

# Nash County North Carolina



Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2011

**NASH COUNTY  
NORTH CAROLINA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2011**

Nash County, North Carolina  
Financial Statements and Schedules

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# NASH COUNTY NORTH CAROLINA

## *Board of County Commissioners*

*Billy Morgan, Chairman*

*Fred Belfield, Jr., Vice Chairman*  
*Robbie Davis*  
*Wayne Outlaw*

*Lou M. Richardson*  
*Danny Tyson*  
*Mary Wells*

## *Comprehensive Annual Financial Report*

*For the Year Ended June 30, 2011*

*Prepared by:  
Nash County Finance Department*

## *County Officials*

*County Manager*  
*Assistant County Manager*  
*Finance Officer*

*Robert M. Murphy*  
*P. Wayne Moore*  
*Lynne Hobbs*

Nash County, North Carolina  
Financial Statements and Schedules

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## ***INTRODUCTORY SECTION***

- *Letter of Transmittal*
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Nash County, North Carolina  
Financial Statements and Schedules

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# NASH COUNTY

NASHVILLE, NORTH CAROLINA 27856

BILLY MORGAN, CHAIRMAN  
BOARD OF COMMISSIONERS

ROBERT M. MURPHY  
COUNTY MANAGER

VINCE DURHAM  
ATTORNEY

WAYNE MOORE  
CLERK TO BOARD

November 16, 2011

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, 2011, 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 prepares the Financial Statements, and responsibility for the accuracy of the 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, 2011. 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.

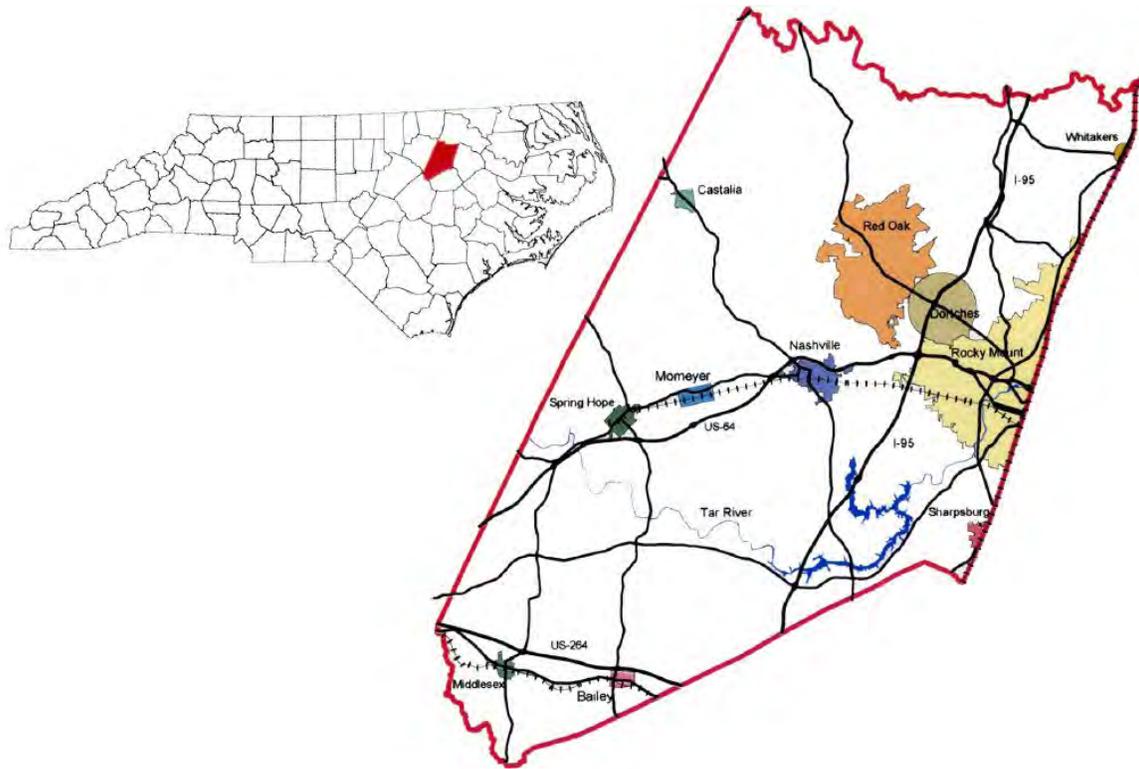
Nash County's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Nash County for the fiscal year ended June 30, 2011, 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 unqualified opinion that Nash County's financial statements for the fiscal year ended June 30, 2011, 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 97,466 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 the Beacon Center, formerly Edgecombe Nash Mental Health. 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, health care and social assistance, and accommodations & food services comprising the largest sectors of employment at 17.9%, 12.8%, 9.4% and 9.3% respectively.

Closely following state-wide trends, the recent economic recession continues to impact growth in the area as unemployment remains high at 12.7%, an increase of 0.5% over prior year. There are indications that the economy is stabilizing as employment levels are at approximately 41,098 persons which are about 700 more than previous year. Despite the continued sluggish economy, Nash County and the metropolitan area were named by "Southern Business and Development" the "top market in the South" as a result of expansion announcements. The largest two expansions were in Nash County. West Corporation announced it would hire 250 new workers at its customer service center in Nash County and Cummins Rocky Mount announced it would hire 210 new workers at its diesel engine plant in Nash County.

Major manufacturing concerns include Cummins Rocky Mount, a diesel engine manufacturer, Universal Leaf North America NC, a tobacco processing plant, Hospira Inc., a pharmaceutical manufacturer and Ilco Unican Corporation, a security lock manufacturer.

Nash County agriculture includes 487 farm operations of various sizes. Seventy percent of these are small farm operations, each of which produces agricultural products having annual value of less than \$100,000. As a result of world shortages causing some historically high agricultural commodity prices, Nash farmers shifted their crop plantings dramatically in 2011. Cotton acreage increased 80% while soybean acreage was down 24%. Annual poultry and egg production command the greatest value, estimated to approach \$65 million in 2011. The county's flue cured tobacco and sweet potatoes are valued at \$46 million and \$45 million respectively. In spite of Hurricane Irene causing significant crop damage, Nash County's agricultural income is expected to top \$220 million in 2011.

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

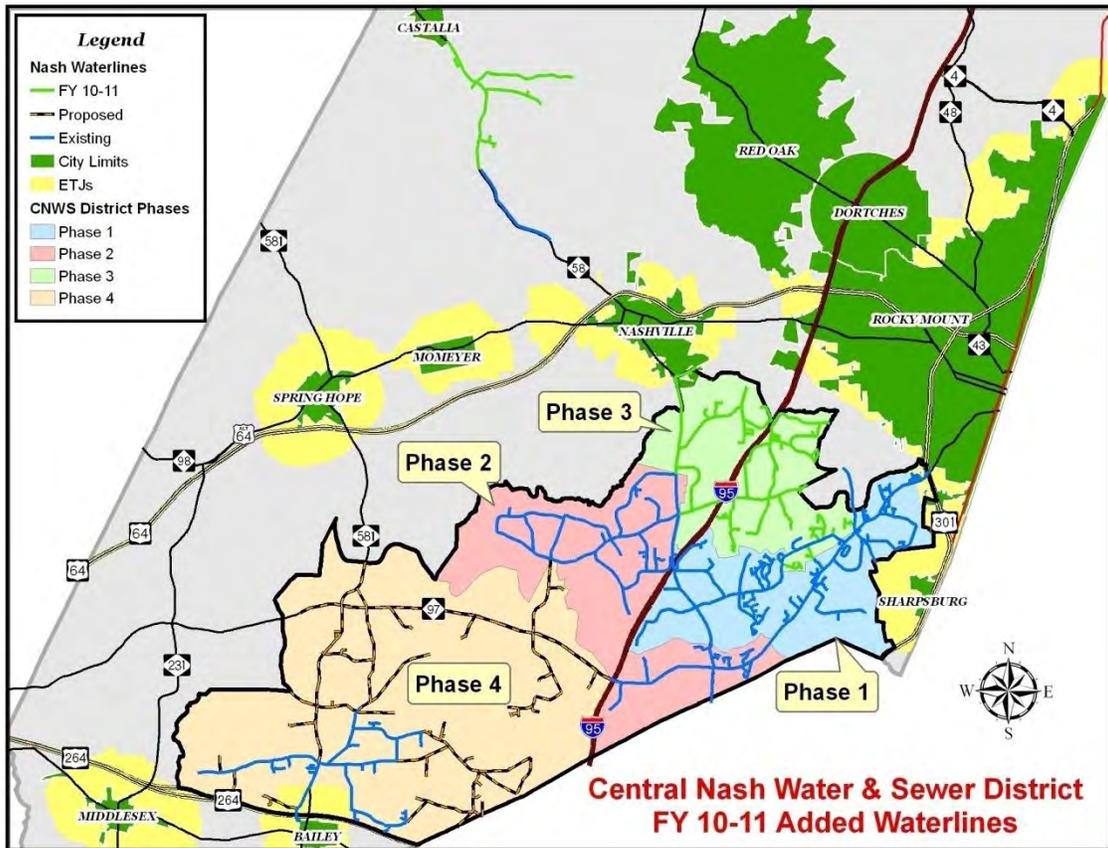
Unreserved, undesignated fund balance in the general fund (29% of total general fund expenditures) falls within the policy guidelines set by the Board of Commissioners. Nash County Fiscal Policy for Reserves states the amount should be no less than 15% at close of each fiscal year. The Board has made one-time use of fund balance for capital expansion for property acquisitions and improvements.

**Future Development:** Nash County purchased 150 acres of general industrial property located near the southeast quadrant of Interstate 95 and East NC 97. Property is available for future industrial or commercial development. Water and natural gas are already available along the NC 97 corridor and sewer can be extended once an industry has been identified. The County has been working with a prospective client, Sanderson Farms, which has announced Nash County as their preferred choice. Negotiations continue with the poultry processing plant.

**Green Initiatives:** Nash County is focusing on energy conservation measures and sustainable practices. Several energy efficient projects funded with the assistance of the State Energy Office have been initiated. A Chiller has been replaced at the County Agriculture Center, HVAC controls are being placed on our Department of Social Services and Detention Center, and lighting upgrades are taking place in several facilities. Nash County has a part-time Energy Manager who is addressing energy conservation with employees through several inter-departmental presentations. Nash County is creating a knowledgeable workforce, sustainable practices and projects with energy conservation as a priority.

**Water and Sewer Districts:** 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. The general intent was to improve the quality of life for citizens in these areas. The map below illustrates the four phases and the location of water lines constructed during 2010-11 (green) along with existing water lines (blue) and proposed water lines (dashed). Phases 1, 2, and 3 are now complete with the exception of a few improvements. Phase 4 is currently under design and should be under construction by the middle of the FY 2011-12 and substantially complete by the middle of FY 2012-12.

Nash County also recently completed a water interconnection along Hwy 58 N to the Town of Castalia and surrounding areas by extending 10 miles of water line which will serve 120 rural customers including the entire Town of Castalia. In addition, the county will start a customer recruitment and feasibility study in and around the Town of Red Oak and Dortches during the next fiscal years, as it is a priority to expand water service to the northern portions of the county where feasible. The County currently serves approximately 2,100 rural water and 265 rural sewer customers along more than 200 miles of roads.



## ***Major Initiatives***

**Middlesex Corporate Park:** With water and street improvements complete, the 300+ acre industrial park known as Middlesex Corporate Center is currently being marketed by The Carolina's Gateway Partnership. The park has one tenant, Nash Health Care Systems, who has constructed a 7,065 square-foot medical clinic to serve the residents of southern Nash County. Site amenities are underway including lighted signs, underground utilities and landscaping for the entrances on NC 231 and US 64-Business.

**Nash Community College:** The college is moving forward with its plans for a \$10 million Continuing Education facility. Design services have been secured at \$400,000.

**Backup 911 Center:** Nash County is applying for a major grant with the N.C. 911 Board for funding to implement a completely redundant (7) position 911 center that would utilize the same equipment and functions as the primary 911 center minimizing the need of additional training requirements placed on our staff. The center will be housed in the new EMS Building located on the grounds of Nash Health Care Systems in Rocky Mount. This backup center will allow Nash County Emergency Services to provide the same level of service to our citizens whether it is from the primary center or backup center in the event of a disaster or mechanical malfunction.

## **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, 2010. This makes the twentieth 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 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



Robert M. Murphy  
County Manager



Lynne Hobbs  
Finance Officer

# 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, 2010

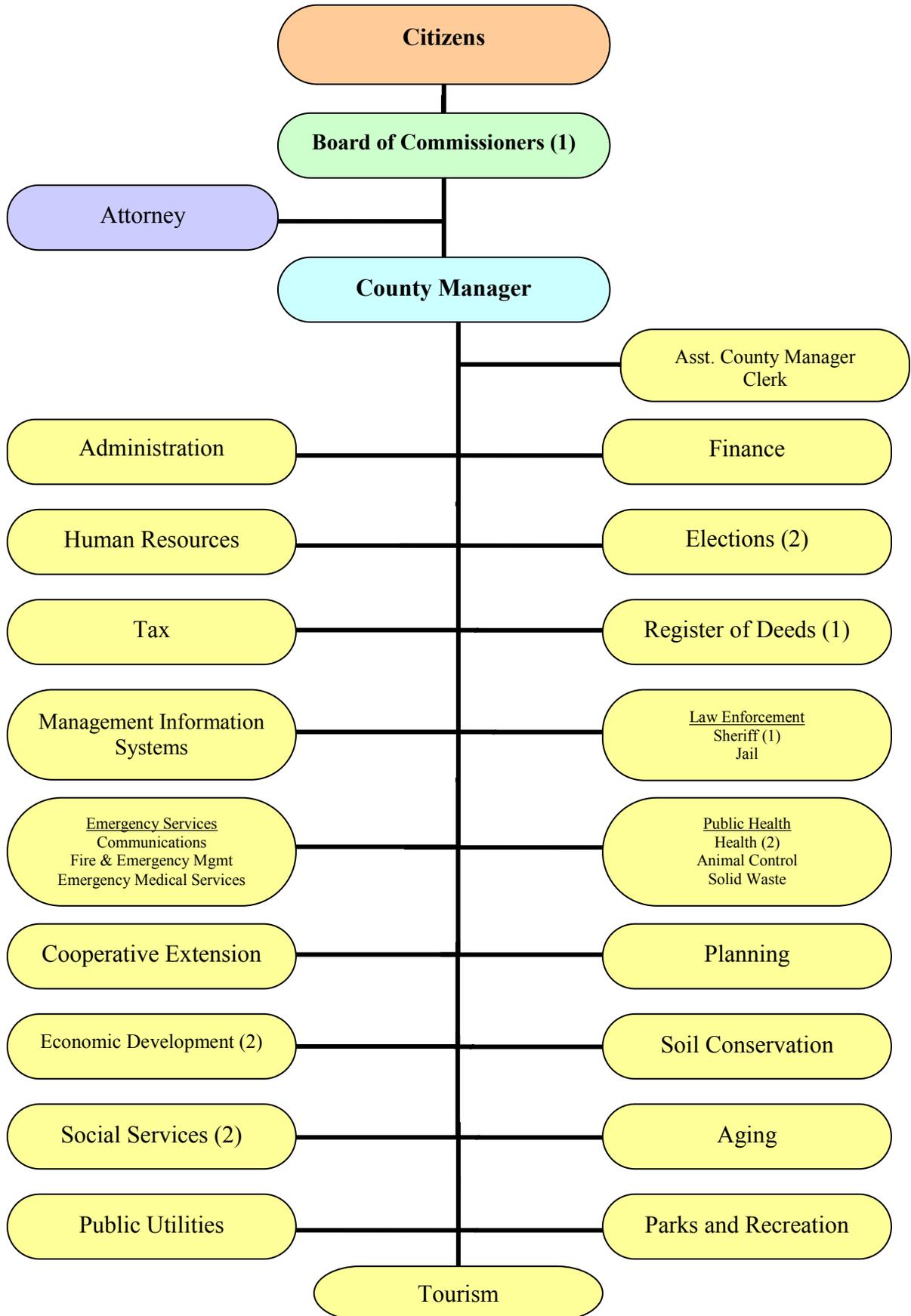
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# 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 AUDITORS' REPORT

To the Board of Commissioners  
Nash County, North Carolina

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 then ended June 30, 2011, which collectively comprise Nash County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Nash County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Nash Health Care Systems and Subsidiaries or the Nash County ABC Board which represents 99 percent of the assets, 99 percent of the net assets, and 99 percent of the revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Nash Health Care Systems and Subsidiaries and the Nash County ABC Board, is based solely on the reports 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 basic financial statements are free of 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall basic financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based upon our audit and the reports 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 the Nash County, North Carolina, as of June 30, 2011, 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 conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2011 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 grants. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Law Enforcement Officer's Special Separation Allowance and the Other Post-Employment Benefits' Schedules of Funding Progress and Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted 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 assurance.

Our audit was performed for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements of Nash County, North Carolina as a whole. The introductory section, combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, and statistical tables 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, budget and actual 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subject to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

Martin Starnes & Associates, CPAs, P.A.  
November 16, 2011

## 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, 2011. 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**

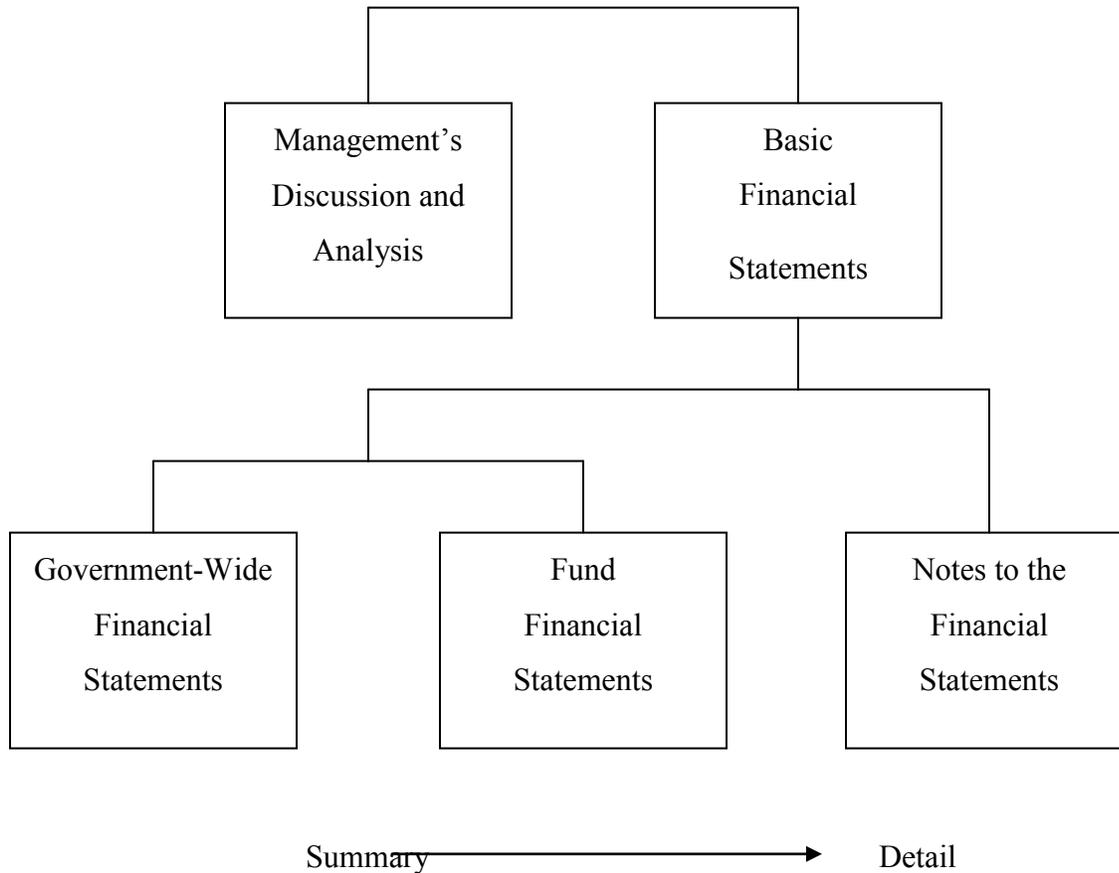
- The assets of Nash County exceeded its liabilities at the close of the fiscal year by \$70,922,793. Of this amount, \$20,652,777 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets decreased by \$15,397,369, primarily due to a decrease in restricted cash and cash equivalents in the General Fund.
- As of the close of the current fiscal year, Nash County's governmental funds reported combined ending fund balances of \$53,713,761, a decrease of \$16,885,197 after a net decrease in Capital Projects Fund and other Governmental Funds of \$16,749,434. Approximately 53.4% of this total amount, or \$28,705,638, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$21,155,040, or 24.4% of total General Fund expenditures.
- The tax rate was unchanged at 67 cents per \$100 valuation.
- Nash County's total debt decreased by \$2,960,733, or 5% during the current fiscal year. The key factor of this decrease is the pay down of principal.
- Nash County maintained its ratings by Standard & Poor's, AA- and A1 by Moody'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 and the discretely presented component units' net assets and how they have changed. Net assets are the difference between total assets and total liabilities. Measuring net assets 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 Federal and State 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 Assets 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 Assets 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 post-employment 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 assets may serve, over time, as one useful indicator of a government's financial condition. The assets of Nash County exceeded liabilities by \$70,922,793 as of June 30, 2011. The County's net assets decreased by \$15,397,369 for the fiscal year ended June 30, 2011. One of the largest portions, \$43,572,032 or 61%, reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire the items.

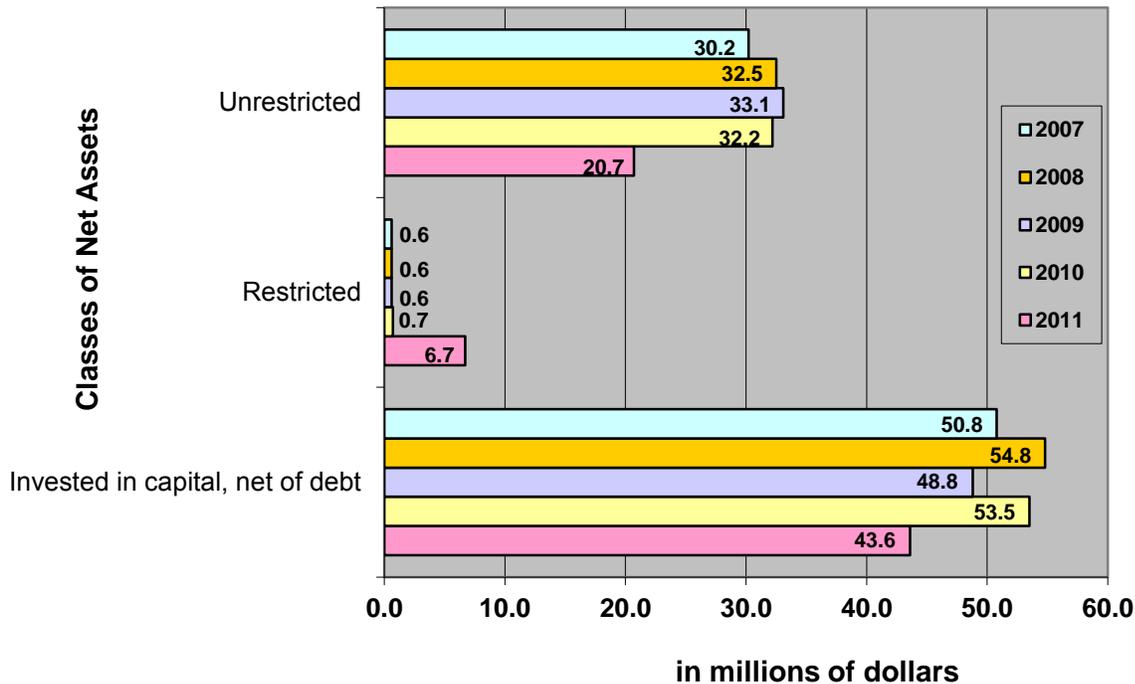
Nash County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Nash County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Nash County's net assets, \$6,697,984 (9.4%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$20,652,777 is unrestricted.

