



NASH COUNTY NORTH CAROLINA

Comprehensive Annual Financial Report

Fiscal Year Ended
June 30, 2008



NASH COUNTY, NORTH CAROLINA

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

FOR THE YEAR ENDED JUNE 30, 2008

NASH COUNTY NORTH CAROLINA

Board of County Commissioners

J. Claude Mayo, Jr., Chairman

*Billy Morgan, Vice Chairman
Fred Belfield, Jr.
Jay Alford*

*Lou M. Richardson
Danny Tyson
Robbie Davis*

Comprehensive Annual Financial Report

For the Year Ended June 30, 2008

*Prepared by:
Nash County Finance Department*

County Officials

*County Manager
Assistant County Manger
Finance Officer*

*Robert M. Murphy
P. Wayne Moore
Lynne H. Anderson*

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Nash County, North Carolina
Financial Statements and Schedules

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INTRODUCTORY SECTION

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

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY

NASHVILLE, NORTH CAROLINA 27856

J. CLAUDE MAYO, JR., CHRM.
BOARD OF COMMISSIONERS

ROBERT M. MURPHY
COUNTY MANAGER

VINCE DURHAM
ATTORNEY

WAYNE MOORE
CLERK TO BOARD

October 20, 2008

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, 2008, 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, 2008. 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, 2008, 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, 2008, 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.

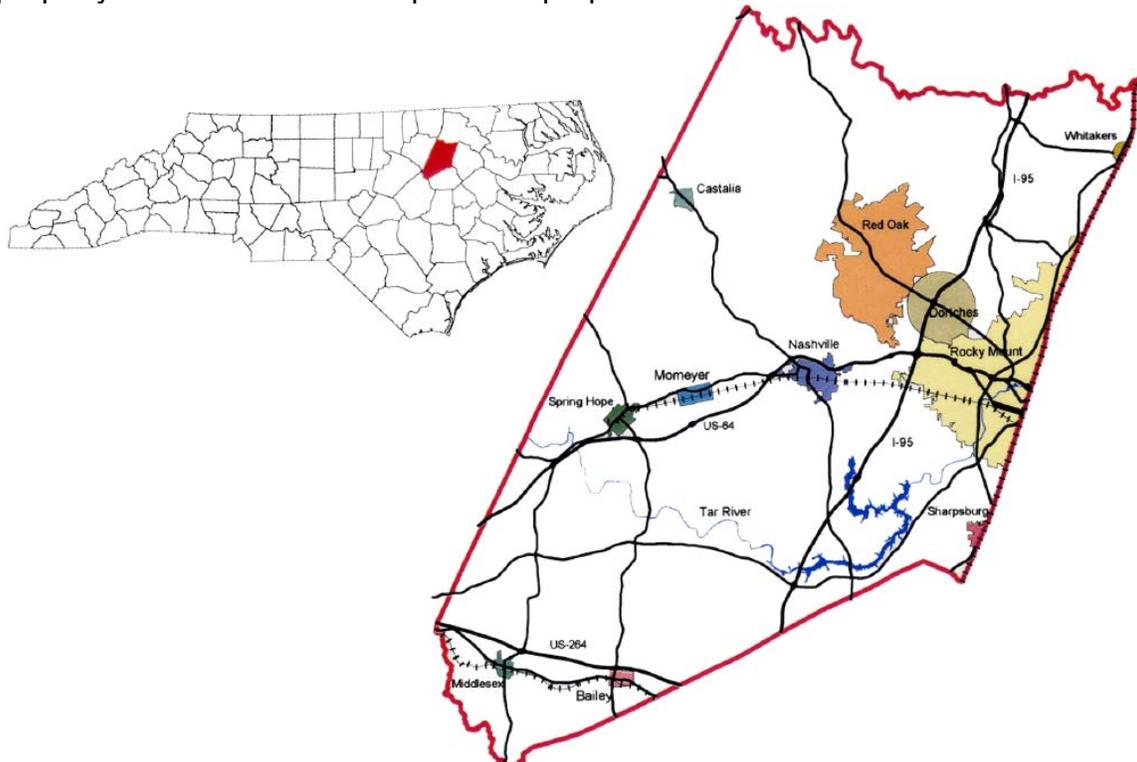
GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Nash County's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

Profile of the Government

Nash County was formed in 1777 from the western part of Edgecombe County. It was named for General Francis Nash, a soldier who was mortally wounded while fighting under General George Washington at Germantown during the American Revolution. Nashville, the county seat, was settled in 1780 and chartered in 1815. First land grants in the area date back to 1743.

After the Revolution, which impacted the county minimally, Nash County settled down to a pace which made it one of the State's leading farm areas. Since the Civil War, it has been known primarily as a leading agricultural county, but it has experienced a steady industrial growth since that time.

Nash County could be classified as either a northern coastal plain county or a far eastern piedmont county. It has a primarily rolling terrain with sandy soil, however, brick and tile clays are found along the Tar River, which flows through Nash 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 93,820 according to estimates based on the 2000 Census. The average temperature is 61.9° F with January averaging 39° F and July averaging 78° F. The average rainfall in Nash County is 43 inches. However, due to drought conditions affecting North Carolina, which began in 2007, the recorded rainfall for 2007 was only 27.8 inches. Tar River Reservoir dam overflow elevation is 125 feet above mean sea level but in October 2007 the elevation was reduced to 107 feet leaving under 5% of storage volume left in reservoir. According to recorded information at <http://www.ncdrought.org/>, Nash County is currently in the abnormally dry drought category. With an employment level of 41,941, 13% were engaged in retail trade. Some other workforce industry groups are manufacturing (12%), health care and social assistance (10%) and wholesale trade (9.8%). Nash County enjoys a rare blend of rural lifestyle coupled with the economic advantages of a diversified agricultural, industrial and service-based economy. Nash County is also 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, health services, social 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 Edgecombe-Nash Mental Health.

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 February 28 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. Nash County's diverse agricultural production contributes to its economic stability. One third of Nash County's total land area, or 85,000 acres is cropland and pastures. The 2007 total cash receipts estimate for Nash County farms was \$165 million, which is ranked thirteenth in North Carolina. Cash receipts for 2007 crops totaled \$74 million; livestock, dairy and poultry was \$73 million, and government payments made up the other \$18 million. Nash County farmers ranked first in the state for county production of 1,049,500 hundredweight of sweetpotatoes, second for chickens (excluding broilers) with 1,720,000 head, and fifth in the state for county production of 21,610,000 lbs. flue-cured tobacco. Other major commodities include hogs, fruits & vegetables, soybeans, and cotton.

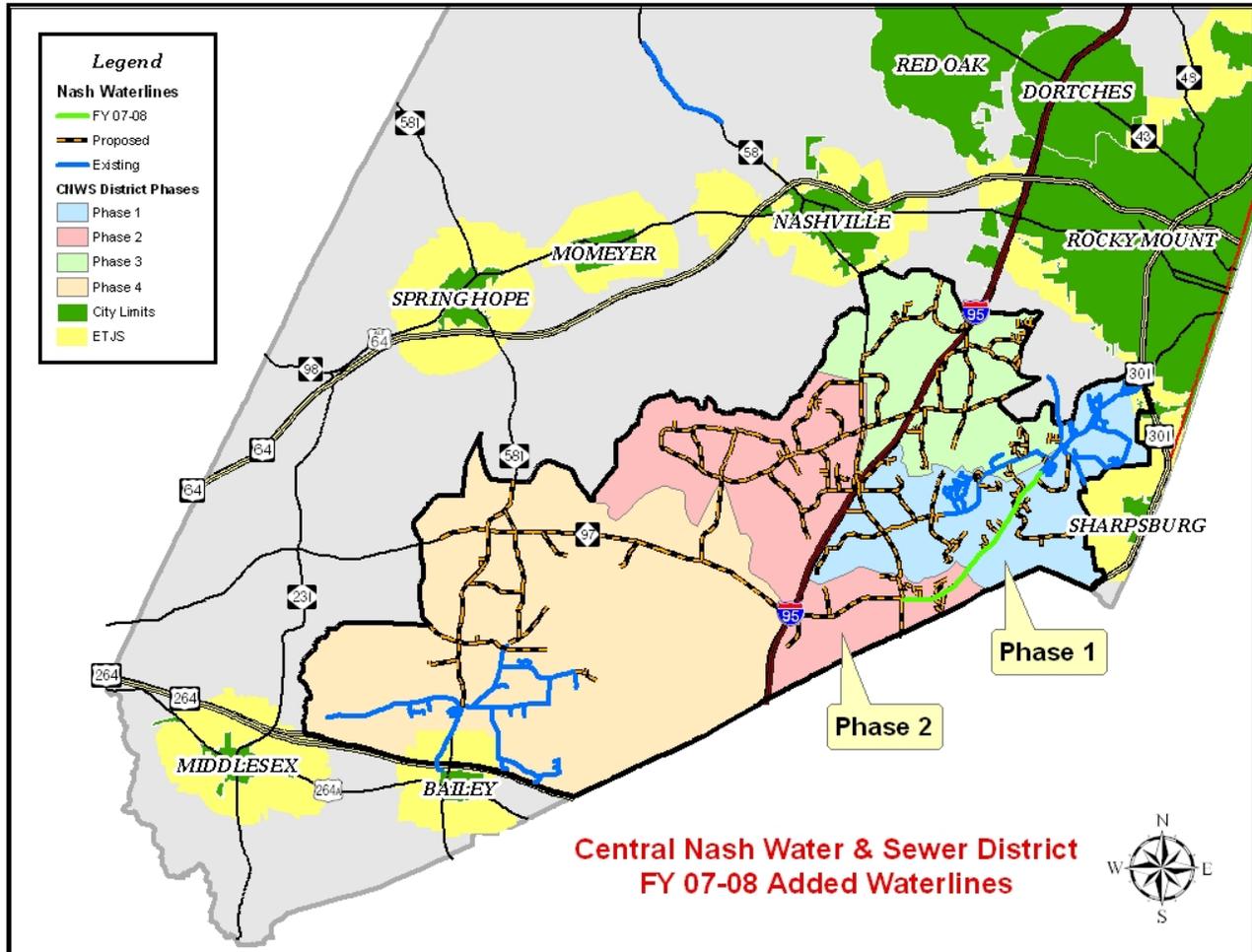
The local economy of Nash County is well diversified with health care and social assistance, manufacturing, and retail trade comprising the largest sectors of employment at 10%, 12% and 13% respectively. The second quarter of 2007 showed a movement of retail employment ahead of manufacturing for the third quarter in a row. This shift in employment is due, in part, to the closing of Tietex International and Hanes Geo Components. Major manufacturing concerns include Consolidated Diesel Company, a diesel engine manufacturer, Universal Leaf North America NC, a tobacco processing plant, Hospira Inc., a pharmaceutical manufacturer, Ilco Unican Corporation, a security lock manufacturer and McLane Company, Inc., a grocery distribution center. Employment levels are at approximately 41,941 persons. At June 2008 Nash County was at 8.1% unemployed, an increase over last year's 6.1%.

Development in the industry sector in 2008 consisted of the expansion of one existing company. AmerLink Ltd., maker of handcrafted custom-made and manufactured log homes, invested \$1,800,000 over the next three years creating 50 new jobs.

Long-term financial planning. Development continues on the Middlesex Professional Park. In 2008 Nash Health Care Systems purchased land for a future site offering medical services. Funding has been secured for an internal roadway within the Park. The county has completed the acquisition of property for the expansion of court and law enforcement facilities in downtown Nashville. The Bill Ennis Park in Red Oak is near completion. The picnic shelter has been finished by volunteers from the Eagle Scouts and the concession stand by local home builder volunteers. Nash County will assume maintenance and operation of the park once completed. Sixty five acres of land has been purchased for construction of the Bailey / Middlesex Park.

The Central Nash Water/Sewer District has been formed for the extension of water and sewer lines in rural parts of the county. Four phases are planned and a bond referendum for the purpose of securing funding passed in December 2007. The map below illustrates the four phases and the location of water lines

constructed during 2007-08, existing lines and proposed water lines for future construction. Phases 1 & 2 are currently under construction and should be completed by the end of FY 2008-09.



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, 2007. This makes the seventeenth 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.

In addition, the government has received the GFOA's Distinguished Budget Presentation Award for its annual budget document for Fiscal Year 2007-2008. This marked the third fiscal year the County received this companion award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and as a communications tool.

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 H. Anderson
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, 2007

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.



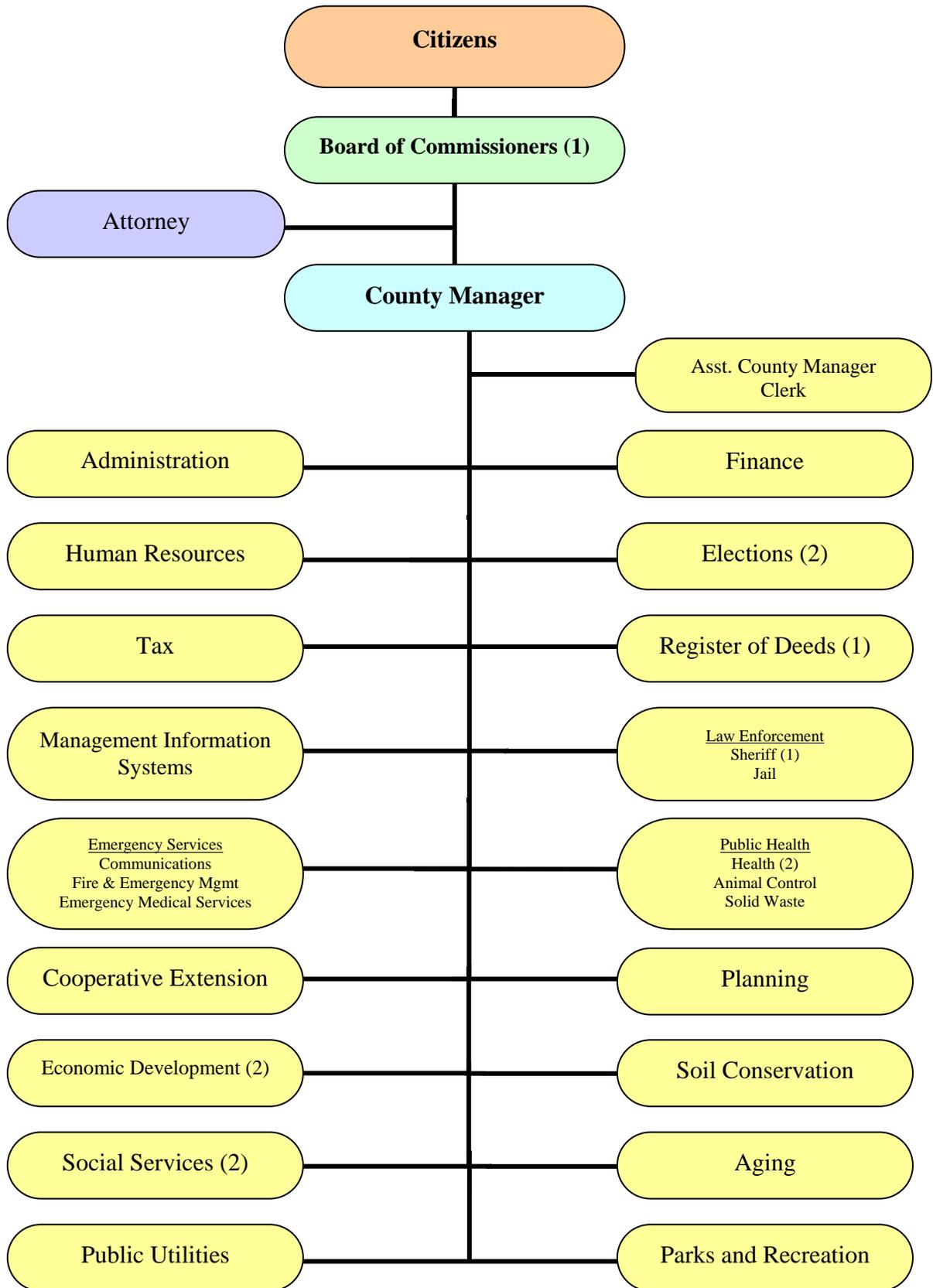
Charles S. Cox

President

Jeffrey R. Emer

Executive Director

Nash County Organizational Chart



Nash County, North Carolina
Financial Statements and Schedules

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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

Board of County Commissioners
Nash County
Nashville, 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, 2008, which collectively comprise Nash County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 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 Nash County Tourism Development Authority, Nash County Business Development Authority, Nash Health Care Systems and Subsidiaries or the Nash County ABC Board which represents 100 percent of the assets, net assets and 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 County Tourism Development Authority, Nash County Business Development Authority, Nash Health Care Systems and Subsidiaries and the Nash County ABC Board, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The financial statements of Nash County Tourism Development Authority, Nash County Business Development Authority, Nash Health Care Systems and Subsidiaries and the 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 report 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 County as of June 30, 2008, 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 October 20, 2008 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.

Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Nash County, North Carolina. The introductory information, combining and individual non-major fund financial statements and other supplementary schedules, and the statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements and other supplementary schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical tables have not been subjected 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.
Hickory, North Carolina
October 20, 2008

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, 2008. 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

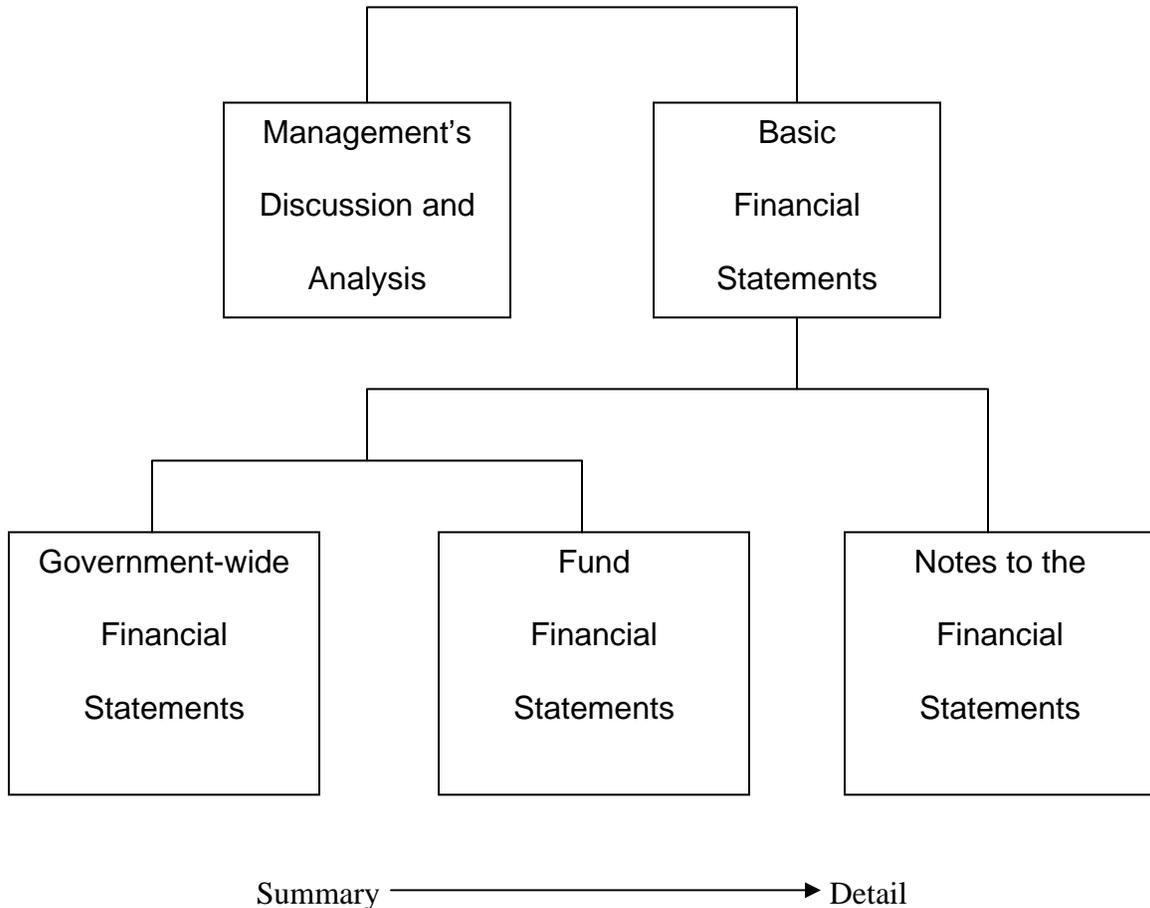
- The assets of Nash County exceeded its liabilities at the close of the fiscal year by \$87,878,911. Of this amount, \$32,544,322 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$6,335,621, primarily due to an increase in capital assets offset by a pay down in debt.
- As of the close of the current fiscal year, Nash County's governmental funds reported combined ending fund balances of \$35,247,088, an increase of \$2,564,351 in comparison with the prior year. Approximately 78.4% of this total amount, or \$27,646,797, is available for spending at the government's discretion.
- At the end of the current fiscal year, undesignated fund balance for the General Fund was \$17,440,143, or 20.6% of total general fund expenditures for the fiscal year.
- Nash County's total debt decreased by \$2,712,776 or 9.8% during the current fiscal year. The key factor of this decrease is the decline in principal through debt payments.
- Nash County maintained its A1 rating by Moody's and A+ rating by Standard & Poor's.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Nash County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Nash County.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

The next statements (Exhibits C – L) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's and the County's discretely presented component units' finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's and the County's discretely presented component units' financial status as a whole.

The government-wide and combining statements report the County's 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 state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These activities include water and sewer, solid waste disposal and convenience center operations of Nash County. The final category is the component units. Nash Health Care Systems is a public hospital operated by a not-for-profit corporation that has leased the hospital from the County for a period of 30 years. The County appoints the board of trustees for the Hospital and has issued debt on its behalf. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable for the Board by appointing its members and because the Board is required to distribute its profits to the County.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Nash County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Nash County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net 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 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 \$87,878,911 as of June 30, 2008. The County's net assets increased by \$6,335,621 for the fiscal year ended June 30, 2008. One of the largest portions \$54,783,484 or 62.3% reflects the County's investment in capital assets (e.g. land, buildings, vehicles, equipment, infrastructure and construction in progress), less any related debt still outstanding that was issued to acquire those items.

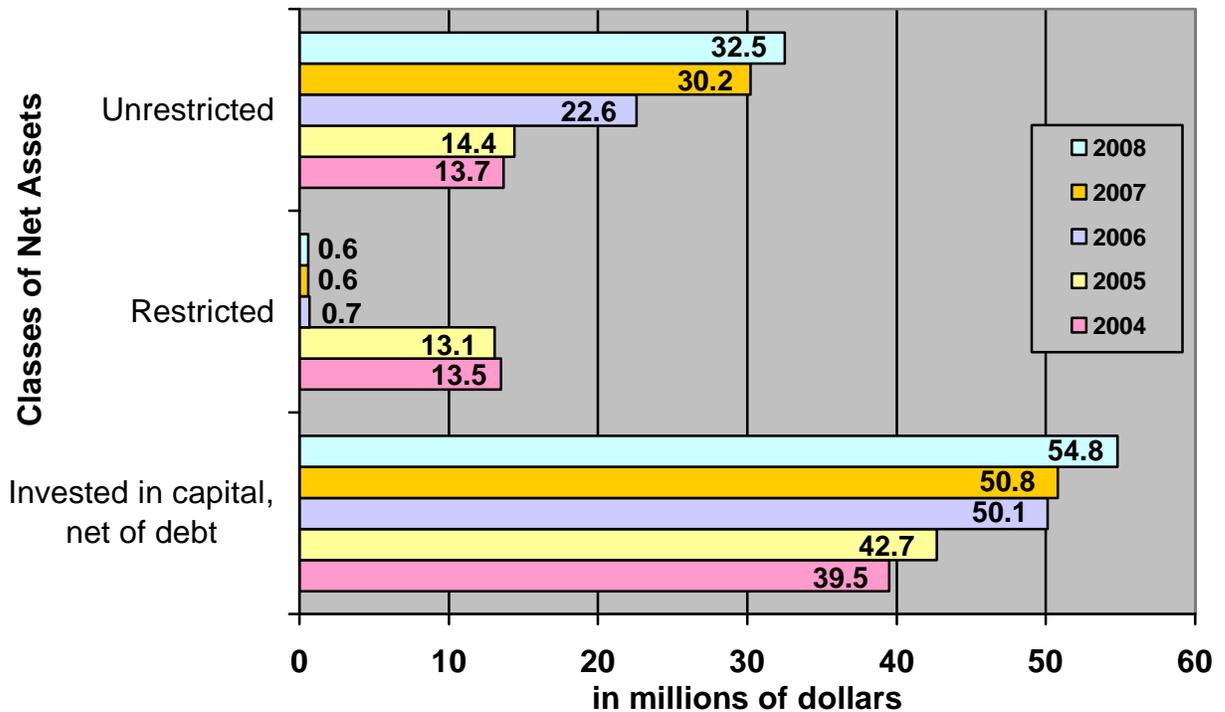
Nash County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Nash County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. A small portion of Nash County's net assets (0.6%) represents resources that are subject to external restrictions on how they may be used. Restricted net assets decreased slightly. The remaining balance of \$32,544,322 is unrestricted.

