

*Nash  
County  
North  
Carolina*

# *2010 Comprehensive Annual Financial Report*



*Fiscal Year Ended June 30, 2010*

## **About the Cover**

Rose Hill Conference Center, located near Nashville on Highway 58, is a picturesque countryside estate with an 18th-century Manor House and is listed on the National Register of Historic Places.

**NASH COUNTY  
NORTH CAROLINA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2010**

# *NASH COUNTY NORTH CAROLINA*

## *Board of County Commissioners*

*Robbie Davis, Chairman*

*Billy Morgan, Vice Chairman  
Fred Belfield, Jr.  
Wayne Outlaw*

*Lou M. Richardson  
Danny Tyson  
Mary Wells*

## *Comprehensive Annual Financial Report*

*For the Year Ended June 30, 2010*

*Prepared by:  
Nash County Finance Department*

## *County Officials*

*County Manager  
Assistant County Manager  
Finance Officer*

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

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

NASH COUNTY, NORTH CAROLINA

TABLE OF CONTENTS  
Year Ended June 30, 2010

---

<u>Exhibit</u>		<u>Page (s)</u>
<b>INTRODUCTORY SECTION</b>		
	<b>Letter of Transmittal</b> .....	i–vii
	<b>GFOA Certificate of Achievement</b> .....	viii
	<b>Organizational Chart</b> .....	ix
<b>FINANCIAL SECTION</b>		
<b>INDEPENDENT AUDITOR’S REPORT</b> .....		
		1-2
<b>MANAGEMENT’S DISCUSSION AND ANALYSIS</b> .....		
		3-14
<b>BASIC FINANCIAL STATEMENTS</b>		
<b>Government-wide Financial Statements:</b>		
A	Statement of Net Assets .....	15
B	Statement of Activities.....	16-17
<b>Fund Financial Statements:</b>		
C	Balance Sheet – Governmental Funds .....	18
D	Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	19
E	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities.....	20
F	Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund .....	21
G	Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – 2010 Capital Projects – Major Capital Project Fund.....	22
H	Statement of Net Assets – Proprietary Funds .....	23
I	Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds.....	24
J	Statement of Cash Flows – Proprietary Funds.....	25
K	Statement of Fiduciary Net Assets – Fiduciary Funds.....	26

NASH COUNTY, NORTH CAROLINA

TABLE OF CONTENTS  
Year Ended June 30, 2010

---

<u>Exhibit</u>		<u>Page(s)</u>
L	Combining Statement of Net Assets – All Discretely Presented Component Units .....	27
M	Combining Statement of Activities – All Discretely Presented Component Units .....	28-29
	Notes to the Financial Statements .....	30-63
<b><u>Schedule</u></b>		
<b>REQUIRED SUPPLEMENTAL FINANCIAL DATA</b>		
A-1	Law Enforcement Officers’ Special Separation Allowance – Required Supplementary Information .....	64
A-2	Other Post-Employment Benefits – Retiree Health Plan – Required Supplementary Information.....	65
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</b>		
<i>GENERAL FUND</i>		
B-1	Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual .....	66-80
<i>NONMAJOR GOVERNMENT FUNDS</i>		
C-1	Combining Balance Sheet .....	81
C-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	82
<i>NONMAJOR SPECIAL REVENUE FUNDS</i>		
D-1	Combining Balance Sheet.....	83-84
D-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	85-86
D-3	<i>Rural Operating Assistance Program</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	87
D-4	<i>Fire Districts Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual .....	88
D-5	<i>Economic Development Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	89
D-6	<i>Revaluation Fund</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual .....	90

NASH COUNTY, NORTH CAROLINA

TABLE OF CONTENTS  
Year Ended June 30, 2010

---

D-7	<i>E911 Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	91
D-8	<i>Controlled Substance Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	92
D-9	<i>Federal Asset Forfeiture Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	93
D-10	<i>Capital Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	94
D-11	<i>Stormwater Maintenance Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	95
D-12	<i>Tourism Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual .....</i>	96
D-13	<i>Grant Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual .....</i>	97-98
D-14	<i>Homeland Security - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual .....</i>	99
D-15	<i>CDBG Scattered Site Housing - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	100
D-16	<i>Single Family Rehabilitation - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	101
D-17	<i>CDBG Infrastructure Hookup Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	102
D-18	<i>2009 Urgent Repair Program - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	103
D-19	<i>Stream Restoration - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual .....</i>	104
D-20	<i>American Recovery &amp; Reinvestment (ARRA) Fund – Schedule of Revenues Expenditures, and Changes in Fund Balance, Budget and Actual.....</i>	105

NASH COUNTY, NORTH CAROLINA

TABLE OF CONTENTS  
Year Ended June 30, 2010

---

<u>Schedule</u>		<u>Page (s)</u>
	<i>NONMAJOR CAPITAL PROJECT FUNDS</i>	
E-1	Combining Balance Sheet.....	106-107
E-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	108-109
E-3	<i>Court Facilities Project</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	110
E-4	<i>Community College Tech Building</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	111
E-5	<i>Gateway Technology Center</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	112
E-6	<i>School Capital Project</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	113
E-7	<i>Middlesex Industrial Park</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	114
E-8	<i>Farmer’s Market Expansion</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	115
E-9	<i>Middlesex Elementary School Project</i> - Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual.....	116
	<i>ENTERPRISE FUNDS</i>	
F-1	<i>Utilities Fund</i> - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP).....	117-118
F-2	<i>Highway 58 Emergency Water Line</i> - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) .....	119
F-3	<i>Sepro Grant Project</i> - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) .....	120
F-4	<i>Rural Center Grants Fund</i> - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) .....	121
F-5	<i>Castalia Water System Project</i> - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) .....	122
F-6	<i>Central Nash Water and Sewer District</i> - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) .....	123-124

NASH COUNTY, NORTH CAROLINA

TABLE OF CONTENTS  
Year Ended June 30, 2010

---

<u>Schedule</u>		<u>Page (s)</u>
	<i>INTERNAL SERVICE FUNDS</i>	
G-1	Combining Statement of Net Assets .....	125
G-2	Combining Statement of Revenues, Expenses, and Changes in Net Assets .....	126
G-3	Combining Statement of Cash Flows .....	127
G-4	Employee Health Care Benefits – Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP) .....	128
G-5	Workers’ Compensation Benefits – Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP) .....	129
	<i>AGENCY FUNDS</i>	
H-1	Combining Statement of Changes in Assets and Liabilities .....	130
	<b>SUPPLEMENTAL FINANCIAL DATA</b>	
I-1	Schedule of Ad Valorem Taxes Receivable .....	131
I-2	Analysis of Current Tax Levy.....	132
	<b>STATISTICAL SCHEDULES (UNAUDITED)</b>	
	Net Assets by Component, Last Eight Fiscal Years .....	133
	Changes in Net Assets, Last Eight Fiscal Years .....	134-135
	Governmental Activities Tax Revenues By Source, Last Ten Fiscal Years .....	136
	Fund Balances of Governmental Funds, Last Ten Fiscal Years .....	137
	Changes in Fund Balances of Governmental Funds, Last Eight Fiscal Years .....	138
	General Government Tax Revenues By Source, Last Ten Fiscal Years.....	139
	Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years.....	140
	Property Tax Rates, Direct and Overlapping Governments, Last Ten Fiscal Years.....	141
	Principal Property Taxpayers.....	142
	Property Tax Levies and Collections, Last Ten Fiscal Years .....	143

**NASH COUNTY, NORTH CAROLINA**

**TABLE OF CONTENTS**  
**Year Ended June 30, 2010**

---

	<b><u>Page (s)</u></b>
Ratio of Outstanding Debt By Type, Last Ten Fiscal Years.....	144
Ratio of General Bonded Debt Outstanding, Last Ten Fiscal Years .....	145
Direct and Overlapping Governmental Activities Debt.....	146
Legal Debt Margin Information, Last Ten Fiscal Years .....	147
Pledged-Revenue Coverage, Last Ten Fiscal Years .....	148
Demographic and Economic Statistics, Last Ten Fiscal Years.....	149
Principal Employers, Current Year and Nine Years Ago .....	150
Full-Time Equivalent County Government Employees by Function, Last Ten Fiscal Years.....	151
Operating Indicators by Function, Last Ten Fiscal Years.....	152-153
Capital Asset Statistics By Function, Last Ten Fiscal Years.....	154

## ***INTRODUCTORY SECTION***

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

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)



# NASH COUNTY

NASHVILLE, NORTH CAROLINA 27856

ROBBIE DAVIS, CHRM.  
BOARD OF COMMISSIONERS

ROBERT M. MURPHY  
COUNTY MANAGER

VINCE DURHAM  
ATTORNEY

WAYNE MOORE  
CLERK TO BOARD

October 31, 2010

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, 2010, 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, 2010. 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.

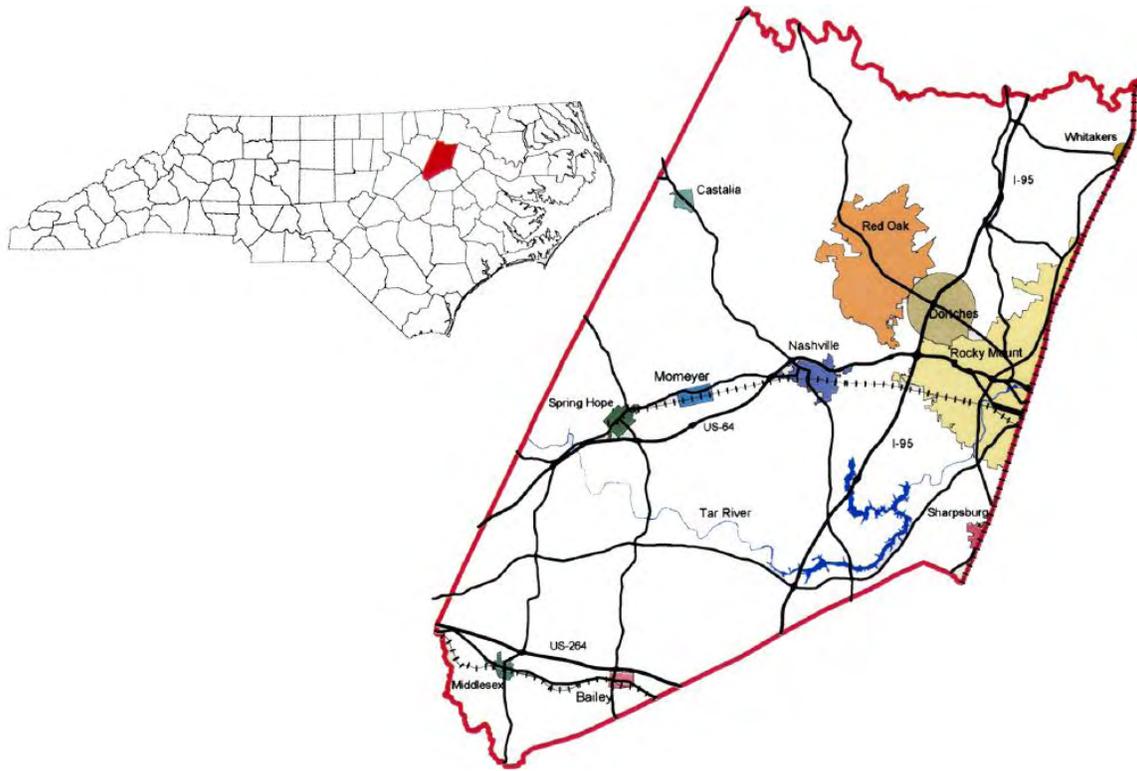
Nash County's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Nash County for the fiscal year ended June 30, 2010, 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, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

## **Profile of the Government**

Nash County was established in 1777 from the western part of Edgecombe County. Nash County could be classified as either a northern coastal plain county or a far eastern piedmont county. Falling midway between New York and Florida, Nash County occupies a total area of 542.71 square miles with a land area of 540.33 square miles. Nash County serves a population of 97,030 according to estimates based on the 2000 Census. The County is positioned as a major gateway between the Coastal Plain and Piedmont regions of North Carolina. Within 30 miles of the state capital of Raleigh, Nash County is within an hour's drive of the world-famous Research Triangle Park. Eleven municipalities are located within the County, the largest being the City of Rocky Mount. Nashville is the second largest municipality in population and serves as the county seat. Nash County is empowered to levy a property tax on both real and personal properties located within its boundaries.



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

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

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

### **Factors Affecting Financial Condition**

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

**Local economy.** The local economy of Nash County is well diversified with manufacturing, retail trade, health care and social assistance, and accommodations & food services comprising the largest sectors of employment at 18.3%, 12.9%, 9.3% and 8.9% respectively. Nash County felt the impact of the national recession powerfully as unemployment jumped in 2009 to its highest rate in years at 13.1%. The unemployment rate had dropped almost 1% to 12.2% as of June 30, 2010. Employment levels are at approximately 40,754 persons which are about 200 less than previous year. This shift in employment is partly due to the closing of 8 businesses affecting over 100 positions including 50 with Stein Mart and 44 with Lonestar Steakhouse and Saloon. Layoffs also influenced our employment with over 190 positions being affected most from Cummins Rocky Mount with 170 layoffs. Major manufacturing concerns include Cummins Rocky Mount, a diesel engine manufacturer, Universal Leaf North America NC, a tobacco processing plant, Hospira Inc., a pharmaceutical manufacturer and Ilco Unican Corporation, a security lock manufacturer.

Nash County's diverse and progressive agricultural industry contributes to its economic stability. One third of Nash County's total land area, or 85,000 acres, is cropland and pastures. The 2009 estimated total cash receipts for Nash County farms was \$199 million, which ranks Nash ninth among all counties in North Carolina. Nash County farmers ranked second in the state for county production of sweet potatoes and chickens (excluding broilers), and fifth in the state for flue-cured tobacco. Other major commodities include broilers, hogs, beef cattle, fruits & vegetables, soybeans, cotton and nursery crops.

Despite the impact of the economic downturn in 2009-10, Nash County did see development in the industry sector including the addition of two new companies to the County. Digital Repair, LLC, specializing in telecommunications test set repair service, opened a headquarters and repair facility in Rocky Mount investing nearly \$400,000 and creating 40 new jobs over the next three years. Future Graphics, Inc., a commercial printing company specializing in high-impact advertising and direct mail printing, is relocating to the former Fawn Plastics facility in Middlesex. Future Graphics plans to invest approximately \$3 million and bring in 42 new jobs and will create an additional 8 jobs with an average annual salary of \$31,824. Nash County also saw expansion in an existing business. Metal Craft, Inc., a full service industrial contractor providing general contracting and plant maintenance services, plans to expand by moving into the 35,000 square foot former Lee Tractor building on S. Church Street in Rocky Mount. The company plans to invest nearly \$700,000, retain 11 existing jobs and create 40 new jobs.

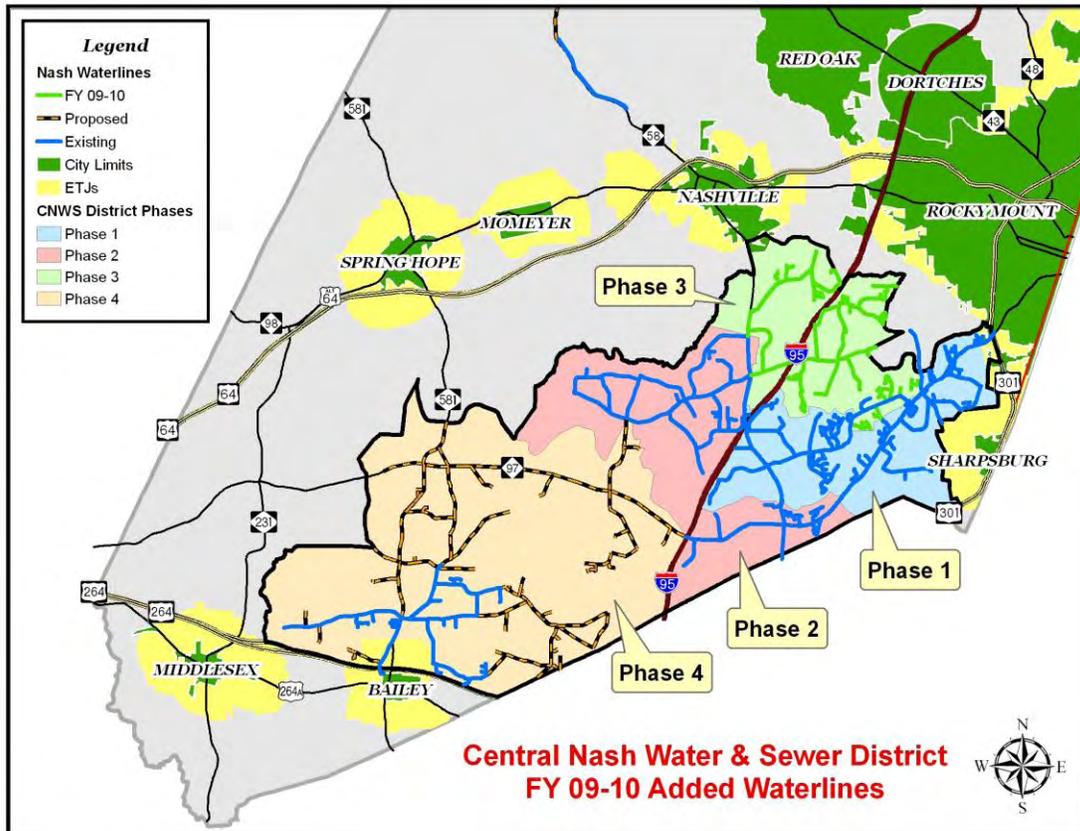
### **Long-term financial planning.**

**Middlesex Corporate Park:** The road and water improvements for the Middlesex Corporate Center are complete and site planning work is underway to market the 300+ acre industrial park. Nash Health Care Systems, the first tenant at the park, has designed Phase 1 of a medical campus which is scheduled for construction in early spring 2011 to open in fall of 2011.

**Parks and Recreation:** The Towns of Bailey, Middlesex and Castalia have all completed the land acquisition portion of their park projects. Bailey and Middlesex are scheduled to complete Phase 1 by November 2012. Castalia will begin working towards a second PARTF Grant in 2011 to assist with the construction and development of the neighborhood park. The athletic and non-athletic programs participation numbers continue to increase. We continue to develop the non-athletic programs through joint efforts with the Aging Department, Nash Arts Council and the Cooperative Extension. Programs such as Self Defense are also growing in participation. Nash County Parks & Recreation is making efforts to attend the local festivals and parades to further market our programs, events and activities. We are dependent on the Nash Rocky Mount Schools for facilities for all of our athletic programs. Without the use of these facilities, we could not provide the services for our youth.

**Future Capital Projects:** Included in long range planning is the purchase of land and construction at Nash Community College. Design services have been secured at \$400,000. The County also has plans for expansion of Law Enforcement facilities as well as additional courtroom space in downtown Nashville.

**Water and Sewer Districts:** The Central Nash Water & Sewer District was formed in 2007 for the purpose of extending water and sewer lines to rural parts of the county in an effort to address poor water quality, public health, economic development potential, and fire protection along major roadways. The general intent was to improve the quality of life for citizens in these areas. The map below illustrates the four phases and the location of water lines constructed during 2009-10 (green) along with existing water lines (blue) and proposed water lines (dashed). Phases 1, 2, and 3 are now complete with the exception of a few additional roads added to the projects. Phase 4 is currently under design and should be under construction by the end of this fiscal year and completed by the end of FY 2011-12. This District will extend lines along additional roads in this area where economically feasible, based on funds available, and customer signups. The County currently serves approximately 1,864 rural customers along more than 180 miles of roads.



## **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, 2009. This makes the nineteenth 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 for Fiscal Year 2009-10. This marked the fourth fiscal year the County received this companion award.

## **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, 2009

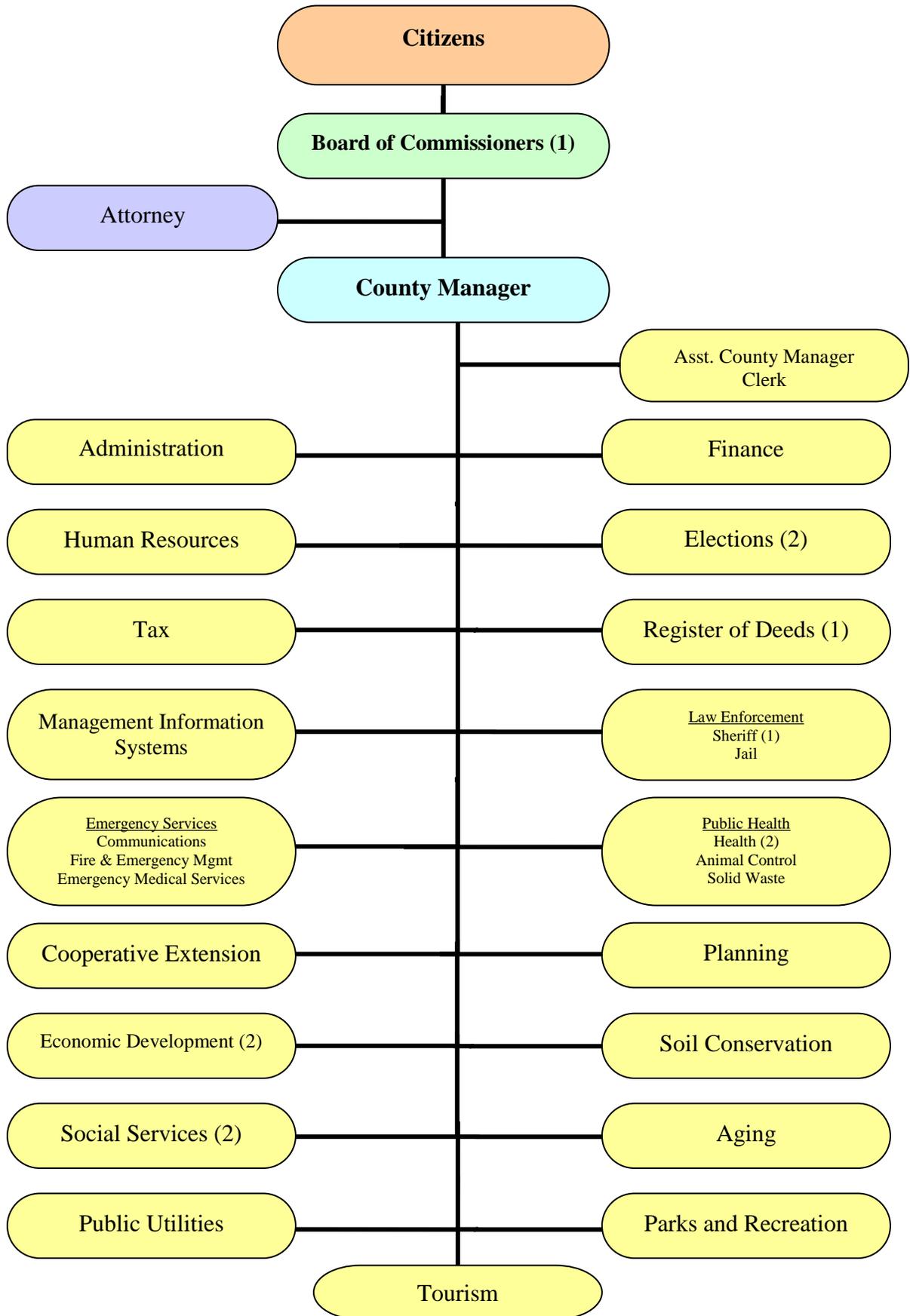
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

# Nash County Organizational Chart



Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

## ***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

(This page intentionally left blank)

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

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

## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Nash County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina as of and for the year then ended June 30, 2010, 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 Health Care Systems and Subsidiaries or the Nash County ABC Board which represents 99 percent of the assets, 99 percent of the net assets, and 99 percent of the revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Nash Health Care Systems and Subsidiaries and the Nash County ABC Board, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. The financial statements of 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 reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based upon our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2010, 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 31, 2010 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, the Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions, and the Other Post-Employment Benefit Schedules 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 section, combined and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budget and actual schedules, and other supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is 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 31, 2010

## **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, 2010. 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**

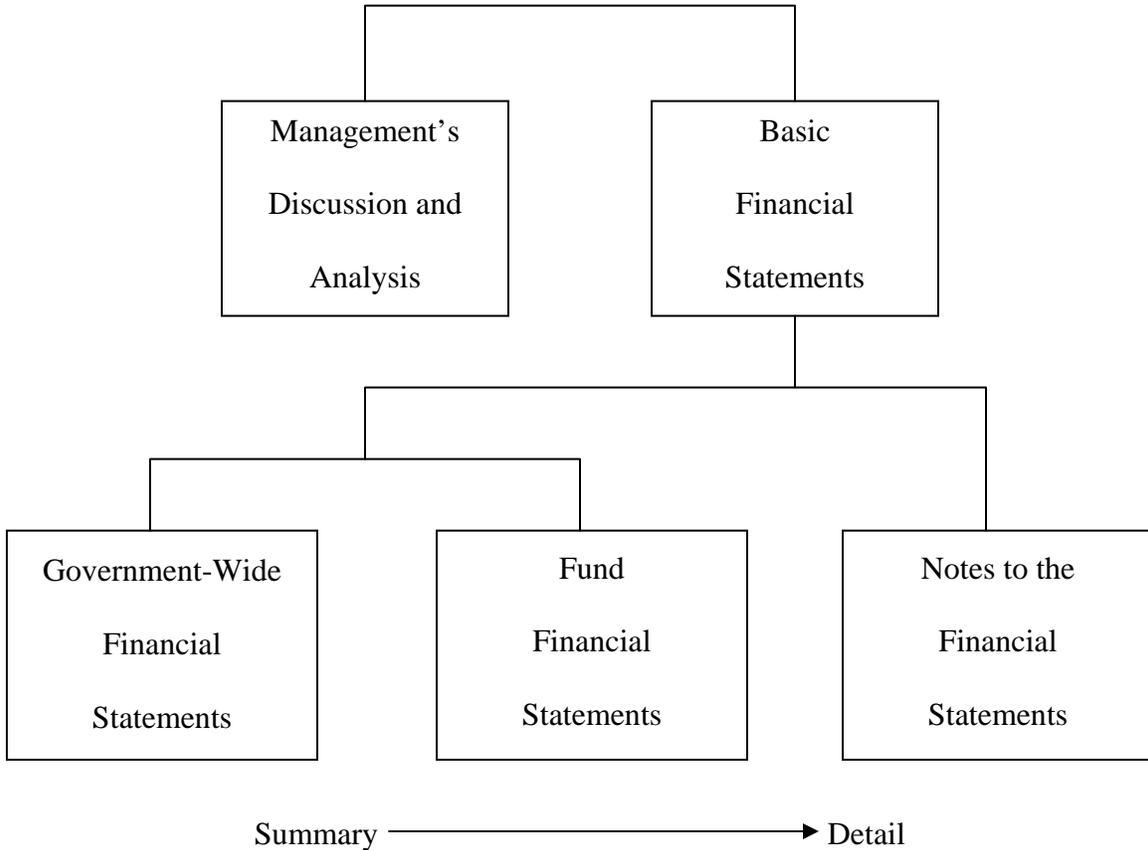
- The assets of Nash County exceeded its liabilities at the close of the fiscal year by \$86,320,162. Of this amount, \$32,160,548 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$3,728,280, primarily due to an increase in capital assets.
- As of the close of the current fiscal year, Nash County's governmental funds reported combined ending fund balances of \$70,598,958, an increase of \$36,820,773 due to the proceeds of a bond issue. Approximately 38.3% of this total amount, or \$27,008,065, 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 \$20,458,475, or 23.7% of total General Fund expenditures for the fiscal year.
- The tax rate was unchanged at 67 cents per \$100 valuation.
- Nash County's total debt increased by \$35,045,620 or 147.2% during the current fiscal year. The key factor of this increase is the issuance of Limited Obligation Bonds on March 25, 2010 to finance construction and renovation of school facilities, storage building, and EMS building.
- Nash County's rating was upgraded by Standard & Poor's to AA- from A+ and remained at A1 by Moody's.

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

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

# Required Components of Annual Financial Report

Figure 1



## Basic Financial Statements

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

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

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

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

## Government-Wide Financial Statements

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

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

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's and the discretely presented component units' basic services such as general government, public safety, environmental protection, transportation, economic and physical development, human services, cultural, and education. Property taxes, sales taxes and 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 and other post-employment benefits to its employees. This information can be found in the Required Supplementary Information section of this report.

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

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of Nash County exceeded liabilities by \$86,320,162 as of June 30, 2010. The County's net assets increased by \$3,728,280 for the fiscal year ended June 30, 2010. One of the largest portions \$32,160,548 or 37.3% reflects the County's unrestricted assets, which is primarily comprised of Bond proceeds from issuance of Limited Obligation Bonds.