## Nash County's Net Assets

**Figure 2**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 65,383,081	\$ 79,535,187	\$ 5,928,991	\$ 7,264,915	\$ 71,312,072	\$ 86,800,102
Capital assets	47,878,928	45,698,752	25,137,658	24,005,501	73,016,586	69,704,253
Total assets	<u>113,262,009</u>	<u>125,233,939</u>	<u>31,066,649</u>	<u>31,270,416</u>	<u>144,328,658</u>	<u>156,504,355</u>
Long-term liabilities						
outstanding	51,887,975	51,976,820	10,691,396	10,314,589	62,579,371	62,291,409
Other liabilities	9,785,781	6,954,789	1,040,713	937,995	10,826,494	7,892,784
Total liabilities	<u>61,673,756</u>	<u>58,931,609</u>	<u>11,732,109</u>	<u>11,252,584</u>	<u>73,405,865</u>	<u>70,184,193</u>
Net assets:						
Invested in capital assets, net of related debts	26,719,874	38,099,580	16,852,158	15,354,501	43,572,032	53,454,081
Restricted	6,697,984	705,533	-	-	6,697,984	705,533
Unrestricted	18,170,395	27,497,217	2,482,382	4,663,331	20,652,777	32,160,548
Total net assets	<u>\$ 51,588,253</u>	<u>\$ 66,302,330</u>	<u>\$ 19,334,540</u>	<u>\$ 20,017,832</u>	<u>\$ 70,922,793</u>	<u>\$ 86,320,162</u>

### Primary Government Net Assets 5 Year Comparison



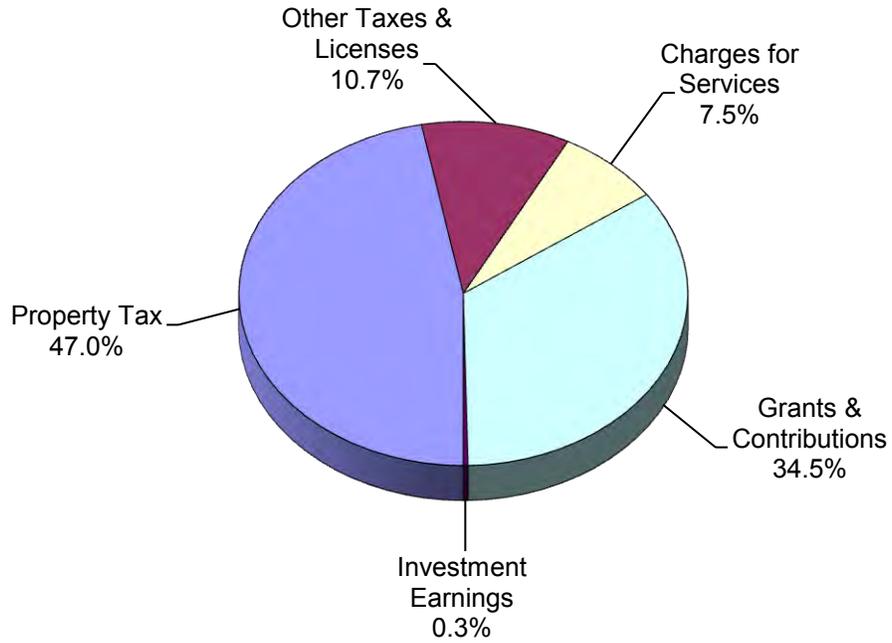
## Nash County Changes in Net Assets

**Figure 3**

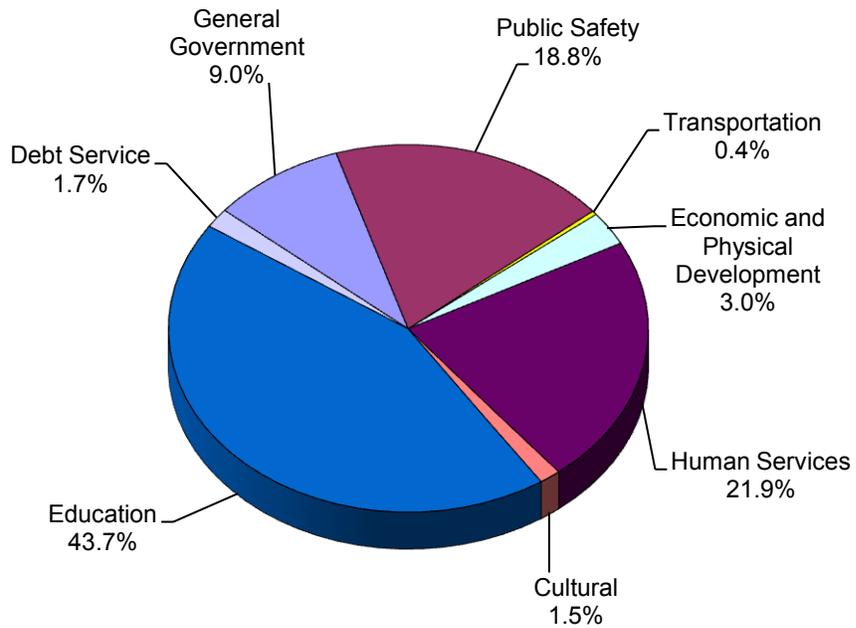
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 7,739,800	\$ 8,192,065	\$ 3,250,927	\$ 3,153,061	\$ 10,990,727	\$ 11,345,126
Operating grants and contributions	34,238,537	22,777,745	-	-	34,238,537	22,777,745
Capital grants and contributions	1,235,907	856,340	1,238,752	2,587,417	2,474,659	3,443,757
General revenues:						
Property taxes	48,435,467	48,475,820	-	-	48,435,467	48,475,820
Other taxes	11,024,348	12,008,172	-	-	11,024,348	12,008,172
Other	348,306	280,286	28,616	80,635	376,922	360,921
Total revenues	<u>103,022,365</u>	<u>92,590,428</u>	<u>4,518,295</u>	<u>5,821,113</u>	<u>107,540,660</u>	<u>98,411,541</u>
<b>Expenses:</b>						
General government	10,626,003	9,249,316	-	-	10,626,003	9,249,316
Public safety	22,184,889	22,425,802	-	-	22,184,889	22,425,802
Transportation	407,928	411,366	-	-	407,928	411,366
Economic and physical development	3,513,519	2,936,005	-	-	3,513,519	2,936,005
Human services	25,780,744	27,003,861	-	-	25,780,744	27,003,861
Cultural	1,703,861	1,583,435	-	-	1,703,861	1,583,435
Education	51,507,334	26,041,860	-	-	51,507,334	26,041,860
Debt service - interest	2,012,164	707,651	-	-	2,012,164	707,651
Water and sewer	-	-	2,179,225	1,987,598	2,179,225	1,987,598
Solid waste disposal	-	-	3,022,362	2,336,367	3,022,362	2,336,367
Total expenses	<u>117,736,442</u>	<u>90,359,296</u>	<u>5,201,587</u>	<u>4,323,965</u>	<u>122,938,029</u>	<u>94,683,261</u>
Increase (decrease) in net assets	(14,714,077)	2,231,132	(683,292)	1,497,148	(15,397,369)	3,728,280
<b>Net Assets:</b>						
Beginning of year - July 1	<u>66,302,330</u>	<u>64,071,198</u>	<u>20,017,832</u>	<u>18,520,684</u>	<u>86,320,162</u>	<u>82,591,882</u>
End of year - June 30	<u>\$ 51,588,253</u>	<u>\$ 66,302,330</u>	<u>\$ 19,334,540</u>	<u>\$ 20,017,832</u>	<u>\$ 70,922,793</u>	<u>\$ 86,320,162</u>

**Governmental Activities.** Governmental activities decreased the County's net assets for fiscal year 2011 by \$14,714,077. The key element of this decrease is use of restricted cash and cash equivalents for major capital expansion.

**Governmental Activities Revenue Sources  
For Fiscal Year 2011**



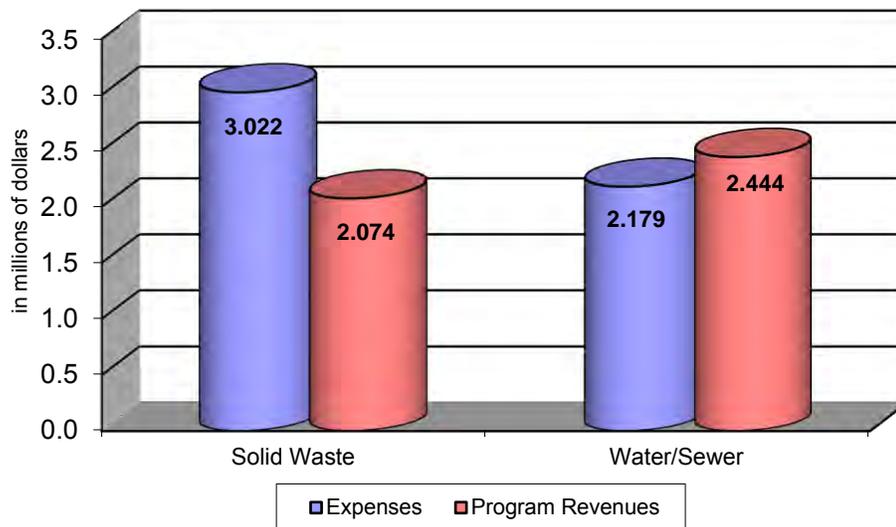
**Governmental Activities Functional Expenses  
For Fiscal Year 2011**



**Business-Type Activities.** Business-type activities reflect a decrease in Nash County’s net assets of \$683,292 or 3%. Included is the ongoing of expansion of Central Nash Water & Sewer District and new grants awarded to cover some the capital expenses.

### Business-Type Activities

#### 2010-11 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 \$25,648,857, while total fund balance was \$30,274,832. 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 29% of General Fund expenditures, while total fund balance represents 34% of that same amount.

At June 30, 2011, the governmental funds of Nash County reported a combined fund balance of \$53,713,761, a 24% or \$16,885,197 decrease from last year. This decrease reflects the use of the bond proceeds from the 2010 Limited Obligation Bonds and escrowed funds for Middlesex School borrowing.

**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 \$1,362,693, or 1.6% due primarily to increases in restricted inter-governmental revenues.

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

- \$2,796,067 in General Government for property acquisitions, radio system upgrade, building improvements, land and building purchases, building improvements, and vehicle lease purchases.
- \$1,443,475 in Economic Development primarily for land acquisition for future economic development.
- \$908,811 in Human Services due primarily to increased funding for H1N1 and assistance payments.
- \$399,998 in Education for architect and design fees for Community College.

**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 assets of the Utilities Fund at the end of the fiscal year amounted to \$4,985,432 and those for Central Nash Water and Sewer District were \$(2,503,050). The total decline in net assets for both major funds was (\$683,292) combined. 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 investment of capital assets for its governmental and business-type activities as of June 30, 2011 totals \$73,016,586 (net of accumulated depreciation). These assets include buildings, land, vehicles, equipment and construction in progress. The total increase was \$3,312,333, a 4.7% increase in business-type activities, and a 5% increase in governmental activities.

Major capital asset events during the year include:

- Construction of water lines for Central Nash Water & Sewer District; construction in progress at year-end had reached \$13,020,236.
- Purchase of land for economic development, \$1,223,095.
- Property acquisitions, \$360,716.
- Completed Jail renovations totaling, \$214,051.
- Vehicle purchases, \$1,178,625, offset by \$819,219 in retirements.
- Construction in progress – EMS and County Storage Buildings, \$1,469,446.

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

**Figure 4**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land and improvements	\$ 8,957,377	\$ 7,325,521	\$ 976,041	\$ 1,067,703	\$ 9,933,418	\$ 8,393,224
Buildings	32,392,446	29,431,793	12,520	15,219	32,404,966	29,447,012
Infrastructure	450,975	465,141	11,002,670	11,255,636	11,453,645	11,720,777
Furniture and equipment	2,685,272	3,314,742	106,128	103,912	2,791,400	3,418,654
Vehicles	1,706,183	1,347,203	20,063	29,400	1,726,246	1,376,603
Construction in progress	<u>1,686,675</u>	<u>3,814,352</u>	<u>13,020,236</u>	<u>11,533,631</u>	<u>14,706,911</u>	<u>15,347,983</u>
Total	<u>\$ 47,878,928</u>	<u>\$ 45,698,752</u>	<u>\$ 25,137,658</u>	<u>\$ 24,005,501</u>	<u>\$ 73,016,586</u>	<u>\$ 69,704,253</u>

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, 2011, Nash County had total debt outstanding of \$55,892,102. Of this amount, \$5,179,000 represents bonds secured by specified revenue sources. Total debt decreased \$2,960,733 (5%) during the current fiscal year, due to pay down of principal.

**Nash County's Outstanding Debt**

**Figure 5**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Installment purchase contracts	\$ 18,309,537	\$ 20,852,433	\$ 3,106,500	\$ 3,412,000	\$ 21,416,037	\$ 24,264,433
Water Bonds	-	-	5,179,000	5,239,000	5,179,000	5,239,000
Limited Obligation Bonds	28,355,000	28,355,000	-	-	28,355,000	28,355,000
Discount on Bond Issuance	<u>942,065</u>	<u>994,402</u>	<u>-</u>	<u>-</u>	<u>942,065</u>	<u>994,402</u>
Total	<u>\$ 47,606,602</u>	<u>\$ 50,201,835</u>	<u>\$ 8,285,500</u>	<u>\$ 8,651,000</u>	<u>\$ 55,892,102</u>	<u>\$ 58,852,835</u>

Nash County's credit rating remained at AA- by Standard & Poor's. Moody's rating remained at A1.

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 \$543,488,012 for 2011. The County has no general obligation bonds authorized or issued at June 30, 2011. Water bonds were issued by the Central Nash Water & Sewer District in May 2009.

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 2011 unemployment rate for Nash County is 12.7%, increasing of 0.5% over prior year. Nash County is above the State average unemployment rate of 10.4%, which also increased 0.2% from prior year rate of 10.2%.
- Despite the economic downturn, one company did expand in Nash County creating 30 new jobs over the next two years.
- Over 130 local jobs were cut due to business closings during 2010/2011, due to underperformance and the effects of global recession locally.
- The ad valorem tax rate remained \$0.67 per \$100 property valuation.
- Due to the unstable economy, the County experienced a fluctuation in the number and types of construction related projects. These fluctuations are reflected by a 34% decrease in new home construction from 170 to 112 between fiscal years 2009/2010 and 2010/2011, while only negatively affecting permit revenues by 2%.

All of these factors were considered in preparing Nash County's budget for the 2012 fiscal year.

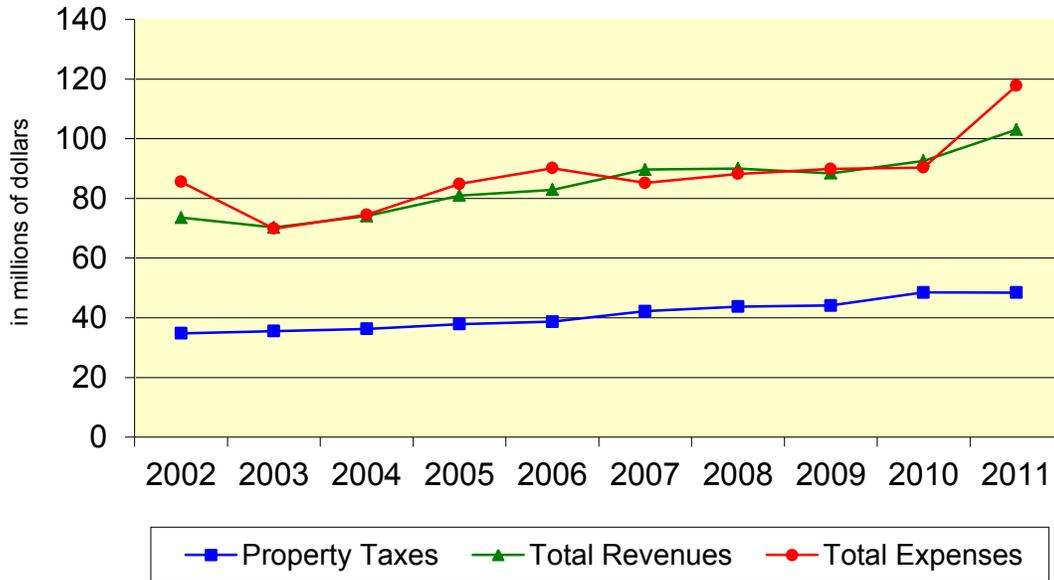
### **Budget Highlights for the Fiscal Year Ending June 30, 2012**

**Governmental Activities.** Nash County has appropriated \$2,190,375 of unassigned General Fund balance in the 2012 fiscal year budget. Overall, revenues are expected to remain basically the same. Effects of the stalled economy are impacting revenues in all areas but will hopefully stabilize in the next year.

Budgeted expenditures in the General Fund are also expected to remain level for the 2012 year at \$85,007,682, just \$222,591 more than 2011, reflecting the stalled economy.

## Governmental Activities

### Comparison of Total Expenses, Property Taxes, and Total Revenues



**Business-Type Activities.** The Water/Sewer rate schedule remained unchanged for 2012. Rates for landfill services remain at \$48 per ton; rural household fees, which support Convenience Center operations, remain at \$96 per household for those households without private trash collection and those households with private collection were raised to \$78 per household.

### 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 Street, Suite 3072, Nashville, North Carolina 27856.

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 ASSETS JUNE 30, 2011

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Unit</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 15,820,268	\$ 4,719,157	\$ 20,539,425	\$ 111,008,530	\$ 131,547,955
Investments	19,676,983	-	19,676,983	-	19,676,983
Receivables:					
Taxes receivable, net	3,696,540	-	3,696,540	30,401,288	34,097,828
Accounts receivable, net	4,130,255	913,581	5,043,836	-	5,043,836
Notes receivable	-	171,946	171,946	-	171,946
Internal balances	9,989	(9,989)	-	-	-
Prepaid items and other assets	14,575	-	14,575	11,277,953	11,292,528
Inventories	-	-	-	4,995,722	4,995,722
Cash and cash equivalents - restricted	22,034,471	134,296	22,168,767	71,839,488	94,008,255
Capital assets:					
Non-depreciable capital assets	10,518,369	13,328,421	23,846,790	6,319,712	30,166,502
Other capital assets, net of depreciation	37,360,559	11,809,237	49,169,796	116,426,329	165,596,125
Total assets	<u>113,262,009</u>	<u>31,066,649</u>	<u>144,328,658</u>	<u>352,269,022</u>	<u>496,597,680</u>
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	5,035,744	611,895	5,647,639	27,269,172	32,916,811
Distribution payable	-	-	-	86,853	86,853
Unearned revenue	47,442	-	47,442	-	47,442
Current portion of accrued landfill post-closure costs	-	25,000	25,000	-	25,000
Current portion of compensated absences	1,807,556	37,318	1,844,874	-	1,844,874
Current portion of long-term debt	2,895,039	366,500	3,261,539	1,622,506	4,884,045
Long-term liabilities:					
Accrued landfill post-closure costs	-	2,590,169	2,590,169	-	2,590,169
Non-current portion of long-term debt	45,433,819	7,919,000	53,352,819	47,898,322	101,251,141
OPEB liability	5,734,148	177,136	5,911,284	-	5,911,284
Unfunded pension obligation	583,955	-	583,955	-	583,955
Non-current portion of compensated absences	136,053	5,091	141,144	-	141,144
Total liabilities	<u>61,673,756</u>	<u>11,732,109</u>	<u>73,405,865</u>	<u>76,876,853</u>	<u>150,282,718</u>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	26,719,874	16,852,158	43,572,032	75,462,362	119,034,394
Restricted for:					
Stabilization by State statute	4,672,780	-	4,672,780	-	4,672,780
Public safety	901,168	-	901,168	-	901,168
Human services	932,423	-	932,423	-	932,423
Economic and physical development	58,757	-	58,757	-	58,757
Capital projects	132,856	-	132,856	-	132,856
Law enforcement	-	-	-	231	231
Working capital	-	-	-	250,704	250,704
Unrestricted	18,170,395	2,482,382	20,652,777	199,678,872	220,331,649
Total net assets	<u>\$ 51,588,253</u>	<u>\$ 19,334,540</u>	<u>\$ 70,922,793</u>	<u>\$ 275,392,169</u>	<u>\$ 346,314,962</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, 2011

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	\$ 10,626,003	\$ 3,116,214	\$ -	\$ 1,110,234
Public safety	22,184,889	4,009,330	901,834	59,952
Transportation	407,928	-	-	-
Economic and physical development	3,513,519	-	518,858	65,721
Human services	25,780,744	614,256	19,595,572	-
Cultural	1,703,861	-	-	-
Education	51,507,334	-	13,222,273	-
Debt service - interest	2,012,164	-	-	-
Total governmental activities	<u>117,736,442</u>	<u>7,739,800</u>	<u>34,238,537</u>	<u>1,235,907</u>
<b>Business-Type Activities:</b>				
Water and sewer	2,179,225	1,205,060	-	1,238,752
Solid waste disposal	3,022,362	2,045,867	-	-
Total business-type activities	<u>5,201,587</u>	<u>3,250,927</u>	<u>-</u>	<u>1,238,752</u>
Total primary government	<u>122,938,029</u>	<u>10,990,727</u>	<u>34,238,537</u>	<u>2,474,659</u>
<b>Component Units:</b>				
Tourism Development Authority	635,914	-	677,992	-
Business Development Authority	19,866	-	-	-
Health Care Systems and Subsidiaries	193,217,051	202,960,383	5,333,003	-
ABC Board	8,294,379	8,493,201	-	-
Total component units	<u>\$ 202,167,210</u>	<u>\$ 211,453,584</u>	<u>\$ 6,010,995</u>	<u>\$ -</u>

### General Revenues:

#### Taxes:

- Ad valorem taxes
- Local option sales tax
- Excise tax
- Other taxes

Investment earnings

Miscellaneous

Total general revenues

Change in net assets

### Net Assets:

Beginning of year - July 1

End of year - June 30

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

**Exhibit B**

<b>Net (Expense) Revenue and Changes in Net Assets</b>				
<b>Primary Government</b>			<b>Component Units</b>	<b>Total Reporting Unit</b>
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>		
\$ (6,399,555)	\$ -	\$ (6,399,555)	\$ -	\$ (6,399,555)
(17,213,773)	-	(17,213,773)	-	(17,213,773)
(407,928)	-	(407,928)	-	(407,928)
(2,928,940)	-	(2,928,940)	-	(2,928,940)
(5,570,916)	-	(5,570,916)	-	(5,570,916)
(1,703,861)	-	(1,703,861)	-	(1,703,861)
(38,285,061)	-	(38,285,061)	-	(38,285,061)
(2,012,164)	-	(2,012,164)	-	(2,012,164)
<u>(74,522,198)</u>	<u>-</u>	<u>(74,522,198)</u>	<u>-</u>	<u>(74,522,198)</u>
-	264,587	264,587	-	264,587
-	(976,495)	(976,495)	-	(976,495)
-	(711,908)	(711,908)	-	(711,908)
<u>(74,522,198)</u>	<u>(711,908)</u>	<u>(75,234,106)</u>	<u>-</u>	<u>(75,234,106)</u>
-	-	-	42,078	42,078
-	-	-	(19,866)	(19,866)
-	-	-	15,076,335	15,076,335
-	-	-	<u>198,822</u>	<u>198,822</u>
-	-	-	<u>15,297,369</u>	<u>15,297,369</u>
48,435,467	-	48,435,467	-	48,435,467
10,810,293	-	10,810,293	-	10,810,293
141,784	-	141,784	-	141,784
72,271	-	72,271	-	72,271
348,306	28,616	376,922	13,517,264	13,894,186
-	-	-	<u>165,522</u>	<u>165,522</u>
<u>59,808,121</u>	<u>28,616</u>	<u>59,836,737</u>	<u>13,682,786</u>	<u>73,519,523</u>
(14,714,077)	(683,292)	(15,397,369)	28,980,155	13,582,786
<u>66,302,330</u>	<u>20,017,832</u>	<u>86,320,162</u>	<u>246,412,014</u>	<u>332,732,176</u>
<u>\$ 51,588,253</u>	<u>\$ 19,334,540</u>	<u>\$ 70,922,793</u>	<u>\$ 275,392,169</u>	<u>\$ 346,314,962</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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# NASH COUNTY, NORTH CAROLINA

## BALANCE SHEET - GOVERNMENTAL FUNDS JUNE 30, 2011

	<u>General Fund</u>	<u>2010 Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 7,849,018	\$ -	\$ 4,351,924	\$ 12,200,942
Investments	19,676,983	-	-	19,676,983
Taxes receivable, net	3,696,540	-	-	3,696,540
Accounts receivable, net	4,066,507	11,387	50,527	4,128,421
Due from other funds	58,623	-	-	58,623
Prepaid items and other assets	15,109	-	-	15,109
Restricted assets:				
Restricted cash	238,911	18,980,016	2,815,544	22,034,471
<b>Total assets</b>	<b>\$ 35,601,691</b>	<b>\$ 18,991,403</b>	<b>\$ 7,217,995</b>	<b>\$ 61,811,089</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	1,582,877	1,969,902	\$ 751,933	\$ 4,304,712
Deferred revenues	3,743,982	-	-	3,743,982
Due to other funds	-	-	48,634	48,634
<b>Total liabilities</b>	<b>5,326,859</b>	<b>1,969,902</b>	<b>800,567</b>	<b>8,097,328</b>
<b>Fund Balances:</b>				
Non-spendable, not in spendable form:				
Prepaid assets	15,109	-	-	15,109
Restricted:				
Stabilization by State statute	4,610,866	11,387	50,527	4,672,780
Restricted, all other	932,423	18,980,016	4,105,310	24,017,749
Committed	238,911	-	2,539,106	2,778,017
Assigned	3,322,483	-	227,484	3,549,967
Unassigned	21,155,040	(1,969,902)	(504,999)	18,680,139
<b>Total fund balances</b>	<b>30,274,832</b>	<b>17,021,501</b>	<b>6,417,428</b>	<b>53,713,761</b>
<b>Total liabilities and fund balances</b>	<b>\$ 35,601,691</b>	<b>\$ 18,991,403</b>	<b>\$ 7,217,995</b>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	47,878,928
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(56,590,570)
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 Assets.	2,890,128
Deferred revenues in the governmental funds are used to offset accounts receivable not expected to be available within 90 days of year-end. These receivables are a component of net assets in the Statement of Net Assets.	3,696,006
<b>Net assets of governmental activities</b>	<b>\$ 51,588,253</b>

*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, 2011

	General Fund	2010 Capital Projects Fund	Other Governmental Funds	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 45,831,908	\$ -	\$ 2,468,653	\$ 48,300,561
Other taxes and licenses	11,024,348	-	-	11,024,348
Unrestricted intergovernmental	373,744	-	-	373,744
Restricted intergovernmental	20,005,121	11,082,757	2,553,267	33,641,145
Permits and fees	917,142	-	-	917,142
Sales and services	4,530,646	-	-	4,530,646
Investment earnings	210,004	69,876	11,577	291,457
Miscellaneous	2,084,337	1,380,977	119,021	3,584,335
Total revenues	<u>84,977,250</u>	<u>12,533,610</u>	<u>5,152,518</u>	<u>102,663,378</u>
<b>Expenditures:</b>				
Current:				
General government	9,477,460	436,492	558,385	10,472,337
Public safety	18,359,891	1,128,210	2,879,680	22,367,781
Transportation	163,452	-	217,776	381,228
Economic and physical development	3,134,193	-	571,909	3,706,102
Human services	25,634,581	-	48,332	25,682,913
Cultural and recreation	1,674,658	-	-	1,674,658
Education	23,288,417	22,919,512	5,222,823	51,430,752
Debt service:				
Principal	2,799,930	-	-	2,799,930
Interest	2,012,164	-	-	2,012,164
Total expenditures	<u>86,544,746</u>	<u>24,484,214</u>	<u>9,498,905</u>	<u>120,527,865</u>
Revenues over (under) expenditures	<u>(1,567,496)</u>	<u>(11,950,604)</u>	<u>(4,346,387)</u>	<u>(17,864,487)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	427,837	-	302,436	730,273
Transfers out	(302,436)	-	(427,837)	(730,273)
Capital lease obligations issued	979,290	-	-	979,290
Total other financing sources (uses)	<u>1,104,691</u>	<u>-</u>	<u>(125,401)</u>	<u>979,290</u>
Net change in fund balances	(462,805)	(11,950,604)	(4,471,788)	(16,885,197)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>30,737,637</u>	<u>28,972,105</u>	<u>10,889,216</u>	<u>70,598,958</u>
End of year - June 30	<u>\$ 30,274,832</u>	<u>\$ 17,021,501</u>	<u>\$ 6,417,428</u>	<u>\$ 53,713,761</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, 2011**

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)	\$ (16,885,197)
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.	134,906
Expenses related to compensated absences, OPEB, and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(2,185,954)
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.	5,011,364
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,741,682)
Loss on the disposal of capital assets during the year, not recognized on the modified accrual basis	(89,506)
Internal Service Fund	169,015
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.	2,799,930
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	52,337
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>(979,290)</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ (14,714,077)</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over/Under
	Original	Final		
<b>Revenues:</b>				
Ad valorem taxes	\$ 45,300,000	\$ 45,300,000	\$ 45,831,908	\$ 531,908
Other taxes and licenses	11,863,000	11,863,000	11,024,348	(838,652)
Unrestricted intergovernmental	357,500	357,500	373,744	16,244
Restricted intergovernmental	18,997,935	20,310,878	20,005,121	(305,757)
Permits and fees	818,000	848,700	917,142	68,442
Sales and services	4,178,249	4,185,549	4,530,646	345,097
Investment earnings	220,750	220,750	209,584	(11,166)
Miscellaneous	1,167,790	1,179,540	2,084,337	904,797
Total revenues	<u>82,903,224</u>	<u>84,265,917</u>	<u>84,976,830</u>	<u>710,913</u>
<b>Expenditures:</b>				
Current:				
General government	7,929,794	10,725,861	9,477,460	1,248,401
Public safety	18,875,149	18,772,010	18,359,891	412,119
Transportation	165,122	169,167	163,452	5,715
Economic and physical development	1,948,113	3,391,588	3,134,193	257,395
Human services	26,685,057	27,593,868	25,634,581	1,959,287
Cultural and recreation	1,539,529	1,684,906	1,674,658	10,248
Education	22,935,809	23,335,807	23,288,417	47,390
Debt service:				
Principal	2,542,899	2,799,933	2,799,930	3
Interest	2,023,619	2,023,619	2,012,164	11,455
Total expenditures	<u>84,645,091</u>	<u>90,496,759</u>	<u>86,544,746</u>	<u>3,952,013</u>
Revenues over (under) expenditures	<u>(1,741,867)</u>	<u>(6,230,842)</u>	<u>(1,567,916)</u>	<u>4,662,926</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	328,115	453,115	427,837	(25,278)
Transfers out	(140,000)	(230,336)	(230,336)	-
Capital lease obligations issued	-	979,290	979,290	-
Fund balance appropriated	1,553,752	5,028,773	-	(5,028,773)
Total other financing sources (uses)	<u>1,741,867</u>	<u>6,230,842</u>	<u>1,176,791</u>	<u>(5,054,051)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(391,125)</u>	<u>\$ (391,125)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>30,410,595</u>	
End of year - June 30			<u>\$ 30,019,470</u>	

