

Nash County North Carolina



Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2014

**NASH COUNTY
NORTH CAROLINA**

Board of County Commissioners

Fred Belfield, Jr., Chairman

*Billy Morgan, Vice Chairman
Robbie B. Davis
J. Wayne Outlaw*

*Lou M. Richardson
Lisa Barnes
Mary P. Wells*

*Comprehensive Annual
Financial Report*

For the Year Ended June 30, 2014

*Prepared by:
Nash County Finance Department*

County Officials

*County Manager
Assistant County Manager
Finance Officer*

*Zee B. Lamb
Rosemary Dorsey
Donna Wood*

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

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INTRODUCTORY SECTION

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

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY

NASHVILLE, NORTH CAROLINA 27856

FRED BELFIELD, CHAIRMAN.
BOARD OF COMMISSIONERS

ZEE B. LAMB
COUNTY MANAGER

VINCE DURHAM
ATTORNEY

JANICE EVANS
CLERK TO BOARD

December 5, 2014

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, 2014, is prepared to provide you with details about how the County receives, spends and accounts for its money, as well as key indicators of its financial strength. The County's Finance Department is responsible for the accuracy of the Financial Statement data, the completeness and fairness of the presentation, and all disclosures rests with the County. We believe the data and presentation are fair and accurate and that you will find everything necessary in this document to gain an understanding of the County's financial activities over the last fiscal year.

It is our pleasure to submit this Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2014. 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.

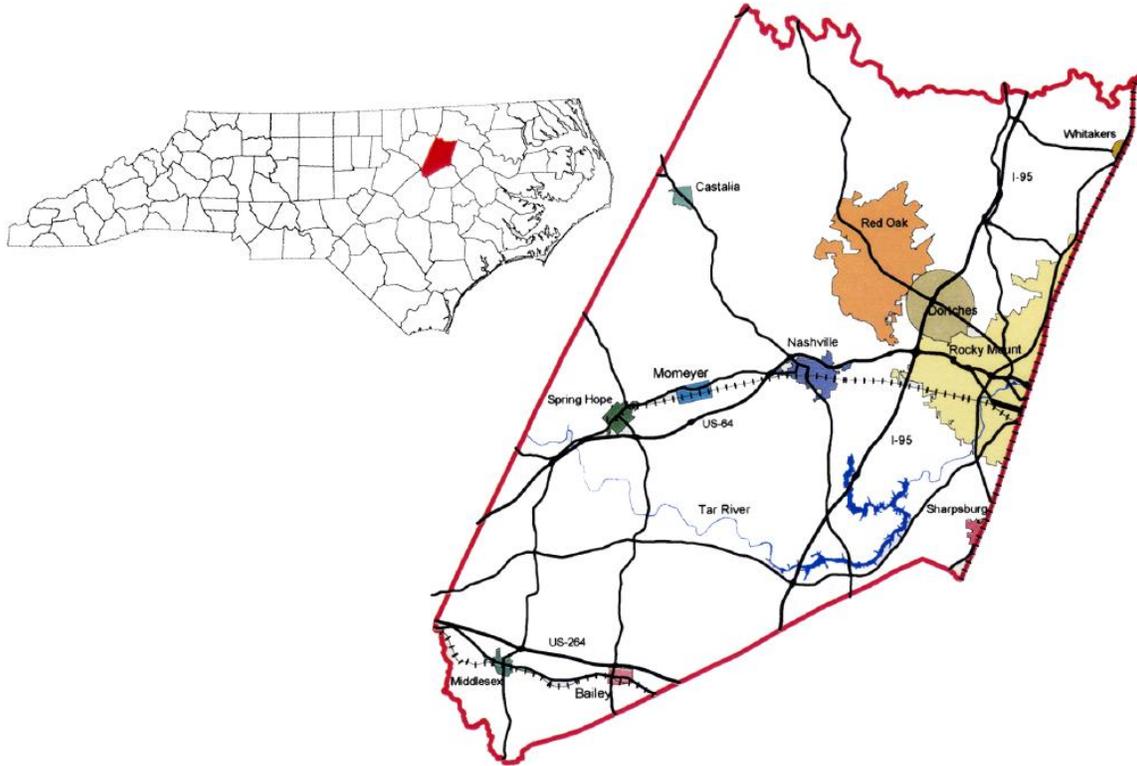
Nash County's financial statements have been audited by Martin Starnes & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Nash County for the fiscal year ended June 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that Nash County's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

Nash County was established in 1777 from the western part of Edgecombe County. Nash County could be classified as either a northern coastal plain county or a far eastern piedmont county. Falling midway between New York and Florida, Nash County occupies a total area of 542.71 square miles with a land area of 540.33 square miles. Nash County serves a population of 94,744 according to estimates based on the 2010 Census. The County is positioned as a major gateway between the Coastal Plain and Piedmont regions of North Carolina. Within 30 miles of the state capital of Raleigh, Nash County is within an hour's drive of the world-famous Research Triangle Park. Eleven municipalities are located within the County, the largest being the City of Rocky Mount. Nashville is the second largest municipality in population and serves as the county seat. Nash County is empowered to levy a property tax on both real and personal properties located within its boundaries.



