,223</u>	<u>309,073</u>	<u>4,225,296</u>	<u>5,528,473</u>
Operating income (loss)	<u>(119,544)</u>	<u>(301,038)</u>	<u>(420,582)</u>	<u>607,048</u>
<b>Non-Operating Revenues (Expenses):</b>				
Interest and fees paid	(72,143)	(451,318)	(523,461)	-
Investment earnings	4,698	-	4,698	2,277
Total non-operating revenues (expenses)	<u>(67,445)</u>	<u>(451,318)</u>	<u>(518,763)</u>	<u>2,277</u>
Income before transfers and contributions	(186,989)	(752,356)	(939,345)	609,325
Capital contributions	133,588	1,000,000	1,133,588	-
Transfers (to)/from other funds	(8,519)	566,994	558,475	-
Change in net position	<u>(61,920)</u>	<u>814,638</u>	<u>752,718</u>	<u>609,325</u>
<b>Net Position:</b>				
Beginning of year- July 1	14,016,600	4,544,629	18,561,229	2,315,219
Restatement	(110,171)	-	(110,171)	-
Net position, beginning, restated	<u>13,906,429</u>	<u>4,544,629</u>	<u>18,451,058</u>	<u>2,315,219</u>
End of year - June 30	<u>\$ 13,844,509</u>	<u>\$ 5,359,267</u>	<u>\$ 19,203,776</u>	<u>\$ 2,924,544</u>

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

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2015

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$ 3,795,784	\$ 8,035	\$ 3,803,819	\$ -
Cash received for interfund services	-	-	-	6,078,381
Cash paid for goods and services	(2,514,861)	(309,073)	(2,823,934)	(5,525,627)
Cash paid to employees for services	(986,474)	-	(986,474)	-
Customer deposits	(12,440)	-	(12,440)	-
Net cash provided (used) by operating activities	<u>282,009</u>	<u>(301,038)</u>	<u>(19,029)</u>	<u>552,754</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Change in due to other funds	-	(382,979)	(382,979)	-
Change in due from other funds	382,978	-	382,978	-
Transfers to other funds	-	566,994	566,994	-
Transfers from other funds	(8,519)	-	(8,519)	-
Net cash provided (used) by non-capital financing activities	<u>374,459</u>	<u>184,015</u>	<u>558,474</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Capital contributions	133,588	1,000,000	1,133,588	-
Principal paid on long-term debt	(305,500)	(111,000)	(416,500)	-
Interest paid on long-term debt	(77,351)	(446,658)	(524,009)	-
Acquisition of capital assets	(257,126)	(320,105)	(577,231)	-
Net cash provided (used) by capital and related financing activities	<u>(506,389)</u>	<u>122,237</u>	<u>(384,152)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>				
Investment earnings	<u>4,698</u>	<u>-</u>	<u>4,698</u>	<u>2,277</u>
Net increase (decrease) in cash and cash equivalents	154,777	5,214	159,991	555,031
Cash and cash equivalents - July 1	<u>5,843,428</u>	<u>111,000</u>	<u>5,954,428</u>	<u>3,104,072</u>
Cash and cash equivalents - June 30	<u>\$ 5,998,205</u>	<u>\$ 116,214</u>	<u>\$ 6,114,419</u>	<u>\$ 3,659,103</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ (119,544)	\$ (301,038)	\$ (420,582)	\$ 607,048
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	495,368	-	495,368	-
Pension expense	7,534	-	7,534	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(895)	-	(895)	(57,140)
Increase (decrease) in accounts payable and accrued liabilities	44,016	-	44,016	2,846
Increase (decrease) in deferred outflows of resources for pensions	(56,908)	-	(56,908)	-
Increase (decrease) in customer deposits	(4,906)	-	(4,906)	-
Increase (decrease) in landfill closure and post-closure care costs	(82,656)	-	(82,656)	-
Net cash provided (used) by operating activities	<u>\$ 282,009</u>	<u>\$ (301,038)</u>	<u>\$ (19,029)</u>	<u>\$ 552,754</u>

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

**NASH COUNTY, NORTH CAROLINA**

**STATEMENT OF FIDUCIARY NET POSITION**

**FIDUCIARY FUNDS**

**JUNE 30, 2015**

	<u>Agency Fund</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 56,930
Receivables	<u>191,105</u>
Total assets	<u>\$ 248,035</u>
<b>Liabilities:</b>	
Accounts payable	\$ 51,225
Intergovernmental payable	<u>196,810</u>
Total liabilities	<u>\$ 248,035</u>

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

## NASH COUNTY, NORTH CAROLINA

**COMBINING STATEMENT OF NET POSITION  
 ALL DISCRETELY PRESENTED COMPONENT UNITS  
 JUNE 30, 2015**

	<b>Nash County Tourism Development Authority</b>	<b>Nash County Business Development Authority</b>	<b>Nash Health Care Systems and Subsidiaries</b>	<b>Nash County ABC Board</b>	<b>Total Component Units</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 515,443	\$ -	\$ 8,793,242	\$ 1,807,923	\$ 11,116,608
Cash and cash equivalents - restricted	-	-	220,296,713	-	220,296,713
Receivables:					
Taxes receivable, net	130,495	-	-	-	130,495
Accounts receivable, net	-	-	40,144,743	-	40,144,743
Prepaid items and other assets	-	-	26,115,074	-	26,115,074
Inventories	-	-	4,594,975	1,265,516	5,860,491
Net pension asset	-	-	-	53,194	53,194
Capital assets:					
Depreciable capital assets, net	-	-	146,335,303	1,368,653	147,703,956
Non-depreciable assets	-	-	4,579,772	-	4,579,772
Total assets	<u>645,938</u>	<u>-</u>	<u>450,859,822</u>	<u>4,495,286</u>	<u>456,001,046</u>
<b>Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>	<u>3,319,445</u>	<u>58,546</u>	<u>3,377,991</u>
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	-	-	41,742,050	264,472	42,006,522
Distributions payable	-	-	-	192,509	192,509
Current portion - long-term debt	-	-	2,405,779	-	2,405,779
Non-current portion - long-term debt	-	-	107,419,880	85,514	107,505,394
Total liabilities	<u>-</u>	<u>-</u>	<u>151,567,709</u>	<u>542,495</u>	<u>152,110,204</u>
<b>Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>782,132</u>	<u>129,650</u>	<u>911,782</u>
<b>Net Position:</b>					
Net investment in capital assets	-	-	42,306,133	1,368,653	43,674,786
Restricted for:					
Stabilization by State statute	130,495	-	-	-	130,495
Tourism	515,443	-	-	-	515,443
Working capital	-	-	-	286,924	286,924
Unrestricted	<u>-</u>	<u>-</u>	<u>259,523,293</u>	<u>2,226,110</u>	<u>261,749,403</u>
Total net position	<u>\$ 645,938</u>	<u>\$ -</u>	<u>\$ 301,829,426</u>	<u>\$ 3,881,687</u>	<u>\$ 306,357,051</u>

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

NASH COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF ACTIVITIES  
ALL DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Component Units:</b>			
Tourism Development Authority	\$ 707,522	\$ -	\$ 786,654
Health Care Systems and Subsidiaries	111,818,947	109,480,718	-
ABC Board	9,398,172	9,695,450	-
Total component units	<u>\$ 121,924,641</u>	<u>\$ 119,176,168</u>	<u>\$ 786,654</u>

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

NASH COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF ACTIVITIES  
ALL DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Program Revenues				Total Component Units
	Tourism Development Authority	Business Development Authority	Health Care Systems and Subsidiaries	ABC Board	
<b>Component Units:</b>					
Tourism Development Authority	\$ 79,132	\$ -	\$ -	\$ -	\$ 79,132
Health Care Systems and Subsidiaries	-	-	(2,338,229)	-	(2,338,229)
ABC Board	-	-	-	297,278	297,278
Total component units	<u>79,132</u>	<u>-</u>	<u>(2,338,229)</u>	<u>297,278</u>	<u>(1,961,819)</u>
<b>General Revenues:</b>					
Investment earnings:					
Tourism Development Authority	39	-	-	-	39
Health Care Systems and Subsidiaries	-	-	2,386,718	-	2,386,718
ABC Board	-	-	-	2,207	2,207
Miscellaneous:					
Business Development Authority	-	(1,731,283)	-	-	(1,731,283)
Total general revenues	<u>39</u>	<u>(1,731,283)</u>	<u>2,386,718</u>	<u>2,207</u>	<u>657,681</u>
Change in net position	<u>79,171</u>	<u>(1,731,283)</u>	<u>48,489</u>	<u>299,485</u>	<u>(1,304,138)</u>
<b>Net Position:</b>					
Beginning of year - July 1	566,767	1,731,283	306,041,680	3,646,061	311,985,791
Restatement	-	-	(4,260,743)	(63,859)	(4,324,602)
Beginning of year - July 1, restated	<u>566,767</u>	<u>1,731,283</u>	<u>301,780,937</u>	<u>3,582,202</u>	<u>307,661,189</u>
End of year - June 30	<u>\$ 645,938</u>	<u>\$ -</u>	<u>\$ 301,829,426</u>	<u>\$ 3,881,687</u>	<u>\$ 306,357,051</u>

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

Nash County, North Carolina  
Financial Statements and Schedules

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***NOTES TO FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

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# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

### Note 1 – Summary of Significant Accounting Policies

The accounting policies of Nash County, North Carolina, and its discretely presented component units conform to accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

#### REPORTING ENTITY

Nash County is located in the eastern part of North Carolina in the coastal plains area and has a population of approximately 96,000. The County Seat is located in Nashville, North Carolina. The County, which is governed by a seven-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, legally-separate entities for which the County is financially accountable.

**Blended Component Units** – Central Nash Water and Sewer District (Central) exists to provide and maintain water and sewer services for residents within the District. Under State law (G. S. 162A-89), the County's Board of Commissioners serves as the governing board for the District and there is a financial benefit between the District and County. Central was reported as an enterprise fund in the County's financial statements. The District does not issue separate financial statements.

#### Component Units:

The County's four discretely presented component units described below are reported in separate combining government-wide financial statements.

- Nash County Tourism Development Authority – The fifteen members of the Nash County Tourism Development Authority's governing board, including the Chairman, are appointed by the County. The Finance Officer for the County serves as ex-officio Finance Officer for the Authority. The County levies, collects, and remits a room occupancy tax on behalf of the Authority. The Authority, which has a June 30 year-end, is presented as a Component Unit.
- Nash County Business Development Authority – Nash County Business Development Authority is a non-profit corporation created under the provisions of Section 55A of the State statutes. The County appoints the ten-member governing board of the Authority. The Authority's purpose is to promote population growth, taxable property values, and improve the general welfare of the County as deemed appropriate in the opinion of the County governing board. The excess revenues of the Authority are for the benefit of the County. The Authority, which has a June 30 year-end, is presented as a Special Revenue Fund. Due to low activity, the Authority has been dissolved as of November 2014. All of the Authority's assets were transferred to the County.
- Nash Health Care Systems and Subsidiaries of Nash County, North Carolina – Nash Health Care Systems and Subsidiaries of Nash County is a Hospital Authority created under the provisions of Article 12 of Chapter 131 of the State statutes. The County appoints the fourteen-member governing board of the Authority, and there is a potential financial benefit/burden to the County. The Authority includes the operations of Nash Hospitals, Inc. and subsidiary, Nash Community Health Services, Inc., Nash MSO, Inc., Nash Medical Development Authority, and Nash Health Care Foundation. The County leases the hospital facilities to the

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Authority in accordance with a thirty-year operating agreement (Note 5). The Authority, which has a December 31 year-end, is presented as a proprietary fund.

- Nash County ABC Board – The five members of the Nash County ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surplus to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as a proprietary fund.

Complete financial statements for each of the individual component units may be obtained at the administrative offices of those entities as follows:

Nash County Tourism Development Authority  
120 W. Washington Street, Suite 3072  
Nashville, NC 27856

Nash Health Care Systems and Subsidiaries of Nash County  
Nash General Hospital  
2460 Curtis Ellis Drive  
Rocky Mount, NC 27804

Nash County ABC Board  
1206 Eastern Avenue  
Nashville, NC 27856

#### **BASIS OF PRESENTATION - MEASUREMENT FOCUS, BASIS OF ACCOUNTING**

##### **Basis of Presentation**

Government-Wide Statements – The Statement of Net Position and the Statement of Activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the County. 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 County and for each function of the County'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.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Fund Financial Statements* – The fund financial statements provide information about the County’s funds, including its fiduciary funds. Separate statements for each fund category, governmental, proprietary, and fiduciary, 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 nonmajor 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 items such as investment earnings are ancillary activities.

**Major Funds** – The General Fund, the Utilities Fund, and the Central Nash Water and Sewer District are major funds of the County. The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The Utilities Fund is used to account for the County’s water and sewer operations, solid waste disposal operations, and convenience center operations. The Central Nash Water and Sewer District Fund (Blended Component Unit) is used to account for the water and sewer operations in the Central Nash Water and Sewer District.

The County has the following fund categories:

**Governmental Funds** – Governmental funds account for the County’s general governmental activities. Governmental funds include the following fund types:

*General Fund* – The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The Revaluation Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, it is consolidated in the General Fund. Additionally, the County has legally adopted an Economic Development Fund. Under GASB 54 guidance, the Economic Development Fund is consolidated in the General Fund. The budgetary comparisons for the Revaluation Fund and the Economic Development Fund have been included in the supplemental information.

*Special Revenue Funds* – The County has eight special revenue funds: Rural Operating Assistance Program Fund, Fire Districts Fund, Emergency Telephone System Fund, Controlled Substance Fund, Federal Asset Forfeiture Fund, Stormwater Maintenance Fund, Tourism Fund, and Grant Projects Fund.

*Capital Project Funds* – The County has nine capital project funds: 2010 Capital Projects Fund, Nash Community College Bond Fund Project, School Capital Project Fund, Middlesex Industrial Park Project Fund, Senior Center/Park Capital Reserve Fund, Capital Reserve Fund, Nash Community College Road Project Fund, Nashville EMS Station Capital Project Fund, and Courts/Sheriff Addition Capital Project Fund.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Proprietary Funds** – include the following fund type:

*Utilities Fund* – The Utilities Fund is used to account for the County’s water and sewer operations, solid waste disposal operations, and convenience center operations.

*Central Nash Water and Sewer District Fund (blended component unit)* – The District is used to account for the water and sewer operations in the Central Nash Water and Sewer District. The District operates the water distribution system with booster pump stations and elevated storage tanks, sewage pumping stations, and collection systems.

**Internal Service Funds** – The Employee Healthcare Benefits and the Workers' Compensation Fund are used to account for cost of the County’s healthcare and workers' compensation.

**Fiduciary Funds** – include the following fund type:

*Agency Funds* – Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The County has five agency funds: the Social Services Trust Fund, which is used to account for monies deposited with the County's Social Services Department for the benefit of certain individuals for whom the County acts as agent; the Tax Collections Held for Municipalities Fund, which is used to account for tax monies collected for the benefit of municipalities located in the County; the Fines and Forfeitures Fund, which is used to account for monies collected by the Clerk of Court for the benefit of the Nash/Rocky Mount School System Fund; the Jail Inmate Fund, which is used to account for monies held for inmates; and the Rental Vehicle Taxes Fund, which accounts for vehicle rental taxes collected.

#### **Measurement Focus, Basis of Accounting**

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

*Government-Wide, Proprietary, and Fiduciary Fund Financial Statements* – The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary, and fiduciary 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 County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, 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, entitlements, 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.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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 County enterprise funds are charges to customers for sales and services. The County 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 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 County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes 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. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County, are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then general revenues.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

#### BUDGETARY DATA

Budgets are adopted as required by the North Carolina General Statutes. An annual budget ordinance is adopted at the departmental level for the General Fund, special revenue funds (excluding grant projects), and enterprise funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the special revenue grant funds, capital project funds, and the enterprise capital project funds, which are consolidated with the operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level. The balances in the capital reserve funds will be appropriated when transferred to their respective capital project funds. The County Manager is authorized by the budget ordinance to transfer appropriations between functional areas within a fund up to \$5,000; however, any revisions in excess of \$5,000 or that alter total expenditures of any fund must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

#### ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS, AND FUND EQUITY

**Deposits and Investments** – All deposits of the County are made in Board-designated official depositories and are secured as required by G.S. 159-31. The County may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County 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 County 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 County investments with a maturity of more than one year at acquisition and non-money market investments are carried 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. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earnings and investment contracts are reported at cost.

**Cash and Cash Equivalents** – The County pools monies 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.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Restricted Assets** – The unexpended Limited Obligation Bonds, General Obligation bonds, and installment purchase proceeds are restricted in the governmental activities because their use is completely restricted to the purpose for which the bonds and installment purchase notes were issued. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. The Reserve Contribution for Middlesex Elementary School is a required annual reserve contribution equivalent to 1/10<sup>th</sup> of the annual installment for a period of ten years and accumulation equivalent to one annual installment. Customer deposits held by the County in the Utilities Fund before any services are supplied are restricted to the service for which the deposit was collected. In the Central Nash Water and Sewer District the 2014 debt service payment on the USDA loan is restricted for future payment.

### **Governmental Activities:**

#### General Fund:

Tax revaluation	\$ 448,305
Reserve Contribution – School Debt	119,836

#### Nash Community College Bond Fund Project:

Unexpended debt proceeds	31,676
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Total governmental activities	<u>599,817</u>
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### **Business-Type Activities:**

#### Utilities Fund:

Customer deposits	90,320
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#### Central Nash Water and Sewer District:

Debt service payment	<u>114,000</u>
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Total business-type activities	<u>204,320</u>
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Total restricted cash	<u>\$ 804,137</u>
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**Ad Valorem Taxes Receivable** – In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2014. As allowed by State law, the County has repealed the schedule of discounts that apply to taxes effective July 1, 2014. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

**Allowance 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.

**Prepaid Items** – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Capital Assets** – Purchased or constructed capital assets are recorded at cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are \$5,000 for all asset categories. 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.

The County holds title to certain Nash Community College and Nash Rocky Mount schools properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and Nash Community College give those entities, the County, and Nash Rocky Mount schools full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the respective entities, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of Nash Community College and Nash Rocky Mount schools, respectively.

Interest incurred during the construction phase of capital assets of enterprise funds is included as a part of the capitalized value of the assets constructed. The amount of interest capitalized depends on the specific circumstances. The County capitalized \$56,699 of interest during construction for the Central Nash Water and Sewer District at June 30, 2015.

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

<u>Description</u>	<u>Estimated Useful Lives</u>	
	<u>Primary Government</u>	<u>Component Units</u>
Land improvements	20 Years	5 - 40 Years
Buildings	40 Years	20 - 40 Years
Furniture and equipment	3 - 20 Years	2 - 20 Years
Infrastructure	40 Years	
Vehicles	3 Years	

**Deferred Outflows/Inflows of Resources** – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow 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 County has three items that meet this criterion – charge on debt refunding, pension related deferrals, and contributions made to the pension plan in the current fiscal year.

In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has three items that meet the criterion for this category – taxes receivable, prepaid taxes, and pension related deferrals.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Long-Term Obligations** – In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statements 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 are expensed in the reporting period in which they are incurred.

In the 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 the 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.

**Compensated Absences** – The vacation policies of the County provide for the accumulation of up to thirty (30) days earned vacation leave, with such leave being fully vested when earned. The County's liability for accumulated earned vacation and the salary-related payments as of June 30, 2015 are recorded in the governmental activities of the government-wide financial statements. For the County's proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded within those funds as the benefits accrue to the employees. The County has assumed a first in, first out method of using accumulated compensated time. The portion of that time estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The sick leave policies of the County provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

#### 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, 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:

**Non-Spendable 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.

*Prepaid Expenses* – portion of fund balance that is not an available resource because it represents certain payments to vendors applicable to future accounting periods and is, therefore, not a spendable resource.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

*Restricted for Stabilization of State Statute* – portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

*Restricted for Human Services* – portion of fund balance that is restricted by unspent grant proceeds for human services programs.

*Restricted for Education* – portion of fund balance that is restricted by revenue sources for school capital.

*Restricted for Public Safety* – portion of fund balance restricted by revenue source for public safety related activities, such as police, fire, Emergency Telephone System, and constructing new EMS Station.

*Restricted for Economic and Physical Development* – portion of fund balance that is restricted by revenue source for economic development and tourism purposes.

Restricted fund balance at June 30, 2015 is as follows:

<b>Function</b>	<b>General Fund</b>	<b>Other Governmental Funds</b>
<b>Restricted, all other:</b>		
Human services	\$ 2,556,977	\$ -
Education	-	31,676
Public safety	-	709,132
Economic and physical development	-	137,363
Total	\$ 2,556,977	\$ 878,171

**Committed Fund Balance** – portion of fund balance that can only be used for specific purposes determined by a formal action of the government’s highest level of decision-making authority. The Board of Commissioners is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Any changes or removal of specific purposes requires majority action by the governing body, adoption of another ordinance, to revise the limitation.

*Committed for Tax Revaluation* – portion of fund balance that can only be used for Tax Revaluation.

*Committed for Capital Outlays* – represents the portion of fund balance committed by the Board of Commissioners for future capital related purposes.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Committed fund balance at June 30, 2015 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Tax revaluation	\$ 422,590	\$ -
Capital outlays	-	5,352,971
Total	<u>\$ 422,590</u>	<u>\$ 5,352,971</u>

**Assigned Fund Balance** – portion of fund balance that Nash County intends to use for specific purposes. The County's governing body has the authority to assign fund balance. The Manager and Finance Officer, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance.

*Subsequent Year's Expenditures* – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however, the budget ordinance authorizes the Manager to modify the appropriations by resource or appropriation within funds up to \$5,000.

*Assigned for Public Safety* – portion of fund balance that has been budgeted by the Board of Commissioners for public safety purposes.

*Assigned for Transportation* – portion of fund balance that has been budgeted by the Board of Commissioners for rural operating assistance.

*Assigned for Economic Development* – portion of fund balance that has been budgeted by the Board of Commissioners for economic development purposes.

Assigned fund balance at June 30, 2015 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Subsequent year's expenditures	\$ 3,832,250	\$ -
Public safety	-	79,722
Economic development	2,999,984	-
Transportation	-	25,215
Total	<u>\$ 6,832,234</u>	<u>\$ 104,937</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Unassigned Fund Balance** – portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Nash County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, Federal funds, State funds, local non-County funds, and County funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and, lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

The County has adopted a minimum fund balance policy for the General Fund which instructs management to conduct business in such a manner that available fund balance is at least equal to or greater than 15% of General Fund expenditures. In the event of an emergency of approved one-time use of fund balance in which the reserve falls below the recommended percentage of 15%, the county will adopt a plan to replenish the reserve to the policy standard within 36 months.

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

Total fund balance - General Fund	\$ 40,820,993
<b>Less:</b>	
Prepaid assets	23,385
Stabilization by State statute	<u>6,149,898</u>
Total available fund balance	<u><u>\$ 34,647,710</u></u>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

	<b>General Fund</b>	<b>Nonmajor Governmental Funds</b>
Encumbrances	<u><u>\$ 219,674</u></u>	<u><u>\$ 23,286</u></u>

**Defined Benefit Pension Plans**

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees’ Retirement System (LGERS) and the Registers of Deeds’ Supplemental Pension Fund (RODSPF) (collectively, the “state-administered defined benefit pension plans”). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans’ fiduciary net positions have been determined on the same basis as they are reported by the

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments are reported at fair value.

### Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund to the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds

A legally budgeted Tax Revaluation Fund and Economic Development Fund are consolidated into the General Fund for reporting purposes on the Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds (Exhibit D). Fund balance for the General Fund is reconciled as follows:

Fund balance, ending - General Fund (Exhibit F)	\$ 37,345,419
<b>Tax Revaluation Fund:</b>	
Investment earnings	409
General government	(205,714)
Transfer in - General Fund	115,000
Fund balance, beginning	512,895
<b>Economic Development Fund:</b>	
Miscellaneous revenue	181,330
Economic and physical development	(65,283)
Transfer out - Utilities Fund	(58,475)
Fund balance, beginning	<u>2,995,412</u>
Fund balance, ending - General Fund (Exhibit D)	<u>\$ 40,820,993</u>

### ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

### Note 2 – Deposits and Investments

**Deposits** – All of the County's deposits are either insured or collateralized by using one of two methods. Under the "Dedicated Method", all deposits over the federal depository insurance coverage are collateralized with securities held by the County's agent in the County's name. Under the "Pooling Method", all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the

## **NASH COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in the County's name. 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 County or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for undercollateralization, and 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 using the Pooling Method. The County does not have policies regarding custodial credit risk for deposits. The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2015, the County's deposits had a carrying amount of \$12,579,762 and a bank balance of \$13,176,723. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$12,926,723 was covered by collateral held under the Pooling Method. At June 30, 2015, Nash County had \$3,295 cash on hand.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Investments** – At June 30, 2015, the County had the following investments and maturities:

	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Greater Than One Year</u>	<u>% Concentration</u>
<b>U.S. Government Agencies:</b>					
Fannie Mae	\$ 1,997,732	\$ -	\$ -	\$ 1,997,732	5%
Federal Home Loan	4,001,232	-	-	4,001,232	10%
Freddie Mac	2,499,199	-	-	2,499,199	6%
Fannie Mae	-	-	-	-	0%
<b>Commercial Paper:</b>					
BNP Paribas	999,912	999,912	-	-	2%
Abbey National	999,574	999,574	-	-	2%
JP Morgan	1,994,268	-	1,994,268	-	5%
Credit Agricole	2,994,170	1,997,474	996,696	-	7%
Cred Suis NY	1,998,497	1,998,497	-	-	5%
ABN Amro Fund	1,749,751	1,749,751	-	-	4%
<b>PNC - Cash Portfolio</b>	9,011,769	n/a	n/a	n/a	22%
<b>Southern Bank and Trust - Cash Portfolio</b>	200,484	n/a	n/a	n/a	0%
<b>NCCMT - Cash Portfolio</b>	11,318,142	n/a	n/a	n/a	29%
<b>NCCMT - Term Portfolio*</b>	<u>1,124,358</u>	<u>1,124,358</u>	<u>n/a</u>	<u>n/a</u>	<u>3%</u>
<b>Public Funds Money Rate Savings Account</b>	<u>-</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>0%</u>
Total	#####	<u>\$ 8,869,565</u>	<u>\$2,990,964</u>	<u>\$ 8,498,163</u>	<u>100%</u>

\*Because the NC Capital Management Trust Term Portfolio had a duration of .21 years, it was presented as an investment with a maturity of less than six months.