Nash County's Net Assets

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 44,305,240	\$ 42,488,748	\$ 9,487,621	\$ 11,459,052	\$ 53,792,861	\$ 53,947,800
Capital assets	47,697,624	46,840,828	14,990,887	12,875,846	62,688,511	59,716,674
Total assets	92,002,864	89,329,576	24,478,508	24,334,898	116,481,372	113,664,474
Long-term liabilities outstanding	15,377,462	17,883,399	4,903,931	5,224,058	20,281,393	23,107,457
Other liabilities	7,178,233	8,079,473	1,142,835	934,254	8,321,068	9,013,727
Total liabilities	22,555,695	25,962,872	6,046,766	6,158,312	28,602,461	32,121,184
Net assets:						
Invested in capital assets, net of related debt	43,815,597	42,226,375	10,967,887	8,547,345	54,783,484	50,773,720
Restricted	551,105	605,524	-	-	551,105	605,524
Unrestricted	25,080,467	20,534,805	7,463,855	9,629,241	32,544,322	30,164,046
Total net assets	\$ 69,447,169	\$ 63,366,704	\$ 18,431,742	\$ 18,176,586	\$ 87,878,911	\$ 81,543,290

**Primary Government Net Assets
5 Year Comparison**



Several particular aspects of the County's financial operations influenced the total unrestricted net assets which increased \$2,380,276:

- Growth in property tax base.
- Decline in debt due to level principal payout.
- Increased charges for services revenue in ambulance collections.

Nash County Changes in Net Assets

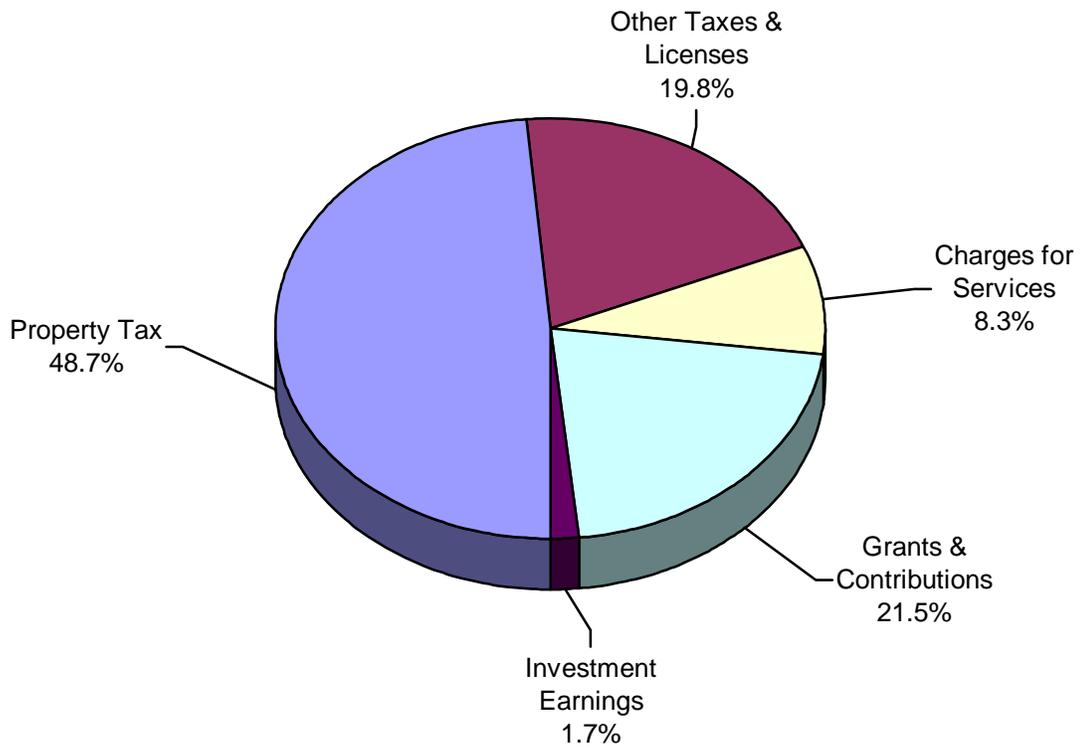
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	\$ 7,520,664	\$ 4,598,636	\$ 2,837,933	\$ 2,652,601	\$ 10,358,597	\$ 7,251,237
Operating grants and contributions	18,659,944	23,024,491	-	162,318	18,659,944	23,186,809
Capital grants and contributions	815,072	284,721	542,677	-	1,357,749	284,721
General revenues:						
Property taxes	44,151,393	42,661,231	-	-	44,151,393	42,661,231
Other taxes	17,945,135	17,479,292	-	-	17,945,135	17,479,292
Other	1,522,056	2,135,500	702,032	771,468	2,224,088	2,906,968
Total revenues	<u>90,614,264</u>	<u>90,183,871</u>	<u>4,082,642</u>	<u>3,586,387</u>	<u>94,696,906</u>	<u>93,770,258</u>
Expenses:						
General government	7,284,803	7,668,066	-	-	7,284,803	7,668,066
Public safety	19,568,596	17,756,359	-	-	19,568,596	17,756,359
Transportation	249,934	248,084	-	-	249,934	248,084
Economic and physical development	2,927,753	2,717,028	-	-	2,927,753	2,717,028
Human services	29,653,439	29,691,056	-	-	29,653,439	29,691,056
Cultural	1,455,568	1,235,187	-	-	1,455,568	1,235,187
Education	22,393,332	21,661,968	-	-	22,393,332	21,661,968
Debt service - interest	1,000,374	1,091,536	-	-	1,000,374	1,091,536
Water and sewer	-	-	1,497,881	1,216,921	1,497,881	1,216,921
Solid waste disposal	-	-	2,329,605	1,012,626	2,329,605	1,012,626
Convenience center	-	-	-	1,350,470	-	1,350,470
Total expenses	<u>84,533,799</u>	<u>82,069,284</u>	<u>3,827,486</u>	<u>3,580,017</u>	<u>88,361,285</u>	<u>85,649,301</u>
Increase (decrease) in net assets	6,080,465	8,114,587	255,156	6,370	6,335,621	8,120,957
Net assets, July 1	<u>63,366,704</u>	<u>55,252,117</u>	<u>18,176,586</u>	<u>18,170,216</u>	<u>81,543,290</u>	<u>73,422,333</u>
Net assets, June 30	<u>\$ 69,447,169</u>	<u>\$ 63,366,704</u>	<u>\$ 18,431,742</u>	<u>\$ 18,176,586</u>	<u>\$ 87,878,911</u>	<u>\$ 81,543,290</u>

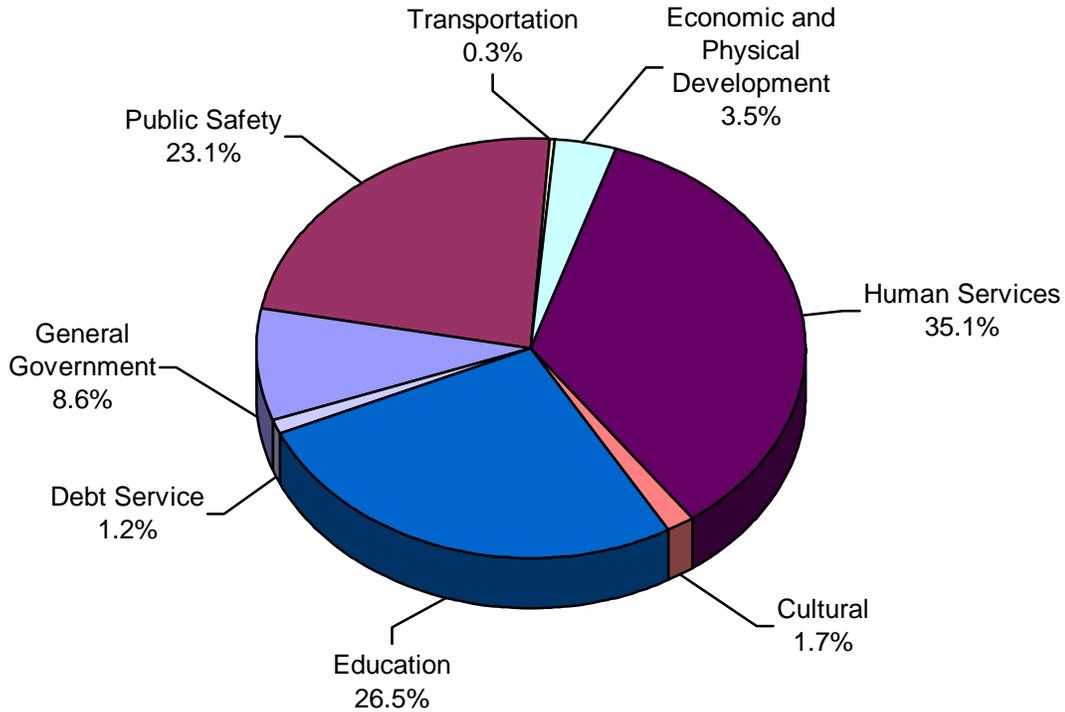
Governmental Activities. Governmental activities increased the County's net assets for fiscal year 2008 by \$6,080,465, accounting essentially for the total growth in net assets of the County. Key elements of this increase are as follows:

- Increase in capital assets due to completion of building projects in progress.
- Reduction in Medicaid obligations under state takeover of costs.

**Governmental Activities Revenue Sources
For Fiscal Year 2008**



**Governmental Activities Functional Expenses
For Fiscal Year 2008**



Business-type Activities. Business-type activities increased Nash County’s net assets by \$255,156. A key element of this increase in business-type activities is the increase in capital grants.

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, unreserved fund balance 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, unreserved fund balance of the General Fund was \$22,366,514 while total fund balance was \$29,732,192. As a measure of the general fund’s liquidity, it may be

useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 26% of total General Fund expenditures, while total fund balance represents 35% of that same amount. Unreserved fund balance increased \$1,838,795 over the prior year. This increase is primarily due to increased revenues due to property tax base growth and additional ambulance collections.

At June 30, 2008, the governmental funds of Nash County reported a combined fund balance of \$35,247,088, a 7.8% increase from last year, primarily due to the sale of capital assets and increase in service revenues in the General Fund.

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 \$977,481 or 1.2% due to increases in inter-governmental revenues.

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

- \$560,784 in Public Safety due to a transfer appropriation to Wireline E911 costs in General Fund from the E911 Fund.
- \$981,575 in Economic and Physical Development due to a property acquisition in Middlesex Park.
- \$790,978 in Human Services due to increased program service costs.

The increase was possible because of additional anticipated revenues by transfer of wireline funds into the General Fund, reimbursement by Nash Health Care Systems for the property acquisition and additional intergovernmental revenues.

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 \$8,212,674 and those for Central Nash Water and Sewer District were (\$748,819). The total growth in net assets for both major funds was \$255,156 combined. The Utilities Fund includes operation of the Water/Sewer and Solid Waste Disposal Divisions. Other factors concerning the finances of this fund have already been addressed in the discussion of Nash County's business-type activities.

Capital Asset and Debt Administration

Capital Assets. Nash County's capital assets for its governmental and business-type activities as of June 30, 2008, totals \$62,688,511. These assets include buildings, land, vehicles, equipment and construction in progress.

Major capital asset transactions during the year include:

- Land and Improvements in Middlesex Park \$915,171.
- Disposed of \$351,204 in old vehicles in Public Safety.
- Water/Sewer improvements \$2,625,418.

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

Figure 4

	Governmental Activities		Business-type Activities		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land and improvements	\$ 6,597,731	\$ 5,417,695	\$ 1,239,543	\$ 1,272,144	\$ 7,837,274	\$ 6,689,839
Buildings	23,077,896	23,729,044	21,301	24,814	23,099,197	23,753,858
Infrastructure	493,473	507,639	8,751,988	9,007,759	9,245,461	9,515,398
Furniture and equipment	2,864,580	2,906,963	107,001	258,598	2,971,581	3,165,561
Vehicles	1,545,502	1,269,189	47,871	6,623	1,593,373	1,275,812
Construction in progress	<u>13,118,442</u>	<u>13,010,298</u>	<u>4,823,183</u>	<u>2,305,908</u>	<u>17,941,625</u>	<u>15,316,206</u>
Total	<u>\$ 47,697,624</u>	<u>\$ 46,840,828</u>	<u>\$ 14,990,887</u>	<u>\$ 12,875,846</u>	<u>\$ 62,688,511</u>	<u>\$ 59,716,674</u>

Additional information on the County's capital assets can be found in the Capital Assets Footnote, Note 5 and 6, within the Notes to the Financial Statements.

Long-term Debt. As of June 30, 2008, Nash County had total installment purchase debt outstanding of \$21,492,550.

Nash County's Outstanding Debt

Figure 5

	Governmental Activities		Business-type Activities		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Compensated absences	\$ 1,829,940	\$ 1,633,250	\$ 32,297	\$ 25,786	\$ 1,862,237	\$ 1,659,036
Unfunded special separation allowance	421,628	377,049	-	-	421,628	377,049
Accrued landfill postclosure	-	-	1,186,431	1,201,058	1,186,431	1,201,058
Installment purchase contracts	<u>17,469,550</u>	<u>20,109,979</u>	<u>4,023,000</u>	<u>4,328,500</u>	<u>21,492,550</u>	<u>24,438,479</u>
Total debt	<u>\$ 19,721,118</u>	<u>\$ 22,120,278</u>	<u>\$ 5,241,728</u>	<u>\$ 5,555,344</u>	<u>\$ 24,962,846</u>	<u>\$ 27,675,622</u>

Nash County's total debt decreased by \$2,712,776 or 9.8% during the past fiscal year, primarily due to the paydown of existing debt.

As mentioned in the financial highlights section of this document, Nash County maintained its A+ credit rating by Standard & Poor's and its A1 rating by Moody's Investor Service. High bond rating is a primary factor in keeping interest costs low on the County's outstanding debt.

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 \$481,634,152 for 2008. The County has no general obligation bonds authorized or issued at June 30, 2008.

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 2008 unemployment rate for Nash County is 8.1% showing an increase of 2.0% over prior year. Nash County is above the State average unemployment rate of 6.2% which also increased from prior year rate of 5.1%.
- The ad valorem tax rate remained \$.70 per \$100 property valuation.
- One existing company in the area is expanding with an investment of \$1,800,000 over the next three years and 50 new jobs.
- Approximately 150 local jobs were cut during 2007-08 due to local company layoffs or closings as economic conditions have deteriorated.
- An overall economic downturn is impacting the County in various ways including new construction permits down 8% from prior year affecting fees negatively by 19%.

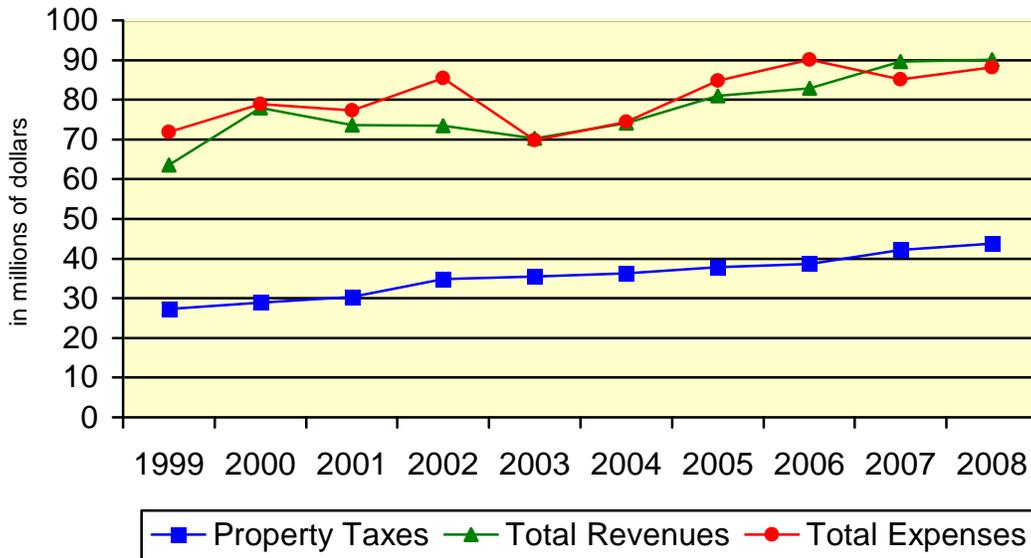
All of these factors were considered in preparing Nash County's budget for the 2009 fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2009

Governmental Activities. Property taxes and sales tax revenues are expected to lead the increase in revenue projections with growth at 2.5% in overall revenues. The county will use this increase in revenue to finance programs currently in place and a portion of fund balance (\$863,330) for funding capital items.

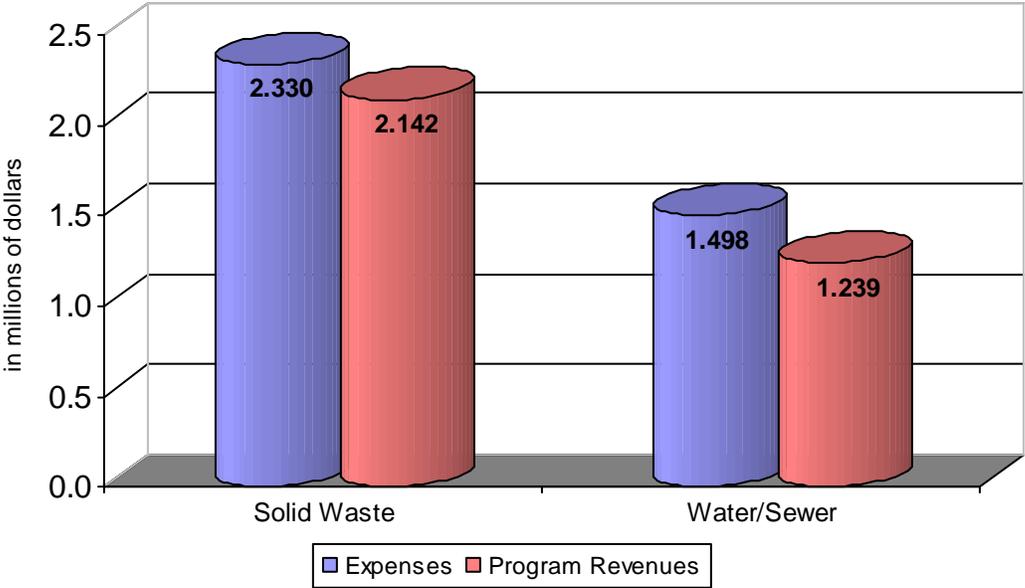
Budgeted expenditures in the General Fund are expected to rise approximately 3% to \$88,818,711 primarily due to education and personnel costs.

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



Business-type Activities. The Water/Sewer rate schedule was adjusted but only for sewer by 5% based on an increase in treatment costs. Water rates to Nash County customers did not change, however, the County’s purchase rate did increase by approximately 2%. Additional costs for purchase of new water meters and bulk water purchase increased significantly in the Central Nash Water & Sewer District as Phase 1 and 2 customers will be added to the system by the end of this budget year along with additional service costs for these approximately 650 additional customers. Rates for landfill services increased from \$41 to \$43 per ton in order to cover rising costs, with an additional \$2 per ton to cover the mandatory \$2 per ton state solid waste tax, for a total tipping fee of \$45. Even with the increase, Nash County’s landfill tipping fee rate is still in line with, and in some cases less than, surrounding areas. Rural household fees, which support Convenience Center operations, remain at \$96 per household for those households without private trash collection and \$42 for those households with private collection. In addition, Nash County has established a C & D Landfill Closure Plan and acted proactively in setting aside funds for future closure of the C & D Landfill (\$651,369 as recommended by the engineer).

**Business-type Activities
2007-08 Expenses and Program Revenues**



Requests for Information

This report is designed to provide an overview of the County’s finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Nash County, 120 W. Washington St., Suite 3072, Nashville, NC 27856.

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, 2008

	Governmental Activities	Business-Type Activities	Total Primary Government	Discretely Presented Component Unit	Total Reporting Unit
Assets:					
Cash and cash equivalents	\$ 9,497,997	\$ 10,033,926	\$ 19,531,923	\$ 75,265,009	\$ 94,796,932
Investments	23,885,818	-	23,885,818	-	23,885,818
Receivables:					
Taxes receivable, net	4,208,333	-	4,208,333	48,204	4,256,537
Accounts receivable, net	5,965,383	187,826	6,153,209	27,331,709	33,484,918
Internal balances	734,131	(734,131)	-	-	-
Prepaid items and other assets	13,578	-	13,578	14,853,795	14,867,373
Inventories	-	-	-	4,463,717	4,463,717
Cash and cash equivalents - restricted	-	-	-	64,942,560	64,942,560
Capital assets:					
Non-depreciable capital assets	19,492,401	5,151,475	24,643,876	-	24,643,876
Other capital assets, net of depreciation	28,205,223	9,839,412	38,044,635	114,483,879	152,528,514
Total assets	<u>92,002,864</u>	<u>24,478,508</u>	<u>116,481,372</u>	<u>301,388,873</u>	<u>417,870,245</u>
Liabilities:					
Accounts payable and accrued liabilities	2,805,635	805,038	3,610,673	30,307,009	33,917,682
Distribution payable	-	-	-	15,819	15,819
Unearned revenue	28,942	-	28,942	-	28,942
Current portion of compensated absences	1,724,822	32,297	1,757,119	-	1,757,119
Current portion of long-term debt	2,618,834	305,500	2,924,334	3,077,790	6,002,124
Long-term liabilities:					
Accrued landfill postclosure costs	-	1,186,431	1,186,431	-	1,186,431
Noncurrent portion of long-term debt	14,850,716	3,717,500	18,568,216	50,160,000	68,728,216
Unfunded pension obligation	421,628	-	421,628	-	421,628
Noncurrent portion of compensated absences	105,118	-	105,118	-	105,118
Total liabilities	<u>22,555,695</u>	<u>6,046,766</u>	<u>28,602,461</u>	<u>83,560,618</u>	<u>112,163,079</u>
Net Assets:					
Invested in capital assets, net of related debt	43,815,597	10,967,887	54,783,484	63,106,089	117,889,573
Restricted for:					
Human services	551,105	-	551,105	-	551,105
Law enforcement	-	-	-	7,215	7,215
Working capital	-	-	-	968,113	968,113
Unrestricted	25,080,467	7,463,855	32,544,322	153,746,838	186,291,160
Total net assets	<u>\$ 69,447,169</u>	<u>\$ 18,431,742</u>	<u>\$ 87,878,911</u>	<u>\$ 217,828,255</u>	<u>\$ 305,707,166</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, 2008**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 7,284,803	\$ 2,755,174	\$ -	\$ -
Public safety	19,568,596	4,163,719	479,324	551,757
Transportation	249,934	-	-	9,500
Economic and physical development	2,927,753	-	530,000	253,815
Human services	29,653,439	601,771	17,487,814	-
Cultural	1,455,568	-	-	-
Education	22,393,332	-	162,806	-
Debt service - interest	1,000,374	-	-	-
Total governmental activities	<u>84,533,799</u>	<u>7,520,664</u>	<u>18,659,944</u>	<u>815,072</u>
Business-Type Activities:				
Water and sewer	1,497,881	695,971	-	542,677
Solid waste disposal	2,329,605	2,141,962	-	-
Total business-type activities	<u>3,827,486</u>	<u>2,837,933</u>	<u>-</u>	<u>542,677</u>
Total primary government	<u>88,361,285</u>	<u>10,358,597</u>	<u>18,659,944</u>	<u>1,357,749</u>
Component Units:				
Tourism Development Authority	616,665	-	654,941	-
Business Development Authority	154,754	-	117,593	-
Health Care Systems and Subsidiaries	183,213,084	177,709,414	4,912,565	-
ABC Board	7,629,162	7,833,015	-	-
Total component units	<u>\$ 191,613,665</u>	<u>\$ 185,542,429</u>	<u>\$ 5,685,099</u>	<u>\$ -</u>

General Revenues:

Ad valorem taxes
 Local option sales tax
 Excise tax
 Other taxes
 Investment earnings
 Miscellaneous
 Total general revenues

Change in net assets

Net assets - beginning, July 1

Net assets - ending, June 30

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

Exhibit B

**Net (Expense) Revenue and
Changes in Net Assets**

Primary Government		Total	Component Units	Total Reporting Unit
Governmental Activities	Business-Type Activities			
\$ (4,529,629)	\$ -	\$ (4,529,629)	\$ -	\$ (4,529,629)
(14,373,796)	-	(14,373,796)	-	(14,373,796)
(240,434)	-	(240,434)	-	(240,434)
(2,143,938)	-	(2,143,938)	-	(2,143,938)
(11,563,854)	-	(11,563,854)	-	(11,563,854)
(1,455,568)	-	(1,455,568)	-	(1,455,568)
(22,230,526)	-	(22,230,526)	-	(22,230,526)
(1,000,374)	-	(1,000,374)	-	(1,000,374)
<u>(57,538,119)</u>	<u>-</u>	<u>(57,538,119)</u>	<u>-</u>	<u>(57,538,119)</u>
-	(259,233)	(259,233)	-	(259,233)
-	(187,643)	(187,643)	-	(187,643)
-	(446,876)	(446,876)	-	(446,876)
<u>(57,538,119)</u>	<u>(446,876)</u>	<u>(57,984,995)</u>	<u>-</u>	<u>(57,984,995)</u>
-	-	-	38,276	38,276
-	-	-	(37,161)	(37,161)
-	-	-	(591,105)	(591,105)
-	-	-	203,853	203,853
-	-	-	(386,137)	(386,137)
44,151,393	-	44,151,393	-	44,151,393
17,552,510	-	17,552,510	-	17,552,510
318,894	-	318,894	-	318,894
73,731	-	73,731	-	73,731
1,522,056	702,032	2,224,088	8,167,772	10,391,860
-	-	-	8,456	8,456
<u>63,618,584</u>	<u>702,032</u>	<u>64,320,616</u>	<u>8,176,228</u>	<u>72,496,844</u>
6,080,465	255,156	6,335,621	7,790,091	14,125,712
<u>63,366,704</u>	<u>18,176,586</u>	<u>81,543,290</u>	<u>210,038,164</u>	<u>291,581,454</u>
<u>\$ 69,447,169</u>	<u>\$ 18,431,742</u>	<u>\$ 87,878,911</u>	<u>\$ 217,828,255</u>	<u>\$ 305,707,166</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, 2008