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

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

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

Factors Affecting Financial Condition

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

Local economy

The local economy of Nash County is well diversified with retail trade, manufacturing, accommodations & food services, and health care and social assistance comprising the largest sectors of employment at 16.17%, 16.15%, 13.24% and 12.25% respectively.

The County saw a 3.3% decline in unemployment to 8.8% from the previous year's 12.1% but is still higher than the state's 6.5%. The local economy is beginning to recover as evidenced by small growth in the tax base and several local companies commitment to the area through expansion such as Hospira, Inc.'s October 2013 unveiling and ribbon-cutting ceremony of a new, state-of-the-art, quality and analytical testing laboratory which will be home to 200 new employees. Universal Leaf North America U.S. (ULNA) announced the launch of a new venture, Carolina Innovative Food Ingredients, Inc. (CIFI) which produces high quality food grade dehydrated and juiced fruit and vegetable products. CIFI, located near ULNA's manufacturing facility, expects to invest \$20 million over two years and create 64 full time jobs. Another new manufacturer to Nash County is

Nutkao USA, Inc., headquartered in Italy and an international producer of nut-based spreads, creams, and fillings. Nutkao plans to invest \$17 million over the next five years and create approximately 100 new jobs.

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

According to the 2012 National Agriculture Census, Nash County is home to 430 farm operations of various sizes, the majority of these being small farm operations. Adapting to shifts in worldwide demand for some agricultural commodities, Nash farmers shifted their crop plantings in 2014. Flu-Cured tobacco acreage increased 9% to 10,500, sweet potatoes increased 33% to 8,988 acres, wheat increased 20% to 8,251 acres, soybeans (the county's largest crop acreage) increased 15% to 31,512. Acreages of cotton, peanuts and cucumbers all declined significantly. Poultry and eggs continue to be Nash County's highest valued agricultural commodities with tobacco and sweet potatoes close behind. Local swine and cattle producers are finally enjoying lower feed costs, while at the same time beef and pork delivery prices are increasing. Estimated farm gate income for agricultural products grown in Nash County exceeds \$200 million.

Long-Term Financial Planning

Unassigned fund balance in the general fund (24.56% of total general fund expenditures) falls within the policy guidelines set by the Board of Commissioners. Nash County Fiscal Policy for Reserves states the amount should be no less than 15% at close of each fiscal year. The Board has made one-time use of fund balance for capital expansion for property acquisitions and improvements.

Economic Development:

NC 97 Tract: Nash County had applied and was awarded a \$1.5 million grant from The Golden Leaf Foundation to provide sewer to this 147-acre industrial site and beyond to the I-95 / NC 97 interchange and Hwy 58 / NC 97 interchange. The grant will be matched with approximately \$1.7 million of local funds.

Baines Property: Nash County purchased 22 acres adjacent to the Middlesex Corporate Center to expand the Middlesex Industrial Park.

Site Readiness Program: Duke Energy Progress chose a 320-acre section of the Middlesex Corporate Centre in the western edge of Nash County to participate in the utility's 2013 Site Readiness Program which is

designed to help communities served by the utility compete for new industrial development. Duke's Business Development Team will actively market the site nationwide to companies looking to expand or relocate their operations.

Future I-495 Designation: Governor Pat McCrory and Transportation Secretary Tony Tata announced December 12, 2013 that U.S. 64 between I-440 and I-95 near Rocky Mount has been added to the future Interstate Highway System. This designation allows Nash County to tell businesses who want to locate in the area that they will have a future interstate connection to the vital I-95 corridor.

Public Water and Sewer:

Central Nash Water and Sewer District: The Central Nash Water & Sewer District was formed in 2007 for the purpose of extending water and sewer lines to rural areas in the southern portion of the county in an effort to address poor water quality, public health, economic development potential, and fire protection along major roadways. Phases 1, 2, 3, and the original designed 4 are now complete and serving over 2,656 water and 267 sewer customers. Phase 4 additional roads are currently under construction in this project area and additional lines may be added if funding allows.

Red Oak/Dortches Area Water Recruitment Initiative: Nash County began recruiting potential water customers in the Red Oak/Dortches area and currently have approximately 875 signups. The recruitment process will determine whether there is enough interest to pursue providing public water to these communities that could ultimately serve over 1,000 customers. Engineers were authorized to start work on a preliminary engineering report cost estimate and environmental assessments necessary to begin design.

Major Initiatives

Nash Community College: Construction of the NCC Continuing Education and Public Services Building is 50% complete. Voters approved a referendum in May 2012 for \$9.5 million in bond funds to construct the two-story building, including a gun range. The US Department of Commerce Economic Development Administration awarded a \$1.5 million grant for the Corporate Training Wing and Truck Driver training area. The remainder of the \$13 million project is funded with state community college funds and NCC Foundation funds. Construction is due to be completed in May/June of 2015.