**Interest Rate Risk** – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The County’s policy limits its exposure to fair value losses from rising interest rates by limiting its investment portfolio to no less than 20% maintained in liquid investments at any point in time.

**Credit Risk** – State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The County policy allows investments in North Carolina Capital Management Trust, US Treasury Securities, US Agency Securities specifically authorized in NCGS 159 and rated no lower than AAA, and commercial paper meeting the requirements of NCGS 159. As of June 30, 2015, the County’s investments in commercial paper were rated PI by Standard and Poor’s, F1 by Fitch Ratings, and A1 by Moody’s Investors Service. The County’s investments in the NC Capital Management Trust Cash Portfolio

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

carried a credit rating of AAAM by Standard and Poor's as of June 30, 2015. The County's investments in the NC Capital Management Trust Term Portfolio are unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

**Concentration of Credit Risk** – The County limits amounts invested in US Treasury or Agencies to no more than 20% of total investments and commercial paper to no more than 10% per investment. A minimum of 20% of available investments must be liquid. At June 30, 2015, investments in U.S. government agencies and commercial paper representing greater than 5% of the County's total investments were: Federal Home Loan, Freddie Mac, Fannie Mae, Cred Suis NY, JP Morgan, and Credit Agricole. Combined US government agencies and commercial paper represented 47% of the County's total investments; PNC, NCCMT and Southern Bank and Trust cash portfolios represented 51%, and NCCMT term portfolio represented the remaining 3%.

### Note 3 - Property Tax Use - Value Assessment on Certain Lands

In accordance with the General Statutes, agriculture, horticulture, and forestland may be taxed at present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years along with accrued interest from the original due date. This tax is immediately due and payable. Shown below are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Year of Levy</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 2,539,388	\$ 831,650	\$ 3,371,038
2013	2,548,151	605,186	3,153,337
2014	2,538,453	374,422	2,912,875
2015	<u>2,584,050</u>	<u>-</u>	<u>2,584,050</u>
Total	<u>\$ 10,210,042</u>	<u>\$ 1,811,258</u>	<u>\$ 12,021,300</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Note 4 - Receivables**

At June 30, 2015, the County's government-wide receivable balances were as follows:

	<b>Government-Wide Financial Statements</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Receivables:</b>			
Taxes	\$ 4,470,640	\$ -	\$ 4,470,640
Accounts	589,400	348,433	937,833
Due from other governments	5,482,300	46,334	5,528,634
Gross receivables	10,542,340	394,767	10,937,107
Less: Allowance for uncollectibles	(1,679,378)	(79,178)	(1,758,556)
Net total receivables	\$ 8,862,962	\$ 315,589	\$ 9,178,551

The due from other governments that is owed to the County consists of the following:

Local option sales tax	\$ 2,841,970	\$ -
Sales tax refund	253,093	-
Other reimbursements (refunds, grants, DSS, Health)	2,387,237	-
White goods disposal and scrap tire tax	-	46,334
Total	\$ 5,482,300	\$ 46,334

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Note 5 – Capital Assets**

Capital asset activity for the governmental activities for the year ended June 30, 2015 was as follows:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>June 30, 2015</u>
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land	\$ 8,516,805	\$ 1,804,683	\$ -	\$ (142,554)	\$ 10,178,934
Construction in progress	<u>5,217</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>6,717</u>
Total capital assets not being depreciated	<u>8,522,022</u>	<u>1,806,183</u>	<u>-</u>	<u>(142,554)</u>	<u>10,185,651</u>
Capital assets being depreciated:					
Land improvements	347,752	-	-	-	347,752
Infrastructure	602,350	-	-	(35,714)	566,636
Buildings	54,741,262	294,966	(5,900)	(1,671,399)	53,358,929
Vehicles	6,296,667	846,341	(1,576,212)	-	5,566,796
Equipment	<u>13,204,229</u>	<u>267,836</u>	<u>(47,644)</u>	<u>(97,128)</u>	<u>13,327,293</u>
Total capital assets being depreciated	<u>75,192,260</u>	<u>1,409,143</u>	<u>(1,629,756)</u>	<u>(1,804,241)</u>	<u>73,167,406</u>
Less accumulated depreciation for:					
Land improvements	92,571	17,509	-	-	110,080
Infrastructure	165,302	14,166	-	(7,143)	172,325
Buildings	20,457,598	1,257,082	(1,328)	(809,586)	20,903,766
Vehicles	5,040,370	905,976	(1,504,743)	-	4,441,603
Equipment	<u>10,451,055</u>	<u>551,205</u>	<u>(54,920)</u>	<u>(78,813)</u>	<u>10,868,527</u>
Total accumulated depreciation	<u>36,206,896</u>	<u>\$ 2,745,938</u>	<u>\$ (1,560,991)</u>	<u>\$ (895,542)</u>	<u>36,496,301</u>
Total capital assets being depreciated, net	<u>38,985,364</u>				<u>36,671,105</u>
Governmental activity capital assets, net	<u>\$ 47,507,386</u>				<u>\$ 46,856,756</u>

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

General government	\$ 1,322,768
Public safety	1,156,272
Cultural (parks and recreation)	7,599
Economic and physical development	129,080
Human services	63,895
Education	<u>66,324</u>
Total depreciation expense	<u>\$ 2,745,938</u>

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The County's equity interest in the Rocky Mount/Wilson Airport (Airport) was previously reported with Nash County as a percent of the Airport's assets. This was adjusted in fiscal year 2015 as an investment in joint venture based on Nash County's percent of equity interest of the airports total equity as of June 30, 2015 (Note 13).

Capital asset activity for business-type activities for the year ended June 30, 2015 was as follows:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2015</u>
<b>Business-Type Activities:</b>					
<b>Utilities Fund:</b>					
<b>Water and Sewer Activity:</b>					
Capital assets not being depreciated:					
Construction in progress	\$ 2,631,796	\$ 131,322	\$ -	\$ (2,634,755)	\$ 128,363
Total capital assets not being depreciated	<u>2,631,796</u>	<u>131,322</u>	<u>-</u>	<u>(2,634,755)</u>	<u>128,363</u>
Capital assets being depreciated:					
Infrastructure	13,214,277	-	-	2,634,755	15,849,032
Furniture, fixtures, and equipment	46,177	-	(600)	-	45,577
Vehicles	85,827	67,219	-	-	153,046
Total capital assets being depreciated	<u>13,346,281</u>	<u>67,219</u>	<u>(600)</u>	<u>2,634,755</u>	<u>16,047,655</u>
Less accumulated depreciation for:					
Infrastructure	3,036,348	313,136	-	-	3,349,484
Furniture, fixtures, and equipment	34,972	3,548	-	-	38,520
Vehicles	70,488	45,099	-	-	115,587
Total accumulated depreciation	<u>3,141,808</u>	<u>\$ 361,783</u>	<u>\$ -</u>	<u>\$ -</u>	<u>3,503,591</u>
Total capital assets being depreciated, net	<u>10,204,473</u>				<u>12,544,064</u>
Water and Sewer activity capital assets, net	<u>12,836,269</u>				<u>12,672,427</u>

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2015</u>
<b>Solid Waste Disposal Activity:</b>				
Capital assets not being depreciated:				
Land	238,000	\$ -	\$ -	238,000
Capital assets being depreciated:				
Land improvements	1,439,542	-	-	1,439,542
Buildings and building improvements	27,471	6,904	-	34,375
Furniture, fixtures, and equipment	1,783,589	52,281	-	1,835,870
Vehicles	30,741	-	-	30,741
Total capital assets being depreciated	<u>3,281,343</u>	<u>59,185</u>	<u>-</u>	<u>3,340,528</u>
Less accumulated depreciation for:				
Land improvements	1,008,148	68,650	-	1,076,798
Buildings and building improvements	21,842	144	-	21,986
Furniture, fixtures, and equipment	1,601,808	61,968	-	1,663,776
Vehicles	26,694	443	-	27,137
Total accumulated depreciation	<u>2,658,492</u>	<u>\$ 131,205</u>	<u>\$ -</u>	<u>2,789,697</u>
Total capital assets being depreciated, net	<u>622,851</u>			<u>550,831</u>
Solid Waste Disposal activity capital assets, net	<u>860,851</u>			<u>788,831</u>
<b>Convenience Centers Activity:</b>				
Capital assets not being depreciated:				
Land	70,185	\$ -	\$ -	70,185
Total capital assets not being depreciated	<u>70,185</u>	<u>-</u>	<u>-</u>	<u>70,185</u>
Capital assets being depreciated:				
Land improvements	293,241	-	-	293,241
Buildings and building improvements	94,379	-	-	94,379
Furniture, fixtures, and equipment	108,667	-	-	108,667
Total capital assets being depreciated	<u>496,287</u>	<u>-</u>	<u>-</u>	<u>496,287</u>
Less accumulated depreciation for:				
Land improvements	287,323	712	-	288,035
Buildings and building improvements	86,431	1,445	-	87,876
Furniture, fixtures, and equipment	108,444	223	-	108,667
Total accumulated depreciation	<u>482,198</u>	<u>\$ 2,380</u>	<u>\$ -</u>	<u>484,578</u>
Total capital assets being depreciated, net	<u>14,089</u>			<u>11,709</u>
Convenience Center activity capital assets, net	<u>84,274</u>			<u>81,894</u>
Utilities Fund, net	<u>13,781,394</u>			<u>13,543,152</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2015</u>
<b>Central Nash Water and Sewer District:</b>				
Capital assets not being depreciated:				
Construction in progress	17,898,880	\$ 320,105	\$ -	18,218,985
Total capital assets not being depreciated	<u>17,898,880</u>	<u>\$ 320,105</u>	<u>\$ -</u>	<u>18,218,985</u>
Central Nash Water and Sewer District	<u>17,898,880</u>			<u>18,218,985</u>
Business-type activities capital assets, net	<u>\$ 31,680,274</u>			<u>\$ 31,762,137</u>

**Net Investment in Capital Assets**

The total net investment in capital assets at June 30, 2015 is composed of the following elements:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets	\$ 46,856,756	\$ 31,762,137
Total debt, gross	47,706,225	14,290,500
Less:		
Long-term debt for assets not owned by the County	606,000	-
Other non-capital related debt	461,538	-
Capital related unspent debt proceeds	<u>31,676</u>	<u>-</u>
Total capital debt	<u>46,607,011</u>	<u>14,290,500</u>
Net investment in capital assets	<u>\$ 249,745</u>	<u>\$ 17,471,637</u>

**Note 6 – Construction Commitments**

The government has active construction projects as of June 30, 2015. The projects include water and sewer projects. At June 30, 2015, the government’s commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Central Nash Water/Sewer	<u>\$ 5,850,704</u>	<u>\$ 87,289</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Note 7 – Accounts Payable and Accrued Liabilities**

Accounts payable and other accrued liabilities are disaggregated at June 30, 2015 as follows:

**Government-Wide Financial Statements**

**Governmental Activities:**

Vendors	\$ 2,767,656
Other governmental agencies	343,775
Total governmental activities	<u>\$ 3,111,431</u>

**Business-Type Activities:**

Vendors	\$ 561,484
Customer deposits	90,320
Total business-type activities	<u>\$ 651,804</u>

**Note 8 – Pension Plan Obligations**

**Local Governmental Employees' Retirement System**

*Plan Description.* The County 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 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

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2015, was 7.41% of compensation for law enforcement officers and 7.07% for general employees and firefighters, 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 County were \$1,896,931 for the year ended June 30, 2015.

*Refunds of Contributions* – County 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.

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2015, the County reported an asset of \$2,729,877 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2014, the County's proportion was .4629%, which was a decrease of .0017% from its proportion measured as of June 30, 2013.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

For the year ended June 30, 2015, the County recognized pension expense of \$187,178. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 298,286
Net difference between projected and actual earnings on pension plan investments	-	6,355,091
Changes in proportion and differences between County contributions and proportionate share of contributions	63,957	-
County contributions subsequent to the measurement date	<u>1,896,931</u>	<u>-</u>
Total	<u>\$ 1,960,888</u>	<u>\$ 6,653,377</u>

\$1,896,931 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2016	\$ (1,647,502)
2017	(1,647,502)
2018	(1,647,502)
2019	<u>(1,646,914)</u>
Total	<u>\$ (6,589,420)</u>

*Actuarial Assumptions.* The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	4.25 to 8.55 percent, including inflation and productivity factor
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2014 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed Income	36.0%	2.5%
Global Equity	40.5%	6.1%
Real Estate	8.0%	5.7%
Alternatives	6.5%	10.5%
Credit	4.5%	6.8%
Inflation Protection	4.5%	3.7%
Total	100.0%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

A new asset allocation policy was finalized during the fiscal year ended June 30, 2014 to be effective July 1, 2014. The new asset allocation policy utilizes different asset classes, changes in the structure of certain asset classes, and adopts new benchmarks. Using the asset class categories in the preceding table, the new long-term expected arithmetic real rates of return are: Fixed Income 2.2%, Global Equity 5.8%, Real Estate 5.2%, Alternatives 9.8%, Credit 6.8%, and Inflation Protection 3.4%.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the County’s Proportionate Share of the Net Pension Asset to Changes in the Discount Rate.* The following presents the County’s proportionate share of the net pension asset calculated using the discount rate of 7.25 percent, as well as what the County’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	<b>1% Decrease</b>	<b>Discount Rate</b>	<b>1% Increase</b>
	<u><b>(6.25%)</b></u>	<u><b>(7.25%)</b></u>	<u><b>(8.25%)</b></u>
County's proportionate share of the net pension liability (asset)	<u>\$ 9,266,381</u>	<u>\$ (2,729,875)</u>	<u>\$ (12,830,337)</u>

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan’s fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

**Law Enforcement Officers' Special Separation Allowance**

*Plan Description* – Nash County administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2014, the Separation Allowance's membership consisted of:

Retirees receiving benefits	1
Terminated plan members entitled to, but not yet, receiving benefits	-
Active plan members	<u>79</u>
Total	<u><u>80</u></u>

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

#### *Summary of Significant Accounting Policies:*

*Basis of Accounting* – The County has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria, which are outlined in GASB Statements 67 and 68:

- Contributions to the pension plan and earnings on those contributions are irrevocable
- Pension plan assets are dedicated to providing benefits to plan members
- Pension plan assets are legally protected from the creditors or employers, non-employer contributing entities, the plan administrator, and plan members.

*Method Used to Value Investments* – No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

*Contributions* – The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay-as-you-go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 2013 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases range from 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2013 was 17 years.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Annual Pension Cost and Net Pension Obligation* – The County’s annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 148,290
Interest on net pension obligation	37,868
Adjustment to annual required contribution	<u>(63,979)</u>
Annual pension cost	122,179
Contributions made	<u>19,705</u>
Increase (decrease) in net pension obligation	102,474
Net pension obligation, beginning of year - July 1	<u>757,368</u>
Net pension obligation, end of year - June 30	<u><u>\$ 859,842</u></u>

<b>Year Ended</b>	<b>Annual Pension</b>	<b>Percentage</b>	<b>Net</b>
<b>June 30</b>	<b>Cost (APC)</b>	<b>of APC</b>	<b>Pension</b>
<b>June 30</b>	<b>Cost (APC)</b>	<b>Contribution</b>	<b>Obligation</b>
2013	\$ 105,473	36.71%	\$ 695,247
2014	98,031	36.63%	757,368
2015	122,179	16.13%	859,842

*Funded Status and Funding Progress* – As of December 31, 2014, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$1,052,837. The covered payroll (annual payroll of active employees covered by the plan) was \$3,688,779, and the ratio of the UAAL to the covered payroll was 28.54 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing, over time, relative to the actuarial accrued liability for benefits.

A separate report was not issued for the plan.

**Supplemental Retirement Income Plan for Law Enforcement Officers**

*Plan Description* – Nash County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Funding Policy* – Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The County's contributions for the year ended June 30, 2015 were \$233,476, which consisted of \$183,961 from the County; \$43,545 and \$5,970 (Roth) from the law enforcement officers for Supplemental Law Funding (401K).

#### **Registers of Deeds' Supplemental Pension Fund**

*Plan Description.* Nash County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 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 Registers of Deeds' Supplemental Pension Fund 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 the Registers of Deeds' Supplemental Pension Fund. 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).

*Funding Policy* – On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 3 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2015, the County's required and actual contributions were \$6,682.

*Benefits Provided.* An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

*Contributions.* Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$6,682 for the year ended June 30, 2015.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2015, the County reported an asset of \$190,650 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2014. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013. The total pension liability was then rolled forward to the measurement date of June 30, 2014 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2014, the County's proportion was .8411%, which was a decrease of .0161% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the County recognized pension expense of \$(3,773). At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,750	\$ -
Net difference between projected and actual earnings on pension plan investments	-	1,026
Changes in proportion and differences between County contributions and proportionate share of contributions	2,358	-
County contributions subsequent to the measurement date	6,682	-
Total	\$ 10,790	\$ 1,026

\$6,682 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30</b>	<b>Amount</b>
2016	\$ 1,611
2017	1,611
2018	117
2019	(257)
2020	-
Thereafter	-
	\$ 3,082

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Actuarial Assumptions.* The total pension liability in the December 31, 2013 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	4.25 to 7.75 percent, including inflation and productivity factor
Investment rate of return	5.75 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2014 is 2.5%:

The information above is based on 30 year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

*Discount Rate.* The discount rate used to measure the total pension liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate.* The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 5.75 percent, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current rate:

	<b>1% Decrease</b>	<b>Discount</b>	<b>1%</b>
	<b>(4.75%)</b>	<b>Rate</b>	<b>Increase</b>
	<u>(4.75%)</u>	<u>(5.75%)</u>	<u>(6.75%)</u>
County's proportionate share of the net pension liability (asset)	<u>\$ (171,191)</u>	<u>\$ (190,646)</u>	<u>\$ (207,367)</u>

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

**Deferred Compensation Plan 401(k)**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 401(k). The plan is sponsored by the State of North Carolina and is governed by the Department of State Treasurer and the plan's Board of Trustees. The Department and Board have contracted with Branch Banking and Trust Company to be the plan administrator.

The plan is available to all County employees except for law enforcement officers and the Register of Deeds, who are covered by other supplemental retirement plans. The plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available until termination, retirement, death, or financial hardships. The County contributes up to 5.0% of qualified salary and all amounts contributed are vested immediately. The employees also may make voluntary contributions to the plan.

The County's contributions were calculated using a covered payroll amount of \$22,915,481. Total contributions for the year ended June 30, 2015 were \$1,583,256, which consisted of \$1,145,776 from the County and \$437,480 from the employees. The County's required contributions and the employees' voluntary contributions represented 5% and 1% of the covered payroll amount, respectively.

**Other Employment Benefits - Nash County**

*Death Benefits* – The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. Because all death

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

benefit payments are made from the Death Benefit Plan, and not by the County, the County does not determine the number of eligible participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separates rates are set for employees not engaged in law enforcement and law enforcement officers. The County considers these contributions to be immaterial.

Due to a surplus in the death benefit, a decision was made by the State to temporarily stop employer contributions to the LGERS Death Benefit Plan beginning July 1, 2012. A temporary relief period based on the number of years the employer has contributed as of December 31, 2010 was established. The period of reprieve is determined separately for law enforcement officers. The County will have a 3-year reprieved because it has been contributing for more than 20 years. Contributions will resume in the fiscal year beginning July 1, 2015.

### Other Post-Employment Benefits - Nash County

#### Healthcare Benefits

*Plan Description* – According to a County resolution, the County administers a single employer defined benefit plan to provide healthcare benefits and a Medicare Supplement Policy at age 65 to retirees of the County who participate in the North Carolina Local Government Employees' Retirement System (System), a multiple-employer, and have at least five years of creditable service with the County. The County pays the full cost of coverage for these benefits. Also, retirees can purchase coverage for their dependents at the County's group rates. Currently, 52 retirees are eligible for post-retirement health benefits up to age 65 (and 78 employees are eligible for the supplemental retirement at age 65 and above). For the fiscal year ended June 30, 2015, the County made payments for post-retirement health benefit premiums of \$375,675 for retired employees up to age 65 (and \$226,465 for the supplemental retirement at age 65 and above). The County obtains healthcare coverage through private insurers. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the Plan consisted of the following at December 31, 2014, the date of the latest actuarial valuation:

	<b>General Employees</b>	<b>Law Enforcement Officers</b>
Retirees and dependents receiving benefits	122	8
Active plan members	419	67
Total	<u>541</u>	<u>75</u>

*Funding Policy* – The County's members pay the current active employee rate for dependent coverage, if the retiree elects to purchase the coverage. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The current ARC rate is 12.50% of annual covered payroll. For the current year, the County contributed \$1,106,706 or 4.96% of annual covered payroll. The County purchases insurance from a private carrier for healthcare coverage. The County's required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers represented 13.0% and 8.9% of covered payroll, respectively. In 2015, employee contributions totaled \$120,685, which includes \$19,838 for dependent coverage. The County's obligation to contribute to the Plan is established and may be amended by the County Board.

*Summary of Significant Accounting Policies* – Post-employment expenditures are made from the Employee Insurance Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

*Annual OPEB Cost and Net Obligation* – The County's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the healthcare benefits:

Annual required contribution	\$ 2,791,976
Interest on net OPEB obligation	484,292
Adjustments to annual required contribution	<u>673,238</u>
Annual OPEB cost (expense)	2,603,030
Contributions made	<u>1,106,706</u>
Increase (decrease) in net OPEB obligation	1,496,324
Net OPEB obligation, beginning of year - July 1	<u>12,107,309</u>
Net OPEB obligation, end of year - June 30	<u><u>\$ 13,603,633</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015 were as follows:

<b>Year Ended June 30</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
2015	\$ 2,603,030	42.52%	\$ 13,603,633
2014	2,568,809	20.65%	12,107,309
2013	2,565,085	18.80%	10,068,964

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Fund Status and Funding Progress* – As of December 31, 2014, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$34,248,851. The covered payroll (annual payroll of active employees covered by the plan) was \$22,329,735 and the ratio of the UAAL to the covered payroll was 153.4 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the accrued liabilities for benefits.

*Actuarial Methods and Assumptions* – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

In the December 31, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date and an annual medical cost trend increase of 7.50 to 5.00 percent annually. Both rates included a 3.00 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level dollar amount on an open basis. The remaining amortization period at December 31, 2014, was 30 years.

As of June 30, 2015, management had not decided on the funding options for this outstanding obligation; therefore, OPEB will continue to be funded on a pay-as-you-go basis going into the next fiscal year. Management will continue their efforts to find a way to fund the annual required contribution while maintaining the level of service as prioritized by the County Commissioners.

#### **Note 9 – Closure and Post-Closure Costs**

Federal and State laws and regulations require the County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$861,000 reported as landfill closure and post-closure care liability at June 30, 2015 represents a cumulative amount reported to date, based on the use of 100% of the total estimated capacity of the landfill. The County closed the facility on December 31, 1998. Actual costs may be higher due to inflation, changes in technology or

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

changes in regulations. The County currently operates a Construction and Demolition landfill which is anticipated to close in 2018. C & D closure liability is \$2,536,816 at June 30, 2015 based on the use of 87% of total estimated capacity. The County currently reports a combined liability of \$3,397,816 and will recognize the remaining estimated cost of closure and post closure care as the remaining estimated capacity is filled.

The County has met the requirements of a local government financial test that is one option under Federal and State laws and regulations that help determine if an entity is financially able to meet closure and post-closure care requirements.

**Note 10 – Deferred Outflows and Inflows of Resources**

Deferred outflows of resources at year-end are comprised of the following:

<u>Source</u>	<u>Amount</u>
Charge on refunding of debt	\$ 10,744
Pension deferrals	68,065
Contributions to pension plan in 2014-2015 fiscal year	1,903,613
	<u>\$ 1,982,422</u>

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

<u>Source</u>	<u>Amount</u>
Pension deferrals	\$ 6,654,403
Taxes receivable (General Fund)	2,791,262
Prepaid taxes (General Fund)	109,968
Total	<u>\$ 9,555,633</u>

**Note 11 - Long-Term Obligations**

**Capital Leases**

The County has entered into agreements to lease certain equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of lease inception.

An agreement was executed on August 25, 2011 for the lease of laptops and requires five annual payments of \$52,201, beginning in 2012 and ending in 2016. Under the terms of the agreement, title passes to the County at the end of the lease term.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Three agreements were executed on September 1, 2011 for the lease of data centers and each requires five annual payments that total \$179,831, beginning in 2012 and ending in 2016. Under the terms of the agreement, title passes to the County at the end of the lease term.

An agreement was executed on April 16, 2012 for the lease of laptops and requires three annual payments of \$28,307, beginning in 2013 and ending in 2015. Under the terms of the agreement, title passes to the County at the end of the lease term.

An agreement was executed on July 31, 2012 for the lease of EMS ambulance remounts and requires four annual payments of \$120,000, beginning in 2012 and ending in 2015. Under the terms of the agreement, title passes to the County at the end of the lease term.

An agreement was executed on January 10, 2014 for the lease of EMS ambulances and requires four annual payments of \$42,313, beginning in 2014 and ending in 2017. Under the terms of the agreement, title passes to the County at the end of the lease term.

An agreement was executed on April 22, 2014 for the lease of a security system and requires three annual payments of \$68,014, beginning in 2014 and ending in 2016. Under the terms of the agreement, title passes to the County at the end of the lease term.

An agreement was executed on July 21, 2014 for the lease of 3 EMS ambulance remounts and 2 QRV Expeditions and requires four annual payments of \$82,625, beginning in 2014 and ending in 2017. Under the terms of the agreement, title passes to the County at the end of the lease term.