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Cash and cash equivalents	\$ 1,579,385	\$ 5,367,307	\$ 6,946,692
Investments	23,885,818	-	23,885,818
Taxes receivable, net	4,208,333	-	4,208,333
Accounts receivable, net	5,586,561	367,355	5,953,916
Due from other funds	809,221	-	809,221
Prepaid items and other assets	14,112	-	14,112
Total assets	<u>\$ 36,083,430</u>	<u>\$ 5,734,662</u>	<u>\$ 41,818,092</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,113,971	\$ 94,358	\$ 2,208,329
Deferred revenues	4,237,267	50,318	4,287,585
Due to other funds	-	75,090	75,090
Total liabilities	<u>6,351,238</u>	<u>219,766</u>	<u>6,571,004</u>
Fund Balances:			
Reserved by State statute	6,395,790	234,613	6,630,403
Reserved for encumbrances	404,671	-	404,671
Reserved for prepaids	14,112	-	14,112
Reserved for human services	551,105	-	551,105
Unreserved:			
Designated for subsequent year's expenditures	4,926,371	-	4,926,371
Undesignated	17,440,143	-	17,440,143
Unreserved, reported in nonmajor:			
Special revenue funds	-	3,919,343	3,919,343
Capital project funds	-	1,360,940	1,360,940
Total fund balances	<u>29,732,192</u>	<u>5,514,896</u>	<u>35,247,088</u>
Total liabilities and fund balances	<u>\$ 36,083,430</u>	<u>\$ 5,734,662</u>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			47,697,624
Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.			(19,721,118)
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			1,964,932
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.			<u>4,258,643</u>
Net assets of governmental activities			<u>\$ 69,447,169</u>

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

NASH COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Ad valorem taxes	\$ 41,557,216	\$ 2,181,622	\$ 43,738,838
Other taxes and licenses	17,945,135	-	17,945,135
Unrestricted intergovernmental	206,320	-	206,320
Restricted intergovernmental	17,650,620	1,807,974	19,458,594
Permits and fees	1,309,775	-	1,309,775
Sales and services	4,206,779	-	4,206,779
Investment earnings	996,002	361,725	1,357,727
Miscellaneous	1,808,012	6,200	1,814,212
Total revenues	<u>85,679,859</u>	<u>4,357,521</u>	<u>90,037,380</u>
Expenditures:			
Current:			
General government	7,762,870	108,143	7,871,013
Public safety	16,665,943	2,669,372	19,335,315
Transportation	44,171	186,614	230,785
Economic and physical development	3,114,189	708,391	3,822,580
Human services	29,544,583	-	29,544,583
Cultural and recreation	1,351,359	-	1,351,359
Education	22,327,008	-	22,327,008
Revaluation	-	104,209	104,209
Debt service:			
Principal	2,640,399	-	2,640,399
Interest	1,000,404	-	1,000,404
Total expenditures	<u>84,450,926</u>	<u>3,776,729</u>	<u>88,227,655</u>
Revenues over (under) expenditures	<u>1,228,933</u>	<u>580,792</u>	<u>1,809,725</u>
Other Financing Sources (Uses):			
Transfers in	1,089,221	145,715	1,234,936
Transfers out	(292,159)	(1,089,221)	(1,381,380)
Sale of capital assets	901,070	-	901,070
Total other financing sources (uses)	<u>1,698,132</u>	<u>(943,506)</u>	<u>754,626</u>
Net change in fund balances	2,927,065	(362,714)	2,564,351
Fund Balances:			
Beginning of year - July 1	<u>26,805,127</u>	<u>5,877,610</u>	<u>32,682,737</u>
End of year - June 30	<u>\$ 29,732,192</u>	<u>\$ 5,514,896</u>	<u>\$ 35,247,088</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, 2008

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)	\$ 2,564,351
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.	412,555
Expenses related to compensated absences and law enforcement officers separation allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(241,269)
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense, rather it is an increase in capital assets.	3,088,913
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,232,117)
Internal Service Fund	(152,397)
Advance refunding of bonds and 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.	<u>2,640,429</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ 6,080,465</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, 2008**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Over/Under</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Ad valorem taxes	\$ 40,153,000	\$ 40,153,000	\$ 41,557,216	\$ 1,404,216
Other taxes and licenses	17,204,000	17,204,000	17,945,135	741,135
Unrestricted intergovernmental	175,000	175,000	206,320	31,320
Restricted intergovernmental	17,323,425	18,163,908	17,650,620	(513,288)
Permits and fees	1,230,900	1,274,210	1,309,775	35,565
Sales and services	3,341,035	3,361,285	4,206,779	845,494
Investment earnings	900,000	900,000	996,002	96,002
Miscellaneous	896,602	970,040	1,808,012	837,972
Total revenues	<u>81,223,962</u>	<u>82,201,443</u>	<u>85,679,859</u>	<u>3,478,416</u>
Expenditures:				
Current:				
General government	8,107,635	8,460,982	7,762,870	698,112
Public safety	16,523,490	17,084,274	16,665,943	418,331
Transportation	50,442	50,442	44,171	6,271
Economic and physical development	2,404,946	3,386,521	3,114,189	272,332
Human services	31,655,350	32,446,328	29,544,583	2,901,745
Cultural and recreation	1,225,949	1,352,880	1,351,359	1,521
Education	22,327,008	22,327,008	22,327,008	-
Debt service:				
Principal	2,730,400	2,730,400	2,640,399	90,001
Interest	1,067,339	1,067,339	1,000,404	66,935
Total expenditures	<u>86,092,559</u>	<u>88,906,174</u>	<u>84,450,926</u>	<u>4,455,248</u>
Revenues over (under) expenditures	<u>(4,868,597)</u>	<u>(6,704,731)</u>	<u>1,228,933</u>	<u>7,933,664</u>
Other Financing Sources (Uses):				
Transfers in	-	1,089,221	1,089,221	-
Transfers out	(50,000)	(292,159)	(292,159)	-
Sale of capital assets	-	-	901,070	901,070
Fund balance appropriated	5,018,597	6,899,768	-	(6,899,768)
Contingency	(100,000)	(992,099)	-	992,099
Total other financing sources (uses)	<u>4,868,597</u>	<u>6,704,731</u>	<u>1,698,132</u>	<u>(5,006,599)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>2,927,065</u>	<u>\$ 2,927,065</u>
Fund Balances:				
Beginning of year - July 1			<u>26,805,127</u>	
End of year - June 30			<u>\$ 29,732,192</u>	

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

NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
Assets:				
Current assets:				
Cash and investments	\$ 10,033,926	\$ -	\$ 10,033,926	\$ 2,551,305
Accounts receivable, net	187,826	-	187,826	11,467
Total current assets	<u>10,221,752</u>	<u>-</u>	<u>10,221,752</u>	<u>2,562,772</u>
Noncurrent assets:				
Non-depreciable capital assets	3,905,805	1,245,670	5,151,475	-
Other capital assets, net of depreciation	9,839,412	-	9,839,412	-
Total noncurrent assets	<u>13,745,217</u>	<u>1,245,670</u>	<u>14,990,887</u>	<u>-</u>
Total assets	<u>23,966,969</u>	<u>1,245,670</u>	<u>25,212,639</u>	<u>2,562,772</u>
Liabilities and Net Assets:				
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	790,350	14,688	805,038	597,306
Due to other funds	-	734,131	734,131	-
Current portion of compensated absences	32,297	-	32,297	-
Current portion of long-term debt	305,500	-	305,500	-
Total current liabilities	<u>1,128,147</u>	<u>748,819</u>	<u>1,876,966</u>	<u>597,306</u>
Noncurrent liabilities:				
Noncurrent portion of long-term debt	3,717,500	-	3,717,500	-
Accrued landfill closure and postclosure care costs	1,186,431	-	1,186,431	-
Total noncurrent liabilities	<u>4,903,931</u>	<u>-</u>	<u>4,903,931</u>	<u>-</u>
Total liabilities	<u>6,032,078</u>	<u>748,819</u>	<u>6,780,897</u>	<u>597,306</u>
Net Assets:				
Invested in capital assets, net of related debt	9,722,217	1,245,670	10,967,887	-
Unrestricted	8,212,674	(748,819)	7,463,855	1,965,466
Total net assets	<u>\$ 17,934,891</u>	<u>\$ 496,851</u>	<u>\$ 18,431,742</u>	<u>\$ 1,965,466</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, 2008

	Utilities Fund	Central Nash Water/Sewer District	Total	Governmental Activities Internal Service Funds
Operating Revenues:				
Charges for sales and services	\$ 2,607,666	\$ -	\$ 2,607,666	\$ 4,440,494
Other operating revenue	230,267	-	230,267	-
Total operating revenues	<u>2,837,933</u>	<u>-</u>	<u>2,837,933</u>	<u>4,440,494</u>
Operating Expenses:				
Water and sewer operations	749,002	60,707	809,709	-
Solid waste disposal operations	2,329,605	-	2,329,605	-
System repairs and improvements	17,953	-	17,953	-
Depreciation	496,683	-	496,683	-
Insurance claims	-	-	-	4,903,664
Total operating expenses	<u>3,593,243</u>	<u>60,707</u>	<u>3,653,950</u>	<u>4,903,664</u>
Operating income (loss)	<u>(755,310)</u>	<u>(60,707)</u>	<u>(816,017)</u>	<u>(463,170)</u>
Nonoperating Revenues (Expenses):				
Interest and fees paid	(173,536)	-	(173,536)	-
Investment earnings	702,032	-	702,032	164,329
Total nonoperating revenues (expenses)	<u>528,496</u>	<u>-</u>	<u>528,496</u>	<u>164,329</u>
Income before transfers and contributions	(226,814)	(60,707)	(287,521)	(298,841)
Capital contributions	542,677	-	542,677	-
Transfers from other funds	<u>(557,558)</u>	<u>557,558</u>	<u>-</u>	<u>146,444</u>
Change in net assets	(241,695)	496,851	255,156	(152,397)
Net Assets:				
Beginning of year - July 1	<u>18,176,586</u>	<u>-</u>	<u>18,176,586</u>	<u>2,117,863</u>
End of year - June 30	<u>\$ 17,934,891</u>	<u>\$ 496,851</u>	<u>\$ 18,431,742</u>	<u>\$ 1,965,466</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, 2008

	Utilities Fund	Central Nash Water/Sewer District	Total	Governmental Activities Internal Service Funds
Cash Flows From Operating Activities:				
Cash received from customers	\$ 2,865,969	\$ -	\$ 2,865,969	\$ 4,448,155
Cash paid for goods and services	(1,989,319)	(46,019)	(2,035,338)	(4,863,648)
Cash paid to employees for services	(927,974)	-	(927,974)	-
Net cash provided (used) by operating activities	<u>(51,324)</u>	<u>(46,019)</u>	<u>(97,343)</u>	<u>(415,493)</u>
Cash Flows From Noncapital Financing Activities:				
Change in due to other funds	-	734,131	734,131	-
Transfers (to) from other funds	(557,558)	557,558	-	146,444
Net cash provided (used) by noncapital financing activities	<u>(557,558)</u>	<u>1,291,689</u>	<u>734,131</u>	<u>146,444</u>
Cash Flows From Capital and Related Financing Activities:				
Capital contributions	542,677	-	542,677	-
Principal paid on long-term debt	(305,501)	-	(305,501)	-
Interest paid on long-term debt	(173,536)	-	(173,536)	-
Acquisition of capital assets	(1,366,054)	(1,245,670)	(2,611,724)	-
Net cash provided (used) by capital and related financing activities	<u>(1,302,414)</u>	<u>(1,245,670)</u>	<u>(2,548,084)</u>	<u>-</u>
Cash Flows From Investing Activities:				
Investment earnings	702,032	-	702,032	164,329
Net increase in cash and cash equivalents	(1,209,264)	-	(1,209,264)	(104,720)
Cash and cash equivalents - July 1	11,243,190	-	11,243,190	2,656,025
Cash and cash equivalents - June 30	<u>\$ 10,033,926</u>	<u>\$ -</u>	<u>\$ 10,033,926</u>	<u>\$ 2,551,305</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (755,310)	\$ (60,707)	\$ (816,017)	\$ (463,170)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	496,683	-	496,683	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	28,036	-	28,036	7,662
Increase (decrease) in accounts payable and accrued liabilities	193,894	14,688	208,582	40,016
Increase (decrease) in landfill closure and postclosure care costs	(14,627)	-	(14,627)	-
Net cash provided (used) by operating activities	<u>\$ (51,324)</u>	<u>\$ (46,019)</u>	<u>\$ (97,343)</u>	<u>\$ (415,492)</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, 2008**

	<u>Agency Fund</u>
Assets:	
Cash and cash equivalents	\$ 235,398
Liabilities:	
Accounts payable	\$ 43,171
Intergovernmental payable	<u>192,227</u>
Total liabilities	<u>\$ 235,398</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, 2008

	Tourism Development Authority	Nash County Business Development Authority	Nash Health Care Systems and Subsidiaries	Nash County ABC Board	Total Component Units
Assets:					
Cash and cash equivalents	\$ 456,084	\$ 65,879	\$ 74,268,829	\$ 474,217	\$ 75,265,009
Cash and cash equivalents - restricted	-	-	64,942,560	-	64,942,560
Receivables:					
Taxes receivable, net	48,204	-	-	-	48,204
Accounts receivable, net	-	34,459	27,297,250	-	27,331,709
Prepaid items and other assets	-	300	14,853,495	-	14,853,795
Inventories	-	-	3,373,458	1,090,259	4,463,717
Capital assets:					
Depreciable capital assets, net	-	-	2,718,839	1,110,614	3,829,453
Nondepreciable assets	-	3,675,677	106,716,237	262,512	110,654,426
Total assets	<u>504,288</u>	<u>3,776,315</u>	<u>294,170,668</u>	<u>2,937,602</u>	<u>301,388,873</u>
Liabilities:					
Accounts payable	728	221	29,732,731	573,329	30,307,009
Distributions payable	-	-	-	15,819	15,819
Current portion - long-term debt	-	1,777,790	1,300,000	-	3,077,790
Noncurrent portion - long-term debt	-	-	50,160,000	-	50,160,000
Total liabilities	<u>728</u>	<u>1,778,011</u>	<u>81,192,731</u>	<u>589,148</u>	<u>83,560,618</u>
Net Assets:					
Invested in capital assets, net of related debt	-	1,897,887	59,835,076	1,373,126	63,106,089
Restricted for:					
Law enforcement	-	-	-	7,215	7,215
Working capital	-	-	-	968,113	968,113
Unrestricted	<u>503,560</u>	<u>100,417</u>	<u>153,142,861</u>	<u>-</u>	<u>153,746,838</u>
Total net assets	<u>\$ 503,560</u>	<u>\$ 1,998,304</u>	<u>\$ 212,977,937</u>	<u>\$ 2,348,454</u>	<u>\$ 217,828,255</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, 2008**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Component Units:			
Tourism Development Authority	\$ 616,665	\$ -	\$ 654,941
Business Development Authority	154,754	-	117,593
Health Care Systems and Subsidiaries	183,213,084	177,709,414	4,912,565
ABC Board	<u>7,629,162</u>	<u>7,833,015</u>	<u>-</u>
Total component units	<u>\$ 191,613,665</u>	<u>\$ 185,542,429</u>	<u>\$ 5,685,099</u>

General Revenues:

Investment earnings:

- Tourism Development Authority
- Business Development Authority
- Health Care Systems and Subsidiaries
- ABC Board

Miscellaneous:

- ABC Board

Total general revenues

Change in net assets

Net assets - beginning, July 1

Net assets - ending, June 30

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

Exhibit L

<u>Tourism Development Authority</u>	<u>Business Development Authority</u>	<u>Health Care Systems and Subsidiaries</u>	<u>ABC Board</u>	<u>Total Component Units</u>
\$ 38,276	\$ -	\$ -	\$ -	\$ 38,276
-	(37,161)	-	-	(37,161)
-	-	(591,105)	-	(591,105)
-	-	-	203,853	203,853
<u>38,276</u>	<u>(37,161)</u>	<u>(591,105)</u>	<u>203,853</u>	<u>(386,137)</u>
13,368	-	-	-	13,368
-	909	-	-	909
-	-	8,141,169	-	8,141,169
-	-	-	12,326	12,326
-	-	-	8,456	8,456
<u>13,368</u>	<u>909</u>	<u>8,141,169</u>	<u>20,782</u>	<u>8,176,228</u>
51,644	(36,252)	7,550,064	224,635	7,790,091
<u>451,916</u>	<u>2,034,556</u>	<u>205,427,873</u>	<u>2,123,819</u>	<u>210,038,164</u>
<u>\$ 503,560</u>	<u>\$ 1,998,304</u>	<u>\$ 212,977,937</u>	<u>\$ 2,348,454</u>	<u>\$ 217,828,255</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, 2008

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 90,000. 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, 2008

- 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, 2008

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. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Major Funds – The General 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 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.

Special Revenue Funds – The County has eleven special revenue funds: Rural Operating Assistance Program Fund, Fire Districts Fund, Economic Development Fund, Revaluation Fund, E911 Fund, Controlled Substance Fund, Federal Asset Forfeiture Fund, Capital Reserve Fund, Stormwater Maintenance Fund, Tourism Fund, and Grant Projects Fund.

Capital Project Funds – The County has five capital project funds: Court Facilities Project Fund, Community College Tech Building Fund, Gateway Technology Center, School Capital Fund, and Middlesex Professional Park Project.

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. 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.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

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 Motor Vehicle Tax Fund, which is used to account for monies collected from motor vehicle property taxes 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 Department of Revenue Tax Fund which accounts for the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles; and the Transportation Taxes Fund which accounts for vehicle rental taxes collected.

Measurement Focus, Basis of Accounting

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

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements – The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary fund 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. Nonexchange 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 nonoperating revenues and expenses.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

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 a 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 2007 through February 2008 apply to the fiscal year ended June 30, 2008. 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.

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.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

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.

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, 2006. 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.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

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 fixed 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 gives 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 fixed 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	-

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, 2008 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.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

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.

Net assets are classified as follows:

Restricted

Human Services – portion of net assets legally segregated for Health Department expenditures. It represents the balance of the total unexpended Health Department grants and related fees.

Fund Balances – In the governmental fund financial statements, reservations or restrictions of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. State law [G.S. 159-13 (b)(16)] restricts appropriations of fund balance to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances and deferred revenue arising from cash receipts as these amounts stand at the close of the fiscal year preceding the budget year.

The governmental fund types classify fund balances as follows:

Reserved

- *Reserved by State Statute* – portion of fund balance, in addition to reserves for encumbrances and reserves for inventories, which is not available for appropriation under State law [G.S. 159-8(a)]. This amount is usually comprised of receivables and amounts due from other funds which are not offset by deferred revenues.
- *Reserved for Prepaid Items* – portion of total fund balance not available for appropriation because it represents funds restricted for specific purposes.
- *Reserved for Human Services* – portion of fund balance not available for appropriation because it represents funds restricted for specific purposes.
- *Reserved for Encumbrances* – portion of total fund balance not available for appropriation because it represents funds restricted for specific purposes.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

Unreserved

- *Designated for Economic Development* – portion of total fund balance set aside by the Board for future economic development \$650,000.
- *Designated for Future Capital* – portion of total fund balance set aside by the Board for future capital expenditures \$650,000.
- *Designated for Subsequent Year's Expenditures* – portion of total fund balance available for appropriation that has been designated for the adopted 2008 - 2009 budget ordinance.

General Fund - \$4,926,371

- *Undesignated* – portion of total fund balance available for appropriation that is uncommitted at year-end.

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 under-collateralization, 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, 2008, the County's deposits had a carrying amount of \$8,263,395 and a bank balance of \$8,600,370. Of the bank balance, \$200,000 was covered by federal depository insurance, and \$8,400,370 was covered by collateral held under the Pooling Method. At June 30, 2008, Nash County had \$2,600 cash on hand.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

Investments – At June 30, 2008, 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>
U.S. Government Agencies:					
Commercial Paper:					
Federal Home Loan	\$ 3,500,000	\$ -	\$ -	\$ 3,500,000	9.89%
Wachovia	1,974,433	1,974,433	-	-	5.58%
FFCB	4,000,000	-	-	4,000,000	11.30%
General Electric Capital	2,004,175	2,004,175	-	-	5.66%
JP Morgan	5,005,966	5,005,966	-	-	14.15%
American Express	1,201,244	1,201,244	-	-	3.39%
N.C. Government Securities:					
NC Student Loan 7/1/28	3,001,000	-	-	3,001,000	8.48%
NC State Education Asst Auth 7/1/32	6,200,000	-	-	6,200,000	17.52%
NCCMT - Cash Portfolio	<u>8,500,326</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>24.02%</u>
	<u>\$ 35,387,144</u>	<u>\$ 10,185,818</u>	<u>\$ -</u>	<u>\$ 16,701,000</u>	<u>100.00%</u>

The NC Student Loan (due 7/1/2028) and the NC State Education Assistance Authority (due 7/1/2032) were called and redeemed July 24, 2008 at face value of \$3,001,000 and \$6,200,000, respectively. The County did not realize a gain or a loss on the liquidation of this investment security.

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The County has no formal policy but limits its exposure to fair value losses from rising interest rates by limiting at least half its investment portfolio to maturities of less than 12 months.

Credit Risk – State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County has no formal policy on managing credit risk. As of June 30, 2008, the County’s investments in commercial paper were rated PI by Standard & Poor’s, F1 by Fitch Ratings, and AQ 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 & Poor’s as of June 30, 2008.

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer. At June 30, 2008, investments in commercial paper representing greater than 5% of the County’s total investments were: Federal Home Loan, Wachovia, FFCB, General Electric Capital, JP Morgan, N.C. Student Loan, and N.C. State Education Assistance Authority. Combined commercial paper represented 76% of the County’s total investments and NCCMT represented the remaining 24%.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

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 re-computed 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>
2005	\$ 1,643,174	\$ 390,254	\$ 2,033,428
2006	1,761,740	259,857	2,021,597
2007	1,694,577	97,348	1,791,925
2008	<u>1,575,602</u>	<u>-</u>	<u>1,575,602</u>
	<u>\$ 6,675,093</u>	<u>\$ 747,459</u>	<u>\$ 7,422,552</u>

Note 4 – Receivables

At June 30, 2008, the County's government-wide receivable balances were as follows:

	<u>Government-wide Financial Statements</u>		
	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	
Receivables:			
Fire tax	\$ 51,637	\$ -	\$ 51,637
E911 taxes and fees	71,805	-	71,805
Accounts	938,888	183,450	1,122,338
Due from other governments	<u>4,903,053</u>	<u>35,376</u>	<u>4,938,429</u>
Gross receivables	5,965,383	218,826	6,184,209
Less: allowance for uncollectibles	<u>-</u>	<u>(31,000)</u>	<u>(31,000)</u>
Net total receivables	<u>\$ 5,965,383</u>	<u>\$ 187,826</u>	<u>\$ 6,153,209</u>

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

Local option sales tax	\$ 3,093,175	\$ -
Sales tax refund	170,055	-
Other reimbursements (refunds, DSS, Health)	1,639,823	-
White goods disposal and scrap tire tax	<u>-</u>	<u>35,376</u>
	<u>\$ 4,903,053</u>	<u>\$ 35,376</u>

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 5 – Capital Assets

Capital asset activity for the governmental activities for the year ended June 30, 2008 was as follows:

	<u>July 1, 2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2008</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 5,300,429	\$ 1,181,674	\$ -	\$ 6,482,103
Construction in progress	13,010,298	108,143	-	13,118,441
Total capital assets not being depreciated	<u>18,310,727</u>	<u>1,289,817</u>	-	<u>19,600,544</u>
Capital assets being depreciated:				
Land improvements	142,055	3,150	-	145,205
Infrastructure	566,636	-	-	566,636
Buildings	36,619,192	250,039	-	36,869,231
Vehicles	3,690,124	1,018,986	(307,823)	4,401,287
Equipment	8,776,518	588,402	(17,367)	9,347,553
Total capital assets being depreciated	<u>49,794,525</u>	<u>1,860,577</u>	<u>(325,190)</u>	<u>51,329,912</u>
Less accumulated depreciation for:				
Land improvements	24,789	4,788	-	29,577
Infrastructure	58,997	14,166	-	73,163
Buildings	12,890,148	901,187	-	13,791,335
Vehicles	2,420,935	681,192	(246,343)	2,855,784
Equipment	5,869,556	630,784	(17,367)	6,482,973
Total accumulated depreciation	<u>21,264,425</u>	<u>\$ 2,232,117</u>	<u>\$ (263,710)</u>	<u>23,232,832</u>
Total capital assets being depreciated, net	<u>28,530,100</u>			<u>28,097,080</u>
 Governmental activity capital assets, net	 <u>\$ 46,840,827</u>			 <u>\$ 47,697,624</u>

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

General government	\$ 1,110,606
Public safety	822,839
Transportation	37,530
Economic and physical development	67,547
Human services	127,271
Education	<u>66,324</u>
Total depreciation expense	<u>\$ 2,232,117</u>

The County's equity interest in the Rocky Mount/Wilson Airport represents \$1,791,693 (Note 13).