Nash County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Nash County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. A small portion of Nash County's net assets (0.82%) represents resources that are subject to external restrictions on how they may be used. Restricted net assets increased slightly. The remaining balance of \$53,454,081 reflects the County's investment in capital assets, net of related debt (e.g. land, buildings, vehicles, equipment, infrastructure, and construction in progress).

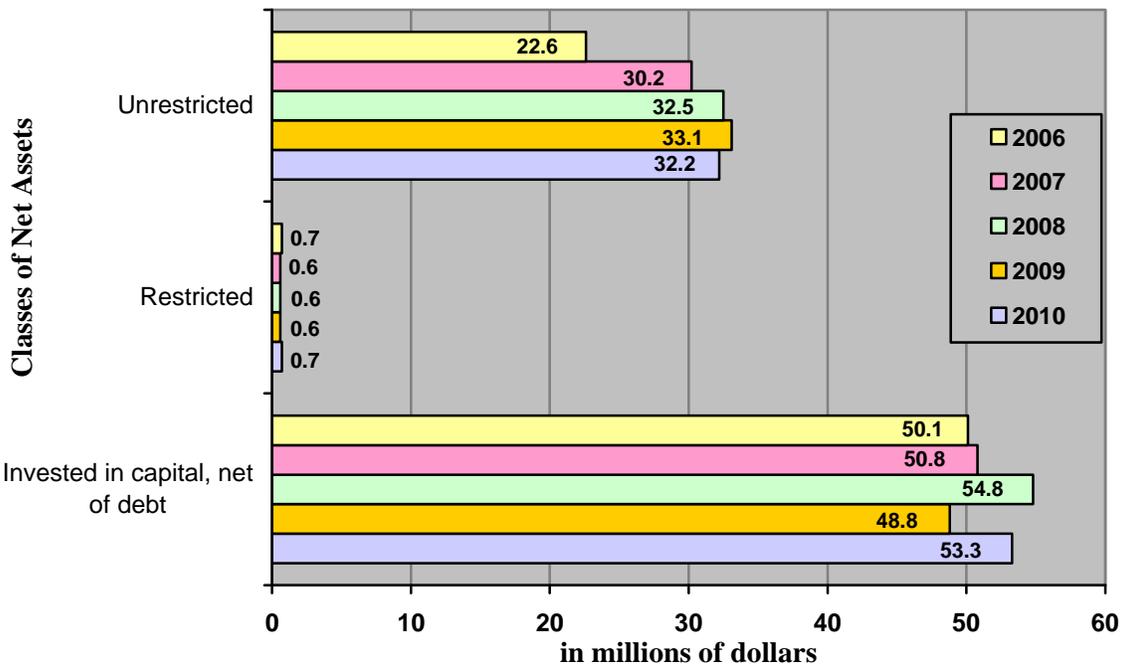
## Nash County's Net Assets

**Figure 2**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<b>Assets:</b>						
Current and other assets	\$ 79,535,187	\$ 41,992,233	\$ 7,264,915	\$ 8,837,727	\$ 86,800,102	\$ 50,829,960
Capital assets	45,698,752	43,467,849	24,005,501	21,008,685	69,704,253	64,476,534
Total assets	<u>125,233,939</u>	<u>85,460,082</u>	<u>31,270,416</u>	<u>29,846,412</u>	<u>156,504,355</u>	<u>115,306,494</u>
<b>Liabilities:</b>						
Long-term liabilities outstanding	51,976,820	14,762,109	10,314,589	10,571,515	62,291,409	25,333,624
Other liabilities	6,954,789	6,626,775	937,995	754,213	7,892,784	7,380,988
Total liabilities	<u>58,931,609</u>	<u>21,388,884</u>	<u>11,252,584</u>	<u>11,325,728</u>	<u>70,184,193</u>	<u>32,714,612</u>
<b>Net Assets:</b>						
Invested in capital assets, net of related debt	38,099,580	36,777,766	15,354,501	12,052,185	53,454,081	48,829,951
Restricted	705,533	647,053	-	-	705,533	647,053
Unrestricted	<u>27,497,217</u>	<u>26,646,379</u>	<u>4,663,331</u>	<u>6,468,499</u>	<u>32,160,548</u>	<u>33,114,878</u>
Total net assets	<u>\$ 66,302,330</u>	<u>\$ 64,071,198</u>	<u>\$ 20,017,832</u>	<u>\$ 18,520,684</u>	<u>\$ 86,320,162</u>	<u>\$ 82,591,882</u>

## Primary Government Net Assets

**5-Year Comparison**



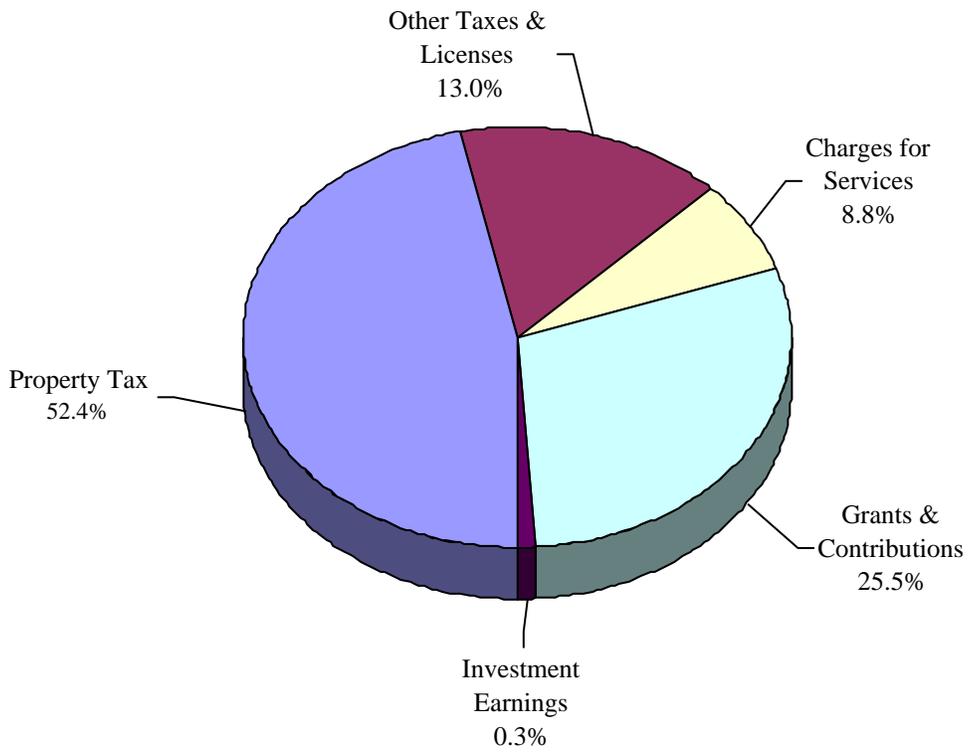
## Nash County Changes in Net Assets

### Figure 3

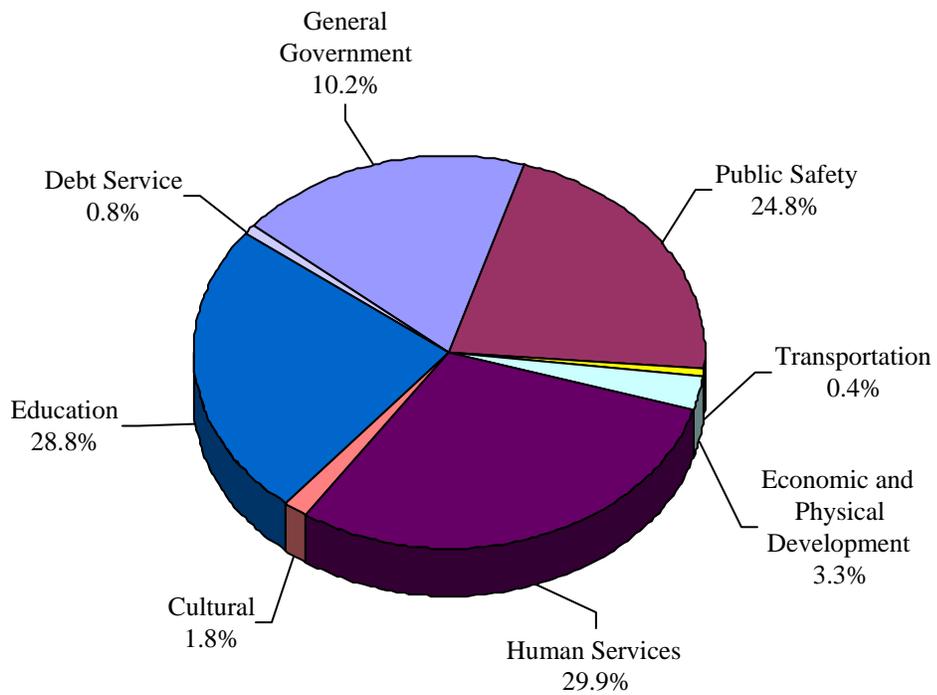
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 8,192,065	\$ 6,840,062	\$ 3,153,061	\$ 3,116,787	\$ 11,345,126	\$ 9,956,849
Operating grants and contributions	22,777,745	21,431,753	-	-	22,777,745	21,431,753
Capital grants and contributions	856,340	5,606,930	2,587,417	1,127,333	3,443,757	6,734,263
General revenues:						
Property taxes	48,475,820	43,224,333	-	-	48,475,820	43,224,333
Other taxes	12,008,172	14,621,813	-	-	12,008,172	14,621,813
Other	280,286	909,487	80,635	265,565	360,921	1,175,052
Total revenues	<u>92,590,428</u>	<u>92,634,378</u>	<u>5,821,113</u>	<u>4,509,685</u>	<u>98,411,541</u>	<u>97,144,063</u>
<b>Expenses:</b>						
General government	9,249,316	18,239,609	-	-	9,249,316	18,239,609
Public safety	22,425,802	21,374,125	-	-	22,425,802	21,374,125
Transportation	411,366	356,335	-	-	411,366	356,335
Economic and physical development	2,936,005	2,889,007	-	-	2,936,005	2,889,007
Human services	27,003,861	28,932,723	-	-	27,003,861	28,932,723
Cultural	1,583,435	1,669,186	-	-	1,583,435	1,669,186
Education	26,041,860	23,720,590	-	-	26,041,860	23,720,590
Debt service - interest	707,651	828,774	-	-	707,651	828,774
Water and sewer	-	-	1,987,598	1,537,671	1,987,598	1,537,671
Sold waste disposal	-	-	2,336,367	2,943,779	2,336,367	2,943,779
Total expenses	<u>90,359,296</u>	<u>98,010,349</u>	<u>4,323,965</u>	<u>4,481,450</u>	<u>94,683,261</u>	<u>102,491,799</u>
Increase (decrease) in net assets	2,231,132	(5,375,971)	1,497,148	28,235	3,728,280	(5,347,736)
<b>Net Assets:</b>						
Beginning of year, July 1	<u>64,071,198</u>	<u>69,447,169</u>	<u>18,520,684</u>	<u>18,492,449</u>	<u>82,591,882</u>	<u>87,939,618</u>
End of year, June 30	<u>\$ 66,302,330</u>	<u>\$ 64,071,198</u>	<u>\$ 20,017,832</u>	<u>\$ 18,520,684</u>	<u>\$ 86,320,162</u>	<u>\$ 82,591,882</u>

**Governmental Activities.** Governmental activities increased the County's net assets for fiscal year 2010 by \$2,231,132. The key element of this increase is capital assets placed in service.

**Governmental Activities Revenue Sources  
For Fiscal Year 2010**

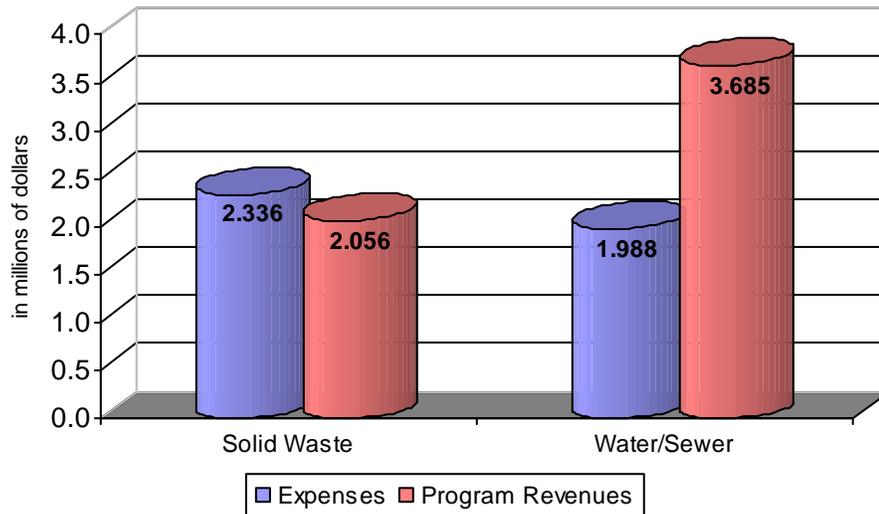


**Governmental Activities Functional Expenses  
For Fiscal Year 2010**



**Business-Type Activities.** Business-type activities reflect an increase in Nash County’s net assets of \$1,497,148. Included is the ongoing expansion of Central Nash Water & Sewer District and new grants awarded to cover some of the capital expenses.

**Business-Type Activities  
2009-10 Expenses and Program Revenues**



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

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

**Governmental Funds.** The focus of Nash County’s governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Nash County’s financing requirements. Specifically, 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 \$23,168,945 while total fund balance was \$30,410,595. 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 26.9%, up from 25.1% in prior year, of total General Fund expenditures, while total fund balance represents 35.3% of that same amount. Unreserved fund balance increased \$1,904,412 from the prior year. This increase is primarily due to increased lease payment from Nash Health Care and final roll-off of Medicaid expenditures.

At June 30, 2010, the governmental funds of Nash County reported a combined fund balance of \$70,598,958, a 109% or \$36,820,773 increase from last year. This increase reflects the bond proceeds from the 2010 Limited Obligation Bonds and escrowed funds for Middlesex School borrowing.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$2,102,439 or 2.5% due primarily to increases in restricted inter-governmental revenues.

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

- \$691,332 in General Government for land and building purchases and building improvements in the jail
- \$2,137,012 in Economic Development for purchase of Shell Building V and Middlesex Corporate Park property
- \$1,341,877 in Human Services due primarily to increased funding for H1N1 and assistance payments
- \$1,182,686 in Education for land purchase for Community College

On Schedule F, certain variances between the Final Budget and Actual amounts occurred. In revenues, Other Taxes and Licenses came in under budget by \$1,331,302 due to less than anticipated sales tax. Miscellaneous Revenue was over budget by \$1,335,796 due to a large lease payment from Nash General Hospital. Sales and Services was over budget because of a greater than expected ambulance cost settlement. On the expenditure side, General Government was under budget by \$1,933,689 as a result of Jail and other building improvements not paid for by year end, a major portion of which was re-appropriated in the next year. Human Services was under budget due to Public Health and Social Services program allocations not being fully utilized.

**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 \$6,625,472 and those for Central Nash Water and Sewer District were \$(1,962,141). The total growth in net assets for both major funds was \$1,497,148 combined. The Utilities Fund includes operation of the Water/Sewer and Solid Waste Disposal Divisions. Other factors concerning the finances of this fund are addressed in Nash County's business-type activities later in this discussion.

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

**Capital Assets.** Nash County's investment of capital assets for its governmental and business-type activities as of June 30, 2010, totals \$69,704,253 (net of accumulated depreciation). These assets include buildings, land, vehicles, equipment, and construction in progress. The total increase was \$5,227,719, a 14% increase in business-type activities and a 5% increase in governmental activities.

Major capital asset events during the year include:

- Construction of Phase III water lines for Central Nash Water & Sewer District; construction in progress at year-end had reached \$11,533,631
- Purchase of Shell Building V for \$1,777,141
- Purchase former Nashville Town Hall building for \$285,502
- Completed Jail renovations totaling \$319,891

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

**Figure 4**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land and improvements	\$ 7,325,521	\$ 6,860,192	\$ 1,067,703	\$ 1,153,623	\$ 8,393,224	\$ 8,013,815
Buildings	29,431,793	27,746,398	15,219	18,260	29,447,012	27,764,658
Infrastructure	465,141	479,307	11,255,636	10,783,205	11,720,777	11,262,512
Furniture and equipment	3,314,742	3,209,300	103,912	114,604	3,418,654	3,323,904
Vehicles	1,347,203	1,404,984	29,400	40,534	1,376,603	1,445,518
Construction in progress	3,814,352	3,767,668	11,533,631	8,898,459	15,347,983	12,666,127
Total	<u>\$ 45,698,752</u>	<u>\$ 43,467,849</u>	<u>\$ 24,005,501</u>	<u>\$ 21,008,685</u>	<u>\$ 69,704,253</u>	<u>\$ 64,476,534</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, 2010, Nash County had total debt outstanding of \$58,852,835. Of this amount, \$5,239,000 represents bonds secured by specified revenue sources. Total debt increased \$35,045,620 (147.2%) during the current fiscal year, due to \$28,355,000 in Limited Obligation Bonds issued March 25, 2010.

**Nash County's Outstanding Debt**

**Figure 5**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Installment purchase contracts	\$ 20,852,435	\$ 14,850,715	\$ 3,412,000	\$ 3,717,500	\$ 24,264,435	\$ 18,568,215
Water Bonds	-	-	5,239,000	5,239,000	5,239,000	5,239,000
Limited Obligation Bonds	28,355,000	-	-	-	28,355,000	-
Discount on bond issuance	994,400	-	-	-	994,400	-
Total debt	<u>\$ 50,201,835</u>	<u>\$ 14,850,715</u>	<u>\$ 8,651,000</u>	<u>\$ 8,956,500</u>	<u>\$ 58,852,835</u>	<u>\$ 23,807,215</u>

Nash County's credit rating was upgraded by Standard & Poor's to AA- due to continued diversification of local economy and county's history of strong financial operations. Moody's rating remained at A1.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Nash County is \$546,867,000 for 2010. The County has no general obligation bonds authorized or issued at June 30, 2010. Water bonds were issued by the Central Nash Water & Sewer District in May 2009.

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

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

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

- The June 2010 unemployment rate for Nash County is 12.2% showing a decrease of 0.9% over prior year. Nash County is above the State average unemployment rate of 10.2% which also decreased 1% from prior year rate of 11.2%.
- Despite the economic downturn, two companies did locate in Nash County with prospect of 82 new jobs over the next three years, and one company expanded creating 40 new jobs.
- Over 100 local jobs were cut due to closings and over 190 layoffs occurred during 2009-10 due to the effects of global recession locally.
- The ad valorem tax rate remained \$0.67 per \$100 property valuation.
- As the economy shows signs of improvement, the County is experiencing a growing number of construction related projects. This growth reflects a 3% increase in new home construction from 165 to 170 between fiscal years 2008-09 and 2009-10. The increases have positively affected permit revenues by as much as 11.5%.

All of these factors were considered in preparing Nash County's budget for the 2011 fiscal year.

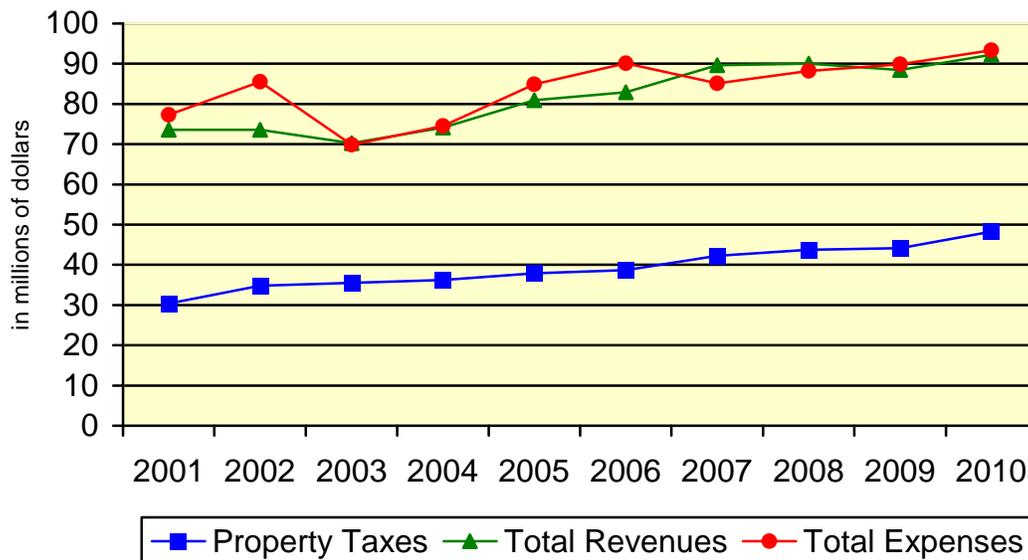
### Budget Highlights for the Fiscal Year Ending June 30, 2011

**Governmental Activities.** Nash County has appropriated \$1,410,470 of unreserved General Fund balance in the 2011 fiscal year budget. Overall revenues are expected to decline 5.3%. Effects of the stalled economy are impacting revenues in all areas but will hopefully stabilize in the next year.

Budgeted expenditures in the General Fund are expected to decline approximately 8% to \$84,785,091 primarily due to prior year capital costs which were one-time expenditures and reduction in state-funded programs for Health and Social Services.

### Governmental Activities

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



**Business-Type Activities.** The Water/Sewer rate schedule was adjusted up as a result of the previous year's 12% increase in water purchase and sewer treatment costs by the City of Rocky Mount. Rates for landfill services remain at \$48 per ton, rural household fees, which support Convenience Center operations, remain at \$96 per household for those households without private trash collection and those households with private collection were raised to \$60 per household.

### **Requests for Information**

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

***BASIC FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

***GOVERNMENT- WIDE FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
JUNE 30, 2010

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>	<u>Discretely Presented Component Units</u>	<u>Total Reporting Unit</u>
<b>Assets:</b>					
Cash and cash equivalents	\$ 12,347,175	\$ 6,307,445	\$ 18,654,620	\$ 107,115,573	\$ 125,770,193
Investments	21,465,892	-	21,465,892	-	21,465,892
Receivables:					
Taxes receivable, net	3,561,633	-	3,561,633	29,762,713	33,324,346
Accounts receivable, net	5,871,677	324,392	6,196,069	642	6,196,711
Notes receivable	-	343,892	343,892	-	343,892
Prepaid items and other assets	13,158	-	13,158	10,551,176	10,564,334
Inventories	-	-	-	4,824,606	4,824,606
Cash and cash equivalents - restricted	36,275,652	289,186	36,564,838	64,638,172	101,203,010
Capital assets:					
Non-depreciable capital assets	10,962,796	11,553,738	22,516,534	6,235,124	28,751,658
Other capital assets, net of depreciation	<u>34,735,956</u>	<u>12,451,763</u>	<u>47,187,719</u>	<u>105,895,107</u>	<u>153,082,826</u>
Total assets	<u>125,233,939</u>	<u>31,270,416</u>	<u>156,504,355</u>	<u>329,023,113</u>	<u>485,527,468</u>
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	2,617,251	510,177	3,127,428	30,959,790	34,087,218
Distribution payable	-	-	-	25,115	25,115
Unearned revenue	36,765	-	36,765	-	36,765
Current portion of accrued landfill post-closure costs	-	25,000	25,000	-	25,000
Current portion of compensated absences	1,757,876	37,318	1,795,194	-	1,795,194
Current portion of long-term debt	2,542,897	365,500	2,908,397	1,614,887	4,523,284
Long-term liabilities:					
Accrued landfill post-closure costs	-	1,913,248	1,913,248	-	1,913,248
Non-current portion of long-term debt	47,658,938	8,285,500	55,944,438	50,011,307	105,955,745
OPEB liability	3,654,717	113,032	3,767,749	-	3,767,749
Unfunded pension obligation	530,852	-	530,852	-	530,852
Non-current portion of compensated absences	<u>132,313</u>	<u>2,809</u>	<u>135,122</u>	<u>-</u>	<u>135,122</u>
Total liabilities	<u>58,931,609</u>	<u>11,252,584</u>	<u>70,184,193</u>	<u>82,611,099</u>	<u>152,795,292</u>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	38,099,580	15,354,501	53,454,081	61,387,207	114,841,288
Restricted for:					
General government:					
Human services	705,533	-	705,533	-	705,533
Working capital	-	-	-	248,053	248,053
Unrestricted	<u>27,497,217</u>	<u>4,663,331</u>	<u>32,160,548</u>	<u>184,776,754</u>	<u>216,937,302</u>
Total net assets	<u>\$ 66,302,330</u>	<u>\$ 20,017,832</u>	<u>\$ 86,320,162</u>	<u>\$ 246,412,014</u>	<u>\$ 332,732,176</u>

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

# NASH COUNTY, NORTH CAROLINA

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 9,249,316	\$ 3,096,907	\$ -	\$ -
Public safety	22,425,802	4,525,150	946,744	111,776
Transportation	411,366	-	-	-
Economic and physical development	2,936,005	-	788,000	744,564
Human services	27,003,861	570,008	19,287,240	-
Cultural	1,583,435	-	-	-
Education	26,041,860	-	1,755,761	-
Debt service - interest	707,651	-	-	-
Total governmental activities	<u>90,359,296</u>	<u>8,192,065</u>	<u>22,777,745</u>	<u>856,340</u>
<b>Business-Type Activities:</b>				
Water and sewer	1,987,598	1,097,404	-	2,587,417
Solid waste disposal	2,336,367	2,055,657	-	-
Total business-type activities	<u>4,323,965</u>	<u>3,153,061</u>	<u>-</u>	<u>2,587,417</u>
Total primary government	<u>94,683,261</u>	<u>11,345,126</u>	<u>22,777,745</u>	<u>3,443,757</u>
<b>Component Units:</b>				
Tourism Development Authority	756,031	-	625,959	-
Business Development Authority	1,985,001	-	1,777,790	-
Health Care Systems and Subsidiaries	190,932,754	195,909,203	4,975,608	-
ABC Board	8,164,513	8,359,158	-	-
Total component units	<u>\$ 201,838,299</u>	<u>\$ 204,268,361</u>	<u>\$ 7,379,357</u>	<u>\$ -</u>

### General Revenues:

#### Taxes:

Ad valorem taxes  
Local option sales tax  
Excise tax  
Other taxes

Investment earnings

Miscellaneous

Total general revenues

Change in net assets

### Net Assets:

Beginning of year - July 1

End of year - June 30

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

**Exhibit B**

<b>Net (Expense) Revenue and Changes in Net Assets</b>				
<b>Primary Government</b>			<b>Component Units</b>	<b>Total Reporting Unit</b>
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>		
\$ (6,152,409)	\$ -	\$ (6,152,409)	\$ -	\$ (6,152,409)
(16,842,132)	-	(16,842,132)	-	(16,842,132)
(411,366)	-	(411,366)	-	(411,366)
(1,403,441)	-	(1,403,441)	-	(1,403,441)
(7,146,613)	-	(7,146,613)	-	(7,146,613)
(1,583,435)	-	(1,583,435)	-	(1,583,435)
(24,286,099)	-	(24,286,099)	-	(24,286,099)
(707,651)	-	(707,651)	-	(707,651)
<u>(58,533,146)</u>	<u>-</u>	<u>(58,533,146)</u>	<u>-</u>	<u>(58,533,146)</u>
-	1,697,223	1,697,223	-	1,697,223
-	(280,710)	(280,710)	-	(280,710)
-	<u>1,416,513</u>	<u>1,416,513</u>	-	<u>1,416,513</u>
<u>(58,533,146)</u>	<u>1,416,513</u>	<u>(57,116,633)</u>	<u>-</u>	<u>(57,116,633)</u>
-	-	-	(130,072)	(130,072)
-	-	-	(207,211)	(207,211)
-	-	-	9,952,057	9,952,057
-	-	-	194,645	194,645
-	-	-	<u>9,809,419</u>	<u>9,809,419</u>
48,475,820	-	48,475,820	-	48,475,820
11,758,522	-	11,758,522	-	11,758,522
181,984	-	181,984	-	181,984
67,666	-	67,666	-	67,666
280,286	80,635	360,921	17,173,883	17,534,804
-	-	-	46,421	46,421
<u>60,764,278</u>	<u>80,635</u>	<u>60,844,913</u>	<u>17,220,304</u>	<u>78,065,217</u>
2,231,132	1,497,148	3,728,280	27,029,723	30,758,003
<u>64,071,198</u>	<u>18,520,684</u>	<u>82,591,882</u>	<u>219,382,291</u>	<u>301,974,173</u>
<u>\$ 66,302,330</u>	<u>\$ 20,017,832</u>	<u>\$ 86,320,162</u>	<u>\$ 246,412,014</u>	<u>\$ 332,732,176</u>