At June 30, 2015, the County leased equipment and vehicles valued at:

<u>Classes of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Equipment	\$ 1,346,329	\$ 969,598	\$ 376,731
Vehicles and motorized equipment	950,697	474,065	476,632
Total	<u>\$ 2,297,026</u>	<u>\$ 1,443,663</u>	<u>\$ 853,363</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2015 were as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2016	\$ 547,090
2017	282,810
2018	<u>81,402</u>
Total minimum lease payments	911,302
Less: amount representing interest	<u>39,470</u>
Present value of the minimum lease payments	<u>\$ 871,832</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Installment Purchase Contracts** – Installment purchase contracts at June 30, 2015 are summarized below:

**Serviced by Governmental Activities:**

\$8,484,000 issued on December 1, 2000 for Nash Central High School, due in semi-annual installments of fixed principal \$303,000, plus interest of 4.76% through November 2015 \$ 606,000

\$3,787,000 issued on December 18, 2014 for Certificate of Participation, due in annual installments of \$780,000, plus interest through December 2021. Refunding of COPS 2004 debt. COPS debt includes \$1,486,551 for Community College, \$1,346,516 for Schools, \$599,648 for Industrial Development, and \$354,285 for Courthouse renovations. 3,787,000

\$7,342,300 issued on March 17, 2010 for Middlesex Elementary in interest only quarterly installments until final payment with principal payment of \$7,342,300 in September 2012, interest rate of 2.05% 7,052,733

\$576,923 issued on May 20, 2014 for economic development, due in annual installments of fixed principal \$115,385, without interest through April 2019 461,538

Total serviced by governmental activities \$ 11,907,271

**Refunding**

On December 18, 2014, the County issued \$3,787,000 of installment purchase refunding COPS bonds to be used for debt service payments of \$4,405,000 of COPS installments. As a result, the refunded bonds are considered to be decreased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$10,744. This amount is being netted against the new debt and amortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This refunding was undertaken to reduce total debt service payments over the next 7 years and resulted in an economic gain of \$501,256.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Serviced by Business-Type Activities:**

\$1,122,000 issued on December 31, 2006 for Bailey Water Project, due in semi-annual installments of fixed principal \$56,100, plus interest of 2.305% through May 2027 \$ 673,200

\$1,500,000 issued on October 19, 2006 for Bailey/BOR/Bentridge water line construction project, due in semi-annual installments of fixed principal \$75,000, plus interest of 4.35% through October 2026 862,500

\$2,616,000 issued on December 19, 2002 for Highway 58 Water Project, due in semi-annual installments of fixed principal \$87,200, plus interest of 4.29% through July 2017. Through an interlocal agreement, the Town of Nashville makes annual contributions of approximately 48% of the debt payment. 348,800

Total serviced by business-type activities \$ 1,884,500

Annual debt service requirements to maturity for the County’s installment purchase contracts are as follows:

<b>Year Ending June 30</b>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2016	\$ 1,653,813	\$ 314,433	\$ 305,500	\$ 65,313
2017	1,026,148	278,864	305,500	53,276
2018	1,008,670	262,813	131,100	43,109
2019	987,385	246,924	131,100	38,554
2020	476,915	233,873	131,100	33,998
2021-2025	1,489,804	1,032,461	655,500	101,656
2026-2030	1,153,012	843,358	224,700	8,773
2031-2035	1,369,417	626,953	-	-
2036-3040	1,626,437	369,933	-	-
2041-2045	1,115,671	78,880	-	-
Total	<u>\$ 11,907,271</u>	<u>\$ 4,288,492</u>	<u>\$ 1,884,500</u>	<u>\$ 344,679</u>

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

### Limited Obligation Bonds

The County issued \$28,355,000 Limited Obligation Bonds on March 25, 2010, which will be used to finance construction and renovation of school facilities, storage building, and EMS building. Principal and interest are due annually, in installments ranging from \$455,000 to \$1,660,000, beginning fiscal year 2012 through October 2030; interest due in semi-annual installments at rates ranging from 2.0% to 5.0%. Outstanding balance at June 30, 2015 is \$25,010,000.

Annual debt service requirements to maturity for the County's limited obligation bonds are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 965,000	\$ 1,127,763
2017	1,405,000	1,090,456
2018	1,405,000	1,043,038
2019	1,405,000	985,025
2020	1,645,000	918,700
2021-2025	8,225,000	3,452,050
2026-2030	8,300,000	1,452,500
2031-2035	1,660,000	41,500
Total	<u>\$ 25,010,000</u>	<u>\$ 10,111,032</u>

### General Obligation Indebtedness

The County issued \$9,310,000 General Obligation Bonds on October 15, 2013, which will be used to finance construction of two buildings at Nash Community College. Principal and interest are due annually, in installments ranging from \$470,000 to \$465,000, beginning fiscal year 2015 through November 2033; interest due in semi-annual installments at rates ranging from 2.0% to 3.7%. Outstanding balance at June 30, 2015 is \$8,840,000.

Nash County's Water and Sewer District issues general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Central Nash Water and Sewer District Fund, are collateralized by the full faith credit and taxing power of the District. Principal and interest payments are appropriated when due.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The County's general obligation bonds payable at June 30, 2015, which are serviced by the business-type activities are comprised of the following individual issues:

**Serviced by Business-Type Activities:**

\$5,239,000 of General Obligation Water Bonds issued on May 26, 2009, due on June 1 in annual installments ranging from \$60,000 to \$235,000 through December 2048; interest of 3.625% to 4.5%	\$ 4,920,000
\$2,804,000 of General Obligation Water Bonds issued on January 23, 2012, due on June 1 in annual installments ranging from \$42,000 to \$119,000 through December 2051; interest of 3.0%	2,720,000
\$4,766,000 of General Obligation Water Bonds issued on June 23, 2014, due on June 1 in annual installments ranging from \$67,000 to \$209,000 through December 2054; interest of 3.25%	<u>4,766,000</u>
Total serviced by business-type activities	<u>\$ 12,406,000</u>

Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 470,000	\$ 282,770	\$ 114,000	\$ 451,728
2017	465,000	272,258	188,000	447,341
2018	465,000	260,633	193,000	440,495
2019	465,000	247,845	199,000	433,460
2020	465,000	233,895	207,000	426,196
2021-2025	6,510,000	1,570,306	1,156,000	2,011,571
2026-2030	-	-	1,383,000	1,783,305
2031-2035	-	-	1,658,000	1,508,656
2036-3040	-	-	1,987,000	1,177,486
2041-2045	-	-	2,362,000	778,339
2046-2050	-	-	2,098,000	332,951
2051-2055	-	-	861,000	63,398
Total	<u>\$ 8,840,000</u>	<u>\$ 2,867,707</u>	<u>\$ 12,406,000</u>	<u>\$ 9,854,926</u>

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The following is a summary of changes in the County's long-term obligations as of June 30, 2015:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2015</u>	<u>Due in Less Than One Year</u>
<b>Governmental Activities:</b>					
Compensated absences	\$ 1,908,681	\$ 1,835,710	\$ (1,707,903)	\$ 2,036,488	\$ 101,824
OPEB liability	11,744,090	2,524,939	(1,073,505)	13,195,524	-
Net pension liability (LEO)	757,368	122,179	(19,705)	859,842	-
Net pension liability (LGERS)	5,392,454	-	(5,392,454)	-	-
Capital lease	1,024,147	322,000	(474,315)	871,832	519,635
Installment purchase contracts	13,466,893	3,787,000	(5,346,622)	11,907,271	1,653,813
Limited obligation bonds	25,975,000	-	(965,000)	25,010,000	965,000
General obligation bonds	9,310,000	-	(470,000)	8,840,000	470,000
Unamortized premium/discounts	1,165,119	-	(87,997)	1,077,122	-
Total governmental activities	<u>\$ 70,743,752</u>	<u>\$ 8,591,828</u>	<u>\$ (15,537,501)</u>	<u>\$ 63,798,079</u>	<u>\$ 3,710,272</u>

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2015</u>	<u>Due in Less Than One Year</u>
<b>Business-Type Activities:</b>					
<b>Central Nash Water and Sewer District:</b>					
General Obligation Water Bonds	\$ 12,517,000	\$ -	\$ (111,000)	\$ 12,406,000	\$ 114,000
Total Central Nash Water and Sewer District	<u>12,517,000</u>	<u>-</u>	<u>(111,000)</u>	<u>12,406,000</u>	<u>114,000</u>
<b>Utilities Fund:</b>					
<b>Water and Sewer Activity:</b>					
Installment purchase contract	2,190,000	-	(305,500)	1,884,500	305,500
Net pension liability (LGERS)	166,777	-	(166,777)	-	-
OPEB liability	363,219	78,091	(33,201)	408,109	-
Compensated absences	30,930	23,457	(20,778)	33,609	1,680
Total Water and Sewer activity	<u>2,750,926</u>	<u>101,548</u>	<u>(526,256)</u>	<u>2,326,218</u>	<u>307,180</u>
<b>Solid Waste Disposal Activity:</b>					
Accrued landfill closure and post-closure costs	3,480,472	-	(82,656)	3,397,816	100,000
Total Utilities Fund	<u>6,231,398</u>	<u>101,548</u>	<u>(608,912)</u>	<u>5,724,034</u>	<u>407,180</u>
Total business-type activities	<u>\$ 18,748,398</u>	<u>\$ 101,548</u>	<u>\$ (719,912)</u>	<u>\$ 18,130,034</u>	<u>\$ 521,180</u>

The LGERS plan had a net pension asset as of June 30, 2015; however, the plan had a net pension liability at the beginning of the fiscal year.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Compensated absences typically have been liquidated in the General Fund and are accounted for on a FIFO basis. The unfunded Special Separation Allowance has been liquidated in the General Fund. OPEB has been liquidated in the Employee Insurance Fund.

State statutes provide for a legal debt margin of 8% of the County's appraised valuation. The County had a legal debt limitation of \$555,362,209 at June 30, 2015.

**Conduit Debt Obligation** – Nash County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed, as well as letters of credit and are payable solely from the payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision, thereof, is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2015, there were no outstanding balances.

#### Note 12 – Interfund Balances and Activity

##### Due From/To Other Funds

Interfund balances are summarized below:

	Interfund Loans		Reason
	From	To	
General Fund	\$ -	\$ 2,725	Advance project costs
Nonmajor governmental funds	2,725	-	Advance project costs
Utilities Fund	533,429	-	USDA future debt service
Central Nash Water and Sewer District	-	533,429	USDA future debt service
Total	\$ 536,154	\$ 536,154	

##### Transfers To/From Other Funds

Transfers in (out) for the year ended June 30, 2015 are summarized below:

	Transfers	
	From	To
General Fund	\$ 2,359,654	\$ 144,222
Nonmajor governmental funds	144,222	1,801,179
Utilities Fund	8,519	-
Central Nash Water and Sewer District	-	566,994
Total	\$ 2,512,395	\$ 2,512,395

Transfers from the General Fund to two nonmajor governmental funds were made to setup the project funds.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Transfer from a nonmajor governmental fund to Utility Fund for debt service and matching funds for county water and sewer projects. A transfer from a nonmajor governmental fund to the General Fund was made to return prior year transfers when the project was completed.

Transfers from the Utilities Fund to the Central Nash Water and Sewer District were made for debt service payments.

#### **Note 13 – Joint Ventures**

**Nash Community College** – The County, in conjunction with the State of North Carolina and the Rocky Mount Nash Board of Education, participates in a joint venture to operate the Nash Community College (Community College). Each of the three entities appoints four members of the twelve-member Board of Trustees of the Community College. The Community College is a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and for providing some financial support for the Community College's operation. The County has an ongoing financial responsibility for the college because of statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,645,676 to the Community College for operating purposes and \$195,000 for capital outlay and \$100,000 emergency capital needs during the year ended June 30, 2015. The participants in the joint venture do not have any equity interest in the Community College; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2015. Complete financial statements for the Community College may be obtained from the college's administrative offices at Old Carriage Road, Rocky Mount, North Carolina 27804.

**Eastpointe** – The County, in conjunction with eleven other counties is a member of Eastpointe Local Management Entity (LME) for mental health services. In addition to Nash, the following counties are served: Bladen, Columbus, Duplin, Edgecombe, Green, Lenoir, Robeson, Sampson, Scotland, Wayne and Wilson. Nash County Board of Commissioners appoint three of the twenty-seven members to the Eastpointe Board of Directors. The County contributed \$178,353 to the LME during the year ended June 30, 2015. Complete financial statements for the LME may be obtained from the Administrative Offices at 514 E. Main St., P.O. Box 896, Beaulaville, North Carolina, 28518.

**Rocky Mount/Wilson Airport Authority** – The County, in conjunction with the City of Rocky Mount, City of Wilson, Edgecombe County, and Wilson County, participates in a joint venture to operate the Rocky Mount/Wilson Airport Authority (Authority). Each of the entities appoints members of the seven-member Board of Commissioners of the Authority. The County appoints one of the seven Board members. The County has an ongoing financial responsibility for the Authority. The County contributed \$47,857 to the Authority's operating purposes during the year ended June 30, 2015. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$954,575 has been reported in the governmental capital assets in the County's basic financial statements at June 30, 2015. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at 250 Airport Drive, Elm County, North Carolina 27822.

**Joint Cooperative Agreement-Down East Home Consortium** – The County, in conjunction with the City of Rocky Mount and Edgecombe County, participates in a joint venture to operate the Down East Home Consortium, (the "DEHC"). The agreement commenced on June 30, 1996; the members of the DEHC may choose to continue as a consortium or may notify HUD that it has dissolved. The participating governments mutually agree that Rocky Mount shall act as the lead entity. Each of the entities appoints one member of a three-member DEHC Home Coordinating committee. Each participating government shall receive a percentage of the

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

home funds based on a proration of the population. Each participating government shall be responsible for providing matching funds required by federal regulations for any home funds allocated and accepted for use by that government. As of June 30, 2015, the County contribution was not required due to other funds leveraged by the consortium. Complete financial statements for the DEHC may be obtained from the DEHC's administrative offices at 331 S. Franklin Street, Rocky Mount, North Carolina 27802.

**Carolinas Gateway Partnership, Inc.** – The County, in conjunction with Edgecombe County, the Town of Tarboro, and the City of Rocky Mount, participates in a joint venture to operate Carolinas Gateway Partnership, Inc. (Partnership). As of June 30, 2015, \$197,550 in pledges and contributions have been received from 121 donors from the private sector and \$707,753 in public funding. As of June 30, 2015, the County contributed \$313,345 to support the Partnership. Complete financial statements for the Partnership may be obtained from the Partnership's administrative offices at 427 Falls Road, Rocky Mount, North Carolina 27804.

**Braswell Memorial Library** – The County, in conjunction with the Library Association, the City of Rocky Mount and Edgecombe County, participates in a joint venture to operate the Braswell Memorial Library (Library). Each of the entities appoints members of the twelve-member Board of Trustees of the Library. The County appoints two of the twelve Board members. The County contributed \$850,739 to the Library's operating purposes during the year ended June 30, 2015. In addition, the County has contributed \$130,326 of federal and State funds; primarily the State equalizing and block grants, to supplement the County's funding. Complete financial statements for the Library may be obtained from the Library's administrative offices at 727 N. Grace Street, Rocky Mount, North Carolina 27804.

#### Note 14 – Contingencies

**Risk Management** – The County 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 County participates in two self-funded risk financing pools administered by the NCACC Risk Management Pools. Through these pools, the County obtains property insurance coverage equal to replacement cost values of owned property subject to a pool limit of \$150,000,000 for any one occurrence, with an annual aggregate of \$65 million for flood and earthquake.

The County purchases general, auto, and professional liability coverage up to \$2,000,000 each occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 each occurrence, and workers' compensation coverage up to statutory limits subject to a \$50,000 deductible and a \$140,000 annual aggregate. These pools are reinsured through a multi-state public entity captive for single occurrence liability losses in excess of \$500,000 per occurrence and an additional \$500,000 annual aggregate up to \$2,000,000 each occurrence, property losses in excess of \$100,000 each occurrence and an additional \$1,000,000 annual aggregate, and workers' compensation losses in excess of \$350,000 each loss and an additional \$300,000 annual aggregate.

The County maintains flood coverage at \$1,000,000 limit per occurrence with a \$1,000,000 annual aggregate for zones A and V. The County maintains flood coverage at \$5,000,000 limit per occurrence with a \$5,000,000 annual aggregate for zones A and V.

The County carries cyber liability coverage for the County covering up to \$1,000,000 in losses with a \$5,000 deductible.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The County carries commercial coverage for all other risks of loss except employee health and dental which the County has self-insured. There have been no significant reductions in insurance coverage from coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years. The self-funded insurance is administered by a third-party agency. The County has purchased excess employee health insurance for individual claims in excess of \$100,000 for the year ended June 30, 2015. All funds of the County participate in the program and are charged on actuarial estimates of the amounts needed to pay current year claims. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported (IBNR's).

Changes in the balances of claims liabilities during the past fiscal year are as follows:

	<u>2015</u>	<u>2014</u>
Unpaid claims, beginning	\$ 790,279	\$ 760,474
Incurred claims	5,290,178	5,584,541
Claim payments	<u>(5,287,332)</u>	<u>(5,554,736)</u>
Unpaid claims, ending	<u>\$ 793,125</u>	<u>\$ 790,279</u>

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance, Sheriff, and Tax Collector are individually bonded for \$100,000 each, and the Register of Deeds is bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

**Claims and Judgments** – At June 30, 2015, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

**Environmental Matters** – During May 1993, the County discovered that property owned by the County, which was formerly leased to a service station, is contaminated as a result of leakage from underground fuel storage tanks. Consultants hired by the County have assessed the extent of the contamination and estimated the cleanup cost to total approximately \$200,000. By letter dated November 30, 1993, the County has been notified that the cost is eligible for reimbursement from the North Carolina Commercial Trust Fund. In order to retain eligibility, the County must continue to proceed with corrective action. The Trust Fund has a \$20,000 deductible, which the County believes has been met as of June 30, 2015. To date, \$65,912 has been submitted for reimbursement of which \$42,079 has been reimbursed. The State has frozen spending pending revision of regulations governing cleanup of contaminated soil.

## **NASH COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

#### **Note 15 – Additional Social Welfare Expenditures**

Certain amounts were paid directly to individual recipients by the State from federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. This additional aid to County recipients does not appear in the basic financial statements because it does not represent revenues and expenditures of the County.

#### **Note 16 – Summary Disclosure of Significant Contingencies**

##### **Federal and State-Assisted Programs**

The County 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 17 – Related-Party Transactions**

##### **Nash County Healthcare Systems**

During 1995, Nash County Healthcare Systems (Systems) renegotiated the existing operating lease agreement with Nash County for the use of the land and building originally purchased by the County (the “First Amendment”). Systems prepaid the lease amount of \$12 million in 1995. The renegotiated lease agreement, before extensions, was scheduled to expire in May 2000. During December 1997, Systems and the County extended the lease through May 2011 (the “Second Amendment”). Under the Second Amendment, additional consideration of \$300,000 per year was paid through 2001. During May 2001, Systems and the County extended the lease through May 2031 (the “Third Amendment”). Under the Third Amendment, Systems will pay the County additional consideration of 4.5 percent of Systems’ net income, as defined, from its immediately preceding fiscal year beginning with the lease year starting May 2002. In addition, the Third Amendment provided that additional consideration of \$300,000 would be paid to the County for the lease year ending April 2002. Payments to the County, related to this agreement in 2015 and 2014, were \$0 and \$362,869, respectively.

#### **Note 18 – Change in Accounting Principles/Restatement**

The County implemented Governmental Accounting Standards Board (GASB) Statement 68, Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27), in the fiscal year ending June 30, 2015. The implementation of the statement required the County to record beginning net pension liability and the effects on net position of contributions made by the County during the measurement period (fiscal year ending June 30, 2014). As a result, net position for the governmental and business-type activities decreased by \$3,372,234 and \$110,171, respectively.

Nash County, North Carolina  
Financial Statements and Schedules

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***REQUIRED SUPPLEMENTAL FINANCIAL DATA***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2015

## Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets A	Actuarial Accrued Liability (AAL) - Projected Unit Credit		Unfunded AAL (UAAL) B - A	Funded Ratio A / B	Covered Payroll C	UAAL as a Percentage Covered Payroll (B - A) / C
		B					
12/31/2009	\$ -	\$ 884,365		\$ 884,365	0.00%	\$ 3,400,251	26.01%
12/31/2010	-	833,487		833,487	0.00%	3,439,533	24.23%
12/31/2011	-	843,536		843,536	0.00%	3,431,365	24.58%
12/31/2012	-	867,799		867,799	0.00%	3,536,565	24.54%
12/31/2013	-	947,775		947,775	0.00%	3,617,519	26.20%
12/31/2014	-	1,052,837		1,052,837	0.00%	3,688,779	28.54%

## Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)		Percentage of ARC Contributed
2010	\$	83,139	39.18%
2011		117,501	53.21%
2012		109,055	53.99%
2013		113,161	34.21%
2014		119,913	29.95%
2015		148,290	13.29%

## Notes to the Required Schedules:

The information presented above was determined as part of the actuarial valuation at the dates indicated. Additional information as of the latest valuation follows:

Valuation date	12/31/2014
Actuarial cost method	Projected unit credit
Amortization method	Level dollar closed
Remaining amortization period	16 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	5.00%
Projected salary increases *	4.25-7.85%
* Includes inflation at 3.00%	
Cost-of-living adjustments	N/A

## NASH COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN  
 REQUIRED SUPPLEMENTARY INFORMATION  
 JUNE 30, 2015

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Covered Payroll (b-a/c)
12/31/2007	\$ -	\$ 23,491,661	\$ 23,491,661	0.00%	\$ 24,357,779	96.4%
12/31/2010	-	29,377,801	29,377,801	0.00%	26,374,745	111.4%
12/31/2012	-	29,202,377	29,202,377	0.00%	24,433,547	119.5%
12/31/2014	-	34,248,851	34,248,851	0.00%	22,329,735	153.4%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Amount Contributed By Employer	Percentage of ARC Contributed
2010	\$ 2,149,966	\$ 281,907	13.11%
2011	2,476,515	339,715	13.72%
2012	2,476,515	401,720	16.22%
2013	2,550,810	482,200	18.90%
2014	2,550,810	530,464	20.80%
2015	2,791,976	1,106,706	39.64%

**Notes to the Required Schedules:**

The information presented in the required supplementary schedules was determined as part of the actuarial at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/2014
Actuarial cost method	Projected unit credit
Amortization method	Level dollar amount, open
Remaining amortization period	30 years
Amortization factor	17.9837
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	5.00%
Medical cost trend rate	7.50% - 5.00%
Year of Ultimate trend rate	2020

\* Includes inflation at 3.00%

**NASH COUNTY, NORTH CAROLINA****PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TWO FISCAL YEARS \*****LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**

	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.4612%	0.4629%
County's proportion of the net pension liability (asset) (\$)	\$ (2,729,877)	\$ 5,559,231
County's covered-employee payroll	\$ 26,582,280	\$ 24,856,328
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	( 10.27%)	22.37%
Plan fiduciary net position as a percentage of the total pension liability	102.64%	94.35%

\*The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

**NASH COUNTY, NORTH CAROLINA****CONTRIBUTIONS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TWO FISCAL YEARS****LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,896,931	\$ 1,886,865
Contributions in relation to the contractually required contribution	<u>1,896,931</u>	<u>1,886,865</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 26,653,776	\$ 26,582,280
Contributions as a percentage of covered-employee payroll	7.12%	7.10%

**NASH COUNTY, NORTH CAROLINA****PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TWO FISCAL YEARS \*****REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND**

	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.8411%	0.8572%
County's proportion of the net pension liability (asset) (\$)	\$ (190,650)	\$ (183,092)
County's covered-employee payroll	\$ 58,696	\$ 57,921
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-324.81%	-316.11%
Plan fiduciary net position as a percentage of the total pension liability	193.88%	190.50%

\*The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

**NASH COUNTY, NORTH CAROLINA**

**CONTRIBUTIONS  
REQUIRED SUPPLEMENTARY INFORMATION  
LAST TWO FISCAL YEARS**

**REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND**

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 6,682	\$ 6,867
Contributions in relation to the contractually required contribution	<u>6,682</u>	<u>6,867</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 59,079	\$ 58,696
Contributions as a percentage of covered-employee payroll	11.31%	11.70%

## ***COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES***

- *General Fund*
- *Nonmajor Governmental Funds*
- *Nonmajor Special Revenue Funds*
- *Nonmajor Capital Project Funds*
- *Enterprise Funds*
- *Internal Service Funds*
- *Agency Funds*

Nash County, North Carolina  
Financial Statements and Schedules

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## ***GENERAL FUND***

*The County has legally adopted a Revaluation Fund and an Economic Development Fund. Under GASB Statement 54, the Revaluation Fund and the Economic Development Fund are consolidated in the General Fund.*

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND CONSOLIDATED

## FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Revaluation Fund	Economic Development Fund	Eliminations	Total
<b>Revenues:</b>					
Ad valorem taxes	\$ 48,901,989	\$ -	\$ -	\$ -	\$ 48,901,989
Other taxes and licenses	12,930,830	-	-	-	12,930,830
Unrestricted intergovernmental	346,302	-	-	-	346,302
Restricted intergovernmental	20,310,232	-	-	-	20,310,232
Permits and fees	943,497	-	-	-	943,497
Sales and services	4,816,209	-	-	-	4,816,209
Investment earnings	114,301	409	-	-	114,710
Miscellaneous	1,027,776	-	181,330	-	1,209,106
Total revenues	<u>89,391,136</u>	<u>409</u>	<u>181,330</u>	<u>-</u>	<u>89,572,875</u>
<b>Expenditures:</b>					
Current:					
General government	8,103,291	205,714	-	-	8,309,005
Public safety	20,124,871	-	-	-	20,124,871
Transportation	139,212	-	-	-	139,212
Economic and physical development	1,837,387	-	65,283	-	1,902,670
Human services	26,074,117	-	-	-	26,074,117
Cultural and recreation	1,616,347	-	-	-	1,616,347
Education	23,269,689	-	-	-	23,269,689
Debt service:					
Principal	7,255,937	-	-	-	7,255,937
Interest	1,933,211	-	-	-	1,933,211
Issuance	95,000	-	-	-	95,000
Total expenditures	<u>90,449,062</u>	<u>205,714</u>	<u>65,283</u>	<u>-</u>	<u>90,720,059</u>
Revenues over (under) expenditures	<u>(1,057,926)</u>	<u>(205,305)</u>	<u>116,047</u>	<u>-</u>	<u>(1,147,184)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	144,222	115,000	500,000	(615,000)	144,222
Transfers out	(2,416,179)	-	(558,475)	615,000	(2,359,654)
Debt issued	3,787,000	-	-	-	3,787,000
Capital lease obligations issued	322,000	-	-	-	322,000
Total other financing sources (uses)	<u>1,837,043</u>	<u>115,000</u>	<u>(58,475)</u>	<u>-</u>	<u>1,893,568</u>
Net change in fund balances	779,117	(90,305)	57,572	-	746,384
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>36,566,302</u>	<u>512,895</u>	<u>2,995,412</u>	<u>-</u>	<u>40,074,609</u>
End of year - June 30	<u>\$ 37,345,419</u>	<u>\$ 422,590</u>	<u>\$ 3,052,984</u>	<u>\$ -</u>	<u>\$ 40,820,993</u>