Nashville EMS Station: In the Town of Nashville, a new 3,600 square foot Emergency Medical Station has been approved with construction planned to begin in the winter/spring of 2015. The county has secured ownership of the site and is considering a design-build approach for construction. The project is estimated to cost \$500,000 to \$800,000.

Technology:

Email Services: In 2014, The County migrated from an in-house email server to “The Cloud” via the Microsoft 360 software product and installed Wi-Fi in seven county buildings.

High-Speed Internet Initiative: Like many rural counties, Nash County has areas of the county that are currently not served with high-speed internet service. In these unserved areas, business, education, quality of life and the economic health of the community is affected. Nash County has begun a collaborative effort with the Department of Commerce to identify and address the demand for high-speed internet in Nash County. The initial phase that began in June 2014, will identify residential and other properties that are underserved through a series of outreach efforts. Once the properties are identified and mapped, the Department of Commerce will begin discussions with internet carriers to show demand in areas that will meet the companies’ business models for service.

ESO Software Implementation: Nash County purchased new Cloud based software that will provide greater efficiency in retrieving, collecting and processing EMS data from calls and transports.

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, 2013. This makes the twenty-third consecutive year Nash County received the award. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

Acknowledgements

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

Respectfully submitted,

NASH COUNTY, NORTH CAROLINA



Zee B. Lamb
County Manager



Donna Wood
Finance Officer



Government Finance Officers Association

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

Presented to

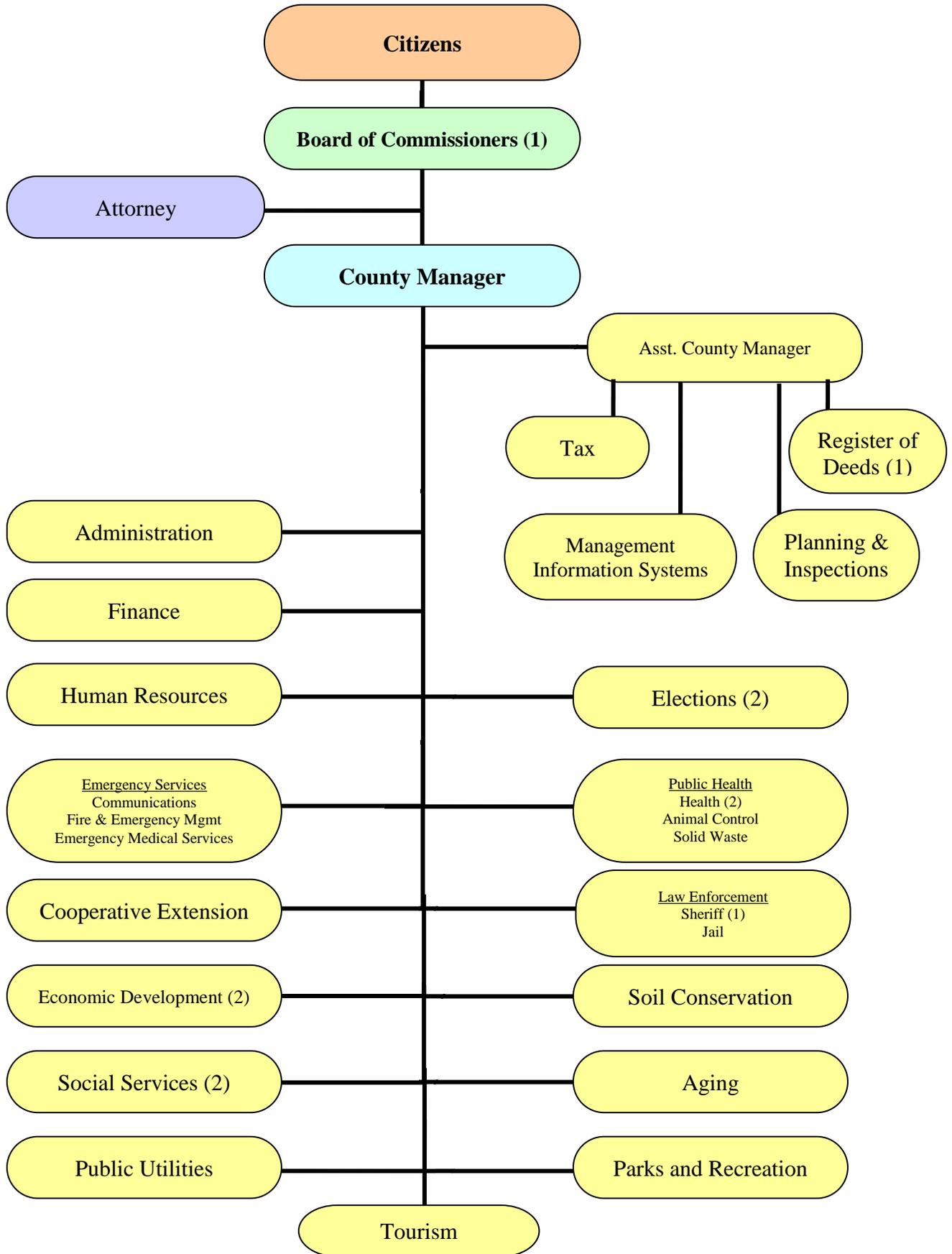
**Nash County
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Nash County Organizational Chart



