



Popular Annual Financial Report

Fiscal Year Ended June 30, 2019

Letter From Finance Officer

Dear Citizens of Nash County

I am proud, on behalf of the Board of County Commissioners and the Management of Nash County, to present the Popular Annual Financial Report (PAFR) also referred to as the Citizens' Financial Report. Provided in this report are the financial highlights from the fiscal year ended June 30, 2019.

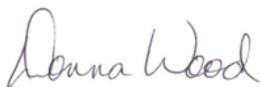
The PAFR is designed to provide a summary view of the financial activities of the County. All information in this report can be found in greater detail in the Nash County 2019 Comprehensive Annual Financial Report (CAFR), the County's audited financial statements. The Nash County financial statements are audited by an independent external auditing firm (Thompson, Price, Scott, Adams & Company, P.A.) and can be found on the Nash County Website under Finance Reports at <https://www.nashcountync.gov/DocumentCenter/View/5965/2019-CAFR>. The 2019 audited financial statements received an unmodified or clean audit opinion.

The County provides significant financial detail through the CAFR, and for those without an accounting background, the CAFR can be daunting. In a continuing effort to provide transparency to the residents and general users of this information, the County has endeavored to provide the pertinent financial information in an understandable, meaningful way.

The financial statements used in the report are simplified and condensed to reflect the County's government-wide information. The PAFR is designed to provide insight to the residents and the non-traditional users of financial statements. The report is not intended to be comprehensive, but to provide a clear picture of Nash County's general financial condition.

We welcome your comments, questions, and concerns; and we appreciate your interest in the County and its financial information.

Sincerely,



Donna Wood
Director of Finance



2019 Citizen's Annual Financial Report

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About the PAFR

As part of its continuing efforts to improve Governmental transparency, the County decided to publish the PAFR as a supplement to the CAFR and to provide an overview of government, the service areas, your elected officials, and provide an easy to read overview of the County's overall fiscal health.

We hope you find the PAFR to be concise, informative, and easy to read. As you review this document, we encourage you to share your thoughts with us, and value your input and comments.

■ ■ ■ ■ ■

Find fresh fruits, vegetables and flowers, arts and crafts, hand-made soap, candles and jewelry, paintings, yard décor and much more at the Nash County Farmers Market.



Elected Officials and County Management

Nash County is governed by a seven-member board of commissioners, elected by district for staggered four-year terms. The governing board is responsible for policy-making and enforcing ordinances, adoption of the annual budget, approving zoning and planning issues and other matters related to the health and welfare of the County.

The Board meets the first Monday of each month at 9:00 a.m. in the Claude Mayo, Jr. Administration Building in downtown Nashville, North Carolina. Meeting agendas are available online at www.co.nash.nc.us under the Government / Commissioners' link.

Elected Officials



Lou M. Richardson
District 1



Fred Belfield, Jr.
District 2



Dan Cone
District 3



Sue Leggett
District 4



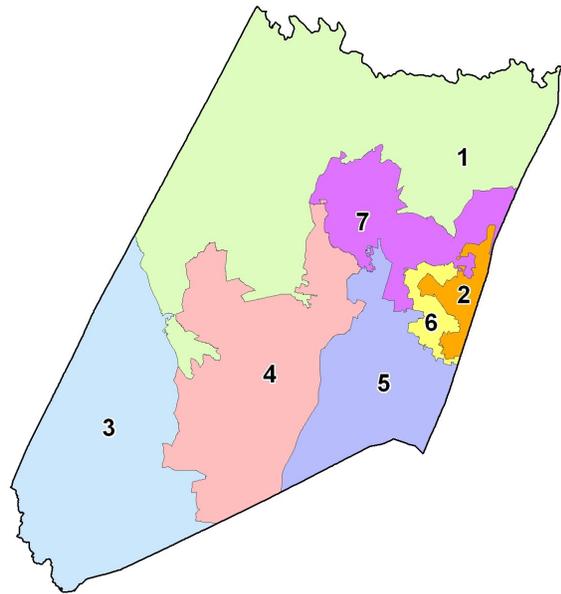
J. Wayne Outlaw
Vice Chairman
District 5



Mary P. Wells
District 6



Robbie B. Davis
Chairman
District 7



Keith Stone
Sheriff



Anne Melvin
Register of Deeds

County Management



Zee Lamb
County Manager



Stacie Shatzer
Asst. County Manager



Vince Durham
County Attorney

County Directory of Officials

Visit Nash County's Website at www.nashcountync.gov

Directory of Officials and Areas of Service

Area of Service	Official	Phone Number
County Manager	Zee Lamb	(252) 459-9800
Assistant County Manager	Stacie Shatzer	(252) 459-9800
Finance	Donna Wood	(252) 462-2402
Human Resources	Anison Kirkland	(252) 459-9853
Tax	Doris Sumner	(252) 459-9824
Information Technology	Sandi Vick	(252) 459-1235
Emergency Services	Brian Brantley	(252) 459-9805
Sheriff	Keith Stone	(252) 459-4121
Health Department	William Hill	(252) 459-9819
Social Services	Amy Hamlett	(252) 459-9876
Planning	Adam Tyson	(252) 459-9809
Utilities	Jonathan Boone	(252) 462-2613
County Services & Grants	Patsy McGhee	(252) 462-2434
Senior Services	Michele McKnight	(252) 459-2672
Parks and Recreation	Thomas Gillespie	(252) 459-2628
Elections	John Kearney	(252) 459-1350
Register of Deeds	Anne Melvin	(252) 459-9836
Soil Conservation	Valerie Harris	(252) 459-4115
Cooperative Extension	Sandy Hall	(252) 459-9810
Veteran Services	Tyler Staverman	(252) 462-2720
Travel & Tourism	Barbara Green	(252) 972-5080
Business Development Recruiter	Susan Phelps	(252) 459-9868

The County's website is a great source for information about our services, policies and events. Residents can also take advantage of many online services:

- Pay your tax or utility bill
- Look up property information
- Search County employment opportunities
- Search Register of Deeds records
- Board of Commissioner agendas
- Meeting schedules
- Operating hours
- Find forms and applications for County services
- Register for Recreation & Senior Services programs/events
- Sign up for CodeRed Alert System
- Use the online deed search
- Register for Recreation & Senior Services programs/events
- Access County forms . . . and more!