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

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

***FUND FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

**NASH COUNTY, NORTH CAROLINA**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	<b>General Fund</b>	<b>2010 Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 4,479,387	\$ -	\$ 4,405,099	\$ 8,884,486
Investments	21,465,892	-	-	21,465,892
Taxes receivable, net	3,561,633	-	-	3,561,633
Accounts receivable, net	5,499,577	4,786	356,892	5,861,255
Due from other funds	670,556	-	-	670,556
Prepaid items and other assets	13,692	-	-	13,692
Restricted assets:				
Restricted cash	-	28,967,319	7,308,333	36,275,652
<b>Total assets</b>	<b>\$ 35,690,737</b>	<b>\$ 28,972,105</b>	<b>\$ 12,070,324</b>	<b>\$ 76,733,166</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 1,681,743	\$ -	\$ 183,510	\$ 1,865,253
Deferred revenues	3,598,399	-	-	3,598,399
Due to other funds	-	-	670,556	670,556
<b>Total liabilities</b>	<b>5,280,142</b>	<b>-</b>	<b>854,066</b>	<b>6,134,208</b>
<b>Fund Balances:</b>				
Reserved by State statute	6,170,132	-	73,591	6,243,723
Reserved for encumbrances	352,293	-	-	352,293
Reserved for prepaids	13,692	-	-	13,692
Reserved for human services	705,533	-	-	705,533
Reserved for capital projects	-	28,967,319	7,308,333	36,275,652
Unreserved:				
Designated for subsequent year's expenditures	1,410,470	-	-	1,410,470
Designated for Economic Development	650,000	-	-	650,000
Designated for Future Capital	650,000	-	-	650,000
Undesignated	20,458,475	-	-	20,458,475
Unreserved, reported in nonmajor:				
Special revenue funds	-	-	3,491,842	3,491,842
Capital project funds	-	4,786	342,492	347,278
<b>Total fund balances</b>	<b>30,410,595</b>	<b>28,972,105</b>	<b>11,216,258</b>	<b>70,598,958</b>
<b>Total liabilities and fund balances</b>	<b>\$ 35,690,737</b>	<b>\$ 28,972,105</b>	<b>\$ 12,070,324</b>	

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 45,698,752

Long-term liabilities and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. (56,277,593)

Assets and liabilities of the internal service funds used by management to account for insurance costs are included in governmental activities in the Statement of Net Assets. 2,721,113

Deferred revenues in the governmental funds are used to offset accounts receivable not expected to be available within 90 days of year-end. These receivables are a component of net assets in the Statement of Net Assets. 3,561,100

Net assets of governmental activities \$ 66,302,330

*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, 2010

	<u>General Fund</u>	<u>2010 Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Revenues:</b>				
Ad valorem taxes	\$ 45,833,720	\$ -	\$ 2,444,135	\$ 48,277,855
Other taxes and licenses	12,008,172	-	-	12,008,172
Unrestricted intergovernmental	266,155	-	-	266,155
Restricted intergovernmental	19,613,827	-	3,173,406	22,787,233
Permits and fees	920,343	-	-	920,343
Sales and services	5,139,296	-	-	5,139,296
Investment earnings	254,583	9,512	10,230	274,325
Miscellaneous	2,078,921	-	475,554	2,554,475
Total revenues	<u>86,115,017</u>	<u>9,512</u>	<u>6,103,325</u>	<u>92,227,854</u>
<b>Expenditures:</b>				
Current:				
General government	8,029,384	374,909	421,398	8,825,691
Public safety	18,344,374	11,900	3,469,113	21,825,387
Transportation	180,517	-	216,503	397,020
Economic and physical development	4,040,979	-	1,192,101	5,233,080
Human services	26,176,205	-	55,011	26,231,216
Cultural and recreation	1,562,328	-	-	1,562,328
Education	24,570,495	-	1,405,042	25,975,537
Revaluation	-	-	291	291
Debt service:				
Principal	2,579,962	-	-	2,579,962
Interest	707,651	-	-	707,651
Total expenditures	<u>86,191,895</u>	<u>386,809</u>	<u>6,759,459</u>	<u>93,338,163</u>
Revenues over (under) expenditures	<u>(76,878)</u>	<u>(377,297)</u>	<u>(656,134)</u>	<u>(1,110,309)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	462,418	-	42,637	505,055
Transfers out	(42,637)	-	(462,418)	(505,055)
Proceeds from bond issuance	1,239,380	28,355,000	7,342,300	36,936,680
Bond premium	-	994,402	-	994,402
Total other financing sources (uses)	<u>1,659,161</u>	<u>29,349,402</u>	<u>6,922,519</u>	<u>37,931,082</u>
Net change in fund balances	1,582,283	28,972,105	6,266,385	36,820,773
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>28,828,312</u>	<u>-</u>	<u>4,949,873</u>	<u>33,778,185</u>
End of year - June 30	<u>\$ 30,410,595</u>	<u>\$ 28,972,105</u>	<u>\$ 11,216,258</u>	<u>\$ 70,598,958</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, 2010

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)	\$ 36,820,773
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.	197,965
Expenses related to compensated absences, OPEB, and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(1,904,401)
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.	4,837,853
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,606,950)
Internal Service Fund	237,012
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.	2,579,962
Proceeds from issuance of debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, they are not a revenue, rather they are an increase in liabilities.	<u>(37,931,082)</u>
Change in net assets of governmental activities (Exhibit B)	<u>\$ 2,231,132</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, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over/Under
	Original	Final		
<b>Revenues:</b>				
Ad valorem taxes	\$ 45,843,200	\$ 45,843,200	\$ 45,833,720	\$ (9,480)
Other taxes and licenses	13,339,474	13,339,474	12,008,172	(1,331,302)
Unrestricted intergovernmental	275,000	275,000	266,155	(8,845)
Restricted intergovernmental	18,358,671	20,461,110	19,613,827	(847,283)
Permits and fees	883,137	883,137	920,343	37,206
Sales and services	3,803,500	3,803,500	5,139,296	1,335,796
Investment earnings	750,000	750,000	254,583	(495,417)
Miscellaneous	733,690	733,690	2,078,921	1,345,231
Total revenues	<u>83,986,672</u>	<u>86,089,111</u>	<u>86,115,017</u>	<u>25,906</u>
<b>Expenditures:</b>				
Current:				
General government	9,034,867	9,963,073	8,029,384	1,933,689
Public safety	18,453,344	19,330,551	18,344,374	986,177
Transportation	169,885	188,385	180,517	7,868
Economic and physical development	2,216,428	4,486,428	4,040,979	445,449
Human services	27,202,083	28,781,087	26,176,205	2,604,882
Cultural and recreation	1,526,683	1,602,683	1,562,328	40,355
Education	23,387,809	24,663,809	24,570,495	93,314
Debt service:				
Principal	2,489,964	2,579,964	2,579,962	2
Interest	805,079	824,766	707,651	117,115
Total expenditures	<u>85,286,142</u>	<u>92,420,746</u>	<u>86,191,895</u>	<u>6,228,851</u>
Revenues over (under) expenditures	<u>(1,299,470)</u>	<u>(6,331,635)</u>	<u>(76,878)</u>	<u>6,254,757</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	622,422	462,418	(160,004)
Transfers out	(40,000)	(42,637)	(42,637)	-
Installment purchases	-	1,239,380	1,239,380	-
Fund balance appropriated	1,439,470	4,612,470	-	(4,612,470)
Contingency	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
Total other financing sources (uses)	<u>1,299,470</u>	<u>6,331,635</u>	<u>1,659,161</u>	<u>(4,672,474)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,582,283</u>	<u>\$ 1,582,283</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>28,828,312</u>	
End of year - June 30			<u>\$ 30,410,595</u>	

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

## NASH COUNTY, NORTH CAROLINA

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

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
<b>Revenues:</b>					
Restricted intergovernmental:					
Public School Building Capital Fund	\$ 4,427,000	\$ -	\$ -	\$ -	\$ (4,427,000)
Public School Building Capital Fund-Lottery	6,600,000	-	-	-	(6,600,000)
Contribution from Edgecombe County	3,345,032	-	-	-	(3,345,032)
Investment earnings	-	-	9,512	9,512	9,512
Total revenues	<u>14,372,032</u>	<u>-</u>	<u>9,512</u>	<u>9,512</u>	<u>(14,362,520)</u>
<b>Expenditures:</b>					
Education:					
Rocky Mount High School	38,583,200	-	-	-	38,583,200
Southern Nash fieldhouse	1,500,000	-	-	-	1,500,000
Public Safety:					
Nash EMS Station	1,674,160	-	11,900	11,900	1,662,260
General government:					
Nash Storage Facility	1,113,000	-	38,453	38,453	1,074,547
Other expenses	<u>851,074</u>	<u>-</u>	<u>336,456</u>	<u>336,456</u>	<u>514,618</u>
Total expenditures	<u>43,721,434</u>	<u>-</u>	<u>386,809</u>	<u>386,809</u>	<u>43,334,625</u>
Revenues over (under) expenditures	<u>(29,349,402)</u>	<u>-</u>	<u>(377,297)</u>	<u>(377,297)</u>	<u>28,972,105</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from bond issuance	29,349,402	-	28,355,000	28,355,000	(994,402)
Bond premium	<u>-</u>	<u>-</u>	<u>994,402</u>	<u>994,402</u>	<u>994,402</u>
Total other financing sources (uses)	<u>29,349,402</u>	<u>-</u>	<u>29,349,402</u>	<u>29,349,402</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>28,972,105</u>	<u>\$ 28,972,105</u>	<u>\$ 28,972,105</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 28,972,105</u>		

## NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ 6,307,445	\$ -	\$ 6,307,445	\$ 3,462,689
Due from other funds	2,182,284	-	2,182,284	-
Accounts receivable, net	324,392	-	324,392	10,422
Notes receivable, net	343,892	-	343,892	-
Restricted cash and investments	-	289,186	289,186	-
Total current assets	<u>9,158,013</u>	<u>289,186</u>	<u>9,447,199</u>	<u>3,473,111</u>
Non-current assets:				
Non-depreciable capital assets	1,523,802	10,029,936	11,553,738	-
Other capital assets, net of depreciation	12,451,763	-	12,451,763	-
Total non-current assets	<u>13,975,565</u>	<u>10,029,936</u>	<u>24,005,501</u>	<u>-</u>
Total assets	<u>23,133,578</u>	<u>10,319,122</u>	<u>33,452,700</u>	<u>3,473,111</u>
<b>Liabilities and Net Assets:</b>				
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable and accrued liabilities	441,134	69,043	510,177	751,998
Due to other funds	-	2,182,284	2,182,284	-
Current portion of accrued landfill postclosure costs	25,000	-	25,000	-
Current portion of compensated absences	37,318	-	37,318	-
Current portion of long-term debt	305,500	60,000	365,500	-
Total current liabilities	<u>808,952</u>	<u>2,311,327</u>	<u>3,120,279</u>	<u>751,998</u>
Non-current liabilities:				
Non-current portion of long-term debt	3,106,500	5,179,000	8,285,500	-
OPEB liability	113,032	-	113,032	-
Accrued landfill closure and post-closure care costs	1,913,248	-	1,913,248	-
Compensated absences	2,809	-	2,809	-
Total non-current liabilities	<u>5,135,589</u>	<u>5,179,000</u>	<u>10,314,589</u>	<u>-</u>
Total liabilities	<u>5,944,541</u>	<u>7,490,327</u>	<u>13,434,868</u>	<u>751,998</u>
<b>Net Assets:</b>				
Invested in capital assets, net of related debt	10,563,565	4,790,936	15,354,501	-
Unrestricted	6,625,472	(1,962,141)	4,663,331	2,721,113
Total net assets	<u>\$ 17,189,037</u>	<u>\$ 2,828,795</u>	<u>\$ 20,017,832</u>	<u>\$ 2,721,113</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, 2010

	<u>Utilities Fund</u>	<u>Central Nash Water/Sewer District</u>	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
<b>Operating Revenues:</b>				
Charges for sales and services	\$ 2,850,282	\$ -	\$ 2,850,282	\$ 5,288,258
Other operating revenue	<u>267,529</u>	<u>35,250</u>	<u>302,779</u>	<u>-</u>
Total operating revenues	<u>3,117,811</u>	<u>35,250</u>	<u>3,153,061</u>	<u>5,288,258</u>
<b>Operating Expenses:</b>				
Water and sewer operations	1,065,593	-	1,065,593	-
Solid waste disposal operations	2,336,367	-	2,336,367	-
System repairs and improvements	136,687	-	136,687	-
Depreciation	392,309	-	392,309	-
Insurance claims	-	-	-	5,057,207
Total operating expenses	<u>3,930,956</u>	<u>-</u>	<u>3,930,956</u>	<u>5,057,207</u>
Operating income (loss)	<u>(813,145)</u>	<u>35,250</u>	<u>(777,895)</u>	<u>231,051</u>
<b>Non-Operating Revenues (Expenses):</b>				
Interest and fees paid	(141,005)	(236,268)	(377,273)	-
Investment earnings	80,590	45	80,635	5,961
Loss on sale/disposal of assets	<u>(4,486)</u>	<u>(11,250)</u>	<u>(15,736)</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>(64,901)</u>	<u>(247,473)</u>	<u>(312,374)</u>	<u>5,961</u>
Income before transfers and contributions	(878,046)	(212,223)	(1,090,269)	237,012
Capital contributions	<u>1,426,054</u>	<u>1,161,363</u>	<u>2,587,417</u>	<u>-</u>
Transfers (to)/from other funds	<u>(239,137)</u>	<u>239,137</u>	<u>-</u>	<u>-</u>
Change in net assets	308,871	1,188,277	1,497,148	237,012
<b>Net Assets:</b>				
Beginning of year - July 1	<u>16,880,166</u>	<u>1,640,518</u>	<u>18,520,684</u>	<u>2,484,101</u>
End of year - June 30	<u>\$ 17,189,037</u>	<u>\$ 2,828,795</u>	<u>\$ 20,017,832</u>	<u>\$ 2,721,113</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, 2010

	Utilities Fund	Central Nash Water/Sewer District	Total	Governmental Activities Internal Service Funds
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$ 3,052,305	\$ 35,250	\$ 3,087,555	\$ 5,279,149
Cash paid for goods and services	(2,435,670)	69,043	(2,366,627)	(4,959,576)
Cash paid to employees for services	(939,664)	-	(939,664)	-
Net cash provided (used) by operating activities	<u>(323,029)</u>	<u>104,293</u>	<u>(218,736)</u>	<u>319,573</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Change in due to other funds	(2,187,813)	2,182,284	(5,529)	-
Transfers (to) from other funds	(239,137)	239,137	-	-
Net cash provided (used) by non-capital financing activities	<u>(2,426,950)</u>	<u>2,421,421</u>	<u>(5,529)</u>	<u>-</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Capital contributions	1,425,452	1,161,363	2,586,815	-
Principal paid on long-term debt	(305,500)	-	(305,500)	-
Interest paid on long-term debt	(141,006)	(236,268)	(377,274)	-
Principal collected on note receivable	(343,892)	-	(343,892)	-
Acquisition of capital assets	(198,660)	(3,205,599)	(3,404,259)	-
Net cash provided (used) by capital and related financing activities	<u>436,394</u>	<u>(2,280,504)</u>	<u>(1,844,110)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>				
Investment earnings	<u>80,590</u>	<u>45</u>	<u>80,635</u>	<u>5,961</u>
Net increase (decrease) in cash and cash equivalents	(2,232,995)	245,255	(1,987,740)	325,534
Cash and cash equivalents - July 1	<u>8,540,440</u>	<u>43,931</u>	<u>8,584,371</u>	<u>3,137,155</u>
Cash and cash equivalents - June 30	<u>\$ 6,307,445</u>	<u>\$ 289,186</u>	<u>\$ 6,596,631</u>	<u>\$ 3,462,689</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ (813,145)	\$ 35,250	\$ (777,895)	\$ 231,051
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	392,309	-	392,309	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(65,506)	-	(65,506)	(9,109)
Increase (decrease) in accounts payable and accrued liabilities	104,335	69,043	173,378	97,631
Increase (decrease) in landfill closure and post-closure care costs	<u>58,978</u>	<u>-</u>	<u>58,978</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ (323,029)</u>	<u>\$ 104,293</u>	<u>\$ (218,736)</u>	<u>\$ 319,573</u>
<b>Non-Cash, Investing, Capital, and Financing Activities:</b>				
Contributed assets	<u>\$ 602</u>	<u>\$ -</u>	<u>\$ 602</u>	<u>\$ -</u>
Total non-cash investing, capital, and financing activities:	<u>\$ 602</u>	<u>\$ -</u>	<u>\$ 602</u>	<u>\$ -</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, 2010**

	<u>Agency Fund</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 213,696
<b>Liabilities:</b>	
Accounts payable	\$ 39,312
Intergovernmental payable	<u>174,384</u>
Total liabilities	<u>\$ 213,696</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, 2010

	Tourism Development Authority	Nash County Business Development Authority	Nash Health Care Systems and Subsidiaries	Nash County ABC Board	Total Component Units
<b>Assets:</b>					
Cash and cash equivalents	\$ 312,481	\$ 33,648	\$ 106,241,605	\$ 527,839	\$ 107,115,573
Cash and cash equivalents - restricted	-	-	64,638,172	-	64,638,172
Receivables:					
Taxes receivable, net	48,853	-	29,713,860	-	29,762,713
Accounts receivable, net	-	642	-	-	642
Prepaid items and other assets	-	-	10,551,176	-	10,551,176
Inventories	-	-	3,595,711	1,228,895	4,824,606
Capital assets:					
Depreciable capital assets, net	-	-	104,227,505	1,667,602	105,895,107
Non-depreciable assets	-	1,730,000	4,505,124	-	6,235,124
Total assets	<u>361,334</u>	<u>1,764,290</u>	<u>323,473,153</u>	<u>3,424,336</u>	<u>329,023,113</u>
<b>Liabilities:</b>					
Accounts payable	45,019	-	30,369,278	545,493	30,959,790
Distributions payable	-	-	-	25,115	25,115
Current portion - long-term debt	-	-	1,614,887	-	1,614,887
Non-current portion - long-term debt	-	-	49,998,702	12,605	50,011,307
Total liabilities	<u>45,019</u>	<u>-</u>	<u>81,982,867</u>	<u>583,213</u>	<u>82,611,099</u>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	-	-	59,719,605	1,667,602	61,387,207
Restricted for:					
Working capital	-	-	-	248,053	248,053
Unrestricted	<u>316,315</u>	<u>1,764,290</u>	<u>181,770,681</u>	<u>925,468</u>	<u>184,776,754</u>
Total net assets	<u>\$ 316,315</u>	<u>\$ 1,764,290</u>	<u>\$ 241,490,286</u>	<u>\$ 2,841,123</u>	<u>\$ 246,412,014</u>

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

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

# NASH COUNTY, NORTH CAROLINA

## COMBINING STATEMENT OF ACTIVITIES ALL DISCRETELY PRESENTED COMPONENT UNITS FOR THE YEAR ENDED JUNE 30, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Component Units:</b>			
Tourism Development Authority	\$ 756,031	\$ -	\$ 625,959
Business Development Authority	1,985,001	-	1,777,790
Health Care Systems and Subsidiaries	190,932,754	195,909,203	4,975,608
ABC Board	8,164,513	8,359,158	-
Total component units	<u>\$ 201,838,299</u>	<u>\$ 204,268,361</u>	<u>\$ 7,379,357</u>

### General Revenues:

Investment earnings:

Tourism Development Authority  
Health Care Systems and Subsidiaries  
ABC Board

Miscellaneous:

Business Development Authority  
Health Care Systems and Subsidiaries  
ABC Board

Total general revenues

Change in net assets

### Net Assets:

Beginning of year - July 1

End of year - June 30

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

**Exhibit M**

<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>
\$ (130,072)	\$ -	\$ -	\$ -	\$ (130,072)
-	(207,211)	-	-	(207,211)
-	-	9,952,057	-	9,952,057
-	-	-	194,645	194,645
<u>(130,072)</u>	<u>(207,211)</u>	<u>9,952,057</u>	<u>194,645</u>	<u>9,809,419</u>
532	-	-	-	532
-	-	17,170,235	-	17,170,235
-	-	-	3,116	3,116
-	206	-	-	206
-	-	31,531	-	31,531
-	-	-	14,683	14,683
<u>532</u>	<u>206</u>	<u>17,201,766</u>	<u>17,799</u>	<u>17,220,303</u>
(129,539)	(207,005)	27,153,823	212,444	27,029,723
<u>445,854</u>	<u>1,971,295</u>	<u>214,336,463</u>	<u>2,628,679</u>	<u>219,382,291</u>
<u>\$ 316,315</u>	<u>\$ 1,764,290</u>	<u>\$ 241,490,286</u>	<u>\$ 2,841,123</u>	<u>\$ 246,412,014</u>

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

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

***NOTES TO FINANCIAL STATEMENTS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

### 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, 2010

- 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, 2010

*Fund Financial Statements* – The fund financial statements provide information about the County’s funds, including its fiduciary funds. Separate statements for each fund category, *governmental, proprietary, and fiduciary*, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

**Major Funds** – The General Fund, the 2010 Capital Projects Fund, the Utilities Enterprise Fund, and the Central Nash Water and Sewer District Enterprise Fund are major funds of the County. The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The 2010 Capital Projects Fund is used to account for construction of the new Rocky Mount High School, a Southern Nash High School field house, construction of the Emergency Medical Services building, and a storage facility. The Utilities Fund is used to account for the County’s water and sewer operations, solid waste disposal operations, and convenience center operations. The Central Nash Water and Sewer District Fund (Blended Component Unit) is used to account for the water and sewer operations in the Central Nash Water and Sewer District.

The County has the following fund categories:

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

*General Fund* – The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

*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 eight capital project funds: Court Facilities Project Fund, Community College Tech Building Fund, Gateway Technology Center, School Capital Project Fund, Middlesex Industrial Park Project, Farmer's Market Expansion Project, 2010 Capital Projects Fund, and Middlesex Elementary School Project Fund.

**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.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

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

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

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

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

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

*Government-Wide, Proprietary, and Fiduciary Fund Financial Statements* – The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary 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. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

*Governmental Fund Financial Statements* – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Nash County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2009 through February 2010 apply to the fiscal year ended June 30, 2010. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

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

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

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

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

### BUDGETARY DATA

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

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

### ASSETS, LIABILITIES, AND FUND EQUITY

**Deposits and Investments** – All deposits of the County are made in board-designated official depositories and are secured as required by G.S. 159-31. The County may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

The County investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earnings and investment contracts are reported at cost.

**Cash and Cash Equivalents** – The County pools monies from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

**Restricted Assets** – The unexpended Limited Obligation Bond proceeds and Installment Purchase proceeds are restricted in the governmental activities because their use is completely restricted to the purpose for which the bonds and installment purchase notes were issued. The 2011 debt service payment on the USDA loan is restricted in the business-type activities for future payment.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**Ad Valorem Taxes Receivable** – In accordance with State law [G.S. 105-347 and G.S. 159-133(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2008. As allowed by State law, the County has established a schedule of discounts that apply to taxes, which are paid prior to the due date. In the County’s General Fund, ad valorem tax revenues are reported net of such discounts.

**Allowance for Doubtful Accounts** – Allowance for doubtful accounts are maintained on all types of receivables which historically experience uncollectible accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

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

**Capital Assets** – Purchased or constructed capital assets are recorded at cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are \$5,000 for all asset categories. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

The County holds title to certain Nash Community College and Nash Rocky Mount schools properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs.

Agreements between the County and Nash Community College give those entities, the County, and Nash Rocky Mount schools full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the respective entities, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of Nash Community College and Nash Rocky Mount schools, respectively.

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

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

**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.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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, 2010 are recorded in the governmental activities of the government-wide financial statements. For the County's proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded within those funds as the benefits accrue to the employees.

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

### NET ASSETS/FUND BALANCES

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

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 Encumbrances* - portion of total fund balance not available for appropriation because it represents funds restricted for specific purposes.
- *Reserved for Prepaid Items* – 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, 2010

- *Reserved for Human Services* – portion of fund balance not available for appropriation because it represents funds restricted for specific purposes.
- *Reserved for Capital Projects* – portion of fund balance not available for appropriation because it represents funds restricted for specific purposes.

#### 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 2010 - 2011 budget ordinance.

General Fund - \$ 1,410,470

- *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.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Note 2 – Stewardship, Compliance, and Accountability**

**Deficit Fund Balance or Net Assets of Individual Funds:**

The following individual funds had a deficit fund balance at June 30, 2010:

<u>Capital Project Funds</u>		<u>Management Plans to Address Deficit</u>
Middlesex Industrial Park	\$ (421,316)	Timing of reimbursement from grant
<u>Enterprise Fund Capital Project Funds</u>		
Highway 58 Emergency Water Line	(163,581)	Local transfers
Sepro Grant Project	(36,694)	Local transfers
Castalia Water System Project	(97,320)	Timing of reimbursement from grant

**Note 3 – Deposits and Investments**

**Deposits** – All of the County’s deposits are either insured or collateralized by using one of two methods. Under the "Dedicated Method", all deposits over the federal depository insurance coverage are collateralized with securities held by the County’s agent in the County’s name. Under the "Pooling Method", all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in the County’s name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository using the Pooling Method. The County does not have policies regarding custodial credit risk for deposits. The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2010, the County's deposits had a carrying amount of \$10,486,712 and a bank balance of \$11,082,219. Of the bank balance, \$750,000 was covered by federal depository insurance, and \$10,332,219 was covered by collateral held under the Pooling Method. At June 30, 2010, Nash County had \$1,073 cash on hand.

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

**Investments** – At June 30, 2010, the County had the following investments and maturities:

	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Greater Than One Year</u>	<u>% Concentration</u>
<b>U.S. Government Agencies:</b>					
Federal Home Loan Bank	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	15%
FHLMC	1,000,000	-	-	1,000,000	2%
FNMA	1,000,000	-	-	1,000,000	2%
<b>Commercial Paper:</b>					
UBS Finance	4,683,942	3,688,006	995,936	-	7%
Barclays US LLC	995,890	-	995,890	-	1%
FCAR Owner Trust	5,281,805	3,290,755	1,991,050	-	8%
National Co-Op BB&T	999,250	999,250	-	-	2%
Summit of America	1,998,178	1,998,178	-	-	3%
Toyota Motor Credit	999,044	999,044	-	-	2%
CitiGroup Funding	2,996,971	2,996,971	-	-	5%
General Electric Capital	2,988,507	998,221	1,990,286	-	5%
<b>NCCMT - Cash Portfolio</b>	<u>9,399,318</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>14%</u>
<b>Public Funds Money Rate Savings Account</b>	<u>24,068,356</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>36%</u>
<b>Total</b>	<u>\$ 66,411,261</u>	<u>\$ 14,970,425</u>	<u>\$ 5,973,162</u>	<u>\$ 12,000,000</u>	<u>100%</u>

**Interest Rate Risk** – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The County 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, 2010, the County's investments in commercial paper were rated PI by Standard and Poor's, F1 by Fitch Ratings, and A1 by Moody's Investors Service. The County's investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard and Poor's as of June 30, 2010.

**Concentration of Credit Risk** – The County places no limit on the amount that the County may invest in any one issuer. At June 30, 2010, investments in U.S. government agencies and commercial paper representing greater than 5% of the County's total investments were: Federal Home Loan BB&T, FFCB, Federal Home Loan Wachovia, and General Electric Capital. Combined U.S. government agencies and commercial paper represented 50% of the County's total investments, NCCMT represented 14%, and Public Funds Money Rate Saving Account represented the remaining 36%.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

### Note 4 – Property Tax Use - Value Assessment on Certain Lands

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

<u>Year of Levy</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 1,661,238	\$ 407,003	\$ 2,068,241
2008	1,621,238	251,292	1,872,530
2009	2,491,309	161,935	2,653,244
2010	<u>2,531,226</u>	<u>-</u>	<u>2,531,226</u>
Total	<u>\$ 8,305,011</u>	<u>\$ 820,230</u>	<u>\$ 9,125,241</u>

### Note 5 - Receivables

At June 30, 2010, 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>	
<b>Receivables:</b>			
E911 taxes and fees	\$ 31,368	\$ -	\$ 31,368
Accounts	1,505,416	328,358	1,833,774
Due from other governments	<u>4,334,893</u>	<u>27,034</u>	<u>4,361,927</u>
Gross receivables	5,871,677	355,392	6,227,069
Less: allowance for uncollectibles	<u>-</u>	<u>(31,000)</u>	<u>(31,000)</u>
Net total receivables	<u>\$ 5,871,677</u>	<u>\$ 324,392</u>	<u>\$ 6,196,069</u>

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

Local option sales tax	\$ 2,318,617	\$ -
Sales tax refund	247,939	-
Other reimbursements (refunds, DSS, Health)	1,768,337	-
White goods disposal and scrap tire tax	<u>-</u>	<u>27,034</u>
Total	<u>\$ 4,334,893</u>	<u>\$ 27,034</u>

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

### Note 6 – Capital Assets

Capital asset activity for the governmental activities for the year ended June 30, 2010 was as follows:

	<u>July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2010</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 6,749,470	\$ 398,974	\$ -	\$ 7,148,444
Construction in progress	3,767,668	271,850	(225,166)	3,814,352
Total capital assets not being depreciated	10,517,138	670,824	(225,166)	10,962,796
Capital assets being depreciated:				
Land improvements	145,205	74,602	-	219,807
Infrastructure	566,636	-	-	566,636
Buildings	42,446,468	2,615,764	-	45,062,232
Vehicles	4,580,327	809,469	(408,688)	4,981,108
Equipment	9,731,296	892,360	(10,600)	10,613,056
Total capital assets being depreciated	57,469,932	4,392,195	(419,288)	61,442,839
Less accumulated depreciation for:				
Land improvements	34,483	8,247	-	42,730
Infrastructure	87,329	14,166	-	101,495
Buildings	14,700,070	930,369	-	15,630,439
Vehicles	3,175,343	867,250	(408,688)	3,633,905
Equipment	6,521,996	786,918	(10,600)	7,298,314
Total accumulated depreciation	24,519,221	\$ 2,606,950	\$ (419,288)	26,706,883
Total capital assets being depreciated, net	32,950,711			34,735,956
 Governmental activity capital assets, net	 \$ 43,467,849			 \$ 45,698,752

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

General government	\$ 1,012,873
Public safety	1,321,752
Transportation	36,937
Cultural (parks and recreation)	8,025
Economic and physical development	81,432
Human services	79,608
Education	66,323
Total depreciation expense	\$ 2,606,950

The County's equity interest in the Rocky Mount/Wilson Airport represents \$1,822,464 (Note 15).