## NASH COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Current year, net of discounts	\$ 45,086,000	\$ 47,456,521		\$ 47,577,495
Prior year's taxes	1,350,000	1,075,718		1,685,599
Penalties and interest	250,000	369,750		578,435
Total	<u>46,686,000</u>	<u>48,901,989</u>	\$ 2,215,989	<u>49,841,529</u>
<b>Other Taxes and Licenses:</b>				
Local option sales taxes	11,900,000	12,641,148		11,746,496
Real estate transfer taxes	180,000	210,501		202,966
Rental vehicle tax	60,000	71,833		68,761
Privilege licenses	14,000	7,348		13,684
Total	<u>12,154,000</u>	<u>12,930,830</u>	776,830	<u>12,031,907</u>
<b>Unrestricted Intergovernmental Revenues:</b>				
Beer and wine tax	160,000	195,163		182,072
ABC 5% bottle tax	37,000	35,342		33,675
Video programming tax	200,000	115,797		213,697
Total	<u>397,000</u>	<u>346,302</u>	(50,698)	<u>429,444</u>
<b>Restricted Intergovernmental Revenues:</b>				
Restricted State DSS	10,415,805	10,823,285		10,038,089
Restricted State health	2,267,450	2,231,492		2,026,030
Restricted State other	3,118,713	2,968,351		3,276,622
Restricted federal health	3,792,122	4,093,858		4,168,668
Restricted local grants	147,311	193,246		149,598
Total	<u>19,741,401</u>	<u>20,310,232</u>	568,831	<u>19,659,007</u>
<b>Permits and Fees:</b>				
Register of Deeds	375,000	328,700		337,333
Building permits	321,000	304,958		335,288
Imaging system payback	3,000	1,315		6,000
Other permits and fees	324,200	308,524		330,922
Total	<u>1,023,200</u>	<u>943,497</u>	(79,703)	<u>1,009,543</u>

## NASH COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Sales and Services:</b>				
Sheriff's officer fees	20,000	16,889		17,350
Jail fees	110,000	138,407		109,160
Home health - other	26,131	7,841		29,042
Environmental fees	105,000	105,353		106,941
Ambulance collections	4,000,000	3,553,347		2,520,148
Ambulance cost settlement	200,000	490,442		512,513
Local health	47,000	38,082		42,511
Other sales and services	369,690	465,848		534,615
Total	<u>4,877,821</u>	<u>4,816,209</u>	<u>(61,612)</u>	<u>3,872,280</u>
<b>Investment Earnings</b>	<u>130,000</u>	<u>114,301</u>	<u>(15,699)</u>	<u>129,894</u>
<b>Miscellaneous:</b>				
Nash general lease	225,000	28,275		390,300
Sales tax refund	-	3,493		113,567
Contribution from ABC Board	335,000	330,711		317,900
TDA funds - economic development	75,000	75,000		75,000
Miscellaneous	689,752	590,297		926,504
Total	<u>1,324,752</u>	<u>1,027,776</u>	<u>(296,976)</u>	<u>1,823,271</u>
Total revenues	<u>86,334,174</u>	<u>89,391,136</u>	<u>3,056,962</u>	<u>88,796,875</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries	68,771	68,193		67,411
Professional services	63,175	48,300		22,000
Operating expenditures	47,785	45,445		43,346
Total	<u>179,731</u>	<u>161,938</u>	<u>17,793</u>	<u>132,757</u>
<b>Administration:</b>				
Salaries and employee benefits	541,893	541,098		590,181
Professional services	4,945	550		1,899
Operating expenditures	45,164	38,042		36,069
Total	<u>592,002</u>	<u>579,690</u>	<u>12,312</u>	<u>628,149</u>

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Finance:</b>				
Salaries and employee benefits	475,173	474,387		472,045
Other operating expenditures	23,830	15,115		22,476
Total	499,003	489,502	9,501	494,521
<b>Human Resources:</b>				
Salaries and employee benefits	273,283	272,498		264,095
Operating expenditures	41,300	36,660		4,505
Total	314,583	309,158	5,425	268,600
<b>Board of Elections:</b>				
Salaries and employee benefits	184,847	180,149		178,364
Operating expenditures	90,800	84,387		71,572
Capital outlay	4,750	4,750		5,650
Total	280,397	269,286	11,111	255,586
<b>Election Cost:</b>				
Salaries and employee benefits	61,408	60,630		63,346
Operating expenditures	84,700	82,728		117,199
Total	146,108	143,358	2,750	180,545
<b>Tax Supervisor and Data Processing:</b>				
Salaries and employee benefits	1,303,862	1,243,396		1,054,876
Professional services	157,385	150,446		62,748
Operating expenditures	256,752	223,636		254,664
Capital outlay	21,898	21,898		-
Total	1,739,897	1,639,376	100,521	1,372,288
<b>Legal:</b>				
Professional services	151,500	146,412		176,322
Total	151,500	146,412	5,088	176,322
<b>Register of Deeds:</b>				
Salaries and employee benefits	263,253	250,275		240,365
Operating expenditures	47,214	41,054		49,004
Total	310,467	291,329	19,138	289,369

## NASH COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Management Information Services:</b>				
Salaries and employee benefits	665,402	649,953		865,931
Professional services	29,230	10,019		28,208
Operating expenditures	48,435	23,387		22,280
Capital outlay	8,265	8,265		-
Total	<u>751,332</u>	<u>691,624</u>	<u>59,708</u>	<u>916,419</u>
<b>Technology:</b>				
Professional services	-	-		14,950
Operating expenditures	717,264	573,873		639,291
Capital outlay	82,536	59,332		7,530
Total	<u>799,800</u>	<u>633,205</u>	<u>166,595</u>	<u>661,771</u>
<b>Public Buildings:</b>				
Salaries and employee benefits	11,560	11,053		-
Operating expenditures	407,565	359,201		373,146
Capital outlay	262,646	209,645		288,811
Total	<u>681,771</u>	<u>579,899</u>	<u>101,872</u>	<u>661,957</u>
<b>Non-Departmental Costs:</b>				
Operating expenditures	<u>1,459,281</u>	<u>1,103,147</u>		<u>1,358,521</u>
Total	<u>1,459,281</u>	<u>1,103,147</u>	<u>356,134</u>	<u>1,358,521</u>
<b>Administration Building:</b>				
Salaries and employee benefits	419,616	415,393		420,389
Professional services	7,000	5,021		6,826
Operating expenditures	345,400	246,530		312,774
Capital outlay	75,000	57,071		98,495
Total	<u>847,016</u>	<u>724,015</u>	<u>123,001</u>	<u>838,484</u>
<b>Court Facilities:</b>				
Operating expenditures	213,100	183,036		178,063
Capital outlay	48,505	32,429		45,334
Total	<u>261,605</u>	<u>215,465</u>	<u>46,140</u>	<u>223,397</u>

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>County Capital Improvements:</b>				
Operating expenditures	15,300	15,300		34,384
Capital outlay	433,747	110,587		119,478
Total	449,047	125,887	323,160	153,862
Total general government	9,463,540	8,103,291	1,360,249	8,612,548
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and employee benefits	4,184,397	4,141,287		4,012,869
Operating expenditures	1,042,143	922,232		898,446
Capital outlay	444,981	410,571		271,862
Total	5,671,521	5,474,090	197,431	5,183,177
<b>Court Security:</b>				
Salaries and employee benefits	732,228	726,774		723,229
Total	732,228	726,774	5,454	723,229
<b>School Officers NRMS:</b>				
Salaries and employee benefits	343,804	331,696		333,437
Total	343,804	331,696	12,108	333,437
<b>Jail:</b>				
Salaries and employee benefits	2,770,526	2,637,126		2,679,085
Professional services	398,803	372,920		369,045
Operating expenditures	1,006,020	965,661		1,035,340
Capital outlay	43,878	43,878		42,054
Total	4,219,227	4,019,585	199,642	4,125,524
<b>Court Liaison Grant- ARRA:</b>				
Salaries and employee benefits	31,334	24,155		57,780
Operating expenditures	35,980	24,894		30,789
Total	67,314	49,049	18,265	88,569

## NASH COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Communications:</b>				
Salaries and employee benefits	1,438,458	1,371,053		1,325,130
Operating expenditures	133,556	109,360		70,135
Total	1,572,014	1,480,413	91,601	1,395,265
<b>Enhanced Wireline:</b>				
Operating expenditures	2,163	1,385		51,321
Capital outlay	-	-		40,063
Total	2,163	1,385	778	91,384
<b>Emergency Services:</b>				
Salaries and employee benefits	518,681	515,172		494,559
Operating expenditures	127,666	107,155		84,109
Total	646,347	622,327	24,020	578,668
<b>Emergency Medical Services:</b>				
Salaries and employee benefits	5,366,554	5,172,007		5,143,526
Professional services	251,700	249,705		37,000
Other operating expenditures	1,276,036	1,264,021		961,921
Capital outlay	-	-		191,226
Total	6,894,290	6,685,733	208,557	6,333,673
<b>Fire and Rescue:</b>				
Professional services	229,810	229,810		229,810
Total	229,810	229,810	-	229,810
<b>Animal Control:</b>				
Salaries and employee benefits	252,286	252,133		248,481
Professional services	38,900	37,712		37,537
Operating expenditures	68,641	52,531		59,685
Capital outlay	8,904	5,098		31,694
Total	368,731	347,474	21,257	377,397
<b>Forestry:</b>				
Operating expenditures	106,950	104,035		76,633
Total	106,950	104,035	2,915	76,633

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Medical Examiner:</b>				
Professional services	59,000	52,500		52,400
Total	59,000	52,500	6,500	52,400
Total public safety	20,913,399	20,124,871	788,528	19,589,166
<b>Transportation:</b>				
<b>Airport:</b>				
Operations	47,857	47,857	-	46,900
<b>Rural Transportation Planning:</b>				
Salaries	84,019	67,540		48,442
Operations	37,250	23,815		28,234
Total	121,269	91,355	29,914	76,676
Total transportation	169,126	139,212	29,914	123,576
<b>Economic and Physical Development:</b>				
<b>Planning:</b>				
Salaries and employee benefits	275,899	273,474		270,365
Professional services	25,300	8,104		22,912
Operating expenditures	25,585	23,091		22,320
Total	326,784	304,669	22,115	315,597
<b>Stormwater:</b>				
Operating expenditures	6,800	3,707		-
Total	6,800	3,707	3,093	-
<b>Inspections:</b>				
Salaries and employee benefits	336,025	292,725		330,729
Operating expenditures	30,676	28,219		26,302
Total	366,701	320,944	45,757	357,031
<b>Cooperative Extension:</b>				
Salaries and employee benefits	227,218	186,016		205,630
Operating expenditures	73,140	68,752		71,910
Total	300,358	254,768	45,590	277,540

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Soil Conservation:</b>				
Salaries and employee benefits	305,344	297,540		263,312
Operating expenditures	53,688	51,102		38,775
Total	359,032	348,642	10,390	302,087
<b>Economic Development:</b>				
Operating expenditures	622,218	604,657		910,814
Total	622,218	604,657	17,561	910,814
Total economic and physical development	1,981,893	1,837,387	144,506	2,163,069
<b>Human Services:</b>				
<b>Health:</b>				
<b>Administration:</b>				
Salaries and employee benefits	1,298,979	1,260,253		1,357,723
Professional services	127,679	123,305		107,576
Operating expenditures	425,465	366,739		388,629
Total	1,852,123	1,750,297	101,826	1,853,928
<b>Family Planning:</b>				
Salaries and employee benefits	633,683	632,310		606,000
Professional services	16,013	15,775		10,381
Operating expenditures	171,713	139,973		163,446
Total	821,409	788,058	33,351	779,827
<b>Home Health:</b>				
Salaries and employee benefits	1,356,311	1,127,827		1,167,155
Professional services	670,802	610,996		635,920
Operating expenditures	285,997	224,783		214,252
Total	2,313,110	1,963,606	349,504	2,017,327
<b>CAP:</b>				
Salaries and employee benefits	200,345	200,258		197,945
Operating expenditures	54,982	44,517		27,829
Total	255,327	244,775	10,552	225,774

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Child Service Coordinator:</b>				
Salaries and employee benefits	161,315	143,651		153,655
Professional services	5,040	2,520		2,246
Operating expenditures	109,191	21,512		14,871
Total	275,546	167,683	107,863	170,772
<b>Child Health:</b>				
Salaries and employee benefits	340,097	336,843		340,457
Professional services	39,840	38,991		11,745
Operating expenditures	273,346	271,160		268,825
Total	653,283	646,994	6,289	621,027
<b>Maternal Health:</b>				
Salaries and employee benefits	531,446	514,505		511,586
Professional services	63,750	62,515		61,960
Operating expenditures	43,801	36,615		37,999
Total	638,997	613,635	25,362	611,545
<b>AIDS:</b>				
Salaries and employee benefits	64,444	63,956		70,675
Operating expenditures	31,056	23,152		22,191
Total	95,500	87,108	8,392	92,866
<b>Health Promotion:</b>				
Salaries and employee benefits	70,955	69,762		98,940
Professional services	4,270	3,093		2,525
Operating expenditures	29,272	8,884		5,154
Total	104,497	81,739	22,758	106,619
<b>Environmental Health:</b>				
Salaries and employee benefits	711,059	707,641		708,090
Operating expenditures	73,838	55,103		54,165
Total	784,897	762,744	22,153	762,255

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Diabetic Care:</b>				
Professional services	8,000	525		2,736
Operating expenditures	1,500	1,496		-
Total	9,500	2,021	7,479	2,736
<b>Tuberculosis:</b>				
Salaries and employee benefits	137,612	137,607		101,819
Professional services	4,596	4,589		2,518
Operating expenditures	5,928	5,920		-
Total	148,136	148,116	20	104,337
<b>CDC Tuberculosis Project:</b>				
Salaries and employee benefits	-	-		49,349
Professional services	-	-		3,431
Operating expenditures	-	-		5,117
Total	-	-	-	57,897
<b>Community Transformation Grant:</b>				
Operating expenditures	15,000	954		12,170
Total	15,000	954	14,046	12,170
<b>WIC Administration:</b>				
Salaries and employee benefits	513,572	509,327		492,546
Professional services	-	-		1,254
Operating expenditures	23,834	20,389		19,629
Total	537,406	529,716	7,690	513,429
<b>Communicable Disease:</b>				
Salaries and employee benefits	119,478	110,923		56,296
Professional services	200	78		180
Operating expenditures	36,838	31,011		10,335
Total	156,516	142,012	14,504	66,811
<b>Healthy Start Baby Love Plus:</b>				
Salaries and employee benefits	100,402	99,676		138,276
Operating expenditures	18,121	16,437		20,855
Total	118,523	116,113	2,410	159,131

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Breast and Cervical Cancer:</b>				
Salaries and employee benefits	10,888	10,729		21,119
Professional services	51,078	41,746		41,828
Total	61,966	52,475	9,491	62,947
<b>Komen Breast Cancer:</b>				
Salaries and employee benefits	19,907	19,658		77,237
Operating expenditures	5,373	5,371		1,537
Total	25,280	25,029	251	78,774
<b>Immunization Action Plan:</b>				
Salaries and employee benefits	51,826	51,682		51,380
Operating expenditures	21,642	8,406		-
Total	73,468	60,088	13,380	51,380
<b>NAP SACC:</b>				
Salaries	44,861	44,625		36,247
Professional services	4,000	4,000		1,500
Operating expenditures	6,880	5,767		8,877
Total	55,741	54,392	1,349	46,624
<b>Project Connect State:</b>				
Salaries	-	-		8,157
Operating expenditures	-	-		556
Total	-	-	-	8,713
<b>Lead Grant:</b>				
Salaries	16,822	16,818		-
Operating expenditures	8,378	760		-
Total	25,200	17,578	7,622	-
<b>Bioterrorism Program:</b>				
Salaries	32,272	30,753		17,631
Operating expenditures	5,143	5,140		15,664
Total	37,415	35,893	1,522	33,295

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Community Care of Eastern North Carolina:</b>				
Salaries	129,241	127,899		112,178
Operating expenditures	52,723	31,439		28,541
Total	181,964	159,338	22,626	140,719
<b>OB Case Management:</b>				
Salaries	165,368	155,439		168,891
Operating expenditures	69,062	25,586		11,453
Total	234,430	181,025	53,405	180,344
<b>Triple P Health:</b>				
Salaries and employee benefits	82,070	69,192		44,119
Professional services	290,377	175,009		176,195
Operating expenditures	54,200	46,975		53,222
Total	426,647	291,176	135,471	273,536
Total health	9,901,881	8,922,565	979,316	9,034,783
<b>Office of Juvenile Justice:</b>				
Operating expenses	287,465	287,465		307,465
Total	287,465	287,465	-	307,465
<b>Mental Health:</b>				
Operating expenses	402,065	400,479		412,423
Total	402,065	400,479	1,586	412,423
<b>Home Care Community Block Grant:</b>				
Operating expenses	753,730	731,217		721,634
Total	753,730	731,217	22,513	721,634

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Social Services:</b>				
<b>General:</b>				
Salaries and employee benefits	8,065,507	7,646,658		7,482,345
Professional services	41,954	35,647		57,386
Assistance payments	981,017	970,525		893,271
Operating expenditures	443,121	382,584		415,408
Capital outlay	18,380	18,380		21,898
Total	<u>9,549,979</u>	<u>9,053,794</u>	496,185	<u>8,870,308</u>
<b>Title IVD -1571:</b>				
Salaries and employee benefits	1,131,559	1,099,624		1,096,744
Professional services	1,452	1,261		1,485
Operating expenditures	49,750	48,269		38,980
Total	<u>1,182,761</u>	<u>1,149,154</u>	33,607	<u>1,137,209</u>
<b>Work First:</b>				
Salaries and employee benefits	492,888	452,995		522,861
Operating expenditures	58,620	43,854		35,774
Total	<u>551,508</u>	<u>496,849</u>	54,659	<u>558,635</u>
<b>Social Services - Other:</b>				
WFFA charges	1,000	-		-
Special assistance	820,000	813,932		807,990
Other assistance	4,130,874	3,690,319		3,563,238
Total	<u>4,951,874</u>	<u>4,504,251</u>	447,623	<u>4,371,228</u>
<b>DNS - County Only Participation:</b>				
Non-reimbursable	10,770	9,004		5,245
Foster children	4,550	3,955		1,874
Pauper burials	1,950	1,620		1,550
Total	<u>17,270</u>	<u>14,579</u>	2,691	<u>8,669</u>
Total social services	<u>16,253,392</u>	<u>15,218,627</u>	1,034,765	<u>14,946,049</u>

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Aging:</b>				
Salaries and employee benefits	194,839	173,320		161,126
Operating expenditures	38,976	29,689		30,790
Contracts and grants	44,697	36,575		33,905
Total	278,512	239,584	38,928	225,821
<b>Senior Center Caregiver Grant:</b>				
Salaries and employee benefits	26,392	26,390		23,884
Operating expenditures	22,992	20,139		14,316
Total	49,384	46,529	2,855	38,200
<b>Senior Health Insurance Info Program:</b>				
Salaries and employee benefits	1,934	1,500		-
Operating expenditures	3,256	3,111		-
Total	5,190	4,611	579	-
<b>Med Impr Patient Provider Act:</b>				
Operating expenditures	2,877	1,739		-
Total	2,877	1,739	1,138	-
<b>Veteran's Services:</b>				
Salaries and employee benefits	56,700	28,738		72,394
Total	56,700	28,738	27,962	72,394
<b>Local Human Services:</b>				
Contributions	45,775	42,363		43,060
Tri-County industries	42,000	42,000		41,160
My Sisters House	9,200	9,200		9,000
Beaver Control BMAP	4,000	4,000		54,000
Nash County Arts Council	30,000	30,000		29,400
Nashville Boys Club	25,000	25,000		24,500
House the Children	30,000	30,000		29,400
Downeast Partnership for Children	10,000	10,000		9,800
Total	195,975	192,563	3,412	240,320
Total human services	28,187,171	26,074,117	2,113,054	25,999,089

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance Over/Under	2014
	Budget	Actual		Actual
<b>Cultural:</b>				
<b>Recreation:</b>				
Salaries	364,917	351,482		334,852
Operating expenditures	223,296	222,852		180,650
Total	588,213	574,334	13,879	515,502
<b>Libraries:</b>				
Braswell Library	850,739	850,739		850,739
NC Library Block Grant	149,983	130,326		222,961
Local libraries	71,150	60,948		66,150
Total	1,071,872	1,042,013	29,859	1,139,850
Total cultural	1,660,085	1,616,347	43,738	1,655,352
<b>Education:</b>				
<b>Nash Community College:</b>				
Operating expenditures	1,645,000	1,645,000		1,641,676
Capital outlay	195,000	195,000		201,388
Total	1,840,000	1,840,000	-	1,843,064
<b>Nash Rocky Mount Schools:</b>				
Operating expenditures	20,220,261	20,032,799		19,175,261
Capital outlay	1,396,890	1,396,890		1,396,890
Total	21,617,151	21,429,689	187,462	20,572,151
Total education	23,457,151	23,269,689	187,462	22,415,215
<b>Debt Service:</b>				
Principal retirement	7,321,362	7,255,937		3,387,671
Interest and fees	1,938,561	1,933,211		1,980,556
Issuance cost	95,000	95,000		-
Total debt service	9,354,923	9,284,148	70,775	5,368,227
Total expenditures	95,187,288	90,449,062	4,738,226	85,926,242
Revenues over (under) expenditures	(8,853,114)	(1,057,926)	7,795,188	2,870,633

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds:				
Economic Development Fund	(500,000)	(500,000)	-	-
Capital project funds	(1,801,179)	(1,801,179)	-	(1,400,000)
Tax Revaluation Fund	(115,000)	(115,000)	-	(193,500)
Transfers from other funds:				
Special revenue funds	-	31,952	31,952	
Capital project funds	-	112,270	112,270	1,380,284
Capital lease obligations issued	322,000	322,000	-	358,812
Refunding bonds issued	3,787,000	3,787,000	-	-
Contingency	(40,000)	-	40,000	-
Appropriated fund balance	7,200,293	-	(7,200,293)	-
Total other financing sources (uses)	<u>8,853,114</u>	<u>1,837,043</u>	<u>(7,016,071)</u>	<u>145,596</u>
Net change in fund balance	<u>\$ -</u>	<u>779,117</u>	<u>\$ 779,117</u>	<u>3,016,229</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>36,566,302</u>		<u>33,550,073</u>
End of year - June 30		<u>\$ 37,345,419</u>		<u>\$ 36,566,302</u>

## NASH COUNTY, NORTH CAROLINA

## REVALUATION FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 409	\$ 409	\$ 148
<b>Expenditures:</b>				
Revaluation	320,715	205,714	115,001	-
Revenues over (under) expenditures	(320,715)	(205,305)	115,410	148
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	205,715	-	(205,715)	-
Transfers from other funds	115,000	115,000	-	193,500
Total other financing sources (uses)	320,715	115,000	(205,715)	193,500
Net change in fund balance	\$ -	(90,305)	\$ (90,305)	193,648
<b>Fund Balance:</b>				
Beginning of year - July 1		512,895		319,247
End of year - June 30		\$ 422,590		\$ 512,895

## NASH COUNTY, NORTH CAROLINA

**ECONOMIC DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Unrestricted intergovernmental	\$ -	\$ 181,330	\$ 181,330	\$ 1,570,793
Total revenues	-	181,330	181,330	1,570,793
<b>Expenditures:</b>				
Economic and physical development	65,283	65,283	-	12,905
Total expenditures	65,283	65,283	-	12,905
Revenues over (under) expenditures	(65,283)	116,047	181,330	1,557,888
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	623,758	-	(623,758)	-
Debt issued	-	-	-	576,923
Transfers to other fund	(558,475)	(558,475)	-	-
Transfers from other funds	-	500,000	500,000	-
Total other financing sources (uses)	65,283	(58,475)	(123,758)	576,923
Net change in fund balance	\$ -	57,572	\$ 57,572	2,134,811
<b>Fund Balance:</b>				
Beginning of year - July 1		2,995,412		860,601
End of year - June 30		\$ 3,052,984		\$ 2,995,412

Nash County, North Carolina  
Financial Statements and Schedules

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***NONMAJOR GOVERNMENTAL FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015

	<u>Nonmajor</u>		<u>Total</u>
	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,108,298	\$ 5,303,044	\$ 6,411,342
Accounts receivable, net	85,635	-	85,635
Restricted cash	-	31,676	31,676
Total assets	<u>\$ 1,193,933</u>	<u>\$ 5,334,720</u>	<u>\$ 6,528,653</u>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 95,065	\$ -	\$ 95,065
Due to other funds	2,725	-	2,725
Total liabilities	<u>97,790</u>	<u>-</u>	<u>97,790</u>
<b>Fund Balances:</b>			
Restricted:			
Stabilization by State statute	108,921	-	108,921
Restricted, all other	846,495	31,676	878,171
Committed	49,927	5,303,044	5,352,971
Assigned	104,937	-	104,937
Unassigned	(14,137)	-	(14,137)
Total fund balances	<u>1,096,143</u>	<u>5,334,720</u>	<u>6,430,863</u>
Total liabilities and fund balances	<u>\$ 1,193,933</u>	<u>\$ 5,334,720</u>	<u>\$ 6,528,653</u>