Stay Connected with Nash County departments through social media:

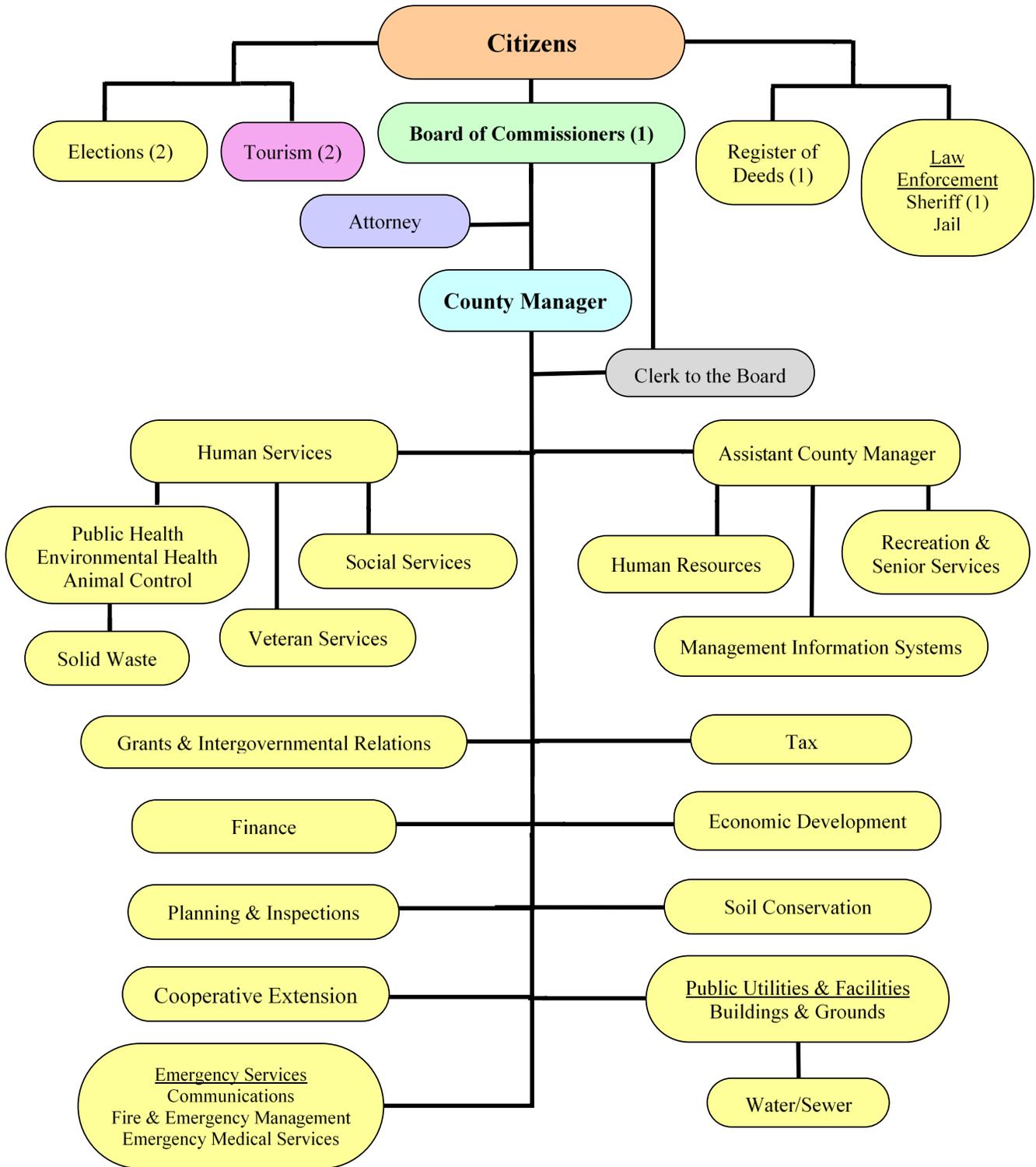
www.facebook.com/nashcounty
www.youtube.com/nashcountync
www.twitter.com/nashcountync



Nash County
 120 W. Washington Street
 Suite 3072
 Nashville, NC 27856
 (252) 459-9800

 PREPARED BY NASH COUNTY
 FINANCE DEPARTMENT

Organizational Chart



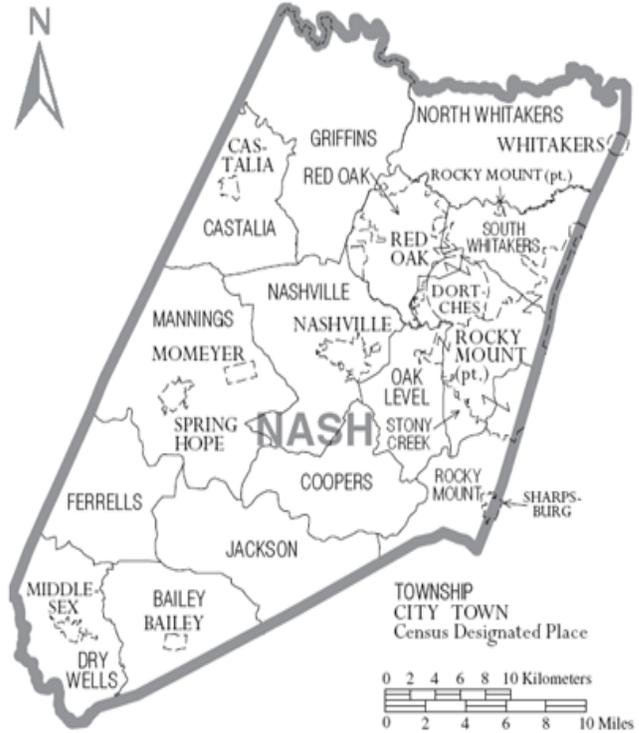
(1) Elected Office (2) Governed by Boards

Nash County Profile

Nash County, situated on the border of North Carolina's piedmont and coastal plain divisions, is 30 miles east of Raleigh and in the north central part of North Carolina.