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

The County's governmental activities' construction in progress has been decreased in current year by \$225,166. This represents construction of Middlesex Industrial Park, in which County will not own. Asset adjustment is considered a change in estimate and, therefore, will be recorded in current year.

Capital asset activity for business-type activities for the year ended June 30, 2010 was as follows:

	<u>July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2010</u>
<b>Business-Type Activities:</b>				
<b>Water and Sewer Activity:</b>				
Capital assets not being depreciated:				
Land	\$ 20,107	\$ -	\$ -	\$ 20,107
Construction in progress	2,062,873	172,098	(731,276)	1,503,695
Construction in progress - Central Nash	6,835,587	3,205,599	(11,250)	10,029,936
Total capital assets not being depreciated	8,918,567	3,377,697	(742,526)	11,553,738
Capital assets being depreciated:				
Infrastructure	12,474,557	728,586	-	13,203,143
Furniture, fixtures, and equipment	26,863	6,443	-	33,306
Vehicles	68,461	-	-	68,461
Total capital assets being depreciated	12,569,881	735,029	-	13,304,910
Less accumulated depreciation for:				
Infrastructure	1,691,352	256,155	-	1,947,507
Furniture, fixtures, and equipment	26,863	195	-	27,058
Vehicles	35,216	8,670	-	43,886
Total accumulated depreciation	1,753,431	\$ 265,020	\$ -	2,018,451
Total capital assets being depreciated, net	10,816,450			11,286,459
Water and Sewer activity capital assets, net	19,735,017			22,840,197

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2010</u>
<b>Solid Waste Disposal Activity:</b>				
Capital assets not being depreciated:				
Land	\$ 238,000	\$ -	\$ -	\$ 238,000
Capital assets being depreciated:				
Land improvements	1,425,163	-	-	1,425,163
Buildings and building improvements	21,686	-	-	21,686
Furniture, fixtures, and equipment	1,549,165	20,721	-	1,569,886
Vehicles	36,537	-	(1,796)	34,741
Total capital assets being depreciated	<u>3,032,551</u>	<u>20,721</u>	<u>(1,796)</u>	<u>3,051,476</u>
Less accumulated depreciation for:				
Land improvements	654,155	71,258	-	725,413
Buildings and building improvements	19,973	1,027	-	21,000
Furniture, fixtures, and equipment	1,439,944	34,969	-	1,474,913
Vehicles	29,248	667	-	29,915
Total accumulated depreciation	<u>2,143,321</u>	<u>\$ 107,921</u>	<u>\$ -</u>	<u>2,251,242</u>
Total capital assets being depreciated, net	<u>889,230</u>			<u>800,234</u>
Solid Waste Disposal activity capital assets, net	<u>1,127,230</u>			<u>1,038,234</u>
<b>Convenience Centers Activity:</b>				
Capital assets not being depreciated:				
Land	70,185	\$ -	\$ -	70,185
Capital assets being depreciated:				
Land improvements	293,241	-	-	293,241
Buildings and building improvements	94,379	-	-	94,379
Furniture, fixtures, and equipment	108,667	-	-	108,667
Total capital assets being depreciated	<u>496,287</u>	<u>-</u>	<u>-</u>	<u>496,287</u>
Less accumulated depreciation for:				
Land improvements	238,918	14,662	-	253,580
Buildings and building improvements	77,832	2,014	-	79,846
Furniture, fixtures, and equipment	103,284	2,692	-	105,976
Total accumulated depreciation	<u>420,034</u>	<u>\$ 19,368</u>	<u>\$ -</u>	<u>439,402</u>
Total capital assets being depreciated, net	<u>76,253</u>			<u>56,885</u>
Convenience Center activity capital assets, net	<u>146,438</u>			<u>127,070</u>
Business-type activities capital assets, net	<u>\$ 21,008,685</u>			<u>\$ 24,005,501</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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

The total invested in capital assets, net of related debt at June 30, 2010 is composed of the following elements:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Capital assets	\$ 45,698,752	\$ 24,005,501
Total debt, gross	50,201,835	8,651,000
Long-term debt for assets not owned by the County	6,327,011	-
Capital related unspent debt proceeds	36,275,652	-
Total capital debt	7,599,172	8,651,000
Invested in capital assets, net of related debt	\$ 38,099,580	\$ 15,354,501

**Note 7 -- Construction Commitments**

The government has active construction projects as of June 30, 2010. The projects include the court renovation project, school construction, and water projects. At June 30, 2010, the government's commitments with contractors are as follows:

<b>Project</b>	<b>Spent to Date</b>	<b>Remaining Commitment</b>
Central Nash Water/Sewer	\$ 7,875,215	\$ 488,796
Castalia Water Line Project	-	841,474
Middlesex School	-	6,424,800
EMS Building	-	1,284,464
Rocky Mount High School	-	34,769,200
Southern Nash Fieldhouse	-	1,500,000
County Storage Building	-	1,050,000

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Note 8 – Accounts Payable and Accrued Liabilities**

Accounts payable and other accrued liabilities are disaggregated at June 30, 2010, as follows:

**Government-Wide Financial Statements**

**Governmental Activities:**

Vendors	\$ 2,433,741
Other governmental agencies	<u>183,510</u>
Total governmental activities	<u>\$ 2,617,251</u>

**Business-type Activities:**

Vendors	\$ 455,681
Customer deposits	<u>54,496</u>
Total business-type activities	<u>\$ 510,177</u>

**Note 9 – Pension Plan Obligations**

**Local Governmental Employees' Retirement System**

*Plan Description* – Nash County contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The LGERS is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy* – Plan members are required to contribute 6% of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 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, 2010, 2009, and 2008 were \$1,273,291, \$1,268,285, and \$1,198,198, respectively. The contributions made by the County equaled the required contributions for each year.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

### 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, 2009, the Separation Allowance's membership consisted of:

Retirees receiving benefits	1
Terminated plan members entitled to, but not yet, receiving benefits	-
Active plan members	<u>76</u>
Total	<u>77</u>

### *Summary of Significant Accounting Policies:*

*Basis of Accounting* – The County has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

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

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

The annual required contribution for the current year was determined as part of the December 31, 2008 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 post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008 was 22 years.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

*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	\$ 83,139
Interest on net pension obligation	34,620
Adjustment to annual required contribution	<u>(30,081)</u>
Annual pension cost	87,678
Contributions made	<u>34,350</u>
Increase (decrease) in net pension obligation	53,328
Net pension obligation, beginning of year - July 1	<u>477,524</u>
Net pension obligation, end of year - June 30	<u><u>\$ 530,852</u></u>

<u>Year Ended</u> <u>June 30</u>	<u>Annual Pension</u> <u>Cost (APC)</u>	<u>Percentage of</u> <u>APC Contribution</u>	<u>Net Pension</u> <u>Obligation</u>
2008	\$ 68,781	35.19%	\$ 421,628
2009	80,098	30.22%	477,524
2010	87,678	39.18%	530,852

*Funded Status and Funding Progress* - As of December 31, 2009 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 \$884,365. The covered payroll (annual payroll of active employees covered by the plan) was \$3,400,251, and the ratio of the UAAL to the covered payroll was 26.01 percent.

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

A separate report was not issued for the plan.

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

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

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

*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, 2010 were \$218,289, which consisted of \$171,937 from the County and \$46,352 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 Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

*Funding Policy* – On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2010, the County's required and actual contributions were \$6,138.

#### **Deferred Compensation Plan 401(k)**

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

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

The County's contributions were calculated using a covered payroll amount of \$22,545,138. Total contributions for the year ended June 30, 2010 were \$1,583,670, which consisted of \$1,127,258 from the County and \$456,412 from the employees. The County's required contributions and the employees' voluntary contributions represented 5% and 2% of the covered payroll amount, respectively.

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

### Other Employment Benefits - Nash County

*Death Benefits* – The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death, are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payrolls, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants.

For the fiscal year ended June 30, 2010, the County made contributions to the State for death benefits of \$34,765. 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 post-employment benefit amount and the other benefit amount.

### Other Post-Employment Benefits - Nash County

*Health Care Benefits* – According to a County resolution, the County administers a single employer defined benefit plan to provide healthcare benefits and a Medicare Supplement Policy at age 65 to retirees of the County who participate in the North Carolina Local Government Employees' Retirement System (System), a multiple-employer, and have at least five years of creditable service with the County. The County pays the full cost of coverage for these benefits. Also, retirees can purchase coverage for their dependents at the County's group rates. Currently 36 retirees are eligible for post-retirement health benefits up to age 65 (and 31 employees are eligible for the supplemental retirement at age 65 and above). For the fiscal year ended June 30, 2010, the County made payments for post-retirement health benefit premiums of \$189,108 for retired employees up to age 65 (and \$92,799 for the supplemental retirement at age 65 and above). The County obtains health care coverage through private insurers.

Membership of the Plan consisted of the following at December 31, 2007, the date of the latest actuarial valuation:

	<b>General Employees</b>	<b>Law Enforcement Officers</b>
Retirees and dependents receiving benefits	53	N/A
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	561	73
Total	614	73

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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

The current ARC rate is 8.83% of annual covered payroll. For the current year, the County contributed \$281,907, or 1.16% of annual covered payroll. The County purchases insurance from a private carrier for healthcare coverage. The County's required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers represented 8.83% and 8.83% of covered payroll, respectively. In 2010, employee contributions totaled \$68,176, which includes \$24,362 for dependent coverage. The County's obligation to contribute to the Plan is established and may be amended by the County Board.

### Summary of Significant Accounting Policies

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

### Annual OPEB Cost and Net Obligation

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

Annual required contribution	\$ 2,149,966
Interest on net OPEB obligation	-
Adjustments to annual required contribution	-
Annual OPEB cost (expense)	2,149,966
Contributions made	281,907
Increase (decrease) in net OPEB obligation	1,868,059
Net OPEB obligation, beginning of year - July 1	1,899,690
Net OPEB obligation, end of year - June 30	<u>\$ 3,767,749</u>

# NASH COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 were as follows:

<u>Year Ended June 30</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2010	\$ 2,149,966	13.11%	\$ 3,767,749
2009	2,149,966	12.00%	1,899,690

### Fund Status and Funding Progress

As of December 31, 2007, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$23,491,661. The covered payroll (annual payroll of active employees covered by the plan) was \$24,357,779, and the ratio of the UAAL to the covered payroll was 96.4 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the accrued liabilities for benefits.

### Actuarial Methods and Assumptions

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

In the December 31, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date and an annual medical cost trend increase of 11.00 to 5.00 percent annually. Both rates included a 3.75 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2007, was 30 years.

As of June 30, 2010, management had not decided on the funding options for this outstanding obligation; therefore, OPEB will continue to be funded on a pay-as-you-go basis going into the next fiscal year. Management will continue their efforts to find a way to fund the annual required contribution while maintaining the level of service as prioritized by the County Commissioners.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Note 10 – Closure and Post-closure Costs**

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

The \$1,138,810 reported as landfill closure and post-closure care liability at June 30, 2010 represents a cumulative amount reported to date, based on the use of 100% of the total estimated capacity of the landfill. The County closed the facility on December 31, 1998. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The County currently operates a Construction and Demolition landfill which is anticipated to close in 2015. C & D closure liability is \$799,438 at June 30, 2010 based on the use of 69% of total estimated capacity. The County currently reports a combined liability of \$1,938,248 and will recognize the remaining estimated cost of closure and post closure care as the remaining estimated capacity is filled.

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

**Note 11 – Deferred/Unearned Revenue**

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

	<u>Deferred Revenues</u>	<u>Unearned Revenues</u>
Taxes, net (General Fund)	\$ 3,561,634	\$ -
Taxes collected in advance (General Fund)	<u>36,765</u>	<u>36,765</u>
Total	<u>\$ 3,598,399</u>	<u>\$ 36,765</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Note 12 - Long-Term Obligations**

**Installment Purchase Contracts** – Installment purchase contracts at June 30, 2010 are summarized below:

**Serviced by Governmental Activities:**

22.59% of \$6,240,314 or \$1,409,814 for community college and jail addition, due in semi-annual installments of \$372,815, including interest at 4.57% through March 2012	\$ 1,409,815
42.86% of \$8,484,000 or \$3,636,000 contract for Nash Central High School, due in semi-annual installments of fixed principal \$303,000, plus interest of 4.76% through Nov 2015	3,636,000
21.24% of \$499,500 or \$106,092 for the CheeseCake Factory, due in annual installments of \$110,630, including interest of 3.5% through Sept. 2011	106,090
20.00% of \$972,000 or \$194,400 for Munis software package, due in semi-annual installments of \$97,200, including interest of 3.4% through Feb 2011	194,400
21.58% of \$321,881 or \$69,448 for EMS Data Collection System, due in annual payments of \$72,185, including interest of 3.94% through April 2011	69,448
64.31% of \$10,800,000 or \$6,945,000 for Certificate of Participation, due in annual installments of fixed principal \$650,000, plus interest through June 2024. COPS debt includes \$1,510,000 for Community College, \$1,000,000 for Technology Center, \$5,070,000 for Bailey Elementary School, \$2,010,000 for Courthouse renovations, and \$1,210,000 for Shell Building	6,945,000
100.00% of \$339,380 or \$339,380 for EMS defibrilators, due in annual installments of \$75,699 interest of 3.75% included through September 2014	339,380
90.00% of \$900,000 or \$810,000 for Shell Building Purchase, due in semi-annual installments of \$90,000, plus interest of 3.50% through December 2014	810,000
100.00% of \$7,342,300 or \$7,342,300 for Middlesex Elementary in interest only quarterly installments until final payment with prinipal payment of \$7,342,300 in September 2012, interest rate of 2.05%	<u>7,342,300</u>
Total serviced by governmental activities	<u>\$ 20,852,433</u>

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**Serviced by Business-Type Activities:**

85.00% of \$1,122,000 or \$953,700 for Bailey Water Project, due in semi-annual installments of fixed principal \$56,100, plus interest of 2.305% through May 2027	\$ 953,700
82.50% of \$1,500,000 or \$1,237,500 for Bailey/BOR/Bentridge water line construction project, due in semi-annual installments of fixed principal \$75,000, plus interest of 4.35% through October 2026	1,237,500
46.67% of \$2,616,000 or \$1,220,800 for Highway 58 Water Project, due in semi-annual installments of fixed principal \$87,200 plus interest of 4.29% through July 2017	<u>1,220,800</u>
Total serviced by business-type activities	<u>\$ 3,412,000</u>

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

<u>Year Ending</u> <u>June 30</u>	<u>Governmental Activities</u>		<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 2,542,897	\$ 758,761	\$ 305,500	\$ 125,501
2012	2,207,164	652,601	305,500	113,463
2013	8,831,084	450,013	305,500	101,426
2014	1,491,326	346,121	305,500	77,351
2015	1,403,962	282,303	305,500	65,313
2016-2020	3,376,000	658,690	1,004,300	234,250
2021-2025	1,000,000	121,876	655,500	101,656
2026-2030	-	-	224,700	8,773
Total	<u>\$ 20,852,433</u>	<u>\$ 3,270,365</u>	<u>\$ 3,412,000</u>	<u>\$ 827,733</u>

**Limited Obligation Bonds**

The County issued \$28,355,000 Limited Obligation Bonds on March 25, 2010, which will be used to finance construction and renovation of school facilities, storage building, and EMS building. Principal and interest are due annually, in installments ranging from \$455,000 to \$1,645,000, beginning fiscal year 2011 through October 2030; interest due in semi-annual installments at rates ranging from 2.0% to 5.0%. Outstanding balance at June 30, 2010 is \$28,355,000.

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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

<b>Year Ending June 30</b>	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2011	\$ -	\$ 1,251,339
2012	455,000	1,226,275
2013	960,000	1,209,725
2014	965,000	1,184,456
2015	965,000	1,156,713
2016-2020	6,825,000	5,164,982
2021-2025	8,225,000	3,452,050
2026-2030	9,960,000	1,494,000
<b>Total</b>	<b>\$ 28,355,000</b>	<b>\$ 16,139,540</b>

**General Obligation Indebtedness**

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

The County's general obligation bonds payable at June 30, 2010 are comprised of the following individual issues:

**Serviced by Business-Type Activities:**

\$5,239,000 of General Obligation Water Bonds due on June 1 in  
annual installments of \$60,000 to \$235,000 through December 2048;  
interest of 3.625% to 4.5% \$ 5,239,000

**NASH COUNTY, NORTH CAROLINA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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

<b>Year Ending June 30</b>	<b>Business-Type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2011	\$ 60,000	\$ 229,136
2012	61,000	226,524
2013	63,000	223,866
2014	66,000	221,119
2015	69,000	218,239
2016-2020	393,000	1,043,351
2021-2025	488,000	949,534
2026-2030	603,000	833,291
2031-2035	746,000	689,620
2036-2040	924,000	511,340
2041-2045	1,120,000	290,748
2046-2048	646,000	53,983
<b>Total</b>	<b>\$ 5,239,000</b>	<b>\$ 5,490,751</b>

The following is a summary of changes in the County's long-term obligations as of June 30, 2010:

	<b>July 1, 2009</b>	<b>Additions</b>	<b>Retirements</b>	<b>June 30, 2010</b>	<b>Due in Less Than One Year</b>
<b>Governmental Activities:</b>					
Compensated absences	\$ 1,851,133	\$ 1,760,459	\$ (1,721,403)	\$ 1,890,189	\$ 1,757,876
Unfunded LEO pension	477,524	53,328	-	530,852	-
OPEB Liability	1,842,700	1,812,017	-	3,654,717	-
Installment purchase contracts	14,850,715	8,581,680	(2,579,962)	20,852,433	2,542,897
Limited obligation bonds	-	28,355,000	-	28,355,000	-
Unamortized premium/discounts	-	994,402	-	994,402	-
<b>Total governmental activities</b>	<b>\$ 19,022,072</b>	<b>\$ 41,556,886</b>	<b>\$ (4,301,365)</b>	<b>\$ 56,277,593</b>	<b>\$ 4,300,773</b>

## NASH COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2010</u>	<u>Due in Less Than One Year</u>
<b>Business-Type Activities:</b>					
Installment purchase contract	\$ 3,717,500	\$ -	\$ (305,500)	\$ 3,412,000	\$ 305,500
General Obligation Water Bonds	5,239,000	-	-	5,239,000	60,000
Accrued landfill closure and post-closure costs	1,879,270	84,000	(25,022)	1,938,248	25,000
OPEB Liability	56,990	56,042	-	113,032	-
Accrued vacation	34,278	30,220	(24,371)	40,127	37,318
 Total business-type activities	 <u>\$ 10,927,038</u>	 <u>\$ 170,262</u>	 <u>\$ (354,893)</u>	 <u>\$ 10,742,407</u>	 <u>\$ 427,818</u>

Compensated absences typically have been liquidated in the General Fund and are accounted for on a FIFO basis. The Unfunded special separation allowance and OPEB liability 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 had a legal debt limitation of \$546,867,000 at June 30, 2010.

**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, 2010, 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, 2010**

**Note 13 – Interfund Balances and Activity**

**Due From/To Other Funds**

Interfund balances are summarized below:

	<b>Interfund Loans</b>		<b>Reason</b>
	<b>From</b>	<b>To</b>	
General Fund	\$ -	\$ 670,556	Advance project costs
Single Family Rehabilitation Fund	220,954	-	
Homeland Security Grant	6,436	-	
Stream Restoration Project	21,850	-	
Middlesex Corporate Park Project	421,316	-	
Utilities Fund	-	2,182,284	Advance project costs

**Transfers To/From Other Funds**

Transfers in (out) for the year ended June 30, 2010 are summarized below:

	<b>Transfers</b>		<b>Reason</b>
	<b>From</b>	<b>To</b>	
General Fund	\$ 42,637	\$ 462,418	Debt proceeds from College Bldg Fund applied to debt
Special Revenue			
Revaluation Fund	-	40,000	Budget for Revaluation Reserve
Grant Projects	-	2,637	County match for ARRA stimulus funds
Capital Project			
Community College Tech. Building	462,418	-	Debt proceeds applied to Debt in General Fund
Utilities Fund	239,137	-	Transfer to District to cover construction
Central Nash Water and Sewer District	-	239,137	Transfer from Utility Fund to cover construction

**Note 14 – 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 \$1,675,180 to the college for operating purposes and \$1,302,686 for capital outlay during the year ended June 30, 2010. 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, 2010. 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, 2010

**The Beacon Center** – The County, in conjunction with Edgecombe County, participates in a joint venture to provide mental health services through The Beacon Center. Each County appoints a commissioner to the Authority Board. The Commissioners then appoint the remaining Board of thirteen members. The County has ongoing financial responsibility for the joint venture. Neither County has an equity interest in the area authority. The County did not make a contribution to the Authority during the year ended June 30, 2010. 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 County of Rocky Mount, County of Wilson, Edgecombe County, and Wilson County, participates in a joint venture to operate the Rocky Mount/Wilson Airport Authority. 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 \$47,857 to the Authority's operating purposes during the year ended June 30, 2010. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$1,822,464 has been reported in the governmental capital assets in the County's basic financial statements at June 30, 2010. Complete financial statements for the Authority may be obtained from the Authority's administrative offices at 250 Airport Drive, Elm County, North Carolina 27822.

**Joint Cooperative Agreement-Down East Home Consortium** – The County, in conjunction with the County of Rocky Mount and Edgecombe County, participates in a joint venture to operate the Down East Home Consortium, (the "DEHC"). The agreement commenced on June 30, 1996; the members of the DEHC may choose to continue as a consortium or may notify HUD that it has dissolved. The participating governments mutually agree that Rocky Mount shall act as the lead entity. Each of the entities appoints one member of a three-member DEHC Home Coordinating committee. Each participating government shall receive a percentage of the home funds based on a proration of the population. Each participating government shall be responsible for providing matching funds required by federal regulations for any home funds allocated and accepted for use by that government. As of June 30, 2010, the County contribution was not required due to other funds leveraged by the consortium.

**Carolinas Gateway Partnership, Inc.** – The County, in conjunction with Edgecombe County, the Town of Tarboro, and the County of Rocky Mount, participates in a joint venture to operate Carolinas Gateway Partnership, Inc. As of June 30, 2010, \$247,250 in pledges and contributions have been received from approximately 78 donors from the private sector and \$638,541 in public funding. The Partnership's bylaws state that private sector funds are matched on an equal basis by the public partners. As of June 30, 2010, the County contributed \$283,806 to support the partnership.

**Braswell Memorial Library** – The County, in conjunction with the Library Association, the County of Rocky Mount and Edgecombe County, participates in a joint venture to operate the Braswell Memorial Library. Each of the entities appoints members of the twelve-member Board of Trustees of the library. The County appoints two of the twelve Board members. The County contributed \$868,101 to the library's operating purposes during the year ended June 30, 2010. In addition, the County has contributed \$199,366 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, 2010

### Note 15 – 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, 2010. 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>2010</u>	<u>2009</u>
Unpaid claims, beginning	\$ 654,367	\$ 555,139
Incurred claims	5,154,838	4,818,042
Claim payments	<u>(5,057,207)</u>	<u>(4,718,814)</u>
Unpaid claims, ending	<u>\$ 751,998</u>	<u>\$ 654,367</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, 2010

**Claims and Judgments** – At June 30, 2010, 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, 2010. 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 16 – 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	\$ 84,589,551	\$ 29,466,261
WIC	2,379,404	-
TANF	613,280	(35)
Adoption Assistance	293,754	59,590
Energy Assistance	477,568	-
Special Assistance to Adults	-	876,615
Title IV-B Adoption Subsidy	-	224,420
Total	<u>\$ 88,353,557</u>	<u>\$ 30,626,851</u>

# **NASH COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

### **Note 17 – 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 18 – 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 2010 and 2009 were \$1,163,422 and \$3,232, respectively.