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

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2011

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ 4,719,157	\$ -	\$ 4,719,157	\$ 3,619,326
Due from other funds	2,558,351	-	2,558,351	-
Accounts receivable, net	913,581	-	913,581	1,834
Notes receivable, net	171,946	-	171,946	-
Restricted cash and investments	73,296	61,000	134,296	-
Total current assets	<u>8,436,331</u>	<u>61,000</u>	<u>8,497,331</u>	<u>3,621,160</u>
Non-current assets:				
Non-depreciable capital assets	2,673,469	10,654,952	13,328,421	-
Other capital assets, net of depreciation	11,809,237	-	11,809,237	-
Total non-current assets	<u>14,482,706</u>	<u>10,654,952</u>	<u>25,137,658</u>	<u>-</u>
Total assets	<u>22,919,037</u>	<u>10,715,952</u>	<u>33,634,989</u>	<u>3,621,160</u>
<b>Liabilities and Net Assets:</b>				
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable and accrued liabilities	532,900	5,699	538,599	731,032
Customer deposits	73,296	-	73,296	-
Due to other funds	9,989	2,558,351	2,568,340	-
Current portion of accrued landfill post-closure costs	25,000	-	25,000	-
Current portion of compensated absences	37,318	-	37,318	-
Current portion of long-term debt	305,500	61,000	366,500	-
Total current liabilities	<u>984,003</u>	<u>2,625,050</u>	<u>3,609,053</u>	<u>731,032</u>
Non-current liabilities:				
Non-current portion of long-term debt	2,801,000	5,118,000	7,919,000	-
OPEB liability	177,136	-	177,136	-
Accrued landfill closure and post-closure care costs	2,590,169	-	2,590,169	-
Compensated absences	5,091	-	5,091	-
Total non-current liabilities	<u>5,573,396</u>	<u>5,118,000</u>	<u>10,691,396</u>	<u>-</u>
Total liabilities	<u>6,557,399</u>	<u>7,743,050</u>	<u>14,300,449</u>	<u>731,032</u>
<b>Net Assets:</b>				
Invested in capital assets, net of related debt	11,376,206	5,475,952	16,852,158	-
Unrestricted	4,985,432	(2,503,050)	2,482,382	2,890,128
Total net assets	<u>\$ 16,361,638</u>	<u>\$ 2,972,902</u>	<u>\$ 19,334,540</u>	<u>\$ 2,890,128</u>

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

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
FUND NET ASSETS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
<b>Operating Revenues:</b>				
Charges for sales and services	\$ 3,012,308	\$ -	\$ 3,012,308	\$ 5,574,388
Other operating revenue	238,619	-	238,619	-
Total operating revenues	<u>3,250,927</u>	<u>-</u>	<u>3,250,927</u>	<u>5,574,388</u>
<b>Operating Expenses:</b>				
Water and sewer operations	1,266,587	-	1,266,587	-
Solid waste disposal operations	3,022,362	-	3,022,362	-
System repairs and improvements	146,941	-	146,941	-
Depreciation	397,853	-	397,853	-
Insurance claims	-	-	-	5,409,885
Total operating expenses	<u>4,833,743</u>	<u>-</u>	<u>4,833,743</u>	<u>5,409,885</u>
Operating income (loss)	<u>(1,582,816)</u>	<u>-</u>	<u>(1,582,816)</u>	<u>164,503</u>
<b>Non-Operating Revenues (Expenses):</b>				
Interest and fees paid	(125,469)	(233,402)	(358,871)	-
Investment earnings	28,616	-	28,616	4,512
Loss on sale/disposal of assets	(8,973)	-	(8,973)	-
Total non-operating revenues (expenses)	<u>(105,826)</u>	<u>(233,402)</u>	<u>(339,228)</u>	<u>4,512</u>
Income before transfers and contributions	<u>(1,688,642)</u>	<u>(233,402)</u>	<u>(1,922,044)</u>	<u>169,015</u>
Capital contributions	<u>1,090,378</u>	<u>148,374</u>	<u>1,238,752</u>	<u>-</u>
Transfers (to)/from other funds	<u>(229,135)</u>	<u>229,135</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>(827,399)</u>	<u>144,107</u>	<u>(683,292)</u>	<u>169,015</u>
<b>Net Assets:</b>				
Beginning of year - July 1	<u>17,189,037</u>	<u>2,828,795</u>	<u>20,017,832</u>	<u>2,721,113</u>
End of year - June 30	<u>\$ 16,361,638</u>	<u>\$ 2,972,902</u>	<u>\$ 19,334,540</u>	<u>\$ 2,890,128</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, 2011

	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	\$ 2,661,739	\$ -	\$ 2,661,739	\$ 5,582,976
Cash paid for goods and services	(2,614,049)	(63,344)	(2,677,393)	(5,430,851)
Cash paid to employees for services	(932,272)	-	(932,272)	-
Customer deposits	18,800	-	18,800	-
Net cash provided (used) by operating activities	<u>(865,782)</u>	<u>(63,344)</u>	<u>(929,126)</u>	<u>152,125</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Change in due to other funds	(366,078)	376,067	9,989	-
Transfers (to) from other funds	(229,135)	229,135	-	-
Net cash provided (used) by non-capital financing activities	<u>(595,213)</u>	<u>605,202</u>	<u>9,989</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Capital contributions	1,090,378	148,374	1,238,752	-
Principal paid on long-term debt	(305,500)	(60,000)	(365,500)	-
Interest paid on long-term debt	(125,469)	(233,402)	(358,871)	-
Principal collected on note receivable	171,946	-	171,946	-
Acquisition of capital assets	(913,968)	(625,016)	(1,538,984)	-
Net cash provided (used) by capital and related financing activities	<u>(82,613)</u>	<u>(770,044)</u>	<u>(852,657)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>				
Investment earnings	28,616	-	28,616	4,512
Net increase (decrease) in cash and cash equivalents	(1,514,992)	(228,186)	(1,743,178)	156,637
Cash and cash equivalents - July 1	6,307,445	289,186	6,596,631	3,462,689
Cash and cash equivalents - June 30	<u>\$ 4,792,453</u>	<u>\$ 61,000</u>	<u>\$ 4,853,453</u>	<u>\$ 3,619,326</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ (1,582,816)	\$ -	\$ (1,582,816)	\$ 164,503
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	397,853	-	397,853	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(589,188)	-	(589,188)	8,588
(Increase) decrease in due to/from other funds	-	-	-	-
Increase (decrease) in accounts payable and accrued liabilities	212,648	(63,344)	149,304	(20,966)
Increase (decrease) in customer deposits	18,800	-	18,800	-
Increase (decrease) in landfill closure and post-closure care costs	676,921	-	676,921	-
Net cash provided (used) by operating activities	<u>\$ (865,782)</u>	<u>\$ (63,344)</u>	<u>\$ (929,126)</u>	<u>\$ 152,125</u>

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

**NASH COUNTY, NORTH CAROLINA**

**STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2011**

	<u>Agency Fund</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 204,071
<b>Liabilities:</b>	
Accounts payable	\$ 36,397
Intergovernmental payable	<u>167,674</u>
Total liabilities	<u>\$ 204,071</u>

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

## NASH COUNTY, NORTH CAROLINA

### COMBINING STATEMENT OF NET ASSETS ALL DISCRETELY PRESENTED COMPONENT UNITS JUNE 30, 2011

	<u>Tourism Development Authority</u>	<u>Nash County Business Development Authority</u>	<u>Nash Health Care Systems and Subsidiaries</u>	<u>Nash County ABC Board</u>	<u>Total Component Units</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 362,213	\$ 14,551	\$ 109,797,821	\$ 833,945	\$ 111,008,530
Cash and cash equivalents - restricted	-	-	71,839,488	-	71,839,488
Receivables:					
Taxes receivable, net	-	-	30,401,288	-	30,401,288
Prepaid items and other assets	-	-	11,277,953	-	11,277,953
Inventories	-	-	3,620,228	1,375,494	4,995,722
Capital assets:					
Depreciable capital assets, net	-	-	114,842,085	1,584,244	116,426,329
Non-depreciable assets	-	1,730,000	4,589,712	-	6,319,712
Total assets	<u>362,213</u>	<u>1,744,551</u>	<u>346,368,575</u>	<u>3,793,683</u>	<u>352,269,022</u>
<b>Liabilities:</b>					
Accounts payable	3,421	-	26,629,461	636,290	27,269,172
Distributions payable	-	-	-	86,853	86,853
Deferred rent	-	-	-	-	-
Current portion - long-term debt	-	-	1,622,506	-	1,622,506
Non-current portion - long-term debt	-	-	47,871,173	27,149	47,898,322
Total liabilities	<u>3,421</u>	<u>-</u>	<u>76,123,140</u>	<u>750,292</u>	<u>76,876,853</u>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	-	1,730,000	72,148,118	1,584,244	75,462,362
Restricted for:					
Law enforcement	-	-	-	231	231
Working capital	-	-	-	250,704	250,704
Unrestricted	<u>358,792</u>	<u>14,551</u>	<u>198,097,317</u>	<u>1,208,212</u>	<u>199,678,872</u>
Total net assets	<u>\$ 358,792</u>	<u>\$ 1,744,551</u>	<u>\$ 270,245,435</u>	<u>\$ 3,043,391</u>	<u>\$ 275,392,169</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, 2011

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
<b>Component Units:</b>			
Tourism Development Authority	\$ 635,914	\$ -	\$ 677,992
Business Development Authority	19,866	-	-
Health Care Systems and Subsidiaries	193,217,051	202,960,383	5,333,003
ABC Board	8,294,379	8,493,201	-
Total component units	\$ 202,167,210	\$ 211,453,584	\$ 6,010,995

### General Revenues:

#### Investment earnings:

Tourism Development Authority  
Health Care Systems and Subsidiaries  
ABC Board

#### Miscellaneous:

Business Development Authority  
Health Care Systems and Subsidiaries  
ABC Board

Total general revenues

Change in net assets

### Net Assets:

Beginning of year - July 1

End of year - June 30

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

Exhibit L

<u>Program</u>	<u>Revenues</u>			<u>Total</u>
<u>Tourism</u> <u>Development</u> <u>Authority</u>	<u>Business</u> <u>Development</u> <u>Authority</u>	<u>Health Care</u> <u>Systems and</u> <u>Subsidiaries</u>	<u>ABC Board</u>	<u>Component</u> <u>Units</u>
\$ 42,078	\$ -	\$ -	\$ -	\$ 42,078
-	(19,866)	-	-	(19,866)
-	-	15,076,335	-	15,076,335
-	-	-	198,822	198,822
<u>42,078</u>	<u>(19,866)</u>	<u>15,076,335</u>	<u>198,822</u>	<u>15,297,369</u>
399	-	-	-	399
-	-	13,513,580	-	13,513,580
-	-	-	3,285	3,285
-	127	-	-	127
-	-	165,234	-	165,234
-	-	-	161	161
<u>399</u>	<u>127</u>	<u>13,678,814</u>	<u>3,446</u>	<u>13,682,786</u>
42,477	(19,739)	28,755,149	202,268	28,980,155
<u>316,315</u>	<u>1,764,290</u>	<u>241,490,286</u>	<u>2,841,123</u>	<u>246,412,014</u>
<u>\$ 358,792</u>	<u>\$ 1,744,551</u>	<u>\$ 270,245,435</u>	<u>\$ 3,043,391</u>	<u>\$ 275,392,169</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, 2011

### 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 97,000. 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. 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 special revenue fund.
- 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.
- 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 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, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

- 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 County Business Development Authority  
Economic Development Commission  
427 Falls Road  
Rocky Mount, NC 27801

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 Assets and the Statement of Activities display information about the primary government (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, 2011

*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 and investment earnings, result from non-exchange transactions or ancillary activities.

**Major Funds** – The General Fund, the 2010 Capital Projects Fund, the Utilities Enterprise Fund, and the Central Nash Water and Sewer District Enterprise Fund 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 2010 Capital Projects Fund is used to account for construction of the new Rocky Mount High School, a Southern Nash High School field house, construction of the Emergency Medical Services building, and a storage facility. 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 Tax 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 Tax 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, E911 Fund, Controlled Substance Fund, Federal Asset Forfeiture Fund, Stormwater Maintenance Fund, Tourism Fund, and Grant Projects Fund.

*Capital Project Funds*— The County has seven capital project funds: Court Facilities Project Fund, Gateway Technology Center, School Capital Project Fund, Middlesex Industrial Park Project, Capital Reserve Fund, and Middlesex Elementary School Project Fund.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**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, and sewage pumping stations and collection systems.

**Internal Service Funds** – The Employee Healthcare Benefits and the Workers' Compensation Funds 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 six 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, 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; the Jail Inmate Fund which is used to account for monies held for inmates; the Rental Vehicle Taxes Fund which accounts for vehicle rental taxes collected; and the Delinquent Vehicle Tax Fund which accounts for the three percent interest collected on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles.

#### **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, 2011

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 are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, 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, Nash County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

Sales taxes 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 are both restricted and unrestricted net assets 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 by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

### 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, 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.

**Restricted Assets** – The unexpended Limited Obligation Bond proceeds 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. The 2011 debt service payment on the USDA loan is restricted in the business-type activities for future payment. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**Ad Valorem Taxes Receivable** – In accordance with State law [G.S. 105-347 and G.S. 159-133(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, 2008. As allowed by State law, the County has established a schedule of discounts that apply to taxes, which 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** – Allowance for doubtful accounts are maintained on all types of receivables which historically experience uncollectible 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.

**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.

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	

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**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 in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Assets.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing sources.

**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, 2011 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 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 ASSETS/FUND BALANCES

**Net Assets** – Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or 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 in tact.

*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.

**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.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

*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, E-911, and constructing new EMS Station.

*Restricted for General Government* – portion of fund balance that is restricted by revenue source for the construction of Nash Storage Facility and Gateway Technology Center.

*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, 2011 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>2010 Capital Projects Fund</u>	<u>Other Governmental Funds</u>
<b>Restricted, all other:</b>			
Human Services	\$ 932,423	\$ -	\$ -
Education	-	17,281,793	3,012,529
Public Safety	-	534,050	901,168
General Government	-	1,164,173	132,856
Economic and Physical Development	-	-	58,757
<b>Total</b>	<u>\$ 932,423</u>	<u>\$ 18,980,016</u>	<u>\$ 4,105,310</u>

**Committed Fund Balance** – portion of fund balance that can only be used for specific purpose imposed by majority vote of County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

*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.

Committed fund balance at June 30, 2011 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Tax revaluation	\$ 238,911	\$ -
Capital outlays	-	2,539,106

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Assigned Fund Balance** – portion of fund balance that the County governing board has budgeted.

*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 General Government* – portion of fund balance that has been budgeted by the Board of Commissioners for future capital.

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

*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 fund balance at June 30, 2011 is as follows:

<b>Purpose</b>	<b>General Fund</b>	<b>Governmental Fund</b>
Subsequent year's expenditures	\$ 2,006,032	\$ -
General government	650,000	-
Economic and physical development	666,451	-
Public safety	-	202,479
Transportation	-	25,005
<b>Total</b>	<b>\$ 3,322,483</b>	<b>\$ 227,484</b>

**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’s 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.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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	\$	30,274,832
<b>Less:</b>		
Prepaid assets		15,109
Stabilization by State Statute		4,610,866
Total available fund balance	\$	<u>25,648,857</u>

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

	<u>General Fund</u>	<u>Other Governmental Funds</u>
Encumbrances	\$ 485,736	\$ -

**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)	\$	30,019,470
<b>Tax Revaluation Fund:</b>		
Investment earnings		263
Transfer in - General Fund		40,000
Fund balance, beginning		198,648
<b>Economic Development Fund:</b>		
Investment earnings		157
Transfers out		(112,100)
Fund balance, beginning		<u>128,394</u>
Fund balance, ending -General Fund (Exhibit D)	\$	<u>30,274,832</u>

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

### 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 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, 2011, the County's deposits had a carrying amount of \$10,521,351 and a bank balance of \$11,065,276. Of the bank balance, \$750,000 was covered by federal depository insurance, and \$10,315,276 was covered by collateral held under the Pooling Method. At June 30, 2011, Nash County had \$3,250 cash on hand.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**Investments** – At June 30, 2011, 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	\$ 2,000,167	\$ -	\$ -	\$ 2,000,167	4%
Freddie Mac	1,000,000	-	-	1,000,000	2%
Freddie Mac	1,000,000	-	-	1,000,000	2%
Fannie Mae	1,000,028	-	-	1,000,028	2%
Fannie Mae	1,000,000	-	-	1,000,000	2%
Freddie Mac	1,504,050	-	-	1,504,050	3%
<b>Commercial Paper:</b>					
UBS Finance Delaware	997,404	997,404	-	-	2%
Intesa Funding LLC	997,500	997,500	-	-	2%
Abbey National	997,068	997,068	-	-	2%
FCAR Owner Trust II	1,195,545	1,195,545	-	-	2%
Intesa Funding LLC	1,996,430	1,996,430	-	-	4%
Abbey National	997,500	997,500	-	-	2%
FCAR Owner Trust II	997,211	-	997,211	-	2%
Abbey National	995,236	-	995,236	-	2%
Dealers Capital	1,999,611	1,999,611	-	-	4%
Abbey National	999,233	999,233	-	-	2%
FCAR Owner Trust II	3,987,913	-	3,987,913	-	8%
Abbey National	1,989,578	1,989,578	-	-	4%
FCAR Owner Trust I	1,993,655	1,993,655	-	-	4%
<b>NCCMT - Cash Portfolio</b>	<u>5,906,923</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>11%</u>
<b>Public Funds Money Rate Savings Account</b>	<u>18,509,592</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>36%</u>
<b>Total</b>	<u>\$ 52,064,645</u>	<u>\$ 14,163,524</u>	<u>\$ 5,980,360</u>	<u>\$ 7,504,245</u>	<u>100%</u>

**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, 2011, 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 carried a credit rating of AAAM by Standard and Poor’s as of June 30, 2011.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**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%. A minimum of 20% of available investments must be liquid. At June 30, 2011, investments in U.S. government agencies and commercial paper representing greater than 5% of the County’s total investments were: Fannie Mae, Freddie Mac, Abbey National, Intesa Funding LLC, and FCAR Owner Trust II. Combined U.S. government agencies and commercial paper represented 53% of the County’s total investments, NCCMT represented 11%, and Public Funds Money Rate Saving Account represented the remaining 36%.

### 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>
2008	\$ 1,621,238	\$ 397,203	\$ 2,018,441
2009	2,491,309	386,153	2,877,462
2010	2,531,226	164,530	2,695,756
2011	2,538,148	-	2,538,148
Total	<u>\$ 9,181,921</u>	<u>\$ 947,886</u>	<u>\$ 10,129,807</u>

### Note 4 - Receivables

At June 30, 2011, the County’s government-wide receivable balances were as follows:

	<u>Government-Wide Financial Statements</u>		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Receivables:</b>			
Taxes	\$ 5,162,714	\$ -	\$ 5,162,714
E911 taxes and fees	31,627	-	31,627
Accounts	578,371	681,237	1,259,608
Due from other governments	<u>3,520,257</u>	<u>435,290</u>	<u>3,955,547</u>
Gross receivables	9,292,969	1,116,527	10,409,496
Less: Allowance for uncollectibles	<u>(1,466,174)</u>	<u>(31,000)</u>	<u>(1,497,174)</u>
Net total receivables	<u>\$ 7,826,795</u>	<u>\$ 1,085,527</u>	<u>\$ 8,912,322</u>

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

Local option sales tax	\$ 1,753,097	\$ -
Sales tax refund	302,768	-
Other reimbursements (refunds, grants, DSS, Health)	1,464,392	410,727
White goods disposal and scrap tire tax	-	24,563
Total	<u>\$ 3,520,257</u>	<u>\$ 435,290</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Note 5 – Capital Assets**

Capital asset activity for the governmental activities for the year ended June 30, 2011 was as follows:

	<u>June 30, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 7,148,444	\$ 1,683,250	\$ -	\$ 8,831,694
Construction in progress	3,814,352	1,549,917	(3,677,594)	1,686,675
Total capital assets not being depreciated	<u>10,962,796</u>	<u>3,233,167</u>	<u>(3,677,594)</u>	<u>10,518,369</u>
Capital assets being depreciated:				
Land improvements	219,807	4,705	(47,082)	177,430
Infrastructure	566,636	-	-	566,636
Buildings	45,062,232	3,934,453	-	48,996,685
Vehicles	4,981,108	1,376,314	(819,219)	5,538,203
Equipment	10,613,056	140,319	(13,029)	10,740,346
Total capital assets being depreciated	<u>61,442,839</u>	<u>5,455,791</u>	<u>(879,330)</u>	<u>66,019,300</u>
Less accumulated depreciation for:				
Land improvements	42,730	9,017	-	51,747
Infrastructure	101,495	14,166	-	115,661
Buildings	15,630,439	973,800	-	16,604,239
Vehicles	3,633,905	987,939	(789,824)	3,832,020
Equipment	7,298,314	756,760	-	8,055,074
Total accumulated depreciation	<u>26,706,883</u>	<u>\$ 2,741,682</u>	<u>\$ (789,824)</u>	<u>28,658,741</u>
Total capital assets being depreciated, net	<u>34,735,956</u>			<u>37,360,559</u>
 Governmental activity capital assets, net	 <u>\$ 45,698,752</u>			 <u>\$ 47,878,928</u>

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

General government	\$ 991,938
Public safety	1,410,734
Transportation	37,472
Cultural (parks and recreation)	10,857
Economic and physical development	123,960
Human services	90,139
Education	76,582
Total depreciation expense	<u>\$ 2,741,682</u>

The County's equity interest in the Rocky Mount/Wilson Airport represents \$1,833,236 (Note 13).

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Capital asset activity for business-type activities for the year ended June 30, 2011 was as follows:

	<u>June 30, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>
<b>Business-Type Activities:</b>				
<b>Water and Sewer Activity:</b>				
Capital assets not being depreciated:				
Land	\$ 20,107	\$ -	\$ (20,107)	\$ -
Construction in progress	1,503,695	861,589	-	2,365,284
Construction in progress - Central Nash	10,029,936	625,016	-	10,654,952
Total capital assets not being depreciated	<u>11,553,738</u>	<u>1,486,605</u>	<u>(20,107)</u>	<u>13,020,236</u>
Capital assets being depreciated:				
Infrastructure	13,203,143	20,107	(8,973)	13,214,277
Furniture, fixtures, and equipment	33,306	-	-	33,306
Vehicles	68,461	-	-	68,461
Total capital assets being depreciated	<u>13,304,910</u>	<u>20,107</u>	<u>(8,973)</u>	<u>13,316,044</u>
Less accumulated depreciation for:				
Infrastructure	1,947,507	264,099	-	2,211,606
Furniture, fixtures, and equipment	27,058	1,168	-	28,226
Vehicles	43,886	8,670	-	52,556
Total accumulated depreciation	<u>2,018,451</u>	<u>\$ 273,937</u>	<u>\$ -</u>	<u>2,292,388</u>
Total capital assets being depreciated, net	<u>11,286,459</u>			<u>11,023,656</u>
Water and Sewer activity capital assets, net	<u>22,840,197</u>			<u>24,043,892</u>

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>June 30, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>
<b>Solid Waste Disposal Activity:</b>				
Capital assets not being depreciated:				
Land	\$ 238,000	\$ -	\$ -	\$ 238,000
Capital assets being depreciated:				
Land improvements	1,425,163	14,379	-	1,439,542
Buildings and building improvements	21,686	-	-	21,686
Furniture, fixtures, and equipment	1,569,886	38,000	-	1,607,886
Vehicles	34,741	-	-	34,741
Total capital assets being depreciated	3,051,476	52,379	-	3,103,855
Less accumulated depreciation for:				
Land improvements	725,413	71,272	-	796,685
Buildings and building improvements	21,000	685	-	21,685
Furniture, fixtures, and equipment	1,474,913	32,148	-	1,507,061
Vehicles	29,916	667	-	30,583
Total accumulated depreciation	2,251,243	\$ 104,772	\$ -	2,356,015
Total capital assets being depreciated, net	800,233			747,840
Solid Waste Disposal activity capital assets, net	1,038,233			985,840
<b>Convenience Centers Activity:</b>				
Capital assets not being depreciated:				
Land	70,185	\$ -	\$ -	70,185
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	496,287	-	-	496,287
Less accumulated depreciation for:				
Land improvements	253,580	14,662	-	268,242
Buildings and building improvements	79,846	2,014	-	81,860
Furniture, fixtures, and equipment	105,976	2,468	-	108,444
Total accumulated depreciation	439,402	\$ 19,144	\$ -	458,546
Total capital assets being depreciated, net	56,885			37,741
Convenience Center activity capital assets, net	127,070			107,926
Business-type activities capital assets, net	\$ 24,005,501			\$ 25,137,658

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Invested in Capital Assets, Net of Debt**

The total invested in capital assets, net of related debt at June 30, 2011 is composed of the following elements:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets	\$ 47,878,928	\$ 25,137,658
Total debt, gross	48,328,858	8,285,500
Long-term debt for assets not owned by the County	5,374,244	-
Capital related unspent debt proceeds	<u>21,795,560</u>	<u>-</u>
Total capital debt	<u>21,159,054</u>	<u>8,285,500</u>
Invested in capital assets, net of related debt	<u>\$ 26,719,874</u>	<u>\$ 16,852,158</u>

**Note 6 -- Construction Commitments**

The government has active construction projects as of June 30, 2011. The projects include the court renovation project, school construction, and water projects. At June 30, 2011, 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	\$ 2,286,690	\$ 1,031,365
Castalia Water Line Project	791,258	183,842
Middlesex School	4,930,945	1,493,854
EMS Building	1,081,349	207,115
Rocky Mount High School	21,386,400	13,382,800
Southern Nash Fieldhouse	1,500,000	-
County Storage Building	388,098	567,902

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

Accounts payable and other accrued liabilities are disaggregated at June 30, 2011, as follows:

**Government-Wide Financial Statements**

**Governmental Activities:**

Vendors	\$ 4,825,032
Other governmental agencies	<u>210,712</u>
Total governmental activities	<u>\$ 5,035,744</u>

**Business-Type Activities:**

Vendors	\$ 538,599
Customer deposits	<u>73,296</u>
Total business-type activities	<u>\$ 611,895</u>

**Note 8 – Pension Plan Obligations**

**Local Governmental Employees' Retirement System**

*Plan Description* – Nash County contributes to 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 provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The LGERS 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, or by calling (919) 981-5454.