(1) Elected Office (2) Governed by Boards

FINANCIAL SECTION

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

Nash County, North Carolina
Financial Statements and Schedules

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

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

Independent Auditor's Report

To the Board of Commissioners
Nash County
Nashville, North Carolina

Report On the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County, North Carolina, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Nash County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Nash Health Care Systems and Subsidiaries. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Nash Health Care Systems and Subsidiaries are based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Nash County Tourism Development Authority, Nash County Business Development Authority, Nash Health Care Systems and Subsidiaries, and Nash County ABC Board were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based upon our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Nash County as of June 30, 2014, and the respective changes in financial position, and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance and Other Post-Employment Benefit's Schedules of Funding Progress and Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Nash County's basic financial statements. The introductory information, combining and individual fund financial statements, budgetary schedules, supplemental ad valorem tax schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, and supplemental ad valorem tax schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures; including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual fund financial statements, budgetary schedules, and supplemental ad valorem tax schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2014 on our consideration of Nash County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Nash County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
December 5, 2014

Nash County, North Carolina
Financial Statements and Schedules

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Management's Discussion and Analysis

As management of Nash County, we offer readers of Nash County's financial statements this narrative overview and analysis of the financial activities of Nash County for the fiscal year ended June 30, 2014. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

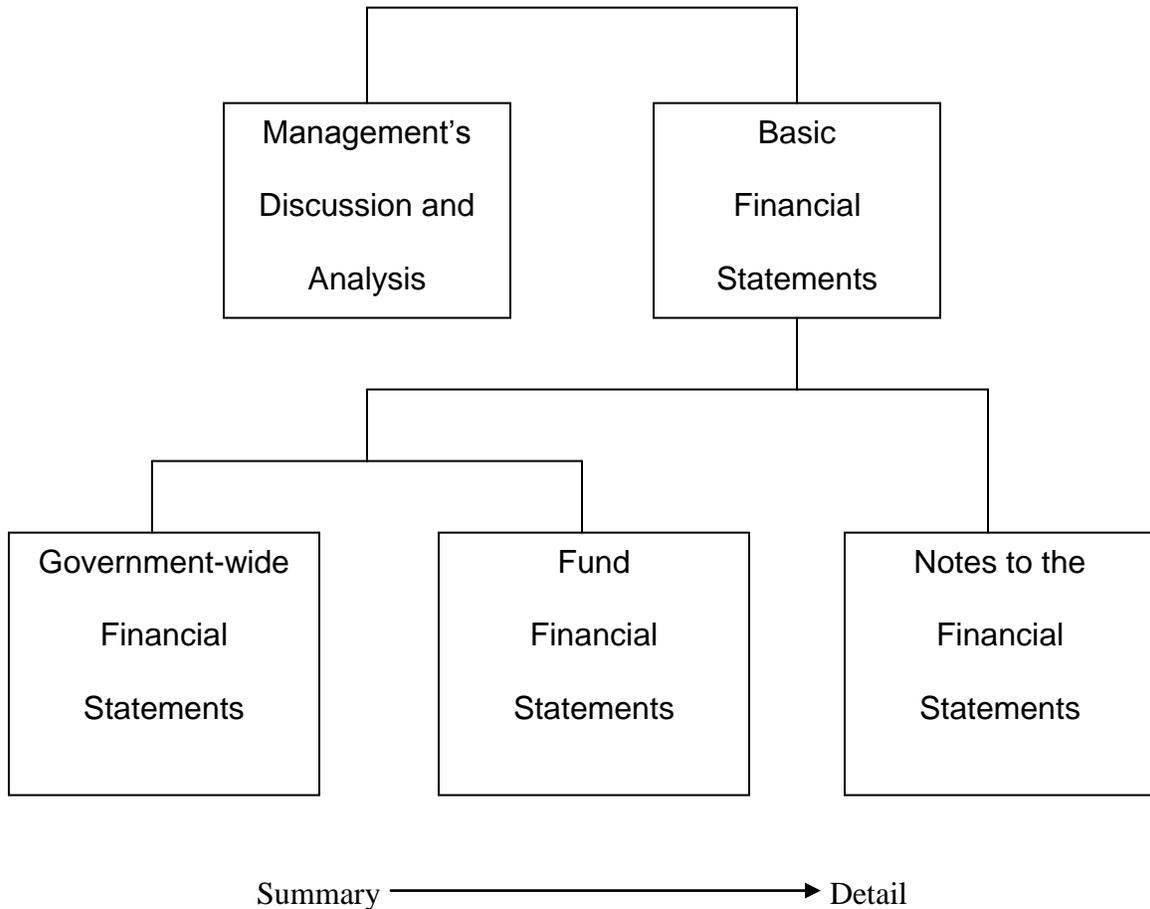
- The assets and deferred outflows of resources of Nash County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$57,960,540 (*net position*). Of this amount, \$22,933,183 may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$1,810,941, primarily due to increase in net position in the County's governmental activities.
- As of the close of the current fiscal year, Nash County's governmental funds reported combined ending fund balances of \$52,062,767 after a net increase in fund balance of \$12,599,573. Approximately 37.87% of this total amount, or \$19,721,044, is restricted or non-spendable.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$21,446,629, or 24.56%, 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 \$7,112,532 (12.4%) during the current fiscal year due primarily to the issuance of General Obligation bonds for the County and the Water and Sewer District.
- Nash County maintained its ratings by Standard & Poor's, AA- and Aa2 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 net position and the discretely presented component units' net position and how they have changed. Net position is the difference between the of the County's assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's and the County's discretely presented component units' financial condition.