Established in 1777, the County covers 543 square miles and serves a population of about 95,612. Eleven municipalities are located within the County, the largest being the City of Rocky Mount with a population of 54,242. Nashville is the second largest municipality with a population of 5,528 and serves as the county seat.

Nash County provides its citizens with a wide range of services that include general administration, public safety, economic development, human services, cultural, operation of solid waste disposal and water and sewer infrastructures as well as other 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 Braswell Memorial Public Library.



Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Nash County
North Carolina**

For its Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrell

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Nash County for its Popular Annual Financial Report for the fiscal year ended June 30, 2018. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award of Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Nash County has received a Popular Award for 11 previous years. We believe our current report continues to conform to the Popular Annual Financial Reporting standards.

Nash County At A Glance

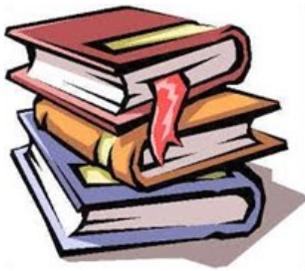
Nash County Principal Employers

Company

Pfizer, Inc.
 Nash-Rocky Mount Schools
 Cummins, Inc.
 Nash Health Care Systems
 Universal Leaf North America NC
 McLane Mid-Atlantic
 City of Rocky Mount
 Nash County
 Nash County
 Wal-Mart

Industry

pharmaceuticals
 public schools
 engine manufacturer
 hospital
 tobacco
 food distributor
 government
 government
 local government
 retail



Public School
 Enrollment
 15,077



Population
 95,612



Average Unemployment
 Rate 5.7%
 (State Average 4.4%)



Median Age
 41.4



Median Household Income
 \$47,597



Average Annual
 Rainfall
 45 inches



Average Temperature
 High 71 F
 Low 48 F



Average Annual
 Snowfall
 1 inch

Property Tax

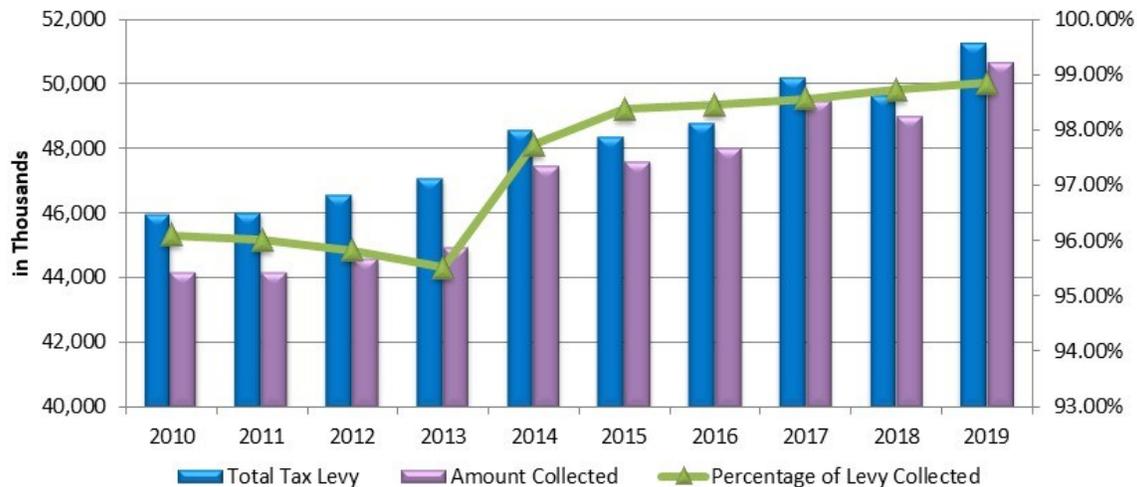
The property tax rate following revaluation in 2017 remained at \$0.67 per \$100 of valuation for the 10th year, lower than all our neighboring counties except Wake. The County's next revaluation will be in 2025.

2018-19 Tax Rate

Nash.....	\$0.6700
Edgecombe.....	0.9500
Franklin	0.8050
Halifax	0.7700
Johnston	0.7800
Wilson	0.7300
Wake	0.6544

Nash County's Net Property Tax Levy for Fiscal Year 2019 was \$51,268,438. The County collected 98.85%, an increase of 0.12% over the prior year collection of 98.73%.

Property Tax Levy and Collections



County Operating Indicators by Function

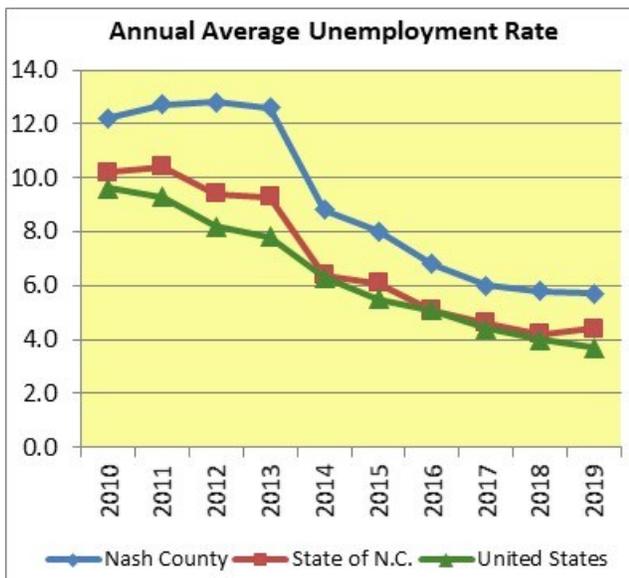
	2019	2018		2019	2018
Public Safety			Economic Development		
Sherriff			Permits issued (building, electrical, mechanical, plumbing)	3,264	3,239
Physical arrests	771	773	New residential construction (units)	355	252
Serving civil papers (evictions, executions, court)	12,297	11,003	New commercial construction (units)	19	19
Traffic violations/citations	787	503	Building inspections performed	8,730	8,868
Cases in review by investigations	2,482	1,096	Soild Waste		
Cases closed/cleared	1,877	529	Refuse collected (tons/day)	67.8	55.7
Calls for service	24,185	27,340	Utilities		
Transports	1,345	2,038	Water		
Emergency Services			Total water customers	3,207	3,194
Number incoming/outbound calls	158,424	163,464	Water main breaks	2	3
Number of calls for service dispatched from 911 Center	78,695	120,657	Average daily consumption (thousands of gallons)	435	434
Public education events	6	7	Sewer		
Fire			Total sewer customers	246	267
Inspections	1,388	927	Average daily sewage treatment (thousands of gallons)	148	133
Number of fire investigations	19	19			
Plans review	65	31			
Assist Fire Departments	126	104			

Economic Overview

Local Economy

Nash County's unemployment rate dropped 0.1% from June 2018 (5.8%) to June 2019 (5.7%). The County also realized an increase in new residential construction units of 41%. According to the N.C. Office of State Budget and Management, population increased slightly to 95,612 from 94,420.