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

Capital asset activity for business-type activities for the year ended June 30, 2008 was as follows:

	<u>July 1, 2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2008</u>
Business-Type Activities:				
Water and Sewer Activity:				
Capital assets not being depreciated:				
Land	\$ 20,107	\$ -	\$ -	\$ 20,107
Construction in progress	2,305,908	1,271,605	-	3,577,513
Construction in progress - Central Nash	-	1,245,670	-	1,245,670
Total capital assets not being depreciated	<u>2,326,015</u>	<u>2,517,275</u>	<u>-</u>	<u>4,843,290</u>
Capital assets being depreciated:				
Infrastructure	10,187,441	-	-	10,187,441
Furniture, fixtures and equipment	26,863	-	-	26,863
Vehicles	25,112	43,349	-	68,461
Total capital assets being depreciated	<u>10,239,416</u>	<u>43,349</u>	<u>-</u>	<u>10,282,765</u>
Less accumulated depreciation for:				
Infrastructure	1,179,682	255,771	-	1,435,453
Furniture, fixtures and equipment	26,863	-	-	26,863
Vehicles	25,112	1,434	-	26,546
Total accumulated depreciation	<u>1,231,657</u>	<u>\$ 257,205</u>	<u>\$ -</u>	<u>1,488,862</u>
Total capital assets being depreciated, net	<u>9,007,759</u>			<u>8,793,903</u>
Water & Sewer activity capital assets, net	<u>\$ 11,333,774</u>			<u>\$ 13,637,193</u>

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

	<u>July 1, 2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2008</u>
Solid Waste Disposal Activity:				
Capital assets not being depreciated:				
Land	\$ 238,000	\$ -	\$ -	\$ 238,000
Capital assets being depreciated:				
Land improvements	1,374,063	51,100	-	1,425,163
Buildings and building improvements	21,686	-	-	21,686
Furniture, fixtures and equipment	1,511,047	-	-	1,511,047
Vehicles	34,537	-	-	34,537
Total capital assets being depreciated	<u>2,941,333</u>	<u>51,100</u>	<u>-</u>	<u>2,992,433</u>
Less accumulated depreciation for:				
Land improvements	513,858	69,039	-	582,897
Buildings and building improvements	17,919	1,027	-	18,946
Furniture, fixtures and equipment	1,265,911	146,210	-	1,412,121
Vehicles	27,914	667	-	28,581
Total accumulated depreciation	<u>1,825,603</u>	<u>\$ 216,943</u>	<u>\$ -</u>	<u>2,042,546</u>
Total capital assets being depreciated, net	<u>1,115,730</u>			<u>949,887</u>
Solid Waste Disposal activity capital assets, net	<u>\$ 1,353,730</u>			<u>\$ 1,187,887</u>
Convenience Centers Activity:				
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	<u>496,287</u>	<u>-</u>	<u>-</u>	<u>496,287</u>
Less accumulated depreciation for:				
Land improvements	209,594	14,662	-	224,256
Buildings and building improvements	73,332	2,486	-	75,818
Furniture, fixtures and equipment	95,205	5,387	-	100,592
Total accumulated depreciation	<u>378,131</u>	<u>\$ 22,535</u>	<u>\$ -</u>	<u>400,666</u>
Total capital assets being depreciated, net	<u>118,156</u>			<u>95,621</u>
Convenience Center activity capital assets, net	<u>\$ 188,341</u>			<u>\$ 165,806</u>
Business-type activities capital assets, net	<u>\$ 12,875,846</u>			<u>\$ 14,990,887</u>

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

Note 6 - Construction Commitments

The government has active construction projects as of June 30, 2008. The projects include the court renovation project, school construction, and water projects. At June 30, 2008, the government's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Court Facility	\$ 3,039,477	\$ -
Bailey Water	1,746,364	-
Bentridge Hwy 97	130,419	-
BOTR Waterstone	390,560	-
BOTR Thomas Cobb Property	28,923	-
Lake Haven Water Line Project	95,650	-
Windchase Water Line Project	218,648	-
Hwy 58 Emergency Water Line	489,909	233,602
Central Nash Water/Sewer	753,623	-

Note 7 – Accounts Payable and Accrued Liabilities

Accounts payable and other accrued liabilities are disaggregated at June 30, 2008, as follows:

Government-Wide Financial Statements

Governmental Activities:

Vendors	\$ 2,702,237
Other governmental agencies	<u>103,398</u>
Total governmental activities	<u>\$ 2,805,635</u>

Business-type Activities:

Vendors	\$ 385,917
Customer deposits	39,846
Retainage payable	<u>379,275</u>
Total business-type activities	<u>\$ 805,038</u>

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

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 Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, 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 4.89% and 4.86% 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, 2008, 2007 and 2006 were \$1,198,198, \$1,136,035, and \$1,021,575, respectively. The contributions made by the County equaled the required contributions for each year.

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, 2007, the Separation Allowance's membership consisted of:

Retirees receiving benefits	1
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	74
	75

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

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, 2007 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% 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 postretirement benefit increases.

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	\$	64,614
Interest on net pension obligation		27,336
Adjustment to annual required contribution		<u>(23,169)</u>
Annual pension cost		68,781
Contributions made		<u>24,202</u>
Increase (decrease) in net pension obligation		44,579
Net pension obligation, beginning of year		<u>377,049</u>
Net pension obligation, end of year	\$	<u><u>421,628</u></u>

Three-Year Trend Information

<u>Year Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contribution</u>	<u>Net Pension Obligation</u>
2006	\$69,603	11.64%	\$338,883
2007	62,368	38.81%	377,049
2008	68,781	35.19%	421,628

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

Funded Status and Funding Progress-As of December 31, 2006 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 \$586,175. The covered payroll (annual payroll of active employees covered by the plan) was \$3,050,477, and the ratio of the UAAL to the covered payroll was 19.22 percent.

The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multiyear 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.

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, 2008 were \$205,513, which consisted of \$150,279 from the County and \$55,234 from the law enforcement officers.

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 Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

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, 2008, the County's required and actual contributions were \$8,315.

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 \$23,791,777. Total contributions for the year ended June 30, 2008 were \$1,738,579, which consisted of \$1,189,640 from the County and \$548,939 from the employees. The County's required contributions and the employees' voluntary contributions represented 5% and 2% of the covered payroll amount, respectively.

Other Employment Benefits - Nash County

Death Benefits – The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. 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 officers. 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, 2008, the County made contributions to the State for death benefits of \$23,601. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .09% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount.

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

Other Postemployment Benefits - Nash County

Health Care Benefits – According to a County resolution, the County provides health care 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) 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 34 retirees are eligible for postretirement health benefits up to age 65 (and 25 employees are eligible for the supplemental retirement at age 65 and above). For the fiscal year ended June 30, 2008, the County made payments for postretirement health benefit premiums of \$145,668 for retired employees up to age 65 (and \$52,789 for the supplemental retirement at age 65 and above). The County obtains health care coverage through private insurers.

Note 9 – Closure and Postclosure Costs

State and federal 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 postclosure 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 postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$1,186,431 reported as landfill closure and postclosure care liability at June 30, 2008 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 has met the requirements of a local government financial test that is one option under State and federal laws and regulations that help determine if an entity is financially able to meet closure and postclosure care requirements.

Note 10 – Deferred / Unearned Revenue

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

	Deferred Revenue	Unearned Revenue
Taxes, net (General Fund)	\$ 4,208,325	\$ -
Taxes, net (Fire District Fund)	50,318	-
Taxes collected in advance (General Fund)	28,942	28,942
 Total	 \$ 4,287,585	 \$ 28,942

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

Note 11 - Long-Term Obligations

Installment Purchase Contracts – Installment purchase contracts at June 30, 2008 are below:

Serviced by Governmental Activities

62% of \$6,240,314 or \$3,868,995 for community college and jail addition, due in semi-annual installments of \$372,815 including interest at 4.57% through March 2012	\$ 2,697,807
30% of \$1,465,900 or \$439,770 contract for the land purchase addition, due in quarterly installments of \$44,380 including interest of 3.88%, final payment due March 2009	113,812
39% of \$2,684,000 or \$1,046,760 contract for library construction, due in monthly principal installments of \$22,590 plus interest accruing of 5.13% through May 2010	496,988
71% of \$8,484,000 or \$6,023,640 contract for a new high school, due in semi-annual installments of fixed principal \$303,000 plus interest of 4.76% through November 2015	4,848,000
100% of \$499,500 for the Cheesecake Factory, due in annual installments of \$110,630 including interest of 3.5% through September 2011	309,201
100% of \$972,000 for Munis software package, due in semi-annual installments of \$97,200 including interest of 3.4% through February 2011	583,200
100% of \$321,881 for EMS Data Collection System, due in annual installments of \$72,185 including interest of 3.94% through April 2011	200,542
88% of \$10,800,000 or \$9,504,000 for Certificate of Participation, due in annual installments of fixed principal \$650,000 plus interest through June 2024	<u>8,220,000</u>
Total serviced by governmental activities	<u>\$ 17,469,550</u>

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

Serviced by Business-Type Activities

100% of \$1,122,000 for water/sewer project, due in semi-annual installments of fixed principal \$56,100 plus interest of 2.305% through May 2027	\$ 1,065,900
100% of \$1,500,000 for water/sewer project, due in semi-annual installments of fixed principal \$75,000 plus interest of 4.35% through October 2026	1,387,500
73% of \$2,616,000 or \$1,909,680 for water/sewer project, due in semi-annual installments of fixed principal \$87,200 plus interest of 4.29% through July 2017	<u>1,569,600</u>
Total serviced by business-type activities	<u>\$ 4,023,000</u>

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

	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2009	\$ 2,618,834	\$ 776,552	\$ 305,500	\$ 149,575
2010	2,489,963	670,077	305,500	137,538
2011	2,299,922	568,743	305,500	125,501
2012	1,961,831	471,244	305,500	113,463
2013	1,241,000	390,294	305,500	101,426
2014-2018	4,983,000	1,112,991	1,353,100	328,438
2019-2023	1,625,000	266,250	655,500	147,212
2024-2028	250,000	12,188	486,900	35,769
Total	<u>\$ 17,469,550</u>	<u>\$ 4,268,338</u>	<u>\$ 4,023,000</u>	<u>\$ 1,138,920</u>

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

The following is a summary of changes in the County's long-term obligations as of June 30, 2008:

	<u>July 1, 2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2008</u>	<u>Due in Less Than One Year</u>
Governmental Activities:					
Compensated absences	\$ 1,633,250	\$ 1,781,195	\$ (1,584,505)	\$ 1,829,940	\$ 1,724,822
Unfunded LEO pension	377,049	68,781	(24,202)	421,628	-
Installment purchase contracts	20,109,979	-	(2,640,429)	17,469,550	2,618,834
 Total governmental activities	 <u>\$ 22,120,278</u>	 <u>\$ 1,849,976</u>	 <u>\$ (4,249,136)</u>	 <u>\$ 19,721,118</u>	 <u>\$ 4,343,656</u>

	<u>July 1, 2007</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2008</u>	<u>Due in Less Than One Year</u>
Business-Type Activities:					
Installment purchase contract	\$ 4,328,500	\$ -	\$ (305,500)	\$ 4,023,000	\$ 305,500
Accrued landfill closure and postclosure costs	1,201,058	-	(14,627)	1,186,431	-
Accrued vacation	25,786	21,000	(14,489)	32,297	32,297
 Total business-type activities	 <u>\$ 5,555,344</u>	 <u>\$ 21,000</u>	 <u>\$ (334,616)</u>	 <u>\$ 5,241,728</u>	 <u>\$ 337,797</u>

Compensated absences typically have been liquidated in the General Fund and are accounted for on a FIFO basis. Unfunded special separation allowance typically has been liquidated in the General Fund.

State statutes provide for a legal debt margin of 8% of the County's appraised valuation. The County has utilized none of its legal debt limitation of \$481,634,152 at June 30, 2008.

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, 2008, there were no outstanding balances; the last payment was paid in December 2004.

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

Note 12 - Due From / To Other Funds

Transfers To / From Other Funds

Interfund balances are summarized below:

	<u>Interfund Loans</u>		<u>Reason</u>
	<u>From</u>	<u>To</u>	
General Fund	\$ 809,221		
Enterprise - Central Nash Water and Sewer District		\$ 734,131	Advance construction costs
Capital Project - Middlesex Industrial Project		75,090	Short-term cash deficit

Transfers in (out) for the year ended June 30, 2008 are summarized below:

	<u>Transfers</u>		<u>Reason</u>
	<u>From</u>	<u>To</u>	
General Fund	\$ 292,159	\$ 1,089,221	
Special Revenue - Revaluation		50,000	Budgeted supplemental resources for revaluation
Special Revenue- E911	1,089,221		General Statute required transfer
Capital Project - Middlesex Industrial Project		95,715	County contribution to project
Internal Service - Workers Compensation Fund		146,444	New fund in 2007 - GF is continuing to provide initial capital
Utilities Fund	557,558		
Central Nash Water & Sewer District		557,558	New fund in 2008 - To provide initial capital

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. 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 college and for providing some financial support for the college's operation. The County has an ongoing financial responsibility for the college because of statutory responsibilities to provide funding for the college's facilities. The County contributed \$1,610,750 to the college for operating purposes and \$100,000 for capital outlay during the year ended June 30, 2008. The participants in the joint venture do not have any equity interest in the college; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2008. 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.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

Nash-Edgecombe Mental Health Authority – The County, in conjunction with Edgecombe County, participates in a joint venture to operate the Nash-Edgecombe Mental Health 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. The County made a \$356,705 contribution to the Authority during the year ended June 30, 2008. 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.

Rocky Mount - Wilson Airport Authority – The County, in conjunction with the City of Rocky Mount, City of Wilson, Edgecombe County and Wilson County, participates in a joint venture to operate the Rocky Mount - Wilson Airport Authority. 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 airport. The County contributed \$41,420 and \$2,500 to the Authority's operating purposes and capital outlay during the year ended June 30, 2008. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$1,791,693 has been reported in the governmental capital assets in the County's basic financial statements at June 30, 2008. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at 250 Airport Drive, Elm City, North Carolina, 27822.

Joint Cooperative Agreement - Down East Home Consortium – The County, in conjunction with the City of Rocky Mount and Edgecombe County participate 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, 2008, 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 City of Rocky Mount, participates in a joint venture to operate Carolinas Gateway Partnership, Inc. As of June 30, 2008, \$506,959 in pledges and contributions have been received from approximately 128 donors from the private sector and \$799,941 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, 2008, the County contributed \$288,874 to support the partnership.

Braswell Memorial Library – The County, in conjunction with the Library Association, the City of Rocky Mount and Edgecombe County, participates in a joint venture to operate the Braswell Memorial Library. 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 \$838,745 to the library's operating purposes during the year ended June 30, 2008. In addition, the County has contributed \$218,888 of federal and State funds; primarily the State equalizing and block grants, to supplement the County's funding.

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

Note 14 – Contingencies

Risk Management – The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk financing pools administered by the NCACC Risk Management Pools. Through these pools, the County obtains property insurance coverage equal to replacement cost values of owned property subject to a pool limit of \$150,000,000 for any one occurrence, with an annual aggregate of \$65 million for flood and earthquake.

The County purchases general, auto and professional liability coverage up to \$2,000,000 each occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 each occurrence, and workers’ compensation coverage up to statutory limits subject to a \$50,000 deductible and a \$140,000 annual aggregate. These pools are reinsured through a multi-state public entity captive for single occurrence liability losses in excess of \$500,000 per occurrence and an additional \$500,000 annual aggregate up \$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, 2008. 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>2008</u>	<u>2007</u>
Unpaid claims, beginning	\$ 555,139	\$ 504,899
Incurred claims	3,053,107	3,225,342
Claim payments	<u>(3,053,107)</u>	<u>(3,175,102)</u>
Unpaid claims, ending	<u>\$ 555,139</u>	<u>\$ 555,139</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.

Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008

Claims and Judgments – At June 30, 2008, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Environmental Matters – During May 1993, the County discovered that property owned by the County, which was formerly leased to a service station, is contaminated as a result of leakage from underground fuel storage tanks. Consultants hired by the County have assessed the extent of the contamination and estimated the cleanup cost to total approximately \$200,000. By letter dated November 30, 1993, the County has been notified that the cost is eligible for reimbursement from the North Carolina Commercial Trust Fund. In order to retain eligibility, the County must continue to proceed with corrective action. The Trust Fund has a \$20,000 deductible which the County believes has been met as of June 30, 2008. 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	\$ 64,837,765	\$ 34,420,639
WIC	2,313,315	-
Food Stamps	11,745,528	-
TANF	622,932	(69)
Adoption Assistance	216,660	61,358
Special Assistance to Adults	-	911,458
Title IV-B Adoption Subsidy	-	181,428
Energy Assistance	166,852	-
	<u>\$ 79,903,052</u>	<u>\$ 35,574,814</u>

**Nash County, North Carolina
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2008**

Note 16 - Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The County has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Note 17 – Related Party Transactions

Nash County 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 2008 and 2007 were 283,833 and 684,554, 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, 2008

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
12/31/1998	\$ -	\$ 126,446	\$ 126,446	0.00%	\$ 1,351,381	9.36%
12/31/1999	-	145,144	145,144	0.00%	1,721,919	8.43%
12/31/2000	-	270,137	270,137	0.00%	1,776,244	15.21%
12/31/2001	-	268,189	268,189	0.00%	1,897,242	14.14%
12/31/2002	-	305,702	305,702	0.00%	2,034,117	15.03%
12/31/2003	-	373,554	373,554	0.00%	2,249,492	16.61%
12/31/2004	-	434,686	434,686	0.00%	2,489,125	17.46%
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%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed
1999	\$ 20,999	31.10%
2000	23,226	28.12%
2001	27,541	45.70%
2002	40,895	35.04%
2003	45,020	24.25%
2004	50,522	22.11%
2005	56,605	17.58%
2006	65,424	17.58%
2007	64,614	17.14%
2008	76,177	31.77%

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	12/31/2006
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	24 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	7.25%
Projected salary increases *	4.5-12.3%
* Includes inflation at 3.75%	
Cost of living adjustments	N/A

Nash County, North Carolina
Financial Statements and Schedules

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

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

Nash County, North Carolina
Financial Statements and Schedules

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GENERAL FUND

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Revenues:				
Ad Valorem Taxes:				
Current year, net of discounts	\$ 38,893,000	\$ 40,256,032		\$ 38,802,420
Prior year's taxes	1,050,000	1,009,656		1,146,428
Penalties and interest	210,000	291,528		275,545
Total	<u>40,153,000</u>	<u>41,557,216</u>	\$ 1,404,216	<u>40,224,393</u>
Other Taxes and Licenses:				
Local option sales taxes	16,800,000	17,552,510		17,039,399
Real estate transfer taxes	340,000	318,894		371,336
Rental vehicle tax	45,000	54,940		54,335
Privilege licenses	19,000	18,791		14,222
Total	<u>17,204,000</u>	<u>17,945,135</u>	741,135	<u>17,479,292</u>
Unrestricted Intergovernmental Revenues:				
Beer and wine tax	150,000	175,651		170,839
ABC 5% bottle tax	25,000	30,669		30,084
Total	<u>175,000</u>	<u>206,320</u>	31,320	<u>200,923</u>
Restricted Intergovernmental Revenues:				
Restricted state DSS	10,191,040	9,813,513		9,916,287
Restricted state health	1,634,971	1,605,676		1,436,790
Restricted state other	1,885,257	1,945,592		1,772,182
Restricted federal health	4,219,914	4,123,033		3,912,236
Restricted local grants	232,726	162,806		172,451
Total	<u>18,163,908</u>	<u>17,650,620</u>	(513,288)	<u>17,209,946</u>
Permits and Fees:				
Register of deeds	500,000	473,518		521,653
Building permits	487,000	440,442		527,327
Cable franchise fees	100,000	154,553		123,021
Imaging system payback	15,000	55,423		33,335
Other permits and fees	172,210	185,839		158,719
Total	<u>1,274,210</u>	<u>1,309,775</u>	35,565	<u>1,364,055</u>

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Sales and Services:				
Sheriffs officer fees	40,000	55,061		44,089
Jail fees	105,000	183,256		138,861
Home health other	85,100	79,471		106,026
Environmental fees	200,000	170,696		189,389
Ambulance collections	2,240,000	3,163,578		2,049,700
Ambulance cost settlement	300,000	98,861		229,212
Hospital paramedics	80,000	80,000		80,000
Local health	62,000	65,036		46,919
Other sales and services	249,185	310,820		276,079
Total	<u>3,361,285</u>	<u>4,206,779</u>	<u>845,494</u>	<u>3,160,275</u>
Investment Earnings	<u>900,000</u>	<u>996,002</u>	<u>96,002</u>	<u>1,210,634</u>
Miscellaneous:				
Nash general lease	300,000	283,833		684,554
Mental health	-	-		611,678
Workers compensation insurance reserve	-	-		347,256
Health insurance reserve	-	146,444		2,190,995
Contribution from ABC Board	200,000	286,865		267,520
TDA funds - economic development	100,000	100,000		100,000
Miscellaneous	370,040	990,870		488,213
Total	<u>970,040</u>	<u>1,808,012</u>	<u>837,972</u>	<u>4,690,216</u>
Total revenues	<u>82,201,443</u>	<u>85,679,859</u>	<u>3,478,416</u>	<u>85,539,734</u>
Expenditures:				
General Government:				
Governing Body:				
Salaries	63,193	63,026		59,046
Operating expenditures	37,286	33,673		30,754
Total	<u>100,479</u>	<u>96,699</u>	<u>3,780</u>	<u>89,800</u>
Administration:				
Salaries and employee benefits	349,664	349,653		324,606
Operating expenditures	47,815	47,562		34,676
Total	<u>397,479</u>	<u>397,215</u>	<u>264</u>	<u>359,282</u>

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Finance:				
Salaries and employee benefits	387,896	387,556		365,383
Professional services	200	-		-
Other operating expenditures	57,495	49,323		49,817
Total	<u>445,591</u>	<u>436,879</u>	8,712	<u>415,200</u>
Human Resources:				
Salaries and employee benefits	234,810	234,120		196,800
Operating expenditures	<u>51,205</u>	<u>47,577</u>		<u>29,014</u>
Total	<u>286,015</u>	<u>281,697</u>	4,318	<u>225,814</u>
Board of Elections:				
Salaries and employee benefits	233,773	227,319		151,185
Operating expenditures	<u>148,594</u>	<u>145,830</u>		<u>88,148</u>
Total	<u>382,367</u>	<u>373,149</u>	9,218	<u>226,306</u>
Tax Supervisor and Data Processing:				
Salaries and employee benefits	1,182,301	1,154,986		1,196,106
Professional services	68,500	59,778		64,191
Operating expenditures	238,715	202,277		198,512
Capital outlay	<u>8,650</u>	<u>8,131</u>		<u>2,194</u>
Total	<u>1,498,166</u>	<u>1,425,172</u>	72,994	<u>1,461,003</u>
Legal:				
Professional services	<u>175,000</u>	<u>150,139</u>		<u>167,571</u>
Total	<u>175,000</u>	<u>150,139</u>	24,861	<u>167,571</u>
Register of Deeds:				
Salaries and employee benefits	315,862	301,822		348,697
Operating expenditures	62,886	55,382		48,161
Capital outlay	<u>70,000</u>	<u>55,423</u>		<u>-</u>
Total	<u>448,748</u>	<u>412,627</u>	36,121	<u>396,858</u>

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Management Information Services:				
Salaries and employee benefits	296,865	295,301		275,639
Professional services	164,370	127,113		81,365
Operating expenditures	156,240	137,059		149,346
Capital outlay	104,900	144,100		97,513
Total	<u>722,375</u>	<u>703,573</u>	18,802	<u>603,863</u>
Public Buildings:				
Operating expenditures	305,920	188,641		182,420
Capital outlay	<u>574,780</u>	<u>515,049</u>		<u>257,204</u>
Total	<u>880,700</u>	<u>703,690</u>	177,010	<u>439,624</u>
Non-Departmental Costs:				
Operating expenditures	<u>1,065,598</u>	<u>960,272</u>		<u>890,939</u>
Total	<u>1,065,598</u>	<u>960,272</u>	105,326	<u>890,939</u>
Administration Building:				
Salaries and employee benefits	392,687	392,531		372,016
Operating expenditures	445,400	428,747		417,154
Capital outlay	<u>45,155</u>	<u>45,155</u>		<u>-</u>
Total	<u>883,242</u>	<u>866,433</u>	16,809	<u>789,170</u>
Court Facilities:				
Salaries and employee benefits	101,161	75,798		68,542
Operating expenditures	166,690	152,046		94,081
Capital outlay	<u>62,370</u>	<u>27,986</u>		<u>54,000</u>
Total	<u>330,221</u>	<u>255,830</u>	74,391	<u>216,623</u>
County Capital Improvements:				
Capital outlay	<u>845,001</u>	<u>699,495</u>	145,506	<u>-</u>
Total general government	<u>8,460,982</u>	<u>7,762,870</u>	698,112	<u>6,282,053</u>