*Funding Policy* – Plan members are required to contribute 6% of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.43% and 6.41%, respectively, of annual covered payroll. The contribution requirements of members and of Nash County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$1,684,801, \$1,273,291, and \$1,268,285, respectively. The contributions made by the County equaled the required contributions for each year.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

### 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. These funds are locally administered and there is not a stand-alone financial report.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2010, the Separation Allowance's membership consisted of:

Retirees receiving benefits	3
Terminated plan members entitled to, but not yet, receiving benefits	-
Active plan members	<u>79</u>
Total	<u>82</u>

### *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.

*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, 2009 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 4.5% to 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. 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, 2009 was 21 years.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

*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	\$ 117,501
Interest on net pension obligation	26,543
Adjustment to annual required contribution	<u>(28,420)</u>
Annual pension cost	115,624
Contributions made	<u>62,521</u>
Increase (decrease) in net pension obligation	53,103
Net pension obligation, beginning of year - July 1	<u>530,852</u>
Net pension obligation, end of year - June 30	<u><u>\$ 583,955</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>
<u>          </u>	<u>          </u>	<u>Contribution</u>	<u>Obligation</u>
2009	\$ 80,098	30.22%	\$ 477,524
2010	87,678	39.18%	530,852
2011	115,624	54.07%	583,955

*Funded Status and Funding Progress* – As of December 31, 2010 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 \$833,487. The covered payroll (annual payroll of active employees covered by the plan) was \$3,439,533, and the ratio of the UAAL to the covered payroll was 24.23 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, 2011

*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, 2011 were \$222,955, which consisted of \$172,164 from the County; \$43,781 and \$7,010 (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 (Fund), a non-contributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any county register of deeds that 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. 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 Fund. 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.

*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 1 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, 2011, the County's required and actual contributions were \$6,193.

#### **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 \$22,677,976. Total contributions for the year ended June 30, 2011 were \$1,591,854, which consisted of \$1,133,895 from the County and \$457,959 from the employees. The County's required contributions and the employees' voluntary contributions represented 5% and 2% of the covered payroll amount, respectively.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**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. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payrolls, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants.

For the fiscal year ended June 30, 2011, the County made contributions to the State for death benefits of \$23,038.. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .08% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

**Other Post-Employment Benefits - Nash County**

**Health Care 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, 42 retirees are eligible for post-retirement health benefits up to age 65 (and 41 employees are eligible for the supplemental retirement at age 65 and above). For the fiscal year ended June 30, 2011, the County made payments for post-retirement health benefit premiums of \$217,076 for retired employees up to age 65 (and \$122,639 for the supplemental retirement at age 65 and above). The County obtains health care 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, 2010, the date of the latest actuarial valuation:

	<b>General Employees</b>	<b>Law Enforcement Officers</b>
Retirees and dependents receiving benefits	79	N/A
Active plan members	554	79
Total	633	79

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

*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.

The current ARC rate is 9.39% of annual covered payroll. For the current year, the County contributed \$339,715, or 1.29% 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 9.39% and 9.39% of covered payroll, respectively. In 2011, employee contributions totaled \$71,815, which includes \$19,479 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	\$	2,476,515
Interest on net OPEB obligation		150,710
Adjustments to annual required contribution		143,975
Annual OPEB cost (expense)		2,483,250
Contributions made		339,715
Increase (decrease) in net OPEB obligation		2,143,535
Net OPEB obligation, beginning of year - July 1		3,767,749
Net OPEB obligation, end of year - June 30	\$	5,911,284

The County’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 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>
2011	\$ 2,483,250	13.68%	\$ 5,911,284
2010	2,149,966	13.11%	3,767,749

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

*Fund Status and Funding Progress* – As of December 31, 2010, 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 \$29,377,801. The covered payroll (annual payroll of active employees covered by the plan) was \$26,374,745, and the ratio of the UAAL to the covered payroll was 111.4 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, 2010 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 10.50 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 percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, was 30 years.

As of June 30, 2011, 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.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The \$1,815,279 reported as landfill closure and post-closure care liability at June 30, 2011 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 changes in regulations. The County currently operates a Construction and Demolition landfill which is anticipated to close in 2015. C & D closure liability is \$799,890 at June 30, 2011 based on the use of 72% of total estimated capacity. The County currently reports a combined liability of \$2,615,169 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/Unearned Revenues**

The balance of deferred revenues on the fund statements and unearned revenues on the government-wide financial statements at year-end is composed of the following elements:

	<u>Deferred Revenues</u>	<u>Unearned Revenues</u>
Taxes, net (General Fund)	\$ 3,696,540	\$ -
Taxes collected in advance (General Fund)	47,442	47,442
Total	<u>\$ 3,743,982</u>	<u>\$ 47,442</u>

**Note 11 - Long-Term Obligations**

**Capital Leases**

The County has entered into an agreement to lease certain equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of lease inception.

The agreement was executed on August 11, 2010 for the lease of EMS ambulances and requires 4 annual payments of \$257,034, beginning in 2011 and ending in 2013. Under the terms of the agreement, title passes to the County at the end of the lease term.

At June 30, 2011, the County leased vehicles and equipment valued at:

<u>Classes of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Vehicles and motorized equipment	<u>\$ 979,290</u>	<u>\$ 301,684</u>	<u>\$ 677,606</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2011 were as follows:

Year Ending June 30		
2012	\$	257,034
2013		257,034
2014		257,034
Total minimum lease payments		771,102
Less: amount representing interest		48,846
Present value of the minimum lease payments	\$	722,256

**Installment Purchase Contracts** – Installment purchase contracts at June 30, 2011 are summarized below:

**Serviced by Governmental Activities:**

\$6,240,314 issued on March 31, 1997 for community college and jail addition, due in semi-annual installments of \$372,815, including interest at 4.57% through March 2012	\$ 720,830
\$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 Nov 2015	3,030,000
\$10,800,000 issued on June 1, 2004 for Certificate of Participation, due in annual installments of fixed principal \$650,000, plus interest through June 2024. COPS debt includes \$1,510,000 for Community College, \$1,000,000 for Technology Center, \$5,070,000 for Bailey Elementary School, \$2,010,000 for Courthouse renovations, and \$1,210,000 for Shell Building	6,310,000
\$339,380 issued on September 15, 2009 for EMS defibrillators, due in annual installments of \$75,699 interest of 3.75% included through September 2014	276,407
\$900,000 issued on October 16, 2009 for Shell Building Purchase, due in semi-annual installments of \$90,000, plus interest of 3.50% through December 2014	630,000
\$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%	7,342,300
Total serviced by governmental activities	\$ 18,309,537

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**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	\$ 897,600
\$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	1,162,500
\$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	<u>1,046,400</u>
Total serviced by business-type activities	<u>\$ 3,106,500</u>

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

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 2,207,164	\$ 652,601	\$ 305,500	\$ 113,463
2013	8,831,084	450,013	305,500	101,426
2014	1,491,326	346,121	305,500	89,388
2015	1,403,963	282,303	305,500	77,351
2016	1,241,000	213,526	305,500	65,313
2017-2021	2,385,000	493,913	829,900	198,379
2022-2026	750,000	73,125	655,500	78,878
2027-2030	-	-	93,600	2,109
Total	<u>\$ 18,309,537</u>	<u>\$ 2,511,602</u>	<u>\$ 3,106,500</u>	<u>\$ 726,307</u>

**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, 2011 is \$28,355,000.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

<b>Year Ending</b>	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
<b>June 30</b>		
2012	\$ 455,000	\$ 1,226,275
2013	960,000	1,209,725
2014	965,000	1,184,456
2015	965,000	1,156,713
2016	965,000	1,127,763
2017-2021	7,505,000	4,882,894
2022-2026	8,240,000	3,062,875
2027-2030	8,300,000	1,037,500
<b>Total</b>	<b>\$ 28,355,000</b>	<b>\$ 14,888,201</b>

**General Obligation Indebtedness**

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.

The County's general obligation bonds payable at June 30, 2011 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 of \$60,000 to \$235,000 through December 2048; interest of 3.625% to 4.5% \$ 5,179,000

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

<b>Year Ending June 30</b>	<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2012	\$ 61,000	\$ 226,524
2013	63,000	223,866
2014	66,000	221,119
2015	69,000	218,239
2016	71,000	215,233
2017-2021	412,000	1,026,199
2022-2026	509,000	928,219
2027-2031	628,000	806,930
2032-2036	779,000	656,975
2037-2041	965,000	470,875
2042-2046	1,144,000	241,693
2047-2048	412,000	25,744
<b>Total</b>	<b>\$ 5,179,000</b>	<b>\$ 5,261,616</b>

The following is a summary of changes in the County's long-term obligations as of June 30, 2011:

	<b>June 30, 2010</b>	<b>Additions</b>	<b>Retirements</b>	<b>June 30, 2011</b>	<b>Due in Less Than One Year</b>
<b>Governmental Activities:</b>					
Compensated absences	\$ 1,890,189	\$ 1,776,027	\$ (1,722,607)	\$ 1,943,609	\$ 1,807,556
Unfunded LEO pension	530,852	53,103	-	583,955	-
OPEB liability	3,654,717	2,079,431	-	5,734,148	-
Capital lease	-	979,290	(257,034)	722,256	232,875
Installment purchase contracts	20,852,433	-	(2,542,896)	18,309,537	2,207,164
Limited obligation bonds	28,355,000	-	-	28,355,000	455,000
Unamortized premium/discounts	994,402	-	(52,337)	942,065	-
<b>Total governmental activities</b>	<b>\$ 56,277,593</b>	<b>\$ 4,887,851</b>	<b>\$ (4,574,874)</b>	<b>\$ 56,590,570</b>	<b>\$ 4,702,595</b>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>June 30, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>	<u>Due in Less Than One Year</u>
<b>Business-Type Activities:</b>					
Installment purchase contract	\$ 3,412,000	\$ -	\$ (305,500)	\$ 3,106,500	\$ 305,500
General Obligation Water Bonds	5,239,000	-	(60,000)	5,179,000	61,000
Accrued landfill closure and post-closure costs	1,938,248	694,306	(17,385)	2,615,169	25,000
OPEB liability	113,032	64,104	-	177,136	-
Accrued vacation	40,127	32,201	(29,919)	42,409	37,318
Total business-type activities	<u>\$ 10,742,407</u>	<u>\$ 790,611</u>	<u>\$ (412,804)</u>	<u>\$ 11,120,214</u>	<u>\$ 428,818</u>

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 \$543,488,012 at June 30, 2011.

**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, 2011, there were no outstanding balances; the last payment was paid in December 2004.

**Note 12 – Interfund Balances and Activity**

**Due From/To Other Funds**

Interfund balances are summarized below:

	<u>Interfund Loans</u>		
	<u>From</u>	<u>To</u>	<u>Reason</u>
General Fund	\$ 58,623	\$ -	Advance project costs
Grants Projects Special Revenue Fund	-	48,634	Advance project costs
Utilities Enterprise Fund	2,558,351	9,989	Advance project costs
Central Nash Water and Sewer District	-	2,558,351	

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Transfers To/From Other Funds**

Transfers in (out) for the year ended June 30, 2011 are summarized below:

	<u>From</u>	<u>To</u>	<u>Reason</u>
General Fund	\$ 230,336	\$ 427,837	
Special Revenue			
Controlled Substance Fund	125,000	-	
Capital Reserve Fund	-	100,000	For Future Debt
Revaluation Fund	-	40,000	Budget for Revaluation Reserve
Grant Projects	-	90,336	County match for ARRA stimulus funds
Economic Development Fund	112,100	-	
Capital Project			
Court Facility Project	302,837	-	Remaining funds to General Fund towards Debt
Middlesex Corporate Park	-	112,100	
Utilities Fund	269,998	-	
SEPRO Grant Project	-	40,863	Advanced for Project Costs
Central Nash Water and Sewer District	-	229,135	Advanced for Project Costs

**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 \$1,675,180 to the Community College for operating purposes and \$1,302,686 for capital outlay during the year ended June 30, 2011. 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, 2011. 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.

**The Beacon Center** – The County, in conjunction with Edgecombe County, participates in a joint venture to provide mental health services through The Beacon Center (Authority). Each County appoints a commissioner to the Authority Board. The Commissioners then appoint the remaining Board of thirteen members. The County has ongoing financial responsibility for the joint venture. Neither County has an equity interest in the area authority. The County did not make a contribution to the Authority during the year ended June 30, 2011. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at 500 Medical Arts Mall, Rocky Mount, North Carolina, 27804.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**Rocky Mount/Wilson Airport Authority** – The County, in conjunction with the County of Rocky Mount, County 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, 2011. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$1,833,236 has been reported in the governmental capital assets in the County's basic financial statements at June 30, 2011. 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 County 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 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, 2011, the County contribution was not required due to other funds leveraged by the consortium.

**Carolinas Gateway Partnership, Inc.** – The County, in conjunction with Edgecombe County, the Town of Tarboro, and the County of Rocky Mount, participates in a joint venture to operate Carolinas Gateway Partnership, Inc. (Partnership). As of June 30, 2011, \$322,807 in pledges and contributions have been received from approximately 90 donors from the private sector and \$638,541 in public funding. The Partnership's bylaws state that private sector funds are matched on an equal basis by the public partners. As of June 30, 2011, the County contributed \$283,806 to support the Partnership.

**Braswell Memorial Library** – The County, in conjunction with the Library Association, the County 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 \$868,101 to the Library's operating purposes during the year ended June 30, 2011. In addition, the County has contributed \$257,898 of federal and State funds; primarily the State equalizing and block grants, to supplement the County's funding.

#### 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.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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 does not maintain flood insurance.

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, 2011. 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>2011</u>	<u>2010</u>
Unpaid claims, beginning	\$ 751,998	\$ 654,367
Incurred claims	5,388,919	5,154,838
Claim payments	<u>(5,409,885)</u>	<u>(5,057,207)</u>
Unpaid claims, ending	<u>\$ 731,032</u>	<u>\$ 751,998</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, 2011, 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.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**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, 2011. 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 clean up of contaminated soil.

### Note 15 – Additional Social Welfare Expenditures

The State, on behalf of the County, paid the following amounts directly to recipients in the County. These amounts represent additional federal and State financial assistance to the residents of the County but are not reflected in the financial statements because the County has no primary responsibilities beyond making eligibility determinations.

	<u>Federal</u>	<u>State</u>
Medicaid	\$ 79,712,974	\$ 33,387,936
WIC	2,345,510	-
TANF	552,389	(159)
Adoption Assistance	286,648	63,794
Energy Assistance	620,374	-
Special Assistance to Adults	-	933,238
Title IV-B Adoption Subsidy	-	223,214
Total	<u>\$ 83,517,895</u>	<u>\$ 34,608,023</u>

### 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.

## **NASH COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

#### **Note 17 – Related Party Transactions**

##### **Nash County Health Care Systems**

During 1995, Nash County Health Care 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 2011 and 2010 were \$1,224,074 and \$1,163,422, respectively.

***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  
FOR THE YEAR ENDED JUNE 30, 2011

## Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets A	Actuarial 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
12/31/2005	\$ -	\$ 403,739	\$ 403,739	0.00%	\$ 2,636,452	15.31%
12/31/2006	-	488,280	488,280	0.00%	2,793,573	17.48%
12/31/2007	-	586,175	586,175	0.00%	3,050,477	19.22%
12/31/2008	-	637,593	637,593	0.00%	3,266,762	19.52%
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%

## Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed
2006	\$ 56,605	22.11%
2007	65,424	17.58%
2008	64,614	17.58%
2009	76,177	17.14%
2010	83,139	39.18%
2011	117,501	53.21%

## 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	12/31/2009
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	21 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	5.00%
Projected salary increases *	4.5-12.3%
* Includes inflation at 3.75%	
Cost-of-living adjustments	N/A

## NASH COUNTY, NORTH CAROLINA

**OTHER POST-EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2011**

**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%

**Schedule of Employer Contributions**

Year Ended June 30	Annual Required Contribution (ARC)	Amount Contributed By Employer	Percentage of ARC Contributed
2009	\$ 2,149,966	\$ 250,276	11.64%
2010	2,149,966	281,907	13.11%
2011	2,476,515	339,715	13.72%

**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	12/31/2010
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	4.00%
Medical cost trend rate	10.50% - 5.00%
Year of Ultimate trend rate	2018

\* Includes inflation at 3.00%

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

- *General Fund*
- *Major Capital Project 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 City has legally adopted a Revaluation Fund and an Economic Development Fund. Under GASB Statement 54, 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 BALANCE - BUDGET AND ACTUAL - GENERAL FUND CONSOLIDATED  
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Revaluation Fund	Economic Development Fund	Eliminations	Total
<b>Revenues:</b>					
Ad valorem taxes	\$ 45,831,908	\$ -	\$ -	\$ -	\$ 45,831,908
Other taxes and licenses	11,024,348	-	-	-	11,024,348
Unrestricted intergovernmental	373,744	-	-	-	373,744
Restricted intergovernmental	20,005,121	-	-	-	20,005,121
Permits and fees	917,142	-	-	-	917,142
Sales and services	4,530,646	-	-	-	4,530,646
Investment earnings	209,584	263	157	-	210,004
Miscellaneous	2,084,337	-	-	-	2,084,337
Total revenues	<u>84,976,830</u>	<u>263</u>	<u>157</u>	<u>-</u>	<u>84,977,250</u>
<b>Expenditures:</b>					
Current:					
General government	9,477,460	-	-	-	9,477,460
Public safety	18,359,891	-	-	-	18,359,891
Transportation	163,452	-	-	-	163,452
Economic and physical development	3,134,193	-	-	-	3,134,193
Human services	25,634,581	-	-	-	25,634,581
Cultural and recreation	1,674,658	-	-	-	1,674,658
Education	23,288,417	-	-	-	23,288,417
Debt service:					
Principal	2,799,930	-	-	-	2,799,930
Interest	2,012,164	-	-	-	2,012,164
Total expenditures	<u>86,544,746</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,544,746</u>
Revenues over (under) expenditures	<u>(1,567,916)</u>	<u>263</u>	<u>157</u>	<u>-</u>	<u>(1,567,496)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	427,837	40,000	-	(40,000)	427,837
Transfers out	(230,336)	-	(112,100)	40,000	(302,436)
Capital lease obligations issued	979,290	-	-	-	979,290
Total other financing sources (uses)	<u>1,176,791</u>	<u>40,000</u>	<u>(112,100)</u>	<u>-</u>	<u>1,104,691</u>
Net change in fund balances	(391,125)	40,263	(111,943)	-	(462,805)
<b>Fund Balance:</b>					
Beginning of year - July 1	<u>30,410,595</u>	<u>198,648</u>	<u>128,394</u>	<u>-</u>	<u>30,737,637</u>
End of year - June 30	<u>\$ 30,019,470</u>	<u>\$ 238,911</u>	<u>\$ 16,451</u>	<u>\$ -</u>	<u>\$ 30,274,832</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, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Current year, net of discounts	\$ 43,825,000	\$ 44,072,364		\$ 44,187,315
Prior year's taxes	1,200,000	1,433,062		1,338,786
Penalties and interest	275,000	326,482		307,619
Total	<u>45,300,000</u>	<u>45,831,908</u>	\$ 531,908	<u>45,833,720</u>
<b>Other Taxes and Licenses:</b>				
Local option sales taxes	11,635,000	10,810,293		11,758,522
Real estate transfer taxes	175,000	141,784		181,984
Rental vehicle tax	48,000	56,415		53,545
Privilege licenses	5,000	15,856		14,121
Total	<u>11,863,000</u>	<u>11,024,348</u>	(838,652)	<u>12,008,172</u>
<b>Unrestricted Intergovernmental Revenues:</b>				
Beer and wine tax	150,000	170,570		54,078
ABC 5% bottle tax	32,500	32,756		32,293
Video programming tax	175,000	170,418		179,784
Total	<u>357,500</u>	<u>373,744</u>	16,244	<u>266,155</u>
<b>Restricted Intergovernmental Revenues:</b>				
Restricted State DSS	10,761,366	10,406,181		10,925,131
Restricted State health	2,068,417	2,134,031		2,111,945
Restricted State other	3,073,989	3,076,992		2,232,169
Restricted federal health	3,847,221	3,934,041		3,959,202
Restricted local grants	559,885	453,876		385,380
Total	<u>20,310,878</u>	<u>20,005,121</u>	(305,757)	<u>19,613,827</u>
<b>Permits and Fees:</b>				
Register of Deeds	330,000	347,014		344,149
Building permits	275,000	314,421		322,366
Cable franchise fees	-	257		-
Imaging system payback	20,000	3,747		25,134
Other permits and fees	223,700	251,703		228,694
Total	<u>848,700</u>	<u>917,142</u>	68,442	<u>920,343</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, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Sales and Services:</b>				
Sheriff's officer fees	42,000	35,239		45,812
Jail fees	170,000	161,935		202,848
Home health - other	50,500	96,370		69,808
Environmental fees	115,000	110,386		130,509
Ambulance collections	3,000,000	3,025,081		3,555,564
Ambulance cost settlement	449,000	583,749		634,555
Local health	72,000	55,681		86,100
Other sales and services	287,049	462,205		414,100
Total	<u>4,185,549</u>	<u>4,530,646</u>	<u>345,097</u>	<u>5,139,296</u>
<b>Investment Earnings</b>	<u>220,750</u>	<u>209,584</u>	<u>(11,166)</u>	<u>254,583</u>
<b>Miscellaneous:</b>				
Nash general lease	400,000	1,224,074		1,163,422
Contribution from ABC Board	310,000	258,301		271,298
TDA funds - economic development	75,000	75,000		100,000
Miscellaneous	394,540	526,962		544,201
Total	<u>1,179,540</u>	<u>2,084,337</u>	<u>904,797</u>	<u>2,078,921</u>
Total revenues	<u>84,265,917</u>	<u>84,976,830</u>	<u>710,913</u>	<u>86,115,017</u>
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries	67,582	67,410		67,410
Operating expenditures	<u>34,850</u>	<u>31,961</u>		<u>32,601</u>
Total	<u>102,432</u>	<u>99,371</u>	<u>3,061</u>	<u>100,011</u>
<b>Administration:</b>				
Salaries and employee benefits	438,204	435,455		430,417
Professional services	750	-		-
Operating expenditures	<u>47,658</u>	<u>37,347</u>		<u>41,121</u>
Total	<u>486,612</u>	<u>472,802</u>	<u>13,810</u>	<u>471,538</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, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Finance:</b>				
Salaries and employee benefits	438,729	438,549		425,286
Other operating expenditures	52,892	46,743		51,847
Total	491,621	485,292	6,329	477,133
<b>Human Resources:</b>				
Salaries and employee benefits	282,360	282,339		268,130
Operating expenditures	11,205	9,753		10,416
Total	293,565	292,092	1,473	278,546
<b>Board of Elections:</b>				
Salaries and employee benefits	212,128	209,053		206,006
Operating expenditures	134,152	105,607		118,518
Capital outlay	16,006	13,402		10,600
Total	362,286	328,062	34,224	335,124
<b>Tax Supervisor and Data Processing:</b>				
Salaries and employee benefits	1,208,577	1,183,877		1,182,700
Professional services	60,933	56,731		70,733
Operating expenditures	181,344	164,145		184,834
Total	1,450,854	1,404,753	46,101	1,438,267
<b>Legal:</b>				
Professional services	130,000	118,061		144,589
Total	130,000	118,061	11,939	144,589
<b>Register of Deeds:</b>				
Salaries and employee benefits	335,405	335,336		324,155
Operating expenditures	68,899	41,061		44,900
Capital outlay	-	-		5,213
Total	404,304	376,397	27,907	374,268
<b>Management Information Services:</b>				
Salaries and employee benefits	522,647	520,117		451,343
Professional services	227,539	229,445		183,008
Operating expenditures	158,501	137,993		120,707
Capital outlay	87,500	60,000		69,000
Total	996,187	947,555	48,632	824,058

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Public Buildings:</b>				
Operating expenditures	270,749	209,104		180,694
Capital outlay	1,014,667	643,432		794,913
Total	1,285,416	852,536	432,880	975,607
<b>Non-Departmental Costs:</b>				
Operating expenditures	1,997,977	1,690,858		956,335
Total	1,997,977	1,690,858	307,119	956,335
<b>Administration Building:</b>				
Salaries and employee benefits	389,568	373,143		403,863
Operating expenditures	365,695	311,005		358,371
Capital outlay	43,809	17,279		1,981
Total	799,072	701,427	97,645	764,215
<b>Court Facilities:</b>				
Salaries and employee benefits	85,333	85,322		77,719
Operating expenditures	233,270	226,216		108,272
Capital outlay	158,659	19,707		37,909
Total	477,262	331,245	146,017	223,900
<b>County Capital Improvements:</b>				
Capital outlay	1,448,273	1,377,009	71,264	665,793
Total general government	10,725,861	9,477,460	1,248,401	8,029,384
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and employee benefits	3,637,128	3,621,765		3,536,019
Operating expenditures	1,025,535	899,962		823,018
Capital outlay	210,145	204,360		277,950
Total	4,872,808	4,726,087	146,721	4,636,987
<b>Court Security:</b>				
Salaries and employee benefits	667,433	654,494		660,866
Total	667,433	654,494	12,939	660,866

## NASH COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Highway Safety Grant:</b>				
Salaries and employee benefits	233,761	233,759		222,470
Operating expenditures	1,171	28		41
Total	234,932	233,787	1,145	222,511
<b>School Officers NRMS:</b>				
Salaries and employee benefits	330,659	319,055		314,652
Total	330,659	319,055	11,604	314,652
<b>Jail:</b>				
Salaries and employee benefits	2,530,257	2,524,737		2,416,447
Professional services	391,500	375,805		401,846
Operating expenditures	1,283,868	1,201,246		1,212,146
Capital outlay	16,200	11,175		-
Total	4,221,825	4,112,963	108,862	4,030,439
<b>Court Liaison Grant- ARRA:</b>				
Salaries and employee benefits	53,439	53,434		30,315
Operating expenditures	39,693	17,280		5,687
Total	93,132	70,714	22,418	36,002
<b>Governor's Crime Grant:</b>				
Juvenile court	-	-		58,354
Total	-	-	-	58,354
<b>Criminal Justice:</b>				
Operating expenditures	92,260	65,090		78,271
Total	92,260	65,090	27,170	78,271
<b>Communications:</b>				
Salaries and employee benefits	1,158,128	1,155,043		1,113,038
Operating expenditures	135,345	118,241		108,554
Total	1,293,473	1,273,284	20,189	1,221,592