The local economy of Nash County is well diversified with manufacturing (18.18%), health care & social assistance (14.10%), retail trade (12.76%), and accommodations & food services (10.66%) comprising the largest sectors of employment.



Major manufacturing operations in Nash County include Cummins, Inc., a diesel engine manufacturer, Universal Leaf North America NC, Inc., a tobacco processing plant and Pfizer, Inc., a pharmaceutical manufacturer. Nash County is diversified in its tax base with several companies continuing expansion during 2019. Poppies International is increasing its facility by 65,000 square feet at their plant in Whitakers Business and Industry Center representing \$4 million in new investment and up to 5 new full time positions. Millenia Patient Services, located in Spring Hope added 277 new full time positions. The NC Division of Motor Vehicles has selected the former headquarters of the Hardee's restaurant chain in Rocky Mount as its new headquarters location and should be operational in late Fall 2019.

Agriculture

Nash County is home to more than 400 farming operations of various sizes. Just over 40% of the counties 345,751 acre land area is farmland. Approximately two-thirds of Nash crop land is owned by non-farming landowners who lease their land to active farmers. Soybean is the largest crop grown in the county at 25,833 acres. Most of the Nash County soybean crop is crushed and used as a protein supplement in livestock feed rations. Flue-cured tobacco acreage planted decreased 1,279 acres to 7,175 acres in 2019. Wheat acreage increased by almost 1,000 acres to 3,948. Cotton acreage remained around 9,898. Farmers reported planting 8,704 acres of sweet potatoes with 90.5% being the Covington variety making Nash County #3 in the state for overall production. New agriculture crops include Stevia at 72 acres and Industrial Hemp at 135, which increased significantly from 10.5 acres in 2018. Poultry and eggs continue to be Nash County's highest valued agricultural commodities, with flu-cured tobacco and sweet potatoes close behind. While crop farmers suffer from lower crop market prices, livestock and poultry production benefits from the currently lower prices for corn and wheat and moderate soybean prices. Crop Production in Nash County ranks fifth statewide with a value of approximately \$110.6 million while overall agriculture production (field crops, livestock, dairy, and poultry combined) generated \$190 million cash receipts.

Nash County manages a regional farmers market for area farmers providing a storefront for over 80 local farmer-vendors. This market welcomed more than 35,000 customer visits in 2019.

Farmers Market hours:

April—November

Saturdays 8:00 am to 1:00 pm

June-August

Tuesdays 4:00 pm to 7:00 pm

Check the Nash County website for special event dates and times.

Economic Development / Major Initiatives

Economic and Community Development

Middlesex Corporate Center: Nash County and the Town of Middlesex are working to extend Corporation Parkway through Middlesex Corporate Centre. This project will also include water lines, sewer lines and a water tank. Funding for the projects include county dollars and several grants: \$1,250,000 Golden LEAF; \$1,514,000 NC Commerce and \$25,000 Duke Energy Community Foundation.

High Speed Internet: Nash County entered into a partnership with a private provider, CloudWyze, to expand high speed internet access to the unserved and underserved areas of the County. Phase 1, a pilot project, is expected to be complete in Fall 2019. Results of the pilot

project will determine if the County commits to future phases.

Housing Programs: Nash County had several active housing programs to assist low income homeowners, most with special needs (i.e. elderly, disabled, military veterans). The NC Housing Finance Agency provided funds for Essential Single Family Rehabilitation (\$490,000 & 14 homes so far) and ESFR Disaster Recovery-Hurricane Matthew (\$700,000 & 14 homes so far). The Community Development Block Grant-Neighborhood Revitalization (\$755,000 for paving Peele Drive and rehabilitating 10 homes) and closing out the Nash County part of the DownEast HOME Consortium (\$547,899 for 13 home rehabilitations).

Major Initiatives

Northern Nash Water & Sewer District (NNWSD): Nash County was approved for a State Loan of \$6,545,000 and Grant of \$3,000,000 from the Water Infrastructure Fund through the NC Department of Environmental Quality, Division of Water Infrastructure for the purpose of extending water lines to areas within the Towns of Red Oak and Dortches. The Towns of Red Oak and Dortches have committed funding for 10 years on the project. Construction on the project began in May of 2019 and completion is expected by September 2020.

Miracle Park at Coopers: The Miracle Park, located in the Coopers Area of Nash County, will provide accessible playground equipment for those with disabilities, walking trails, basketball courts and baseball/softball fields along with various other activity areas. A construction project was awarded to PLT Construction and

began October 2018 with completion anticipated late 2019. Additional park elements of Phase 1 are anticipated to be complete in Spring 2020.

Computer Aided Dispatch (CAD), Mobile computing, law enforcement Records Management System (RMS) and Jail Management System (JMS) Upgrades: Nash County is upgrading the existing Public Safety Communication system used by Emergency 911, Sheriff's Office, Emergency Medical System and Fire Services as well as Volunteer Fire Departments. The CAD/RMS/JMS upgraded system will allow all data to be stored in one database for more efficient data storage, better report options and record checks while providing enhanced 24x7 support services, system monitoring and consistent routine automated software updates. Anticipated completion by early January 2020.

Detention Facility Renovation Project: Nash County began renovations at the Detention Facility at the end of fiscal year 2019 to address both facility and security related needs. This ongoing project will be based on priorities established by a committee which includes representatives from the Sheriff's Office, County Manager's Office, Board of Commissioners and the Facility Maintenance Department. Major repairs/improvements addressed include reinforcement of the perimeter fencing, additional security cameras and monitoring software, lighting upgrades, plumbing improvements, hvac repairs and interior renovations to several male dorms.