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Public Safety:				
Sheriff:				
Salaries and employee benefits	3,270,822	3,261,776		3,037,086
Operating expenditures	956,045	903,056		780,318
Capital outlay	359,333	369,377		426,530
Total	<u>4,586,200</u>	<u>4,534,209</u>	51,991	<u>4,243,934</u>
Court Security:				
Salaries and employee benefits	<u>579,109</u>	<u>577,293</u>		<u>548,151</u>
Total	<u>579,109</u>	<u>577,293</u>	1,816	<u>548,151</u>
School Officers NRMS:				
Salaries and employee benefits	<u>313,654</u>	<u>307,401</u>		<u>299,459</u>
Total	<u>313,654</u>	<u>307,401</u>	6,253	<u>299,459</u>
Jail:				
Salaries and employee benefits	2,171,665	2,171,661		2,271,769
Professional services	420,172	429,471		323,284
Operating expenditures	1,248,105	1,227,153		980,221
Capital outlay	<u>8,032</u>	<u>8,032</u>		<u>28,444</u>
Total	<u>3,847,974</u>	<u>3,836,317</u>	11,657	<u>3,603,718</u>
Governor's Crime Grant:				
Juvenile court	<u>40,000</u>	<u>39,639</u>		<u>18,509</u>
Total	<u>40,000</u>	<u>39,639</u>	361	<u>18,509</u>
Criminal Justice:				
Operating expenditures	<u>92,638</u>	<u>57,237</u>		<u>33,903</u>
Total	<u>92,638</u>	<u>57,237</u>	35,401	<u>33,903</u>
Communications:				
Salaries and employee benefits	1,011,853	1,001,714		886,117
Operating expenditures	106,295	99,140		87,700
Capital outlay	<u>26,506</u>	<u>26,500</u>		<u>62,750</u>
Total	<u>1,144,654</u>	<u>1,127,354</u>	17,300	<u>1,036,567</u>

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Enhanced Wireline:				
Salaries and employee benefits	12	12		-
Operating expenditures	189,610	10,973		-
Total	189,622	10,985	178,637	-
Emergency Services:				
Salaries and employee benefits	414,356	398,661		344,836
Operating expenditures	97,269	73,710		71,258
Capital outlay	9,067	9,067		-
Total	520,692	481,438	39,254	416,094
Emergency Medical Services:				
Salaries and employee benefits	4,018,226	3,976,961		3,744,927
Professional services	55,064	54,364		33,629
Other operating expenditures	964,559	964,053		779,498
Capital outlay	53,055	53,054		223,296
Total	5,090,904	5,048,432	42,472	4,781,350
Fire and Rescue:				
Professional services	231,320	231,320	-	211,320
Total	231,320	231,320	-	211,320
Animal Control:				
Salaries and employee benefits	230,352	229,187		219,991
Professional services	2,300	1,266		1,824
Operating expenditures	71,715	57,115		51,808
Total	304,367	287,568	16,799	273,623
Forestry:				
Operating expenditures	92,140	83,650		90,214
Total	92,140	83,650	8,490	90,214
Medical Examiner:				
Professional services	51,000	43,100		48,400
Total	51,000	43,100	7,900	48,400
Total public safety	17,084,274	16,665,943	418,331	15,605,242

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Transportation:				
Airport:				
Operations	50,442	44,171		49,203
Total transportation	50,442	44,171	6,271	49,203
Economic and Physical Development:				
Planning:				
Salaries and employee benefits	379,056	371,409		299,364
Professional services	29,700	28,370		17,983
Operating expenditures	21,225	15,617		18,037
Total	429,981	415,396	14,585	335,384
Stormwater:				
Operating expenditures	18,749	4,457		8,926
Total	18,749	4,457	14,292	8,926
Inspections:				
Salaries and employee benefits	387,120	386,525		287,641
Operating expenditures	46,354	32,659		37,798
Capital outlay	36,020	36,020		33,941
Total	469,494	455,204	14,290	359,380
Cooperative Extension:				
Salaries and employee benefits	237,071	216,270		219,238
Operating expenditures	90,169	75,882		70,792
Total	327,240	292,152	35,088	290,030
4H After School:				
Salaries and employee benefits	600	596		1,324
Operating expenditures	800	583		497
Total	1,400	1,179	221	1,821
4H Enrichment Club:				
Salaries and employee benefits	2,685	1,589		2,015
Operating expenditures	1,800	647		2,531
Total	4,485	2,236	2,249	4,546

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Soil Conservation:				
Salaries and employee benefits	252,952	252,895		235,083
Operating expenditures	44,705	42,662		40,852
Capital outlay	1,970	1,970		22,276
Total	<u>299,627</u>	<u>297,527</u>	2,100	<u>298,211</u>
Economic Development:				
Operating expenditures	919,374	729,867		742,843
Capital outlay	<u>916,171</u>	<u>916,171</u>		-
Total	<u>1,835,545</u>	<u>1,646,038</u>	189,507	<u>742,843</u>
Total economic and physical development	<u>3,386,521</u>	<u>3,114,189</u>	272,332	<u>2,041,141</u>
Human Services:				
Health:				
Administration:				
Salaries and employee benefits	1,499,674	1,402,793		1,386,661
Professional services	37,600	31,378		60,601
Operating expenditures	614,032	542,244		497,308
Capital outlay	<u>20,000</u>	-		<u>7,707</u>
Total	<u>2,171,306</u>	<u>1,976,415</u>	194,891	<u>1,952,277</u>
Family Planning:				
Salaries and employee benefits	496,613	488,150		450,108
Professional services	102,020	98,457		24,286
Operating expenditures	<u>142,521</u>	<u>105,546</u>		<u>95,919</u>
Total	<u>741,154</u>	<u>692,153</u>	49,001	<u>570,313</u>
Home Health:				
Salaries and employee benefits	1,530,073	1,253,247		1,320,341
Professional services	607,300	522,888		493,372
Operating expenditures	<u>493,150</u>	<u>435,180</u>		<u>436,669</u>
Total	<u>2,630,523</u>	<u>2,211,315</u>	419,208	<u>2,250,382</u>
CAP:				
Salaries and employee benefits	188,166	187,056		178,506
Operating expenditures	<u>27,100</u>	<u>25,838</u>		<u>14,304</u>
Total	<u>215,266</u>	<u>212,894</u>	2,372	<u>192,810</u>

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	<u>2008</u>		<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Child Service Coordinator:			
Salaries and employee benefits	382,261	315,348	347,418
Professional services	11,000	6,156	18,777
Operating expenditures	32,950	20,401	21,989
Total	<u>426,211</u>	<u>341,905</u>	<u>388,184</u>
Child Health:			
Salaries and employee benefits	494,159	445,591	464,830
Professional services	22,200	14,496	20,117
Operating expenditures	60,030	22,762	44,628
Total	<u>576,389</u>	<u>482,849</u>	<u>529,575</u>
Maternal Health:			
Salaries and employee benefits	731,155	699,008	662,547
Professional services	86,300	73,514	78,197
Operating expenditures	86,200	67,212	72,177
Total	<u>903,655</u>	<u>839,734</u>	<u>812,921</u>
AIDS:			
Salaries and employee benefits	43,581	41,892	41,057
Operating expenditures	15,500	7,805	7,797
Total	<u>59,081</u>	<u>49,697</u>	<u>48,854</u>
Health Promotion:			
Salaries and employee benefits	90,828	80,782	86,285
Professional services	11,500	9,921	5,279
Operating expenditures	30,985	29,932	23,070
Total	<u>133,313</u>	<u>120,635</u>	<u>114,634</u>
Environmental Health:			
Salaries and employee benefits	654,964	641,218	677,800
Professional services	-	-	3,252
Operating expenditures	80,473	63,838	74,373
Total	<u>735,437</u>	<u>705,056</u>	<u>755,425</u>
Diabetic Care:			
Professional services	1,500	1,215	2,800
Total	<u>1,500</u>	<u>1,215</u>	<u>285</u>

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Pediatric Diabetes Program:				
Professional services	19,200	10,065		-
Operating expenditures	7,943	6,361		-
Total	27,143	16,426	10,717	-
Tuberculosis:				
Salaries and employee benefits	89,808	89,490		84,447
Professional services	2,518	2,518		2,518
Total	92,326	92,008	318	86,965
CDC Tuberculosis Project:				
Salaries and employee benefits	46,754	42,598		44,214
Professional services	6,932	3,818		3,087
Operating expenditures	13,474	8,100		7,117
Total	67,160	54,516	12,644	54,418
WIC Administration:				
Salaries and employee benefits	387,413	378,293		349,850
Operating expenditures	41,756	39,283		45,778
Total	429,169	417,576	11,593	395,628
Communicable Disease:				
Salaries and employee benefits	53,645	51,883		50,566
Professional services	850	158		428
Operating expenditures	26,550	14,315		16,186
Total	81,045	66,356	14,689	67,180
Healthy Start Baby Love Plus:				
Salaries and employee benefits	115,720	115,443		100,474
Operating expenditures	34,636	25,979		38,893
Total	150,356	141,422	8,934	139,367
Breast and Cervical Cancer:				
Salaries and employee benefits	34,469	17,016		13,963
Professional services	82,709	38,744		29,424
Operating expenditures	5,833	1,374		202
Total	123,011	57,134	65,877	43,589

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Childhood Lead Screening:				
Salaries and employee benefits	33,992	31,115		32,246
Operating expenditures	2,475	-		-
Total	36,467	31,115	5,352	32,246
Immunization Action Plan:				
Salaries and employee benefits	42,003	40,041		37,604
Total	42,003	40,041	1,962	37,604
Bioterrorism Program:				
Salaries	39,434	37,288		51,711
Operating expenditures	31,754	5,423		17,430
Total	71,188	42,711	28,477	69,141
Community Care of Eastern North Carolina:				
Salaries	111,872	78,313		3,321
Operating expenditures	29,685	12,340		2,054
Total	141,557	90,653	50,904	5,375
Teen Tobacco Use Prevention:				
Salaries	43,687	42,102		37,892
Operating expenditures	37,147	8,629		12,757
Total	80,834	50,731	30,103	50,649
Total health	9,936,094	8,734,557	1,201,537	8,600,337
Office of Juvenile Justice:				
Operating expenses	261,706	261,706		257,812
Total Office of Juvenile Justice	261,706	261,706	-	257,812
Mental Health:				
Operating expenses	393,705	393,705		383,316
Total mental health	393,705	393,705	-	383,316
Home Care Community Block Grant:				
Operating expenses	706,085	677,744		684,258
Total Home Care Community Block Grant	706,085	677,744	28,341	684,258

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		2007
	Budget	Actual	Variance Over/Under
Social Services:			
General:			
Salaries and employee benefits	7,121,438	6,928,745	6,680,935
Professional services	21,300	16,212	20,085
Assistance payments	296,644	293,477	213,287
Operating expenditures	597,013	558,485	511,861
Capital outlay	30,213	26,628	16,505
Total	8,066,608	7,823,547	7,442,673
Title IVD -1571:			
Salaries and employee benefits	1,109,986	1,077,766	1,041,618
Professional services	1,980	1,845	2,099
Operating expenditures	6,300	3,182	4,507
Total	1,118,266	1,082,793	1,048,224
Work First:			
Salaries and employee benefits	474,330	470,409	452,906
Operating expenditures	167,172	99,730	121,542
Total	641,502	570,139	574,448
Social Services - Other:			
Medicaid	5,400,000	4,535,162	5,130,919
WFFA charges	118,518	68,329	53,816
Special assistance	923,167	911,474	875,688
Other assistance	4,249,183	3,898,983	4,093,791
Total	10,690,868	9,413,948	10,154,214
JCPC CCAP:			
Salaries and employee benefits	30,598	25,239	38,519
Operating expenditures	3,601	2,674	4,957
Total	34,199	27,913	43,476

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		2007
	Budget	Actual	Variance Over/Under
DNS - County Only Participation:			
Non-reimbursable	10,800	4,933	4,287
Foster children	15,000	10,274	8,490
General assistance	2,000	1,418	1,214
Pauper burials	3,000	2,615	2,482
Total	30,800	19,240	11,560
Total social services	20,582,243	18,937,580	1,644,663
Aging:			
Salaries and employee benefits	110,827	108,269	97,720
Operating expenditures	64,271	58,790	52,644
Contracts and grants	32,370	27,610	23,642
Total	207,468	194,669	12,799
Senior Center Caregiver Grant:			
Salaries and employee benefits	29,550	29,549	25,969
Operating expenditures	24,477	20,049	16,703
Total	54,027	49,598	4,429
Veteran's Services:			
Salaries and employee benefits	50,500	47,070	45,562
Total	50,500	47,070	3,430
Local Human Services:			
Contributions	6,370	2,325	3,875
Tri county industries	42,000	42,000	42,000
East Carolina judicial resources	10,000	10,000	10,000
My Sisters House	12,000	16,000	10,000
Beaver control BMAP	64,000	64,000	64,000
Nash County Arts Council	30,000	30,000	30,000
Nashville Boys Club	40,000	40,000	15,000
House the Children	30,000	30,000	30,000
Downeast Partnership for Children	10,000	10,000	10,000
Eastern NC Mediataton Center	5,000	-	5,000
United Way	1,000	1,000	575
Imperial Center	2,630	2,629	-
Town Centennial	1,500	-	-
Total	254,500	247,954	6,546
Total human services	32,446,328	29,544,583	2,901,745

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008		Variance Over/Under	2007
	Budget	Actual		Actual
Cultural:				
Recreation:				
Salaries	123,295	123,279		41,102
Operating expenditures	58,264	57,811		28,328
Capital outlay	30,074	29,736		38,967
Total	<u>211,633</u>	<u>210,826</u>	807	<u>108,397</u>
Libraries:				
Braswell Library	857,345	857,345		814,316
NC Library block grant	218,902	218,188		209,679
Local libraries	65,000	65,000		62,500
Total	<u>1,141,247</u>	<u>1,140,533</u>	714	<u>1,086,495</u>
Total cultural	<u>1,352,880</u>	<u>1,351,359</u>	1,521	<u>1,194,892</u>
Education:				
Nash Community College:				
Operating expenditures	1,610,750	1,610,750		1,525,000
Capital outlay	100,000	100,000		20,000
Total	<u>1,710,750</u>	<u>1,710,750</u>	-	<u>1,545,000</u>
Nash Rocky Mount Schools:				
Operating expenditures	18,801,517	18,801,517		18,253,900
Capital outlay	1,814,741	1,814,741		1,796,744
Total	<u>20,616,258</u>	<u>20,616,258</u>	-	<u>20,050,644</u>
Total education	<u>22,327,008</u>	<u>22,327,008</u>	-	<u>21,595,644</u>
Debt Service:				
Principal retirement	2,730,400	2,640,399		2,707,513
Interest and fees	1,067,339	1,000,404		1,091,536
Total debt service	<u>3,797,739</u>	<u>3,640,803</u>	156,936	<u>3,799,049</u>
Total expenditures	<u>88,906,174</u>	<u>84,450,926</u>	4,455,248	<u>80,255,145</u>
Revenues over (under) expenditures	<u>(6,704,731)</u>	<u>1,228,933</u>	<u>7,933,664</u>	<u>5,284,589</u>

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Other Financing Sources (Uses):				
Transfers to other funds:				
Special Revenue Funds	(50,000)	(50,000)	-	(50,000)
Internal Service Funds	(242,159)	(242,159)	-	(2,389,492)
Transfers from other funds:				
Special Revenue Funds	1,089,221	1,089,221	-	-
Long-term debt issued	-	-	-	(50,000)
Sale of capital assets	-	901,070	-	-
Contingency	(992,099)	-	992,099	-
Appropriated fund balance	6,899,768	-	(6,899,768)	-
Total other financing sources (uses)	<u>6,704,731</u>	<u>1,698,132</u>	<u>(5,006,599)</u>	<u>(2,489,492)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	2,927,065	<u>\$ 2,927,065</u>	2,795,097
Fund Balance:				
Beginning of year - July 1		<u>26,805,127</u>		<u>24,010,030</u>
End of year - June 30		<u>\$ 29,732,192</u>		<u>\$ 26,805,127</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, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total
Assets:			
Cash and cash equivalents	\$ 4,007,544	\$ 1,359,763	\$ 5,367,307
Accounts receivable, net	<u>291,088</u>	<u>76,267</u>	<u>367,355</u>
Total assets	<u>\$ 4,298,632</u>	<u>\$ 1,436,030</u>	<u>\$ 5,734,662</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 94,358	\$ -	\$ 94,358
Deferred revenues	50,318	-	50,318
Due to other funds	<u>-</u>	<u>75,090</u>	<u>75,090</u>
Total liabilities	<u>144,676</u>	<u>75,090</u>	<u>219,766</u>
Fund Balances:			
Reserved:			
State statute	234,613	-	234,613
Unreserved:			
Undesignated	<u>3,919,343</u>	<u>1,360,940</u>	<u>5,280,283</u>
Total fund balances	<u>4,153,956</u>	<u>1,360,940</u>	<u>5,514,896</u>
Total liabilities and fund balances	<u>\$ 4,298,632</u>	<u>\$ 1,436,030</u>	<u>\$ 5,734,662</u>

NASH COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2008**

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Funds	Total
Revenues:			
Ad valorem taxes	\$ 2,181,622	\$ -	\$ 2,181,622
Restricted intergovernmental	1,807,974	-	1,807,974
Investment earnings	339,487	22,238	361,725
Miscellaneous	6,200	-	6,200
Total revenues	<u>4,335,283</u>	<u>22,238</u>	<u>4,357,521</u>
Expenditures:			
Current:			
Public safety	2,669,372	-	2,669,372
Transportation	186,614	-	186,614
Economic and physical development	708,391	-	708,391
General government	-	108,143	108,143
Revaluation	104,209	-	104,209
Total expenditures	<u>3,668,586</u>	<u>108,143</u>	<u>3,776,729</u>
Revenues over (under) expenditures	<u>666,697</u>	<u>(85,905)</u>	<u>580,792</u>
Other Financing Sources (Uses):			
Transfers in	50,000	95,715	145,715
Transfers out	<u>(1,089,221)</u>	-	<u>(1,089,221)</u>
Total other financing sources (uses)	<u>(1,039,221)</u>	<u>95,715</u>	<u>(943,506)</u>
Net change in fund balances	(372,524)	9,810	(362,714)
Fund Balances:			
Beginning of year - July 1	<u>4,526,480</u>	<u>1,351,130</u>	<u>5,877,610</u>
End of year - June 30	<u>\$ 4,153,956</u>	<u>\$ 1,360,940</u>	<u>\$ 5,514,896</u>

NONMAJOR SPECIAL REVENUE FUNDS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2008**

	Rural Operating Assistance Program	Fire Districts	Economic Development	Revaluation	E911
Assets:					
Cash and cash equivalents	\$ 54,536	\$ 444,854	\$ 254,063	\$ 269,315	\$ 441,392
Receivables, net	<u>195</u>	<u>51,637</u>	<u>909</u>	<u>963</u>	<u>71,805</u>
Total assets	<u>\$ 54,731</u>	<u>\$ 496,491</u>	<u>\$ 254,972</u>	<u>\$ 270,278</u>	<u>\$ 513,197</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	31,640	16,080	-	19,723	4,821
Deferred revenue	<u>-</u>	<u>50,318</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>31,640</u>	<u>66,398</u>	<u>-</u>	<u>19,723</u>	<u>4,821</u>
Fund Balances:					
Reserved by State statute	195	1,319	909	963	71,805
Unreserved	<u>22,896</u>	<u>428,774</u>	<u>254,063</u>	<u>249,592</u>	<u>436,571</u>
Total fund balances	<u>23,091</u>	<u>430,093</u>	<u>254,972</u>	<u>250,555</u>	<u>508,376</u>
Total liabilities and fund balances	<u>\$ 54,731</u>	<u>\$ 496,491</u>	<u>\$ 254,972</u>	<u>\$ 270,278</u>	<u>\$ 513,197</u>

Schedule D-1

<u>Controlled Substance</u>	<u>Federal Asset Forfeiture</u>	<u>Capital Reserve</u>	<u>Stormwater Maintenance Fund</u>	<u>Tourism Fund</u>	<u>Grant Projects</u>	<u>Total</u>
\$ 66,664	\$ 393,382	\$ 1,992,888	\$ 10,011	\$ 37,861	42,578	\$ 4,007,544
<u>150,715</u>	<u>1,407</u>	<u>7,129</u>	<u>36</u>	<u>135</u>	<u>6,157</u>	<u>291,088</u>
<u>\$ 217,379</u>	<u>\$ 394,789</u>	<u>\$ 2,000,017</u>	<u>\$ 10,047</u>	<u>\$ 37,996</u>	<u>\$ 48,735</u>	<u>\$ 4,298,632</u>
198	-	-	-	3,405	18,491	94,358
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,318</u>
<u>198</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,405</u>	<u>18,491</u>	<u>144,676</u>
150,715	1,407	7,129	36	135	-	234,613
<u>66,466</u>	<u>393,382</u>	<u>1,992,888</u>	<u>10,011</u>	<u>34,456</u>	<u>30,244</u>	<u>3,919,343</u>
<u>217,181</u>	<u>394,789</u>	<u>2,000,017</u>	<u>10,047</u>	<u>34,591</u>	<u>30,244</u>	<u>4,153,956</u>
<u>\$ 217,379</u>	<u>\$ 394,789</u>	<u>\$ 2,000,017</u>	<u>\$ 10,047</u>	<u>\$ 37,996</u>	<u>\$ 48,735</u>	<u>\$ 4,298,632</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, 2008**

	Rural Operating Assistance Program	Fire Districts	Economic Development	Revaluation	E911
Revenues:					
Ad valorem taxes	\$ -	\$ 2,181,622	\$ -	\$ -	\$ -
Restricted intergovernmental	186,259	-	-	-	376,643
Investment earnings	6,600	46,713	18,834	17,898	77,161
Miscellaneous	-	-	-	-	-
Total revenues	<u>192,859</u>	<u>2,228,335</u>	<u>18,834</u>	<u>17,898</u>	<u>453,804</u>
Expenditures:					
Public safety	-	2,133,467	-	-	251,459
Transportation	186,614	-	-	-	-
Economic and physical development	-	-	42,000	-	-
Revaluation	-	-	-	104,209	-
Total expenditures	<u>186,614</u>	<u>2,133,467</u>	<u>42,000</u>	<u>104,209</u>	<u>251,459</u>
Revenues over (under) expenditures	<u>6,245</u>	<u>94,868</u>	<u>(23,166)</u>	<u>(86,311)</u>	<u>202,345</u>
Other Financing Sources (Uses):					
Transfers from other funds	-	-	-	50,000	-
Transfers to other funds	-	-	-	-	(1,089,221)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>(1,089,221)</u>
Net change in fund balances	6,245	94,868	(23,166)	(36,311)	(886,876)
Fund Balances:					
Beginning of year - July 1	<u>16,846</u>	<u>335,225</u>	<u>278,138</u>	<u>286,866</u>	<u>1,395,252</u>
End of year - June 30	<u>\$ 23,091</u>	<u>\$ 430,093</u>	<u>\$ 254,972</u>	<u>\$ 250,555</u>	<u>\$ 508,376</u>

Schedule D-2

<u>Controlled Substance</u>	<u>Federal Asset Forfeiture</u>	<u>Capital Reserve Fund</u>	<u>Stormwater Maintenance Fund</u>	<u>Tourism Fund</u>	<u>Grant Projects</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,181,622
259,808	291,949	-	9,500	430,000	253,815	1,807,974
10,938	18,084	143,205	547	2,762	(3,255)	339,487
6,200	-	-	-	-	-	6,200
<u>276,946</u>	<u>310,033</u>	<u>143,205</u>	<u>10,047</u>	<u>432,762</u>	<u>250,560</u>	<u>4,335,283</u>
251,776	24,019	-	-	-	8,651	2,669,372
-	-	-	-	-	-	186,614
-	-	-	-	412,258	254,133	708,391
-	-	-	-	-	-	104,209
<u>251,776</u>	<u>24,019</u>	<u>-</u>	<u>-</u>	<u>412,258</u>	<u>262,784</u>	<u>3,668,586</u>
<u>25,170</u>	<u>286,014</u>	<u>143,205</u>	<u>10,047</u>	<u>20,504</u>	<u>(12,224)</u>	<u>666,697</u>
-	-	-	-	-	-	50,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,089,221)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,039,221)</u>
25,170	286,014	143,205	10,047	20,504	(12,224)	(372,524)
<u>192,011</u>	<u>108,775</u>	<u>1,856,812</u>	<u>-</u>	<u>14,087</u>	<u>42,468</u>	<u>4,526,480</u>
<u>\$ 217,181</u>	<u>\$ 394,789</u>	<u>\$ 2,000,017</u>	<u>\$ 10,047</u>	<u>\$ 34,591</u>	<u>\$ 30,244</u>	<u>\$ 4,153,956</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, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental - grants:				
EDTAP	\$ 100,722	\$ 100,722	\$ -	\$ 80,534
Workfirst	13,540	13,540	-	6,506
Rural General Public Program	71,997	71,997	-	77,611
Total restricted intergovernmental - grants	<u>186,259</u>	<u>186,259</u>	<u>-</u>	<u>164,651</u>
Investment earnings	-	6,600	6,600	7,783
Total revenues	<u>186,259</u>	<u>192,859</u>	<u>6,600</u>	<u>172,434</u>
Expenditures:				
Transportation:				
EDTAP	105,587	105,587	-	80,172
Workfirst	16,540	16,530	10	6,506
Rural General Public Programs	64,497	64,497	-	77,611
Total expenditures	<u>186,624</u>	<u>186,614</u>	<u>10</u>	<u>164,289</u>
Revenues over (under) expenditures	<u>(365)</u>	<u>6,245</u>	<u>6,590</u>	<u>8,145</u>
Other Financing Sources:				
Fund balance appropriated	<u>365</u>	<u>-</u>	<u>(365)</u>	<u>-</u>
Revenues and other financing sources over				
Net change in fund balance	<u>\$ -</u>	<u>6,245</u>	<u>\$ 6,245</u>	<u>8,145</u>
Fund Balance:				
Beginning of year - July 1		<u>16,846</u>		<u>8,701</u>
End of year - June 30		<u>\$ 23,091</u>		<u>\$ 16,846</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, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes	\$ 2,077,304	\$ 2,181,622	\$ 104,318	\$ 2,007,730
Investment earnings	-	46,713	46,713	61,462
Total revenues	<u>2,077,304</u>	<u>2,228,335</u>	<u>151,031</u>	<u>2,069,192</u>
Expenditures:				
Public safety:				
Stanhope	46,644	46,644	-	46,788
Stony Creek	8,330	7,751	579	6,072
Green Hornet	91,289	91,289	-	86,320
Harrison	77,353	77,353	-	77,405
Ferrells	141,115	138,538	2,577	127,236
N.S. Gulley	279,397	279,397	-	301,513
Silver Lake	8,450	8,315	135	7,890
Sims	6,137	5,863	274	5,825
Tri-County	79,132	79,132	-	77,353
Salem	81,624	81,624	-	80,908
West Mount	233,604	232,524	1,080	211,261
Coopers	213,831	213,831	-	150,874
Castalia	111,815	110,580	1,235	97,844
Spring Hope	166,034	166,034	-	154,828
Middlesex	54,450	53,730	720	53,639
Whitakers	167,366	167,366	-	131,268
Red Oak	259,752	259,752	-	254,659
Momeyer	113,744	113,744	-	93,346
Total expenditures	<u>2,140,067</u>	<u>2,133,467</u>	<u>6,600</u>	<u>1,965,029</u>
Revenues over (under) expenditures	<u>(62,763)</u>	<u>94,868</u>	<u>157,631</u>	<u>104,163</u>
Other Financing Sources (Uses):				
Appropriated fund balance	<u>62,763</u>	<u>-</u>	<u>(62,763)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>94,868</u>	<u>\$ 94,868</u>	<u>104,163</u>
Fund Balance:				
Beginning of year - July 1		<u>335,225</u>		<u>231,062</u>
End of year - June 30		<u>\$ 430,093</u>		<u>\$ 335,225</u>