***REQUIRED SUPPLEMENTAL FINANCIAL DATA***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

## NASH COUNTY, NORTH CAROLINA

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2010

## Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets A	Actuarial Accrued Liability (AAL) - Projected Unit Credit		Unfunded AAL (UAAL) B - A	Funded Ratio A / B	Covered Payroll C	UAAL as a Percentage Covered Payroll (B - A) / C
		B					
12/31/2000	\$ -	\$ 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%
12/31/2008	-	637,593		637,593	0.00%	3,266,762	19.52%
12/31/2009	-	884,365		884,365	0.00%	3,400,251	26.01%

## Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution		Percentage of ARC Contributed
	(ARC)		
2001	\$ 23,226		31.10%
2002	27,541		28.12%
2003	40,895		45.70%
2004	45,020		35.04%
2005	50,522		24.25%
2006	56,605		22.11%
2007	65,424		17.58%
2008	64,614		17.58%
2009	76,177		17.14%
2010	83,139		39.18%

## 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	12/31/2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	22 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

**OTHER POST-EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2010**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
12/31/2007	\$ -	\$ 23,491,661	\$ 23,491,661	0.00%	\$ 24,357,779	96.4%

**Schedule of Employer Contributions**

<b>Year Ended June 30</b>	<b>Annual Required Contribution (ARC)</b>	<b>Percentage of ARC Contributed</b>
2009	\$ 2,149,966	11.64%
2010	2,149,966	13.11%

**Notes to the Required Schedules:**

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

Valuation date	12/31/2007
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	4.00%
Medical cost trend rate	11.00% - 5.00%
Year of Ultimate trend rate	2016

\* Includes inflation at 3.75%

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

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

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

***GENERAL FUND***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

NASH COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Current year, net of discounts	\$ 44,368,200	\$ 44,187,315		\$ 40,245,030
Prior year's taxes	1,200,000	1,338,786		1,366,888
Penalties and interest	275,000	307,619		318,837
Total	45,843,200	45,833,720	\$ (9,480)	41,930,755
<b>Other Taxes and Licenses:</b>				
Local option sales taxes	13,074,474	11,758,522		14,352,783
Real estate transfer taxes	210,000	181,984		202,036
Rental vehicle tax	45,000	53,545		49,928
Privilege licenses	10,000	14,121		17,066
Total	13,339,474	12,008,172	(1,331,302)	14,621,813
<b>Unrestricted Intergovernmental Revenues:</b>				
Beer and wine tax	150,000	54,078		167,967
ABC 5% bottle tax	25,000	32,293		32,089
Video programming tax	100,000	179,784		139,425
Total	275,000	266,155	(8,845)	339,481
<b>Restricted Intergovernmental Revenues:</b>				
Restricted State DSS	11,197,695	10,925,131		10,575,803
Restricted State health	2,235,947	2,111,945		1,701,197
Restricted State other	2,526,126	2,232,169		2,964,247
Restricted federal health	3,991,632	3,959,202		4,028,611
Restricted local grants	509,710	385,380		180,500
Total	20,461,110	19,613,827	(847,283)	19,450,358
<b>Permits and Fees:</b>				
Register of Deeds	400,000	344,149		393,500
Building permits	265,000	322,366		290,227
Cable franchise fees	-	-		45,000
Imaging system payback	25,737	25,134		60,816
Other permits and fees	192,400	228,694		210,164
Total	883,137	920,343	37,206	999,707

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Sales and Services:</b>				
Sheriff's officer fees	40,000	45,812		52,827
Jail fees	160,000	202,848		201,605
Home health - other	62,100	69,808		61,361
Environmental fees	125,000	130,509		135,076
Ambulance collections	2,762,000	3,555,564		3,149,249
Ambulance cost settlement	225,000	634,555		307,765
Hospital paramedics	80,000	-		80,000
Local health	68,000	86,100		72,873
Other sales and services	281,400	414,100		406,904
Total	3,803,500	5,139,296	1,335,796	4,467,660
<b>Investment Earnings</b>	750,000	254,583	(495,417)	787,124
<b>Miscellaneous:</b>				
Nash general lease	10,000	1,163,422		3,232
Contribution from ABC Board	250,000	271,298		357,854
TDA funds - economic development	100,000	100,000		100,000
Miscellaneous	373,690	544,201		462,951
Total	733,690	2,078,921	1,345,231	924,037
Total revenues	86,089,111	86,115,017	25,906	83,520,935
<b>Expenditures:</b>				
<b>General Government:</b>				
<b>Governing Body:</b>				
Salaries	67,582	67,410		65,054
Operating expenditures	39,000	32,601		36,647
Total	106,582	100,011	6,571	101,701
<b>Administration:</b>				
Salaries and employee benefits	431,955	430,417		425,714
Professional services	750	-		-
Operating expenditures	54,240	41,121		41,444
Total	486,945	471,538	15,407	467,158
<b>Finance:</b>				
Salaries and employee benefits	425,422	425,286		416,009
Other operating expenditures	52,372	51,847		48,615
Total	477,794	477,133	661	464,624

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Human Resources:</b>				
Salaries and employee benefits	270,106	268,130		267,993
Operating expenditures	22,281	10,416		46,429
Total	292,387	278,546	13,841	314,422
<b>Board of Elections:</b>				
Salaries and employee benefits	216,937	206,006		229,246
Operating expenditures	148,455	118,518		92,076
Capital outlay	12,473	10,600		17,392
Total	377,865	335,124	42,741	338,714
<b>Tax Supervisor and Data Processing:</b>				
Salaries and employee benefits	1,213,068	1,182,700		1,224,662
Professional services	68,910	70,733		51,049
Operating expenditures	217,385	184,834		178,724
Total	1,499,363	1,438,267	61,096	1,454,435
<b>Legal:</b>				
Professional services	150,000	144,589		129,580
Total	150,000	144,589	5,411	129,580
<b>Register of Deeds:</b>				
Salaries and employee benefits	324,746	324,155		318,880
Operating expenditures	48,170	44,900		42,874
Capital outlay	25,737	5,213		80,737
Total	398,653	374,268	24,385	442,491
<b>Management Information Services:</b>				
Salaries and employee benefits	451,346	451,343		392,912
Professional services	212,721	183,008		171,085
Operating expenditures	127,764	120,707		125,437
Capital outlay	72,900	69,000		89,400
Total	864,731	824,058	40,673	778,834
<b>Public Buildings:</b>				
Operating expenditures	274,453	180,694		240,237
Capital outlay	1,203,945	794,913		619,060
Total	1,478,398	975,607	502,791	859,297

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Non-Departmental Costs:</b>				
Operating expenditures	1,539,087	956,335		1,000,005
Total	1,539,087	956,335	582,752	1,000,005
<b>Administration Building:</b>				
Salaries and employee benefits	464,592	403,863		433,168
Operating expenditures	464,300	358,371		387,700
Capital outlay	50,000	1,981		15,897
Total	978,892	764,215	214,677	836,765
<b>Court Facilities:</b>				
Salaries and employee benefits	77,840	77,719		77,028
Professional services	-	-		750
Operating expenditures	207,040	108,272		116,072
Capital outlay	205,000	37,909		114,761
Total	489,880	223,900	265,980	308,611
<b>County Capital Improvements:</b>				
Capital outlay	822,496	665,793	156,703	661,418
Total general government	9,963,073	8,029,384	1,933,689	8,158,055
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and employee benefits	3,554,424	3,536,019		3,490,534
Operating expenditures	1,001,158	823,018		880,433
Capital outlay	298,850	277,950		198,647
Total	4,854,432	4,636,987	217,445	4,569,614
<b>Court Security:</b>				
Salaries and employee benefits	674,135	660,866		610,788
Total	674,135	660,866	13,269	610,788
<b>Highway Safety Grant:</b>				
Salaries and employee benefits	504,941	222,470		218,139
Operating expenditures	7,001	41		34,527
Capital outlay	5,200	-		38,243
Total	517,142	222,511	294,631	290,909

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>School Officers NRMS:</b>				
Salaries and employee benefits	315,709	314,652		310,391
Total	315,709	314,652	1,057	310,391
<b>Jail:</b>				
Salaries and employee benefits	2,544,951	2,416,447		2,357,388
Professional services	403,000	401,846		369,376
Operating expenditures	1,224,279	1,212,146		1,196,673
Total	4,172,230	4,030,439	141,791	3,923,437
<b>Court Liaison Grant- ARRA:</b>				
Salaries and employee benefits	30,324	30,315		-
Operating expenditures	5,676	5,687		-
Total	36,000	36,002	(2)	-
<b>Governor's Crime Grant:</b>				
Juvenile court	123,808	58,354		111,593
Total	123,808	58,354	65,454	111,593
<b>Criminal Justice:</b>				
Operating expenditures	92,260	78,271		46,600
Total	92,260	78,271	13,989	46,600
<b>Communications:</b>				
Salaries and employee benefits	1,124,559	1,113,038		1,074,189
Operating expenditures	117,821	108,554		100,388
Total	1,242,380	1,221,592	20,788	1,174,577
<b>Enhanced Wireline:</b>				
Operating expenditures	3,141	3,136		9,997
Capital outlay	94,761	92,452		542,414
Total	97,902	95,588	2,314	552,411
<b>Emergency Services:</b>				
Salaries and employee benefits	450,283	449,462		438,940
Operating expenditures	135,387	123,103		68,709
Total	585,670	572,565	13,105	507,649

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Emergency Medical Services:</b>				
Salaries and employee benefits	4,420,425	4,373,938		4,255,592
Professional services	60,500	49,603		78,493
Other operating expenditures	1,026,260	951,928		926,660
Capital outlay	390,780	389,058		41,207
Total	5,897,965	5,764,527	133,438	5,301,952
<b>Fire and Rescue:</b>				
Professional services	234,500	234,500	-	234,500
Total	234,500	234,500	-	234,500
<b>Animal Control:</b>				
Salaries and employee benefits	248,118	236,267		244,358
Professional services	23,100	13,418		1,366
Operating expenditures	74,450	57,525		55,674
Total	345,668	307,210	38,458	301,398
<b>Forestry:</b>				
Operating expenditures	95,750	83,310		85,321
Total	95,750	83,310	12,440	85,321
<b>Medical Examiner:</b>				
Professional services	45,000	27,000		24,900
Total	45,000	27,000	18,000	24,900
Total public safety	19,330,551	18,344,374	986,177	18,046,040
<b>Transportation:</b>				
<b>Airport:</b>				
Operations	47,857	47,857	-	43,921
<b>Rural Transportation Planning:</b>				
Salaries	89,834	85,756		45,778
Operations	18,365	18,373		17,681
Capital outlay	32,329	28,531		22,009
Total transportation	188,385	180,517	7,868	129,389

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Economic and Physical Development:</b>				
<b>Planning:</b>				
Salaries and employee benefits	460,674	442,493		449,735
Professional services	27,550	24,700		15,438
Operating expenditures	30,860	19,954		24,711
Total	519,084	487,147	31,937	489,884
<b>Inspections:</b>				
Salaries and employee benefits	424,802	424,513		408,474
Operating expenditures	47,465	38,232		45,168
Total	472,267	462,745	9,522	453,642
<b>Cooperative Extension:</b>				
Salaries and employee benefits	248,916	245,233		242,476
Operating expenditures	81,767	70,923		72,789
Total	330,683	316,156	14,527	315,265
<b>Soil Conservation:</b>				
Salaries and employee benefits	275,688	260,781		273,523
Operating expenditures	57,400	34,828		34,040
Total	333,088	295,609	37,479	307,563
<b>Economic Development:</b>				
Operating expenditures	661,306	342,310		398,985
Capital outlay	2,170,000	2,137,012		254,300
Total	2,831,306	2,479,322	351,984	653,285
Total economic and physical development	4,486,428	4,040,979	445,449	2,219,639
<b>Human Services:</b>				
<b>Health:</b>				
<b>Administration:</b>				
Salaries and employee benefits	1,466,316	1,301,459		1,414,468
Professional services	106,552	97,515		65,403
Operating expenditures	568,285	490,063		515,120
Capital outlay	30,000	19,976		9,670
Total	2,171,153	1,909,013	262,140	2,004,661

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Family Planning:</b>				
Salaries and employee benefits	522,738	489,748		517,884
Professional services	22,500	23,156		52,643
Operating expenditures	178,789	161,007		163,790
Total	724,027	673,911	50,116	734,317
<b>Home Health:</b>				
Salaries and employee benefits	1,463,730	1,206,739		1,261,138
Professional services	609,700	597,088		548,276
Operating expenditures	465,650	379,204		388,932
Total	2,539,080	2,183,031	356,049	2,198,346
<b>CAP:</b>				
Salaries and employee benefits	181,644	181,336		177,896
Operating expenditures	32,646	24,737		25,434
Total	214,290	206,073	8,217	203,330
<b>Child Service Coordinator:</b>				
Salaries and employee benefits	170,566	168,666		169,491
Professional services	6,500	6,500		6,500
Operating expenditures	15,650	9,345		11,708
Total	192,716	184,511	8,205	187,699
<b>Child Health:</b>				
Salaries and employee benefits	483,871	465,589		457,269
Professional services	15,550	15,024		15,335
Operating expenditures	29,504	21,840		25,479
Total	528,925	502,453	26,472	498,083
<b>Maternal Health:</b>				
Salaries and employee benefits	749,872	737,197		735,663
Professional services	93,000	64,547		67,986
Operating expenditures	93,700	80,062		80,112
Total	936,572	881,806	54,766	883,761
<b>AIDS:</b>				
Salaries and employee benefits	47,971	47,406		46,362
Operating expenditures	11,450	7,758		12,396
Total	59,421	55,164	4,257	58,758

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	<u>2010</u>		<u>2009</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
		<u>Variance</u>	
		<u>Over/Under</u>	
<b>Weight Wise:</b>			
Salaries and employee benefits	7,303	7,288	-
Operating expenditures	8,711	5,340	8,969
Total	<u>16,014</u>	<u>12,628</u>	<u>8,969</u>
<b>Health Promotion:</b>			
Salaries and employee benefits	88,571	87,001	85,943
Professional services	9,000	8,993	8,273
Operating expenditures	31,750	22,127	19,051
Total	<u>129,321</u>	<u>118,121</u>	<u>113,267</u>
<b>Environmental Health:</b>			
Salaries and employee benefits	693,958	692,303	667,123
Operating expenditures	80,465	69,306	65,831
Total	<u>774,423</u>	<u>761,609</u>	<u>732,954</u>
<b>Diabetic Care:</b>			
Professional services	4,560	4,274	4,000
Total	<u>4,560</u>	<u>4,274</u>	<u>4,000</u>
<b>Pediatric Diabetes Program:</b>			
Professional services	-	-	7,712
Operating expenditures	-	-	4,472
Total	<u>-</u>	<u>-</u>	<u>12,184</u>
<b>Tuberculosis:</b>			
Salaries and employee benefits	95,933	95,520	89,447
Professional services	2,518	2,518	2,518
Total	<u>98,451</u>	<u>98,038</u>	<u>91,965</u>
<b>CDC Tuberculosis Project:</b>			
Salaries and employee benefits	54,785	54,757	54,256
Professional services	3,500	3,516	2,490
Operating expenditures	8,700	4,559	6,004
Total	<u>66,985</u>	<u>62,832</u>	<u>62,750</u>
<b>WIC Administration:</b>			
Salaries and employee benefits	465,308	462,961	426,071
Professional services	4,500	4,500	4,093
Operating expenditures	118,556	39,264	13,248
Total	<u>588,364</u>	<u>506,725</u>	<u>443,412</u>

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Communicable Disease:</b>				
Salaries and employee benefits	50,052	45,974		45,247
Professional services	1,000	651		1,144
Operating expenditures	31,050	14,381		15,656
Total	82,102	61,006	21,096	62,047
<b>Healthy Start Baby Love Plus:</b>				
Salaries and employee benefits	127,148	92,767		113,729
Operating expenditures	34,336	21,924		19,234
Total	161,484	114,691	46,793	132,963
<b>Breast and Cervical Cancer:</b>				
Salaries and employee benefits	18,699	18,696		38,624
Professional services	30,669	30,661		39,927
Operating expenditures	146	145		5,695
Total	49,514	49,502	12	84,246
<b>Komen Breast Cancer:</b>				
Salaries and employee benefits	68,501	64,653		17,557
Operating expenditures	6,499	5,935		1,165
Total	75,000	70,588	4,412	18,722
<b>Immunization Action Plan:</b>				
Salaries and employee benefits	46,104	46,007		45,475
Operating expenditures	7,014	6,798		-
Total	53,118	52,805	313	45,475
<b>H1N1 Phase I &amp; II:</b>				
Salaries	53,089	22,767		-
Operating expenditures	26,911	12,657		-
Total	80,000	35,424	44,576	-
<b>H1N1 Phase III:</b>				
Salaries	62,372	33,069		-
Operating expenditures	115,229	44,694		-
Capital outlay	124,000	87,308		-
Total	301,601	165,071	136,530	-

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>NAP SACC:</b>				
Salaries	48,557	31,318		-
Operating expenditures	7,504	5,540		-
Total	56,061	36,858	19,203	-
<b>Lead Grant:</b>				
Operating expenditures	66,118	51,567		-
Capital outlay	25,082	20,395		-
Total	91,200	71,962	19,238	-
<b>Diabetes Today Program:</b>				
Capital outlay	20,000	19,557		-
Total	20,000	19,557	443	-
<b>Bioterrorism Program:</b>				
Salaries	44,448	43,339		41,077
Operating expenditures	10,025	5,246		2,611
Total	54,473	48,585	5,888	43,688
<b>Community Care of Eastern North Carolina:</b>				
Salaries	100,501	99,905		86,604
Operating expenditures	23,630	17,095		16,364
Total	124,131	117,000	7,131	102,968
<b>Teen Tobacco Use Prevention:</b>				
Salaries	46,614	46,107		43,618
Operating expenditures	31,782	29,685		27,157
Total	78,396	75,792	2,604	70,775
Total health	10,271,382	9,079,030	1,192,352	8,799,340
<b>Office of Juvenile Justice:</b>				
Operating expenses	289,911	289,910		292,433
Total	289,911	289,910	1	292,433
<b>Mental Health:</b>				
Operating expenses	395,205	40,635		216,853
Total	395,205	40,635	354,570	216,853

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Home Care Community Block Grant:</b>				
Operating expenses	701,284	686,665		666,231
Total	701,284	686,665	14,619	666,231
<b>Social Services:</b>				
<b>General:</b>				
Salaries and employee benefits	7,583,037	7,277,919		7,418,275
Professional services	23,423	20,339		16,947
Assistance payments	615,449	547,194		461,237
Operating expenditures	738,534	529,066		551,112
Total	8,960,443	8,374,518	585,925	8,447,571
<b>Title IVD -1571:</b>				
Salaries and employee benefits	1,160,327	1,125,067		1,109,911
Professional services	2,000	1,416		1,604
Operating expenditures	27,300	17,885		21,773
Total	1,189,627	1,144,368	45,259	1,133,288
<b>Work First:</b>				
Salaries and employee benefits	504,605	489,320		506,692
Operating expenditures	154,715	123,568		133,671
Total	659,320	612,888	46,432	640,363
<b>Social Services - Other:</b>				
Medicaid	14,000	12,163		2,328,517
WFFA charges	50,000	14,256		59,304
Special assistance	912,049	876,615		892,757
Other assistance	4,674,635	4,431,396		4,063,653
Total	5,650,684	5,334,430	316,254	7,344,231
<b>DNS - County Only Participation:</b>				
Non-reimbursable	7,250	4,647		5,539
Foster children	14,000	5,887		13,062
General assistance	2,000	290		980
Pauper burials	3,000	3,201		1,640
Total	26,250	14,025	12,225	21,221
Total social services	16,486,324	15,480,229	1,006,095	17,586,674

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Aging:</b>				
Salaries and employee benefits	153,654	150,734		135,492
Operating expenditures	62,608	53,968		56,231
Contracts and grants	31,933	30,115		29,479
Total	248,195	234,817	13,378	221,202
<b>Senior Center Caregiver Grant:</b>				
Salaries and employee benefits	31,769	29,903		31,131
Operating expenditures	26,217	18,703		17,914
Total	57,986	48,606	9,380	49,045
<b>Veteran's Services:</b>				
Salaries and employee benefits	50,000	50,000		47,355
Total	50,000	50,000	-	47,355
<b>Local Human Services:</b>				
Contributions	50,800	42,375		19,528
Tri-County industries	42,000	42,000		42,000
East Carolina judicial resources	10,000	10,000		10,000
My Sisters House	11,000	11,000		16,000
Beaver Control BMAP	64,000	60,000		60,000
Nash County Arts Council	30,000	30,000		30,000
Nashville Boys Club	25,000	25,000		-
House the Children	30,000	30,000		30,000
Downeast Partnership for Children	10,000	10,000		10,000
Eastern NC Mediation Center	5,000	-		-
Imperial Center	3,000	5,938		-
Total	280,800	266,313	14,487	217,528
Total human services	28,781,087	26,176,205	2,604,882	28,096,661
<b>Cultural:</b>				
<b>Recreation:</b>				
Salaries	264,400	249,507		211,951
Operating expenditures	141,806	135,246		121,308
Capital outlay	43,907	42,608		38,224
Total	450,113	427,361	22,752	371,483

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Libraries:</b>				
Braswell Library	868,101	868,101		868,101
NC Library Block Grant	216,969	199,366		190,542
Local libraries	67,500	67,500		67,500
Total	1,152,570	1,134,967	17,603	1,126,143
Total cultural	1,602,683	1,562,328	40,355	1,497,626
<b>Education:</b>				
<b>Nash Community College:</b>				
Operating expenditures	1,675,180	1,675,180		1,675,180
Capital outlay	1,396,000	1,302,686		120,000
Total	3,071,180	2,977,866	93,314	1,795,180
<b>Nash Rocky Mount Schools:</b>				
Operating expenditures	19,741,593	19,741,593		19,341,593
Capital outlay	1,851,036	1,851,036		1,851,036
Total	21,592,629	21,592,629	-	21,192,629
Total education	24,663,809	24,570,495	93,314	22,987,809
<b>Debt Service:</b>				
Principal retirement	2,579,964	2,579,962		2,618,834
Interest and fees	824,766	707,651		828,775
Total debt service	3,404,730	3,287,613	117,117	3,447,609
Total expenditures	92,420,746	86,191,895	6,228,851	84,582,828
Revenues over (under) expenditures	(6,331,635)	(76,878)	6,254,757	(1,061,893)

**NASH COUNTY, NORTH CAROLINA**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds:				
Special revenue funds	(42,637)	(42,637)	-	(50,000)
Transfers from other funds:				
Special revenue funds	-	-	-	100,548
Capital project funds	622,422	462,418	(160,004)	107,465
Long-term debt issued	1,239,380	1,239,380	-	-
Contingency	(100,000)	-	100,000	-
Appropriated fund balance	4,612,470	-	(4,612,470)	-
Total other financing sources (uses)	<u>6,331,635</u>	<u>1,659,161</u>	<u>(4,672,474)</u>	<u>158,013</u>
Net change in fund balance	<u>\$ -</u>	<u>1,582,283</u>	<u>\$ 1,582,283</u>	<u>(903,880)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>28,828,312</u>		<u>29,732,192</u>
End of year - June 30		<u>\$ 30,410,595</u>		<u>\$ 28,828,312</u>

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

***NONMAJOR GOVERNMENTAL FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

## NASH COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2010

	Nonmajor		<u>Total</u>
	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	
<b>Assets:</b>			
Cash and cash equivalents	\$ 3,641,291	\$ 763,808	\$ 4,405,099
Accounts receivable, net	356,892	-	356,892
Restricted cash	<u>-</u>	<u>7,308,333</u>	<u>7,308,333</u>
Total assets	<u>\$ 3,998,183</u>	<u>\$ 8,072,141</u>	<u>\$ 12,070,324</u>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 183,510	\$ -	\$ 183,510
Due to other funds	<u>249,240</u>	<u>421,316</u>	<u>670,556</u>
Total liabilities	<u>432,750</u>	<u>421,316</u>	<u>854,066</u>
<b>Fund Balances:</b>			
Reserved:			
State statute	73,591	-	73,591
Capital projects	-	7,308,333	7,308,333
Unreserved:			
Undesignated	<u>3,491,842</u>	<u>342,492</u>	<u>3,834,334</u>
Total fund balances	<u>3,565,433</u>	<u>7,650,825</u>	<u>11,216,258</u>
Total liabilities and fund balances	<u>\$ 3,998,183</u>	<u>\$ 8,072,141</u>	<u>\$ 12,070,324</u>

# NASH COUNTY, NORTH CAROLINA

## NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2010

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Project Funds</b>	<b>Total</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 2,444,135	\$ -	\$ 2,444,135
Restricted intergovernmental	2,036,279	1,137,127	3,173,406
Investment earnings	9,573	657	10,230
Miscellaneous	42,300	433,254	475,554
Total revenues	<u>4,532,287</u>	<u>1,571,038</u>	<u>6,103,325</u>
<b>Expenditures:</b>			
Current:			
Public safety	3,469,113	-	3,469,113
Transportation	216,503	-	216,503
Economic and physical development	993,195	198,906	1,192,101
Education	-	1,405,042	1,405,042
General government	-	421,398	421,398
Revaluation	291	-	291
Human services	55,011	-	55,011
Total expenditures	<u>4,734,113</u>	<u>2,025,346</u>	<u>6,759,459</u>
Revenues over (under) expenditures	<u>(201,826)</u>	<u>(454,308)</u>	<u>(656,134)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	42,637	-	42,637
Transfers out	-	(462,418)	(462,418)
Long-term debt issued	-	7,342,300	7,342,300
Total other financing sources (uses)	<u>42,637</u>	<u>6,879,882</u>	<u>6,922,519</u>
Net change in fund balances	(159,189)	6,425,574	6,266,385
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>3,724,622</u>	<u>1,225,251</u>	<u>4,949,873</u>
End of year - June 30	<u>\$ 3,565,433</u>	<u>\$ 7,650,825</u>	<u>\$ 11,216,258</u>

***NONMAJOR SPECIAL REVENUE FUNDS***

# NASH COUNTY, NORTH CAROLINA

## NONMAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2010

	<b>Rural Operating Assistance Program</b>	<b>Fire Districts Fund</b>	<b>Economic Development Fund</b>	<b>Revaluation Fund</b>	<b>E911 Fund</b>
<b>Assets:</b>					
Cash and cash equivalents	\$ 112,604	\$ 322,002	\$ 128,394	\$ 198,648	\$ 297,318
Receivables, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,368</u>
Total assets	<u>\$ 112,604</u>	<u>\$ 322,002</u>	<u>\$ 128,394</u>	<u>\$ 198,648</u>	<u>\$ 328,686</u>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 87,730	\$ 33,213	\$ -	\$ -	\$ 11,670
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>87,730</u>	<u>33,213</u>	<u>-</u>	<u>-</u>	<u>11,670</u>
<b>Fund Balances:</b>					
Reserved by State statute	-	-	-	-	31,368
Unreserved	<u>24,874</u>	<u>288,789</u>	<u>128,394</u>	<u>198,648</u>	<u>285,648</u>
Total fund balances	<u>24,874</u>	<u>288,789</u>	<u>128,394</u>	<u>198,648</u>	<u>317,016</u>
Total liabilities and fund balances	<u>\$ 112,604</u>	<u>\$ 322,002</u>	<u>\$ 128,394</u>	<u>\$ 198,648</u>	<u>\$ 328,686</u>

Schedule D-1

<b>Controlled Substance Fund</b>	<b>Federal Asset Forfeiture Fund</b>	<b>Capital Reserve Fund</b>	<b>Stormwater Maintenance Fund</b>	<b>Tourism Fund</b>	<b>Grant Projects Fund</b>	<b>Total</b>
\$ 275,364	\$ 288,989	\$ 1,957,231	\$ 10,225	\$ 17,583	\$ 32,933	\$ 3,641,291
-	-	1,556	-	40,667	283,301	356,892
<u>\$ 275,364</u>	<u>\$ 288,989</u>	<u>\$ 1,958,787</u>	<u>\$ 10,225</u>	<u>\$ 58,250</u>	<u>\$ 316,234</u>	<u>\$ 3,998,183</u>
\$ 38	\$ -	\$ -	\$ -	\$ 14,134	\$ 36,725	\$ 183,510
-	-	-	-	-	249,240	249,240
<u>38</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,134</u>	<u>285,965</u>	<u>432,750</u>
-	-	1,556	-	40,667	-	73,591
<u>275,326</u>	<u>288,989</u>	<u>1,957,231</u>	<u>10,225</u>	<u>3,449</u>	<u>30,269</u>	<u>3,491,842</u>
<u>275,326</u>	<u>288,989</u>	<u>1,958,787</u>	<u>10,225</u>	<u>44,116</u>	<u>30,269</u>	<u>3,565,433</u>
<u>\$ 275,364</u>	<u>\$ 288,989</u>	<u>\$ 1,958,787</u>	<u>\$ 10,225</u>	<u>\$ 58,250</u>	<u>\$ 316,234</u>	<u>\$ 3,998,183</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, 2010

	<b>Rural Operating Assistance Program</b>	<b>Fire Districts Fund</b>	<b>Economic Development Fund</b>	<b>Revaluation Fund</b>	<b>E911 Fund</b>
<b>Revenues:</b>					
Ad valorem taxes	\$ -	\$ 2,444,135	\$ -	\$ -	\$ -
Restricted intergovernmental	216,503	-	-	-	376,420
Investment earnings	221	1,652	254	324	671
Miscellaneous	-	-	-	-	-
Total revenues	<u>216,724</u>	<u>2,445,787</u>	<u>254</u>	<u>324</u>	<u>377,091</u>
<b>Expenditures:</b>					
Public safety	-	2,552,760	-	-	407,588
Transportation	216,503	-	-	-	-
Economic and physical development	-	-	-	-	-
Revaluation	-	-	-	291	-
Human services	-	-	-	-	-
Total expenditures	<u>216,503</u>	<u>2,552,760</u>	<u>-</u>	<u>291</u>	<u>407,588</u>
Revenues over (under) expenditures	<u>221</u>	<u>(106,973)</u>	<u>254</u>	<u>33</u>	<u>(30,497)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	-	-	-	40,000	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
Net change in fund balances	221	(106,973)	254	40,033	(30,497)
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>24,653</u>	<u>395,762</u>	<u>128,140</u>	<u>158,615</u>	<u>347,513</u>
End of year - June 30	<u>\$ 24,874</u>	<u>\$ 288,789</u>	<u>\$ 128,394</u>	<u>\$ 198,648</u>	<u>\$ 317,016</u>