County Financials (Government-wide Financial Statements)

Government-wide financial statements consider Nash County as a single, integrated unit. These statements distinguish between two types of units: governmental and business-type activities.

Governmental activities generally are financed through taxes and other general revenue sources while business-type activities are financed in whole or in part by fees charged to external parties for the services provided. The government-wide statements employ the full accrual basis of accounting.

The Statement of Net Position presents the difference between what we own (Assets and Deferred Outflows of Resources) and what we owe (Liabilities and Deferred Inflows of Resources). For Nash County you will notice the assets in the governmental fund outweigh the liabilities as of June 30, 2019. The net position for Governmental Activities and Business-type Activities increased by \$6.0 million and \$0.7 million respectively as of June 30, 2019. In FY2018 the County implemented GASB 75 resulting in a prior year restatement of \$43.8 million for Governmental Activities and \$1.1 million for Business-type Activities related to Other Postemployment Benefit obligations required accounting change (**GASB 75 Accounting and Financial Reporting for Financial Reporting for Postemployment Benefits Other than Pensions (OPEB)*).

STATEMENT OF NET POSITION (in millions)

Primary Government

	Governmental Activities			Business-type Activities			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
Current and Other Assets	\$61.9	\$63.8	\$69.7	\$7.9	\$7.3	\$7.4	\$69.8	\$71.1	\$77.1
Capital Assets	63.9	58.4	48.9	33.2	33.5	33.7	97.1	91.9	82.6
TOTAL ASSETS	125.8	122.2	118.6	41.1	40.8	41.1	\$166.9	163.0	159.7
DEFERRED OUTFLOWS OF RESOURCES	11.0	8.1	9.8	0.3	0.2	0.2	11.3	8.3	10.0
(Consumption of net assets applicable to a future reporting period.)									
Long Term Liabilities	120.7	119.9	84.0	17.8	17.8	17.1	138.5	137.7	101.1
Other Liabilities	3.8	8.7	7.7	0.7	1.1	1.0	4.5	9.8	8.7
TOTAL LIABILITIES	124.5	128.6	91.7	18.5	18.9	18.1	143.0	147.5	109.8
DEFERRED INFLOWS OF RESOURCES	11.0	6.3	0.5	0.3	0.2	-	11.3	6.5	0.5
(Acquisition of net assets applicable to a future reporting period.)									
NET POSITION:									
Net Investment in Capital Assets	45.9	43.6	2.3	20.5	20.4	20.3	66.4	64.0	22.6
Restricted	15.0	11.5	20.1	-	-	-	15.0	11.5	20.1
Unrestricted	(59.50)	(59.70)	13.90	2.1	1.5	2.90	(57.4)	(58.2)	16.8
TOTAL NET POSITION	\$1.4	-\$4.6	\$36.3	\$22.6	\$21.9	\$23.2	\$24.0	\$17.3	\$59.5

* The changes for GASB 75 were designed to standardize the way OPEB expense is calculated and displayed in order to have consistency and comparability between reporting entities. The most significant impact of the new standards is the change from reporting the unfunded actuarial accrued liability for the plan in the notes of the financial statements to recognizing the unfunded actuarial accrued liability on the balance sheet.

County Financials (Government-wide Financial Statements)

The Statement of Activities presents information showing how the County's net position changed during the last three fiscal years. The County recognized increases in program revenues for the fiscal year 2018-19 due to increase in operating grants. Additional construction contributed to an increase in property taxes while continued economic recovery can be seen in sales tax increases. Expenses reflected an increase primarily seen in economic and physical development due to various projects during the year but overall the County was diligent in maintaining spending.

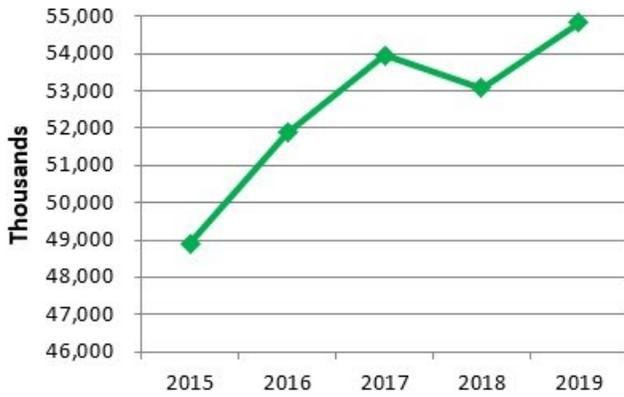
STATEMENT OF ACTIVITIES (in millions)