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Enhanced Wireline:</b>				
Operating expenditures	-	-		3,136
Capital outlay	4,500	-		92,452
Total	4,500	-	4,500	95,588
<b>Emergency Services:</b>				
Salaries and employee benefits	465,096	463,285		449,462
Operating expenditures	101,178	88,635		123,103
Total	566,274	551,920	14,354	572,565
<b>Emergency Medical Services:</b>				
Salaries and employee benefits	4,627,173	4,605,409		4,373,938
Professional services	46,941	45,621		49,603
Other operating expenditures	972,627	967,121		951,928
Capital outlay	28,522	28,522		389,058
Total	5,675,263	5,646,673	28,590	5,764,527
<b>Fire and Rescue:</b>				
Professional services	234,500	234,500	-	234,500
Total	234,500	234,500	-	234,500
<b>Animal Control:</b>				
Salaries and employee benefits	246,573	246,441		236,267
Professional services	14,900	13,863		13,418
Operating expenditures	81,541	70,481		57,525
Total	343,014	330,785	12,229	307,210
<b>Forestry:</b>				
Operating expenditures	97,437	96,039		83,310
Total	97,437	96,039	1,398	83,310
<b>Medical Examiner:</b>				
Professional services	44,500	44,500		27,000
Total	44,500	44,500	-	27,000
Total public safety	18,772,010	18,359,891	412,119	18,344,374

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Transportation:</b>				
<b>Airport:</b>				
Operations	47,857	47,857	-	47,857
<b>Rural Transportation Planning:</b>				
Salaries	93,686	93,630		85,756
Operations	27,624	21,965		18,373
Capital outlay	-	-		28,531
Total	121,310	115,595	5,715	132,660
Total transportation	169,167	163,452	5,715	180,517
<b>Economic and Physical Development:</b>				
<b>Planning:</b>				
Salaries and employee benefits	402,965	398,301		442,493
Professional services	20,686	18,500		24,700
Operating expenditures	31,906	26,678		19,954
Total	455,557	443,479	12,078	487,147
<b>Inspections:</b>				
Salaries and employee benefits	409,299	400,919		424,513
Operating expenditures	47,979	38,142		38,232
Total	457,278	439,061	18,217	462,745
<b>Cooperative Extension:</b>				
Salaries and employee benefits	249,801	218,139		245,233
Operating expenditures	81,410	68,401		70,923
Total	331,211	286,540	44,671	316,156
<b>Soil Conservation:</b>				
Salaries and employee benefits	252,896	252,817		260,781
Operating expenditures	52,365	34,946		34,828
Total	305,261	287,763	17,498	295,609

## NASH COUNTY, NORTH CAROLINA

## GENERAL FUND

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

## IN FUND BALANCE - BUDGET AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2011

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Economic Development:</b>				
Operating expenditures	619,186	454,255		342,310
Capital outlay	1,223,095	1,223,095		2,137,012
Total	1,842,281	1,677,350	164,931	2,479,322
Total economic and physical development	3,391,588	3,134,193	257,395	4,040,979
<b>Human Services:</b>				
<b>Health:</b>				
<b>Administration:</b>				
Salaries and employee benefits	1,391,654	1,375,581		1,301,459
Professional services	104,012	100,530		97,515
Operating expenditures	507,269	433,206		490,063
Capital outlay	-	-		19,976
Total	2,002,935	1,909,317	93,618	1,909,013
<b>Family Planning:</b>				
Salaries and employee benefits	614,577	613,698		489,748
Professional services	34,450	33,291		23,156
Operating expenditures	178,545	151,791		161,007
Total	827,572	798,780	28,792	673,911
<b>Home Health:</b>				
Salaries and employee benefits	1,348,907	1,229,529		1,206,739
Professional services	639,728	611,409		597,088
Operating expenditures	461,925	359,482		379,204
Capital outlay	10,000	-		-
Total	2,460,560	2,200,420	260,140	2,183,031
<b>CAP:</b>				
Salaries and employee benefits	186,971	186,831		181,336
Operating expenditures	31,603	20,915		24,737
Total	218,574	207,746	10,828	206,073
<b>Child Service Coordinator:</b>				
Salaries and employee benefits	113,576	104,804		168,666
Professional services	7,000	5,555		6,500
Operating expenditures	11,100	7,313		9,345
Total	131,676	117,672	14,004	184,511

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Child Health:</b>				
Salaries and employee benefits	321,039	318,577		465,589
Professional services	16,150	14,704		15,024
Operating expenditures	54,784	44,170		21,840
Total	391,973	377,451	14,522	502,453
<b>Maternal Health:</b>				
Salaries and employee benefits	678,197	630,656		737,197
Professional services	106,600	68,104		64,547
Operating expenditures	80,250	44,402		80,062
Total	865,047	743,162	121,885	881,806
<b>AIDS:</b>				
Salaries and employee benefits	84,146	72,403		47,406
Operating expenditures	33,021	31,803		7,758
Total	117,167	104,206	12,961	55,164
<b>Weight Wise:</b>				
Salaries and employee benefits	-	-		7,288
Operating expenditures	5,247	2,086		5,340
Total	5,247	2,086	3,161	12,628
<b>Health Promotion:</b>				
Salaries and employee benefits	90,528	79,687		87,001
Professional services	10,000	9,333		8,993
Operating expenditures	29,550	18,495		22,127
Total	130,078	107,515	22,563	118,121
<b>Environmental Health:</b>				
Salaries and employee benefits	712,366	706,323		692,303
Operating expenditures	86,246	62,707		69,306
Total	798,612	769,030	29,582	761,609
<b>Diabetic Care:</b>				
Professional services	6,000	3,590		4,274
Total	6,000	3,590	2,410	4,274

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Tuberculosis:</b>				
Salaries and employee benefits	99,890	98,622		95,520
Professional services	2,518	2,518		2,518
Total	102,408	101,140	1,268	98,038
<b>CDC Tuberculosis Project:</b>				
Salaries and employee benefits	56,589	56,425		54,757
Professional services	3,500	2,236		3,516
Operating expenditures	7,250	5,167		4,559
Total	67,339	63,828	3,511	62,832
<b>WIC Administration:</b>				
Salaries and employee benefits	498,665	494,309		462,961
Professional services	7,000	7,000		4,500
Operating expenditures	45,160	27,583		39,264
Capital outlay	2,500	2,445		-
Total	553,325	531,337	21,988	506,725
<b>Communicable Disease:</b>				
Salaries and employee benefits	52,236	52,140		45,974
Professional services	-	-		651
Operating expenditures	24,739	20,843		14,381
Total	76,975	72,983	3,992	61,006
<b>Healthy Start Baby Love Plus:</b>				
Salaries and employee benefits	137,222	137,208		92,767
Operating expenditures	30,484	27,027		21,924
Total	167,706	164,235	3,471	114,691
<b>Breast and Cervical Cancer:</b>				
Salaries and employee benefits	19,327	19,326		18,696
Professional services	21,246	21,246		30,661
Operating expenditures	323	-		145
Total	40,896	40,572	324	49,502
<b>Komen Breast Cancer:</b>				
Salaries and employee benefits	75,026	73,100		64,653
Operating expenditures	4,387	4,060		5,935
Total	79,413	77,160	2,253	70,588

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Immunization Action Plan:</b>				
Salaries and employee benefits	47,674	47,432		46,007
Operating expenditures	3,466	118		6,798
Total	51,140	47,550	3,590	52,805
<b>H1N1 Phase I &amp; II:</b>				
Salaries	-	-		22,767
Operating expenditures	35,000	28,146		12,657
Capital outlay	45,000	-		-
Total	80,000	28,146	51,854	35,424
<b>H1N1 Phase III:</b>				
Salaries	-	-		33,069
Operating expenditures	-	-		44,694
Capital outlay	-	-		87,308
Total	-	-	-	165,071
<b>NAP SACC:</b>				
Salaries	47,083	47,074		31,318
Operating expenditures	8,622	7,717		5,540
Total	55,705	54,791	914	36,858
<b>Project Connect State:</b>				
Salaries	13,040	11,183		-
Operating expenditures	54,873	42,740		-
Total	67,913	53,923	13,990	-
<b>Lead Grant:</b>				
Operating expenditures	54,837	1,320		51,567
Capital outlay	10,000	9,870		20,395
Total	64,837	11,190	53,647	71,962
<b>Diabetes Today Program:</b>				
Capital outlay	33,333	28,232		19,557
Total	33,333	28,232	5,101	19,557

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Bioterrorism Program:</b>				
Salaries	44,914	39,641		43,339
Operating expenditures	9,559	3,400		5,246
Total	54,473	43,041	11,432	48,585
<b>Community Care of Eastern North Carolina:</b>				
Salaries	121,591	121,540		99,905
Operating expenditures	27,924	27,397		17,095
Total	149,515	148,937	578	117,000
<b>Teen Tobacco Use Prevention:</b>				
Salaries	48,560	40,884		46,107
Operating expenditures	30,566	24,692		29,685
Total	79,126	65,576	13,550	75,792
Total health	9,679,545	8,873,616	805,929	9,079,030
<b>Office of Juvenile Justice:</b>				
Operating expenses	287,378	287,377		289,910
Total	287,378	287,377	1	289,910
<b>Mental Health:</b>				
Operating expenses	396,205	39,756		40,635
Total	396,205	39,756	356,449	40,635
<b>Home Care Community Block Grant:</b>				
Operating expenses	716,399	716,374		686,665
Total	716,399	716,374	25	686,665
<b>Social Services:</b>				
<b>General:</b>				
Salaries and employee benefits	7,533,292	7,386,785		7,277,919
Professional services	45,558	16,816		20,339
Assistance payments	581,709	457,124		547,194
Operating expenditures	682,044	546,621		529,066
Capital outlay	53,310	53,309		-
Total	8,895,913	8,460,655	435,258	8,374,518

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Title IVD -1571:</b>				
Salaries and employee benefits	1,150,039	1,131,888		1,125,067
Professional services	1,860	1,789		1,416
Operating expenditures	29,800	27,228		17,885
Total	1,181,699	1,160,905	20,794	1,144,368
<b>Work First:</b>				
Salaries and employee benefits	486,109	470,760		489,320
Operating expenditures	120,851	91,411		123,568
Total	606,960	562,171	44,789	612,888
<b>Social Services - Other:</b>				
Medicaid	-	-		12,163
WFFA charges	50,000	13,444		14,256
Special assistance	815,320	933,238		876,615
Other assistance	4,302,727	4,013,674		4,431,396
Total	5,168,047	4,960,356	207,691	5,334,430
<b>DNS - County Only Participation:</b>				
Non-reimbursable	7,250	5,112		4,647
Foster children	11,960	4,562		5,887
General assistance	2,000	380		290
Pauper burials	3,000	2,837		3,201
Total	24,210	12,891	11,319	14,025
Total social services	15,876,829	15,156,978	719,851	15,480,229
<b>Aging:</b>				
Salaries and employee benefits	153,807	121,137		150,734
Operating expenditures	62,030	58,224		53,968
Contracts and grants	40,220	27,545		30,115
Total	256,057	206,906	49,151	234,817
<b>Senior Center Caregiver Grant:</b>				
Salaries and employee benefits	31,361	31,361		29,903
Operating expenditures	26,631	19,486		18,703
Total	57,992	50,847	7,145	48,606

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
<b>Veteran's Services:</b>				
Salaries and employee benefits	50,750	37,914		50,000
Total	50,750	37,914	12,836	50,000
<b>Local Human Services:</b>				
Contributions	45,775	41,875		42,375
Tri-County industries	42,000	42,000		42,000
East Carolina judicial resources	10,000	10,000		10,000
My Sisters House	10,000	10,000		11,000
Beaver Control BMAP	64,000	60,000		60,000
Nash County Arts Council	30,000	30,000		30,000
Nashville Boys Club	25,000	25,000		25,000
House the Children	30,000	30,000		30,000
Downeast Partnership for Children	10,000	10,000		10,000
Imperial Center	5,938	5,938		5,938
Total	272,713	264,813	7,900	266,313
Total human services	27,593,868	25,634,581	1,959,287	26,176,205
<b>Cultural:</b>				
<b>Recreation:</b>				
Salaries	309,551	309,546		249,507
Operating expenditures	138,174	137,002		135,246
Capital outlay	34,611	34,611		42,608
Total	482,336	481,159	1,177	427,361
<b>Libraries:</b>				
Braswell Library	868,101	868,101		868,101
NC Library Block Grant	266,969	257,898		199,366
Local libraries	67,500	67,500		67,500
Total	1,202,570	1,193,499	9,071	1,134,967
Total cultural	1,684,906	1,674,658	10,248	1,562,328
<b>Education:</b>				
<b>Nash Community College:</b>				
Operating expenditures	1,675,180	1,675,180		1,675,180
Capital outlay	195,000	195,000		1,302,686
Total	1,870,180	1,870,180	-	2,977,866

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Nash Rocky Mount Schools:</b>				
Operating expenditures	19,566,593	19,566,593		19,741,593
Capital outlay	1,899,034	1,851,644		1,851,036
Total	<u>21,465,627</u>	<u>21,418,237</u>	<u>47,390</u>	<u>21,592,629</u>
Total education	<u>23,335,807</u>	<u>23,288,417</u>	<u>47,390</u>	<u>24,570,495</u>
<b>Debt Service:</b>				
Principal retirement	2,799,933	2,799,930		2,579,962
Interest and fees	2,023,619	2,012,164		707,651
Total debt service	<u>4,823,552</u>	<u>4,812,094</u>	<u>11,458</u>	<u>3,287,613</u>
Total expenditures	<u>90,496,759</u>	<u>86,544,746</u>	<u>3,952,013</u>	<u>86,191,895</u>
Revenues over (under) expenditures	<u>(6,230,842)</u>	<u>(1,567,916)</u>	<u>4,662,926</u>	<u>(76,878)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds:				
Special revenue funds	(90,336)	(90,336)	-	(2,637)
Capital project funds	(100,000)	(100,000)	-	-
Tax Revaluation Fund	(40,000)	(40,000)	-	(40,000)
Transfers from other funds:				
Special revenue funds	125,000	125,000	-	-
Capital project funds	328,115	302,837	(25,278)	462,418
Capital lease obligations issued	979,290	979,290	-	1,239,380
Appropriated fund balance	5,028,773	-	(5,028,773)	-
Total other financing sources (uses)	<u>6,230,842</u>	<u>1,176,791</u>	<u>(5,054,051)</u>	<u>1,659,161</u>
Net change in fund balance	<u>\$ -</u>	<u>(391,125)</u>	<u>\$ (391,125)</u>	<u>1,582,283</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>30,410,595</u>		<u>28,828,312</u>
End of year - June 30		<u>\$ 30,019,470</u>		<u>\$ 30,410,595</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, 2011 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 263	\$ 263	\$ 324
<b>Expenditures:</b>				
Revaluation	40,000	-	40,000	291
Revenues over (under) expenditures	(40,000)	263	40,263	33
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	40,000	40,000	-	40,000
Net change in fund balance	\$ -	40,263	\$ 40,263	40,033
<b>Fund Balance:</b>				
Beginning of year - July 1		198,648		158,615
End of year - June 30		\$ 238,911		\$ 198,648

## 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, 2011 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 157	\$ 157	\$ 254
Revenues over (under) expenditures	-	157	157	254
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	112,100	-	(112,100)	-
Transfers to other funds	(112,100)	(112,100)	-	-
Total other financing sources (uses)	-	(112,100)	(112,100)	-
Net change in fund balance	\$ -	(111,943)	\$ (111,943)	254
<b>Fund Balance:</b>				
Beginning of year - July 1		128,394		128,140
End of year - June 30		\$ 16,451		\$ 128,394

***MAJOR CAPITAL PROJECT FUND***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

**2010 CAPITAL PROJECTS - MAJOR CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<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	-	-	-	(11,500)
Investment earnings	-	9,512	69,876	79,388	79,388
Total revenues	<u>14,383,532</u>	<u>9,512</u>	<u>12,533,610</u>	<u>12,543,122</u>	<u>(1,840,410)</u>
<b>Expenditures:</b>					
Education:					
Rocky Mount High School	38,583,200	-	21,419,512	21,419,512	17,163,688
Southern Nash fieldhouse	1,500,000	-	1,500,000	1,500,000	-
Public Safety:					
Nash EMS Station	1,674,160	11,900	1,128,210	1,140,110	534,050
General government:					
Nash Storage Facility	1,124,500	38,453	428,441	466,894	657,606
Other expenses	851,074	336,456	8,051	344,507	506,567
Total expenditures	<u>43,732,934</u>	<u>386,809</u>	<u>24,484,214</u>	<u>24,871,023</u>	<u>18,861,911</u>
Revenues over (under) expenditures	<u>(29,349,402)</u>	<u>(377,297)</u>	<u>(11,950,604)</u>	<u>(12,327,901)</u>	<u>17,021,501</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from bond issuance	29,349,402	28,355,000	-	28,355,000	(994,402)
Bond premium	-	994,402	-	994,402	994,402
Total other financing sources (uses)	<u>29,349,402</u>	<u>29,349,402</u>	<u>-</u>	<u>29,349,402</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 28,972,105</u>	<u>(11,950,604)</u>	<u>\$ 17,021,501</u>	<u>\$ 17,021,501</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>28,972,105</u>		
End of year - June 30			<u>\$ 17,021,501</u>		

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, 2011

	Nonmajor		Total
	Special Revenue Funds	Capital Project Funds	
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,560,201	\$ 2,791,723	\$ 4,351,924
Accounts receivable, net	34,996	15,531	50,527
Restricted cash	-	2,815,544	2,815,544
Total assets	<u>\$ 1,595,197</u>	<u>\$ 5,622,798</u>	<u>\$ 7,217,995</u>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 290,521	\$ 461,412	\$ 751,933
Due to other funds	48,634	-	48,634
Total liabilities	<u>339,155</u>	<u>461,412</u>	<u>800,567</u>
<b>Fund Balances:</b>			
Restricted:			
Stabilization by State statute	34,996	15,531	50,527
Restricted, all other	959,925	3,145,385	4,105,310
Committed	92,755	2,446,351	2,539,106
Assigned	227,484	-	227,484
Unassigned	(59,118)	(445,881)	(504,999)
Total fund balances	<u>1,256,042</u>	<u>5,161,386</u>	<u>6,417,428</u>
Total liabilities and fund balances	<u>\$ 1,595,197</u>	<u>\$ 5,622,798</u>	<u>\$ 7,217,995</u>

## NASH COUNTY, NORTH CAROLINA

### NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2011

	<u>Nonmajor</u>		<u>Total</u>
	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	
<b>Revenues:</b>			
Ad valorem taxes	\$ 2,468,653	\$ -	\$ 2,468,653
Restricted intergovernmental	1,235,041	1,318,226	2,553,267
Investment earnings	2,755	8,822	11,577
Miscellaneous	22,350	96,671	119,021
Total revenues	<u>3,728,799</u>	<u>1,423,719</u>	<u>5,152,518</u>
<b>Expenditures:</b>			
Current:			
Public safety	2,879,680	-	2,879,680
Transportation	217,776	-	217,776
Economic and physical development	571,909	-	571,909
Education	-	5,222,823	5,222,823
General government	-	558,385	558,385
Human services	48,332	-	48,332
Total expenditures	<u>3,717,697</u>	<u>5,781,208</u>	<u>9,498,905</u>
Revenues over (under) expenditures	<u>11,102</u>	<u>(4,357,489)</u>	<u>(4,346,387)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	90,336	212,100	302,436
Transfers out	(125,000)	(302,837)	(427,837)
Total other financing sources (uses)	<u>(34,664)</u>	<u>(90,737)</u>	<u>(125,401)</u>
Net change in fund balances	(23,562)	(4,448,226)	(4,471,788)
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>1,279,604</u>	<u>9,609,612</u>	<u>10,889,216</u>
End of year - June 30	<u>\$ 1,256,042</u>	<u>\$ 5,161,386</u>	<u>\$ 6,417,428</u>

***NONMAJOR SPECIAL REVENUE FUNDS***

# NASH COUNTY, NORTH CAROLINA

## NONMAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2011

	<b>Rural Operating Assistance Program</b>	<b>Fire Districts Fund</b>	<b>E911 Fund</b>	<b>Controlled Substance Fund</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 75,698	\$ 460,184	\$ 391,604	\$ 192,242
Receivables, net	<u>-</u>	<u>-</u>	<u>31,368</u>	<u>460</u>
Total assets	<u>\$ 75,698</u>	<u>\$ 460,184</u>	<u>\$ 422,972</u>	<u>\$ 192,702</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 50,693	\$ 210,712	\$ 8,403	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>50,693</u>	<u>210,712</u>	<u>8,403</u>	<u>-</u>
<b>Fund Balances:</b>				
Restricted:				
Stabilization by State statute	-	-	31,368	460
Restricted, all other	-	249,472	383,201	-
Committed	-	-	-	-
Assigned	25,005	-	-	192,242
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>25,005</u>	<u>249,472</u>	<u>414,569</u>	<u>192,702</u>
Total liabilities and fund balances	<u>\$ 75,698</u>	<u>\$ 460,184</u>	<u>\$ 422,972</u>	<u>\$ 192,702</u>

**Schedule D-1**

<b>Federal Asset Forfeiture Fund</b>	<b>Stormwater Maintenance Fund</b>	<b>Tourism Fund</b>	<b>Grant Projects Fund</b>	<b>Total</b>
\$ 268,861	\$ 10,237	\$ 69,148	\$ 92,227	\$ 1,560,201
<u>799</u>	<u>-</u>	<u>-</u>	<u>2,369</u>	<u>34,996</u>
<u>\$ 269,660</u>	<u>\$ 10,237</u>	<u>\$ 69,148</u>	<u>\$ 94,596</u>	<u>\$ 1,595,197</u>
\$ 366	\$ -	\$ 10,787	\$ 9,560	\$ 290,521
<u>-</u>	<u>-</u>	<u>-</u>	<u>48,634</u>	<u>48,634</u>
<u>366</u>	<u>-</u>	<u>10,787</u>	<u>58,194</u>	<u>339,155</u>
799	-	-	2,369	34,996
268,495	-	58,361	396	959,925
-	-	-	92,755	92,755
-	10,237	-	-	227,484
<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,118)</u>	<u>(59,118)</u>
<u>269,294</u>	<u>10,237</u>	<u>58,361</u>	<u>36,402</u>	<u>1,256,042</u>
<u>\$ 269,660</u>	<u>\$ 10,237</u>	<u>\$ 69,148</u>	<u>\$ 94,596</u>	<u>\$ 1,595,197</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, 2011

	<b>Rural Operating Assistance Program</b>	<b>Fire Districts Fund</b>	<b>E911 Fund</b>	<b>Controlled Substance Fund</b>
<b>Revenues:</b>				
Ad valorem taxes	\$ -	\$ 2,468,653	\$ -	\$ -
Restricted intergovernmental	217,776	-	376,420	38,343
Investment earnings	131	1,527	406	320
Miscellaneous	-	-	-	14,000
Total revenues	<u>217,907</u>	<u>2,470,180</u>	<u>376,826</u>	<u>52,663</u>
<b>Expenditures:</b>				
Public safety	-	2,509,497	279,273	10,287
Transportation	217,776	-	-	-
Economic and physical development	-	-	-	-
Human services	-	-	-	-
Total expenditures	<u>217,776</u>	<u>2,509,497</u>	<u>279,273</u>	<u>10,287</u>
Revenues over (under) expenditures	<u>131</u>	<u>(39,317)</u>	<u>97,553</u>	<u>42,376</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	(125,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,000)</u>
Net change in fund balances	131	(39,317)	97,553	(82,624)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>24,874</u>	<u>288,789</u>	<u>317,016</u>	<u>275,326</u>
End of year - June 30	<u>\$ 25,005</u>	<u>\$ 249,472</u>	<u>\$ 414,569</u>	<u>\$ 192,702</u>

Schedule D-2

<b>Federal Asset Forfeiture Fund</b>	<b>Stormwater Maintenance Fund</b>	<b>Tourism Fund</b>	<b>Grant Projects Fund</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	\$ 2,468,653
21,609	-	443,858	137,035	1,235,041
339	12	3	17	2,755
-	-	-	8,350	22,350
<u>21,948</u>	<u>12</u>	<u>443,861</u>	<u>145,402</u>	<u>3,728,799</u>
41,643	-	-	38,980	2,879,680
-	-	-	-	217,776
-	-	429,616	142,293	571,909
-	-	-	48,332	48,332
<u>41,643</u>	<u>-</u>	<u>429,616</u>	<u>229,605</u>	<u>3,717,697</u>
<u>(19,695)</u>	<u>12</u>	<u>14,245</u>	<u>(84,203)</u>	<u>11,102</u>
-	-	-	90,336	90,336
-	-	-	-	(125,000)
-	-	-	90,336	(34,664)
(19,695)	12	14,245	6,133	(23,562)
<u>288,989</u>	<u>10,225</u>	<u>44,116</u>	<u>30,269</u>	<u>1,279,604</u>
<u>\$ 269,294</u>	<u>\$ 10,237</u>	<u>\$ 58,361</u>	<u>\$ 36,402</u>	<u>\$ 1,256,042</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, 2011 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental - grants:				
EDTAP	\$ 100,190	\$ 100,190	\$ -	\$ 100,801
WorkFirst	29,036	29,036	-	24,676
Rural General Public Program	88,550	88,550	-	91,026
Total restricted intergovernmental - grants	<u>217,776</u>	<u>217,776</u>	<u>-</u>	<u>216,503</u>
Investment earnings	<u>-</u>	<u>131</u>	<u>131</u>	<u>221</u>
Total revenues	<u>217,776</u>	<u>217,907</u>	<u>131</u>	<u>216,724</u>
<b>Expenditures:</b>				
Transportation:				
EDTAP	100,190	100,190	-	100,801
WorkFirst	29,036	29,036	-	24,676
Rural General Public Programs	88,550	88,550	-	91,026
Total expenditures	<u>217,776</u>	<u>217,776</u>	<u>-</u>	<u>216,503</u>
Net change in fund balance	<u>\$ -</u>	<u>131</u>	<u>\$ 131</u>	<u>221</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>24,874</u>		<u>24,653</u>
End of year - June 30		<u>\$ 25,005</u>		<u>\$ 24,874</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, 2011 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,464,770	\$ 2,468,653	\$ 3,883	\$ 2,444,135
Investment earnings	-	1,527	1,527	1,652
Total revenues	<u>2,464,770</u>	<u>2,470,180</u>	<u>5,410</u>	<u>2,445,787</u>
<b>Expenditures:</b>				
Public safety:				
Stanhope	52,848	52,678	170	55,211
Stony Creek	6,018	6,018	-	6,329
Green Hornet	101,839	101,552	287	102,725
Harrison	113,864	113,864	-	105,759
Ferrells	162,563	162,534	29	162,724
N.S. Gulley	360,050	322,470	37,580	435,638
Silver Lake	22,311	22,311	-	9,159
Sims	29,809	17,509	12,300	-
Tri-County	75,469	75,463	6	80,670
Salem	96,485	94,377	2,108	101,392
West Mount	244,373	239,555	4,818	245,600
Coopers	278,356	278,322	34	270,007
Castalia	108,619	107,770	849	110,487
Spring Hope	188,473	185,351	3,122	187,331
Middlesex	60,734	60,724	10	61,316
Whitakers	205,306	205,302	4	184,046
Red Oak	345,191	345,160	31	325,624
Momeyer	118,541	118,537	4	108,742
Total expenditures	<u>2,570,849</u>	<u>2,509,497</u>	<u>61,352</u>	<u>2,552,760</u>
Revenues over (under) expenditures	(106,079)	(39,317)	66,762	(106,973)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>106,079</u>	-	<u>(106,079)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(39,317)</u>	<u>\$ (39,317)</u>	<u>(106,973)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>288,789</u>		<u>395,762</u>
End of year - June 30		<u>\$ 249,472</u>		<u>\$ 288,789</u>