Schedule D-2

<b>Controlled Substance Fund</b>	<b>Federal Asset Forfeiture Fund</b>	<b>Capital Reserve Fund</b>	<b>Stormwater Maintenance Fund</b>	<b>Tourism Fund</b>	<b>Grant Projects Fund</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,444,135
67,744	44,032	-	-	488,000	843,580	2,036,279
550	640	5,162	21	41	37	9,573
6,800	-	-	-	-	35,500	42,300
<u>75,094</u>	<u>44,672</u>	<u>5,162</u>	<u>21</u>	<u>488,041</u>	<u>879,117</u>	<u>4,532,287</u>
94,009	87,941	-	-	-	326,815	3,469,113
-	-	-	-	-	-	216,503
-	-	-	-	491,097	502,098	993,195
-	-	-	-	-	-	291
-	-	-	-	-	55,011	55,011
<u>94,009</u>	<u>87,941</u>	<u>-</u>	<u>-</u>	<u>491,097</u>	<u>883,924</u>	<u>4,734,113</u>
<u>(18,915)</u>	<u>(43,269)</u>	<u>5,162</u>	<u>21</u>	<u>(3,056)</u>	<u>(4,807)</u>	<u>(201,826)</u>
-	-	-	-	-	2,637	42,637
-	-	-	-	-	2,637	42,637
(18,915)	(43,269)	5,162	21	(3,056)	(2,170)	(159,189)
<u>294,241</u>	<u>332,258</u>	<u>1,953,625</u>	<u>10,204</u>	<u>47,172</u>	<u>32,439</u>	<u>3,724,622</u>
<u>\$ 275,326</u>	<u>\$ 288,989</u>	<u>\$ 1,958,787</u>	<u>\$ 10,225</u>	<u>\$ 44,116</u>	<u>\$ 30,269</u>	<u>\$ 3,565,433</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, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental - grants:				
EDTAP	\$ 100,801	\$ 100,801	\$ -	\$ 99,992
WorkFirst	24,676	24,676	-	15,268
Rural General Public Program	91,026	91,026	-	82,867
Total restricted intergovernmental - grants	<u>216,503</u>	<u>216,503</u>	<u>-</u>	<u>198,127</u>
Investment earnings	-	221	221	1,563
Total revenues	<u>216,503</u>	<u>216,724</u>	<u>221</u>	<u>199,690</u>
<b>Expenditures:</b>				
Transportation:				
EDTAP	100,801	100,801	-	99,993
WorkFirst	24,676	24,676	-	15,268
Rural General Public Programs	91,026	91,026	-	82,867
Total expenditures	<u>216,503</u>	<u>216,503</u>	<u>-</u>	<u>198,128</u>
Net change in fund balance	<u>\$ -</u>	221	<u>\$ 221</u>	1,562
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>24,653</u>		<u>23,091</u>
End of year - June 30		<u>\$ 24,874</u>		<u>\$ 24,653</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, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,471,178	\$ 2,444,135	\$ (27,043)	\$ 2,188,552
Investment earnings	-	1,652	1,652	18,340
Total revenues	<u>2,471,178</u>	<u>2,445,787</u>	<u>(25,391)</u>	<u>2,206,892</u>
<b>Expenditures:</b>				
Public safety:				
Stanhope	55,211	55,211	-	51,038
Stony Creek	6,532	6,329	203	6,427
Green Hornet	105,005	102,725	2,280	94,517
Harrison	112,224	105,759	6,465	86,176
Ferrells	164,539	162,724	1,815	152,022
N.S. Gulley	440,823	435,638	5,185	309,879
Silver Lake	9,159	9,159	-	5,953
Sims	6,936	-	6,936	4,716
Tri-County	85,730	80,670	5,060	89,498
Salem	102,884	101,392	1,492	90,500
West Mount	247,948	245,600	2,348	219,947
Coopers	270,846	270,007	839	224,672
Castalia	112,298	110,487	1,811	107,026
Spring Hope	192,550	187,331	5,219	184,389
Middlesex	61,316	61,316	-	56,480
Whitakers	184,046	184,046	-	176,583
Red Oak	328,740	325,624	3,116	279,358
Momeyer	108,742	108,742	-	102,044
Total expenditures	<u>2,595,529</u>	<u>2,552,760</u>	<u>42,769</u>	<u>2,241,225</u>
Revenues over (under) expenditures	(124,351)	(106,973)	17,378	(34,333)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>124,351</u>	-	<u>(124,351)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(106,973)</u>	<u>\$ (106,973)</u>	<u>(34,333)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>395,762</u>		<u>430,095</u>
End of year - June 30		<u>\$ 288,789</u>		<u>\$ 395,762</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, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Miscellaneous	\$ -	\$ -	\$ -	\$ 15,000
Investment earnings	-	254	254	4,169
Total revenues	-	254	254	19,169
<b>Expenditures:</b>				
Economic and physical development	-	-	-	18,000
Total expenditures	-	-	-	18,000
Revenues over (under) expenditures	-	254	254	1,169
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds	-	-	-	(128,000)
Total other financing sources (uses)	-	-	-	(128,000)
Net change in fund balance	\$ -	254	\$ 254	(126,831)
<b>Fund Balance:</b>				
Beginning of year - July 1		128,140		254,971
End of year - June 30		\$ 128,394		\$ 128,140

## NASH COUNTY, NORTH CAROLINA

### REVALUATION FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 324	\$ 324	\$ 3,738
<b>Expenditures:</b>				
Capital outlay	24,082	-	24,082	-
Revaluation	15,918	291	15,627	145,678
Total expenditures	40,000	291	39,709	145,678
Revenues over (under) expenditures	(40,000)	33	40,033	(141,940)
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	40,000	40,000	-	50,000
Total other financing sources (uses)	40,000	40,000	-	50,000
Net change in fund balance	\$ -	40,033	\$ 40,033	(91,940)
<b>Fund Balance:</b>				
Beginning of year - July 1		158,615		250,555
End of year - June 30		\$ 198,648		\$ 158,615

# 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, 2010

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental - Wireless E911	\$ 340,000	\$ 376,420	\$ 36,420	\$ 376,420
Investment earnings	-	671	671	8,514
Total revenues	<u>340,000</u>	<u>377,091</u>	<u>37,091</u>	<u>384,934</u>
<b>Expenditures:</b>				
Public safety:				
Wireless E911	<u>458,137</u>	<u>407,588</u>	<u>50,549</u>	<u>545,797</u>
Total expenditures	<u>458,137</u>	<u>407,588</u>	<u>50,549</u>	<u>545,797</u>
Revenues over (under) expenditures	<u>(118,137)</u>	<u>(30,497)</u>	<u>87,640</u>	<u>(160,863)</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>118,137</u>	-	<u>(118,137)</u>	-
Total other financing sources (uses)	<u>118,137</u>	-	<u>(118,137)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(30,497)</u>	<u>\$ (30,497)</u>	<u>(160,863)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>347,513</u>		<u>508,376</u>
End of year - June 30		<u>\$ 317,016</u>		<u>\$ 347,513</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, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental	\$ 25,000	\$ 67,744	\$ 42,744	\$ 93,848
Investment earnings	-	550	550	2,907
Miscellaneous	-	6,800	6,800	6,600
Total revenues	<u>25,000</u>	<u>75,094</u>	<u>50,094</u>	<u>103,355</u>
<b>Expenditures:</b>				
Public safety	<u>190,000</u>	<u>94,009</u>	<u>95,991</u>	<u>6,296</u>
Revenues over (under) expenditures	<u>(165,000)</u>	<u>(18,915)</u>	<u>146,085</u>	<u>97,059</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	165,000	-	(165,000)	-
Transfers out - General Fund	-	-	-	(20,000)
Total other financing sources (uses)	<u>165,000</u>	<u>-</u>	<u>(165,000)</u>	<u>(20,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(18,915)</u>	<u>\$ (18,915)</u>	77,059
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>294,241</u>		<u>217,182</u>
End of year - June 30		<u>\$ 275,326</u>		<u>\$ 294,241</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, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009**

	<u>2010</u>		<u>Variance Over/Under</u>	<u>2009</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
<b>Revenues:</b>				
Restricted intergovernmental	\$ -	\$ 44,032	\$ 44,032	\$ 64,853
Investment earnings	-	640	640	5,863
Total revenues	-	44,672	44,672	70,716
<b>Expenditures:</b>				
Public safety	120,000	87,941	32,059	133,247
Revenues over (under) expenditures	(120,000)	(43,269)	76,731	(62,531)
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	120,000	-	(120,000)	-
Net change in fund balance	\$ -	(43,269)	\$ (43,269)	(62,531)
<b>Fund Balance:</b>				
Beginning of year - July 1		332,258		394,789
End of year - June 30		\$ 288,989		\$ 332,258

## 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, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 5,162	\$ 5,162	\$ 33,607
Total revenues	-	5,162	5,162	33,607
<b>Other Financing Sources (Uses):</b>				
Transfer to General Fund	-	-	-	(80,000)
Total other financing sources (uses)	-	-	-	(80,000)
Net change in fund balance	\$ -	5,162	\$ 5,162	(46,393)
<b>Fund Balance:</b>				
Beginning of year - July 1		1,953,625		2,000,018
End of year - June 30		\$ 1,958,787		\$ 1,953,625

## 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, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Stormwater maintenance fees	\$ 5,000	\$ -	\$ (5,000)	\$ -
Investment earnings	-	21	21	157
Total revenues	<u>5,000</u>	<u>21</u>	<u>(4,979)</u>	<u>157</u>
<b>Expenditures:</b>				
Public safety	<u>5,000</u>	-	<u>5,000</u>	-
Net change in fund balance	<u>\$ -</u>	21	<u>\$ 21</u>	157
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>10,204</u>		<u>10,047</u>
End of year - June 30		<u>\$ 10,225</u>		<u>\$ 10,204</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, 2010 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental	\$ 487,449	\$ 488,000	\$ 551	\$ 452,356
Investment earnings	-	41	41	204
Total revenues	<u>487,449</u>	<u>488,041</u>	<u>592</u>	<u>452,560</u>
<b>Expenditures:</b>				
Economic and physical development:				
Salaries	116,337	116,335	2	106,373
Operating expenditures	<u>381,112</u>	<u>374,762</u>	<u>6,350</u>	<u>333,606</u>
Total expenditures	<u>497,449</u>	<u>491,097</u>	<u>6,352</u>	<u>439,979</u>
Revenues over (under) expenditures	(10,000)	(3,056)	6,944	12,581
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>10,000</u>	-	<u>(10,000)</u>	-
Net change in fund balance	<u>\$ -</u>	(3,056)	<u>\$ (3,056)</u>	12,581
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>47,172</u>		<u>34,591</u>
End of year - June 30		<u>\$ 44,116</u>		<u>\$ 47,172</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, 2010

#### WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	<u>Homeland Security Grant</u>	<u>CDBG Scattered Site Project</u>	<u>Single Family Rehabilitation Project</u>	<u>CDBG Infrastructure Hookup Fund</u>
<b>Revenues:</b>				
Restricted intergovernmental - grant	\$ 37,369	\$ 251,097	\$ 318,782	\$ -
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	35,500
Total revenues	<u>37,369</u>	<u>251,097</u>	<u>318,782</u>	<u>35,500</u>
<b>Expenditures:</b>				
Public safety	37,369	251,097	-	-
Human services	-	-	-	-
Economic and physical development	-	-	317,000	35,272
Total expenditures	<u>37,369</u>	<u>251,097</u>	<u>317,000</u>	<u>35,272</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,782</u>	<u>228</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	-	-	-	-
Transfers to General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	1,782	228
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>1,213</u>	<u>-</u>	<u>(6,055)</u>	<u>(219)</u>
End of year - June 30	<u>\$ 1,213</u>	<u>\$ -</u>	<u>\$ (4,273)</u>	<u>\$ 9</u>

Schedule D-13

2009 Urgent Repair Program	Stream Restoration	American Recovery and Reinvestment	Totals	
			2010	2009
\$ 64,187	\$ 74,998	\$ 97,147	\$ 843,580	\$ 599,312
37	-	-	37	24
-	-	-	35,500	18,691
<u>64,224</u>	<u>74,998</u>	<u>97,147</u>	<u>879,117</u>	<u>618,027</u>
-	-	38,349	326,815	149,328
-	-	55,011	55,011	-
<u>75,224</u>	<u>74,602</u>	<u>-</u>	<u>502,098</u>	<u>465,956</u>
<u>75,224</u>	<u>74,602</u>	<u>93,360</u>	<u>883,924</u>	<u>615,284</u>
<u>(11,000)</u>	<u>396</u>	<u>3,787</u>	<u>(4,807)</u>	<u>2,743</u>
-	-	2,637	2,637	-
-	-	-	-	(548)
-	-	2,637	2,637	(548)
<u>(11,000)</u>	<u>396</u>	<u>6,424</u>	<u>(2,170)</u>	<u>2,195</u>
<u>37,500</u>	<u>-</u>	<u>-</u>	<u>32,439</u>	<u>30,244</u>
<u>\$ 26,500</u>	<u>\$ 396</u>	<u>\$ 6,424</u>	<u>\$ 30,269</u>	<u>\$ 32,439</u>

## NASH COUNTY, NORTH CAROLINA

**HOMELAND SECURITY GRANT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Homeland Security Grant	\$ 251,181	\$ 35,157	\$ 37,369	\$ 72,526	\$ (178,655)
Emergency operations planning	361,508	536,114	-	536,114	174,606
Investment earnings	-	1,832	-	1,832	1,832
Total revenues	<u>612,689</u>	<u>573,103</u>	<u>37,369</u>	<u>610,472</u>	<u>(2,217)</u>
<b>Expenditures:</b>					
Public safety:					
Planning	73,429	35,082	37,369	72,451	978
Supplies	76,040	74,350	-	74,350	1,690
Training	16,968	14,516	-	14,516	2,452
Equipment	455,714	447,942	-	447,942	7,772
Total expenditures	<u>622,151</u>	<u>571,890</u>	<u>37,369</u>	<u>609,259</u>	<u>12,892</u>
Revenues over (under) expenditures	<u>(9,462)</u>	<u>1,213</u>	<u>-</u>	<u>1,213</u>	<u>10,675</u>
<b>Other Financing Sources (Uses):</b>					
Appropriated fund balance	<u>9,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,462)</u>
Total other financing sources (uses)	<u>9,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,462)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,213</u>	<u>-</u>	<u>\$ 1,213</u>	<u>\$ 1,213</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>1,213</u>		
End of year - June 30			<u>\$ 1,213</u>		

## NASH COUNTY, NORTH CAROLINA

**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, 2010**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
CDBG Scattered Site Grant	\$ 400,000	\$ 148,903	\$ 251,097	\$ 400,000	\$ -
Total revenues	<u>400,000</u>	<u>148,903</u>	<u>251,097</u>	<u>400,000</u>	<u>-</u>
<b>Expenditures:</b>					
Economic and physical development:					
Administration	40,000	10,256	22,287	32,543	7,457
Housing rehabilitation	36,000	-	39,430	39,430	(3,430)
CDBG clearance	18,000	17,400	8,263	25,663	(7,663)
Relocation	<u>306,000</u>	<u>121,247</u>	<u>181,117</u>	<u>302,364</u>	<u>3,636</u>
Total expenditures	<u>400,000</u>	<u>148,903</u>	<u>251,097</u>	<u>400,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

## NASH COUNTY, NORTH CAROLINA

### SINGLE FAMILY REHABILITATION SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Single Family Rehabilitation Grant	\$ 370,210	\$ -	\$ 318,782	\$ 318,782	\$ (51,428)
Total revenues	<u>370,210</u>	<u>-</u>	<u>318,782</u>	<u>318,782</u>	<u>(51,428)</u>
<b>Expenditures:</b>					
Economic and physical development:					
Administration	63,000	6,055	20,190	26,245	36,755
Rehabilitation	<u>307,210</u>	<u>-</u>	<u>296,810</u>	<u>296,810</u>	<u>10,400</u>
Total expenditures	<u>370,210</u>	<u>6,055</u>	<u>317,000</u>	<u>323,055</u>	<u>47,155</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (6,055)</u>	1,782	<u>\$ (4,273)</u>	<u>\$ (4,273)</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>(6,055)</u>		
End of year - June 30			<u>\$ (4,273)</u>		

## NASH COUNTY, NORTH CAROLINA

### CDBG INFRASTRUCTURE HOOKUP FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Miscellaneous	\$ 35,500	\$ -	\$ 35,500	\$ 35,500	\$ -
Total revenues	<u>35,500</u>	<u>-</u>	<u>35,500</u>	<u>35,500</u>	<u>-</u>
<b>Expenditures:</b>					
Economic and physical development:					
CDBG Infrastructure Hookup	<u>35,500</u>	<u>219</u>	<u>35,272</u>	<u>35,491</u>	<u>9</u>
Total expenditures	<u>35,500</u>	<u>219</u>	<u>35,272</u>	<u>35,491</u>	<u>9</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (219)</u>	228	<u>\$ 9</u>	<u>\$ 9</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>(219)</u>		
End of year - June 30			<u>\$ 9</u>		

## NASH COUNTY, NORTH CAROLINA

### 2009 URGENT REPAIR PROGRAM SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Urgent Repair Grant	\$ 76,515	\$ 37,500	\$ 64,187	\$ 101,687	\$ 25,172
Investment earnings	-	-	37	37	37
Total revenues	<u>76,515</u>	<u>37,500</u>	<u>64,224</u>	<u>101,724</u>	<u>25,209</u>
<b>Expenditures:</b>					
Housing rehabilitation	<u>76,515</u>	-	<u>75,224</u>	<u>75,224</u>	<u>1,291</u>
Total expenditures	<u>76,515</u>	-	<u>75,224</u>	<u>75,224</u>	<u>1,291</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 37,500</u>	(11,000)	<u>\$ 26,500</u>	<u>\$ 26,500</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>37,500</u>		
End of year - June 30			<u>\$ 26,500</u>		

## NASH COUNTY, NORTH CAROLINA

### STREAM RESTORATION SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

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

## NASH COUNTY, NORTH CAROLINA

**AMERICAN RECOVERY & REINVESTMENT (ARRA) FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental:					
HCCBG Nutrition Grant	\$ 41,220	\$ -	\$ 41,038	\$ 41,038	\$ (182)
JAG Recovery Technology Grant	38,354	-	38,354	38,354	-
WII Program Grant	13,748	-	4,363	4,363	(9,385)
Methodist Home Re-Entry Program	40,000	-	13,392	13,392	(26,608)
Total revenues	<u>133,322</u>	<u>-</u>	<u>97,147</u>	<u>97,147</u>	<u>(36,175)</u>
<b>Expenditures:</b>					
Human services:					
Nutrition grant expenditures	43,857	-	37,256	37,256	6,601
WII Program Grant	13,748	-	4,363	4,363	9,385
Methodist Home Re-Entry Program	40,000	-	13,392	13,392	26,608
Public safety:					
JAG Technology Grant expenses	<u>38,354</u>	<u>-</u>	<u>38,349</u>	<u>38,349</u>	<u>5</u>
Total expenditures	<u>135,959</u>	<u>-</u>	<u>93,360</u>	<u>93,360</u>	<u>42,599</u>
Revenues over (under) expenditures	<u>(2,637)</u>	<u>-</u>	<u>3,787</u>	<u>3,787</u>	<u>6,424</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>2,637</u>	<u>-</u>	<u>2,637</u>	<u>2,637</u>	<u>-</u>
Total other financing sources (uses)	<u>2,637</u>	<u>-</u>	<u>2,637</u>	<u>2,637</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>6,424</u>	<u>\$ 6,424</u>	<u>\$ 6,424</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 6,424</u>		

***NONMAJOR CAPITAL PROJECT FUNDS***

**NASH COUNTY, NORTH CAROLINA**

**NONMAJOR CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2010**

	<u>Court Facilities Project</u>	<u>Community College Tech Building</u>	<u>Gateway Technology Center</u>	<u>School Capital Project</u>
<b>Assets:</b>				
Cash and cash equivalents	\$ 302,837	\$ -	\$ 132,856	\$ 328,115
Restricted cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 302,837</u>	<u>\$ -</u>	<u>\$ 132,856</u>	<u>\$ 328,115</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved	-	-	-	-
Unreserved	<u>302,837</u>	<u>-</u>	<u>132,856</u>	<u>328,115</u>
Total fund balances	<u>302,837</u>	<u>-</u>	<u>132,856</u>	<u>328,115</u>
Total liabilities and fund balances	<u>\$ 302,837</u>	<u>\$ -</u>	<u>\$ 132,856</u>	<u>\$ 328,115</u>

**Schedule E-1**

<u>Middlesex Industrial Park</u>	<u>Farmer's Market Expansion</u>	<u>Middlesex Elementary School</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 763,808
<u>-</u>	<u>-</u>	<u>7,308,333</u>	<u>7,308,333</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,308,333</u>	<u>\$ 8,072,141</u>
\$ 421,316	\$ -	\$ -	\$ 421,316
<u>421,316</u>	<u>-</u>	<u>-</u>	<u>421,316</u>
-	-	7,308,333	7,308,333
<u>(421,316)</u>	<u>-</u>	<u>-</u>	<u>342,492</u>
<u>(421,316)</u>	<u>-</u>	<u>7,308,333</u>	<u>7,650,825</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,308,333</u>	<u>\$ 8,072,141</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, 2010

	<u>Court Facilities Project</u>	<u>Community College Tech Building</u>	<u>Gateway Technology Center</u>	<u>School Capital Project</u>
<b>Revenues:</b>				
Restricted intergovernmental - grants	\$ -	\$ -	\$ -	\$ 937,127
Lottery funds	-	-	-	433,254
Investment earnings	484	-	-	-
Total revenues	<u>484</u>	<u>-</u>	<u>-</u>	<u>1,370,381</u>
<b>Expenditures:</b>				
Current:				
Education	-	-	-	1,370,381
General government	-	-	-	-
Economic development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,370,381</u>
Revenues over (under) expenditures	<u>484</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds	-	(462,418)	-	-
Long-term debt issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(462,418)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	484	(462,418)	-	-
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>302,353</u>	<u>462,418</u>	<u>132,856</u>	<u>328,115</u>
End of year - June 30	<u>\$ 302,837</u>	<u>\$ -</u>	<u>\$ 132,856</u>	<u>\$ 328,115</u>

**Schedule E-2**

<b>Middlesex Industrial Park</b>	<b>Farmer's Market Expansion</b>	<b>Middlesex Elementary School</b>	<b>Total</b>
\$ -	\$ 200,000	\$ -	\$ 1,137,127
-	-	-	433,254
-	(521)	694	657
-	199,479	694	1,571,038
-	-	34,661	1,405,042
421,398	-	-	421,398
-	198,906	-	198,906
421,398	198,906	34,661	2,025,346
(421,398)	573	(33,967)	(454,308)
-	-	-	(462,418)
-	-	7,342,300	7,342,300
-	-	7,342,300	6,879,882
(421,398)	573	7,308,333	6,425,574
82	(573)	-	1,225,251
<u>\$ (421,316)</u>	<u>\$ -</u>	<u>\$ 7,308,333</u>	<u>\$ 7,650,825</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, 2010**

	<u>Project Authorization</u>	<u>Actual</u>		<u>Total to Date</u>	<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>		
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 224,991	\$ 484	\$ 225,475	\$ 225,475
Total revenues	<u>-</u>	<u>224,991</u>	<u>484</u>	<u>225,475</u>	<u>225,475</u>
<b>Expenditures:</b>					
General government:					
Architect fees	293,892	317,243	-	317,243	(23,351)
Building renovations	3,039,477	3,039,477	-	3,039,477	-
Contingency	<u>67,356</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,356</u>
Total expenditures	<u>3,400,725</u>	<u>3,356,720</u>	<u>-</u>	<u>3,356,720</u>	<u>44,005</u>
Revenues over (under) expenditures	<u>(3,400,725)</u>	<u>(3,131,729)</u>	<u>484</u>	<u>(3,131,245)</u>	<u>269,480</u>
<b>Other Financing Sources (Uses):</b>					
Certificates of Participation issued	1,376,125	2,010,000	-	2,010,000	633,875
Transfers from other funds	1,382,372	1,424,082	-	1,424,082	41,710
Appropriated fund balance	<u>642,228</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>3,400,725</u>	<u>3,434,082</u>	<u>-</u>	<u>3,434,082</u>	<u>33,357</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 302,353</u>	<u>484</u>	<u>\$ 302,837</u>	<u>\$ 302,837</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>302,353</u>		
End of year - June 30			<u>\$ 302,837</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, 2010**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
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>
<b>Expenditures:</b>					
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>
<b>Other Financing Sources (Uses):</b>					
Appropriated fund balance	462,422	-	-	-	(462,422)
Transfers to other funds	(462,422)	-	(462,418)	(462,418)	(4)
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>(462,418)</u>	<u>1,546,362</u>	<u>(154,155)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 462,418</u>	<u>(462,418)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>462,418</u>		
End of year - June 30			<u><u>\$ -</u></u>		

## NASH COUNTY, NORTH CAROLINA

**GATEWAY TECHNOLOGY CENTER  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

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

## NASH COUNTY, NORTH CAROLINA

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

	Project Authorization	Prior Years	Actual		Variance Over/Under
			Current Year	Total to Date	
<b>Revenues:</b>					
Public School Building Capital Fund	\$ 3,899,060	\$ 2,484,849	\$ 937,127	\$ 3,421,976	\$ (477,084)
Lottery funds	10,326,988	9,797,058	433,254	10,230,312	(96,676)
Investment earnings	-	215,849	-	215,849	215,849
Total revenues	<u>14,226,048</u>	<u>12,497,756</u>	<u>1,370,381</u>	<u>13,868,137</u>	<u>(357,911)</u>
<b>Expenditures:</b>					
Education:					
New high school	5,524,941	5,524,942	-	5,524,942	(1)
PSBCF	3,899,060	2,554,926	937,127	3,492,053	407,007
Lottery funds	10,326,988	9,726,982	433,254	10,160,236	166,752
School Capital Fund	<u>5,212,535</u>	<u>5,210,996</u>	<u>-</u>	<u>5,210,996</u>	<u>1,539</u>
Total expenditures	<u>24,963,524</u>	<u>23,017,846</u>	<u>1,370,381</u>	<u>24,388,227</u>	<u>575,297</u>
Revenues over (under) expenditures	<u>(10,737,476)</u>	<u>(10,520,090)</u>	<u>-</u>	<u>(10,520,090)</u>	<u>217,386</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	142,535	142,535	-	142,535	-
Proceeds from installment purchases issue	10,498,378	10,705,670	-	10,705,670	207,292
Appropriated fund balance	<u>96,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(96,563)</u>
Total other financing sources (uses)	<u>10,737,476</u>	<u>10,848,205</u>	<u>-</u>	<u>10,848,205</u>	<u>110,729</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 328,115</u>	<u>-</u>	<u>\$ 328,115</u>	<u>\$ 328,115</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>328,115</u>		
End of year - June 30			<u>\$ 328,115</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, 2010**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
DOT	\$ 1,100,000	\$ -	\$ -	\$ -	\$ (1,100,000)
Investment earnings	-	1,533	-	1,533	1,533
Total revenues	<u>1,100,000</u>	<u>1,533</u>	<u>-</u>	<u>1,533</u>	<u>(1,098,467)</u>
<b>Expenditures:</b>					
General government:					
Road project	<u>1,195,175</u>	<u>225,166</u>	<u>421,398</u>	<u>646,564</u>	<u>548,611</u>
Total expenditures	<u>1,195,175</u>	<u>225,166</u>	<u>421,398</u>	<u>646,564</u>	<u>548,611</u>
Revenues over (under) expenditures	<u>(95,175)</u>	<u>(223,633)</u>	<u>(421,398)</u>	<u>(645,031)</u>	<u>(549,856)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers from other funds	<u>95,175</u>	<u>223,715</u>	<u>-</u>	<u>223,715</u>	<u>128,540</u>
Total other financing sources (uses)	<u>95,175</u>	<u>223,715</u>	<u>-</u>	<u>223,715</u>	<u>128,540</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 82</u>	<u>(421,398)</u>	<u>\$ (421,316)</u>	<u>\$ (421,316)</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>82</u>		
End of year - June 30			<u>\$ (421,316)</u>		

## NASH COUNTY, NORTH CAROLINA

**FARMER'S MARKET EXPANSION  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Tobacco Trust Grant	\$ 400,000	200,000	\$ 200,000	\$ 400,000	\$ -
Investment earnings	-	521	(521)	-	-
Total revenues	<u>400,000</u>	<u>200,521</u>	<u>199,479</u>	<u>400,000</u>	<u>-</u>
<b>Expenditures:</b>					
Construction	248,603	172,141	36,933	209,074	39,529
Engineering	30,717	21,743	767	22,510	8,207
Site improvement	<u>120,680</u>	<u>7,210</u>	<u>161,206</u>	<u>168,416</u>	<u>(47,736)</u>
Total expenditures	<u>400,000</u>	<u>201,094</u>	<u>198,906</u>	<u>400,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (573)</u>	573	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>(573)</u>		
End of year - June 30			<u>\$ -</u>		

## NASH COUNTY, NORTH CAROLINA

### MIDDLESEX ELEMENTARY SCHOOL PROJECT SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
<b>Revenues:</b>					
Investment earnings	\$ -	\$ -	\$ 694	\$ 694	\$ 694
Total revenues	-	-	694	694	694
<b>Expenditures:</b>					
Education:					
School construction	7,342,300	-	34,661	34,661	7,307,639
Total expenditures	7,342,300	-	34,661	34,661	7,307,639
Revenues over (under) expenditures	(7,342,300)	-	(33,967)	(33,967)	7,308,333
<b>Other Financing Sources (Uses):</b>					
Proceeds from debt issued	7,342,300	-	7,342,300	7,342,300	-
Total other financing sources (uses)	7,342,300	-	7,342,300	7,342,300	-
Net change in fund balance	\$ -	\$ -	\$ 7,308,333	\$ 7,308,333	\$ 7,308,333