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, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings	\$ -	\$ 18,834	\$ 18,834	\$ 23,905
Expenditures:				
Economic and physical development	45,000	42,000	3,000	-
Revenues over (under) expenditures	(45,000)	(23,166)	21,834	23,905
Other Financing Sources (Uses):				
Appropriated fund balance	45,000	-	(45,000)	-
Net change in fund balance	\$ -	(23,166)	\$ (23,166)	23,905
Fund Balance:				
Beginning of year - July 1		278,138		254,233
End of year - June 30		\$ 254,972		\$ 278,138

NASH COUNTY, NORTH CAROLINA

REVALUATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings	\$ -	\$ 17,898	\$ 17,898	\$ 26,799
Expenditures:				
Revaluation	149,200	104,209	44,991	40,667
Total expenditures	149,200	104,209	44,991	40,667
Revenues over (under) expenditures	(149,200)	(86,311)	62,889	(13,868)
Other Financing Sources (Uses):				
Appropriated fund balance	99,200	-	(99,200)	-
Transfers from other funds	50,000	50,000	-	-
Total other financing sources (uses)	149,200	50,000	(99,200)	-
Net change in fund balance	\$ -	(36,311)	\$ (36,311)	(13,868)
Fund Balance:				
Beginning of year - July 1		286,866		300,734
End of year - June 30		\$ 250,555		\$ 286,866

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, 2008
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental - E911	\$ 220,000	\$ 109,613	\$ (110,387)	\$ 216,859
Restricted intergovernmental - wireless E911	115,000	267,030	152,030	174,272
Subtotal	335,000	376,643	41,643	391,131
Investment earnings	-	77,161	77,161	116,609
Total revenues	<u>335,000</u>	<u>453,804</u>	<u>118,804</u>	<u>507,740</u>
Expenditures:				
Public safety:				
E911	660,919	156,282	507,905	181,089
Wireless E911	<u>245,516</u>	<u>95,177</u>	<u>150,339</u>	<u>150,545</u>
Total expenditures	<u>906,435</u>	<u>251,459</u>	<u>658,244</u>	<u>331,634</u>
Revenues over (under) expenditures	<u>(571,435)</u>	<u>202,345</u>	<u>773,780</u>	<u>176,106</u>
Other Financing Sources (Uses):				
Transfers to other funds	(1,089,221)	(1,089,221)	-	-
Appropriated fund balance	<u>1,660,656</u>	<u>-</u>	<u>(1,660,656)</u>	<u>-</u>
Total other financing sources (uses)	<u>571,435</u>	<u>(1,089,221)</u>	<u>(1,660,656)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(886,876)</u>	<u>\$ (886,876)</u>	<u>176,106</u>
Fund Balance:				
Beginning of year - July 1		<u>1,395,252</u>		<u>1,219,146</u>
End of year - June 30		<u>\$ 508,376</u>		<u>\$ 1,395,252</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, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental	\$ 65,375	\$ 109,331	\$ 43,956	\$ 110,008
Restricted intergovernmental - grants	255,156	150,477	(104,679)	-
Investment earnings	-	10,938	10,938	15,013
Miscellaneous	-	6,200	6,200	8,200
Total revenues	<u>320,531</u>	<u>276,946</u>	<u>(43,585)</u>	<u>133,221</u>
Expenditures:				
Public safety	<u>400,531</u>	<u>251,776</u>	<u>148,755</u>	<u>19,456</u>
Revenues over (under) expenditures	<u>(80,000)</u>	<u>25,170</u>	<u>105,170</u>	<u>113,765</u>
Other Financing Sources (Uses):				
Appropriated fund balance	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>25,170</u>	<u>\$ 25,170</u>	<u>113,765</u>
Fund Balance:				
Beginning of year - July 1		<u>192,011</u>		<u>78,246</u>
End of year - June 30		<u>\$ 217,181</u>		<u>\$ 192,011</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, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental	\$ -	\$ 291,949	\$ 291,949	\$ 31,740
Investment earnings	-	18,084	18,084	9,391
Total revenues	-	310,033	310,033	41,131
Expenditures:				
Public safety	40,000	24,019	15,981	11,473
Revenues over (under) expenditures	(40,000)	286,014	326,014	29,658
Other Financing Sources (Uses):				
Appropriated fund balance	40,000	-	(40,000)	-
Net change in fund balance	\$ -	286,014	\$ 286,014	29,658
Fund Balance:				
Beginning of year - July 1		108,775		79,117
End of year - June 30		\$ 394,789		\$ 108,775

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, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	<u>2008</u>			<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Investment earnings	\$ -	\$ 143,205	\$ 143,205	\$ 159,588
Total revenues	-	143,205	143,205	159,588
Net change in fund balance	\$ -	143,205	\$ 143,205	159,588
Fund Balance:				
Beginning of year - July 1		1,856,812		1,697,224
End of year - June 30		\$ 2,000,017		\$ 1,856,812

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, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	<u>2008</u>			<u>2007</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Stormwater maintenance fees	\$ -	\$ 9,500	\$ 9,500	\$ -
Investment earnings	-	547	547	-
Total revenues	-	<u>10,047</u>	<u>10,047</u>	-
Net change in fund balance	<u>\$ -</u>	<u>10,047</u>	<u>\$ 10,047</u>	-
Fund Balance:				
Beginning of year - July 1		-		-
End of year - June 30		<u>\$ 10,047</u>		<u>\$ -</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, 2008

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental	\$ 430,000	\$ 430,000	\$ -	\$ 419,880
Investment earnings	-	2,762	2,762	1,934
Total revenues	<u>430,000</u>	<u>432,762</u>	<u>2,762</u>	<u>421,814</u>
Expenditures:				
Economic and physical development:				
Salaries	98,692	96,960	1,732	87,713
Operating expenditures	<u>331,308</u>	<u>315,298</u>	<u>16,010</u>	<u>320,014</u>
Total expenditures	<u>430,000</u>	<u>412,258</u>	<u>17,742</u>	<u>407,727</u>
Revenues over (under) expenditures	-	20,504	20,504	14,087
Net change in fund balance	<u>\$ -</u>	<u>20,504</u>	<u>\$ 20,504</u>	14,087
Fund Balance:				
Beginning of year - July 1		<u>14,087</u>		-
End of year - June 30		<u>\$ 20,504</u>		<u>\$ 14,087</u>

NASH COUNTY, NORTH CAROLINA

**GRANT PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2008
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007**

	<u>CDBG Rehabilitation Grant</u>	<u>CDBG Bloomer Hill Project</u>	<u>Homeland Security Grant</u>
Revenues:			
Restricted intergovernmental - grant	\$ -	\$ 247,658	\$ 6,157
Investment earnings	-	(3,373)	118
Total revenues	<u>-</u>	<u>244,285</u>	<u>6,275</u>
Expenditures:			
Public safety	-	-	6,082
Economic and physical development	<u>985</u>	<u>253,148</u>	<u>-</u>
Total expenditures	<u>985</u>	<u>253,148</u>	<u>6,082</u>
Revenues over (under) expenditures	<u>(985)</u>	<u>(8,863)</u>	<u>193</u>
Net change in fund balances	<u>(985)</u>	<u>(8,863)</u>	<u>193</u>
Fund Balances:			
Beginning of year - July 1	<u>985</u>	<u>39,245</u>	<u>1,690</u>
End of year - June 30	<u>\$ -</u>	<u>\$ 30,382</u>	<u>\$ 1,883</u>

Schedule D-13

Urgent Repair Program	CDBG Scattered Site Project	Totals	
		2008	2007
\$ -	\$ -	\$ 253,815	\$ 385,965
-	-	(3,255)	1,543
-	-	250,560	387,508
-	2,569	8,651	197,997
-	-	254,133	197,746
-	2,569	262,784	395,743
-	(2,569)	(12,224)	(8,235)
-	(2,569)	(12,224)	(8,235)
548	-	42,468	34,068
<u>\$ 548</u>	<u>\$ (2,569)</u>	<u>\$ 30,244</u>	<u>\$ 25,833</u>

NASH COUNTY, NORTH CAROLINA

**CDBG REHABILITATION GRANT PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Intergovernmental - grant	\$ 400,000	\$ 399,999	\$ -	\$ 399,999	\$ (1)
Expenditures:					
Economic and physical development:					
Administration	400,000	399,014	985	399,999	1
Net change in fund balance	<u>\$ -</u>	<u>\$ 985</u>	(985)	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			985		
End of year - June 30			<u>\$ -</u>		

NASH COUNTY, NORTH CAROLINA

CDBG BLOOMER HILL PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Intergovernmental - grant	\$ 700,000	\$ 41,734	\$ 247,658	\$ 289,392	\$ (410,608)
Investment earnings	-	3,372	(3,373)	(1)	(1)
Total revenues	<u>700,000</u>	<u>45,106</u>	<u>244,285</u>	<u>289,391</u>	<u>(410,609)</u>
Expenditures:					
Economic and physical development:					
Administration	<u>750,000</u>	<u>55,861</u>	<u>253,148</u>	<u>309,009</u>	<u>440,991</u>
Revenues over (under) expenditures	<u>(50,000)</u>	<u>(10,755)</u>	<u>(8,863)</u>	<u>(19,618)</u>	<u>30,382</u>
Other Financing Sources (Uses):					
Transfers to Special Revenue - CDBG	<u>50,000</u>	<u>50,000</u>	-	<u>50,000</u>	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 39,245</u>	(8,863)	<u>\$ 30,382</u>	<u>\$ 30,382</u>
Fund Balance:					
Beginning of year - July 1			<u>39,245</u>		
End of year - June 30			<u>\$ 30,382</u>		

NASH COUNTY, NORTH CAROLINA

HOMELAND SECURITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Homeland Security Grant	\$ 216,181	\$ 29,000	\$ 6,157	\$ 35,157	\$ (181,024)
Emergency operations planning	361,508	533,814	-	533,814	172,306
Investment earnings	-	1,690	118	1,808	1,808
Total revenues	<u>577,689</u>	<u>564,504</u>	<u>6,275</u>	<u>570,779</u>	<u>(6,910)</u>
Expenditures:					
Public safety:					
Planning	38,429	29,000	6,082	35,082	3,347
Supplies	76,040	74,350	-	74,350	1,690
Training	16,968	11,522	-	11,522	5,446
Equipment	455,714	447,942	-	447,942	7,772
Total expenditures	<u>587,151</u>	<u>562,814</u>	<u>6,082</u>	<u>568,896</u>	<u>18,255</u>
Revenues over (under) expenditures	<u>(9,462)</u>	<u>1,690</u>	<u>193</u>	<u>1,883</u>	<u>11,345</u>
Other Financing Sources (Uses):					
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>\$ 1,690</u>	<u>193</u>	<u>\$ 1,883</u>	<u>\$ 1,883</u>
Fund Balance:					
Beginning of year - July 1			<u>1,690</u>		
End of year - June 30			<u>\$ 1,883</u>		

NASH COUNTY, NORTH CAROLINA

URGENT REPAIR PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Urgent Repair Grant	\$ 65,750	\$ 57,380	\$ -	\$ 57,380	\$ (8,370)
Investment earnings	-	1,807	-	1,807	1,807
Total revenues	<u>65,750</u>	<u>59,187</u>	<u>-</u>	<u>59,187</u>	<u>(6,563)</u>
Expenditures:					
Economic and physical development:					
Administration	2,000	-	-	-	2,000
Housing rehabilitation	<u>63,750</u>	<u>58,639</u>	<u>-</u>	<u>58,639</u>	<u>5,111</u>
Total expenditures	<u>65,750</u>	<u>58,639</u>	<u>-</u>	<u>58,639</u>	<u>7,111</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 548</u>	<u>-</u>	<u>\$ 548</u>	<u>\$ 548</u>
Fund Balance:					
Beginning of year - July 1			<u>548</u>		
End of year - June 30			<u>\$ 548</u>		

NASH COUNTY, NORTH CAROLINA

HURRICANE RELIEF PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental - grants	\$ 370,000	\$ 252,615	\$ -	\$ 252,615	\$ (117,385)
Expenditures:					
Public safety:					
Infrastructure improvements	370,000	252,615	-	252,615	117,385
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ -</u>		

NASH COUNTY, NORTH CAROLINA

**CDBG SCATTERED SITE HOUSING
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
CDBG Scattered Site Grant	\$ 400,000	\$ -	\$ -	\$ -	\$ (400,000)
Total revenues	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
Expenditures:					
Economic and physical development:					
Administration	40,000	-	2,569	2,569	37,431
Housing rehabilitation	36,000	-	-	-	36,000
Relocation	<u>324,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>324,000</u>
Total expenditures	<u>400,000</u>	<u>-</u>	<u>2,569</u>	<u>2,569</u>	<u>397,431</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(2,569)	<u>\$ (2,569)</u>	<u>\$ (2,569)</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ (2,569)</u>		

NASH COUNTY, NORTH CAROLINA

FALLS ROAD BUILDING PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
CGP members funds	\$ 16,666	\$ -	\$ -	\$ -	\$ (16,666)
Total revenues	<u>16,666</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,666)</u>
Expenditures:					
Economic and physical development:					
Building improvements	31,000	-	-	-	31,000
Total expenditures	<u>31,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,000</u>
Revenues over (under) expenditures	<u>(14,334)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,334</u>
Other Financing Sources (Uses):					
Transfers from other funds	14,334	-	-	-	(14,334)
Total other financing sources (uses)	<u>14,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,334)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ -</u>		

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, 2008

	Court Facilities Project	Community College Tech Building	Gateway Technology Center	School Capital Project	Middlesex Industrial Project	Total
Assets:						
Cash and cash equivalents	\$ 296,272	\$ 462,418	\$ 132,856	\$ 435,580	\$ 32,637	\$ 1,359,763
Accounts receivable	1,060	-	-	-	75,207	76,267
Total assets	<u>\$ 297,332</u>	<u>\$ 462,418</u>	<u>\$ 132,856</u>	<u>\$ 435,580</u>	<u>\$ 107,844</u>	<u>\$ 1,436,030</u>
Liabilities and Fund Balances:						
Liabilities:						
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ 75,090	\$ 75,090
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,090</u>	<u>75,090</u>
Fund Balances:						
Unreserved	<u>297,332</u>	<u>462,418</u>	<u>132,856</u>	<u>435,580</u>	<u>32,754</u>	<u>1,360,940</u>
Total fund balances	<u>297,332</u>	<u>462,418</u>	<u>132,856</u>	<u>435,580</u>	<u>32,754</u>	<u>1,360,940</u>
Total liabilities and fund balances	<u>\$ 297,332</u>	<u>\$ 462,418</u>	<u>\$ 132,856</u>	<u>\$ 435,580</u>	<u>\$ 107,844</u>	<u>\$ 1,436,030</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, 2008**

	Court Facilities Project	Community College Tech Building	Gateway Technology Center	School Capital Project	Middlesex Industrial Project	Total
Revenues:						
Investment earnings	\$ 13,626	\$ -	\$ -	\$ 7,469	\$ 1,143	\$ 22,238
Total revenues	<u>13,626</u>	<u>-</u>	<u>-</u>	<u>7,469</u>	<u>1,143</u>	<u>22,238</u>
Expenditures:						
Current:						
General government	<u>44,039</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,104</u>	<u>108,143</u>
Total expenditures	<u>44,039</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,104</u>	<u>108,143</u>
Revenues over (under) expenditures	(30,413)	-	-	7,469	(62,961)	(85,905)
Other Financing Sources (Uses):						
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,715</u>	<u>95,715</u>
Net change in fund balances	(30,413)	-	-	7,469	32,754	9,810
Fund Balances:						
Beginning of year - July 1	<u>327,745</u>	<u>462,418</u>	<u>132,856</u>	<u>428,111</u>	<u>-</u>	<u>1,351,130</u>
End of year - June 30	<u>\$ 297,332</u>	<u>\$ 462,418</u>	<u>\$ 132,856</u>	<u>\$ 435,580</u>	<u>\$ 32,754</u>	<u>\$ 1,360,940</u>

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, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Investment earnings	\$ -	\$ 206,344	\$ 13,626	\$ 219,970	\$ 219,970
Total revenues	<u>-</u>	<u>206,344</u>	<u>13,626</u>	<u>219,970</u>	<u>219,970</u>
Expenditures:					
General government:					
Contingency	67,356	-	-	-	67,356
Architect fees	293,892	273,204	44,039	317,243	(23,351)
Building renovations	<u>3,101,977</u>	<u>3,101,492</u>	<u>-</u>	<u>3,101,492</u>	<u>485</u>
Total expenditures	<u>3,463,225</u>	<u>3,374,696</u>	<u>44,039</u>	<u>3,418,735</u>	<u>44,490</u>
Revenues over (under) expenditures	<u>(3,463,225)</u>	<u>(3,168,352)</u>	<u>(30,413)</u>	<u>(3,198,765)</u>	<u>264,460</u>
Other Financing Sources (Uses):					
Certificates of participation issued	1,376,125	2,010,000	-	2,010,000	633,875
Transfers from other funds	1,444,872	1,486,097	-	1,486,097	41,225
Appropriated fund balance	<u>642,228</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(642,228)</u>
Total other financing sources (uses)	<u>3,463,225</u>	<u>3,496,097</u>	<u>-</u>	<u>3,496,097</u>	<u>32,872</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 327,745</u>	<u>(30,413)</u>	<u>\$ 297,332</u>	<u>\$ 297,332</u>
Fund Balance:					
Beginning of year - July 1			<u>327,745</u>		
End of year - June 30			<u>\$ 297,332</u>		

NASH COUNTY, NORTH CAROLINA

COMMUNITY COLLEGE TECH BUILDING
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Community college bonds	\$ 3,933,237	\$ 3,933,234	\$ -	\$ 3,933,234	\$ (3)
Economic Development Grant	1,000,000	1,000,000	-	1,000,000	-
Investment earnings	-	142,595	-	142,595	142,595
Total revenues	<u>4,933,237</u>	<u>5,075,829</u>	<u>-</u>	<u>5,075,829</u>	<u>142,592</u>
Expenditures:					
Education:					
Architect	507,937	507,845	-	507,845	92
Engineering	128,446	128,446	-	128,446	-
Equipment	9,962	6,462	-	6,462	3,500
Construction	5,987,401	5,979,438	-	5,979,438	7,963
Total expenditures	<u>6,633,746</u>	<u>6,622,191</u>	<u>-</u>	<u>6,622,191</u>	<u>11,555</u>
Revenues over (under) expenditures	<u>(1,700,509)</u>	<u>(1,546,362)</u>	<u>-</u>	<u>(1,546,362)</u>	<u>154,147</u>
Other Financing Sources (Uses):					
Transfers from other funds	498,780	498,780	-	498,780	-
Certificates of participation issued	1,201,729	1,510,000	-	1,510,000	308,271
Total other financing sources (uses)	<u>1,700,509</u>	<u>2,008,780</u>	<u>-</u>	<u>2,008,780</u>	<u>308,271</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 462,418</u>	<u>-</u>	<u>\$ 462,418</u>	<u>\$ 462,418</u>
Fund Balance:					
Beginning of year - July 1			<u>462,418</u>		
End of year - June 30			<u>\$ 462,418</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, 2008**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
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>
Expenditures:					
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	<u>(1,010,470)</u>	<u>(867,144)</u>	<u>-</u>	<u>(867,144)</u>	<u>143,326</u>
Other Financing Sources (Uses):					
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>
Total other financing sources (uses)	<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>
Fund Balance:					
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, 2008**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Public school building capital fund	\$ 1,899,060	\$ 1,888,467	\$ -	\$ 1,888,467	\$ (10,593)
NC public school building bonds	9,726,988	9,726,983	-	9,726,983	(5)
Investment earnings	-	208,380	7,469	215,849	215,849
Total revenues	<u>11,626,048</u>	<u>11,823,830</u>	<u>7,469</u>	<u>11,831,299</u>	<u>205,251</u>
Expenditures:					
Education:					
New high school	5,524,941	5,524,942	-	5,524,942	(1)
PSBCF	1,899,060	1,888,469	-	1,888,469	10,591
School building bond	9,726,989	9,726,982	-	9,726,982	7
School capital fund	5,212,535	5,210,996	-	5,210,996	1,539
Total expenditures	<u>22,363,525</u>	<u>22,351,389</u>	<u>-</u>	<u>22,351,389</u>	<u>12,136</u>
Revenues over (under) expenditures	<u>(10,737,477)</u>	<u>(10,527,559)</u>	<u>7,469</u>	<u>(10,520,090)</u>	<u>217,387</u>
Other Financing Sources (Uses):					
Transfers from other funds	142,535	250,000	-	250,000	107,465
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>10,955,670</u>	<u>-</u>	<u>10,955,670</u>	<u>218,193</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 428,111</u>	<u>7,469</u>	<u>\$ 435,580</u>	<u>\$ 435,580</u>
Fund Balance:					
Beginning of year - July 1			<u>428,111</u>		
End of year - June 30			<u>\$ 435,580</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, 2008**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Golden Leaf Grant	\$ 180,000	\$ 75,090	\$ -	\$ 75,090	\$ (104,910)
Investment earnings	-	-	1,143	1,143	1,143
Total revenues	<u>180,000</u>	<u>75,090</u>	<u>1,143</u>	<u>76,233</u>	<u>(103,767)</u>
Expenditures:					
General government:					
Architect fees	<u>275,715</u>	<u>75,090</u>	<u>64,104</u>	<u>139,194</u>	<u>136,521</u>
Revenues over (under) expenditures	<u>(95,715)</u>	<u>-</u>	<u>(62,961)</u>	<u>(62,961)</u>	<u>32,754</u>
Other Financing Sources (Uses):					
Transfers from other funds	<u>95,715</u>	<u>-</u>	<u>95,715</u>	<u>95,715</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>32,754</u>	<u>\$ 32,754</u>	<u>\$ 32,754</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 32,754</u>		

Nash County, North Carolina
Financial Statements and Schedules

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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, 2008

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating revenues:				
Charges for services	\$ 638,450	\$ 695,971	\$ 57,521	\$ 499,301
Solid waste charges	471,500	508,643	37,143	519,643
Scrap tire disposal tax	85,000	103,610	18,610	97,932
Miscellaneous	20,000	43,624	23,624	37,024
Rural household fees	1,180,608	1,202,856	22,248	1,256,876
Recycling fees	197,998	200,196	2,198	197,169
Scrap tire grant	13,000	23,294	10,294	15,589
White goods grant	45,000	59,739	14,739	29,067
Total operating revenues	<u>2,651,556</u>	<u>2,837,933</u>	<u>186,377</u>	<u>2,652,601</u>
Nonoperating revenues:				
Capital contribution	118,727	142,677	23,950	162,318
Interest on investments	<u>320,000</u>	<u>556,116</u>	<u>236,116</u>	<u>667,352</u>
Total nonoperating revenues	<u>438,727</u>	<u>698,793</u>	<u>260,066</u>	<u>829,670</u>
Total revenues	<u>3,090,283</u>	<u>3,536,726</u>	<u>446,443</u>	<u>3,482,271</u>
Expenditures:				
Operating expenditures:				
Water operations:				
Salaries and employee benefits		302,237		178,351
Professional services		23,006		171,264
Operating expense		257,473		317,835
Capital outlay	<u>59,735</u>	<u>43,349</u>	<u>16,386</u>	<u>-</u>
Total	<u>953,716</u>	<u>626,065</u>	<u>327,651</u>	<u>667,450</u>
Sewer operations:				
Salaries and employee benefits		35,477		32,960
Professional services		3,989		116
Operating expense		126,820		108,692
Capital outlay	<u>3,300</u>	<u>-</u>	<u>3,300</u>	<u>-</u>
Total	<u>205,419</u>	<u>166,286</u>	<u>39,133</u>	<u>141,768</u>
Solid waste disposal operations:				
Salaries and employee benefits		596,771		268,660
Professional services		76,980		64,456
Operating expense		1,655,854		446,732
Capital outlay		51,100		-
Total	<u>2,387,923</u>	<u>2,380,705</u>	<u>7,218</u>	<u>779,848</u>