## NASH COUNTY, NORTH CAROLINA

### EMERGENCY 911 FUND

#### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

#### IN FUND BALANCE - BUDGET AND ACTUAL

#### FOR THE YEAR ENDED JUNE 30, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental - Wireless E911	\$ 283,476	\$ 376,420	\$ 92,944	\$ 376,420
Investment earnings	-	406	406	671
Total revenues	<u>283,476</u>	<u>376,826</u>	<u>93,350</u>	<u>377,091</u>
<b>Expenditures:</b>				
Public safety:				
Wireless E911	<u>286,776</u>	<u>279,273</u>	<u>7,503</u>	<u>407,588</u>
Total expenditures	<u>286,776</u>	<u>279,273</u>	<u>7,503</u>	<u>407,588</u>
Revenues over (under) expenditures	(3,300)	97,553	100,853	(30,497)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>3,300</u>	-	<u>(3,300)</u>	-
Net change in fund balance	<u>\$ -</u>	97,553	<u>\$ 97,553</u>	(30,497)
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>317,016</u>		<u>347,513</u>
End of year - June 30		<u>\$ 414,569</u>		<u>\$ 317,016</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, 2011 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental	\$ 35,000	\$ 38,343	\$ 3,343	\$ 67,744
Investment earnings	-	320	320	550
Miscellaneous	-	14,000	14,000	6,800
Total revenues	<u>35,000</u>	<u>52,663</u>	<u>17,663</u>	<u>75,094</u>
<b>Expenditures:</b>				
Public safety	<u>76,075</u>	<u>10,287</u>	<u>65,788</u>	<u>94,009</u>
Revenues over (under) expenditures	<u>(41,075)</u>	<u>42,376</u>	<u>83,451</u>	<u>(18,915)</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	166,075	-	(166,075)	-
Transfers out - General Fund	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>41,075</u>	<u>(125,000)</u>	<u>(166,075)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(82,624)</u>	<u>\$ (82,624)</u>	<u>(18,915)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>275,326</u>		<u>294,241</u>
End of year - June 30		<u>\$ 192,702</u>		<u>\$ 275,326</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, 2011  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental	\$ -	\$ 21,609	\$ 21,609	\$ 44,032
Investment earnings	-	339	339	640
Total revenues	-	21,948	21,948	44,672
<b>Expenditures:</b>				
Public safety	85,000	41,643	43,357	87,941
Revenues over (under) expenditures	(85,000)	(19,695)	65,305	(43,269)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	85,000	-	(85,000)	-
Net change in fund balance	\$ -	(19,695)	\$ (19,695)	(43,269)
<b>Fund Balance:</b>				
Beginning of year - July 1		288,989		332,258
End of year - June 30		\$ 269,294		\$ 288,989

## 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, 2011 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Stormwater maintenance fees	\$ 2,500	\$ -	\$ (2,500)	\$ -
Investment earnings	-	12	12	21
Total revenues	<u>2,500</u>	<u>12</u>	<u>(2,488)</u>	<u>21</u>
<b>Expenditures:</b>				
Public safety	<u>2,500</u>	-	<u>2,500</u>	-
Revenues over (under) expenditures	-	12	12	21
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	-	-	-	-
Net change in fund balance	<u>\$ -</u>	12	<u>\$ 12</u>	21
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>10,225</u>		<u>10,204</u>
End of year - June 30		<u>\$ 10,237</u>		<u>\$ 10,225</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, 2011

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental	\$ 443,758	\$ 443,858	\$ 100	\$ 488,000
Investment earnings	-	3	3	41
Total revenues	<u>443,758</u>	<u>443,861</u>	<u>103</u>	<u>488,041</u>
<b>Expenditures:</b>				
Economic and physical development:				
Salaries	95,060	94,554	506	116,335
Operating expenditures	<u>348,698</u>	<u>335,062</u>	<u>13,636</u>	<u>374,762</u>
Total expenditures	<u>443,758</u>	<u>429,616</u>	<u>14,142</u>	<u>491,097</u>
Net change in fund balance	<u>\$ -</u>	14,245	<u>\$ 14,245</u>	(3,056)
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>44,116</u>		<u>47,172</u>
End of year - June 30		<u>\$ 58,361</u>		<u>\$ 44,116</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, 2011

	<u>Homeland Security Grant</u>	<u>2009 Urgent Repair Program</u>	<u>Stream Restoration</u>
<b>Revenues:</b>			
Restricted intergovernmental - grant	\$ -	\$ -	\$ -
Investment earnings	-	17	-
Miscellaneous	-	8,350	-
Total revenues	<u>-</u>	<u>8,367</u>	<u>-</u>
<b>Expenditures:</b>			
Public safety	-	-	-
Human services	-	-	-
Economic and physical development	-	60,460	-
Total expenditures	<u>-</u>	<u>60,460</u>	<u>-</u>
Revenues over (under) expenditures	-	(52,093)	-
<b>Other Financing Sources (Uses):</b>			
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(52,093)	-
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>1,213</u>	<u>26,500</u>	<u>396</u>
End of year - June 30	<u>\$ 1,213</u>	<u>\$ (25,593)</u>	<u>\$ 396</u>

**Schedule D-10**

<u>American Recovery and Reinvestment</u>	<u>Abandoned Manufactured Homes Grant</u>	<u>CDBG Grant Fund</u>	<u>Total</u>
\$ 83,307	\$ 2,300	\$ 51,428	\$ 137,035
-	-	-	17
-	-	-	8,350
<u>83,307</u>	<u>2,300</u>	<u>51,428</u>	<u>145,402</u>
38,980	-	-	38,980
48,332	-	-	48,332
-	14,850	66,983	142,293
<u>87,312</u>	<u>14,850</u>	<u>66,983</u>	<u>229,605</u>
(4,005)	(12,550)	(15,555)	(84,203)
<u>90,336</u>	<u>-</u>	<u>-</u>	<u>90,336</u>
86,331	(12,550)	(15,555)	6,133
<u>6,424</u>	<u>-</u>	<u>(4,264)</u>	<u>30,269</u>
<u>\$ 92,755</u>	<u>\$ (12,550)</u>	<u>\$ (19,819)</u>	<u>\$ 36,402</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, 2011**

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Homeland Security Grant	\$ 251,181	\$ 72,526	\$ -	\$ 72,526	\$ (178,655)
Emergency operations planning	361,508	536,114	-	536,114	174,606
Investment earnings	-	1,832	-	1,832	1,832
Total revenues	<u>612,689</u>	<u>610,472</u>	<u>-</u>	<u>610,472</u>	<u>(2,217)</u>
<b>Expenditures:</b>					
Public safety:					
Planning	73,429	72,451	-	72,451	978
Supplies	76,040	74,350	-	74,350	1,690
Training	16,968	14,516	-	14,516	2,452
Equipment	455,714	447,942	-	447,942	7,772
Total expenditures	<u>622,151</u>	<u>609,259</u>	<u>-</u>	<u>609,259</u>	<u>12,892</u>
Revenues over (under) expenditures	(9,462)	1,213	-	1,213	10,675
<b>Other Financing Sources (Uses):</b>					
Appropriated fund balance	<u>9,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,462)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,213</u>	<u>-</u>	<u>\$ 1,213</u>	<u>\$ 1,213</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>1,213</u>		
End of year - June 30			<u>\$ 1,213</u>		

## NASH COUNTY, NORTH CAROLINA

### 2009 URGENT REPAIR PROGRAM SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Urgent Repair Grant	\$ 128,187	\$ 101,687	\$ -	\$ 101,687	\$ (26,500)
Owner contributions	8,000	-	8,200	8,200	200
Program income	150	-	150	150	-
Investment earnings	<u>37</u>	<u>37</u>	<u>17</u>	<u>54</u>	<u>17</u>
Total revenues	<u>136,374</u>	<u>101,724</u>	<u>8,367</u>	<u>110,091</u>	<u>(26,283)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Housing rehabilitation	<u>136,374</u>	<u>75,224</u>	<u>60,460</u>	<u>135,684</u>	<u>690</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 26,500</u>	(52,093)	<u>\$ (25,593)</u>	<u>\$ (25,593)</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>26,500</u>		
End of year - June 30			<u>\$ (25,593)</u>		

## NASH COUNTY, NORTH CAROLINA

### STREAM RESTORATION SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<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>					
Restricted intergovernmental:					
Water conservation	\$ 75,000	\$ 74,998	\$ -	\$ 74,998	\$ (2)
Local grant match	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,000)</u>
Total revenues	<u>95,000</u>	<u>74,998</u>	<u>-</u>	<u>74,998</u>	<u>(20,002)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Administration	5,810	-	-	-	5,810
Construction	<u>89,190</u>	<u>74,602</u>	<u>-</u>	<u>74,602</u>	<u>14,588</u>
Total expenditures	<u>95,000</u>	<u>74,602</u>	<u>-</u>	<u>74,602</u>	<u>20,398</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 396</u>	<u>-</u>	<u>\$ 396</u>	<u>\$ 396</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>396</u>		
End of year - June 30			<u>\$ 396</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, 2011**

	<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>					
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	4,363	9,385	13,748	(26,706)
Methodist Home Re-Entry Program	100,000	13,392	34,942	48,334	(51,666)
Energy Efficiency Grant	93,708	-	-	-	(93,708)
H.Y.P.E. Program Grant	43,715	-	3,643	3,643	(40,072)
Vocational Job Grant	51,640	-	17,352	17,352	(34,288)
Pride S.A.A.T. Grant	30,000	-	17,985	17,985	(12,015)
Total revenues	<u>439,091</u>	<u>97,147</u>	<u>83,307</u>	<u>180,454</u>	<u>(258,637)</u>
<b>Expenditures:</b>					
Human services:					
Nutrition grant expenditures	43,857	37,256	3,782	41,038	2,819
WII Program Grant	40,454	4,363	9,385	13,748	26,706
Methodist Home Re-Entry Program	100,000	13,392	34,942	48,334	51,666
Energy Efficiency Grant	184,044	-	223	223	183,821
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	51,640	-	17,352	17,352	34,288
Pride S.A.A.T. Grant	30,000	-	17,985	17,985	12,015
Total expenditures	<u>532,064</u>	<u>93,360</u>	<u>87,312</u>	<u>180,672</u>	<u>351,392</u>
Revenues over (under) expenditures	(92,973)	3,787	(4,005)	(218)	92,755
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>92,973</u>	<u>2,637</u>	<u>90,336</u>	<u>92,973</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 6,424</u>	<u>86,331</u>	<u>\$ 92,755</u>	<u>\$ 92,755</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>6,424</u>		
End of year - June 30			<u>\$ 92,755</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, 2011**

	<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>					
Abandoned Manufactured Homes Grant	\$ 40,700	\$ -	\$ 2,300	\$ 2,300	\$ (38,400)
<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>\$ -</u>	(12,550)	<u>\$ (12,550)</u>	<u>\$ (12,550)</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ (12,550)</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, 2011**

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Community Development Grants	\$ 1,830,000	\$ -	\$ -	\$ -	\$ (1,830,000)
Scattered Site Housing Grant	400,000	400,000	-	400,000	-
Single Family Rehabilitation Grant	370,210	318,782	51,428	370,210	-
Infrastructure Hookup Grant	<u>35,500</u>	<u>35,500</u>	<u>-</u>	<u>35,500</u>	<u>-</u>
Total revenues	<u>2,635,710</u>	<u>754,282</u>	<u>51,428</u>	<u>805,710</u>	<u>(1,830,000)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Community Development Grant	1,835,000	-	19,828	19,828	1,815,172
Scattered Site Housing Grant	400,000	400,000	-	400,000	-
Single Family Rehabilitation Grant	370,210	323,055	47,155	370,210	-
Infrastructure Hookup Grant	<u>35,500</u>	<u>35,491</u>	<u>-</u>	<u>35,491</u>	<u>9</u>
Total expenditures	<u>2,640,710</u>	<u>758,546</u>	<u>66,983</u>	<u>825,529</u>	<u>1,815,181</u>
Revenues over (under) expenditures	(5,000)	(4,264)	(15,555)	(19,819)	(14,819)
<b>Other Financing Sources:</b>					
Transfer from other funds	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (4,264)</u>	<u>(15,555)</u>	<u>\$ (19,819)</u>	<u>\$ (19,819)</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>(4,264)</u>		
End of year - June 30			<u>\$ (19,819)</u>		

Nash County, North Carolina  
Financial Statements and Schedules

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***NONMAJOR CAPITAL PROJECT FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

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## NASH COUNTY, NORTH CAROLINA

**NONMAJOR CAPITAL PROJECT FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2011**

	<u>Gateway Technology Center</u>	<u>School Capital Project</u>	<u>Middlesex Industrial Park</u>	<u>Middlesex Elementary School</u>	<u>Capital Reserve Fund</u>	<u>Total</u>
<b>Assets:</b>						
Cash and cash equivalents	\$ 132,856	\$ 355,051	\$ 242,633	\$ -	\$ 2,061,183	\$ 2,791,723
Accounts receivable	-	15,531	-	-	-	15,531
Restricted cash	-	-	-	2,815,544	-	2,815,544
Total assets	<u>\$ 132,856</u>	<u>\$ 370,582</u>	<u>\$ 242,633</u>	<u>\$ 2,815,544</u>	<u>\$ 2,061,183</u>	<u>\$ 5,622,798</u>
<b>Liabilities and Fund Balances:</b>						
<b>Liabilities:</b>						
Accounts payable	\$ -	\$ 15,531	\$ -	\$ 445,881	\$ -	\$ 461,412
Total liabilities	<u>-</u>	<u>15,531</u>	<u>-</u>	<u>445,881</u>	<u>-</u>	<u>461,412</u>
<b>Fund Balances:</b>						
Restricted:						
Stabilization by State statute	-	15,531	-	-	-	15,531
Restricted, all other	132,856	196,985	-	2,815,544	-	3,145,385
Committed	-	142,535	242,633	-	2,061,183	2,446,351
Unassigned	-	-	-	(445,881)	-	(445,881)
Total fund balances	<u>132,856</u>	<u>355,051</u>	<u>242,633</u>	<u>2,369,663</u>	<u>2,061,183</u>	<u>5,161,386</u>
Total liabilities and fund balances	<u>\$ 132,856</u>	<u>\$ 370,582</u>	<u>\$ 242,633</u>	<u>\$ 2,815,544</u>	<u>\$ 2,061,183</u>	<u>\$ 5,622,798</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, 2011**

	<u>Court Facilities Project</u>	<u>Gateway Technology Center</u>	<u>School Capital Project</u>	<u>Middlesex Industrial Park</u>	<u>Middlesex Elementary School</u>	<u>Capital Reserve Fund</u>	<u>Total</u>
<b>Revenues:</b>							
Restricted intergovernmental - grants	\$ -	\$ -	\$ 207,992	\$ 1,110,234	\$ -	\$ -	\$ 1,318,226
Lottery funds	-	-	96,671	-	-	-	96,671
Investment earnings	-	-	-	-	6,426	2,396	8,822
Total revenues	-	-	304,663	1,110,234	6,426	2,396	1,423,719
<b>Expenditures:</b>							
Current:							
Education	-	-	277,727	-	4,945,096	-	5,222,823
General government	-	-	-	558,385	-	-	558,385
Total expenditures	-	-	277,727	558,385	4,945,096	-	5,781,208
Revenues over (under) expenditures	-	-	26,936	551,849	(4,938,670)	2,396	(4,357,489)
<b>Other Financing Sources (Uses):</b>							
Transfers from other funds	-	-	-	112,100	-	100,000	212,100
Transfers to other funds	(302,837)	-	-	-	-	-	(302,837)
Total other financing sources (uses)	(302,837)	-	-	112,100	-	100,000	(90,737)
Net change in fund balances	(302,837)	-	26,936	663,949	(4,938,670)	102,396	(4,448,226)
<b>Fund Balances:</b>							
Beginning of year - July 1	302,837	132,856	328,115	(421,316)	7,308,333	1,958,787	9,609,612
End of year - June 30	\$ -	\$ 132,856	\$ 355,051	\$ 242,633	\$ 2,369,663	\$ 2,061,183	\$ 5,161,386

## NASH COUNTY, NORTH CAROLINA

**COURT FACILITIES PROJECT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<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>					
Investment earnings	\$ -	\$ 225,475	\$ -	\$ 225,475	\$ 225,475
<b>Expenditures:</b>					
General government:					
Architect fees	293,892	317,243	-	317,243	(23,351)
Building renovations	3,039,477	3,039,477	-	3,039,477	-
Contingency	67,356	-	-	-	67,356
Total expenditures	<u>3,400,725</u>	<u>3,356,720</u>	<u>-</u>	<u>3,356,720</u>	<u>44,005</u>
Revenues over (under) expenditures	<u>(3,400,725)</u>	<u>(3,131,245)</u>	<u>-</u>	<u>(3,131,245)</u>	<u>269,480</u>
<b>Other Financing Sources (Uses):</b>					
Certificates of Participation issued	1,376,125	2,010,000	-	2,010,000	633,875
Transfers from other funds	1,685,209	1,424,082	-	1,424,082	(261,127)
Transfer to other funds	(302,837)	-	(302,837)	(302,837)	-
Appropriated fund balance	642,228	-	-	-	-
Total other financing sources (uses)	<u>3,400,725</u>	<u>3,434,082</u>	<u>(302,837)</u>	<u>3,131,245</u>	<u>(269,480)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 302,837</u>	<u>(302,837)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>302,837</u>		
End of year - June 30			<u>\$ -</u>		

## NASH COUNTY, NORTH CAROLINA

**GATEWAY TECHNOLOGY CENTER  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<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>					
Gateway Partnership Grant	\$ 680,000	\$ 665,183	\$ -	\$ 665,183	\$ (14,817)
Economic Development Grant	1,315,000	1,315,000	-	1,315,000	-
Investment earnings	-	94,699	-	94,699	94,699
Total revenues	<u>1,995,000</u>	<u>2,074,882</u>	<u>-</u>	<u>2,074,882</u>	<u>79,882</u>
<b>Expenditures:</b>					
General government:					
Engineering	287,594	287,591	-	287,591	3
Construction	<u>2,717,876</u>	<u>2,654,435</u>	<u>-</u>	<u>2,654,435</u>	<u>63,441</u>
Total expenditures	<u>3,005,470</u>	<u>2,942,026</u>	<u>-</u>	<u>2,942,026</u>	<u>63,444</u>
Revenues over (under) expenditures	(1,010,470)	(867,144)	-	(867,144)	143,326
<b>Other Financing Sources (Uses):</b>					
Certificates of Participation issued	<u>1,010,470</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>	<u>(10,470)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 132,856</u>	<u>-</u>	<u>\$ 132,856</u>	<u>\$ 132,856</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>132,856</u>		
End of year - June 30			<u>\$ 132,856</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, 2011**

	<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>					
Public School Building Capital Fund	\$ 3,899,060	\$ 3,421,976	\$ 207,992	\$ 3,629,968	\$ (269,092)
Lottery funds	10,326,988	10,230,312	96,671	10,326,983	(5)
Investment earnings	-	215,849	-	215,849	215,849
Total revenues	<u>14,226,048</u>	<u>13,868,137</u>	<u>304,663</u>	<u>14,172,800</u>	<u>(53,248)</u>
<b>Expenditures:</b>					
Education:					
New high school	5,524,941	5,524,942	-	5,524,942	(1)
PSBCF	3,899,060	3,492,053	207,992	3,700,045	199,015
Lottery funds	10,326,989	10,160,236	69,735	10,229,971	97,018
School Capital Fund	5,212,535	5,210,996	-	5,210,996	1,539
Total expenditures	<u>24,963,525</u>	<u>24,388,227</u>	<u>277,727</u>	<u>24,665,954</u>	<u>297,571</u>
Revenues over (under) expenditures	<u>(10,737,477)</u>	<u>(10,520,090)</u>	<u>26,936</u>	<u>(10,493,154)</u>	<u>244,323</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	142,535	142,535	-	142,535	-
Proceeds from installment purchases issued	10,498,378	10,705,670	-	10,705,670	207,292
Appropriated fund balance	96,564	-	-	-	(96,564)
Total other financing sources (uses)	<u>10,737,477</u>	<u>10,848,205</u>	<u>-</u>	<u>10,848,205</u>	<u>110,728</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 328,115</u>	<u>26,936</u>	<u>\$ 355,051</u>	<u>\$ 355,051</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>328,115</u>		
End of year - June 30			<u>\$ 355,051</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, 2011**

	<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>					
DOT	\$ 1,100,000	\$ -	\$ 1,110,234	\$ 1,110,234	\$ 10,234
Rural Hope Grant	32,000	-	-	-	(32,000)
Investment earnings	-	1,533	-	1,533	1,533
Total revenues	<u>1,132,000</u>	<u>1,533</u>	<u>1,110,234</u>	<u>1,111,767</u>	<u>(20,233)</u>
<b>Expenditures:</b>					
General government:					
Road project	<u>1,354,717</u>	<u>646,564</u>	<u>558,385</u>	<u>1,204,949</u>	<u>149,768</u>
Revenues over (under) expenditures	(222,717)	(645,031)	551,849	(93,182)	129,535
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	<u>212,482</u>	<u>223,715</u>	<u>112,100</u>	<u>335,815</u>	<u>123,333</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (421,316)</u>	663,949	<u>\$ 242,633</u>	<u>\$ 242,633</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>(421,316)</u>		
End of year - June 30			<u>\$ 242,633</u>		

## NASH COUNTY, NORTH CAROLINA

### MIDDLESEX ELEMENTARY SCHOOL PROJECT SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<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>					
Investment earnings	\$ -	\$ 694	\$ 6,426	\$ 7,120	\$ 7,120
<b>Expenditures:</b>					
Education:					
School construction	7,342,300	34,661	4,945,096	4,979,757	2,362,543
Revenues over (under) expenditures	(7,342,300)	(33,967)	(4,938,670)	(4,972,637)	2,369,663
<b>Other Financing Sources (Uses):</b>					
Proceeds from debt issued	7,342,300	7,342,300	-	7,342,300	-
Net change in fund balance	\$ -	\$ 7,308,333	(4,938,670)	\$ 2,369,663	\$ 2,369,663
<b>Fund Balance:</b>					
Beginning of year - July 1			7,308,333		
End of year - June 30			\$ 2,369,663		

## 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, 2011 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 2,396	\$ 2,396	\$ 5,162
<b>Other Financing Sources (Uses):</b>				
Transfer from General Fund	-	100,000	100,000	-
Net change in fund balance	\$ -	102,396	\$ 102,396	5,162
<b>Fund Balance:</b>				
Beginning of year - July 1		1,958,787		1,953,625
End of year - June 30		\$ 2,061,183		\$ 1,958,787

***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, 2011

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating revenues:				
Charges for services	\$ 1,067,547	\$ 1,205,060	\$ 137,513	\$ 1,097,404
Solid waste charges	338,040	299,563	(38,477)	352,049
Scrap tire disposal tax	98,000	113,360	15,360	109,194
Miscellaneous	63,000	125,259	62,259	127,013
Rural household fees	1,234,176	1,277,368	43,192	1,225,123
Recycling fees	251,400	230,317	(21,083)	175,706
Scrap Tire Grant	3,500	-	(3,500)	1,584
White Goods Grant	45,000	-	(45,000)	29,738
Total operating revenues	<u>3,100,663</u>	<u>3,250,927</u>	<u>150,264</u>	<u>3,117,811</u>
Non-operating revenues:				
Capital contribution	107,953	107,493	(460)	126,084
Interest on investments	81,000	28,612	(52,388)	80,115
Total non-operating revenues	<u>188,953</u>	<u>136,105</u>	<u>(52,848)</u>	<u>206,199</u>
Total revenues	<u>3,289,616</u>	<u>3,387,032</u>	<u>97,416</u>	<u>3,324,010</u>
<b>Expenditures:</b>				
Operating expenditures:				
Water operations:				
Salaries and employee benefits		378,166		340,813
Professional services		186,458		32,730
Operating expenses		392,214		357,609
Repairs and maintenance		3,848		1,885
Capital outlay		-		4,673
Total	<u>1,125,928</u>	<u>960,686</u>	<u>165,242</u>	<u>737,710</u>
Stormwater operations:				
Professional services		9,199		7,180
Operating expenses		3,555		3,629
Total	<u>18,800</u>	<u>12,754</u>	<u>6,046</u>	<u>10,809</u>
Sewer operations:				
Salaries and employee benefits		34,463		27,909
Professional services		5,963		8,327
Operating expenses		202,937		234,429
Capital outlay		-		1,168
Total	<u>295,083</u>	<u>243,363</u>	<u>51,720</u>	<u>271,833</u>
Solid waste disposal operations:				
Salaries and employee benefits		586,029		632,833
Professional services		73,193		90,920
Operating expenses		1,672,864		1,443,230
Repairs and maintenance		86,939		99,597
Capital outlay		52,980		20,721
Total	<u>2,749,469</u>	<u>2,472,005</u>	<u>277,464</u>	<u>2,287,301</u>

NASH COUNTY, NORTH CAROLINA

UTILITIES FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2011

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011			2010
	Budget	Actual	Variance Over/Under	Actual
Total operating expenditures	4,189,280	3,688,808	500,472	3,307,653
Non-operating expenditures:				
Debt principal payment	305,500	305,500	-	305,500
Debt interest payment	125,507	125,469	38	141,005
Total non-operating expenditures	431,007	430,969	38	446,505
Total expenditures	4,620,287	4,119,777	500,510	3,754,158
Revenues over (under) expenditures	(1,330,671)	(732,745)	597,926	(430,148)
<b>Other Financing Sources (Uses):</b>				
Transfer to other funds	(229,137)	(269,998)	(40,861)	(279,137)
Appropriated fund balance	1,559,808	-	(1,559,808)	-
Total other financing sources (uses)	1,330,671	(269,998)	(1,600,669)	(279,137)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (1,002,743)	\$ (1,002,743)	\$ (709,285)

**Reconciliation from Budgetary Basis**

**(Modified Accrual) to Full Accrual Basis:**

Revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,002,743)
Reconciling items:	
Capital assets purchased	52,379
Depreciation	(397,853)
Principal retirement	305,500
Increase in accrued compensated absences	(2,282)
Grant revenues from capital projects	982,885
Investment earnings from capital projects	4
Non-capitalized capital project expense	(56,154)
Gain (loss) on disposal of capital asset	(8,973)
Change in landfill post-closure liability	(676,921)
Intrafund transfers	40,863
OPEB	(64,104)
Change in net assets	\$ (827,399)

## NASH COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - HIGHWAY 58 EMERGENCY WATER LINE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<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>					
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>-</u>	<u>-</u>	<u>(200,000)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (163,581)</u>	<u>\$ -</u>	<u>\$ (163,581)</u>	<u>\$ (163,581)</u>