## NASH COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Nonmajor</u>		<u>Total</u>
	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	
<b>Revenues:</b>			
Ad valorem taxes	\$ 2,932,311	\$ -	\$ 2,932,311
Restricted intergovernmental	2,041,351	-	2,041,351
Investment earnings	1,083	4,108	5,191
Miscellaneous	14,666	-	14,666
Total revenues	<u>4,989,411</u>	<u>4,108</u>	<u>4,993,519</u>
<b>Expenditures:</b>			
Current:			
Public safety	3,518,003	675	3,518,678
Transportation	161,130	-	161,130
Economic and physical development	1,316,284	-	1,316,284
Education	-	7,211,679	7,211,679
Total expenditures	<u>4,995,417</u>	<u>7,212,354</u>	<u>12,207,771</u>
Revenues over (under) expenditures	<u>(6,006)</u>	<u>(7,208,246)</u>	<u>(7,214,252)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	1,801,179	1,801,179
Transfers (out)	<u>(31,952)</u>	<u>(112,270)</u>	<u>(144,222)</u>
Total other financing sources (uses)	<u>(31,952)</u>	<u>1,688,909</u>	<u>1,656,957</u>
Net change in fund balances	(37,958)	(5,519,337)	(5,557,295)
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>1,134,101</u>	<u>10,854,057</u>	<u>11,988,158</u>
End of year - June 30	<u>\$ 1,096,143</u>	<u>\$ 5,334,720</u>	<u>\$ 6,430,863</u>

***NONMAJOR SPECIAL REVENUE FUNDS***

NASH COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015

	<u>Rural Operating Assistance Program</u>	<u>Fire Districts Fund</u>	<u>Emergency Telephone System Fund</u>	<u>Controlled Substance Fund</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 41,361	\$ 289,356	\$ 244,295	\$ 95,254
Receivables, net	<u>-</u>	<u>31,344</u>	<u>39,737</u>	<u>500</u>
Total assets	<u>\$ 41,361</u>	<u>\$ 320,700</u>	<u>\$ 284,032</u>	<u>\$ 95,754</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 16,146	\$ 2,107	\$ 12,205	\$ 11,544
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>16,146</u>	<u>2,107</u>	<u>12,205</u>	<u>11,544</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State statute	-	31,344	39,737	23,786
Restricted, all other	-	287,249	232,090	-
Committed	-	-	-	-
Assigned	25,215	-	-	60,424
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>25,215</u>	<u>318,593</u>	<u>271,827</u>	<u>84,210</u>
Total liabilities and fund balances	<u>\$ 41,361</u>	<u>\$ 320,700</u>	<u>\$ 284,032</u>	<u>\$ 95,754</u>

NASH COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015

	<b>Federal Asset Forfeiture Fund</b>	<b>Stormwater Maintenance Fund</b>	<b>Tourism Fund</b>	<b>Grant Projects Fund</b>	<b>Total</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 191,069	\$ 19,298	\$ 189,150	\$ 38,515	\$ 1,108,298
Receivables, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,054</u>	<u>85,635</u>
Total assets	<u>\$ 191,069</u>	<u>\$ 19,298</u>	<u>\$ 189,150</u>	<u>\$ 52,569</u>	<u>\$ 1,193,933</u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 1,276	\$ -	\$ 51,787	\$ -	\$ 95,065
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,725</u>	<u>2,725</u>
Total liabilities	<u>1,276</u>	<u>-</u>	<u>51,787</u>	<u>2,725</u>	<u>97,790</u>
<b>Fund Balances:</b>					
Restricted:					
Stabilization by State statute	-	-	-	14,054	108,921
Restricted, all other	189,793	-	137,363	-	846,495
Committed	-	-	-	49,927	49,927
Assigned	-	19,298	-	-	104,937
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,137)</u>	<u>(14,137)</u>
Total fund balances	<u>189,793</u>	<u>19,298</u>	<u>137,363</u>	<u>49,844</u>	<u>1,096,143</u>
Total liabilities and fund balances	<u>\$ 191,069</u>	<u>\$ 19,298</u>	<u>\$ 189,150</u>	<u>\$ 52,569</u>	<u>\$ 1,193,933</u>

NASH COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015

	Rural Operating Assistance Program	Fire Districts Fund	Emergency Telephone System Fund	Controlled Substance Fund
<b>Revenues:</b>				
Ad valorem taxes	\$ -	\$ 2,932,311	\$ -	\$ -
Restricted intergovernmental	161,130	-	476,846	21,300
Investment earnings	42	348	214	126
Miscellaneous	-	-	3,866	10,800
Total revenues	<u>161,172</u>	<u>2,932,659</u>	<u>480,926</u>	<u>32,226</u>
<b>Expenditures:</b>				
Public safety	-	2,852,620	408,005	134,299
Transportation	161,130	-	-	-
Economic and physical development	-	-	-	-
Total expenditures	<u>161,130</u>	<u>2,852,620</u>	<u>408,005</u>	<u>134,299</u>
Revenues over (under) expenditures	<u>42</u>	<u>80,039</u>	<u>72,921</u>	<u>(102,073)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	42	80,039	72,921	(102,073)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>25,173</u>	<u>238,554</u>	<u>198,906</u>	<u>186,283</u>
End of year - June 30	<u>\$ 25,215</u>	<u>\$ 318,593</u>	<u>\$ 271,827</u>	<u>\$ 84,210</u>

NASH COUNTY, NORTH CAROLINA

NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015

	Federal Asset Forfeiture Fund	Stormwater Maintenance Fund	Tourism Fund	Grant Projects Fund	Total
<b>Revenues:</b>					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,932,311
Restricted intergovernmental	52,857	7,500	456,650	865,068	2,041,351
Investment earnings	203	9	117	24	1,083
Miscellaneous	-	-	-	-	14,666
Total revenues	<u>53,060</u>	<u>7,509</u>	<u>456,767</u>	<u>865,092</u>	<u>4,989,411</u>
<b>Expenditures:</b>					
Public safety	123,079	-	-	-	3,518,003
Transportation	-	-	-	-	161,130
Economic and physical development	-	-	498,496	817,788	1,316,284
Total expenditures	<u>123,079</u>	<u>-</u>	<u>498,496</u>	<u>817,788</u>	<u>4,995,417</u>
Revenues over (under) expenditures	<u>(70,019)</u>	<u>7,509</u>	<u>(41,729)</u>	<u>47,304</u>	<u>(6,006)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers to other funds	-	-	-	(31,952)	(31,952)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,952)</u>	<u>(31,952)</u>
Net change in fund balances	(70,019)	7,509	(41,729)	15,352	(37,958)
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>259,812</u>	<u>11,789</u>	<u>179,092</u>	<u>34,492</u>	<u>1,134,101</u>
End of year - June 30	<u>\$ 189,793</u>	<u>\$ 19,298</u>	<u>\$ 137,363</u>	<u>\$ 49,844</u>	<u>\$ 1,096,143</u>

## NASH COUNTY, NORTH CAROLINA

**RURAL OPERATING ASSISTANCE PROGRAM  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental - grants:				
EDTAP	\$ 78,293	\$ 76,293	\$ (2,000)	\$ 82,910
WorkFirst	16,238	18,238	2,000	21,400
Rural General Public Program	66,599	66,599	-	86,693
Total restricted intergovernmental - grants	<u>161,130</u>	<u>161,130</u>	<u>-</u>	<u>191,003</u>
Investment earnings	<u>-</u>	<u>42</u>	<u>42</u>	<u>49</u>
Total revenues	<u>161,130</u>	<u>161,172</u>	<u>42</u>	<u>191,052</u>
<b>Expenditures:</b>				
Transportation:				
EDTAP	83,293	83,293	-	82,910
WorkFirst	11,238	11,238	-	21,400
Rural General Public Programs	66,599	66,599	-	86,693
Total expenditures	<u>161,130</u>	<u>161,130</u>	<u>-</u>	<u>191,003</u>
Net change in fund balance	<u>\$ -</u>	<u>42</u>	<u>\$ 42</u>	<u>49</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>25,173</u>		<u>25,124</u>
End of year - June 30		<u>\$ 25,215</u>		<u>\$ 25,173</u>

## NASH COUNTY, NORTH CAROLINA

## FIRE DISTRICTS FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,803,824	\$ 2,932,311	\$ 128,487	\$ 2,831,577
Investment earnings	-	348	348	9,107
Total revenues	<u>2,803,824</u>	<u>2,932,659</u>	<u>128,835</u>	<u>2,840,684</u>
<b>Expenditures:</b>				
Public safety:				
Stanhope	59,904	59,904	-	62,164
Stony Creek	8,243	8,243	-	8,782
Green Hornet	110,519	110,519	-	116,389
Harrison	149,269	149,266	3	120,465
Ferrells	182,579	182,579	-	196,710
N.S. Gulley	378,364	378,364	-	407,406
Silver Lake	9,362	9,362	-	9,828
Sims	23,820	23,820	-	8,504
Tri-County	79,184	76,035	3,149	83,275
Salem	154,189	154,189	-	106,553
West Mount	255,103	255,103	-	267,341
Coopers	284,443	284,443	-	296,469
Castalia	114,659	114,659	-	120,765
Spring Hope	225,353	225,353	-	236,083
Middlesex	133,254	133,254	-	90,293
Whitakers	190,715	190,712	3	188,992
Red Oak	354,727	354,727	-	378,759
Momeyer	143,216	142,088	1,128	117,595
Total expenditures	<u>2,856,903</u>	<u>2,852,620</u>	<u>4,283</u>	<u>2,816,373</u>
Revenues over (under) expenditures	(53,079)	80,039	133,118	24,311
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>53,079</u>	-	<u>(53,079)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>80,039</u>	<u>\$ 80,039</u>	<u>24,311</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>238,554</u>		<u>214,243</u>
End of year - June 30		<u>\$ 318,593</u>		<u>\$ 238,554</u>

## NASH COUNTY, NORTH CAROLINA

**EMERGENCY TELEPHONE SYSTEM FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental - Wireless E911	\$ 476,846	\$ 476,846	\$ -	\$ 692,947
Investment earnings	-	214	214	92
Total revenues	<u>476,846</u>	<u>477,060</u>	<u>214</u>	<u>693,039</u>
<b>Expenditures:</b>				
Public safety:				
Telephone	145,297	136,898	8,399	137,163
Software	97,675	91,371	6,304	217,876
Hardware	113,850	111,297	2,553	79,711
Training	12,870	12,830	40	5,305
Implemental functions	80,825	55,609	25,216	76,604
Capital outlay	48,955	-	48,955	103,612
Total expenditures	<u>499,472</u>	<u>408,005</u>	<u>91,467</u>	<u>620,271</u>
Revenues over (under) expenditures	<u>(22,626)</u>	<u>69,055</u>	<u>91,681</u>	<u>72,768</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	-	3,866	3,866	7,547
Appropriated fund balance	<u>22,626</u>	<u>-</u>	<u>(22,626)</u>	<u>-</u>
Total other financing sources (uses)	<u>22,626</u>	<u>3,866</u>	<u>(18,760)</u>	<u>7,547</u>
Net change in fund balance	<u>\$ -</u>	<u>72,921</u>	<u>\$ 72,921</u>	<u>80,315</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>198,906</u>		<u>118,591</u>
End of year - June 30		<u>\$ 271,827</u>		<u>\$ 198,906</u>

## NASH COUNTY, NORTH CAROLINA

**CONTROLLED SUBSTANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Controlled substance funds	\$ 35,000	\$ 21,300	\$ (13,700)	\$ 41,000
Investment earnings	-	126	126	84
Miscellaneous	-	10,800	10,800	8,400
Total revenues	<u>35,000</u>	<u>32,226</u>	<u>(2,774)</u>	<u>49,484</u>
<b>Expenditures:</b>				
Public safety	<u>158,907</u>	<u>134,299</u>	<u>24,608</u>	<u>69,425</u>
Revenues over (under) expenditures	(123,907)	(102,073)	21,834	(19,941)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>123,907</u>	-	<u>(123,907)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(102,073)</u>	<u>\$ (102,073)</u>	<u>(19,941)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>186,283</u>		<u>206,224</u>
End of year - June 30		<u>\$ 84,210</u>		<u>\$ 186,283</u>

## NASH COUNTY, NORTH CAROLINA

**FEDERAL ASSET FORFEITURE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Federal asset forfeitures	\$ -	\$ 52,857	\$ 52,857	\$ 15,785
Investment earnings	-	203	203	117
Total revenues	-	53,060	53,060	15,902
<b>Expenditures:</b>				
Public safety	145,006	123,079	21,927	26,171
Revenues over (under) expenditures	(145,006)	(70,019)	74,987	(10,269)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	145,006	-	(145,006)	-
Net change in fund balance	<u>\$ -</u>	<u>(70,019)</u>	<u>\$ (70,019)</u>	<u>(10,269)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>259,812</u>		<u>270,081</u>
End of year - June 30		<u>\$ 189,793</u>		<u>\$ 259,812</u>

## NASH COUNTY, NORTH CAROLINA

**STORMWATER MAINTENANCE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2015  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Stormwater maintenance fees	\$ 2,500	\$ 7,500	\$ 5,000	\$ -
Investment earnings	-	9	9	5
Total revenues	<u>2,500</u>	<u>7,509</u>	<u>5,009</u>	<u>5</u>
<b>Expenditures:</b>				
Public safety	<u>2,500</u>	-	<u>2,500</u>	-
Net change in fund balance	<u>\$ -</u>	<u>7,509</u>	<u>\$ 7,509</u>	<u>5</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>11,789</u>		<u>11,784</u>
End of year - June 30		<u>\$ 19,298</u>		<u>\$ 11,789</u>

## NASH COUNTY, NORTH CAROLINA

## TOURISM FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental	\$ 449,176	\$ 456,650	\$ 7,474	\$ 493,049
Investment earnings	-	117	117	62
Total revenues	<u>449,176</u>	<u>456,767</u>	<u>7,591</u>	<u>493,111</u>
<b>Expenditures:</b>				
Economic and physical development:				
Salaries	66,728	66,720	8	66,583
Operating expenditures	<u>462,472</u>	<u>431,776</u>	<u>30,696</u>	<u>358,042</u>
Total expenditures	<u>529,200</u>	<u>498,496</u>	<u>30,704</u>	<u>424,625</u>
Revenues over (under) expenditures	(80,024)	(41,729)	38,295	68,486
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>80,024</u>	-	<u>(80,024)</u>	-
Net change in fund balance	<u>\$ -</u>	(41,729)	<u>\$ (41,729)</u>	68,486
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>179,092</u>		<u>110,606</u>
End of year - June 30		<u>\$ 137,363</u>		<u>\$ 179,092</u>

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

**GRANT PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Homeland Security Grant</u>	<u>Single Family Rehabilitation Project</u>	<u>Urgent Repair Program</u>	<u>American Recovery and Reinvestment</u>
<b>Revenues:</b>				
Restricted intergovernmental - grants	\$ -	\$ 10,775	\$ 50,000	\$ -
Investment earnings	<u>-</u>	<u>-</u>	<u>24</u>	<u>-</u>
Total revenues	<u>-</u>	<u>10,775</u>	<u>50,024</u>	<u>-</u>
<b>Expenditures:</b>				
Economic and physical development	<u>-</u>	<u>10,775</u>	<u>2,720</u>	<u>-</u>
Revenues over (under) expenditures	-	-	47,304	-
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,952)</u>
Net change in fund balances	-	-	47,304	(31,952)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>123</u>	<u>(83)</u>	<u>-</u>	<u>31,952</u>
End of year - June 30	<u>\$ 123</u>	<u>\$ (83)</u>	<u>\$ 47,304</u>	<u>\$ -</u>

## NASH COUNTY, NORTH CAROLINA

**GRANT PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<b>Abandoned Manufactured Homes Grant</b>	<b>CDBG Grant Fund</b>	<b>Hazard Mitigation Plan Grant</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues:</b>				
Restricted intergovernmental - grants	\$ -	\$ 750,000	\$ 54,293	\$ 865,068
Investment earnings	<u>-</u>	<u>-</u>	<u>-</u>	<u>24</u>
Total revenues	<u>-</u>	<u>750,000</u>	<u>54,293</u>	<u>865,092</u>
<b>Expenditures:</b>				
Economic and physical development	<u>-</u>	<u>750,000</u>	<u>54,293</u>	<u>817,788</u>
Revenues over (under) expenditures	-	-	-	47,304
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,952)</u>
Net change in fund balances	-	-	-	15,352
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>34,492</u>
End of year - June 30	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,844</u>

## NASH COUNTY, NORTH CAROLINA

**HOMELAND SECURITY GRANT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total to Date</u>	<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>		
<b>Revenues:</b>					
Homeland Security Grant	\$ 1,035,346	\$ 1,023,538	\$ -	\$ 1,023,538	\$ (11,808)
Emergency Operations Planning Grant	29,950	29,000	-	29,000	(950)
Investment earnings	-	1,832	-	1,832	1,832
Total revenues	<u>1,065,296</u>	<u>1,054,370</u>	<u>-</u>	<u>1,054,370</u>	<u>(10,926)</u>
<b>Expenditures:</b>					
Public safety:					
Planning	29,950	29,000	-	29,000	950
Supplies	76,040	74,350	-	74,350	1,690
Training	48,968	49,888	-	49,888	(920)
Equipment	910,338	901,009	-	901,009	9,329
Total expenditures	<u>1,065,296</u>	<u>1,054,247</u>	<u>-</u>	<u>1,054,247</u>	<u>11,049</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 123</u>	<u>-</u>	<u>\$ 123</u>	<u>\$ 123</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>123</u>		
End of year - June 30			<u>\$ 123</u>		

**NASH COUNTY, NORTH CAROLINA**

**SINGLE FAMILY REHABILITATION  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Single Family Rehabilitation Grant 2008	\$ 540,210	\$ 370,210	\$ 10,775	\$ 380,985	\$ (159,225)
Single Family Rehabilitation Grant 2011	<u>500,000</u>	<u>436,788</u>	<u>-</u>	<u>436,788</u>	<u>(63,212)</u>
Total revenues	<u>1,040,210</u>	<u>806,998</u>	<u>10,775</u>	<u>817,773</u>	<u>(222,437)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Single Family Rehabilitation Grant 2008	370,210	370,292	-	370,292	(82)
Single Family Rehabilitation Grant 2011	<u>670,000</u>	<u>436,789</u>	<u>10,775</u>	<u>447,564</u>	<u>222,436</u>
Total expenditures	<u>1,040,210</u>	<u>807,081</u>	<u>10,775</u>	<u>817,856</u>	<u>222,354</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (83)</u>	<u>-</u>	<u>\$ (83)</u>	<u>\$ (83)</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>(83)</u>		
End of year - June 30			<u>\$ (83)</u>		

**NASH COUNTY, NORTH CAROLINA**

**URGENT REPAIR PROGRAM  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Urgent Repair Grant 2010	\$ 53,000	\$ 53,000	\$ -	\$ 53,000	\$ -
Urgent Repair Grant 2012	75,000	74,967	-	74,967	(33)
Urgent Repair Program	100,000	-	50,000	50,000	(50,000)
Owner contributions	8,500	8,200	-	8,200	(300)
Program income	150	150	-	150	-
Investment earnings	-	31	24	55	55
Total revenues	<u>236,650</u>	<u>136,348</u>	<u>50,024</u>	<u>186,372</u>	<u>(50,278)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Urgent Repair Grant 2010	61,150	61,364	-	61,364	(214)
Urgent Repair Grant 2012	75,500	74,984	-	74,984	516
Housing Rehabilitation	<u>100,000</u>	<u>-</u>	<u>2,720</u>	<u>2,720</u>	<u>97,280</u>
Total expenditures	<u>236,650</u>	<u>136,348</u>	<u>2,720</u>	<u>139,068</u>	<u>97,582</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	47,304	<u>\$ 47,304</u>	<u>\$ 47,304</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 47,304</u>		

## NASH COUNTY, NORTH CAROLINA

**AMERICAN RECOVERY & REINVESTMENT (ARRA) FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental:					
HCCBG Nutrition Grant	\$ 41,220	\$ 41,038	\$ -	\$ 41,038	\$ (182)
JAG Recovery Technology Grant	38,354	38,354	-	38,354	-
WII Program Grant	40,454	13,748	-	13,748	(26,706)
Methodist Home Re-Entry Program	122,000	93,841	-	93,841	(28,159)
Energy Efficiency Grant	132,963	132,962	-	132,962	(1)
H.Y.P.E. Program Grant	43,715	3,643	-	3,643	(40,072)
Vocational Job Grant	63,715	47,225	-	47,225	(16,490)
Pride S.A.A.T. Grant	76,140	76,139	-	76,139	(1)
Total revenues	<u>558,561</u>	<u>446,950</u>	<u>-</u>	<u>446,950</u>	<u>(111,611)</u>
<b>Expenditures:</b>					
Human services:					
Nutrition grant expenditures	43,857	41,038	-	41,038	2,819
WII Program Grant	40,454	13,748	-	13,748	26,706
Methodist Home Re-Entry Program	122,000	93,839	-	93,839	28,161
Energy Efficiency Grant	193,991	193,990	-	193,990	1
Public safety:					
JAG Technology Grant expenses	38,354	38,349	-	38,349	5
H.Y.P.E. Program Grant	43,715	3,643	-	3,643	40,072
Vocational Job Grant	63,715	47,225	-	47,225	16,490
Pride S.A.A.T. Grant	76,140	76,139	-	76,139	1
Total expenditures	<u>622,226</u>	<u>507,971</u>	<u>-</u>	<u>507,971</u>	<u>114,255</u>
Revenues over (under) expenditures	(63,665)	(61,021)	-	(61,021)	2,644
<b>Other Financing Sources (Uses):</b>					
Transfer from (to) other funds	<u>63,665</u>	<u>92,973</u>	<u>(31,952)</u>	<u>61,021</u>	<u>(2,644)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 31,952</u>	<u>(31,952)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>31,952</u>		
End of year - June 30			<u>\$ -</u>		

**NASH COUNTY, NORTH CAROLINA**

**ABANDONED MANUFACTURED HOMES GRANT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance Over/Under</u>
			<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Abandoned Manufactured Homes Grant	\$ 40,700	\$ 17,350	\$ -	\$ 17,350	\$ (23,350)
<b>Expenditures:</b>					
Economic and physical development:					
Abandoned structures	40,700	14,850	-	14,850	25,850
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,500</u>	-	<u>\$ 2,500</u>	<u>\$ 2,500</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>2,500</u>		
End of year - June 30			<u>\$ 2,500</u>		

## NASH COUNTY, NORTH CAROLINA

**CDBG GRANT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Community Development Grants:					
Mamie Lane	\$ 780,000	\$ 664,965	\$ -	\$ 664,965	\$ (115,035)
Scattered Site Housing	400,000	400,000	-	400,000	-
Drake Community	650,000	650,000	-	650,000	-
Infrastructure hookup	75,000	53,246	-	53,246	(21,754)
Nutkao	750,000	-	750,000	750,000	-
Miscellaneous	<u>10,000</u>	<u>7,108</u>	<u>-</u>	<u>7,108</u>	<u>(2,892)</u>
Total revenues	<u>2,665,000</u>	<u>1,775,319</u>	<u>750,000</u>	<u>2,525,319</u>	<u>(139,681)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Community Development Grants:					
Mamie Lane	788,000	667,966	-	667,966	120,034
Scattered Site Housing	400,000	400,000	-	400,000	-
Drake Community	650,000	657,107	-	657,107	(7,107)
Nutkao	750,000	-	750,000	750,000	-
Infrastructure hookup	<u>75,000</u>	<u>53,246</u>	<u>-</u>	<u>53,246</u>	<u>21,754</u>
Total expenditures	<u>2,663,000</u>	<u>1,778,319</u>	<u>750,000</u>	<u>2,528,319</u>	<u>134,681</u>
Revenues over (under) expenditures	<u>2,000</u>	<u>(3,000)</u>	<u>-</u>	<u>(3,000)</u>	<u>(5,000)</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	5,000	10,000	-	10,000	5,000
Transfer to other funds	<u>(7,000)</u>	<u>(7,000)</u>	<u>-</u>	<u>(7,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,000)</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>5,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

**NASH COUNTY, NORTH CAROLINA**

**HAZARD MITIGATION PLAN  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
Hazard Mitigation Grant	\$ 70,000	\$ 8,707	\$ 54,293	\$ 63,000	\$ (7,000)
<b>Expenditures:</b>					
Economic and physical development:					
Hazard Mitigation Plan expenses	70,000	8,707	54,293	63,000	7,000
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ -</u>		

***NONMAJOR CAPITAL PROJECT FUNDS***

NASH COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015

	<u>School Capital Project</u>	<u>Middlesex Industrial Park</u>	<u>Capital Reserve Fund</u>	<u>2010 Capital Projects</u>	<u>Nash Community College Road Project</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ -	\$ 187,310	\$ 2,066,409	\$ -	\$ -
Restricted cash	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 187,310</u>	<u>\$ 2,066,409</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balances:</b>					
Restricted:					
Restricted, all other	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	-	187,310	2,066,409	-	-
Total fund balances	<u>\$ -</u>	<u>\$ 187,310</u>	<u>\$ 2,066,409</u>	<u>\$ -</u>	<u>\$ -</u>

NASH COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2015

	Nash Community College Bond Fund Project	Nashville EMS Station Capital Project	Courts/Sheriff Addition Capital Project	Senior Center/Park Capital Reserve Fund	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ -	\$ 550,000	\$ 1,999,325	\$ 500,000	\$ 5,303,044
Restricted cash	31,676	-	-	-	31,676
Total assets	<u>\$ 31,676</u>	<u>\$ 550,000</u>	<u>\$ 1,999,325</u>	<u>\$ 500,000</u>	<u>\$ 5,334,720</u>
<b>Fund Balances:</b>					
Restricted:					
Restricted, all other	\$ 31,676	\$ -	\$ -	\$ -	\$ 31,676
Committed	-	550,000	1,999,325	500,000	5,303,044
Total fund balances	<u>\$ 31,676</u>	<u>\$ 550,000</u>	<u>\$ 1,999,325</u>	<u>\$ 500,000</u>	<u>\$ 5,334,720</u>

**NASH COUNTY, NORTH CAROLINA**

**NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>School Capital Project</u>	<u>Middlesex Industrial Park</u>	<u>Capital Reserve Fund</u>	<u>2010 Capital Projects</u>	<u>Nash Community College Road Project</u>
<b>Revenues:</b>					
Investment earnings	\$ -	\$ -	\$ 1,629	\$ -	\$ -
<b>Expenditures:</b>					
Current:					
Education	-	-	-	-	-
Public safety	-	-	-	-	-
Total expenditures	-	-	-	-	-
Revenues over (under) expenditures	-	-	1,629	-	-
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	-	-	-	-	151,179
Transfers to other funds	(112,270)	-	-	-	-
Total Other Financing Sources (Uses)	(112,270)	-	-	-	151,179
Net change in fund balance	(112,270)	-	1,629	-	151,179
<b>Fund Balances:</b>					
Beginning of year - July 1	112,270	187,310	2,064,780	-	(151,179)
End of year - June 30	<u>\$ -</u>	<u>\$ 187,310</u>	<u>\$ 2,066,409</u>	<u>\$ -</u>	<u>\$ -</u>