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

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

Fund Financial Statements

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

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Nash County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

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

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are in the Financial Section of this report.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The assets and deferred outflows of resources of Nash County exceeded liabilities and deferred inflows of resources by \$57,960,540 as of June 30, 2014. The County’s net position increased by \$1,810,941 for the fiscal year ended June 30, 2014. One of the largest portions \$23,549,773 or 40% reflects the County’s net investment in capital assets (e.g. land, buildings, machinery and equipment).

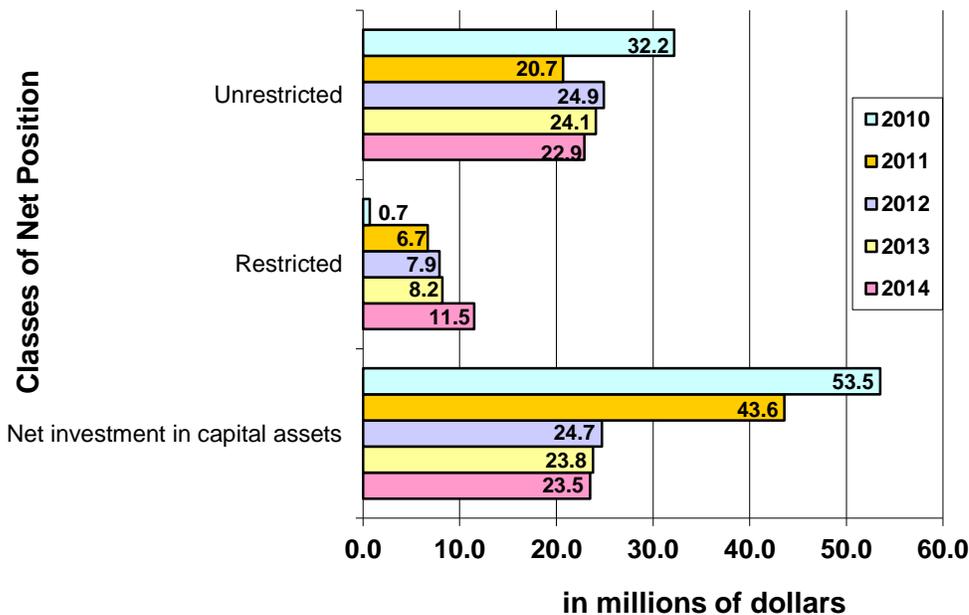
Nash County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Nash County’s investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Nash County’s net position \$11,477,584 or 20% represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$22,933,183 (40%) is unrestricted.

Nash County's Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current and other assets	\$60,547,766	\$48,260,480	\$6,269,122	\$7,458,458	\$66,816,888	\$55,718,938
Capital assets	47,507,386	48,639,806	31,680,274	30,736,741	79,187,660	79,376,547
Total assets	<u>108,055,152</u>	<u>96,900,286</u>	<u>37,949,396</u>	<u>38,195,199</u>	<u>146,004,548</u>	<u>135,095,485</u>
Long-term liabilities outstanding	61,802,227	52,861,881	17,863,575	13,773,035	79,665,802	66,634,916
Other liabilities	6,776,392	5,920,885	1,524,592	6,318,411	8,300,984	12,239,296
Total liabilities	<u>68,578,619</u>	<u>58,782,766</u>	<u>19,388,167</u>	<u>20,091,446</u>	<u>87,966,786</u>	<u>78,874,212</u>
Total deferred inflows of resources	77,222	71,674	-	-	77,222	71,674
Net position:						
Net investment in capital assets	6,576,499	8,212,285	16,973,274	15,616,241	23,549,773	23,828,526
Restricted	11,477,584	8,198,992	-	-	11,477,584	8,198,992
Unrestricted	21,345,228	21,634,569	1,587,955	2,487,512	22,933,183	24,122,081
Total net position	<u>\$39,399,311</u>	<u>\$38,045,846</u>	<u>\$18,561,229</u>	<u>\$18,103,753</u>	<u>\$57,960,540</u>	<u>\$56,149,599</u>

Primary Government Net Position 5 Year Comparison



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

- Continued diligence in the collection of property taxes by increasing the collection percentage from 95.51% to 97.73 %.
- Further expansion of the County's water and sewer system.