***ENTERPRISE FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

NASH COUNTY, NORTH CAROLINA

UTILITIES FUND  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Operating revenues:				
Charges for services	\$ 962,600	\$ 1,097,404	\$ 134,804	\$ 899,272
Solid waste charges	442,000	352,049	(89,951)	381,586
Scrap tire disposal tax	96,000	109,194	13,194	98,370
Miscellaneous	43,500	127,013	83,513	48,225
Rural household fees	1,351,584	1,225,123	(126,461)	1,405,505
Recycling fees	156,000	175,706	19,706	121,072
Scrap Tire Grant	15,000	1,584	(13,416)	7,217
White Goods Grant	45,000	29,738	(15,262)	47,136
Total operating revenues	3,111,684	3,117,811	6,127	3,008,383
Non-operating revenues:				
Capital contribution	126,544	126,084	(460)	115,135
Interest on investments	179,000	80,115	(98,885)	214,517
Total non-operating revenues	305,544	206,199	(99,345)	329,652
Total revenues	3,417,228	3,324,010	(93,218)	3,338,035
<b>Expenditures:</b>				
Operating expenditures:				
Water operations:				
Salaries and employee benefits		340,813		323,692
Professional services		32,730		31,209
Operating expenses		359,494		294,007
Capital outlay		4,673		15,381
Total	1,079,013	737,710	341,303	664,289
Stormwater operations:				
Professional services		7,180		653
Operating expenses		3,629		4,518
Total	17,685	10,809	6,876	5,171
Sewer operations:				
Salaries and employee benefits		27,909		27,378
Professional services		8,327		11,064
Operating expenses		234,429		162,178
Capital outlay	-	1,168	-	-
Total	271,663	271,833	(170)	200,620
Solid waste disposal operations:				
Salaries and employee benefits		632,833		627,577
Professional services		90,920		62,648
Operating expenses		1,542,827		2,248,383
Capital outlay		20,721		40,118
Total	2,787,526	2,287,301	500,225	2,978,726
Total operating expenditures	4,155,887	3,307,653	848,234	3,848,806

NASH COUNTY, NORTH CAROLINA

UTILITIES FUND  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010		Variance Over/Under	2009
	Budget	Actual		Actual
Non-operating expenditures:				
Debt principal payment	309,100	305,500	3,600	305,500
Debt interest payment	137,539	141,005	(3,466)	153,129
Total non-operating expenditures	446,639	446,505	134	458,629
Total expenditures	4,602,526	3,754,158	848,368	4,307,435
Revenues over (under) expenditures	(1,185,298)	(430,148)	755,150	(969,400)
<b>Other Financing Sources (Uses):</b>				
Transfer from other funds	-	-	-	2,035,918
Transfer to other funds	(279,137)	(279,137)	-	(40,000)
Appropriated fund balance	1,464,435	-	(1,464,435)	-
Total other financing sources (uses)	1,185,298	(279,137)	(1,464,435)	1,995,918
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (709,285)	\$ (709,285)	\$ 1,026,518
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ (709,285)		
<b>Reconciling Items:</b>				
Capital assets purchased		26,562		
Depreciation		(392,309)		
Principal retirement		305,500		
Increase in accrued compensated absences		(5,849)		
Grant revenues from capital projects		1,299,368		
Investment earnings from capital projects		475		
Non-capitalized capital project expense		(136,687)		
Contributed capital		602		
Gain (loss) on disposal of capital asset		(4,486)		
Change in landfill post-closure liability		(58,978)		
Intrafund transfers		40,000		
OPEB		(56,042)		
Change in net assets		\$ 308,871		

## 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, 2010**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Rural Center Grant	\$ 500,000	\$ -	\$ 499,270	\$ 499,270	\$ (730)
Capital contributions	400,000	-	429,865	429,865	29,865
Investment earnings	-	-	444	444	444
Total revenues	<u>900,000</u>	<u>-</u>	<u>929,579</u>	<u>929,579</u>	<u>29,579</u>
<b>Expenditures:</b>					
Construction and engineering	1,079,679	1,009,331	65,134	1,074,465	5,214
Administrative fees	<u>20,321</u>	<u>17,690</u>	<u>1,005</u>	<u>18,695</u>	<u>1,626</u>
Total expenditures	<u>1,100,000</u>	<u>1,027,021</u>	<u>66,139</u>	<u>1,093,160</u>	<u>6,840</u>
Revenues over (under) expenditures	<u>(200,000)</u>	<u>(1,027,021)</u>	<u>863,440</u>	<u>(163,581)</u>	<u>36,419</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>
Total other financing sources (uses)	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(200,000)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (1,027,021)</u>	<u>\$ 863,440</u>	<u>\$ (163,581)</u>	<u>\$ (163,581)</u>

## NASH COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - SEPRO GRANT PROJECT  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Rural Center Grant	\$ 110,000	\$ -	\$ 92,535	\$ 92,535	\$ (17,465)
CDBG Grants	187,000	-	187,000	187,000	-
Other grants	86,436	58,236	30,698	88,934	2,498
Total revenues	<u>383,436</u>	<u>58,236</u>	<u>310,233</u>	<u>368,469</u>	<u>(14,967)</u>
<b>Expenditures:</b>					
Construction and engineering	344,374	304,847	37,719	342,566	1,808
Administrative fees	68,000	46,925	15,672	62,597	5,403
Contingency	<u>37,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,626</u>
Total expenditures	<u>450,000</u>	<u>351,772</u>	<u>53,391</u>	<u>405,163</u>	<u>44,837</u>
Revenues over (under) expenditures	<u>(66,564)</u>	<u>(293,536)</u>	<u>256,842</u>	<u>(36,694)</u>	<u>29,870</u>
<b>Other Financing Sources (Uses):</b>					
Long-term debt issued					
Transfer from other funds	<u>66,564</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,564)</u>
Total other financing sources (uses)	<u>66,564</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(66,564)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (293,536)</u>	<u>\$ 256,842</u>	<u>\$ (36,694)</u>	<u>\$ (36,694)</u>

## NASH COUNTY, NORTH CAROLINA

**ENTERPRISE FUND - RURAL CENTER GRANTS FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL (NON-GAAP)**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Revenues:</b>					
Rural Center Grant	\$ 80,000	\$ -	\$ 40,000	\$ 40,000	\$ (40,000)
Investment earnings	-	-	31	31	31
Total revenues	<u>80,000</u>	<u>-</u>	<u>40,031</u>	<u>40,031</u>	<u>(39,969)</u>
<b>Expenditures:</b>					
Feasibility study and drought plan	<u>160,000</u>	<u>19,838</u>	<u>82,178</u>	<u>102,016</u>	<u>57,984</u>
Total expenditures	<u>160,000</u>	<u>19,838</u>	<u>82,178</u>	<u>102,016</u>	<u>57,984</u>
Revenues over (under) expenditures	<u>(80,000)</u>	<u>(19,838)</u>	<u>(42,147)</u>	<u>(61,985)</u>	<u>18,015</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	<u>80,000</u>	<u>40,000</u>	<u>40,000</u>	<u>80,000</u>	<u>-</u>
Total other financing sources (uses)	<u>80,000</u>	<u>40,000</u>	<u>40,000</u>	<u>80,000</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 20,162</u>	<u>\$ (2,147)</u>	<u>\$ 18,015</u>	<u>\$ 18,015</u>

## NASH COUNTY, NORTH CAROLINA

### ENTERPRISE FUND - CASTALIA WATER SYSTEM PROJECT SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP) FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Contributions	\$ 20,000	\$ -	\$ 20,000	\$ 20,000	\$ -
CDBG	750,000	-	-	-	(750,000)
NC Rural Center Grant	500,000	-	-	-	(500,000)
Total revenues	<u>1,270,000</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>(1,250,000)</u>
<b>Expenditures:</b>					
Operating expenditures	<u>1,298,000</u>	<u>10,243</u>	<u>107,077</u>	<u>117,320</u>	<u>1,180,680</u>
Total expenditures	<u>1,298,000</u>	<u>10,243</u>	<u>107,077</u>	<u>117,320</u>	<u>1,180,680</u>
Revenues over (under) expenditures	<u>(28,000)</u>	<u>(10,243)</u>	<u>(87,077)</u>	<u>(97,320)</u>	<u>(69,320)</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from Utilities Fund	<u>28,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,000)</u>
Total other financing sources (uses)	<u>28,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,000)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (10,243)</u>	<u>\$ (87,077)</u>	<u>\$ (97,320)</u>	<u>\$ (97,320)</u>

NASH COUNTY, NORTH CAROLINA

CENTRAL NASH WATER AND SEWER DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues:</b>					
Operating revenues:					
Tap fees	\$ 174,200	\$ 108,700	\$ -	\$ 108,700	\$ (65,500)
Miscellaneous collections	11,250	-	35,250	35,250	24,000
Total operating revenues	<u>185,450</u>	<u>108,700</u>	<u>35,250</u>	<u>143,950</u>	<u>(41,500)</u>
Non-operating revenues:					
Capital contribution	4,458,951	953,962	1,161,363	2,115,325	(2,343,626)
Interest on investments	-	51,048	45	51,093	51,093
Total non-operating revenues	<u>4,458,951</u>	<u>1,005,010</u>	<u>1,161,408</u>	<u>2,166,418</u>	<u>(2,292,533)</u>
Total revenues	<u>4,644,401</u>	<u>1,113,710</u>	<u>1,196,658</u>	<u>2,310,368</u>	<u>(2,334,033)</u>
<b>Expenditures:</b>					
Operating expenditures:					
Water project startup:					
Administration	11,700	7,500	-	7,500	4,200
Engineering and construction	51,012	41,465	-	41,465	9,547
Total	<u>62,712</u>	<u>48,965</u>	<u>-</u>	<u>48,965</u>	<u>13,747</u>
Highway 97 project:					
Administration	16,250	16,250	-	16,250	-
Engineering and construction	901,651	887,630	-	887,630	14,021
Total	<u>917,901</u>	<u>903,880</u>	<u>-</u>	<u>903,880</u>	<u>14,021</u>
Capital items:					
Phase I	3,694,094	2,807,947	522,497	3,330,444	363,650
Phase II	3,567,167	2,803,022	293,554	3,096,576	470,591
Phase III	4,319,949	195,947	2,390,949	2,586,896	1,733,053
Phase IV	31,500	6,500	5,731	12,231	19,269
Total capital items	<u>11,612,710</u>	<u>5,813,416</u>	<u>3,212,731</u>	<u>9,026,147</u>	<u>2,586,563</u>
Total operating expenditures	<u>12,593,323</u>	<u>6,766,261</u>	<u>3,212,731</u>	<u>9,978,992</u>	<u>2,614,331</u>
Non-operating expenditures:					
Debt interest payment	417,415	248,000	229,136	417,415	-
Total non-operating expenditures	<u>417,415</u>	<u>248,000</u>	<u>229,136</u>	<u>417,415</u>	<u>-</u>
Total expenditures	<u>13,010,738</u>	<u>7,014,261</u>	<u>3,441,867</u>	<u>10,396,407</u>	<u>2,614,331</u>

NASH COUNTY, NORTH CAROLINA

CENTRAL NASH WATER AND SEWER DISTRICT  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL (NON-GAAP)  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues over (under) expenditures	<u>(8,366,337)</u>	<u>(5,900,551)</u>	<u>(2,245,209)</u>	<u>(8,086,039)</u>	<u>280,298</u>
<b>Other Financing Sources (Uses):</b>					
Transfer from other funds	323,337	557,558	239,137	796,695	473,358
Debt issued	<u>8,043,000</u>	<u>5,239,000</u>	<u>-</u>	<u>5,239,000</u>	<u>(2,804,000)</u>
Total other financing sources (uses)	<u>8,366,337</u>	<u>5,796,558</u>	<u>239,137</u>	<u>6,035,695</u>	<u>(2,330,642)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (103,993)</u>	<u>\$ (2,006,072)</u>	<u>\$ (2,050,344)</u>	<u>\$ (2,050,344)</u>
<b>Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:</b>					
Revenues and other financing sources over (under) expenditures and other financing uses			\$ (2,006,072)		
<b>Reconciling items:</b>					
Capital assets purchased			3,205,599		
Gain (loss) on disposal of capital asset			<u>(11,250)</u>		
Change in net assets			<u>\$ 1,188,277</u>		

***INTERNAL SERVICE FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

**NASH COUNTY, NORTH CAROLINA**

**COMBINING STATEMENT OF NET ASSETS  
ALL INTERNAL SERVICE FUNDS  
JUNE 30, 2010**

	<u>Employee Healthcare Benefits</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 2,200,446	\$ 1,262,243	\$ 3,462,689
Accounts receivable, net	<u>10,422</u>	<u>-</u>	<u>10,422</u>
Total current assets	<u>2,210,868</u>	<u>1,262,243</u>	<u>3,473,111</u>
 Total assets	 <u>2,210,868</u>	 <u>1,262,243</u>	 <u>3,473,111</u>
<b>Liabilities and Net Assets:</b>			
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable and accrued liabilities	<u>557,201</u>	<u>194,797</u>	<u>751,998</u>
Total current liabilities	<u>557,201</u>	<u>194,797</u>	<u>751,998</u>
 Total liabilities	 <u>557,201</u>	 <u>194,797</u>	 <u>751,998</u>
 <b>Net Assets:</b>			
Total net assets	<u>\$ 1,653,667</u>	<u>\$ 1,067,446</u>	<u>\$ 2,721,113</u>

**NASH COUNTY, NORTH CAROLINA**

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

	<b>Employee Healthcare Benefits</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 4,505,857	\$ 782,401	\$ 5,288,258
Total revenues	<u>4,505,857</u>	<u>782,401</u>	<u>5,288,258</u>
<b>Operating Expenditures:</b>			
Claims costs	4,405,682	623,271	5,028,953
Wellness Program costs	28,254	-	28,254
Total expenditures	<u>4,433,936</u>	<u>623,271</u>	<u>5,057,207</u>
Operating income (loss)	<u>71,921</u>	<u>159,130</u>	<u>231,051</u>
<b>Non-Operating Revenues:</b>			
Investment earnings	<u>4,243</u>	<u>1,718</u>	<u>5,961</u>
Change in net assets	76,164	160,848	237,012
<b>Net Assets:</b>			
Beginning of year - July 1	<u>1,577,503</u>	<u>906,598</u>	<u>2,484,101</u>
End of year - June 30	<u>\$ 1,653,667</u>	<u>\$ 1,067,446</u>	<u>\$ 2,721,113</u>

## NASH COUNTY, NORTH CAROLINA

### INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2010

	<b>Employee Healthcare Benefits</b>	<b>Workers' Compensation Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 4,496,748	\$ 782,401	\$ 5,279,149
Cash paid for goods and services	(4,433,934)	(525,642)	(4,959,576)
Net cash provided (used) by operating activities	<u>62,814</u>	<u>256,759</u>	<u>319,573</u>
<b>Cash Flows from Investing Activities:</b>			
Investment earnings	<u>4,243</u>	<u>1,718</u>	<u>5,961</u>
Net increase (decrease) in cash and cash equivalents	67,057	258,477	325,534
Cash and cash equivalents - July 1	<u>2,133,389</u>	<u>1,003,766</u>	<u>3,137,155</u>
Cash and cash equivalents - June 30	<u>\$ 2,200,446</u>	<u>\$ 1,262,243</u>	<u>\$ 3,462,689</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 71,921	\$ 159,130	\$ 231,051
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(9,109)	-	(9,109)
Increase (decrease) in accounts payable and accrued liabilities	<u>2</u>	<u>97,629</u>	<u>97,631</u>
Net cash provided (used) by operating activities	<u>\$ 62,814</u>	<u>\$ 256,759</u>	<u>\$ 319,573</u>

**NASH COUNTY, NORTH CAROLINA**

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

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 4,484,600	\$ 4,505,857	\$ 21,257
Total operating revenues	<u>4,484,600</u>	<u>4,505,857</u>	<u>21,257</u>
<b>Operating Expenditures:</b>			
Claims costs	4,489,600	4,405,682	83,918
Wellness Program costs	<u>30,000</u>	<u>28,254</u>	<u>1,746</u>
Total operating expenditures	<u>4,519,600</u>	<u>4,433,936</u>	<u>85,664</u>
Operating income (loss)	(35,000)	71,921	106,921
<b>Non-Operating Revenues:</b>			
Investment earnings	<u>35,000</u>	<u>4,243</u>	<u>(30,757)</u>
Change in net assets	<u>\$ -</u>	<u>\$ 76,164</u>	<u>\$ 76,164</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, 2010

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
Contributions from employer	\$ 820,000	\$ 782,401	\$ (37,599)
<b>Operating Expenditures:</b>			
Workers' compensation claims	820,000	623,271	196,729
Operating income (loss)	-	159,130	159,130
<b>Non-Operating Revenues:</b>			
Investment earnings	-	1,718	1,718
Change in net assets	<u>\$ -</u>	<u>\$ 160,848</u>	<u>\$ 160,848</u>

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

***AGENCY FUNDS***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

## NASH COUNTY, NORTH CAROLINA

**AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2010</u>
<b>Social Services Trust Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 20,040	\$ 313,658	\$ 319,684	\$ 14,014
<b>Liabilities:</b>				
Accounts payable	\$ 20,040	\$ 313,658	\$ 319,684	\$ 14,014
<b>Jail Inmate Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 13,541	\$ 197,002	\$ 185,245	\$ 25,298
<b>Liabilities:</b>				
Accounts payable	\$ 13,541	\$ 197,002	\$ 185,245	\$ 25,298
<b>Fines and Forfeitures:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 724,541	\$ 724,541	\$ -
<b>Liabilities:</b>				
Intergovernmental payable	\$ -	\$ 724,541	\$ 724,541	\$ -
<b>Tax Collections Held for Municipalities:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 186,233	\$ 2,250,327	\$ 2,262,176	\$ 174,384
<b>Liabilities:</b>				
Intergovernmental payable	\$ 186,233	\$ 2,250,327	\$ 2,262,176	\$ 174,384
<b>Rental Vehicle Taxes:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ -	\$ 52,581	\$ 52,581	\$ -
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 52,581	\$ 52,581	\$ -
<b>Delinquent Vehicle Tax Fund</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 5,882	\$ 72,624	\$ 78,506	\$ -
<b>Liabilities:</b>				
Accounts payable	\$ 5,882	\$ 72,624	\$ 78,506	\$ -
<b>Total - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 225,696	\$ 3,610,733	\$ 3,622,733	\$ 213,696
Total assets	<u>\$ 225,696</u>	<u>\$ 3,610,733</u>	<u>\$ 3,622,733</u>	<u>\$ 213,696</u>
<b>Liabilities:</b>				
Accounts payable	\$ 39,463	\$ 635,865	\$ 636,016	\$ 39,312
Intergovernmental payable	186,233	2,974,868	2,986,717	174,384
Total liabilities	<u>\$ 225,696</u>	<u>\$ 3,610,733</u>	<u>\$ 3,622,733</u>	<u>\$ 213,696</u>

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

***SUPPLEMENTAL FINANCIAL DATA***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

# NASH COUNTY, NORTH CAROLINA

## SCHEDULE OF AD VALOREM TAXES RECEIVABLE JUNE 30, 2010

<u>Fiscal Year</u>	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2010</u>
2010-2009	\$ -	\$ 46,000,177	\$ 44,205,312	\$ 1,794,865
2009-2008	1,730,356	-	1,026,146	704,210
2008-2007	612,617	4,051	137,143	479,525
2007-2006	700,150	2,384	76,305	626,229
2006-2005	308,780	-	31,913	276,867
2005-2004	263,272	-	25,311	237,961
2004-2003	237,875	-	12,807	225,068
2003-2002	218,386	-	11,075	207,311
2002-2001	186,606	-	5,638	180,968
2001-2000	181,092	-	3,891	177,201
2000-1999	165,645	-	165,645	-
Total	<u>\$ 4,604,779</u>	<u>\$ 46,006,612</u>	<u>\$ 45,701,186</u>	4,910,205
Less: Allowance for uncollectible accounts				
General Fund				<u>(1,348,572)</u>
Ad valorem taxes receivable, net				
General Fund				<u>\$ 3,561,633</u>
<b>Reconciliation with revenues:</b>				
Ad valorem taxes - General Fund				\$ 45,833,720
<b>Reconciling Items:</b>				
Amount written off per statute				165,645
Interest and lien advertising collected				(307,619)
Tax refunds				39,652
Adjustments				(10,589)
Miscellaneous				<u>(19,623)</u>
Total collections and credits				<u>\$ 45,701,186</u>

## NASH COUNTY NORTH CAROLINA

ANALYSIS OF CURRENT YEAR LEVY  
FOR THE YEAR ENDED JUNE 30, 2010

	County-Wide		Total Levy		
			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles	
	Property Valuation	Rate	Total Levy		
<b>Original Levy:</b>					
Property taxed at current year's rate	\$6,229,483,467	\$ 0.67	\$ 41,737,539	\$ 41,737,539	\$ -
Motor vehicles	682,449,403	0.67	4,572,411	-	4,572,411
Penalties	-		42,697	42,697	-
Advertising and collection fees	-		7,824	7,824	-
Dogs	-		18,614	18,614	-
Total	<u>6,911,932,870</u>		<u>46,379,085</u>	<u>41,806,674</u>	<u>4,572,411</u>
<b>Discoveries:</b>					
Current year taxes	<u>2,232,191</u>	0.67	<u>14,956</u>	<u>14,971</u>	<u>(15)</u>
Total	<u>2,232,191</u>		<u>14,956</u>	<u>14,971</u>	<u>(15)</u>
<b>Abatements</b>	<u>(58,785,639)</u>	0.67	<u>(393,864)</u>	<u>(329,150)</u>	<u>(64,714)</u>
Total property valuation	<u>\$6,855,379,422</u>				
<b>Net Levy</b>			46,000,177	41,492,495	4,507,682
Uncollected taxes, June 30			<u>1,794,865</u>	<u>1,111,119</u>	<u>683,746</u>
<b>Current Year's Taxes Collected</b>			<u>\$ 44,205,312</u>	<u>\$ 40,381,376</u>	<u>\$ 3,823,936</u>
<b>Current Levy Collection Percentage</b>			<u>96.10%</u>	<u>97.32%</u>	<u>84.83%</u>
<b>Prior Year Collection Percentage</b>			<u>95.90%</u>	<u>97.49%</u>	<u>83.98%</u>

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

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

Contents	Pages
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	132
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	139
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	143
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	148
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	150

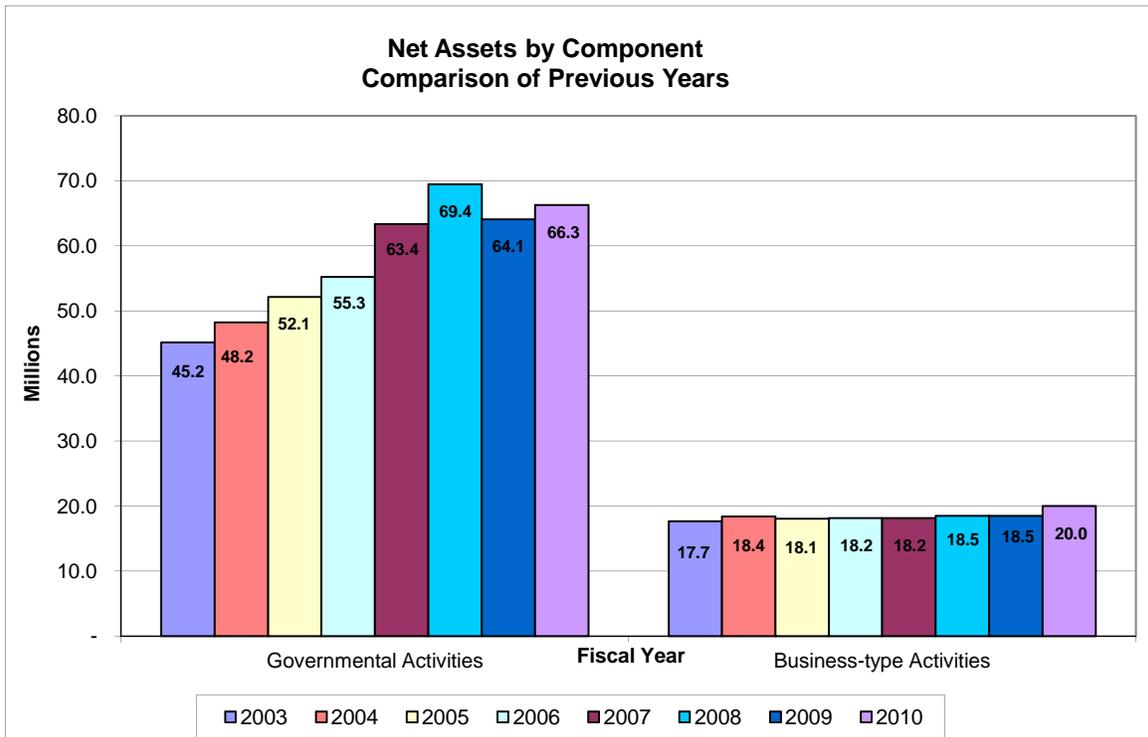
Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)

**NASH COUNTY, NORTH CAROLINA**

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

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



## NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>								
Governmental activities:								
General government	\$ 10,825	\$ 6,167	\$ 8,038	\$ 6,593	\$ 7,668	\$ 7,285	\$ 18,240	\$ 9,249
Public safety	13,016	13,816	14,486	15,833	17,756	19,569	21,374	22,426
Transportation	177	149	149	200	248	250	356	411
Economic and physical development	1,702	2,043	720	4,560	2,717	2,928	2,889	2,936
Human services	25,892	26,167	27,593	28,290	29,691	29,653	28,933	27,004
Cultural	944	948	980	1,077	1,235	1,456	1,669	1,583
Education	19,989	21,089	24,220	22,391	21,662	22,393	23,720	26,042
Interest on long-term debt	1,043	503	1,079	1,025	1,092	1,000	829	708
Total governmental activities expenses	<u>73,588</u>	<u>70,882</u>	<u>77,265</u>	<u>79,969</u>	<u>82,069</u>	<u>84,534</u>	<u>98,010</u>	<u>90,359</u>
Business-type activities:								
Water and sewer	469	693	1,054	992	1,217	1,437	1,538	1,988
Solid waste disposal	746	887	889	1,003	1,013	2,330	2,944	2,336
Convenience centers	1,283	1,292	1,305	1,335	1,350	-	-	-
Total business-type activities	<u>2,498</u>	<u>2,872</u>	<u>3,248</u>	<u>3,330</u>	<u>3,580</u>	<u>3,767</u>	<u>4,482</u>	<u>4,324</u>
Total primary governmental expenses	<u>76,086</u>	<u>73,754</u>	<u>80,513</u>	<u>83,299</u>	<u>85,649</u>	<u>88,301</u>	<u>102,492</u>	<u>94,683</u>
<b>Program Revenues</b>								
Governmental activities:								
Charges for services:								
General government	\$ 1,277	\$ 985	\$ 985	\$ 1,279	\$ 1,359	\$ 2,755	\$ 1,916	\$ 3,097
Public safety	413	1,796	2,263	1,727	2,560	4,164	4,368	4,525
Economic & physical development	220	273	246	464	527	-	15	-
Human services	1,210	564	589	250	153	602	541	570
Operating grants and contributions	17,679	19,530	18,348	19,465	23,024	18,660	21,432	22,778
Capital grants and contributions	-	-	4,339	3,056	285	815	5,607	856
Total governmental activities program revenues	<u>20,799</u>	<u>23,148</u>	<u>26,770</u>	<u>26,241</u>	<u>27,908</u>	<u>26,996</u>	<u>33,879</u>	<u>31,826</u>
Business-type activities:								
Charges for services:								
Water and sewer	167	346	367	431	499	696	899	1,097
Solid waste disposal	672	968	593	598	520	2,142	2,218	2,056
Convenience centers	1,271	1,293	1,347	1,665	1,634	-	-	-
Operating grants and contributions	120	244	224	126	162	-	-	-
Capital grants and contributions	1,707	526	46	-	-	543	1,127	2,587
Total business-type activities program revenues	<u>3,937</u>	<u>3,377</u>	<u>2,577</u>	<u>2,820</u>	<u>2,815</u>	<u>3,381</u>	<u>4,244</u>	<u>5,740</u>
Total primary governmental program revenues	<u>\$ 24,736</u>	<u>\$ 26,525</u>	<u>\$ 29,347</u>	<u>\$ 29,061</u>	<u>\$ 30,723</u>	<u>\$ 30,377</u>	<u>\$ 38,123</u>	<u>\$ 37,566</u>
Net (expense)/revenue								
Governmental activities	(\$52,789)	(\$47,735)	(\$50,495)	(\$53,728)	(54,161)	(57,538)	(\$64,132)	(\$58,533)
Business-type activities	1,439	505	(672)	(510)	(765)	(386)	(237)	1,416
Total primary governmental net expense	<u>\$ (51,350)</u>	<u>\$ (47,230)</u>	<u>\$ (51,167)</u>	<u>\$ (54,238)</u>	<u>\$ (54,926)</u>	<u>\$ (57,924)</u>	<u>\$ (64,369)</u>	<u>\$ (57,117)</u>