## NASH COUNTY, NORTH CAROLINA

**NONMAJOR CAPITAL PROJECT FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED JUNE 30, 2015**

	<b>Nash Community College Bond Fund Project</b>	<b>Nashville EMS Station Capital Project</b>	<b>Courts/Sheriff Addition Capital Project</b>	<b>Senior Center/Park Capital Reserve Fund</b>	<b>Total</b>
<b>Revenues:</b>					
Investment earnings	\$ 2,479	\$ -	\$ -	\$ -	\$ 4,108
<b>Expenditures:</b>					
Current:					
Education	7,211,679	-	-	-	7,211,679
Public safety	-	-	675	-	675
Total expenditures	<u>7,211,679</u>	<u>-</u>	<u>675</u>	<u>-</u>	<u>7,212,354</u>
Revenues over (under) expenditures	<u>(7,209,200)</u>	<u>-</u>	<u>(675)</u>	<u>-</u>	<u>(7,208,246)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	-	150,000	1,000,000	500,000	1,801,179
Transfers to other funds	-	-	-	-	(112,270)
Total Other Financing Sources (Uses)	<u>-</u>	<u>150,000</u>	<u>1,000,000</u>	<u>500,000</u>	<u>1,688,909</u>
Net change in fund balance	(7,209,200)	150,000	999,325	500,000	(5,519,337)
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>7,240,876</u>	<u>400,000</u>	<u>1,000,000</u>	<u>-</u>	<u>10,854,057</u>
End of year - June 30	<u>\$ 31,676</u>	<u>\$ 550,000</u>	<u>\$ 1,999,325</u>	<u>\$ 500,000</u>	<u>\$ 5,334,720</u>

## NASH COUNTY, NORTH CAROLINA

**SCHOOL CAPITAL PROJECT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Public School Building Capital Fund	\$ 3,899,060	\$ 3,859,767	\$ -	\$ 3,859,767	\$ (39,293)
Lottery funds	11,076,988	11,076,983	-	11,076,983	(5)
Investment earnings	215,845	215,849	-	215,849	4
Total revenues	<u>15,191,893</u>	<u>15,152,599</u>	<u>-</u>	<u>15,152,599</u>	<u>(39,294)</u>
<b>Expenditures:</b>					
Education:					
New high school	5,524,941	5,524,942	-	5,524,942	(1)
PSBCF	3,899,060	3,929,843	-	3,929,843	(30,783)
Lottery funds	11,076,988	11,006,907	-	11,006,907	70,081
School Capital Fund	<u>5,535,846</u>	<u>5,210,996</u>	<u>-</u>	<u>5,210,996</u>	<u>324,850</u>
Total expenditures	<u>26,036,835</u>	<u>25,672,688</u>	<u>-</u>	<u>25,672,688</u>	<u>364,147</u>
Revenues over (under) expenditures	<u>(10,844,942)</u>	<u>(10,520,089)</u>	<u>-</u>	<u>(10,520,089)</u>	<u>324,853</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	250,000	142,535	-	142,535	(107,465)
Transfers to other funds	(328,116)	(215,846)	(112,270)	(328,116)	-
Proceeds from installment purchases issued	10,498,378	10,705,670	-	10,705,670	207,292
Appropriated fund balance	<u>424,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(424,680)</u>
Total other financing sources (uses)	<u>10,844,942</u>	<u>10,632,359</u>	<u>(112,270)</u>	<u>10,520,089</u>	<u>(324,853)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 112,270</u>	<u>(112,270)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>112,270</u>		
End of year - June 30			<u>\$ -</u>		

## NASH COUNTY, NORTH CAROLINA

MIDDLESEX INDUSTRIAL PARK  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
DOT	\$ 1,100,000	\$ 1,110,234	\$ -	\$ 1,110,234	\$ 10,234
Rural Hope Grant	32,000	32,000	-	32,000	-
Investment earnings	-	1,533	-	1,533	1,533
Total revenues	<u>1,132,000</u>	<u>1,143,767</u>	<u>-</u>	<u>1,143,767</u>	<u>11,767</u>
<b>Expenditures:</b>					
General government:					
Road project	<u>1,354,717</u>	<u>1,292,272</u>	<u>-</u>	<u>1,292,272</u>	<u>62,445</u>
Revenues over (under) expenditures	<u>(222,717)</u>	<u>(148,505)</u>	<u>-</u>	<u>(148,505)</u>	<u>74,212</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from certificates of participation	10,235	-	-	-	(10,235)
Transfers from other funds	<u>212,482</u>	<u>335,815</u>	<u>-</u>	<u>335,815</u>	<u>123,333</u>
Total other financing sources (uses)	<u>222,717</u>	<u>335,815</u>	<u>-</u>	<u>335,815</u>	<u>113,098</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 187,310</u>	<u>-</u>	<u>\$ 187,310</u>	<u>\$ 187,310</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>187,310</u>		
End of year - June 30			<u>\$ 187,310</u>		

## NASH COUNTY, NORTH CAROLINA

## CAPITAL RESERVE FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	<u>2015</u>			<u>2014</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 1,629	\$ 1,629	\$ 933
Net change in fund balance	<u>\$ -</u>	<u>1,629</u>	<u>\$ 1,629</u>	933
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>2,064,780</u>		<u>2,063,847</u>
End of year - June 30		<u>\$ 2,066,409</u>		<u>\$ 2,064,780</u>

## NASH COUNTY, NORTH CAROLINA

**2010 CAPITAL PROJECTS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental:					
Public School Building Capital Fund	\$ 4,427,000	\$ 4,482,757	\$ -	\$ 4,482,757	\$ 55,757
Public School Building Capital Fund - Lottery	6,600,000	6,600,000	-	6,600,000	-
Contribution from Edgecombe County	3,345,032	1,380,977	-	1,380,977	(1,964,055)
Contribution from Nashville	11,500	8,153	-	8,153	(3,347)
Investment earnings	-	94,618	-	94,618	94,618
Total revenues	<u>14,383,532</u>	<u>12,566,505</u>	<u>-</u>	<u>12,566,505</u>	<u>(1,817,027)</u>
<b>Expenditures:</b>					
Education:					
Rocky Mount High School	37,802,200	36,267,028	-	36,267,028	1,535,172
Southern Nash Fieldhouse	1,500,000	1,500,000	-	1,500,000	-
Public Safety:					
Nash EMS Station	1,479,691	1,479,692	-	1,479,692	(1)
General government:					
Nash Storage Facility	1,112,662	1,112,661	-	1,112,661	1
Other expenses	644,284	362,429	-	362,429	281,855
Total expenditures	<u>42,538,837</u>	<u>40,721,810</u>	<u>-</u>	<u>40,721,810</u>	<u>1,817,027</u>
Revenues over (under) expenditures	<u>(28,155,305)</u>	<u>(28,155,305)</u>	<u>-</u>	<u>(28,155,305)</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>					
Limited obligation bonds issued	29,349,402	28,355,000	-	28,355,000	(994,402)
Bond premium	-	994,402	-	994,402	994,402
Transfers to other fund	(1,194,097)	(1,194,097)	-	(1,194,097)	-
Total other financing sources (uses)	<u>28,155,305</u>	<u>28,155,305</u>	<u>-</u>	<u>28,155,305</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

## NASH COUNTY, NORTH CAROLINA

NASH COMMUNITY COLLEGE ROAD PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
NCDOT Grant	\$ 800,000	\$ 800,000	\$ -	\$ 800,000	\$ -
<b>Expenditures:</b>					
Education:					
Construction	1,012,528	951,179	-	951,179	61,349
Revenues over (under) expenditures	(212,528)	(151,179)	-	(151,179)	61,349
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	212,528	-	151,179	151,179	(61,349)
Net change in fund balance	<u>\$ -</u>	<u>\$ (151,179)</u>	151,179	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>(151,179)</u>		
End of year - June 30			<u>\$ -</u>		

## NASH COUNTY, NORTH CAROLINA

NASH COMMUNITY COLLEGE BOND FUND PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 5,400	\$ 2,479	\$ 7,879	\$ 7,879
<b>Expenditures:</b>					
Education:					
Construction	9,690,065	2,454,589	7,211,679	9,666,268	23,797
Revenues over (under) expenditures	(9,690,065)	(2,449,189)	(7,209,200)	(9,658,389)	31,676
<b>Other Financing Sources (Uses):</b>					
Proceeds from general obligation bonds	9,310,000	9,310,000	-	9,310,000	-
Premium on general obligation bonds	380,065	380,065	-	380,065	-
Total other financing sources (uses)	9,690,065	9,690,065	-	9,690,065	-
Net change in fund balance	\$ -	\$ 7,240,876	(7,209,200)	\$ 31,676	\$ 31,676
<b>Fund Balance:</b>					
Beginning of year - July 1			7,240,876		
End of year - June 30			\$ 31,676		

**NASH COUNTY, NORTH CAROLINA**

**NASHVILLE EMS STATION CAPITAL PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Expenditures:</b>					
Public Safety:					
Construction	\$ 400,000	\$ -	\$ -	\$ -	\$ 400,000
Revenues over (under) expenditures	(400,000)	-	-	-	400,000
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	400,000	400,000	150,000	550,000	150,000
Net change in fund balance	\$ -	\$ 400,000	150,000	\$ 550,000	\$ 550,000
<b>Fund Balance:</b>					
Beginning of year - July 1			400,000		
End of year - June 30			\$ 550,000		

**NASH COUNTY, NORTH CAROLINA**

**NASH COURTS/SHERIFF ADDITION CAPITAL PROJECT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance Over/Under</u>
			<u>Current Year</u>	<u>Total to Date</u>	
<b>Expenditures:</b>					
Public Safety:					
Construction	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Professional Services	<u>-</u>	<u>-</u>	<u>675</u>	<u>675</u>	<u>(675)</u>
Total expenditures	<u>1,000,000</u>	<u>-</u>	<u>675</u>	<u>675</u>	<u>999,325</u>
Revenues over (under) expenditures	(1,000,000)	-	(675)	(675)	999,325
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>2,000,000</u>	<u>1,000,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,000,000</u>	999,325	<u>\$ 1,999,325</u>	<u>\$ 1,999,325</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>1,000,000</u>		
End of year - June 30			<u>\$ 1,999,325</u>		

**NASH COUNTY, NORTH CAROLINA**

**CAPITAL RESERVE FUND - SENIOR CENTER/PARK  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual</u>		<u>Variance Over/Under</u>
			<u>Current Year</u>	<u>Total to Date</u>	
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 500,000
Net change in fund balance	\$ -	\$ -	500,000	\$ 500,000	\$ 500,000
<b>Fund Balance:</b>					
Beginning of year - July 1				-	
End of year - June 30			\$ 500,000		

***ENTERPRISE FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

## UTILITIES FUND

## SCHEDULE OF REVENUES AND EXPENDITURES -

## BUDGET AND ACTUAL (NON-GAAP)

## FOR THE YEAR ENDED JUNE 30, 2015

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015			2014
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating revenues:				
Charges for services	\$ 1,402,250	\$ 1,615,200	\$ 212,950	\$ 1,533,671
Solid waste charges	218,000	240,207	22,207	254,147
Scrap tire disposal tax	117,500	119,729	2,229	115,425
Miscellaneous	88,500	86,081	(2,419)	68,743
Rural household fees	1,689,600	1,731,875	42,275	1,705,602
Recycling fees	1,800	3,586	1,786	4,995
White Goods Grant	-	-	-	782
Recycling Grant	30,000	19,000	(11,000)	28,920
Total operating revenues	<u>3,547,650</u>	<u>3,815,678</u>	<u>268,028</u>	<u>3,712,285</u>
Non-operating revenues:				
Capital contribution	93,588	93,588	-	96,693
Interest on investments	2,050	4,698	2,648	3,521
Total non-operating revenues	<u>95,638</u>	<u>98,286</u>	<u>2,648</u>	<u>100,214</u>
Total revenues	<u>3,643,288</u>	<u>3,913,964</u>	<u>270,676</u>	<u>3,812,499</u>
<b>Expenditures:</b>				
Operating expenditures:				
Water operations:				
Salaries and employee benefits		456,415		456,631
Professional services		48,562		28,256
Operating expenses		506,727		614,423
Repairs and maintenance		3,432		3,843
Capital outlay		30,501		21,608
Total	<u>1,477,722</u>	<u>1,045,637</u>	<u>432,085</u>	<u>1,124,761</u>
Stormwater operations:				
Professional services		-		965
Salaries and benefits		-		63
Operating expenses		-		4,182
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,210</u>

NASH COUNTY, NORTH CAROLINA

**UTILITIES FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014**

	2015		Variance	2014
	Budget	Actual	Over/Under	Actual
Sewer operations:				
Salaries and employee benefits		28,736		25,168
Professional services		24,073		3,924
Operating expenses		231,424		219,830
Capital outlay		-		1,060
Total	312,293	284,233	28,060	249,982
Solid waste disposal operations:				
Salaries and employee benefits		507,053		531,246
Professional services		116,291		123,738
Operating expenses		1,521,477		1,620,918
Repairs and maintenance		73,928		99,012
Capital outlay		58,583		90,583
Total	2,646,000	2,277,332	368,668	2,465,497
Total operating expenditures	4,436,015	3,607,202	828,813	3,845,450
Non-operating expenditures:				
Debt principal payment	305,500	305,500	-	305,500
Debt interest payment	77,354	77,351	3	89,388
Total non-operating expenditures	382,854	382,851	3	394,888
Total expenditures	4,818,869	3,990,053	828,816	4,240,338
Revenues over (under) expenditures	(1,175,581)	(76,089)	1,099,492	(427,839)
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer	(555,019)	(555,019)	-	(439,846)
Transfer from (to) other funds	8,519	8,519	-	-
Appropriated fund balance	1,722,081	-	(1,722,081)	-
Total other financing sources (uses)	1,175,581	(546,500)	(1,722,081)	(439,846)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (622,589)	\$ (622,589)	\$ (867,685)

NASH COUNTY, NORTH CAROLINA

UTILITIES FUND  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2015  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	2015		2014
	Budget	Actual	Actual
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:</b>			
Revenues and other financing sources over (under) expenditures and other financing uses		\$ (622,589)	
Reconciling items:			
Capital assets purchased		257,726	
Depreciation		(495,368)	
Change in accrued interest		5,208	
Principal retirement		305,500	
Contributions to pension plan in the current fiscal year		58,827	
Pension expense		(7,534)	
Change in accrued compensated absences		(2,679)	
Grant revenues from capital projects		40,000	
Non-capitalized capital project expense		(176,758)	
Change in landfill post-closure liability		82,656	
Intrafund transfers		537,981	
Change in OPEB liability		<u>(44,890)</u>	
Change in net position		<u>\$ (61,920)</u>	

## NASH COUNTY, NORTH CAROLINA

**HIGHWAY 58 EMERGENCY WATER LINE  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Rural Center Grant	\$ 500,000	\$ 499,270	\$ -	\$ 499,270	\$ (730)
Capital contributions	400,000	429,865	-	429,865	29,865
Investment earnings	-	444	-	444	444
Total revenues	<u>900,000</u>	<u>929,579</u>	<u>-</u>	<u>929,579</u>	<u>29,579</u>
<b>Expenditures:</b>					
Construction and engineering	1,079,679	1,074,465	-	1,074,465	5,214
Administrative fees	20,321	18,695	-	18,695	1,626
Total expenditures	<u>1,100,000</u>	<u>1,093,160</u>	<u>-</u>	<u>1,093,160</u>	<u>6,840</u>
Revenues over (under) expenditures	(200,000)	(163,581)	-	(163,581)	36,419
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>200,000</u>	<u>-</u>	<u>163,581</u>	<u>163,581</u>	<u>(36,419)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (163,581)</u>	<u>\$ 163,581</u>	<u>\$ -</u>	<u>\$ -</u>

## NASH COUNTY, NORTH CAROLINA

**RURAL CENTER GRANTS FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Rural Center Grant	\$ 120,000	\$ 80,000	\$ 40,000	\$ 120,000	\$ -
Investment earnings	-	35	-	35	35
Total revenues	<u>120,000</u>	<u>80,035</u>	<u>40,000</u>	<u>120,035</u>	<u>35</u>
<b>Expenditures:</b>					
Feasibility study and drought plan	<u>247,000</u>	<u>202,326</u>	<u>48,243</u>	<u>250,569</u>	<u>(3,569)</u>
Revenues over (under) expenditures	(127,000)	(122,291)	(8,243)	(130,534)	(3,534)
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>127,000</u>	<u>127,000</u>	<u>10,900</u>	<u>137,900</u>	<u>10,900</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 4,709</u>	<u>\$ 2,657</u>	<u>\$ 7,366</u>	<u>\$ 7,366</u>

## NASH COUNTY, NORTH CAROLINA

**CASTALIA WATER SYSTEM PROJECT  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Contributions	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ -
CDBG	750,000	750,000	-	750,000	-
NC Rural Center Grant	500,000	488,833	-	488,833	(11,167)
Total revenues	<u>1,270,000</u>	<u>1,258,833</u>	<u>-</u>	<u>1,258,833</u>	<u>(11,167)</u>
<b>Expenditures:</b>					
Operating expenditures	<u>1,293,768</u>	<u>1,282,601</u>	<u>-</u>	<u>1,282,601</u>	<u>11,167</u>
Revenues over (under) expenditures	(23,768)	(23,768)	-	(23,768)	-
<b>Other Financing Sources (Uses):</b>					
Transfer from Utilities Fund	<u>23,768</u>	<u>23,768</u>	<u>-</u>	<u>23,768</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## NASH COUNTY, NORTH CAROLINA

**97 SEWER  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Expenditures:</b>					
Construction and engineering	\$ 50,000	\$ -	\$ 10,043	\$ 10,043	\$ 39,957
Administrative fees	313,500	-	118,472	118,472	195,028
Total expenditures	<u>363,500</u>	<u>-</u>	<u>128,515</u>	<u>128,515</u>	<u>234,985</u>
Revenues over (under) expenditures	(363,500)	-	(128,515)	(128,515)	234,985
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>363,500</u>	<u>-</u>	<u>363,500</u>	<u>363,500</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 234,985</u>	<u>\$ 234,985</u>	<u>\$ 234,985</u>

NASH COUNTY, NORTH CAROLINA

CENTRAL NASH WATER AND SEWER DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Operating revenues:					
Tap fees	\$ 198,200	\$ 108,700	\$ -	\$ 108,700	\$ (89,500)
Miscellaneous collections	35,250	45,127	8,035	53,162	17,912
Total operating revenues	<u>233,450</u>	<u>153,827</u>	<u>8,035</u>	<u>161,862</u>	<u>(71,588)</u>
Non-operating revenues:					
Capital contribution	5,958,951	3,958,954	1,000,000	4,958,954	(999,997)
Interest on investments	-	74,926	-	74,926	74,926
Total non-operating revenues	<u>5,958,951</u>	<u>4,033,880</u>	<u>1,000,000</u>	<u>5,033,880</u>	<u>(925,071)</u>
Total revenues	<u>6,192,401</u>	<u>4,187,707</u>	<u>1,008,035</u>	<u>5,195,742</u>	<u>(996,659)</u>
<b>Expenditures:</b>					
Operating expenditures:					
Water project startup:					
Administration	11,700	7,500	-	7,500	4,200
Engineering and construction	46,512	41,565	-	41,565	4,947
Total	<u>58,212</u>	<u>49,065</u>	<u>-</u>	<u>49,065</u>	<u>9,147</u>
Highway 97 project:					
Administration	16,250	16,250	-	16,250	-
Engineering and construction	901,651	887,630	-	887,630	14,021
Total	<u>917,901</u>	<u>903,880</u>	<u>-</u>	<u>903,880</u>	<u>14,021</u>
Capital items:					
Phase I	3,485,149	3,465,523	-	3,465,523	19,626
Phase II	3,275,690	3,238,461	-	3,238,461	37,229
Phase III	4,239,656	3,693,233	416,187	4,109,420	130,236
Phase IV	6,932,319	6,458,396	212,991	6,671,387	260,932
Total	<u>17,932,814</u>	<u>16,855,613</u>	<u>629,178</u>	<u>17,484,791</u>	<u>448,023</u>
Total operating expenditures	<u>18,908,927</u>	<u>17,808,558</u>	<u>629,178</u>	<u>18,437,736</u>	<u>471,191</u>
Non-operating expenditures:					
Debt principal payment	5,169,000	4,937,000	111,000	5,048,000	121,000
Debt interest payment	2,026,769	1,465,229	446,658	1,911,887	114,882
Total non-operating expenditures	<u>7,195,769</u>	<u>6,402,229</u>	<u>557,658</u>	<u>6,959,887</u>	<u>235,882</u>
Total expenditures	<u>26,104,696</u>	<u>24,210,787</u>	<u>1,186,836</u>	<u>25,397,623</u>	<u>707,073</u>

NASH COUNTY, NORTH CAROLINA

CENTRAL NASH WATER AND SEWER DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues over (under) expenditures	<u>(19,912,295)</u>	<u>(20,023,080)</u>	<u>(178,801)</u>	<u>(20,201,881)</u>	<u>(289,586)</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	2,337,295	1,782,931	566,994	2,349,925	12,630
Debt issued	<u>17,575,000</u>	<u>17,575,000</u>	<u>-</u>	<u>17,575,000</u>	<u>-</u>
Total other financing sources (uses)	<u>19,912,295</u>	<u>19,357,931</u>	<u>566,994</u>	<u>19,924,925</u>	<u>12,630</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (665,149)</u>	<u>\$ 388,193</u>	<u>\$ (276,956)</u>	<u>\$ (276,956)</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:</b>					
Revenues and other financing sources over (under) expenditures and other financing uses			\$ 388,193		
Reconciling items:					
Capital assets purchased			320,105		
Accrued interest			(4,660)		
Principal payment			<u>111,000</u>		
Change in net position			<u>\$ 814,638</u>		

Nash County, North Carolina  
Financial Statements and Schedules

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***INTERNAL SERVICE FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2015

	<u>Employee Healthcare Benefits</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 2,172,033	\$ 1,487,070	\$ 3,659,103
Accounts receivable, net	<u>58,566</u>	<u>-</u>	<u>58,566</u>
Total assets	<u>2,230,599</u>	<u>1,487,070</u>	<u>3,717,669</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable and accrued liabilities	<u>517,703</u>	<u>275,422</u>	<u>793,125</u>
<b>Net Position:</b>			
Unrestricted	<u>\$ 1,712,896</u>	<u>\$ 1,211,648</u>	<u>\$ 2,924,544</u>

## NASH COUNTY, NORTH CAROLINA

**INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2015**

	<b>Employee Healthcare Benefits</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 5,685,182	\$ 450,339	\$ 6,135,521
<b>Operating Expenditures:</b>			
Claims costs	4,957,030	333,148	5,290,178
Wellness Program costs	238,295	-	238,295
Total expenditures	<u>5,195,325</u>	<u>333,148</u>	<u>5,528,473</u>
Operating income (loss)	489,857	117,191	607,048
<b>Non-Operating Revenues:</b>			
Investment earnings	<u>1,338</u>	<u>939</u>	<u>2,277</u>
Change in net position	491,195	118,130	609,325
<b>Net Position:</b>			
Beginning of year - July 1	<u>1,221,701</u>	<u>1,093,518</u>	<u>2,315,219</u>
End of year - June 30	<u>\$ 1,712,896</u>	<u>\$ 1,211,648</u>	<u>\$ 2,924,544</u>

## NASH COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2015

	<b>Employee Healthcare Benefits</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Cash Flows from Operating Activities:</b>			
Cash received from employer	\$ 5,628,042	\$ 450,339	\$ 6,078,381
Cash paid for goods and services	<u>(5,202,997)</u>	<u>(322,630)</u>	<u>(5,525,627)</u>
Net cash provided (used) by operating activities	<u>425,045</u>	<u>127,709</u>	<u>552,754</u>
<b>Cash Flows from Investing Activities:</b>			
Investment earnings	<u>1,338</u>	<u>939</u>	<u>2,277</u>
Net increase (decrease) in cash and cash equivalents	426,383	128,648	555,031
Cash and cash equivalents - July 1	<u>1,745,650</u>	<u>1,358,422</u>	<u>3,104,072</u>
Cash and cash equivalents - June 30	<u>\$ 2,172,033</u>	<u>\$ 1,487,070</u>	<u>\$ 3,659,103</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 489,857	\$ 117,191	\$ 607,048
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(57,140)	-	(57,140)
Increase (decrease) in accounts payable and accrued liabilities	<u>(7,672)</u>	<u>10,518</u>	<u>2,846</u>
Net cash provided (used) by operating activities	<u>\$ 425,045</u>	<u>\$ 127,709</u>	<u>\$ 552,754</u>

## NASH COUNTY, NORTH CAROLINA

**EMPLOYEE HEALTH CARE BENEFITS  
SCHEDULE OF REVENUES AND EXPENDITURES -  
FINANCIAL PLAN AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 5,707,000	\$ 5,685,182	\$ (21,818)
<b>Operating Expenditures:</b>			
Claims costs	5,410,000	4,957,030	452,970
Wellness Program costs	<u>297,000</u>	<u>238,295</u>	<u>58,705</u>
Total operating expenditures	<u>5,707,000</u>	<u>5,195,325</u>	<u>511,675</u>
Operating income (loss)	-	489,857	489,857
<b>Non-Operating Revenues:</b>			
Investment earnings	<u>-</u>	<u>1,338</u>	<u>1,338</u>
Change in net position	<u><u>\$ -</u></u>	<u><u>\$ 491,195</u></u>	<u><u>\$ 491,195</u></u>

## NASH COUNTY, NORTH CAROLINA

**WORKERS' COMPENSATION BENEFITS  
SCHEDULE OF REVENUES AND EXPENDITURES -  
FINANCIAL PLAN AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 510,000	\$ 450,339	\$ (59,661)
<b>Operating Expenditures:</b>			
Workers' compensation claims	590,000	333,148	256,852
Operating income (loss)	(80,000)	117,191	197,191
<b>Non-Operating Revenues:</b>			
Investment earnings	-	939	939
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	80,000	-	(80,000)
Change in net position	<u>\$ -</u>	<u>\$ 118,130</u>	<u>\$ 118,130</u>