Primary Government

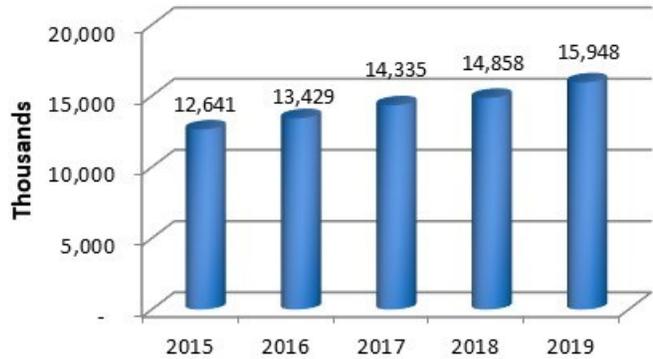
	Governmental Activities			Business-type Activities			Total		
	2019	2018	2017	2019	2018	2017	2019	2018	2017
REVENUES:									
<i>Program revenues</i>									
Charges for services	\$7.1	\$7.3	\$7.1	\$5.6	\$5.2	\$5.2	\$12.7	\$12.5	\$12.3
Operating grants/contributions	19.0	17.2	20.4	-	-	-	19.0	17.2	20.4
Capital grants/contributions	1.1	1.8	2.1	0.9	0.1	0.9	2.0	1.9	3.0
<i>General revenues</i>									
Property taxes	54.8	53.1	54.0	-	-	-	54.8	53.1	54.0
Other taxes	16.4	15.2	14.6	0.2	-	-	16.6	15.2	14.6
Other	3.0	0.8	0.5	0.2	0.1	-	3.2	0.9	0.5
TOTAL REVENUES	101.4	95.4	98.7	6.9	5.4	6.1	108.3	100.8	104.8
EXPENSES:									
General government	10.1	10.9	10.6	-	-	-	10.1	10.9	10.6
Public safety	27.1	27.3	26.2	-	-	-	27.1	27.3	26.2
Transportation	0.3	0.3	0.3	-	-	-	0.3	0.3	0.3
Economic & physical development	7.4	2.3	3.4	-	-	-	7.4	2.3	3.4
Human services	22.8	24.1	27.2	-	-	-	22.8	24.1	27.2
Cultural	1.1	1.8	1.7	-	-	-	1.1	1.8	1.7
Education	25.1	24.2	24.5	-	-	-	25.1	24.2	24.5
Interest on long-term debt	1.5	1.4	1.9	-	-	-	1.5	1.4	1.9
Water and sewer	-	-	-	3.4	3.1	2.6	3.4	3.1	2.6
Solid waste disposal	-	-	-	2.8	2.7	2.6	2.8	2.7	2.6
TOTAL EXPENSES	95.4	92.3	95.8	6.2	5.8	5.2	101.6	98.1	101.0
Transfers	0.0	(0.2)	0.3	0.0	0.2	(0.3)	-	-	-
Increase (Decrease in net position)	6.0	3.1	2.9	0.7	(0.4)	0.9	6.7	2.7	3.8
Change in net position	6.0	2.9	3.2	0.7	(0.2)	0.6	6.7	2.7	3.8
NET POSITION:									
Beginning of Year - July 1	(4.6)	36.3	34.0	21.9	23.2	22.6	17.3	59.5	56.6
Restatement	-	(43.8)	(0.9)	-	(1.1)	-	-	(44.9)	(0.9)
Beginning of Year - Restated	(4.6)	(7.5)	33.1	21.9	22.1	22.6	17.3	14.6	55.7
End of Year - June 30	\$1.4	(\$4.6)	\$36.3	\$22.6	\$21.9	\$23.2	\$24.0	\$17.3	\$59.5

Graphs

**Property Tax Revenue
5 Year Trend 2015-2019**

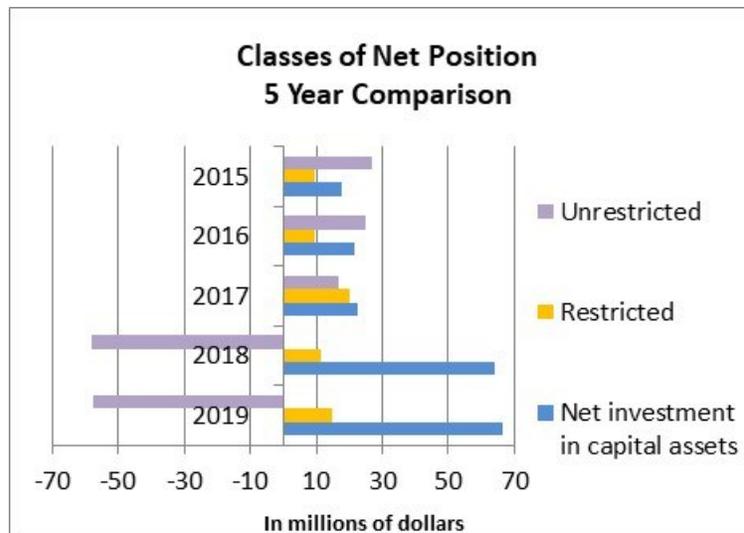


**Sales Tax Revenue
5 Year Trend 2015-2019**



The County's net position includes three categories, investment in capital assets, restricted and unrestricted. The net investment in capital assets is defined as the County's investment in its own assets (e.g. land, buildings, equipment and infrastructure) less any related debt still outstanding issued to acquire those items. The County uses these assets to provide services to citizens. An additional portion of net position is restricted. Restricted resources are subject to specific external legal restrictions that limit the County's ability to use these funds beyond the purpose for which they are provided.

**Classes of Net Position
5 Year Comparison**



General Fund

The General Fund, which is part of the government wide Financials, accounts for funding and expenditures on a modified accrual basis. It is the county's primary operating fund. It accounts for all financial resources of the general government, with the exception of those required to be accounted for in different funds, such as business type activities. The lead sources of revenues are ad valorem taxes, followed by local option sales tax.

The General Fund total expenditures were \$91,095,133 which includes \$5,818,425 transferred to other projects funds during the year as other financing uses.

Major initiatives funded through Governmental Funds in FY 18/19 included the Courthouse Expansion Project, a portion of a public safety radio project, funding for school capital project, Agriculture Center renovations, Miracle Park Project funding, a high speed internet project and funding for vehicle and equipment replacements.

Overall, general fund revenues and other financing sources exceeded expenditures and transfers by \$631,535, which was added to the County's fund balance. Fund balance is like a savings account for the County and can be used to fund capital projects, balance the budget and for emergencies or cash flow during the year.

In the governmental fund financial statements, fund balance is composed of classifications as noted below, which are designed to disclose the hierarchy of constraints placed on how fund balance can be spent or used. Unassigned fund balance is the least restrictive and can be used for any purpose. Unassigned fund balance at the end of fiscal year 2019 totaled \$27,051,293, an amount equal to 27.91% of Total General Fund expenditures.