## NASH COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - SEPRO GRANT PROJECT**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<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>					
Rural Center Grant	\$ 110,000	\$ 92,535	\$ -	\$ 92,535	\$ (17,465)
CDBG Grants	187,000	187,000	-	187,000	-
Other grants	86,436	88,934	-	88,934	2,498
Total revenues	<u>383,436</u>	<u>368,469</u>	<u>-</u>	<u>368,469</u>	<u>(14,967)</u>
<b>Expenditures:</b>					
Construction and engineering	344,374	342,566	4,000	346,566	(2,192)
Administrative fees	68,000	62,597	169	62,766	5,234
Contingency	37,626	-	-	-	37,626
Total expenditures	<u>450,000</u>	<u>405,163</u>	<u>4,169</u>	<u>409,332</u>	<u>40,668</u>
Revenues over (under) expenditures	(66,564)	(36,694)	(4,169)	(40,863)	25,701
<b>Other Financing Sources (Uses):</b>					
Long-term debt issued					
Transfer from other funds	<u>66,564</u>	<u>-</u>	<u>40,863</u>	<u>40,863</u>	<u>(25,701)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (36,694)</u>	<u>\$ 36,694</u>	<u>\$ -</u>	<u>\$ -</u>

## NASH COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - RURAL CENTER GRANTS FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<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>					
Rural Center Grant	\$ 80,000	\$ 40,000	\$ -	\$ 40,000	\$ (40,000)
Investment earnings	-	31	4	35	35
Total revenues	<u>80,000</u>	<u>40,031</u>	<u>4</u>	<u>40,035</u>	<u>(39,965)</u>
<b>Expenditures:</b>					
Feasibility study and drought plan	<u>160,000</u>	<u>102,016</u>	<u>28,009</u>	<u>130,025</u>	<u>29,975</u>
Revenues over (under) expenditures	(80,000)	(61,985)	(28,005)	(89,990)	(9,990)
<b>Other Financing Sources (Uses):</b>					
Proceeds from long term debt					
Transfer from other funds	<u>80,000</u>	<u>80,000</u>	<u>-</u>	<u>80,000</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 18,015</u>	<u>\$ (28,005)</u>	<u>\$ (9,990)</u>	<u>\$ (9,990)</u>

## NASH COUNTY, NORTH CAROLINA

### ENTERPRISE FUND - CASTALIA WATER SYSTEM PROJECT SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<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>					
Contributions	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ -
CDBG	750,000	-	572,158	572,158	(177,842)
NC Rural Center Grant	<u>500,000</u>	<u>-</u>	<u>410,727</u>	<u>410,727</u>	<u>(89,273)</u>
Total revenues	<u>1,270,000</u>	<u>20,000</u>	<u>982,885</u>	<u>1,002,885</u>	<u>(267,115)</u>
<b>Expenditures:</b>					
Operating expenditures	<u>1,298,000</u>	<u>117,320</u>	<u>885,565</u>	<u>1,002,885</u>	<u>295,115</u>
Revenues over (under) expenditures	(28,000)	(97,320)	97,320	-	28,000
<b>Other Financing Sources (Uses):</b>					
Transfer from Utilities Fund	<u>28,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,000)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (97,320)</u>	<u>\$ 97,320</u>	<u>\$ -</u>	<u>\$ -</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, 2011

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Operating revenues:					
Tap fees	\$ 198,200	\$ 108,700	\$ -	\$ 108,700	\$ (89,500)
Miscellaneous collections	35,250	35,250	-	35,250	-
Total operating revenues	233,450	143,950	-	143,950	(89,500)
Non-operating revenues:					
Capital contribution	5,958,951	2,115,325	148,374	2,263,699	(3,695,252)
Interest on investments	-	51,093	-	51,093	51,093
Total non-operating revenues	5,958,951	2,166,418	148,374	2,314,792	(3,644,159)
Total revenues	6,192,401	2,310,368	148,374	2,458,742	(3,733,659)
<b>Expenditures:</b>					
Operating expenditures:					
Water project startup:					
Administration	11,700	7,500	-	7,500	4,200
Engineering and construction	46,512	41,465	-	41,465	5,047
Total	58,212	48,965	-	48,965	9,247
Highway 97 project:					
Administration	16,250	16,250	-	16,250	-
Engineering and construction	901,651	887,630	-	887,630	14,021
Total	917,901	903,880	-	903,880	14,021
Capital items:					
Phase I	3,696,138	3,330,444	135,079	3,465,523	230,615
Phase II	3,607,437	3,096,576	141,885	3,238,461	368,976
Phase III	4,369,500	2,586,896	90,768	2,677,664	1,691,836
Phase IV	6,137,500	12,231	261,551	273,782	5,863,718
Total	17,810,575	9,026,147	629,283	9,655,430	8,155,145
Total operating expenditures	18,786,688	9,978,992	629,283	10,608,275	8,178,413
Non-operating expenditures:					
Debt principal payment	60,000	-	60,000	-	60,000
Debt interest payment	707,187	417,415	229,135	707,187	-
Total non-operating expenditures	767,187	417,415	289,135	707,187	60,000
Total expenditures	19,553,875	10,396,407	918,418	11,315,462	8,238,413

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, 2011

	<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>		
Revenues over (under) expenditures	<u>(13,361,474)</u>	<u>(8,086,039)</u>	<u>(770,044)</u>	<u>(8,856,720)</u>	<u>4,504,754</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	552,474	796,695	229,135	1,025,830	473,356
Debt issued	<u>12,809,000</u>	<u>5,239,000</u>	<u>-</u>	<u>5,239,000</u>	<u>(7,570,000)</u>
Total other financing sources (uses)	<u>13,361,474</u>	<u>6,035,695</u>	<u>229,135</u>	<u>6,264,830</u>	<u>(7,096,644)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (2,050,344)</u>	<u>\$ (540,909)</u>	<u>\$ (2,591,890)</u>	<u>\$ (2,591,890)</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			\$ (540,909)		
Reconciling items:					
Capital assets purchased			625,016		
Principal payment			<u>60,000</u>		
Change in net assets			<u>\$ 144,107</u>		

***INTERNAL SERVICE FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

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# NASH COUNTY, NORTH CAROLINA

## COMBINING STATEMENT OF NET ASSETS ALL INTERNAL SERVICE FUNDS JUNE 30, 2011

	<u>Employee Healthcare Benefits</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 2,179,883	\$ 1,439,443	\$ 3,619,326
Accounts receivable, net	<u>1,834</u>	<u>-</u>	<u>1,834</u>
Total assets	<u>2,181,717</u>	<u>1,439,443</u>	<u>3,621,160</u>
<b>Liabilities and Net Assets:</b>			
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable and accrued liabilities	<u>557,346</u>	<u>173,686</u>	<u>731,032</u>
Total liabilities	<u>557,346</u>	<u>173,686</u>	<u>731,032</u>
<b>Net Assets:</b>			
Total net assets	<u>\$ 1,624,371</u>	<u>\$ 1,265,757</u>	<u>\$ 2,890,128</u>

**NASH COUNTY, NORTH CAROLINA**

**INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN NET ASSETS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Employee Healthcare Benefits</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 4,874,388	\$ 700,000	\$ 5,574,388
<b>Operating Expenditures:</b>			
Claims costs	4,877,990	502,850	5,380,840
Wellness Program costs	29,045	-	29,045
Total expenditures	<u>4,907,035</u>	<u>502,850</u>	<u>5,409,885</u>
Operating income (loss)	(32,647)	197,150	164,503
<b>Non-Operating Revenues:</b>			
Investment earnings	<u>3,351</u>	<u>1,161</u>	<u>4,512</u>
Change in net assets	(29,296)	198,311	169,015
<b>Net Assets:</b>			
Beginning of year - July 1	<u>1,653,667</u>	<u>1,067,446</u>	<u>2,721,113</u>
End of year - June 30	<u>\$ 1,624,371</u>	<u>\$ 1,265,757</u>	<u>\$ 2,890,128</u>

## NASH COUNTY, NORTH CAROLINA

### INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2011

	<u>Employee Healthcare Benefits</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 4,882,976	\$ 700,000	\$ 5,582,976
Cash paid for goods and services	<u>(4,906,890)</u>	<u>(523,961)</u>	<u>(5,430,851)</u>
Net cash provided (used) by operating activities	<u>(23,914)</u>	<u>176,039</u>	<u>152,125</u>
<b>Cash Flows from Investing Activities:</b>			
Investment earnings	<u>3,351</u>	<u>1,161</u>	<u>4,512</u>
Net increase (decrease) in cash and cash equivalents	(20,563)	177,200	156,637
Cash and cash equivalents - July 1	<u>2,200,446</u>	<u>1,262,243</u>	<u>3,462,689</u>
Cash and cash equivalents - June 30	<u>\$ 2,179,883</u>	<u>\$ 1,439,443</u>	<u>\$ 3,619,326</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ (32,647)	\$ 197,150	\$ 164,503
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	8,588	-	8,588
Increase (decrease) in accounts payable and accrued liabilities	<u>145</u>	<u>(21,111)</u>	<u>(20,966)</u>
Net cash provided (used) by operating activities	<u>\$ (23,914)</u>	<u>\$ 176,039</u>	<u>\$ 152,125</u>

## NASH COUNTY, NORTH CAROLINA

### INTERNAL SERVICE FUNDS EMPLOYEE HEALTH CARE BENEFITS SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2010

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 4,924,500	\$ 4,874,388	\$ (50,112)
<b>Operating Expenditures:</b>			
Claims costs	4,894,500	4,877,990	16,510
Wellness Program costs	<u>30,000</u>	<u>29,045</u>	<u>955</u>
Total operating expenditures	<u>4,924,500</u>	<u>4,907,035</u>	<u>17,465</u>
Operating income (loss)	-	(32,647)	(32,647)
<b>Non-Operating Revenues:</b>			
Investment earnings	<u>-</u>	<u>3,351</u>	<u>3,351</u>
Change in net assets	<u>\$ -</u>	<u>\$ (29,296)</u>	<u>\$ (29,296)</u>

## NASH COUNTY, NORTH CAROLINA

### INTERNAL SERVICE FUNDS WORKERS' COMPENSATION BENEFITS SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2011

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 815,000	\$ 700,000	\$ (115,000)
<b>Operating Expenditures:</b>			
Workers' compensation claims	815,000	502,850	312,150
Operating income (loss)	-	197,150	197,150
<b>Non-Operating Revenues:</b>			
Investment earnings	-	1,161	1,161
Change in net assets	<u>\$ -</u>	<u>\$ 198,311</u>	<u>\$ 198,311</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, 2011**

	<u>Balance June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2011</u>
<b>Social Services Trust Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 14,014	\$ 241,405	\$ 243,986	\$ 11,433
<b>Liabilities:</b>				
Accounts payable	\$ 14,014	\$ 241,405	\$ 243,986	\$ 11,433
<b>Jail Inmate Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 25,298	\$ 209,359	\$ 209,693	\$ 24,964
<b>Liabilities:</b>				
Accounts payable	\$ 25,298	\$ 209,359	\$ 209,693	\$ 24,964
<b>Fines and Forfeitures:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 525,054	\$ 525,054	\$ -
<b>Liabilities:</b>				
Intergovernmental payable	\$ -	\$ 525,054	\$ 525,054	\$ -
<b>Tax Collections Held for Municipalities:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 174,384	\$ 2,232,258	\$ 2,238,968	\$ 167,674
<b>Liabilities:</b>				
Accounts payable				
Intergovernmental payable	\$ 174,384	\$ 2,232,258	\$ 2,238,968	\$ 167,674
<b>Rental Vehicle Taxes:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 55,549	\$ 55,549	\$ -
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 55,549	\$ 55,549	\$ -
<b>Delinquent Vehicle Tax Fund</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 69,361	\$ 69,361	\$ -
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 69,361	\$ 69,361	\$ -
<b>Total - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 213,696	\$ 3,332,986	\$ 3,342,611	\$ 204,071
<b>Liabilities:</b>				
Accounts payable	\$ 39,312	\$ 575,674	\$ 578,589	\$ 36,397
Intergovernmental payable	174,384	2,757,312	2,764,022	167,674
Total liabilities	\$ 213,696	\$ 3,332,986	\$ 3,342,611	\$ 204,071

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, 2011

<u>Fiscal Year</u>	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2011</u>
2011-2010	\$ -	\$ 46,010,852	\$ 44,171,957	\$ 1,838,895
2010-2009	1,794,865	14,364	1,079,553	729,676
2009-2008	704,210	4,780	193,297	515,693
2008-2007	479,525	3,970	69,649	413,846
2007-2006	626,229	92	40,519	585,802
2006-2005	276,867	-	20,139	256,728
2005-2004	237,961	-	10,741	227,220
2004-2003	225,068	-	9,026	216,042
2003-2002	207,311	-	5,301	202,010
2002-2001	180,968	-	4,166	176,802
2001-2000	177,201	-	177,201	-
Total	<u>\$ 4,910,205</u>	<u>\$ 46,034,058</u>	<u>\$ 45,781,549</u>	<u>5,162,714</u>
Less: Allowance for uncollectible accounts				
General Fund				<u>(1,466,174)</u>
Ad valorem taxes receivable, net				
General Fund				<u>\$ 3,696,540</u>
<b>Reconciliation with Revenues:</b>				
Ad valorem taxes - General Fund				\$ 45,831,908
<b>Reconciling Items:</b>				
Amount written off per statute				177,201
Interest and lien advertising collected				(326,482)
Tax refunds				143,209
Miscellaneous				<u>(44,287)</u>
Total collections and credits				<u>\$ 45,781,549</u>

## NASH COUNTY NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY  
FOR THE YEAR ENDED JUNE 30, 2011

	County-Wide		Total Levy		
			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles	
	Property Valuation	Rate	Total Levy		
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 6,250,909,524	\$ 0.67	\$ 41,881,094	\$ 41,881,094	\$ -
Motor vehicles	658,917,604	0.67	4,414,748	-	4,414,748
Penalties	-		33,978	33,978	-
Advertising and collection fees	-		8,112	8,112	-
Dogs	-		17,900	17,900	-
Total	<u>6,909,827,128</u>		<u>46,355,832</u>	<u>41,941,084</u>	<u>4,414,748</u>
<b>Discoveries:</b>					
Current year taxes	<u>1,378,431</u>	0.67	<u>9,235</u>	<u>9,156</u>	<u>79</u>
<b>Abatements</b>	<u>(52,867,905)</u>	0.67	<u>(354,215)</u>	<u>(280,170)</u>	<u>(74,045)</u>
Total property valuation	<u>\$ 6,858,337,654</u>				
<b>Net Levy</b>			46,010,852	41,670,070	4,340,782
Uncollected taxes, June 30			<u>1,838,895</u>	<u>1,159,181</u>	<u>679,714</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 44,171,957</u>	<u>\$ 40,510,889</u>	<u>\$ 3,661,068</u>
<b>Current Levy Collection Percentage</b>			<u>96.00%</u>	<u>97.22%</u>	<u>84.34%</u>
<b>Prior Year Collection Percentage</b>			<u>95.90%</u>	<u>97.49%</u>	<u>83.98%</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.	132
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	138
<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.	143
<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.	148
<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.	150

Nash County, North Carolina  
Financial Statements and Schedules

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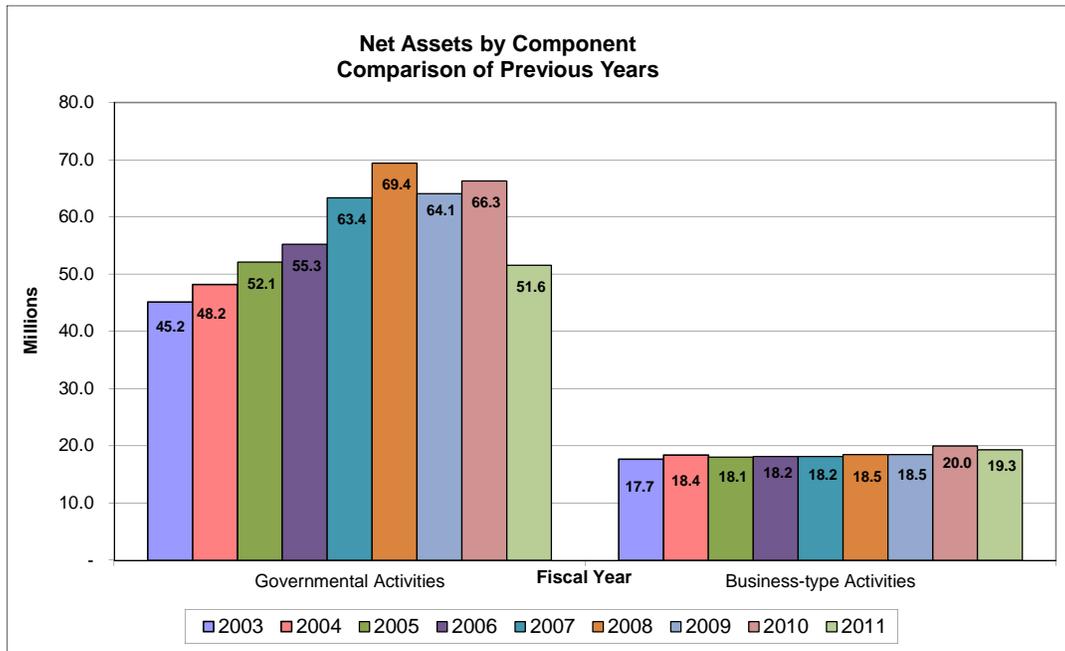
**NASH COUNTY, NORTH CAROLINA**

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Governmental activities</b>									
Invested in capital assets, net of related debt	\$ 28,456	\$ 29,658	\$ 33,256	\$ 40,398	\$ 42,226	\$ 43,816	\$ 36,778	\$ 38,100	\$ 26,720
Restricted	2,480	13,482	13,086	736	606	551	647	705	6,698
Unrestricted	<u>14,218</u>	<u>5,095</u>	<u>5,793</u>	<u>14,118</u>	<u>20,535</u>	<u>25,081</u>	<u>26,646</u>	<u>27,497</u>	<u>18,170</u>
<b>Total Governmental activities net assets</b>	<b><u>\$ 45,154</u></b>	<b><u>\$ 48,235</u></b>	<b><u>\$ 52,135</u></b>	<b><u>\$ 55,252</u></b>	<b><u>\$ 63,367</u></b>	<b><u>\$ 69,448</u></b>	<b><u>\$ 64,071</u></b>	<b><u>\$ 66,302</u></b>	<b><u>\$ 51,588</u></b>
<b>Business-type activities</b>									
Invested in capital assets, net of related debt	\$ 9,723	\$ 9,814	\$ 9,482	\$ 9,736	\$ 8,547	\$ 11,028	\$ 12,052	\$ 15,355	\$ 16,852
Restricted	-	-	-	-	-	-	-	-	-
Unrestricted	<u>7,960</u>	<u>8,595</u>	<u>8,569</u>	<u>8,434</u>	<u>9,629</u>	<u>7,464</u>	<u>6,469</u>	<u>4,663</u>	<u>2,483</u>
<b>Total business-type activities net assets</b>	<b><u>\$ 17,683</u></b>	<b><u>\$ 18,409</u></b>	<b><u>\$ 18,051</u></b>	<b><u>\$ 18,170</u></b>	<b><u>\$ 18,176</u></b>	<b><u>\$ 18,492</u></b>	<b><u>\$ 18,521</u></b>	<b><u>\$ 20,018</u></b>	<b><u>\$ 19,335</u></b>
<b>Primary government</b>									
Invested in capital assets, net of related debt	\$ 38,179	\$ 39,472	\$ 42,738	\$ 50,134	\$ 50,774	\$ 54,844	\$ 48,830	\$ 53,455	\$ 43,572
Restricted	2,480	13,482	13,086	736	606	551	647	705	6,698
Unrestricted	<u>22,178</u>	<u>13,690</u>	<u>14,362</u>	<u>22,552</u>	<u>30,164</u>	<u>32,545</u>	<u>33,115</u>	<u>32,160</u>	<u>20,653</u>
<b>Total primary government net assets</b>	<b><u>\$ 62,837</u></b>	<b><u>\$ 66,644</u></b>	<b><u>\$ 70,186</u></b>	<b><u>\$ 73,422</u></b>	<b><u>\$ 81,544</u></b>	<b><u>\$ 87,940</u></b>	<b><u>\$ 82,592</u></b>	<b><u>\$ 86,320</u></b>	<b><u>\$ 70,923</u></b>

Notes:

(1) Nine years presented due to implementation of GASB STATEMENT 34 in Fiscal Year 2003.



## NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Expenses</b>									
Governmental activities:									
General government	\$ 10,825	\$ 6,167	\$ 8,038	\$ 6,593	\$ 7,668	\$ 7,285	\$ 18,240	\$ 9,249	\$ 10,626
Public safety	13,016	13,816	14,486	15,833	17,756	19,569	21,374	22,426	22,185
Transportation	177	149	149	200	248	250	356	411	408
Economic and physical development	1,702	2,043	720	4,560	2,717	2,928	2,889	2,936	3,513
Human services	25,892	26,167	27,593	28,290	29,691	29,653	28,933	27,004	25,781
Cultural	944	948	980	1,077	1,235	1,456	1,669	1,583	1,704
Education	19,989	21,089	24,220	22,391	21,662	22,393	23,720	26,042	5,507
Interest on long-term debt	1,043	503	1,079	1,025	1,092	1,000	829	708	2,012
Total governmental activities expenses	<u>73,588</u>	<u>70,882</u>	<u>77,265</u>	<u>79,969</u>	<u>82,069</u>	<u>84,534</u>	<u>98,010</u>	<u>90,359</u>	<u>71,736</u>
Business-type activities:									
Water and sewer	469	693	1,054	992	1,217	1,437	1,538	1,988	2,179
Solid waste disposal	746	887	889	1,003	1,013	2,330	2,944	2,336	3,023
Convenience centers	1,283	1,292	1,305	1,335	1,350	-	-	-	-
Total business-type activities	<u>2,498</u>	<u>2,872</u>	<u>3,248</u>	<u>3,330</u>	<u>3,580</u>	<u>3,767</u>	<u>4,482</u>	<u>4,324</u>	<u>5,202</u>
Total primary governmental expenses	<u>\$ 76,086</u>	<u>\$ 73,754</u>	<u>\$ 80,513</u>	<u>\$ 83,299</u>	<u>\$ 85,649</u>	<u>\$ 88,301</u>	<u>\$ 102,492</u>	<u>\$ 94,683</u>	<u>\$ 76,938</u>
<b>Program Revenues</b>									
Governmental activities:									
Charges for services:									
General government	\$ 1,277	\$ 985	\$ 985	\$ 1,279	\$ 1,359	\$ 2,755	\$ 1,916	\$ 3,097	\$ 3,116
Public safety	413	1,796	2,263	1,727	2,560	4,164	4,368	4,525	4,009
Economic & physical development	220	273	246	464	527	-	15	-	-
Human services	1,210	564	589	250	153	602	541	570	614
Operating grants and contributions	17,679	19,530	18,348	19,465	23,024	18,660	21,432	22,778	34,239
Capital grants and contributions	-	-	4,339	3,056	285	815	5,607	856	1,236
Total governmental activities program revenues	<u>20,799</u>	<u>23,148</u>	<u>26,770</u>	<u>26,241</u>	<u>27,908</u>	<u>26,996</u>	<u>33,879</u>	<u>31,826</u>	<u>43,214</u>
Business-type activities:									
Charges for services:									
Water and sewer	167	346	367	431	499	696	899	1,097	1,205
Solid waste disposal	672	968	593	598	520	2,142	2,218	2,056	2,046
Convenience centers	1,271	1,293	1,347	1,665	1,634	-	-	-	-
Operating grants and contributions	120	244	224	126	162	-	-	-	-
Capital grants and contributions	1,707	526	46	-	-	543	1,127	2,587	1,239
Total business-type activities program revenues	<u>3,937</u>	<u>3,377</u>	<u>2,577</u>	<u>2,820</u>	<u>2,815</u>	<u>3,381</u>	<u>4,244</u>	<u>5,740</u>	<u>4,490</u>
Total primary governmental program revenues	<u>\$ 24,736</u>	<u>\$ 26,525</u>	<u>\$ 29,347</u>	<u>\$ 29,061</u>	<u>\$ 30,723</u>	<u>\$ 30,377</u>	<u>\$ 38,123</u>	<u>\$ 37,566</u>	<u>\$ 47,704</u>
Net (expense)/revenue									
Governmental activities	(\$52,789)	(\$47,735)	(\$50,495)	(\$53,728)	(54,161)	(57,538)	(\$64,132)	(\$58,533)	(\$74,522)
Business-type activities	1,439	505	(672)	(510)	(765)	(386)	(237)	1,416	(712)
Total primary governmental net expense	<u>\$ (51,350)</u>	<u>\$ (47,230)</u>	<u>\$ (51,167)</u>	<u>\$ (54,238)</u>	<u>\$ (54,926)</u>	<u>\$ (57,924)</u>	<u>\$ (64,369)</u>	<u>\$ (57,117)</u>	<u>\$ (75,234)</u>
<b>General Revenues and Other Changes in Net Assets</b>									
Governmental activities:									
Taxes									
Property taxes	\$ 35,592	\$ 36,121	\$ 38,118	\$ 38,858	\$ 42,661	\$ 44,151	\$ 43,224	\$ 48,476	\$ 48,436
Sales taxes	12,003	13,589	14,660	15,758	17,039	17,553	14,353	11,758	10,810
Excise taxes	287	276	364	386	371	319	202	182	142
Other taxes	250	255	262	67	69	74	67	68	72
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-
Investment earnings	300	248	817	1,439	1,908	1,522	910	280	348
Miscellaneous	1,058	326	174	337	228	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>49,490</u>	<u>50,815</u>	<u>54,395</u>	<u>56,845</u>	<u>62,276</u>	<u>63,619</u>	<u>58,756</u>	<u>60,764</u>	<u>59,808</u>

## NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Business-type activities:									
Other taxes & licenses	81		-	-	-	-	-	-	-
Investment earnings	231	221	314	629	771	702	266	81	29
Miscellaneous	245	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>557</u>	<u>221</u>	<u>314</u>	<u>629</u>	<u>771</u>	<u>702</u>	<u>266</u>	<u>81</u>	<u>29</u>
Total primary government	<u>\$ 50,047</u>	<u>\$ 51,036</u>	<u>\$ 54,709</u>	<u>\$ 57,474</u>	<u>\$ 63,047</u>	<u>\$ 64,321</u>	<u>\$ 59,022</u>	<u>\$ 60,845</u>	<u>\$ 59,837</u>
<b>Change in Net Assets</b>									
Governmental activities	\$ (3,299)	\$ 3,081	\$ 3,900	\$ 3,117	\$ 8,115	\$ 6,081	\$ (5,376)	\$ 2,231	(\$14,714)
Business-type activities	<u>1,996</u>	<u>726</u>	<u>(357)</u>	<u>119</u>	<u>6</u>	<u>316</u>	<u>28</u>	<u>1,497</u>	<u>(683)</u>
Total primary government	<u>\$ (1,303)</u>	<u>\$ 3,807</u>	<u>\$ 3,543</u>	<u>\$ 3,236</u>	<u>\$ 8,121</u>	<u>\$ 6,397</u>	<u>\$ (5,348)</u>	<u>\$ 3,728</u>	<u>\$ (15,397)</u>

## Notes:

(1) Nine years presented due to implementation of GASB STATEMENT 34 in Fiscal Year 2003.