NASH COUNTY, NORTH CAROLINA

UTILITIES FUND

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2008

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007

	2008			2007
	Budget	Actual	Variance Over/Under	Actual
Convenience center operations:				
Salaries and employee benefits		-		323,237
Professional services		-		1,756
Operating expense		-		998,271
Total	-	-	-	1,323,264
Total operating expenditures	3,547,058	3,173,056	374,002	2,912,330
Nonoperating expenditures:				
Debt principal payment	309,075	308,757	318	211,900
Debt interest payment	170,294	170,279	15	113,054
Total nonoperating expenditures	479,369	479,036	333	324,954
Total expenditures	4,026,427	3,652,092	374,335	3,237,284
Revenues over (under) expenditures	(936,144)	(115,366)	820,778	244,987
Other Financing Sources (Uses):				
Transfer from other funds	-	-	-	(1,200,666)
Transfer to other funds	(619,200)	(557,558)	61,642	-
Appropriated fund balance	1,555,344	-	(1,555,344)	-
Total other financing sources (uses)	936,144	(557,558)	(1,493,702)	(1,200,666)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (672,924)	\$ (672,924)	\$ (955,679)

**Reconciliation from budgetary basis
(modified accrual) to full accrual basis:**

Revenues and other financing sources over
(under) expenditures and other financing uses \$ (672,924)

Reconciling items:

Capital assets purchased 94,449
 Depreciation (496,683)
 Principal retirement 305,500
 Revenues from capital projects 545,916
 Noncapitalized capital project expense (17,953)

Change in net assets \$ (241,695)

NASH COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - BAILEY WATER PROJECT
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Contributions	\$ 400,000	\$ -	\$ 400,000	\$ 400,000	\$ -
Investment earnings	-	73,239	81,837	155,076	155,076
Total revenues	400,000	73,239	481,837	555,076	155,076
Expenditures:					
Land	21,809	21,808	-	21,808	1
Construction and engineering	2,063,983	1,752,636	207,356	1,959,992	103,991
Administrative fees	50,400	47,030	3,370	50,400	-
Equipment	21,001	-	21,001	21,001	-
Total expenditures	2,157,193	1,821,474	231,727	2,053,201	103,992
Revenues over (under) expenditures	(1,757,193)	(1,748,235)	250,110	(1,498,125)	259,068
Other Financing Sources (Uses):					
Proceeds from debt issued	-	992,174	-	992,174	992,174
Proceeds from state revolving loan	1,122,000	1,122,000	-	1,122,000	-
Transfer from General Fund	635,193	610,167	-	610,167	(25,026)
Total other financing sources (uses)	1,757,193	2,724,341	-	2,724,341	967,148
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 976,106	\$ 250,110	\$ 1,226,216	\$ 1,226,216

NASH COUNTY, NORTH CAROLINA

ENTERPRISE FUND - HIGHWAY 97 BENTRIDGE
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings	\$ -	\$ 13,289	\$ 14,654	\$ 27,943	\$ 27,943
Expenditures:					
Construction	145,919	145,267	-	145,267	652
Professional fees	30,798	23,079	-	23,079	7,719
Total expenditures	176,717	168,346	-	168,346	8,371
Revenues over (under) expenditures	(176,717)	(155,057)	14,654	(140,403)	36,314
Other Financing Sources (Uses):					
Installment purchase debt issued	-	168,346	-	168,346	168,346
Transfer from Utility Fund	176,717	176,717	-	176,717	-
Total other financing sources (uses)	176,717	345,063	-	345,063	168,346
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 190,006	\$ 14,654	\$ 204,660	\$ 204,660

NASH COUNTY, NORTH CAROLINA

ENTERPRISE FUND - BEND OF THE RIVER PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings	\$ -	\$ 3,571	\$ 29,820	\$ 33,391	\$ 33,391
Expenditures:					
Construction and engineering	450,270	341,906	110,413	452,319	(2,049)
Administrative fees	72,979	4,988	602	5,590	67,389
Total expenditures	523,249	346,894	111,015	457,909	65,340
Revenues over (under) expenditures	(523,249)	(343,323)	(81,195)	(424,518)	98,731
Other Financing Sources (Uses):					
Transfer from General Fund	-	518,949	-	518,949	518,949
Installment purchase debt issued	523,249	339,481	-	339,481	(183,768)
Total other financing sources (uses)	523,249	858,430	-	858,430	335,181
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 515,107	\$ (81,195)	\$ 433,912	\$ 433,912

NASH COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - WINDCHASE PROJECT
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
Investment earnings	\$ -	\$ 28,108	\$ 15,913	\$ 44,021	\$ 44,021
Expenditures:					
Construction and engineering	312,779	1,769	251,921	253,690	59,089
Administrative fees	62,221	17,589	-	17,589	44,632
Total expenditures	<u>375,000</u>	<u>19,358</u>	<u>251,921</u>	<u>271,279</u>	<u>103,721</u>
Revenues over (under) expenditures	<u>(375,000)</u>	<u>8,750</u>	<u>(236,008)</u>	<u>(227,258)</u>	<u>147,742</u>
Other Financing Sources (Uses):					
Transfer from General Fund	<u>375,000</u>	<u>375,000</u>	<u>-</u>	<u>375,000</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 383,750</u>	<u>\$ (236,008)</u>	<u>\$ 147,742</u>	<u>\$ 147,742</u>

NASH COUNTY, NORTH CAROLINA

ENTERPRISE FUND - LAKE HAVEN
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
Investment earnings	\$ -	\$ 816	\$ 3,692	\$ 4,508	\$ 4,508
Expenditures:					
Construction and engineering	104,410	688	103,722	104,410	-
Administrative fees	25,590	6,712	-	6,712	18,878
Total expenditures	130,000	7,400	103,722	111,122	18,878
Revenues over (under) expenditures	(130,000)	(6,584)	(100,030)	(106,614)	23,386
Other Financing Sources (Uses):					
Transfer from General Fund	130,000	130,000	-	130,000	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 123,416	\$ (100,030)	\$ 23,386	\$ 23,386

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, 2008

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Rural Center Grant	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Total revenues	500,000	-	-	-	(500,000)
Expenditures:					
Construction and engineering	1,042,111	-	577,192	577,192	464,919
Administrative fees	15,000	-	13,981	13,981	1,019
Contingency	42,889	-	-	-	42,889
Total expenditures	1,100,000	-	591,173	591,173	508,827
Revenues over (under) expenditures	(600,000)	-	(591,173)	(591,173)	8,827
Other Financing Sources (Uses):					
Proceeds from long term debt	400,000	-	-	-	(400,000)
Transfer from other funds	200,000	-	-	-	(200,000)
Total other financing sources (uses)	600,000	-	-	-	(600,000)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ (591,173)	\$ (591,173)	\$ (591,173)

NASH COUNTY, NORTH CAROLINA

CENTRAL NASH WATER & SEWER DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Operating revenues:					
Tap fees	\$ 108,700	\$ -	\$ -	\$ -	\$ (108,700)
Total operating revenues	108,700	-	-	-	(108,700)
Nonoperating revenues:					
Capital contribution	3,000,000	-	-	-	(3,000,000)
Total nonoperating revenues	3,000,000	-	-	-	(3,000,000)
Total revenues	3,108,700	-	-	-	(3,108,700)
Expenditures:					
Operating expenditures:					
Water operations:					
Admin	9,000	-	7,500	7,500	1,500
Engineering and construction	48,339	-	40,240	40,240	8,099
Total	57,339	-	47,740	47,740	9,599
Sewer operations:					
Admin	22,500	-	12,967	12,967	9,533
Engineering & construction	977,500	-	881,159	881,159	96,341
Total	1,000,000	-	894,126	894,126	105,874
Capital Items:					
Phase I	3,591,848	-	152,272	152,272	3,439,576
Phase II	3,440,512	-	161,930	161,930	3,278,582
Phase III	199,059	-	43,809	43,809	155,250
Phase IV	31,500	-	6,500	6,500	25,000
Total capital items	7,262,919	-	364,511	364,511	6,898,408
Total operating expenditures	8,320,258	-	1,306,377	1,306,377	7,013,881
Total expenditures	8,320,258	-	1,306,377	1,306,377	7,013,881
Revenues over (under) expenditures	(5,211,558)	-	(1,306,377)	(1,306,377)	3,905,181
Other Financing Sources (Uses):					
Transfer from other funds	557,558	-	557,558	557,558	-
Proceeds from debt	4,654,000	-	-	-	(4,654,000)
Total other financing sources (uses)	5,211,558	-	557,558	557,558	(4,654,000)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ -	\$ (748,819)	\$ (748,819)	\$ (748,819)

NASH COUNTY, NORTH CAROLINA

**CENTRAL NASH WATER & SEWER DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Project Authorization</u>	<u>Actual</u>		<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	
Reconciliation from budgetary basis (modified accrual) to full accrual basis:				
Revenues and other financing sources over (under) expenditures and other financing uses			\$ (748,819)	
Reconciling items:				
Additions to capital assets			<u>1,245,670</u>	
Change in net assets			<u>\$ 496,851</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, 2008

	<u>Employee Healthcare Benefits</u>	<u>Worker's Compensation Fund</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and investments	\$ 1,886,728	\$ 664,577	\$ 2,551,305
Accounts receivable, net	<u>9,090</u>	<u>2,377</u>	<u>11,467</u>
Total current assets	<u>1,895,818</u>	<u>666,954</u>	<u>2,562,772</u>
 Total assets	 <u>1,895,818</u>	 <u>666,954</u>	 <u>2,562,772</u>
Liabilities and Net Assets:			
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	<u>561,509</u>	<u>35,797</u>	<u>597,306</u>
Total current liabilities	<u>561,509</u>	<u>35,797</u>	<u>597,306</u>
 Total liabilities	 <u>561,509</u>	 <u>35,797</u>	 <u>597,306</u>
Fund Equity:			
Total net assets	<u>\$ 1,334,309</u>	<u>\$ 631,157</u>	<u>\$ 1,965,466</u>

NASH COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2007

	<u>Employee Healthcare Benefits</u>	<u>Worker's Compensation Fund</u>	<u>Total</u>
Operating Revenues:			
Contributions from employer	\$ 3,690,494	\$ 750,000	\$ 4,440,494
Total revenues	<u>3,690,494</u>	<u>750,000</u>	<u>4,440,494</u>
Operating Expenditures:			
Claims costs	4,308,581	568,023	4,876,604
Wellness Program costs	<u>27,060</u>	<u>-</u>	<u>27,060</u>
Total expenditures	<u>4,335,641</u>	<u>568,023</u>	<u>4,903,664</u>
Operating income (loss)	<u>(645,147)</u>	<u>181,977</u>	<u>(463,170)</u>
Nonoperating Revenues:			
Investment earnings	<u>145,385</u>	<u>18,944</u>	<u>164,329</u>
Net income (loss)	<u>(499,762)</u>	<u>200,921</u>	<u>(298,841)</u>
Other Financing Sources (Uses):			
Transfers from other funds	<u>-</u>	<u>146,444</u>	<u>146,444</u>
Change in net assets	(499,762)	347,365	(152,397)
Net Assets:			
Beginning of year - July 1	<u>1,834,071</u>	<u>283,792</u>	<u>2,117,863</u>
End of year - June 30	<u>\$ 1,334,309</u>	<u>\$ 631,157</u>	<u>\$ 1,965,466</u>

NASH COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

	Employee Healthcare Benefits	Worker's Compensation Fund	Total
Cash Flows From Operating Activities:			
Cash received from customers	\$ 3,698,662	\$ 749,493	\$ 4,448,155
Cash paid for goods and services	<u>(4,331,422)</u>	<u>(532,226)</u>	<u>(4,863,648)</u>
Net cash provided (used) by operating activities	<u>(632,760)</u>	<u>217,267</u>	<u>(415,493)</u>
Cash Flows From Noncapital Financing Activities:			
Transfers from other funds	<u>-</u>	<u>146,444</u>	<u>146,444</u>
Cash Flows From Investing Activities:			
Investment earnings	<u>145,385</u>	<u>18,944</u>	<u>164,329</u>
Net increase in cash and cash equivalents	(487,375)	382,655	(104,720)
Cash and cash equivalents - July 1	<u>2,374,103</u>	<u>281,922</u>	<u>2,656,025</u>
Cash and cash equivalents - June 30	<u>\$ 1,886,728</u>	<u>\$ 664,577</u>	<u>\$ 2,551,305</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (645,147)	\$ 181,977	\$ (463,170)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	8,169	(507)	7,662
Increase (decrease) in accounts payable and accrued liabilities	<u>4,219</u>	<u>35,797</u>	<u>40,016</u>
Net cash provided (used) by operating activities	<u>\$ (632,759)</u>	<u>\$ 217,267</u>	<u>\$ (415,492)</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, 2007

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Contributions from employer	\$ 3,704,000	\$ 3,690,494	\$ (13,506)
Total revenues	<u>3,704,000</u>	<u>3,690,494</u>	<u>(13,506)</u>
Operating Expenditures:			
Claims costs	4,383,085	4,308,581	74,504
Wellness Program costs	<u>25,000</u>	<u>27,060</u>	<u>(2,060)</u>
Total expenditures	<u>4,408,085</u>	<u>4,335,641</u>	<u>72,444</u>
Operating income (loss)	<u>(704,085)</u>	<u>(645,147)</u>	<u>58,938</u>
Nonoperating Revenues			
Investment earnings	<u>-</u>	<u>145,385</u>	<u>145,385</u>
Other Financing Sources (Uses):			
Appropriated fund balance	<u>704,085</u>	<u>-</u>	<u>(704,085)</u>
Total other financing sources (uses)	<u>704,085</u>	<u>-</u>	<u>(704,085)</u>
Change in net assets	<u>\$ -</u>	<u>\$ (499,762)</u>	<u>\$ (499,762)</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, 2007

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Contributions from employer	\$ 350,000	\$ 750,000	\$ 400,000
Operating Expenditures:			
Worker's compensation claims	584,740	568,023	16,717
Operating income (loss)	(234,740)	181,977	416,717
Nonoperating Revenues			
Investment earnings	-	18,944	18,944
Other Financing Sources (Uses):			
Transfers from other funds	146,444	146,444	-
Appropriated fund balance	88,296	-	(88,296)
Total other financing sources (uses)	234,740	146,444	(88,296)
Change in net assets	<u>\$ -</u>	<u>\$ 347,365</u>	<u>\$ 347,365</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, 2008

	Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008
Social Services Trust Fund:				
Assets:				
Cash and cash equivalents	\$ 47,043	\$ 322,477	\$ 338,939	\$ 30,581
Liabilities:				
Accounts payable	\$ 47,043	\$ 322,477	\$ 338,939	\$ 30,581
Jail:				
Assets:				
Cash and cash equivalents	\$ 14,322	\$ 198,961	\$ 200,693	\$ 12,590
Liabilities:				
Accounts payable	\$ 14,322	\$ 198,961	\$ 200,693	\$ 12,590
Fines and Forfeitures:				
Assets:				
Cash and cash equivalents	\$ -	\$ 795,380	\$ 795,380	\$ -
Liabilities:				
Intergovernmental payable	\$ -	\$ 795,380	\$ 795,380	\$ -
Motor Vehicle Tax Fund:				
Assets:				
Cash and cash equivalents	\$ 260,620	\$ 2,373,441	\$ 2,441,834	\$ 192,227
Total assets	\$ 260,620	\$ 2,373,441	\$ 2,441,834	\$ 192,227
Liabilities:				
Accounts payable	\$ 260,620	\$ 2,373,441	\$ 2,441,834	\$ 192,227
Intergovernmental payable	\$ 260,620	\$ 2,373,441	\$ 2,441,834	\$ 192,227
Total liabilities	\$ 260,620	\$ 2,373,441	\$ 2,441,834	\$ 192,227
Transportation Taxes:				
Assets:				
Cash and cash equivalents	\$ -	\$ 53,688	\$ 53,688	\$ -
Liabilities:				
Accounts payable	\$ -	\$ 53,688	\$ 53,688	\$ -
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 321,985	\$ 3,743,947	\$ 3,830,534	\$ 235,398
Total assets	\$ 321,985	\$ 3,743,947	\$ 3,830,534	\$ 235,398
Liabilities:				
Accounts payable	\$ 61,365	\$ 575,126	\$ 593,320	\$ 43,171
Intergovernmental payable	260,620	3,168,821	3,237,214	192,227
Total liabilities	\$ 321,985	\$ 3,743,947	\$ 3,830,534	\$ 235,398

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, 2008

Fiscal Year	Balance July 1, 2007	Additions	Collections and Credits	Balance June 30, 2008
2008-2007	\$ -	\$ 42,226,330	\$ 40,647,880	\$ 1,578,450
2007-2006	1,768,891	20,530	902,156	887,265
2006-2005	472,888	12,731	112,294	373,325
2005-2004	351,395	7,777	54,557	304,615
2004-2003	289,433	695	26,836	263,292
2003-2002	248,098	3	15,435	232,666
2002-2001	207,841	50	9,244	198,647
2001-2000	194,299	14	5,348	188,965
2000-1999	173,751	59	3,765	170,045
1999-1998	128,914	-	2,851	126,063
1998-1997	125,053	-	125,053	-
	<u>\$ 3,960,563</u>	<u>\$ 42,268,189</u>	<u>\$ 41,905,419</u>	<u>4,323,333</u>
Less: Allowance for uncollectible accounts				
General Fund				(115,000)
Ad valorem taxes receivable, net				
General Fund				\$ 4,208,333
Reconciliation with revenues:				
Ad valorem taxes - General Fund				\$ 41,557,216
Reconciling Items:				
Amount written off per statute				125,053
Interest and lien advertising collected				291,528
Tax refunds				(193,475)
Discounts				190,375
Miscellaneous				(65,278)
Total collections and credits				\$ 41,905,419

NASH COUNTY NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY
JUNE 30, 2008

	County Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 5,224,426,977	\$ 0.70	\$ 36,571,026	\$ 36,571,026	\$ -
Motor vehicles	768,470,779	0.70	5,379,295	-	5,379,295
Penalties	-		55,571	55,571	-
Advertising and collection fees	-		7,126	7,126	-
Dogs	-		20,608	20,608	-
Total	<u>5,992,897,756</u>		<u>42,033,626</u>	<u>36,654,331</u>	<u>5,379,295</u>
Discoveries:					
Current year taxes	<u>54,764,714</u>	0.70	<u>383,353</u>	<u>369,106</u>	<u>14,247</u>
Abatements					
	<u>(27,235,571)</u>	0.70	<u>(190,649)</u>	<u>(190,649)</u>	<u>-</u>
Total property valuation	<u>\$ 6,020,426,899</u>				
Net levy			42,226,330	36,832,788	5,393,542
Uncollected taxes, June 30			<u>1,578,450</u>	<u>786,537</u>	<u>791,913</u>
Current year's taxes collected			<u>\$ 40,647,880</u>	<u>\$ 36,046,251</u>	<u>\$ 4,601,629</u>
Current levy collection percentage			<u>96.26%</u>	<u>97.86%</u>	<u>85.32%</u>
Prior year collection percentage			<u>95.63%</u>	<u>97.41%</u>	<u>83.26%</u>

***STATISTICAL SECTION
(UNAUDITED)***

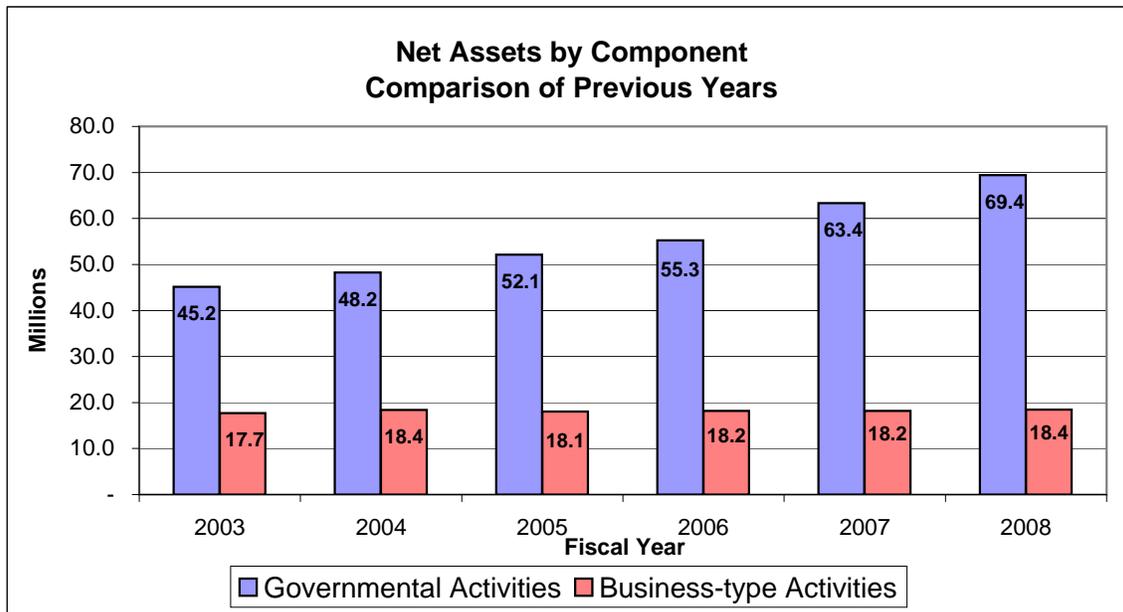
Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental activities						
Invested in capital assets, net of related debt	\$ 28,456	\$ 29,658	\$ 33,256	\$ 40,398	\$ 42,226	\$ 43,816
Restricted	2,480	13,482	13,086	736	606	551
Unrestricted	14,218	5,095	5,793	14,118	20,535	25,081
Total Governmental activities net assets	<u>\$ 45,154</u>	<u>\$ 48,235</u>	<u>\$ 52,135</u>	<u>\$ 55,252</u>	<u>\$ 63,367</u>	<u>\$ 69,448</u>
Business-type activities						
Invested in capital assets, net of related debt	\$ 9,723	\$ 9,814	\$ 9,482	\$ 9,736	\$ 8,547	\$ 10,968
Restricted	-	-	-	-	-	-
Unrestricted	7,960	8,595	8,569	8,434	9,629	7,464
Total business-type activities net assets	<u>\$ 17,683</u>	<u>\$ 18,409</u>	<u>\$ 18,051</u>	<u>\$ 18,170</u>	<u>\$ 18,176</u>	<u>\$ 18,432</u>
Primary government						
Invested in capital assets, net of related debt	\$ 38,179	\$ 39,472	\$ 42,738	\$ 50,134	\$ 50,774	\$ 54,783
Restricted	2,480	13,482	13,086	736	606	551
Unrestricted	22,178	13,690	14,362	22,552	30,164	32,545
Total primary government net assets	<u>\$ 62,837</u>	<u>\$ 66,644</u>	<u>\$ 70,186</u>	<u>\$ 73,422</u>	<u>\$ 81,544</u>	<u>\$ 87,879</u>



NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Expenses						
Governmental activities:						
General government	\$ 10,825	\$ 6,167	\$ 8,038	\$ 6,593	\$ 7,668	\$ 7,285
Public safety	13,016	13,816	14,486	15,833	17,756	19,569
Transportation	177	149	149	200	248	250
Economic and physical development	1,702	2,043	720	4,560	2,717	2,928
Human services	25,892	26,167	27,593	28,290	29,691	29,653
Cultural	944	948	980	1,077	1,235	1,456
Education	19,989	21,089	24,220	22,391	21,662	22,393
Interest on long-term debt	1,043	503	1,079	1,025	1,092	1,000
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>
Business-type activities:						
Water and sewer	469	693	1,054	992	1,217	1,498
Solid waste disposal	746	887	889	1,003	1,013	2,329
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>3,827</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>88,361</u>
Program Revenues						
Governmental activities:						
Charges for services:						
General government	\$ 1,277	\$ 985	\$ 985	\$ 1,279	\$ 1,359	\$ 2,755
Public safety	413	1,796	2,263	1,727	2,560	4,164
Economic & physical development	220	273	246	464	527	-
Human services	1,210	564	589	250	153	602
Operating grants and contributions	17,679	19,530	18,348	19,465	23,024	18,660
Capital grants and contributions	-	-	4,339	3,056	285	815
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>
Business-type activities:						
Charges for services:						
Water and sewer	167	346	367	431	499	696
Solid waste disposal	672	968	593	598	520	2,142
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	-	-	542
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>3,380</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>\$ 30,376</u>
Net (expense)/revenue						
Governmental activities	(\$52,789)	(\$47,735)	(\$50,495)	(\$53,728)	(54,161)	(57,538)
Business-type activities	1,439	505	(672)	(510)	(765)	(447)
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>\$ (57,985)</u>

NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year					
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Taxes						
Property taxes	\$ 35,592	\$ 36,121	\$ 38,118	\$ 38,858	\$ 42,661	\$ 44,151
Sales taxes	12,003	13,589	14,660	15,758	17,039	17,553
Excise taxes	287	276	364	386	371	319
Other taxes	250	255	262	67	69	74
Unrestricted grants and contributions	-	-	-	-	-	-
Investment earnings	300	248	817	1,439	1,908	1,522
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>
Business-type activities:						
Other taxes & licenses	81	-	-	-	-	-
Investment earnings	231	221	314	629	771	702
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>
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>
Change in Net Assets						
Governmental activities	\$ (3,299)	\$ 3,081	\$ 3,900	\$ 3,117	\$ 8,115	\$ 6,081
Business-type activities	1,996	726	(357)	119	6	255
Total primary government	<u>\$ (1,303)</u>	<u>\$ 3,807</u>	<u>\$ 3,543</u>	<u>\$ 3,236</u>	<u>\$ 8,121</u>	<u>\$ 6,336</u>