Revenues, Expenditures and Changes in Fund Balance (in millions) General Fund

	2019	2018	2017
Revenues:			
Ad valorem taxes	\$51.6	\$50.0	\$50.4
Other taxes and licenses	16.3	15.3	14.7
Unrestricted intergovernmental	0.3	0.3	0.3
Restricted intergovernmental	15.8	16.7	19.9
Permits and fees	1.2	1.4	1.1
Sales and services	5.0	5.0	5.1
Investment earnings	0.9	0.6	0.3
Miscellaneous	2.8	1.1	1.0
Total revenues	93.9	90.4	92.8
Expenditures:			
Current:			
General government	9.2	8.9	8.8
Public safety	23.9	21.8	21.0
Transportation	0.2	0.1	0.1
Economic & physical development	3.0	2.5	2.3
Human services	22.2	23.1	26.1
Cultural and recreation	1.9	1.7	1.7
Education	24.4	24.1	24.4
Debt service	6.3	6.2	5.0
Total expenditures	91.1	88.4	89.4
Revenues over (under) expenditures	2.8	2.0	3.4
Other Financing Sources (Uses):			
Transfers in/(out)	(2.2)	(1.8)	(1.2)
Refunding bonds issued	0.0	0.0	19.0
Payment to refunded bond escrow	0.0	0.0	(18.8)
Total other financing sources (uses)	(2.2)	(1.8)	(1.0)
Increase in fund balances	0.6	0.2	2.4
Beginning of year - July 1	42.7	42.5	40.1
End of year - June 30	\$43.3	\$42.7	\$42.5

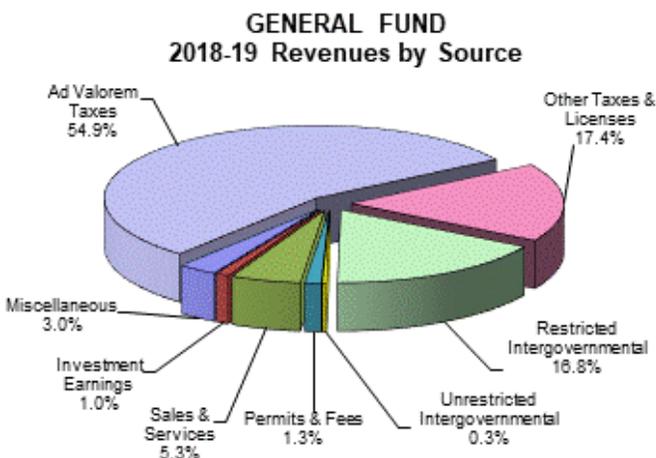
FUND BALANCE

Non-Spendable	\$ 10,105
Restricted	\$ 10,083,787
Committed	\$ 847,421
Assigned	\$ 5,315,447
Unassigned	<u>\$ 27,051,293</u>
	<u>\$ 43,308,053</u>

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.

County Financials (Revenues)

Revenue: Total General Fund revenues for FY 2018-2019 were \$93,904,848. The property tax rate remained the same as prior year at \$.67 per \$100 of assessed value. Property taxes, which include taxes on registered motor vehicles, account for 54.9 % of all revenues. Restricted Intergovernmental, which is revenue received from other governments that must be used for a specific purpose, is the second largest revenue source making up 16.8% of all revenues in the General Fund. Other taxes, which include the County's share of statewide sales tax and property excise tax and rental vehicle tax revenue, account for 17.4% of all revenues. This category of revenues was boosted through continued improvement in the local economy and changes to the services to which sales tax is applicable. The County also received 5.3% from sales and services which, are fees that Nash County charges for certain services, and 1.3% of its revenues from permits and fees.

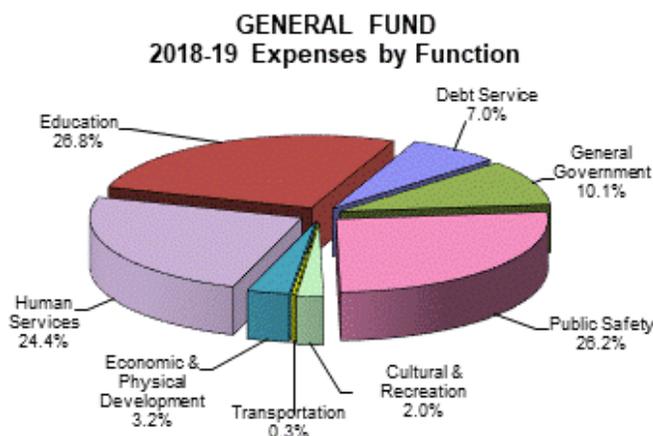


Where the Money Comes From: (in millions)

Ad Valorem Taxes	51.6
Other Taxes and Licenses	16.3
Restricted Intergovernmental	15.8
Unrestricted Intergovernmental	0.3
Permits and Fees	1.2
Sales and Services	5.0
Investment Earnings	0.9
Miscellaneous	2.8
Total Revenues	<u>\$93.9</u>

County Financials (Expenditures)

Expenses: The total cost of General Fund programs and services was \$91,095,133. General Fund Expenditures are considered by function. The functional cost of Education funding to Nash Rocky Mount Schools and Nash Community College (excluding debt service) accounted for 26.8% of expenditures, human service programs accounted for 24.4% of expenditures, public safety programs accounted for 26.2% of expenditures, general government functions accounted for 10.1%, while debt service accounted for 7.0%. The other function areas include, Economic & Physical Development, Culture & Recreation, and Transportation making up the remaining 5.5% of program and service expenditures.



Where the Money Goes: (in millions)

General Government	9.2
Public Safety	23.9
Cultural & Recreation	1.9
Transportation	0.2
Economic & Physical Development	3.0
Human Services	22.2
Education	24.4
Debt Service	6.3
Total	<u>\$91.1</u>