## NASH COUNTY, NORTH CAROLINA

**Changes in Net Assets  
Last Eight 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>	<u>2009</u>	<u>2010</u>
<b>General Revenues and Other Changes in Net Assets</b>								
Governmental activities:								
Taxes								
Property taxes	\$ 35,592	\$ 36,121	\$ 38,118	\$ 38,858	\$ 42,661	\$ 44,151	\$ 43,224	\$ 48,476
Sales taxes	12,003	13,589	14,660	15,758	17,039	17,553	14,353	11,758
Excise taxes	287	276	364	386	371	319	202	182
Other taxes	250	255	262	67	69	74	67	68
Unrestricted grants and contributions	-	-	-	-	-	-	-	-
Investment earnings	300	248	817	1,439	1,908	1,522	910	280
Miscellaneous	1,058	326	174	337	228	-	-	-
Transfers	-	-	-	-	-	-	-	-
Total governmental activities	<u>49,490</u>	<u>50,815</u>	<u>54,395</u>	<u>56,845</u>	<u>62,276</u>	<u>63,619</u>	<u>58,756</u>	<u>60,764</u>
Business-type activities:								
Other taxes & licenses	81	-	-	-	-	-	-	-
Investment earnings	231	221	314	629	771	702	266	81
Miscellaneous	245	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Total business-type activities	<u>557</u>	<u>221</u>	<u>314</u>	<u>629</u>	<u>771</u>	<u>702</u>	<u>266</u>	<u>81</u>
Total primary government	<u>\$ 50,047</u>	<u>\$ 51,036</u>	<u>\$ 54,709</u>	<u>\$ 57,474</u>	<u>\$ 63,047</u>	<u>\$ 64,321</u>	<u>\$ 59,022</u>	<u>\$ 60,845</u>
<b>Change in Net Assets</b>								
Governmental activities	\$ (3,299)	\$ 3,081	\$ 3,900	\$ 3,117	\$ 8,115	\$ 6,081	\$ (5,376)	\$ 2,231
Business-type activities	1,996	726	(357)	119	6	316	28	1,497
Total primary government	<u>\$ (1,303)</u>	<u>\$ 3,807</u>	<u>\$ 3,543</u>	<u>\$ 3,236</u>	<u>\$ 8,121</u>	<u>\$ 6,397</u>	<u>\$ (5,348)</u>	<u>\$ 3,728</u>

**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>
2001	\$31,501	\$11,602	\$246	\$58 <sup>1</sup>	\$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
2009	44,120	14,353	202	50	17	58,742
2010	48,278	11,758	182	54	14	60,286

<sup>1</sup> First year of tax

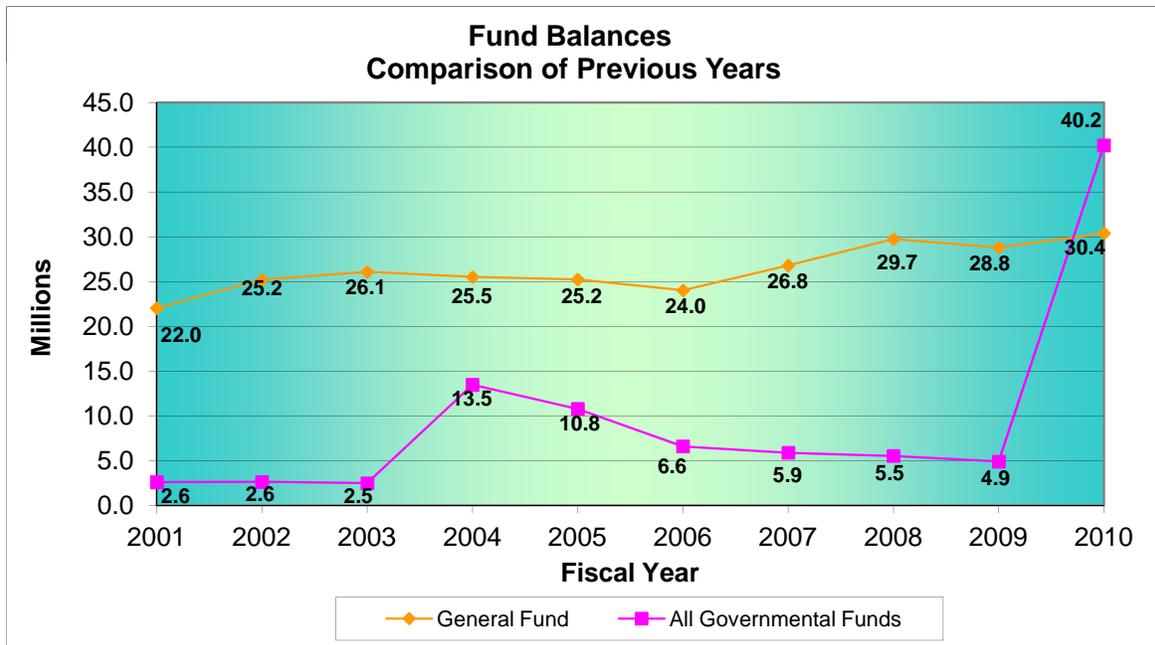
## NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund										
Reserved	\$5,333	\$5,171	\$7,949	\$7,621	\$7,534	\$5,542	\$6,277	\$7,365	\$7,564	\$7,242
Unreserved	16,696	20,037	18,127	17,881	17,705	18,468	20,528	22,367	21,264	23,169
Total general fund	<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>	<u>\$28,828</u>	<u>\$30,411</u>
All other governmental funds										
Reserved	\$1,170	\$600	\$803	\$69	\$397	\$230	\$425	\$235	\$35	\$36,349
Unreserved, reported in:										
Special revenue funds	1,427	2,019	1,678	8,163 <sup>1</sup>	3,629	3,665	4,102	3,919	3,690	3,492
Capital projects funds	-	-	-	5,241 <sup>1</sup>	6,755	2,696	1,351	1,361	1,225	347
Permanent funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<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>	<u>\$4,950</u>	<u>\$40,188</u>

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

<sup>2</sup> The 2010 increase in reserved for capital projects funds is due to \$28,967,319 of Capital Projects Fund and \$7,308,333 capital projects in Other Governmental Funds.



**NASH COUNTY, NORTH CAROLINA**

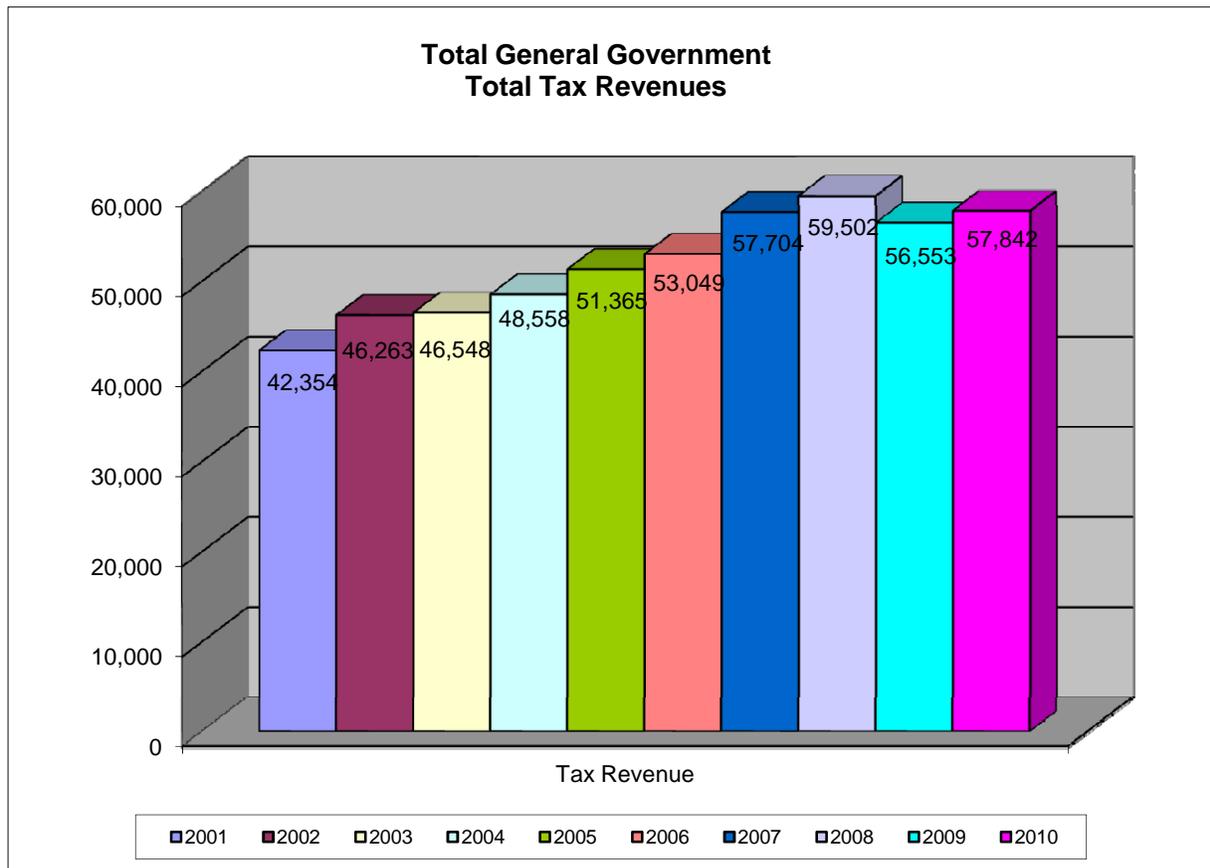
**Changes in Fund Balances of Governmental Funds  
Last Eight Fiscal Years  
(modified accrual basis of accounting)  
(amounts expressed in thousands)**

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
<b>Revenues</b>								
Ad valorem taxes	\$35,541	\$36,269	\$37,920	\$38,670	\$42,232	\$43,739	\$44,119	\$48,278
Other taxes and licenses	12,358	13,756	15,093	16,212	17,479	17,945	14,622	12,008
Intergovernmental	17,862	19,677	22,825	21,691	18,945	19,665	22,296	23,054
Permits and fees	1,388	1,086	1,059	1,295	1,364	1,310	1,000	920
Sales and services	1,732	1,847	2,320	2,419	3,160	4,207	4,468	5,139
Investment earnings	300	248	816	1,439	1,806	1,357	872	274
Miscellaneous	1,058	1,228	934	1,172	4,648	1,814	1,034	2,555
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>	<u>\$88,411</u>	<u>\$92,228</u>
<b>Expenditures</b>								
General government	5,405	5,145	7,291	10,798	7,672	7,871	8,244	8,826
Public safety	13,022	13,789	14,435	16,715	17,825	19,335	21,122	21,825
Transportation	142	149	149	165	213	231	327	397
Economic and physical development	1,871	3,867	2,129	4,505	2,726	3,823	3,345	5,233
Human services	25,928	26,263	27,827	28,185	29,688	29,545	28,097	26,231
Cultural and recreation	945	948	980	1,077	1,195	1,351	1,497	1,562
Education	19,923	21,914	28,582	25,227	22,004	22,327	23,654	25,976
Revaluation	11	-	-	-	41	104	146	0
Debt Service:								
Principal	1,762	1,653	2,381	2,413	2,707	2,641	2,619	2,580
Interest	865	765	1,079	1,025	1,092	1,000	829	708
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>	<u>89,880</u>	<u>93,338</u>
Excess of revenues over (under) expenditures	\$365	(\$382)	(\$3,886)	(\$7,212)	\$4,471	\$1,809	(\$1,469)	(\$1,110)
<b>Other financing sources (uses)</b>								
Transfers in	1,221	2,617	1,605	50	50	1,235	386	505
Transfers out	(1,221)	(2,617)	(1,605)	(50)	(2,439)	(1,381)	(386)	(505)
Proceeds from installment purchases	364	-	-	-	-	-	-	-
Bonds issued	-	-	-	-	-	-	-	36,937
Bond premium	-	-	-	-	-	-	-	994
Long-term debt issued	-	10,800	388	1,793	-	-	-	0
Sale of capital assets	-	-	543	-	-	901	-	0
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>	<u>-</u>	<u>37,931</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>	<u>(\$1,469)</u>	<u>\$36,821</u>
Debt service as a percentage of noncapital expenditures	3.86%	3.42%	4.46%	4.28%	4.63%	4.28%	3.84%	3.72%

## NASH COUNTY, NORTH CAROLINA

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

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Intangible Tax</u>	<u>Sales Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Rental Vehicle Tax</u>	<u>Privilege Licenses Tax</u>	<u>Total</u>
2001	\$29,283	\$1,140	\$11,602	\$246	\$58	\$25	\$42,354
2002	33,543	1,142	11,249	258	49	22	46,263
2003	34,190	-	12,003	287	47	21	46,548
2004	34,803	-	13,412	276	46	21	48,558
2005	36,272	-	14,660	364	48	21	51,365
2006	36,838	-	15,758	386	48	19	53,049
2007	40,225	-	17,040	371	54	14	57,704
2008	41,557	-	17,552	319	55	19	59,502
2009	41,931	-	14,353	202	50	17	56,553
2010	45,834	-	11,758	182	54	14	57,842



## 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					
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%
2009	3,132,659	2,033,235	764,185	950,943	(855,723)	6,025,299	0.70	6,924,835	87.01%
2010	3,752,284	2,510,928	679,641	958,630	(1,000,154)	6,901,329	0.67	7,097,942	97.23%

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									
	2001	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2009	2010 <sup>1</sup>
Nash County	\$ 0.6900	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.6600	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.6700
<u>Municipality Rates:</u>										
City of Rocky Mount	0.4600	0.4400	0.4800	0.5000	0.5000	0.5000	0.5500	0.5800	0.5800	0.5500
Town of Sharpsburg	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.5000	0.5000	0.5000
Town of Spring Hope	0.7600	0.7000	0.7000	0.7000	0.7000	0.7000	0.6200	0.6200	0.6200	0.5700
Town of Bailey	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100	0.6100
Town of Middlesex	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500	0.5500
Town of Whitakers	0.6700	0.6700	0.6700	0.6700	0.6900	0.6900	0.6900	0.6900	0.6900	0.6900
Town of Nashville	0.6400	0.6100	0.6100	0.6100	0.6100	0.6300	0.6300	0.6300	0.6300	0.5600
Town of Castalia	0.2200	0.2200	0.2200	0.2200	0.2700	0.2000	0.2000	0.2000	0.2000	0.2000
Town of Momeyer	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0900	0.0900	0.0900
<u>Other Districts:</u>										
Rocky Mount Municipal District	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
<u>Fire Districts:</u>										
Ferrells	0.0960	0.0960	0.0960	0.0960	0.0960	0.1100	0.1100	0.1200	0.1200	0.1200
N.S. Gulley	0.0900	0.0900	0.0975	0.0975	0.0975	0.0975	0.1075	0.1075	0.1075	0.1075
Harrison	0.0600	0.0600	0.0600	0.0600	0.0600	0.0700	0.0700	0.0700	0.0700	0.0900
Stanhope	0.0600	0.0600	0.0600	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Stony Creek	0.0500	0.0500	0.0500	0.0500	0.0500	0.0700	0.0700	0.0700	0.0700	0.0700
Green Hornet	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Silver Lake	0.0500	0.0500	0.0700	0.0700	0.0900	0.0900	0.0900	0.0800	0.0900	0.0900
Sims	0.0500	0.0500	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400	0.0464
Tri-County	0.0600	0.0600	0.0600	0.0600	0.0600	0.0800	0.0800	0.0800	0.0800	0.0800
Salem	0.0550	0.0550	0.0550	0.0550	0.0550	0.0800	0.0800	0.0800	0.0800	0.0800
West Mount	0.0500	0.0500	0.0500	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Coopers	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0850	0.0850	0.0850
Castalia	0.0720	0.0620	0.0700	0.0660	0.0660	0.0735	0.0735	0.0735	0.0735	0.0735
Spring Hope	0.0500	0.0500	0.0600	0.0600	0.0600	0.0800	0.0800	0.0800	0.0800	0.0800
Middlesex	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Red Oak	0.0500	0.0500	0.0500	0.0500	0.0500	0.0700	0.0700	0.0700	0.0700	0.0700
Momeyer	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Whitakers	0.0400	0.0400	0.0400	0.0540	0.0600	0.0600	0.0600	0.0750	0.0750	0.0750

<sup>1</sup> Revaluation years.

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

Source: County tax assessor.

## NASH COUNTY, NORTH CAROLINA

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

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Consolidated Diesel Co.	\$188,756	1	2.74%	\$248,142	1	5.84%
Hospira Inc.	153,426	2	2.22%			
Universal Leaf North America NC	113,548	3	1.65%	18,550	10	0.44%
Progress Energy Carolinas	50,114	4	0.73%			
Hendon Golden East LLC	35,681	5	0.52%	27,322	5	0.64%
Carolina Telephone	32,852	6	0.48%			
RBC Centura Bank, Inc.	27,349	7	0.40%	39,854	3	0.94%
Cobb Corners LTD Partnership	23,081	8	0.33%			
Kaba Ilco-Unican Corporation	18,202	9	0.26%	25,301	6	0.60%
Honeywell International Inc.	17,973	10	0.26%			
Abbott Laboratories				71,443	2	1.68%
Allied Signal Aerospace				30,987	4	0.73%
Sprint				22,803	7	0.54%
McLane Company, Inc.				22,435	8	0.53%
Carolina Power & Light				19,687	9	0.46%
Totals	<u>\$660,982</u>		<u>9.58%</u>	<u>\$526,524</u>		<u>12.39%</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>
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%
2009	42,180	40,459	95.92%	1,378	41,837	99.19%
2010	46,000	44,205	96.10%	1,330	45,535	98.99%

Source: County tax assessor.

## NASH COUNTY, NORTH CAROLINA

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

Fiscal Year	Governmental Activities		Business-type Activities		Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
	Installment Purchases	Limited Obligation Bonds	Installment Purchases	Water Bonds			
2001	\$14,032	\$0	\$0	\$0	\$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	0.84%	263
2008	17,470	-	4,023	-	21,493	0.69%	229
2009	14,851	-	3,717	5,239	23,807	na	250
2010	20,852	28,355	3,412	5,239	57,858	na	596

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

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

**NASH COUNTY, NORTH CAROLINA**

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value<sup>1</sup> of Property</b>	<b>Per Capita<sup>2</sup></b>
2009 <sup>3</sup>	\$ 5,239	\$ -	\$ 5,239	0.08%	\$ 55
2010	5,239	-	5,239	0.07%	54

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

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

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

## NASH COUNTY, NORTH CAROLINA

### Direct and Overlapping Governmental Activities Debt As of June 30, 2010 (amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Direct and Overlapping Debt
<b>Debt repaid with property taxes:</b>			
Town of Sharpsburg	\$ 1,745	0.74%	\$ 13
Subtotal, overlapping debt			13
<b>Nash County direct debt</b>			-
<b>Total direct and overlapping debt</b>			\$ 13

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

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

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

**NASH COUNTY, NORTH CAROLINA**

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

	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt limit	\$ 340,044	\$ 412,072	\$ 412,159	\$ 422,377	\$ 434,317	\$ 452,951	\$ 461,764	\$ 481,634	\$ 482,024	\$ 552,106
Total net debt applicable to limit	-	-	-	-	-	-	-	-	5,239	5,239
Legal debt margin	<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>	<u>\$ 476,785</u>	<u>\$ 546,867</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%	1.09%	0.95%

**Legal Debt Margin Calculation for Fiscal Year 2010**

Total assessed value	<u>\$ 6,901,329</u>
Debt Limit (8% of total assessed value)	\$ 552,106
Debt applicable to limit:	
Water bonds	\$ 5,239
Less: Amount set aside for repayment of water bond debt	-
Total net debt applicable to limit	<u>\$ 5,239</u>
Legal debt margin	<u>\$ 546,867</u>

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

**NASH COUNTY, NORTH CAROLINA**

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

This schedule does not apply to Nash County.

## NASH COUNTY, NORTH CAROLINA

### Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population <sup>1</sup>	Personal Income (amounts expressed in thousands) <sup>2</sup>	Per Capita Personal Income <sup>2</sup>	Median Age <sup>1</sup>	School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
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	2,908,534	31,374	37.7	17,800	6.1
2008	93,820	3,112,413	33,067	37.9	17,773	8.1
2009	95,163	na	na	38.1	17,549	13.1
2010	97,030	na	na	38.6	17,282	12.2

#### Data Sources

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

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

<sup>3</sup> School District

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

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

## NASH COUNTY, NORTH CAROLINA

### Principal Employers Current Year and Nine Years Ago

Employer	2010			2001		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Nash-Rocky Mount Schools	2,197	1	5.39%	2,400	1	5.90%
Hospira Inc.	1,800	2	4.42%	-	-	-
Nash General Hospital	1,500	3	3.68%	1,715	3	4.22%
Universal Leaf North America NC	1,253	4	3.07%	-	-	-
Consolidated Diesel	1,250	5	3.07%	1,294	4	3.18%
City of Rocky Mount	1,200	6	2.94%	1,200	5	2.95%
RBC Bank	1,150	7	2.82%	1,112	6	2.73%
Nash County	600	8	1.47%	610	9	-
Kaba Ilco-Unican Corporation	550	9	1.35%	656	7	1.61%
McLane Company, Inc.	520	10	1.28%	620	8	-
Abbott Laboratories	-	-	-	1,859	2	4.57%
Aegis Communications	-	-	-	400	10	0.98%
<b>Total</b>	<b>12,020</b>		<b>29.49%</b>	<b>11,866</b>		<b>26.15%</b>

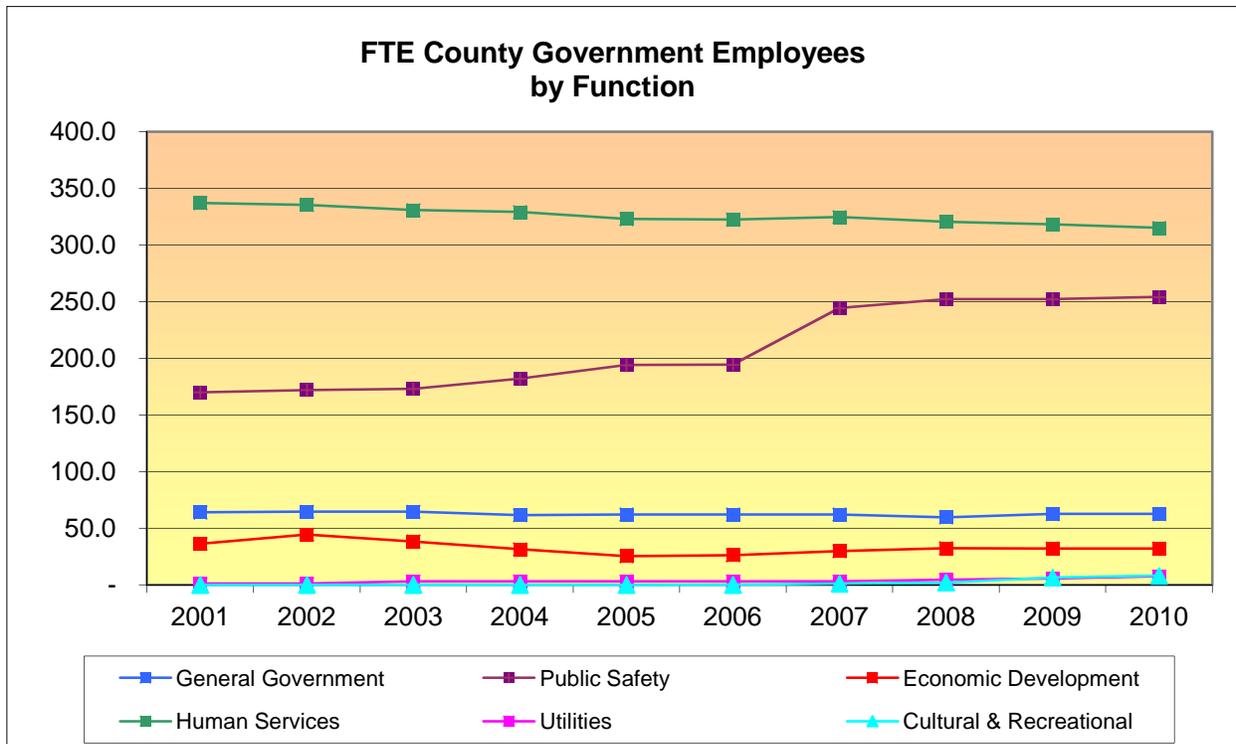
Source: Nash County business community.

## NASH COUNTY, NORTH CAROLINA

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

Function	Full-time Equivalent Employees as of June 30									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government	64.0	64.5	64.5	61.5	62.1	62.1	62.1	59.7	62.5	62.5
Public safety										
Sheriff										
Deputies	62.0	62.0	62.0	68.0	68.0	68.0	68.0	76.0	77.0	78.0
Civilians	55.0	55.0	55.0	59.0	59.0	59.0	59.0	57.0	57.0	57.0
Emergency Services	43.0	50.0	51.0	51.0	62.0	62.3	112.3	114.3	114.1	114.1
Other Public Safety	10.0	5.0	5.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
Economic Development	36.3	44.3	38.3	31.3	25.3	26.2	29.8	32.3	32.1	32.1
Human Services										
Health	145.5	145.5	135.8	133.0	134.8	135.2	134.1	130.1	123.7	121.8
Social Services	166.0	162.0	161.0	162.0	160.5	159.5	163.0	163.0	166.0	165.0
Other Human Services	25.5	28.0	34.0	34.1	27.8	27.8	27.5	27.5	28.4	28.2
Utilities	1.0	1.0	3.0	3.0	3.0	3.0	3.0	4.4	5.5	7.5
Cultural & Recreational	-	-	-	-	-	-	1.0	2.0	6.5	8.0
<b>Total</b>	<b>608.3</b>	<b>617.3</b>	<b>609.6</b>	<b>606.9</b>	<b>607.4</b>	<b>608.0</b>	<b>664.7</b>	<b>671.3</b>	<b>677.8</b>	<b>679.2</b>

Source: Government finance office.



**NASH COUNTY, NORTH CAROLINA**

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

Function	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Public Safety										
Sheriff										
Physical arrests	7,202	7,560	6,548	5,967	6,210	6,164	6,061	6,284	6,044	5,840
Serving civil papers (evictions, executions, court)	19,290	19,913	19,099	19,523	18,809	18,690	19,216	18,966	19,670	19,121
Traffic violations/citations	694	530	482	326	292	271	827	1,742	1,612	1,779
Cases in review by investigations	1,780	1,868	1,785	1,894	1,913	2,228	1,894	1,938	2,052	1,764
Cases closed/cleared	1,004	1,038	1,009	1,177	1,078	1,553	1,206	1,313	1,314	1,219
Calls for service	11,511	12,165	12,029	12,353	12,980	13,600	12,226	12,787	18,213	23,614
Transports	1,451	1,397	1,496	1,584	1,561	1,753	1,488	1,475	1,578	1,065
Emergency Services										
Number incoming/outbound calls	252,963	254,264	254,651	251,287	237,012	213,148	na	na	na	180,894
Number of calls for service dispatched from 911 Center	-	43,098	42,986	42,806	46,350	48,324	47,421	54,538	68,800	79,774
Public education events	-	-	-	47	46	-	12	12	12	8
Fire										
Inspections	519	568	542	623	560	700	923	903	762	834
Number of fire investigations	39	31	41	32	27	25	29	27	21	23
Plans review	-	-	-	-	-	-	-	-	28	31
Economic Development										
Permits issued (building, electrical, mechanical, plumbing, etc.)	1,576	1,127	1,070	957	1,778	1,998	2,135	2,085	2,899	3,243
New residential construction (units)	290	370	339	329	340	332	400	317	165	163
New commercial construction (units)	35	16	24	35	10	12	17	29	26	15
Building inspections performed	-	-	-	-	9,830	10,739	12,101	11,791	9,178	8,807

## NASH COUNTY, NORTH CAROLINA

### Operating Indicators by Function Last Ten Fiscal Years

	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Solid Waste										
Refuse collected (tons/day)	145.6	175.2	101.5	90.9	63.3	88.4	76.8	78.7	77.2	73.6
Utilities										
Water										
Total water customers	-	259	303	368	381	386	663	896	1,041	1,538
Water mains breaks	-	-	1	-	-	1	-	-	-	-
Average daily consumption (thousands of gallons)	-	24	36	109	102	110	158	138	136	178
Sewer										
Total sewage customers	-	173	203	252	257	257	270	278	271	270
Average daily sewage treatment (thousands of gallons)	-	10	24	63	65	65	55	67	69	77

Sources: Various county government department 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>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Public safety										
Sheriff:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	-	-	-	-	-	68	71	75	76	76
Water										
Water mains (miles)	-	12.0	12.3	15.1	15.1	16.0	39.6	39.6	52.7	100.4
Fire hydrants	-	165	168	184	184	186	186	186	186	186
Maximum daily capacity (thousands of gallons)	-	150	300	300	300	300	989	989	989	989
Sewer										
Sanitary sewers (miles)	-	7.1	7.7	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Maximum daily treatment capacity (thousands of gallons)	-	150	300	300	300	300	300	300	300	300

Sources: Various county government departments.

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

***NOTES***

Nash County, North Carolina  
Financial Statements and Schedules

(This page intentionally left blank)