NASH COUNTY, NORTH CAROLINA

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

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Rental Vehicle Tax</u>	<u>Privilege Licenses</u>	<u>Total</u>
1999	\$28,509	\$10,898	\$242	-	\$23	\$39,672
2000	30,015	11,744	243	-	22	42,024
2001	31,501	11,602	246	58 ¹	25	43,433
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

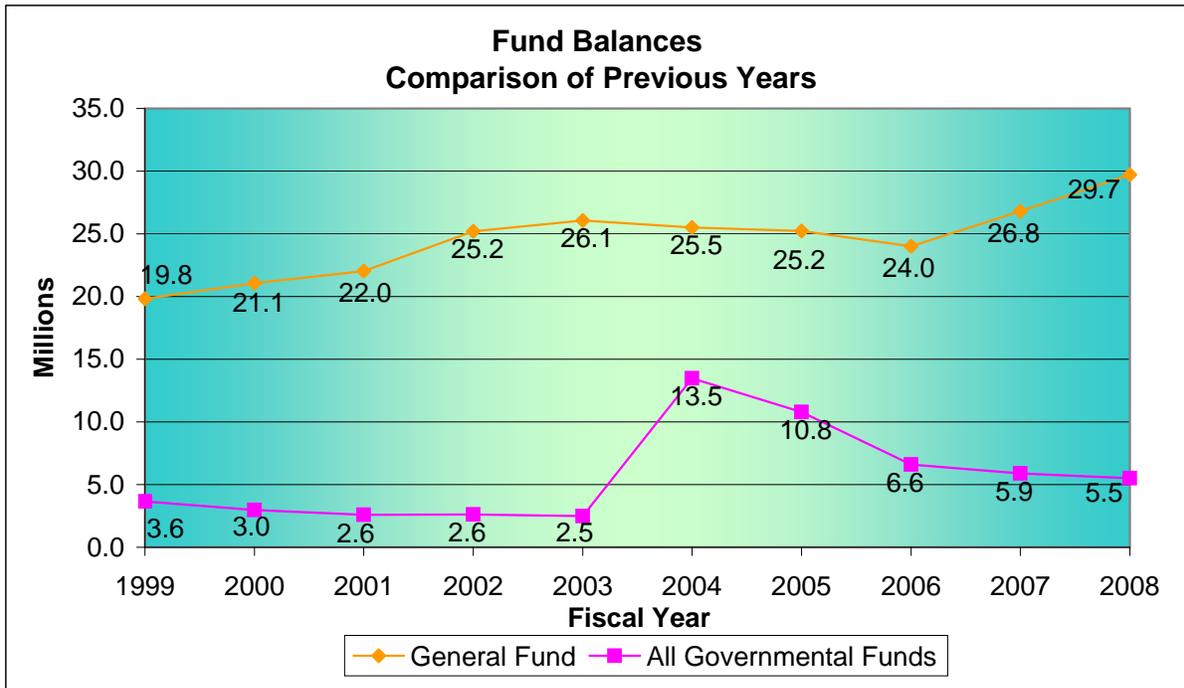
¹ First year of tax

NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General fund										
Reserved	\$10,535	\$7,118	\$5,333	\$5,171	\$7,949	\$7,621	\$7,534	\$5,542	\$6,277	\$7,365
Unreserved	9,282	13,960	16,696	20,037	18,127	17,881	17,705	18,468	20,528	22,367
Total general fund	<u>\$19,817</u>	<u>\$21,078</u>	<u>\$22,029</u>	<u>\$25,208</u>	<u>\$26,076</u>	<u>\$25,502</u>	<u>\$25,239</u>	<u>\$24,010</u>	<u>\$26,805</u>	<u>\$29,732</u>
All other governmental funds										
Reserved	\$2,471	\$1,366	\$1,170	\$600	\$803	\$69	\$397	\$230	\$425	\$235
Unreserved, reported in:										
Special revenue funds	1,172	1,592	1,427	2,019	1,678	8,163 ¹	3,629	3,665	4,102	3,919
Capital projects funds	-	-	-	-	-	5,241 ¹	6,755	2,696	1,351	1,361
Permanent funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$3,643</u>	<u>\$2,958</u>	<u>\$2,597</u>	<u>\$2,619</u>	<u>\$2,481</u>	<u>\$13,473</u>	<u>\$10,781</u>	<u>\$6,591</u>	<u>\$5,878</u>	<u>\$5,515</u>

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



NASH COUNTY, NORTH CAROLINA

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

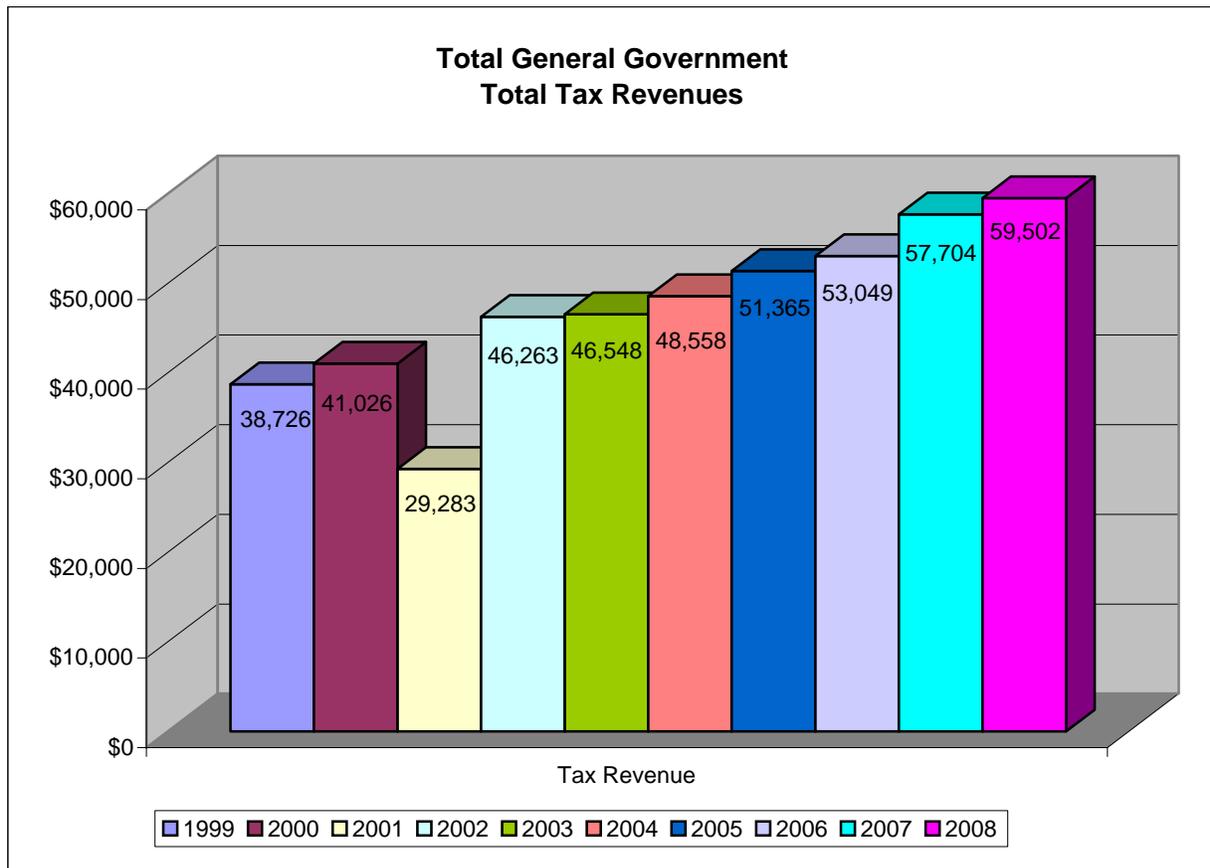
	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Revenues						
Ad valorem taxes	\$35,541	\$36,269	\$37,920	\$38,670	\$42,232	\$43,739
Other taxes and licenses	12,358	13,756	15,093	16,212	17,479	17,945
Intergovernmental	17,862	19,677	22,825	21,691	18,945	19,665
Permits and fees	1,388	1,086	1,059	1,295	1,364	1,310
Sales and services	1,732	1,847	2,320	2,419	3,160	4,207
Investment earnings	300	248	816	1,439	1,806	1,357
Miscellaneous	1,058	1,228	934	1,172	4,648	1,814
Total revenues	<u>\$70,239</u>	<u>\$74,111</u>	<u>\$80,967</u>	<u>\$82,898</u>	<u>\$89,634</u>	<u>\$90,037</u>
Expenditures						
General government	5,405	5,145	7,291	10,798	7,672	7,871
Public safety	13,022	13,789	14,435	16,715	17,825	19,335
Transportation	142	149	149	165	213	231
Economic and physical development	1,871	3,867	2,129	4,505	2,726	3,823
Human services	25,928	26,263	27,827	28,185	29,688	29,545
Cultural and recreation	945	948	980	1,077	1,195	1,351
Education	19,923	21,914	28,582	25,227	22,004	22,327
Revaluation	11	-	-	-	41	104
Debt Service:						
Principal	1,762	1,653	2,381	2,413	2,707	2,641
Interest	865	765	1,079	1,025	1,092	1,000
Total expenditures	<u>69,874</u>	<u>74,493</u>	<u>84,853</u>	<u>90,110</u>	<u>85,163</u>	<u>88,228</u>
Excess of revenues over (under) expenditures	\$365	(\$382)	(\$3,886)	(\$7,212)	\$4,471	\$1,809
Other financing sources (uses)						
Transfers in	1,221	2,617	1,605	50	50	1,235
Transfers out	(1,221)	(2,617)	(1,605)	(50)	(2,439)	(1,381)
Proceeds from installment purchases	364	-	-	-	-	-
Long-term debt issued	-	10,800	388	1,793	-	0
Sale of capital assets	-	-	543	-	-	901
Total other financing sources (uses)	<u>364</u>	<u>10,800</u>	<u>931</u>	<u>1,793</u>	<u>-2,389</u>	<u>755</u>
Net change in fund balances	<u>\$729</u>	<u>\$10,418</u>	<u>(\$2,955)</u>	<u>(\$5,419)</u>	<u>\$2,082</u>	<u>\$2,564</u>
Debt service as a percentage of noncapital expenditures	3.86%	3.42%	4.46%	4.06%	4.31%	4.15%

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
1999	\$26,430	\$1,133	\$10,898	\$242	\$0	\$23	\$38,726
2000	27,893	1,124	11,744	243	-	22	41,026
2001	29,283	1,140	11,602	246	58 ¹	25	42,355
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

¹ First year of tax.



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					
1999	\$1,921,476	\$1,154,495	\$594,380	\$824,986	(\$500,000)	\$3,995,337	0.69	\$4,387,755	91.06%
2000	1,996,931	1,200,491	618,065	853,487	(500,000)	4,168,974	0.69	4,927,939	84.60%
2001	2,044,717	1,225,265	675,105	849,712	(544,245)	4,250,554	0.66	5,428,198	78.31%
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%

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									
	1999	2000	2001 ¹	2002	2003	2004	2005	2006	2007	2008
Nash County	\$ 0.6600	\$ 0.6900	\$ 0.6900	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.7000	\$ 0.7000
<u>Municipality Rates:</u>										
City of Rocky Mount	0.4600	0.4600	0.4600	0.4400	0.4800	0.5000	0.5000	0.5000	0.5500	0.5800
Town of Sharpsburg	0.4100	0.4100	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.5000
Town of Spring Hope	0.6200	0.7000	0.7600	0.7000	0.7000	0.7000	0.7000	0.7000	0.6200	0.6200
Town of Bailey	0.6500	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	0.6700	0.6700	0.6700	0.6900	0.6900	0.6900	0.6900
Town of Nashville	0.6400	0.6400	0.6400	0.6100	0.6100	0.6100	0.6100	0.6300	0.6300	0.6300
Town of Castalia	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2700	0.2000	0.2000	0.2000
Town of Momeyer	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	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	0.0900	0.0898	0.0960	0.0960	0.0960	0.0960	0.0960	0.1100	0.1100	0.1200
N.S. Gulley	0.0750	0.0900	0.0900	0.0900	0.0975	0.0975	0.0975	0.0975	0.1075	0.1075
Harrison	0.0500	0.0500	0.0600	0.0600	0.0600	0.0600	0.0600	0.0700	0.0700	0.0700
Stanhope	0.0600	0.0600	0.0600	0.0600	0.0600	0.0750	0.0750	0.0750	0.0750	0.0750
Stony Creek	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	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	0.0500	0.0500	0.0500	0.0700	0.0700	0.0900	0.0900	0.0900	0.0800
Sims	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400
Tri-County	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0800	0.0800	0.0800
Salem	0.0550	0.0550	0.0550	0.0550	0.0550	0.0550	0.0550	0.0800	0.0800	0.0800
West Mount	0.0500	0.0500	0.0500	0.0500	0.0500	0.0750	0.0750	0.0750	0.0750	0.0750
Coopers	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0850
Castalia	0.0700	0.0720	0.0720	0.0620	0.0700	0.0660	0.0660	0.0735	0.0735	0.0735
Spring Hope	0.0500	0.0500	0.0500	0.0500	0.0600	0.0600	0.0600	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	0.0500	0.0500	0.0500	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	0.0400	0.0400	0.0400	0.0540	0.0600	0.0600	0.0600	0.0750

¹ 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 December (amounts expressed in thousands)

Taxpayer	2007			1998		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Consolidated Diesel Co.	\$201,099	1	3.36%	\$247,866	1	6.20%
Hospira Inc.	138,164	2	2.31%			
Universal Leaf North America NC	105,609	3	1.76%			
Progress Energy	45,446	4	0.76%			
RBC Centura Bank, Inc.	33,501	5	0.56%	34,110	3	0.85%
Embarq	32,512	6	0.54%			
McLane Company, Inc.	29,775	7	0.50%	24,741	8	0.62%
Hendon Golden East LLC	23,989	8	0.40%	27,306	5	0.68%
Kaba Ilco-Unican Corporation	22,339	9	0.37%	24,944	7	0.62%
Fords Colony at Rocky Mount	19,319	10	0.32%			
Abbott Laboratories				68,729	2	1.72%
Allied Signal Aerospace				31,923	4	0.80%
Carolina Telephone				27,082	6	0.68%
Carolina Power & Light				22,988	9	0.58%
VT, Inc. - World Omni				13,068	10	0.33%
Totals	<u>\$651,753</u>		<u>10.88%</u>	<u>\$522,757</u>		<u>13.08%</u>

Source: County tax assessor

NASH COUNTY, NORTH CAROLINA

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

Fiscal Year Ended <u>June 30</u>	Total Tax Levy for <u>Fiscal Year</u>	Collected within the Fiscal Year of the Levy		Collections in <u>Subsequent Years</u>	Total Collections to Date	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
1999	\$26,399	\$25,451	97.47%	\$660	\$26,111	98.91%
2000	28,664	27,324	97.38%	735	28,059	97.89%
2001	29,404	28,198	96.43%	1,043	29,241	99.45%
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%

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 ¹	Per Capita ¹
	Installment Purchases	Installment Purchases			
1999	\$7,253	\$0	\$7,253	0.35%	\$82
2000	10,973	-	10,973	0.50%	123
2001	14,032	-	14,032	0.61%	161
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	na	263
2008	17,470	4,023	21,493	na	229

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

¹ 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)

This schedule does not apply to Nash County.

NASH COUNTY, NORTH CAROLINA

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2008
(amounts expressed in thousands)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes:			
City of Rocky Mount	\$ 3,660	78.20%	\$ 2,862
Town of Sharpsburg	1,827	86.03%	<u>1,572</u>
Subtotal, overlapping debt			4,434
Nash County direct debt			<u>-</u>
Total direct and overlapping debt			<u>\$ 4,434</u>

Source: North Carolina Department of State Treasurer 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.

¹ 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>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Debt limit	\$ 320,136	\$ 332,384	\$ 340,044	\$ 412,072	\$ 412,159	\$ 422,377	\$ 434,317	\$ 452,951	\$ 461,764	\$ 481,634
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 320,136</u>	<u>\$ 332,384</u>	<u>\$ 340,044</u>	<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>
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%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2008

Total assessed value	<u>\$6,020,427</u>
Debt Limit (8% of total assessed value)	\$ 481,634
Debt applicable to limit:	
General obligation bonds	\$ -
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>\$ -</u>
Legal debt margin	<u>\$ 481,634</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 ³	Unemployment Rate ⁴
1999	88,112	\$ 2,086,499	\$ 23,971	36.3	17,442	6.8
2000	89,064	2,215,735	25,255	36.5	17,473	4.5
2001	87,420	2,306,835	26,149	36.7	17,665	6.8
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	na	na	37.7	17,800	6.1
2008	93,820	na	na	37.9	17,773	8.1

Data Sources

¹ North Carolina State Demographics <http://demog.state.nc.us>

² Bureau of Economic Analysis: Regional Economic Accounts > Local Area Personal Income www.bea.gov

³ School District

⁴ Employment Security Commission of North Carolina 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	<u>2008</u>			<u>1999</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Nash-Rocky Mount Schools	2,276	1	5.43%	2,671	1	5.90%
Hospira Inc.	2,091	2	4.99%	-	-	-
Nash General Hospital	1,862	3	4.44%	1,500	4	3.32%
Consolidated Diesel	1,371	4	3.27%	1,611	3	3.56%
Universal Leaf North America NC	1,244	5	2.97%	-	-	-
City of Rocky Mount	1,235	6	2.94%	824	6	1.82%
RBC Bank	1,100	7	2.62%	950	5	2.10%
Nash County	722	8	1.72%	588	9	-
McLane Company, Inc.	530	9	1.26%	-	-	-
Kaba Ilco-Unican Corporation	500	10	1.19%	725	7	1.60%
Abbott Laboratories	-	-	-	1,800	2	3.98%
Texfi Blends	-	-	-	629	8	1.39%
CSX Transportation	-	-	-	550	10	1.22%
Total	12,931		30.83%	11,848		26.19%

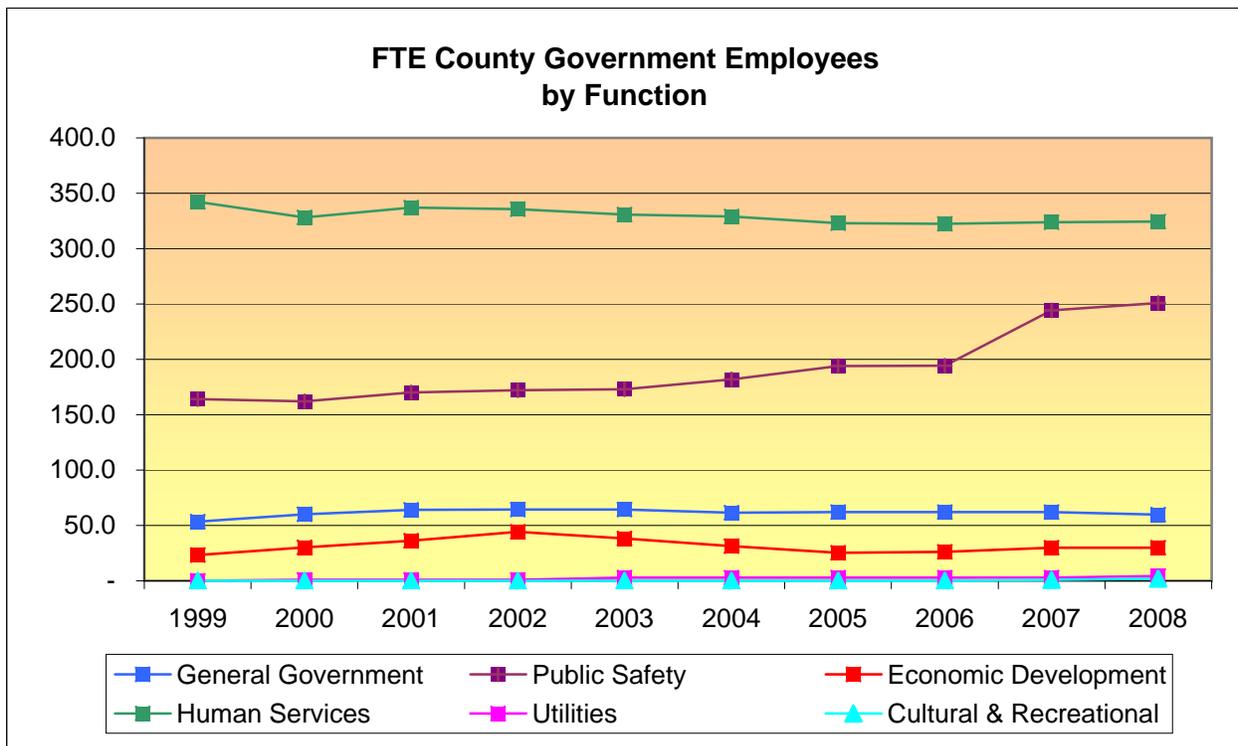
Source: Nash County business community.

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									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General government	53.5	60.0	64.0	64.5	64.5	61.5	62.1	62.1	62.1	59.7
Public safety										
Sheriff										
Deputies	63.0	61.0	62.0	62.0	62.0	68.0	68.0	68.0	68.0	76.0
Civilians	55.0	55.0	55.0	55.0	55.0	59.0	59.0	59.0	59.0	57.0
Emergency Services	42.0	42.0	43.0	50.0	51.0	51.0	62.0	62.3	112.3	113.0
Other Public Safety	4.0	4.0	10.0	5.0	5.0	4.0	5.0	5.0	5.0	5.0
Economic Development	23.3	30.3	36.3	44.3	38.3	31.3	25.3	26.2	29.8	29.9
Human Services										
Health	152.6	144.6	145.5	145.5	135.8	133.0	134.8	135.2	134.1	130.1
Social Services	165.0	158.0	166.0	162.0	161.0	162.0	160.5	159.5	163.0	163.0
Other Human Services	24.5	25.5	25.5	28.0	34.0	34.1	27.8	27.8	26.7	31.2
Utilities	-	1.0	1.0	1.0	3.0	3.0	3.0	3.0	3.0	4.4
Cultural & Recreational	-	-	-	-	-	-	-	-	1.0	2.0
Total	582.9	581.4	608.3	617.3	609.6	606.9	607.4	608.0	663.9	671.3

Source: Government finance office.



NASH COUNTY, NORTH CAROLINA

Operating Indicators by Function Last Ten Fiscal Years

Function	Fiscal Year									
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Public Safety										
Sheriff										
Physical arrests	7,197	7,501	7,202	7,560	6,548	5,967	6,210	6,164	6,061	6,284
Serving civil papers (evictions, executions, court)	18,502	17,469	19,290	19,913	19,099	19,523	18,809	18,690	19,216	18,966
Traffic violations/citations	384	463	694	530	482	326	292	271	827	1,742
Cases in review by investigations	2,103	1,908	1,780	1,868	1,785	1,894	1,913	2,228	1,894	1,892
Cases closed/cleared	1,133	1,147	1,004	1,038	1,009	1,177	1,078	1,553	1,206	1,353
Calls for service	10,025	11,391	11,511	12,165	12,029	12,353	12,980	13,600	12,226	12,787
Transports	1,704	1,542	1,451	1,397	1,496	1,584	1,561	1,753	1,488	1,475
Emergency Services										
Number incoming/outbound calls	-	-	252,963	254,264	254,651	251,287	237,012	213,148	na	na
Number of ambulance, fire, sheriff, DSS and Animal Control dispatches	-	-	-	43,098	42,986	42,806	46,350	48,324	47,421	54,538
Public education events	-	-	-	-	-	47	46	-	12	12
Fire										
Inspections	-	-	519	568	542	623	560	700	923	903
Number of fire investigations	-	-	39	31	41	32	27	25	29	27
Economic Development										
Permits issued (building, electrical, mechanical, plumbing, etc.)	2,037	1,763	1,576	1,127	1,070	957	1,778	1,998	2,135	2,085
New residential construction (units)	403	297	290	370	339	329	340	332	400	317
New commercial construction (units)	23	16	35	16	24	35	10	12	17	29
Building inspections performed	-	-	-	-	-	-	9,830	10,739	12,101	11,791
Solid Waste										
Refuse collected (tons/day)	70.5	247.9	145.6	175.2	101.5	90.9	63.3	88.4	76.8	78.7

NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Utilities										
Water										
Total water customers	-	-	-	259	303	368	381	386	663	896
Water mains breaks	-	-	-	-	1	-	-	1	-	-
Average daily consumption (thousands of gallons)	-	-	-	24	36	109	102	110	158	138
Sewer										
Total sewage customers	-	-	-	173	203	252	257	257	270	278
Average daily sewage treatment (thousands of gallons)	-	-	-	10	24	63	65	65	55	67

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									
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Public safety										
Sheriff:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	-	-	-	-	-	-	-	68	71	75
Water										
Water mains (miles)	-	-	-	12.0	12.3	15.1	15.1	16.0	39.6	39.6
Fire hydrants	-	-	-	165	168	184	184	186	186	186
Maximum daily capacity (thousands of gallons)	-	-	-	150	300	300	300	300	989	989
Sewer										
Sanitary sewers (miles)	-	-	-	7.1	7.7	10.3	10.3	10.3	10.3	10.3
Maximum daily treatment capacity (thousands of gallons)	-	-	-	150	300	300	300	300	300	300

Sources: Various county government departments.

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