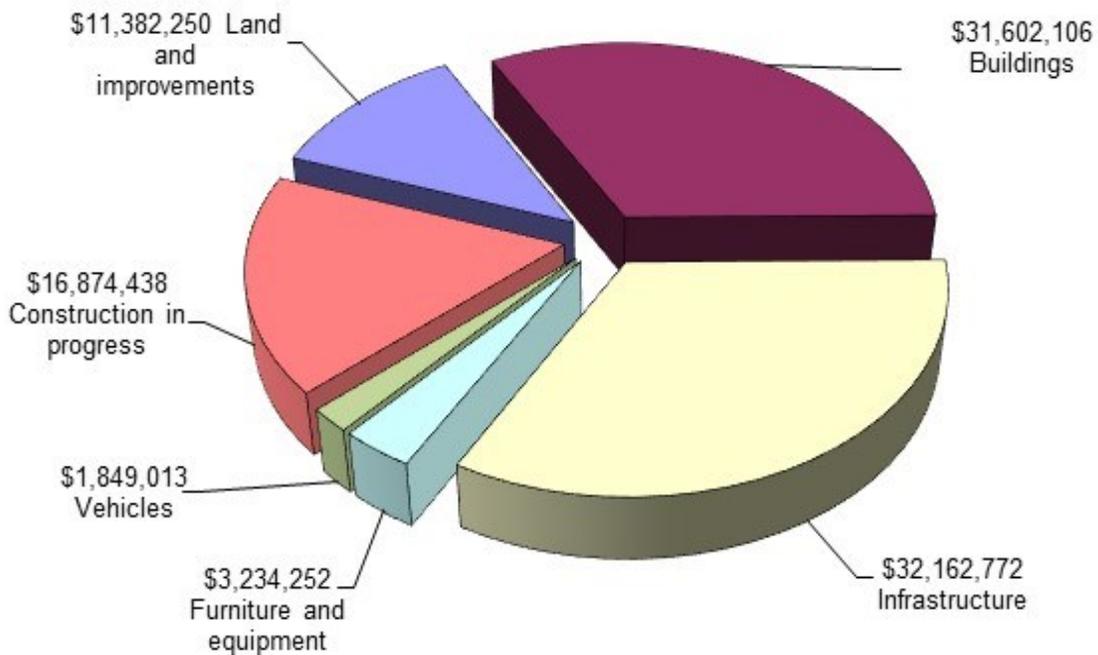
Capital Assets

Nash County's capital assets for its governmental and business-type activities as of June 30, 2019, total \$97,104,831 (net of accumulated depreciation). These assets include land and improvement, buildings, infrastructure, furniture and equipment, vehicles, and construction in progress.

Nash County's Capital Assets

	Governmental Activities	Business-type Activities	Total
Land and improvements	\$10,468,506	\$913,744	\$11,382,250
Buildings	\$31,590,278	\$11,828	\$31,602,106
Infrastructure	\$849,177	\$31,313,595	\$32,162,772
Furniture and equipment	\$3,209,990	\$24,262	\$3,234,252
Vehicles	\$1,817,055	\$31,958	\$1,849,013
Construction in progress	\$15,966,032	\$908,406	\$16,874,438
Total	\$63,901,038	\$33,203,793	\$97,104,831

Total Capital Assets, net of depreciation 2019



Long-Term Liabilities and Debt

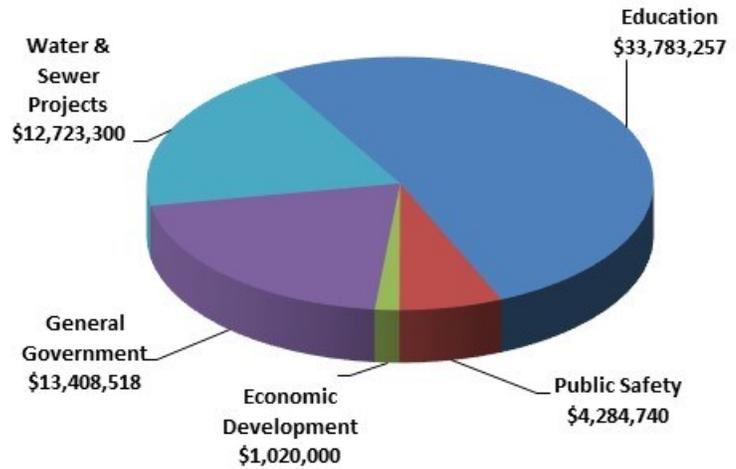
As of June 30, 2019, the County's long-term liabilities for its governmental and business-type activities were \$120,686,448 and \$17,779,491, respectively, which includes long-term debt, compensated absences, pension benefits and other post-employment benefits (OPEB).

Credit Ratings Maintained
by the County

Aa2 Moody's Investors Services
AA- Standard & Poor's

Nash County had total debt outstanding of \$65,219,815. This amount was comprised of \$52,496,515 from Nash County Governmental Activities and, \$12,723,300 Business-Type Activities from Water & Sewer Utilities Enterprise Fund. Of this amount, \$18,887,000 (28.96%) represents bonds secured by specified revenue sources- General Obligation Bonds in the amount of \$6,975,000 from Governmental Activities and USDA General Obligation Bonds outstanding of \$11,712,000 in the Central Nash Water & Sewer District.

Uses of Outstanding Debt 2019



The State of North Carolina limits 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 \$593,304,248 for 2019 which is significantly more than Nash County's general obligation debt.

Nash County's Governmental Activities long-term debt is used for Education, Economic Development, Public Safety and General Government. Of the outstanding long-term debt, the category of Education makes up 51.8% or \$33,783,257 with \$26,808,257 for Nash Rocky Mount School Projects and \$6,975,000 for Nash Community College Projects. General Government makes up 20.6% or \$13,408,518 (which includes the Courthouse Expansion), Economic Development is 1.6% or \$1,020,000 and Public Safety is 6.6% or \$4,284,740 of Governmental Outstanding Debt as of June 30, 2019.

During Fiscal Year 2018-2019 the County entered into a \$3,200,000 installment loan for Public Safety Radio Project, however, total debt decreased by \$2,113,933 primarily as a result of planned principal payments on general obligation bonds and notes payable.

Nash County's debt per capita as of June 30, 2019 is \$682. This is a 4.3% decrease in debt per capita from the prior fiscal year.

Debt Per Capita



Public Service Activities



Photos of the new Southern Nash Senior Center located at the Bailey Middlesex Community Park in Bailey, NC. Seniors can relax and enjoy a cup of coffee in the sitting area after working out in the exercise room or play a game of pool between classes in one of the meeting rooms.



Nash County Parks and Recreation action shots!!





This Popular Annual Financial Report was prepared by:

The County of Nash, North Carolina
Department of Finance
Donna Wood – Finance Director
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Nashville, NC 27856
(252)462-2402

An advertisement for the Nash County Animal Shelter. It features a black and white photograph of a dog's face looking through a chain-link fence. The word 'Adopt' is written in a white, cursive script font over the image, with the tagline 'Help Save A Life' in a smaller font below it. Below the image, the text reads: 'The Nash County Animal Shelter is the perfect place to find dogs and cats who are waiting for a loving family. Please Visit Petfinders.com or meet your new pet in person at 921 First St. Extension, Nashville'.