Nash County, North Carolina  
Financial Statements and Schedules

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***AGENCY FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
<b>Social Services Trust Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 21,414	\$ 256,490	\$ 261,419	\$ 16,485
<b>Liabilities:</b>				
Accounts payable	\$ 21,414	\$ 256,490	\$ 261,419	\$ 16,485
<b>Jail Inmate Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 30,354	\$ 234,073	\$ 229,687	\$ 34,740
<b>Liabilities:</b>				
Accounts payable	\$ 30,354	\$ 234,073	\$ 229,687	\$ 34,740
<b>Fines and Forfeitures:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 638,292	\$ 638,292	\$ -
<b>Liabilities:</b>				
Intergovernmental payable	\$ -	\$ 638,292	\$ 638,292	\$ -
<b>Tax Collections Held for Municipalities:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 49,907	\$ 3,724,735	\$ 3,768,937	\$ 5,705
Receivables	173,761	196,762	179,418	191,105
Total assets	<u>\$ 223,668</u>	<u>\$ 3,921,497</u>	<u>\$ 3,948,355</u>	<u>\$ 196,810</u>
<b>Liabilities:</b>				
Accounts payable				
Intergovernmental payable	<u>\$ 223,668</u>	<u>\$ 3,921,497</u>	<u>\$ 3,948,355</u>	<u>\$ 196,810</u>
<b>Rental Vehicle Taxes:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 71,104	\$ 71,104	\$ -
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 71,104	\$ 71,104	\$ -
<b>Total - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 101,675	\$ 4,924,694	\$ 4,969,439	\$ 56,930
Receivables	173,761	196,762	179,418	191,105
Total assets	<u>\$ 275,436</u>	<u>\$ 5,121,456</u>	<u>\$ 5,148,857</u>	<u>\$ 248,035</u>
<b>Liabilities:</b>				
Accounts payable	\$ 51,768	\$ 561,667	\$ 562,210	\$ 51,225
Intergovernmental payable	223,668	4,559,789	4,586,647	196,810
Total liabilities	<u>\$ 275,436</u>	<u>\$ 5,121,456</u>	<u>\$ 5,148,857</u>	<u>\$ 248,035</u>

Nash County, North Carolina  
Financial Statements and Schedules

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***SUPPLEMENTAL FINANCIAL DATA***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE  
JUNE 30, 2015

Fiscal Year	Balance July 1, 2014	Additions	Collections and Credits	Balance June 30, 2015
2014-2015	\$ -	\$ 48,393,941	\$ 47,608,447	\$ 785,494
2013-2014	1,102,371	(3,879)	509,899	588,593
2012-2013	906,435	(706)	230,945	674,784
2011-2012	632,318	(603)	118,415	513,300
2010-2011	467,364	(376)	73,207	393,781
2009-2010	355,557	(58)	41,481	314,018
2008-2009	352,404	(791)	27,958	323,655
2007-2008	343,600	(424)	18,937	324,239
2006-2007	340,202	(418)	10,718	329,066
2005-2006	231,753	(452)	7,591	223,710
2004-2005	215,239	(607)	214,632	-
	Total	\$ 4,947,243	\$ 48,385,627	\$ 48,862,230
				4,470,640
Less: Allowance for uncollectible accounts				
General Fund				(1,679,378)
Ad valorem taxes receivable, net				
General Fund				\$ 2,791,262
<b>Reconciliation with Revenues:</b>				
Ad valorem taxes - General Fund				\$ 48,901,989
Reconciling items:				
Amount written off per Statute of Limitations				214,632
Interest and lien advertising collected				(369,750)
Late list penalties				80,934
Miscellaneous				34,425
Total collections and credits				\$ 48,862,230

## NASH COUNTY NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
FOR THE YEAR ENDED JUNE 30, 2015

	County-Wide			Property Excluding Registered	Registered
	Property Valuation	Rate	Total Levy	Motor Vehicles	Motor Vehicles
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 6,417,630,896	\$ 0.67	\$ 42,998,127	\$ 42,998,127	\$ -
Motor vehicles	789,110,597	0.67	5,287,041	-	5,287,041
Penalties	-		114,824	114,824	-
Lien ad	-		4,724	4,724	-
Dogs	-		16,138	16,138	-
Total	<u>7,206,741,493</u>		<u>48,420,854</u>	<u>43,133,813</u>	<u>5,287,041</u>
<b>Discoveries:</b>					
Current year taxes	<u>7,238,060</u>	0.67	<u>48,495</u>	<u>48,495</u>	<u>-</u>
<b>Abatements</b>					
Real Estate & Personal Property	(6,366,019)	0.67	(75,335)	(75,335)	-
Motor Vehicles	<u>(10,922)</u>	0.67	<u>(73)</u>	<u>-</u>	<u>(73)</u>
Total	<u>(6,376,941)</u>		<u>(75,408)</u>	<u>(75,335)</u>	<u>(73)</u>
Total property valuation	<u>\$ 7,207,602,612</u>				
<b>Net Levy</b>			48,393,941	43,106,973	5,286,968
Uncollected taxes, June 30, 2015			<u>785,494</u>	<u>784,508</u>	<u>986</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 47,608,447</u>	<u>\$ 42,322,465</u>	<u>\$ 5,285,982</u>
<b>Current Levy Collection Percentage</b>			<u>98.38%</u>	<u>98.18%</u>	<u>99.98%</u>
<b>Prior Year Collection Percentage</b>			<u>97.73%</u>	<u>98.02%</u>	<u>95.84%</u>

## ***STATISTICAL SECTION*** ***(UNAUDITED)***

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the finance statements, note disclosures and required supplementary information says about the government's overall financial health.

Contents	Pages
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	155
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	161
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	166
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	171
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	173

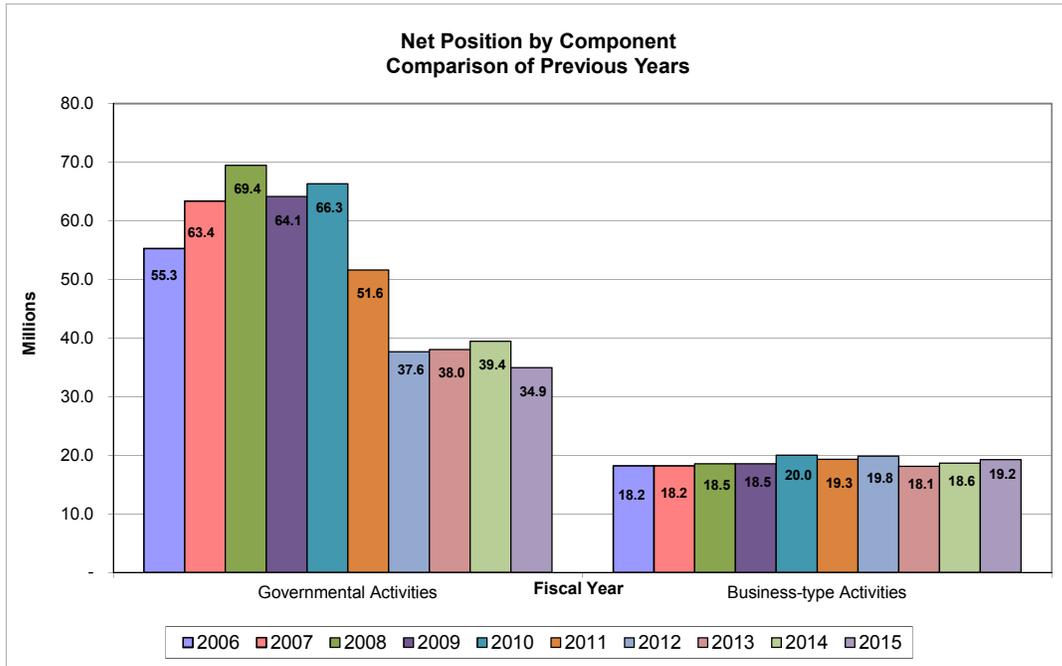
Nash County, North Carolina  
Financial Statements and Schedules

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**NASH COUNTY, NORTH CAROLINA**

**Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 40,398	\$ 42,226	\$ 43,816	\$ 36,778	\$ 38,100	\$ 26,720	\$ 10,065	\$ 8,212	\$ 6,576	\$ 250
Restricted	736	606	551	647	705	6,698	11,161	8,199	11,478	9,662
Unrestricted	14,118	20,535	25,081	26,646	27,497	18,170	16,346	21,635	21,345	24,959
Total Governmental activities net position	<u>\$ 55,252</u>	<u>\$ 63,367</u>	<u>\$ 69,448</u>	<u>\$ 64,071</u>	<u>\$ 66,302</u>	<u>\$ 51,588</u>	<u>\$ 37,572</u>	<u>\$ 38,046</u>	<u>\$ 39,399</u>	<u>\$ 34,871</u>
Business-type activities										
Net investment in capital assets	\$ 9,736	\$ 8,547	\$ 11,028	\$ 12,052	\$ 15,355	\$ 16,852	\$ 14,599	\$ 15,616	\$ 16,973	\$ 17,472
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	8,434	9,629	7,464	6,469	4,663	2,483	5,241	2,488	1,588	1,732
Total business-type activities net position	<u>\$ 18,170</u>	<u>\$ 18,176</u>	<u>\$ 18,492</u>	<u>\$ 18,521</u>	<u>\$ 20,018</u>	<u>\$ 19,335</u>	<u>\$ 19,840</u>	<u>\$ 18,104</u>	<u>\$ 18,561</u>	<u>\$ 19,204</u>
Primary government										
Net investment in capital assets	\$ 50,134	\$ 50,774	\$ 54,844	\$ 48,830	\$ 53,455	\$ 43,572	\$ 24,664	\$ 23,828	\$ 23,549	\$ 17,722
Restricted	736	606	551	647	705	6,698	11,161	8,199	11,478	9,662
Unrestricted	22,552	30,164	32,545	33,115	32,160	20,653	21,587	24,123	22,933	26,691
Total primary government net position	<u>\$ 73,422</u>	<u>\$ 81,544</u>	<u>\$ 87,940</u>	<u>\$ 82,592</u>	<u>\$ 86,320</u>	<u>\$ 70,923</u>	<u>\$ 57,412</u>	<u>\$ 56,150</u>	<u>\$ 57,960</u>	<u>\$ 54,075</u>



## NASH COUNTY, NORTH CAROLINA

**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Governmental activities:										
General government	\$ 6,593	\$ 7,668	\$ 7,285	\$ 18,240	\$ 9,249	\$ 10,626	\$ 10,641	\$ 9,106	\$ 9,411	\$ 8,971
Public safety	15,833	17,756	19,569	21,374	22,426	22,185	23,518	24,181	24,142	23,903
Transportation	200	248	250	356	411	408	409	338	322	300
Economic and physical development	4,560	2,717	2,928	2,889	2,936	3,513	2,825	3,849	3,265	1,533
Human services	28,290	29,691	29,653	28,933	27,004	25,781	26,593	26,211	26,866	25,982
Cultural	1,077	1,235	1,456	1,669	1,583	1,704	1,614	1,602	1,682	1,605
Education	22,391	21,662	22,393	23,720	26,042	51,507	38,579	25,383	26,031	30,548
Interest on long-term debt	1,025	1,092	1,000	829	708	2,012	1,904	1,858	2,424	1,991
Total governmental activities expenses	<u>79,969</u>	<u>82,069</u>	<u>84,534</u>	<u>98,010</u>	<u>90,359</u>	<u>117,736</u>	<u>106,083</u>	<u>92,528</u>	<u>94,143</u>	<u>94,833</u>
Business-type activities:										
Water and sewer	992	1,217	1,437	1,538	1,988	2,179	1,965	2,099	2,292	2,684
Solid waste disposal	1,003	1,013	2,330	2,944	2,336	3,023	2,368	3,944	2,058	2,065
Convenience centers	1,335	1,350	-	-	-	-	-	-	-	-
Total business-type activities	<u>3,330</u>	<u>3,580</u>	<u>3,767</u>	<u>4,482</u>	<u>4,324</u>	<u>5,202</u>	<u>4,333</u>	<u>6,043</u>	<u>4,350</u>	<u>4,749</u>
Total primary governmental expenses	<u>83,299</u>	<u>85,649</u>	<u>88,301</u>	<u>102,492</u>	<u>94,683</u>	<u>122,938</u>	<u>110,416</u>	<u>98,571</u>	<u>98,493</u>	<u>99,582</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,279	\$ 1,359	\$ 2,755	\$ 1,916	\$ 3,097	\$ 3,116	\$ 2,445	\$ 3,782	\$ 2,832	\$ 1,967
Public safety	1,727	2,560	4,164	4,368	4,525	4,009	3,575	3,798	3,382	4,433
Economic & physical development	464	527	-	15	-	-	-	-	-	-
Human services	250	153	602	541	570	614	1,511	1,048	720	515
Operating grants and contributions	19,465	23,024	18,660	21,432	22,778	34,239	22,819	22,406	24,480	22,868
Capital grants and contributions	3,056	285	815	5,607	856	1,236	114	65	57	82
Total governmental activities program revenues	<u>26,241</u>	<u>27,908</u>	<u>26,996</u>	<u>33,879</u>	<u>31,826</u>	<u>43,214</u>	<u>30,464</u>	<u>31,099</u>	<u>31,471</u>	<u>29,865</u>
Business-type activities:										
Charges for services:										
Water and sewer	431	499	696	899	1,097	1,205	1,167	1,232	1,534	1,615
Solid waste disposal	598	520	2,142	2,218	2,056	2,046	3,267	2,157	2,150	2,190
Convenience centers	1,665	1,634	-	-	-	-	-	-	-	-
Operating grants and contributions	126	162	-	-	-	-	-	-	-	-
Capital grants and contributions	-	-	543	1,127	2,587	1,239	379	889	1,120	1,134
Total business-type activities program revenues	<u>2,820</u>	<u>2,815</u>	<u>3,381</u>	<u>4,244</u>	<u>5,740</u>	<u>4,490</u>	<u>4,813</u>	<u>4,278</u>	<u>4,804</u>	<u>4,939</u>
Total primary governmental program revenues	<u>\$ 29,061</u>	<u>\$ 30,723</u>	<u>\$ 30,377</u>	<u>\$ 38,123</u>	<u>\$ 37,566</u>	<u>\$ 47,704</u>	<u>\$ 35,277</u>	<u>\$ 35,377</u>	<u>\$ 36,275</u>	<u>\$ 34,804</u>
Net (expense)/revenue										
Governmental activities	(\$53,728)	(54,161)	(57,538)	(\$64,132)	(\$58,533)	(\$74,522)	(\$75,619)	(\$61,429)	\$ (62,672)	\$ (64,968)
Business-type activities	(510)	(765)	(386)	(237)	1,416	(712)	480	(1,764)	454	190
Total primary governmental net expense	<u>\$ (54,238)</u>	<u>\$ (54,926)</u>	<u>\$ (57,924)</u>	<u>(\$64,369)</u>	<u>(\$57,117)</u>	<u>(\$75,234)</u>	<u>(\$75,139)</u>	<u>(\$63,193)</u>	<u>(\$62,218)</u>	<u>(\$64,778)</u>

## NASH COUNTY, NORTH CAROLINA

**Changes in Net Position**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)  
 (amounts expressed in thousands)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 38,858	\$ 42,661	\$ 44,151	\$ 43,224	\$ 48,476	\$ 48,436	\$ 49,155	\$ 49,874	\$ 51,846	\$ 51,317
Sales taxes	15,758	17,039	17,553	14,353	11,758	10,810	12,071	11,619	11,747	12,641
Excise taxes	386	371	319	202	182	142	144	186	203	211
Other taxes	67	69	74	67	68	72	77	80	82	79
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Investment earnings	1,439	1,908	1,522	910	280	348	156	143	147	122
Miscellaneous	337	228	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	(558)
Total governmental activities	<u>56,845</u>	<u>62,276</u>	<u>63,619</u>	<u>58,756</u>	<u>60,764</u>	<u>59,808</u>	<u>61,603</u>	<u>61,902</u>	<u>64,025</u>	<u>63,812</u>
Business-type activities:										
Other taxes & licenses	-	-	-	-	-	-	-	-	-	-
Investment earnings	629	771	702	266	81	29	25	29	3	5
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	558
Total business-type activities	<u>629</u>	<u>771</u>	<u>702</u>	<u>266</u>	<u>81</u>	<u>29</u>	<u>25</u>	<u>29</u>	<u>3</u>	<u>563</u>
Total primary government	<u>\$ 57,474</u>	<u>\$ 63,047</u>	<u>\$ 64,321</u>	<u>\$ 59,022</u>	<u>\$ 60,845</u>	<u>\$ 59,837</u>	<u>\$ 61,628</u>	<u>\$ 61,931</u>	<u>\$ 64,028</u>	<u>\$ 64,375</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 3,117	\$ 8,115	\$ 6,081	\$ (5,376)	\$ 2,231	(\$14,714)	\$ (14,016)	\$ 474	\$ 1,353	\$ (1,156)
Business-type activities	119	6	316	28	1,497	(683)	505	(1,736)	457	753
Total primary government	<u>\$ 3,236</u>	<u>\$ 8,121</u>	<u>\$ 6,397</u>	<u>\$ (5,348)</u>	<u>\$ 3,728</u>	<u>\$ (15,397)</u>	<u>\$ (13,511)</u>	<u>\$ (1,262)</u>	<u>\$ 1,810</u>	<u>\$ (403)</u>

**NASH COUNTY, NORTH CAROLINA**

**Governmental Activities Tax Revenues By Source  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Rental Vehicle Tax</u>	<u>Privilege Licenses</u>	<u>Total</u>
2006	\$38,858	\$15,758	\$386	\$48	\$19	\$55,069
2007	42,661	17,040	371	54	14	60,140
2008	44,151	17,552	319	55	19	62,096
2009	43,224	14,353	202	50	17	57,846
2010	48,476	11,758	182	54	14	60,484
2011	48,435	10,810	142	56	16	59,459
2012	49,155	12,071	144	63	14	61,447
2013	49,874	11,619	186	65	14	61,758
2014	51,846	11,746	203	69	14	63,878
2015	51,317	12,641	211	72	7	64,248

**NASH COUNTY, NORTH CAROLINA**

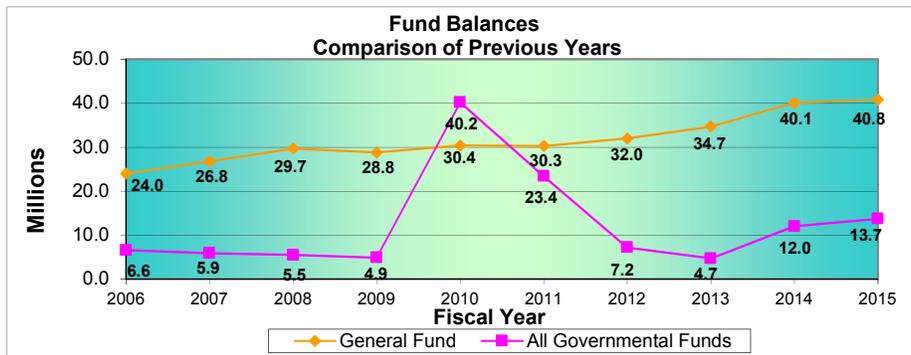
**Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General fund										
Reserved	\$5,542	\$6,277	\$7,365	\$7,564	\$7,242	-	-	-	-	-
Unreserved	18,468	20,528	22,367	21,264	23,169	-	-	-	-	-
Non Spendable						15	17	19	22	23
Restricted						5,543	6,524	6,980	11,032 <sup>2</sup>	8,707
Committed						239	279	319	513	423
Assigned						3,323	2,199	4,476	7,061 <sup>2</sup>	6,832
Unassigned						21,155	22,937	22,936	21,447	24,836
<b>Total general fund</b>	<b>\$24,010</b>	<b>\$26,805</b>	<b>\$29,732</b>	<b>\$28,828</b>	<b>\$30,411</b>	<b>\$30,275</b>	<b>\$31,956</b>	<b>\$34,730</b>	<b>\$40,075</b>	<b>\$40,821</b>
All other governmental funds										
Reserved	\$230	\$425	\$235	\$35	\$36,349 <sup>1</sup>	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	3,665	4,102	3,919	3,690	3,492	-	-	-	-	-
Capital projects funds	2,696	1,351	1,361	1,225	347	-	-	-	-	-
Non Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	4,156	1,583	1,399	1,812	987
Committed	-	-	-	-	-	2,539	2,417	2,286	2,287	5,353
Assigned	-	-	-	-	-	228	214	243	1,600	105
Unassigned	-	-	-	-	-	(505)	(76)	(408)	(951)	(14)
Restricted in Capital Project	-	-	-	-	-	18,991	3,054	1,213	-	-
Committed in Capital Project	-	-	-	-	-	-	-	-	-	-
Unassigned in Capital Project	-	-	-	-	-	(1,970)	-	-	-	-
Restricted in Bond Fund	-	-	-	-	-	-	-	-	6,855 <sup>2</sup>	-
Committed in Bond Project	-	-	-	-	-	-	-	-	385	-
<b>Total all other governmental funds</b>	<b>\$6,591</b>	<b>\$5,878</b>	<b>\$5,515</b>	<b>\$4,950</b>	<b>\$40,188</b>	<b>\$23,439</b>	<b>\$7,192</b>	<b>\$4,733</b>	<b>\$11,988</b>	<b>\$6,431</b>

<sup>1</sup> The 2010 increase in reserved for capital projects funds is due to \$28,967,319 of Capital Projects Fund and \$7,308,333 capital projects in Other Governmental Funds.

<sup>2</sup> The 2014 increase in restricted General Fund is due to \$8,221,349 of unspent debt proceeds as of June 30, 2014. Increase in assigned fund balance is primarily due to receipt of NC Eastern Region payout funds for Nash County of \$1,570,743 and Eastern Region debt proceeds of \$576,923. The increase in restricted bond project funds is due to \$7,240,896 of capital outlays for the Nash Community College.

NOTE: GASB Statement #54 (Fund Balance Reporting) established new fund balance classifications in FY11. The first section with fiscal year 2006 to fiscal year 2010 shows the fund balance information prior to the implementation of GASB Statement #54 and the second section beginning with fiscal year 2011 shows the fund balance information after the implementation of GASB Statement #54.



**NASH COUNTY, NORTH CAROLINA**

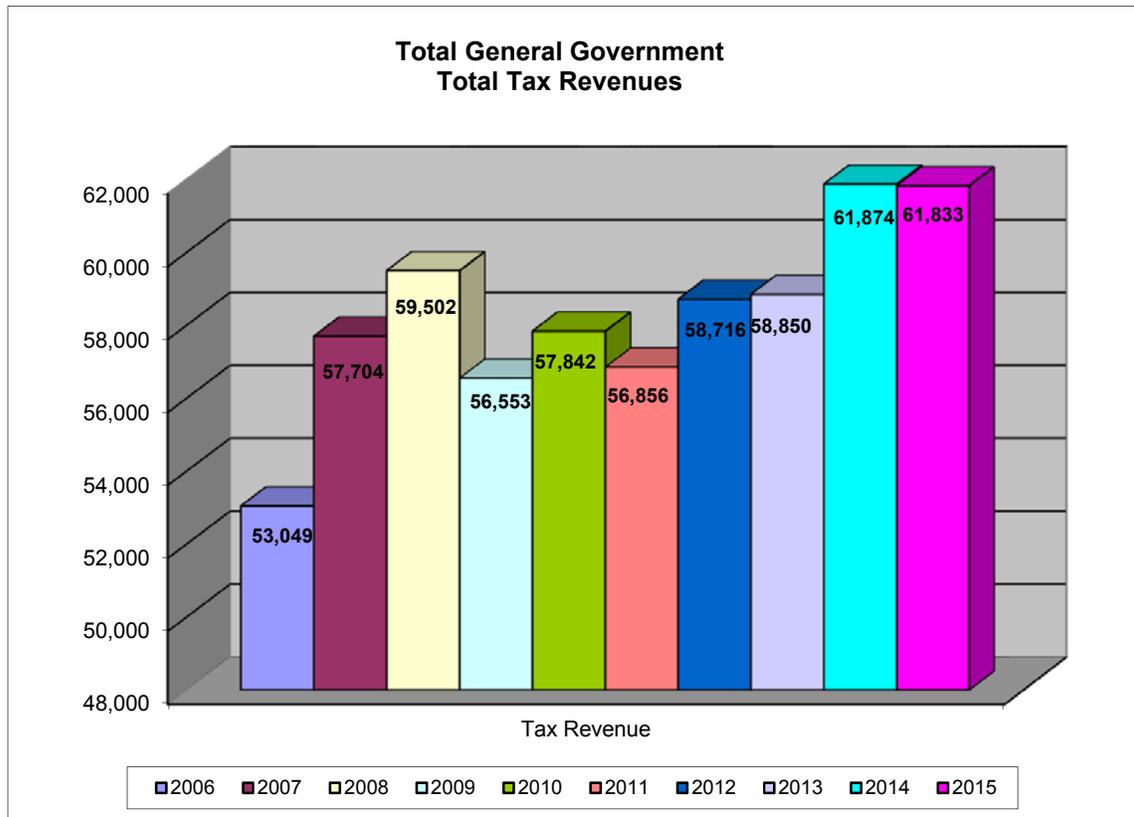
**Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Ad valorem taxes	\$38,670	\$42,232	\$43,739	\$44,119	\$48,278	\$48,301	\$48,978	\$49,612	\$52,673	\$51,834
Other taxes and licenses	16,212	17,479	17,945	14,622	12,008	11,024	12,292	11,884	12,032	12,931
Intergovernmental	21,691	18,945	19,665	22,296	23,054	34,015	22,981	21,928	22,716	22,698
Permits and fees	1,295	1,364	1,310	1,000	920	917	983	1,151	1,010	943
Sales and services	2,419	3,160	4,207	4,468	5,139	4,531	4,186	4,374	3,872	4,816
Investment earnings	1,439	1,806	1,357	872	274	291	154	142	146	120
Miscellaneous	1,172	4,648	1,814	1,034	2,555	3,584	2,147	3,457	3,688	1,224
<b>Total revenues</b>	<b>\$82,898</b>	<b>\$89,634</b>	<b>\$90,037</b>	<b>\$88,411</b>	<b>\$92,228</b>	<b>\$102,663</b>	<b>\$91,721</b>	<b>\$92,548</b>	<b>\$96,137</b>	<b>\$94,566</b>
<b>Expenditures</b>										
General government	10,798	7,672	7,871	8,244	8,826	10,472	10,039	8,446	8,616	8,309
Public safety	16,715	17,825	19,335	21,122	21,825	22,368	23,639	23,222	23,161	23,644
Transportation	165	213	231	327	397	381	343	301	315	300
Economic and physical development	4,505	2,726	3,823	3,345	5,233	3,706	2,654	3,652	3,085	3,219
Human services	28,185	29,688	29,545	28,097	26,231	25,683	25,626	25,483	25,999	26,074
Cultural and recreation	1,077	1,195	1,351	1,497	1,562	1,675	1,581	1,543	1,655	1,616
Education	25,227	22,004	22,327	23,654	25,976	51,431	38,513	25,316	25,964	30,481
Revaluation	-	41	104	146	-	-	-	-	-	-
Debt Service:										
Principal	2,413	2,707	2,641	2,619	2,580	2,800	3,132	2,876	3,388	7,256
Interest	1,025	1,092	1,000	829	708	2,012	1,905	1,858	1,980	1,933
Issuance	-	-	-	-	-	-	-	-	-	95
<b>Total expenditures</b>	<b>90,110</b>	<b>85,163</b>	<b>88,228</b>	<b>89,880</b>	<b>93,338</b>	<b>120,528</b>	<b>107,432</b>	<b>92,697</b>	<b>94,163</b>	<b>102,927</b>
Excess of revenues over (under) expenditures	(\$7,212)	\$4,471	\$1,809	(\$1,469)	(\$1,110)	(\$17,865)	(\$15,711)	(\$149)	\$1,974	(\$8,361)
<b>Other financing sources (uses)</b>										
Transfers in	50	50	1,235	386	505	730	27	354	2,780	1,945
Transfers out	(50)	(2,439)	(1,381)	(386)	(505)	(730)	(27)	(354)	(2,780)	(2,504)
Proceeds from installment purchases	-	-	-	-	-	-	-	-	-	-
Bonds issued	-	-	-	-	36,937	-	-	-	9,310	0
Refunding bonds issued	0	0	0	0	0	0	0	0	0	3,787
Bond premium	-	-	-	-	994	-	-	-	380	0
Long-term debt issued	1,793	-	-	-	-	-	-	-	577	-
Sale of capital assets	-	-	901	-	-	-	70	-	-	-
Capital lease obligations issued	-	-	-	-	-	979	1,075	465	359	322
<b>Total other financing sources (uses)</b>	<b>1,793</b>	<b>(2,389)</b>	<b>755</b>	<b>-</b>	<b>37,931</b>	<b>979</b>	<b>1,145</b>	<b>465</b>	<b>10,626</b>	<b>3,550</b>
<b>Net change in fund balances</b>	<b>(\$5,419)</b>	<b>\$2,082</b>	<b>\$2,564</b>	<b>(\$1,469)</b>	<b>\$36,821</b>	<b>(\$16,886)</b>	<b>(\$14,566)</b>	<b>\$316</b>	<b>\$12,600</b>	<b>(\$4,811)</b>
Debt service as a percentage of noncapital expenditures	4.28%	4.63%	4.28%	3.84%	3.52%	4.16%	4.90%	5.22%	5.79%	9.31%