Nash County Changes in Net Position

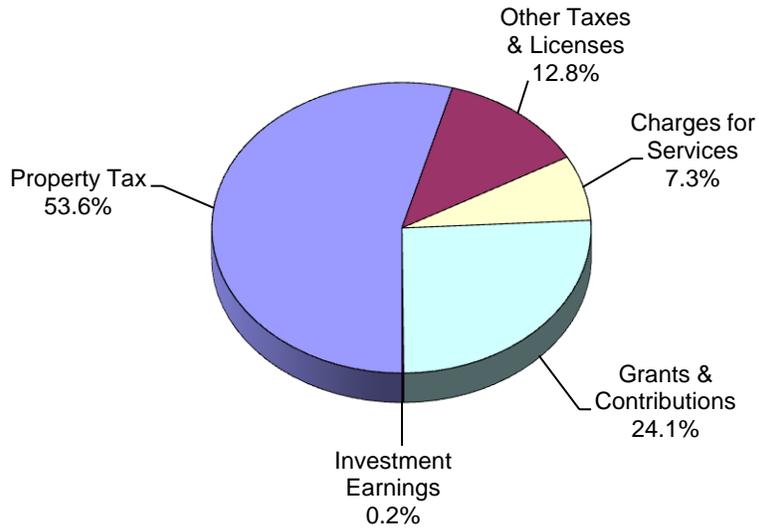
Figure 3

	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program revenues:						
Charges for services	\$6,934,572	\$8,627,281	\$3,684,044	\$3,389,382	\$10,618,616	\$12,016,663
Operating grants and contributions	24,480,208	22,406,096	-	-	24,480,208	22,406,096
Capital grants and contributions	56,785	65,174	1,119,740	888,689	1,176,525	953,863
General revenues:						
Property taxes	51,846,151	49,874,365	-	-	51,846,151	49,874,365
Other taxes	12,031,907	11,884,451	-	-	12,031,907	11,884,451
Other:	147,247	143,699	3,524	28,878	150,771	172,577
Total revenues	<u>95,496,870</u>	<u>93,001,066</u>	<u>4,807,308</u>	<u>4,306,949</u>	<u>100,304,178</u>	<u>97,308,015</u>
Expenses:						
General Government	9,411,187	9,106,343	-	-	9,411,187	9,106,343
Public safety	24,142,347	24,180,932	-	-	24,142,347	24,180,932
Transportation	322,183	337,783	-	-	322,183	337,783
Economic and physical development	3,264,870	3,849,228	-	-	3,264,870	3,849,228
Human services	26,866,248	26,211,075	-	-	26,866,248	26,211,075
Cultural	1,681,890	1,601,705	-	-	1,681,890	1,601,705
Education	26,030,698	25,382,425	-	-	26,030,698	25,382,425
Debt service - interest	2,423,982	1,858,043	-	-	2,423,982	1,858,043
Water and sewer	-	-	2,292,325	2,098,567	2,292,325	2,098,567
Sold waste disposal	-	-	2,057,507	3,943,986	2,057,507	3,943,986
Total expenses	<u>94,143,405</u>	<u>92,527,534</u>	<u>4,349,832</u>	<u>6,042,553</u>	<u>98,493,237</u>	<u>98,570,087</u>
Increase in net position	1,353,465	473,532	457,476	(1,735,604)	1,810,941	(1,262,072)
Net position, beginning	38,045,846	37,572,314	18,103,753	19,839,357	56,149,599	57,411,671
Net position, ending	<u>\$39,399,311</u>	<u>\$38,045,846</u>	<u>\$18,561,229</u>	<u>\$18,103,753</u>	<u>\$57,960,540</u>	<u>\$56,149,599</u>

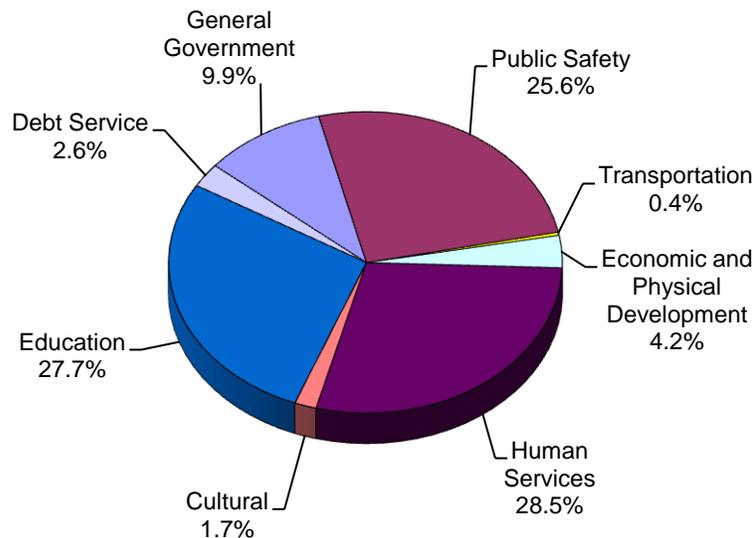
Governmental Activities. Governmental activities increased the County’s net position for fiscal year 2014 by \$1,353,465 over prior year. Key elements of the increase are as follows:

- Increased property tax collections
- Sales tax revenues reflect a slight recovery over fiscal year 2013
- Increased operating grants and contributions due to increase in grant funding for Human Services and increase in Economic Development

**Governmental Activities Revenue Sources
For Fiscal Year 2014**

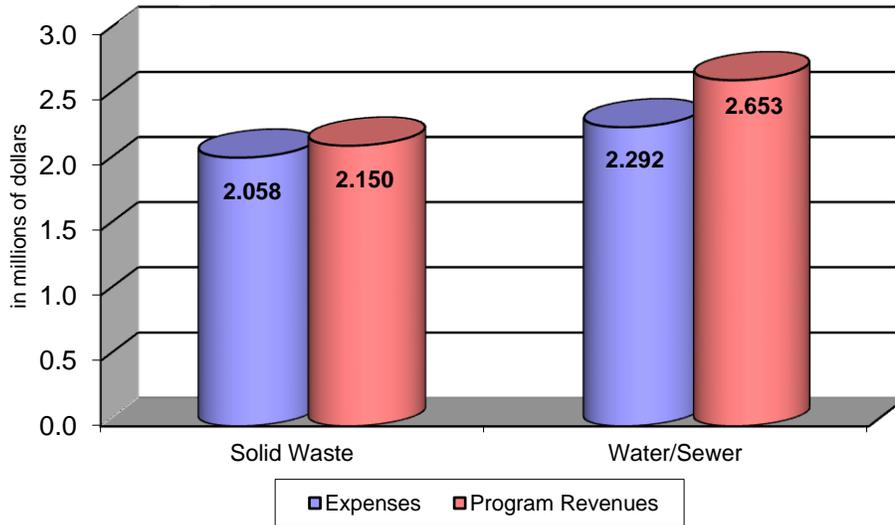


**Governmental Activities Functional Expenses
For Fiscal Year 2014**



Business-type Activities. Business-type activities increased Nash County’s net position by \$457,476. The increase is mostly a result of the increase in capital contributions and decrease in operating expenditures.

**Business-type Activities
2013-14 Expenses and Program Revenues**



Financial Analysis of the County’s Funds

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

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

The General Fund is the chief operating fund of Nash County. At the end of the current fiscal year, fund balance available in the General Fund was \$32,544,694 while total fund balance reached \$40,074,609. The Governing Body of Nash County has determined that the County should maintain an available fund balance of 15% of General Fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the County. The County currently has an available fund balance of 37.7% of General Fund expenditures, while total fund balance represents 46.4% of that same amount.

At June 30, 2014, the governmental funds of Nash County reported a combined fund balance of \$52,062,767, a \$12,599,573 increase over last year. This increase is primarily the result of debt proceeds from the issue of General Obligation Bonds of \$9,310,000 and increased property tax revenues in the General Fund.

General Fund Budgetary Highlights. During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$1,826,054 or 2.1% due primarily to increases in restricted inter-governmental revenues and proceeds from issuance of debt.

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

- \$195,841 in General Government for public buildings – security system
- \$162,972 in Public Safety for EMS - Ambulance
- \$509,656 in Human Services due primarily to increased funding for Positive Parenting Program, Crisis Intervention and Energy Assistance
- \$483,750 in Economic Development for One NC Grant
- \$99,964 in Cultural for Library Grants

Proprietary Funds. Nash County’s proprietary fund provides the same type of information found in the government-wide statements, but in more detail. Unrestricted net position of the Utilities Fund at the end of the fiscal year amounted to \$2,425,206 and those for Central Nash Water and Sewer District equaled (\$837,251). The total change in net position for both major funds was (\$613,457) and \$1,070,933 respectively. The Utilities Fund includes operation of the Water/Sewer and Solid Waste Disposal Divisions. Other factors concerning the finances of this fund are addressed in Nash County’s business-type activities later in this discussion.

Capital Asset and Debt Administration

Capital Assets. Nash County’s capital assets for its governmental and business-type activities as of June 30, 2014 totals \$79,187,660 (net of accumulated depreciation). These assets include buildings, land, vehicles, equipment and construction in progress. The total decrease was \$188,887, a 3.1% increase in business type activities and a 2.3% decrease in governmental activities.