## NASH COUNTY, NORTH CAROLINA

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

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Real Estate Transfer Tax</b>	<b>Rental Vehicle Tax</b>	<b>Privilege Licenses</b>	<b>Total</b>
2002	\$ 35,951	\$ 11,250	\$ 258	\$ 49	\$ 22	\$ 47,530
2003	35,541	12,003	287	47	21	47,899
2004	36,269	13,412	276	47	21	50,025
2005	37,920	14,659	364	48	21	53,012
2006	38,670	15,758	386	48	19	54,881
2007	42,232	17,040	371	54	14	59,711
2008	43,739	17,552	319	55	19	61,684
2009	44,120	14,353	202	50	17	58,742
2010	48,278	11,758	182	54	14	60,286
2011	48,301	11,810	142	56	16	60,325

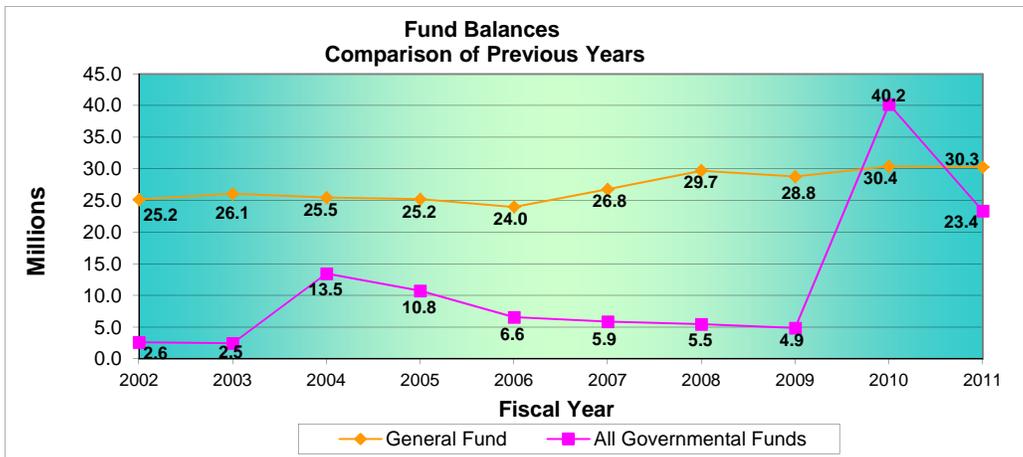
## NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund										
Reserved	\$ 5,171	\$ 7,949	\$ 7,621	\$ 7,534	\$ 5,542	\$ 6,277	\$ 7,365	\$ 7,564	\$ 7,242	-
Unreserved	20,037	18,127	17,881	17,705	18,468	20,528	22,367	21,264	23,169	-
Non Spendable										15
Restricted										5,543
Committed										239
Assigned										3,323
Unassigned										21,155
<b>Total general fund</b>	<b>\$ 25,208</b>	<b>\$ 26,076</b>	<b>\$ 25,502</b>	<b>\$ 25,239</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>
All other governmental funds										
Reserved	\$ 600	\$ 803	\$ 69	\$ 397	\$ 230	\$ 425	\$ 235	\$ 35	\$ 36,349	-
Unreserved, reported in:										
Special revenue funds	2,019	1,678	8,163	3,629	3,665	4,102	3,919	3,690	3,492	-
Capital projects funds	-	-	5,241	6,755	2,696	1,351	1,361	1,225	347	-
Non Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	4,156
Committed	-	-	-	-	-	-	-	-	-	2,539
Assigned	-	-	-	-	-	-	-	-	-	228
Unassigned	-	-	-	-	-	-	-	-	-	(505)
Restricted in Capital Project	-	-	-	-	-	-	-	-	-	18,991
Committed in Capital Project	-	-	-	-	-	-	-	-	-	-
Unassigned in Capital Project	-	-	-	-	-	-	-	-	-	(1,970)
<b>Total all other governmental funds</b>	<b>\$ 2,619</b>	<b>\$ 2,481</b>	<b>\$ 13,473</b>	<b>\$ 10,781</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>

<sup>1</sup> The 2004 increase in special revenue and capital projects funds is primarily due to COPS issuance of \$10,800,000.

<sup>2</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.



**NASH COUNTY, NORTH CAROLINA**

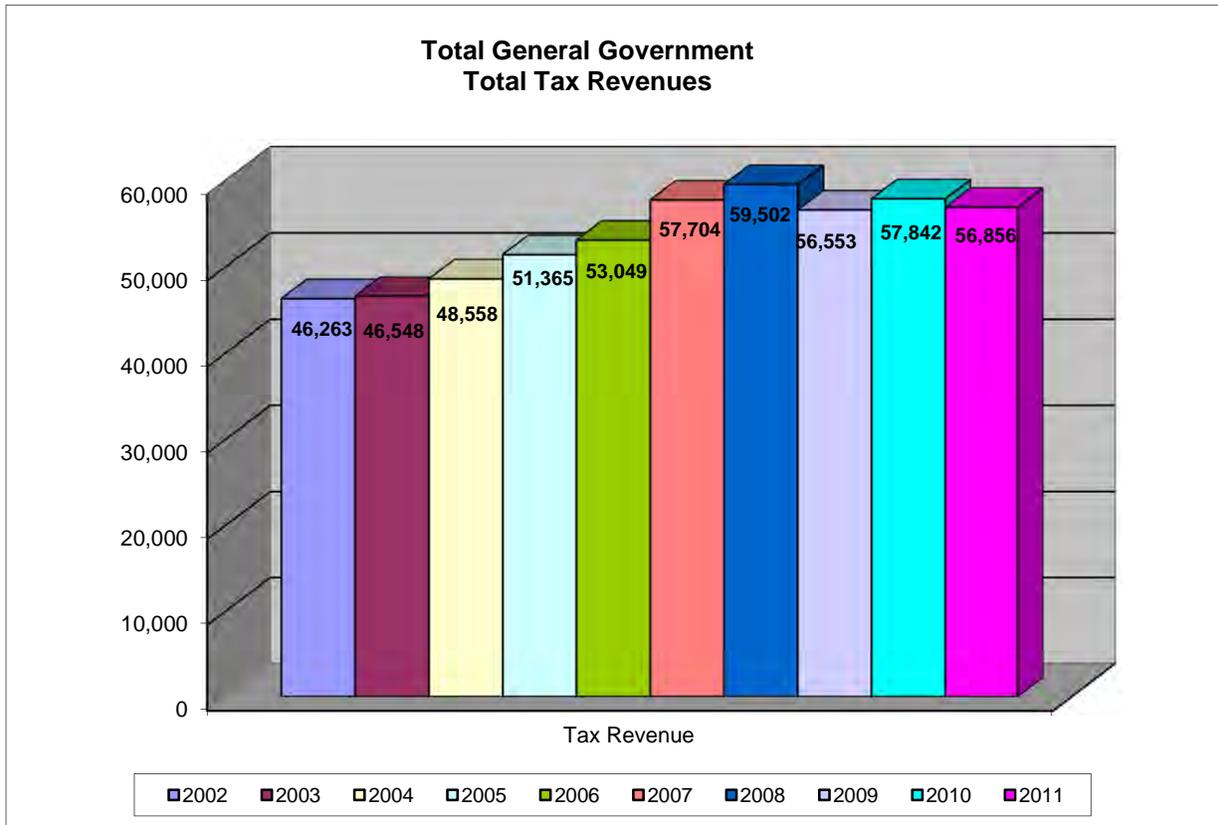
**Changes in Fund Balances of Governmental Funds  
Last Nine Fiscal Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)**

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues</b>									
Ad valorem taxes	\$ 35,541	\$ 36,269	\$ 37,920	\$ 38,670	\$ 42,232	\$ 43,739	\$ 44,119	\$ 48,278	\$ 48,301
Other taxes and licenses	12,358	13,756	15,093	16,212	17,479	17,945	14,622	12,008	11,024
Intergovernmental	17,862	19,677	22,825	21,691	18,945	19,665	22,296	23,054	34,015
Permits and fees	1,388	1,086	1,059	1,295	1,364	1,310	1,000	920	917
Sales and services	1,732	1,847	2,320	2,419	3,160	4,207	4,468	5,139	4,531
Investment earnings	300	248	816	1,439	1,806	1,357	872	274	291
Miscellaneous	1,058	1,228	934	1,172	4,648	1,814	1,034	2,555	3,584
<b>Total revenues</b>	<b>70,239</b>	<b>74,111</b>	<b>80,967</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>Expenditures</b>									
General government	5,405	5,145	7,291	10,798	7,672	7,871	8,244	8,826	10,472
Public safety	13,022	13,789	14,435	16,715	17,825	19,335	21,122	21,825	22,368
Transportation	142	149	149	165	213	231	327	397	381
Economic and physical development	1,871	3,867	2,129	4,505	2,726	3,823	3,345	5,233	3,706
Human services	25,928	26,263	27,827	28,185	29,688	29,545	28,097	26,231	25,683
Cultural and recreation	945	948	980	1,077	1,195	1,351	1,497	1,562	1,675
Education	19,923	21,914	28,582	25,227	22,004	22,327	23,654	25,976	51,431
Revaluation	11	-	-	-	41	104	146	-	-
Debt Service:									
Principal	1,762	1,653	2,381	2,413	2,707	2,641	2,619	2,580	2,800
Interest	865	765	1,079	1,025	1,092	1,000	829	708	2,012
<b>Total expenditures</b>	<b>69,874</b>	<b>74,493</b>	<b>84,853</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>
Excess of revenues over (under) expenditures	365	(382)	(3,886)	(7,212)	4,471	1,809	(1,469)	(1,110)	(17,865)
<b>Other financing sources (uses)</b>									
Transfers in	1,221	2,617	1,605	50	50	1,235	386	505	730
Transfers out	(1,221)	(2,617)	(1,605)	(50)	(2,439)	(1,381)	(386)	(505)	(730)
Proceeds from installment purchases	364	-	-	-	-	-	-	-	-
Bonds issued	-	-	-	-	-	-	-	36,937	-
Bond premium	-	-	-	-	-	-	-	994	-
Long-term debt issued	-	10,800	388	1,793	-	-	-	-	-
Sale of capital assets	-	-	543	-	-	901	-	-	-
Capital lease obligations issued	-	-	-	-	-	-	-	-	979
<b>Total other financing sources (uses)</b>	<b>364</b>	<b>10,800</b>	<b>931</b>	<b>1,793</b>	<b>(2,389)</b>	<b>755</b>	<b>-</b>	<b>37,931</b>	<b>979</b>
<b>Net change in fund balances</b>	<b>\$ 729</b>	<b>\$ 10,418</b>	<b>\$ (2,955)</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>
Debt service as a percentage of noncapital expenditures	3.86%	3.42%	4.46%	4.28%	4.63%	4.28%	3.84%	3.52%	4.16%

## NASH COUNTY, NORTH CAROLINA

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

Fiscal Year	Property Tax	Intangible Tax	Sales Tax	Real Estate Transfer Tax	Rental Vehicle Tax	Privilege Licenses Tax	Total
2002	\$ 33,543	\$ 1,142	\$ 11,249	\$ 258	\$ 49	\$ 22	\$ 46,263
2003	34,190	-	12,003	287	47	21	46,548
2004	34,803	-	13,412	276	46	21	48,558
2005	36,272	-	14,660	364	48	21	51,365
2006	36,838	-	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



## 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					
2002	\$ 2,705,977	\$ 1,656,757	\$ 678,829	\$ 863,705	\$ (754,365)	\$ 5,150,903	\$ 0.66	\$ 5,261,093	97.91%
2003	2,760,442	1,661,760	684,444	848,518	(803,176)	5,151,988	0.66	5,498,458	93.70%
2004	2,861,761	1,731,390	683,316	825,122	(821,882)	5,279,707	0.66	5,676,639	93.01%
2005	2,962,736	1,799,040	682,382	833,850	(849,047)	5,428,961	0.66	5,843,375	92.91%
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%

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									
	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2009	2010 <sup>1</sup>	2011
Nash County	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.6700	\$ 0.6700
<u>Municipality Rates:</u>										
City of Rocky Mount	0.4400	0.4800	0.5000	0.5000	0.5000	0.5500	0.5800	0.5800	0.5500	0.5500
Town of Sharpsburg	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.5000	0.5000	0.5000	0.5000
Town of Spring Hope	0.7000	0.7000	0.7000	0.7000	0.7000	0.6200	0.6200	0.6200	0.5700	0.5700
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	0.5500	0.5500	0.5500	0.5500
Town of Whitakers	0.6700	0.6700	0.6700	0.6900	0.6900	0.6900	0.6900	0.6900	0.6900	0.6900
Town of Nashville	0.6100	0.6100	0.6100	0.6100	0.6300	0.6300	0.6300	0.6300	0.5600	0.5600
Town of Castalia	0.2200	0.2200	0.2200	0.2700	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
Town of Momeyer	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0900	0.0900	0.0900	0.0900
<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	0.0960	0.0960	0.0960	0.0960	0.1100	0.1100	0.1200	0.1200	0.1200	0.1200
N.S. Gulley	0.0900	0.0975	0.0975	0.0975	0.0975	0.1075	0.1075	0.1075	0.1075	0.1075
Harrison	0.0600	0.0600	0.0600	0.0600	0.0700	0.0700	0.0700	0.0700	0.0900	0.0900
Stanhope	0.0600	0.0600	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Stony Creek	0.0500	0.0500	0.0500	0.0500	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	0.0500	0.0700	0.0700	0.0900	0.0900	0.0900	0.0800	0.0900	0.0900	0.0900
Sims	0.0500	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400	0.0464	0.0464
Tri-County	0.0600	0.0600	0.0600	0.0600	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Salem	0.0550	0.0550	0.0550	0.0550	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
West Mount	0.0500	0.0500	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Coopers	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0850	0.0850	0.0850	0.0850
Castalia	0.0620	0.0700	0.0660	0.0660	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735
Spring Hope	0.0500	0.0600	0.0600	0.0600	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Middlesex	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Red Oak	0.0500	0.0500	0.0500	0.0500	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	0.0600	0.0600
Whitakers	0.0400	0.0400	0.0540	0.0600	0.0600	0.0600	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	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Consolidated Diesel Co.	\$ 188,756	1	2.74%	\$ 235,975	1	4.58%
Hospira Inc.	153,423	2	2.23%			
Universal Leaf North America NC	113,548	3	1.65%			
Progress Energy Carolinas	50,114	4	0.73%			
Hendon Golden East LLC	35,681	5	0.52%	24,495	6	0.48%
Carolina Telephone	32,852	6	0.48%			
Cobb Corners LTD Partnership	23,081	8	0.33%			
RBC Centura Bank, Inc.	19,411	7	0.28%	51,068	3	0.99%
Kaba Ilco-Unican Corporation	18,202	9	0.26%	24,284	7	0.47%
Honeywell International Inc.	17,973	10	0.26%	23,858	8	0.46%
Abbott Laboratories				64,804	2	1.26%
Sprint				28,562	4	0.55%
Carolina Power & Light				27,283	5	0.53%
McLane Company, Inc.				23,150	9	0.45%
William Harry Hull, Jr.				23,072	10	0.45%
Totals	<u>\$ 653,041</u>		<u>9.47%</u>	<u>\$ 503,479</u>		<u>9.77%</u>

Source: County tax assessor

**NASH COUNTY, NORTH CAROLINA**

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

<b>Fiscal Year Ended June 30</b>	<b>Total Tax Levy for Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2002	\$ 33,882	\$ 32,419	97.03%	\$ 992	\$ 33,411	98.61%
2003	34,063	32,755	95.89%	1,404	34,159	100.28%
2004	34,846	33,650	96.96%	1,056	34,706	99.60%
2005	35,866	34,494	95.11%	1,774	36,268	101.12%
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%

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>
	Installment Purchases	Limited Obligation Bonds	Installment Purchases	Water Bonds			
2002	\$ 17,642	\$ -	\$ -	\$ -	\$ 17,642	0.76%	\$ 200
2003	16,265	-	2,442	-	18,707	0.78%	210
2004	25,430	-	2,267	-	27,697	1.09%	306
2005	23,437	-	2,093	-	25,530	0.96%	279
2006	22,817	-	1,918	-	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%	250
2010	20,852	28,355	3,412	5,239	57,858	na	596
2011	18,310	28,355	3,107	5,179	54,951	na	564

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 Ten 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

<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, 2011  
(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	\$ 1,701	0.74%	\$ <u>13</u>
Subtotal, overlapping debt			13
<b>Nash County direct debt</b>			<u>-</u>
<b>Total direct and overlapping debt</b>			<u>\$ 13</u>

Source: North Carolina Department of State Treasurer [www.treasurer.state.nc.us](http://www.treasurer.state.nc.us)

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>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt limit	\$ 412,072	\$ 412,159	\$ 422,377	\$ 434,317	\$ 452,951	\$ 461,764	\$ 481,634	\$ 482,024	\$ 552,106	\$ 551,481
Total net debt applicable to limit	-	-	-	-	-	-	-	5,239	5,239	5,179
Legal debt margin	<u>\$ 412,072</u>	<u>\$ 412,159</u>	<u>\$ 422,377</u>	<u>\$ 434,317</u>	<u>\$ 452,951</u>	<u>\$ 461,764</u>	<u>\$ 481,634</u>	<u>\$ 476,785</u>	<u>\$ 546,867</u>	<u>\$ 546,302</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.09%	0.95%	0.94%

**Legal Debt Margin Calculation for Fiscal Year 2011**

Total assessed value	<u>\$ 6,893,513</u>
Debt Limit (8% of total assessed value)	<u>551,481</u>
Debt applicable to limit:	
Water bonds	5,179
Less: Amount set aside for repayment of water bond debt	<u>-</u>
Total net debt applicable to limit	<u>5,179</u>
Legal debt margin	<u>\$ 546,302</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 1	Personal Income (amounts expressed in thousands) 2	Per Capita Personal Income 2	Median Age 1	School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
2002	88,346	\$ 2,334,216	\$ 26,277	36.9	17,768	8.2
2003	89,185	2,392,945	26,724	37.0	17,864	8.2
2004	90,546	2,535,483	28,028	37.2	17,894	7.1
2005	91,530	2,655,155	29,116	37.3	17,773	6.7
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	95,163	3,179,260	33,557	38.1	17,549	13.1
2010	97,030	na	na	38.6	17,282	12.2
2011	97,466	na	na	39.4	17,767	12.7

#### Data Sources

<sup>1</sup> North Carolina State Demographics <http://demog.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	2011			2002		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Nash-Rocky Mount Schools	2,275	1	5.54%	2,475	1	5.93%
Hospira Inc.	1,800	2	4.38%	-	-	-
Nash Health Care Systems	1,480	3	3.60%	1,800	3	4.31%
RBC Bank	1,250	4	3.04%	1,223	4	2.93%
Consolidated Diesel	1,150	5	2.80%	1,214	5	2.91%
Universal Leaf North America NC	1,000	6	2.43%	-	-	-
City of Rocky Mount	850	7	2.07%	1,164	6	2.79%
Kaba Ilco-Unican Corporation	575	8	1.40%	633	9	1.52%
Nash County	575	9	1.40%	644	7	1.54%
McLane Company, Inc.	570	10	1.39%	640	8	1.53%
Abbott Laboratories	-	-	-	1,803	2	4.32%
Aegis Communications	-	-	-	222	10	0.53%
<b>Total</b>	<b>11,525</b>		<b>28.04%</b>	<b>11,818</b>		<b>28.30%</b>

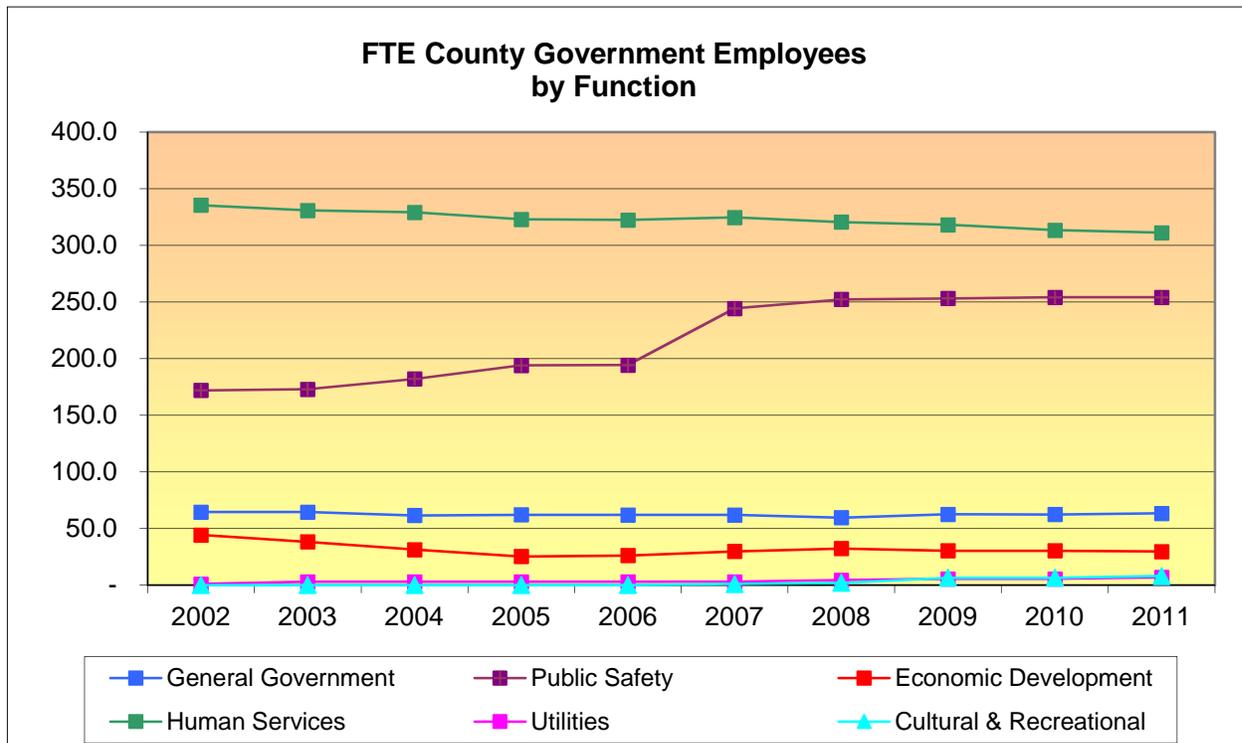
Source: Nash County business community.

## 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									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	64.5	64.5	61.5	62.1	62.1	62.1	59.7	62.5	62.4	63.4
Public safety										
Sheriff										
Deputies	62.0	62.0	68.0	68.0	68.0	68.0	76.0	77.0	78.0	78.0
Civilians	55.0	55.0	59.0	59.0	59.0	59.0	57.0	57.0	57.0	57.0
Emergency Services	50.0	51.0	51.0	62.0	62.3	112.3	114.3	114.1	114.1	114.1
Other Public Safety	5.0	5.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Economic Development	44.3	38.3	31.3	25.3	26.2	29.8	32.3	30.4	30.4	29.7
Human Services										
Health	145.5	135.8	133.0	134.8	135.2	134.1	130.1	123.7	119.8	117.7
Social Services	162.0	161.0	162.0	160.5	159.5	163.0	163.0	166.0	165.0	165.0
Other Human Services	28.0	34.0	34.1	27.8	27.8	27.5	27.5	28.4	28.6	28.4
Utilities	1.0	3.0	3.0	3.0	3.0	3.0	4.4	5.5	5.5	7.0
Cultural & Recreational	-	-	-	-	-	1.0	2.0	6.5	6.5	8.0
<b>Total</b>	<b>617.3</b>	<b>609.6</b>	<b>606.9</b>	<b>607.4</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>

Source: Government finance office.



## NASH COUNTY, NORTH CAROLINA

### Operating Indicators by Function Last Ten Fiscal Years

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Public Safety</b>										
<b>Sheriff</b>										
Physical arrests	7,560	6,548	5,967	6,210	6,164	6,061	6,284	6,044	5,840	5,656
Serving civil papers (evictions, executions, court)	19,913	19,099	19,523	18,809	18,690	19,216	18,966	19,670	19,121	18,454
Traffic violations/citations	530	482	326	292	271	827	1,742	1,612	1,779	675
Cases in review by investigations	1,868	1,785	1,894	1,913	2,228	1,894	1,938	2,052	1,764	1,082
Cases closed/cleared	1,038	1,009	1,177	1,078	1,553	1,206	1,313	1,314	1,219	568
Calls for service	12,165	12,029	12,353	12,980	13,600	12,226	12,787	18,213	23,614	21,643
Transports	1,397	1,496	1,584	1,561	1,753	1,488	1,475	1,578	1,065	1,598
<b>Emergency Services</b>										
Number incoming/outbound calls	254,264	254,651	251,287	237,012	213,148	na	na	na	180,894	170,426
Number of calls for service dispatched from 911 Center	43,098	42,986	42,806	46,350	48,324	47,421	54,538	68,800	79,774	91,566
Public education events	-	-	47	46	-	12	12	12	8	8
<b>Fire</b>										
Inspections	568	542	623	560	700	923	903	762	834	985
Number of fire investigations	31	41	32	27	25	29	27	21	23	31
Plans review	-	-	-	-	-	-	-	28	31	38
<b>Economic Development</b>										
Permits issued (building, electrical, mechanical, plumbing, etc.)	1,127	1,070	957	1,778	1,998	2,135	2,085	2,899	3,243	3,296
New residential construction (units)	370	339	329	340	332	400	317	165	170	112
New commercial construction (units)	16	24	35	10	12	17	29	26	15	21
Building inspections performed	-	-	-	9,830	10,739	12,101	11,791	9,178	8,807	8,359
<b>Solid Waste</b>										
Refuse collected (tons/day)	175.2	101.5	90.9	63.3	88.4	76.8	78.7	77.2	73.6	79.6

**NASH COUNTY, NORTH CAROLINA**

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Utilities										
Water										
Total water customers	259	303	368	381	386	663	896	1,041	1,538	1,996
Water mains breaks	-	1	-	-	1	-	-	-	-	3
Average daily consumption (thousands of gallons)	24	36	109	102	110	158	138	136	178	202
Sewer										
Total sewage customers	173	203	252	257	257	270	278	271	270	252
Average daily sewage treatment (thousands of gallons)	10	24	63	65	65	55	67	69	77	55

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**

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public safety										
Sheriff:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	-	-	-	-	68	71	75	76	76	76
Water										
Water mains (miles)	12.0	12.3	15.1	15.1	16.0	39.6	39.6	52.7	100.4	127.8
Fire hydrants	165	168	184	184	186	186	186	186	186	214
Maximum daily capacity (thousands of gallons)	150	300	300	300	300	989	989	989	989	989
Sewer										
Sanitary sewers (miles)	7.1	7.7	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Maximum daily treatment capacity (thousands of gallons)	150	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.