## NASH COUNTY, NORTH CAROLINA

### General Government Tax Revenues By Source Last Ten Fiscal Years (modified accrual basis of accounting) (amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Intangible Tax</u>	<u>Sales Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Rental Vehicle Tax</u>	<u>Privilege Licenses Tax</u>	<u>Total</u>
2006	\$36,838	\$0	\$15,758	\$386	\$48	\$19	\$53,049
2007	40,225	-	17,040	371	54	14	57,704
2008	41,557	-	17,552	319	55	19	59,502
2009	41,931	-	14,353	202	50	17	56,553
2010	45,834	-	11,758	182	54	14	57,842
2011	45,832	-	10,810	142	56	16	56,856
2012	46,424	-	12,071	144	63	14	58,716
2013	46,965	-	11,619	186	65	15	58,850
2014	49,842	-	11,746	203	69	14	61,874
2015	48,902	-	12,641	211	72	7	61,833



**NASH COUNTY, NORTH CAROLINA**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years  
(in thousands of dollars)**

Fiscal Year Ended June 30	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2006	\$2,969,201	\$1,956,460	\$707,566	\$882,221	(\$853,556)	\$5,661,892	0.66	\$6,060,838	93.42%
2007	3,005,337	1,978,664	728,015	900,598	(840,561)	5,772,053	0.70	6,337,039	91.08%
2008	3,058,683	2,039,122	768,476	996,483	(842,337)	6,020,427	0.70	6,905,655	87.18%
2009	3,132,659	2,033,235	764,185	950,943	(855,723)	6,025,299	0.70	6,924,835	87.01%
2010	3,752,284	2,510,928	679,641	958,630	(1,000,154)	6,901,329	0.67	7,097,942	97.23%
2011	3,769,534	2,539,620	643,305	960,321	(1,019,267)	6,893,513	0.67	7,125,815	96.74%
2012	3,792,117	2,638,493	682,422	956,318	(1,111,614)	6,957,736	0.67	7,001,848	99.37%
2013	3,803,337	2,634,284	731,442	954,638	(1,109,318)	7,014,383	0.67	6,971,162	100.62%
2014	3,826,638	2,654,172	860,376 <sup>1</sup>	933,828	(1,113,587)	7,240,869	0.67	7,190,535	100.70%
2015	3,867,641	2,687,683	789,100	978,586	(1,115,407)	7,207,603	0.67	7,078,074	101.83%

<sup>1</sup> This reporting year only - There are 4 months of Motor Vehicle Value overlap due to old RMV system billing 4 months in arrears, but the new VTS billing at front of cycle. This will not occur in subsequent years.

Source: County tax assessor

Note: Property in the county is reassessed every eight years. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed value.

**NASH COUNTY, NORTH CAROLINA**

**Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

	Year Taxes Are Payable									
	2006	2007	2008	2009	2010 <sup>1</sup>	2011	2012	2013	2014	2015
Nash County	\$ 0.6600	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.6700	\$ 0.6700	\$ 0.6700	\$ 0.6700	\$ 0.6700	\$ 0.6700
<u>Municipality Rates:</u>										
City of Rocky Mount	0.5000	0.5500	0.5800	0.5800	0.5500	0.5500	0.5800	0.5800	0.5800	0.6050
Town of Sharpsburg	0.4500	0.4500	0.5000	0.5000	0.5000	0.5000	0.5500	0.6500	0.6500	0.6500
Town of Spring Hope	0.7000	0.6200	0.6200	0.6200	0.5700	0.5700	0.5700	0.5700	0.6000	0.6300
Town of Bailey	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100
Town of Middlesex	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5000	0.5000	0.5200	0.5700
Town of Whitakers	0.6900	0.6900	0.6900	0.6900	0.6900	0.6900	0.7200	0.7200	0.7200	0.7200
Town of Nashville	0.6300	0.6300	0.6300	0.6300	0.5600	0.5600	0.5600	0.5600	0.5600	0.5600
Town of Castalia	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2500	0.2500
Town of Momeyer	0.0500	0.0500	0.0900	0.0900	0.0900	0.0900	0.1300	0.1300	0.1300	0.1300
<u>Other Districts:</u>										
Rocky Mount Municipal District	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
<u>Fire Districts:</u>										
Ferrells	0.1100	0.1100	0.1200	0.1200	0.1200	0.1200	0.1336	0.1336	0.1336	0.1336
N.S. Gulley	0.0975	0.1075	0.1075	0.1075	0.1075	0.1075	0.1075	0.1075	0.1075	0.1200
Harrison	0.0700	0.0700	0.0700	0.0700	0.0900	0.0900	0.0900	0.0900	0.1000	0.1000
Stanhope	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Stony Creek	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Green Hornet	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Silver Lake	0.0900	0.0900	0.0800	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Sims	0.0400	0.0400	0.0400	0.0400	0.0464	0.0464	0.0464	0.0464	0.0464	0.0464
Tri-County	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.1000
Salem	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.1200	0.1200
West Mount	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.1000
Coopers	0.0600	0.0600	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850
Castalia	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735
Spring Hope	0.0800	0.0800	0.0800	0.0800	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Middlesex	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0800	0.0800
Red Oak	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Momeyer	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0800	0.0800
Whitakers	0.0600	0.0600	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750

<sup>1</sup> Revaluation years.

Note: The rates are shown per \$100 of taxable value. Real property is reappraised at 100% of fair market value every eight years. Personal property is reappraised annually at 100% of fair market value.

Source: County tax assessor.

**NASH COUNTY, NORTH CAROLINA**

**Principal Property Taxpayers  
as of January  
(amounts expressed in thousands)**

Taxpayer	2015			2006		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
Consolidated Diesel Co.	\$215,863	1	2.99%	\$196,805	1	3.48%
Hospira Inc.	204,509	2	2.84%	114,368	2	2.02%
Universal Leaf North America NC	90,548	3	1.26%	105,851	3	1.87%
Duke Energy Progress Inc.	55,732	4	0.77%	40,828	5	0.72%
Hendon Golden East LLC	33,686	5	0.47%	24,516	8	0.43%
McLane Mid Atlantic, Inc.	33,465	6	0.46%	-	-	-
Carolina Telephone	24,581	7	0.34%	-	-	-
Kaba Ilco-Unican Corporation	19,483	8	0.27%	21,421	9	0.38%
Rocky Mount WEH LP	19,226	9	0.27%	-	-	-
Cheesecake Factory Bakery, Inc.	18,572	10	0.26%	-	-	-
PNC - RBC Centura Bank, Inc.	-	-	-	43,386	4	0.77%
Warren G.W. Farms, Inc.	-	-	-	36,333	6	0.64%
Sprint	-	-	-	33,731	7	0.60%
Rocky Mount Tectel LLC	-	-	-	20,931	10	0.37%
Totals	<u>\$715,665</u>		<u>9.93%</u>	<u>\$638,170</u>		<u>11.27%</u>

Source: County tax assessor

**NASH COUNTY, NORTH CAROLINA**

**Property Tax Levies and Collections  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

Fiscal Year Ended <u>June 30</u>	Total Tax Levy for <u>Fiscal Year</u>	Collected within the Fiscal Year of the Levy		Collections in <u>Subsequent Years</u>	Total Collections to Date	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2006	\$37,460	\$36,149	96.90%	\$1,156	\$37,305	99.59%
2007	39,669	38,698	95.63%	1,769	40,467	102.01%
2008	42,226	40,648	96.26%	1,257	41,905	99.24%
2009	42,180	40,459	95.92%	1,378	41,837	99.19%
2010	46,000	44,205	96.10%	1,330	45,535	98.99%
2011	46,010	44,172	96.01%	1,421	45,593	99.09%
2012	46,574	44,629	95.82%	1,860	46,489	99.82%
2013	47,083	44,970	95.51%	1,794	46,764	99.32%
2014	48,580	47,477	97.73%	1,915	49,392	101.67%
2015	48,394	47,608	98.38%	1,254	48,862	100.97%

NOTE: Starting September 1, 2014 Motor Vehicle are billed thru Tax & Tag Together

Source: County tax assessor.

**NASH COUNTY, NORTH CAROLINA**

**Ratio of Outstanding Debt by Type  
Last Ten Fiscal Years  
(amounts expressed in thousands, except per capita amount)**

Fiscal Year	Governmental Activities					Business-type Activities		Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	General Obligation Bonds	Installment Purchases	Limited Obligation Bonds	Capital Leases	Unamortized Premiums/ Discounts	Installment Purchases	Water Bonds			
2006	\$0	\$22,817	\$0	\$0	\$0	\$1,918	\$0	\$24,735	0.91%	\$267
2007	-	20,110	-	-	-	4,328	-	24,438	0.84%	263
2008	-	17,470	-	-	-	4,023	-	21,493	0.69%	229
2009	-	14,851	-	-	-	3,717	5,239	23,807	0.75%	251
2010	-	20,852	28,355	-	994	3,412	5,239	58,852	1.82%	614
2011	-	18,310	28,355	722	942	3,107	5,179	56,615	1.72%	590
2012	-	16,102	27,900	1,327	890	2,801	7,922	56,942	1.68%	595
2013	-	14,614	26,940	1,364	837	2,496	7,859	54,110	1.56%	565
2014	9,310	13,467	25,975	1,024	1,165	2,190	12,517	65,648	na	693
2015	8,840	11,907	25,010	667	1,077	1,885	12,406	61,792	na	655

Note: Details regarding Nash County's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> See the Schedule of Demographic and Economic Statistics in this section for personal income and population data.

**NASH COUNTY, NORTH CAROLINA**

**Ratio of General Bonded Debt Outstanding  
Last Seven Fiscal Years  
(amounts expressed in thousands, except per capita amount)**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value<sup>1</sup> of Property</b>	<b>Per Capita<sup>2</sup></b>
2009 <sup>3</sup>	\$ 5,239	\$ -	\$ 5,239	0.08%	\$ 55
2010	5,239	-	5,239	0.07%	54
2011	5,179	-	5,179	0.07%	53
2012	7,922	-	7,922	0.11%	82
2013	7,859	-	7,859	0.11%	82
2014	21,827	-	21,827	0.31%	230
2015	21,246	-	21,246	0.30%	225

<sup>1</sup>See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property statistical table for property value data.

<sup>2</sup>Population data can be found in the Schedule of Demographic and Economic Statistics.

<sup>3</sup>First year Nash County had General Bonded Debt Outstanding

**NASH COUNTY, NORTH CAROLINA**

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2015  
(amounts expressed in thousands)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable<sup>1</sup></u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<b>Debt repaid with property taxes:</b>			
Town of Sharpsburg	\$ 1,535	0.74%	<u>\$ 11</u>
Subtotal, overlapping debt			11
<b>Nash County direct debt</b>			
Capital Lease			667
General Obligation Debt			8,840
Limited Obligation Debt			25,010
Installment Purchase Contracts			11,907
Unamortized Premiums/Discounts			<u>1,077</u>
Total direct debt			47,501
<b>Total direct and overlapping debt</b>			<u><u>\$ 47,512</u></u>

Source: North Carolina Department of State Treasurer [www.nctreasurer.com](http://www.nctreasurer.com)

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Nash County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

**NASH COUNTY, NORTH CAROLINA**

**Legal Debt Margin Information  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt limit	\$ 452,951	\$ 461,764	\$ 481,634	\$ 482,024	\$ 552,106	\$ 551,481	\$ 556,619	\$ 561,151	\$ 579,270	\$ 576,608
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,239</u>	<u>5,239</u>	<u>5,179</u>	<u>7,922</u>	<u>7,859</u>	<u>21,827</u>	<u>21,246</u>
Legal debt margin	<u>\$ 452,951</u>	<u>\$ 461,764</u>	<u>\$ 481,634</u>	<u>\$ 476,785</u>	<u>\$ 546,867</u>	<u>\$ 546,302</u>	<u>\$ 548,697</u>	<u>\$ 553,292</u>	<u>\$ 557,443</u>	<u>\$ 555,362</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	1.09%	0.95%	0.94%	1.42%	1.40%	3.77%	3.68%

**Legal Debt Margin Calculation for Fiscal Year 2015**

Total assessed value	<u>\$7,207,603</u>
Debt Limit (8% of total assessed value)	\$ 576,608
Debt applicable to limit:	
Water bonds	\$ 12,406
General Obligation Bond	\$ 8,840
Total net debt applicable to limit	<u>\$ 21,246</u>
Legal debt margin	<u>\$ 555,362</u>

Note: Under state finance law, Nash County's net debt should not exceed 8 percent of total assessed property value.

**NASH COUNTY, NORTH CAROLINA**

**Pledged-Revenue Coverage  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

This schedule does not apply to Nash County.

## NASH COUNTY, NORTH CAROLINA

### Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population <sup>1</sup>	Personal Income (amounts expressed in thousands) <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	Median Age <sup>1</sup>	School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
2006	92,480	\$ 2,706,364	\$ 29,597	37.5	17,792	6.0
2007	93,088	2,908,534	31,374	37.7	17,800	6.1
2008	93,820	3,112,413	33,174	37.9	17,773	8.1
2009	94,745	3,179,260	33,557	38.1	17,549	13.1
2010	95,894	3,237,490	33,761	38.6	17,282	12.2
2011	95,912	3,284,494	34,245	39.4	17,767	12.7
2012	95,708	3,393,700	35,459	39.7	17,500	12.8
2013	95,728	3,475,011	36,301	40.0	16,443	12.6
2014	94,744	na	na	41.0	16,200	8.8
2015	94,338	na	na	41.0	15,672	8.1

#### Data Sources

<sup>1</sup> North Carolina Office of State Budget and Management <http://www.osbm.state.nc.us>

<sup>2</sup> Bureau of Economic Analysis: Regional Economic Accounts > Local Area Personal Income [www.bea.gov](http://www.bea.gov)

<sup>3</sup> School District

<sup>4</sup> Employment Security Commission of North Carolina [www.ncesc.com](http://www.ncesc.com)

Note: Capital income and per capita personal income are based on the latest available data. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

## NASH COUNTY, NORTH CAROLINA

### Principal Employers Current Year and Nine Years Ago

Employer	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Hospira Inc.	3,000	1	7.54%	1,945	3	4.65%
Nash-Rocky Mount Schools	2,275	2	5.71%	2,478	1	5.92%
Cummins, Inc.	1,800	3	4.52%	1,153	5	2.76%
Nash Health Care Systems	1,600	4	4.02%	1,979	2	4.73%
City of Rocky Mount	850	5	2.14%	1,372	4	3.28%
PNC Bank	800	6	2.01%	1,064	6	2.54%
Universal Leaf North America NC	800	7	2.01%	1,019	7	2.43%
West Corporation	800	8	2.01%			
McLane Mid-Atlantic, Inc.	575	9	1.44%	601	9	1.44%
Nash County	575	10	1.44%	654	8	1.56%
Kaba Ilco-Unican Corporation				535	10	1.28%
<b>Total</b>	<b>13,075</b>		<b>32.84%</b>	<b>12,800</b>		<b>30.59%</b>

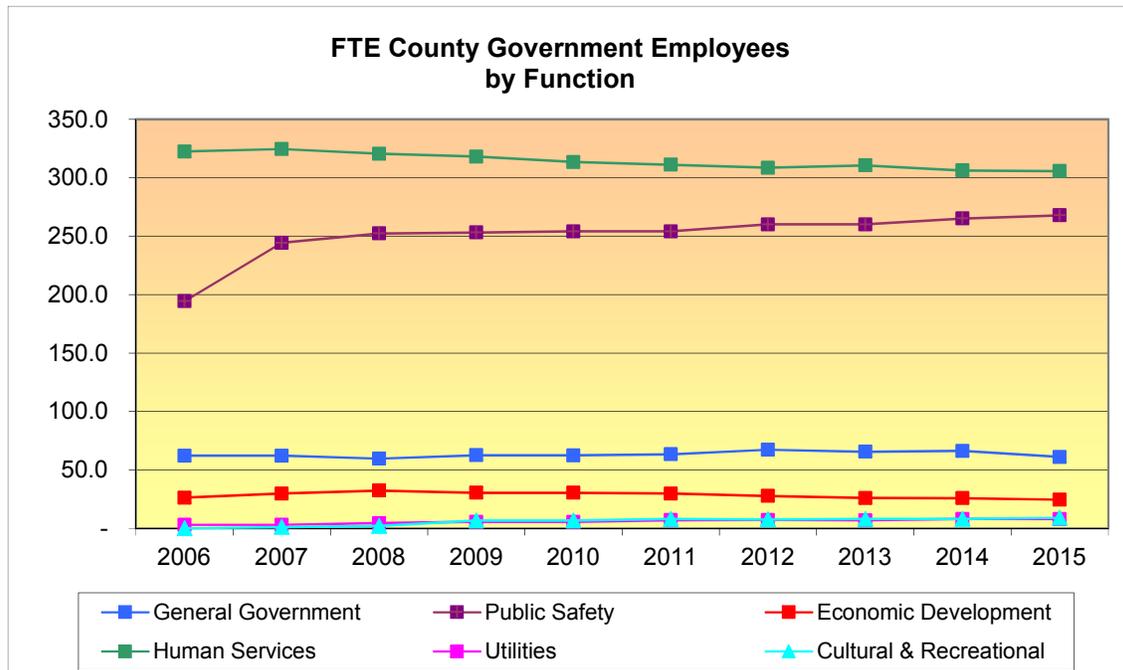
Source: Nash County business community.

## NASH COUNTY, NORTH CAROLINA

### Full-time Equivalent County Government Employees by Function Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of June 30									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government	62.1	62.1	59.7	62.5	62.4	63.4	67.3	65.5	66.3	61.1
Public safety										
Sheriff										
Deputies	68.0	68.0	76.0	77.0	78.0	78.0	77.0	77.0	77.0	87.0
Civilians	59.0	59.0	57.0	57.0	57.0	57.0	58.0	58.0	58.0	50.0
Emergency Services	62.3	112.3	114.3	114.1	114.1	114.1	120.1	120.1	125.1	125.8
Other Public Safety	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Economic Development	26.2	29.8	32.3	30.4	30.4	29.7	27.7	26.0	25.8	24.5
Human Services										
Health	135.2	134.1	130.1	123.7	119.8	117.7	115.5	116.7	114.9	111.8
Social Services	159.5	163.0	163.0	166.0	165.0	165.0	165.0	165.0	164.0	166.3
Other Human Services	27.8	27.5	27.5	28.4	28.6	28.4	28.1	28.9	27.3	27.6
Utilities	3.0	3.0	4.4	5.5	5.5	7.0	7.1	6.8	8.0	8.0
Cultural & Recreational	-	1.0	2.0	6.5	6.5	8.0	7.5	8.0	8.0	9.0
<b>Total</b>	<b>608.0</b>	<b>664.7</b>	<b>671.3</b>	<b>676.1</b>	<b>672.3</b>	<b>673.3</b>	<b>678.3</b>	<b>677.0</b>	<b>679.4</b>	<b>676.1</b>

Source: Government finance office.



**NASH COUNTY, NORTH CAROLINA**

**Operating Indicators by Function  
Last Ten Fiscal Years**

Function	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety										
Sheriff										
Physical arrests	6,164	6,061	6,284	6,044	5,840	5,656	2,316	2,418	2,286	2,006
Serving civil papers (evictions, executions, court)	18,690	19,216	18,966	19,670	19,121	18,454	21,112	20,348	11,753	12,438
Traffic violations/citations	271	827	1,742	1,612	1,779	675	534	475	355	619
Cases in review by investigations	2,228	1,894	1,938	2,052	1,764	1,082	1,077	1,103	1,541	1,933
Cases closed/cleared	1,553	1,206	1,313	1,314	1,219	568	550	581	971	1,322
Calls for service	13,600	12,226	12,787	18,213	23,614	21,643	22,442	22,130	25,691	21,643
Transports	1,753	1,488	1,475	1,578	1,065	1,598	1,251	1,927	1,881	1,533
Emergency Services										
Number incoming/outbound calls	213,148	na	na	na	180,894	170,426	179,712	166,944	169,803	172,745
Number of calls for service dispatched from 911 Center	48,324	47,421	54,538	68,800	79,774	91,566	110,925	112,474	115,056	103,788
Public education events	-	12	12	12	8	8	8	10	10	10
Fire										
Inspections	700	923	903	762	834	985	1,023	1,203	1,404	824
Number of fire investigations	25	29	27	21	23	31	24	21	22	15
Plans review	-	-	-	28	31	38	33	26	19	53
Economic Development										
Permits issued (building, electrical, mechanical, plumbing, etc.)	1,998	2,135	2,085	2,899	3,243	3,296	3,255	3,409	2,538	2,805
New residential construction (units)	332	400	317	165	170	112	138	141	132	130
New commercial construction (units)	12	17	29	26	15	21	16	19	13	16
Building inspections performed	10,739	12,101	11,791	9,178	8,807	8,359	8,936	8,387	7,358	7,577
Solid Waste										
Refuse collected (tons/day)	88.4	76.8	78.7	77.2	73.6	79.6	129.3	60.7	64.7	78.4
Utilities										
Water										
Total water customers	386	663	896	1,041	1,538	1,996	2,115	2,177	2,656	2,765
Water mains breaks	1	-	-	-	-	3	2	4	6	7
Average daily consumption (thousands of gallons)	110	158	138	136	178	202	219	279	334	302
Sewer										
Total sewage customers	257	270	278	271	270	252	263	267	267	266
Average daily sewage treatment (thousands of gallons)	65	55	67	69	77	55	61	76	84	63

Sources: Various county government departments.

Note: Indicators are not available for the general government function.

**NASH COUNTY, NORTH CAROLINA**

**Capital Asset Statistics by Function  
Last Ten Fiscal Years**

<b>Function</b>	<b>Fiscal Year</b>									
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Public safety										
Sheriff:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	68	71	75	76	76	76	76	76	76	81
Water										
Water mains (miles)	16.0	39.6	39.6	52.7	100.4	127.8	129.2	129.2	140.1	188.0
Fire hydrants	186	186	186	186	186	214	216	216	283	295
Maximum daily capacity (thousands of gallons)	300	989	989	989	989	989	989	989	989	989
Sewer										
Sanitary sewers (miles)	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Maximum daily treatment capacity (thousands of gallons)	300	300	300	300	300	300	300	300	300	300

Sources: Various county government departments.

Note: No capital asset indicators are available for the general government function.

Nash County, North Carolina  
Financial Statements and Schedules

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***COMPLIANCE SECTION***

Nash County, North Carolina  
Financial Statements and Schedules

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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 Board of Commissioners  
Nash County, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 26, 2015. The financial statements of Nash County Tourism Development Authority, Nash County Business Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board 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 Nash County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Nash County's internal control. Accordingly, we do not express an opinion on the effectiveness of Nash County'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.

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Toll Free Both Locations 1-800-948-0585 ♦ Website: [www.martinstarnes.com](http://www.martinstarnes.com)

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 Nash County'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 noncompliance 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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or 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 26, 2015

**NASH COUNTY, NORTH CAROLINA**

**SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2015**

**1. Summary of Auditor's Results**

**Financial Statements**

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? \_\_\_\_\_ Yes      X   No
  
- Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   No

Non-compliance material to financial statements noted? \_\_\_\_\_ Yes      X   No

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

None.

**NASH COUNTY, NORTH CAROLINA**

**SUMMARY OF PRIOR YEAR'S FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2015**

Finding 2014-001 – corrected.