Major capital asset transactions during the year include:

- Construction of water lines for Central Nash Water & Sewer District; construction in progress at year-end had reached \$17,898,880
- Installed security system in County buildings
- Installed audio recording system at 911 Backup Center
- Replaced compactors at convenience sites
- Purchased new vehicles for Public Safety

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

Figure 4

	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land and improvements	\$8,771,986	\$8,777,509	\$745,497	\$817,598	\$9,517,483	\$9,595,107
Buildings	34,283,664	34,969,180	13,577	15,167	34,297,241	34,984,347
Infrastructure	437,048	422,643	10,177,929	10,459,301	10,614,977	10,881,944
Furniture and equipment	2,753,174	3,164,016	193,209	143,873	2,946,383	3,307,889
Vehicles	1,256,297	1,306,458	19,386	4,046	1,275,683	1,310,504
Construction in progress	5,217	-	20,530,676	19,296,756	20,535,893	19,296,756
Total	\$47,507,386	\$48,639,806	\$31,680,274	\$30,736,741	\$79,187,660	\$79,376,547

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

- **Long-term Debt.** As of June 30, 2014, Nash County had total debt outstanding of \$64,624,012. Of this amount, \$21,827,000 (33.8%) represents bonds secured by specified revenue sources. Total debt increased \$7,112,532 during the past fiscal year, due to the issuance of General Obligation Bonds for the County and the Water and Sewer District.

Nash County's Outstanding Debt

Figure 5

	Governmental Activities		Business-type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Installment purchase contracts	\$ 13,466,893	\$ 14,613,589	\$ 2,190,000	\$ 2,495,500	\$ 15,656,893	\$ 17,109,089
Water Bonds	-	-	12,517,000	7,859,000	12,517,000	7,859,000
Limited Obligation Bonds	25,975,000	26,940,000	-	-	25,975,000	26,940,000
General Obligation Bond	9,310,000	-	-	-	9,310,000	-
Discount on Bond Issuance	1,165,119	837,391	-	-	1,165,119	837,391
Bond Anticipation Notes	-	-	-	4,766,000	-	4,766,000
Total Debt	\$ 49,917,012	\$ 42,390,980	\$ 14,707,000	\$ 15,120,500	\$ 64,624,012	\$ 57,511,480

Nash County's credit rating remained at AA- by Standard & Poor's. Moody's rating remained at Aa2.

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 \$560,089,191 (3.77%) for 2014. The County has \$9,310,000 in General Obligation Bonds and \$12,517,000 in Water & Sewer Bonds at June 30, 2014.

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 2014 unemployment rate for Nash County is 8.8% down from 12.1% in prior year.
- Nash County had industrial expansion commitments of \$38,500,000 in capital expenditures and 143 new jobs.

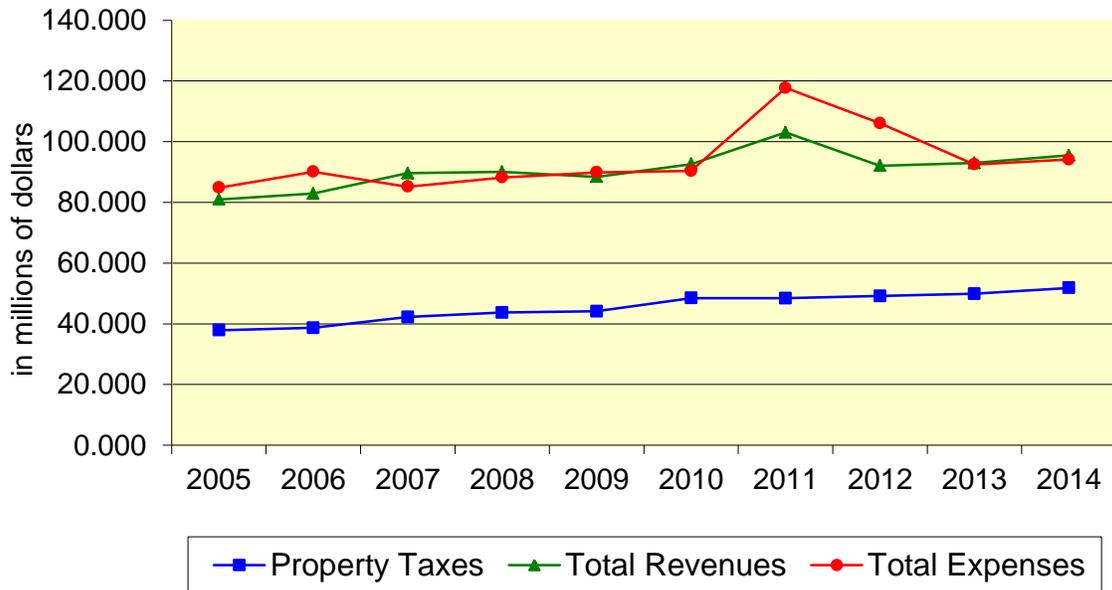
All of these growth factors were considered in preparing Nash County’s budget for the 2015 fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2015

Governmental Activities. Nash County has appropriated \$2,981,975 of unassigned General Fund balance in the 2015 fiscal year budget. Overall revenues are expected to increase primarily due to enhanced collection efforts and a modest tax base growth as well as increased ambulance billing collections due to changes in the billing model.

Budgeted expenditures in the General Fund increased for the 2015 year to \$89,663,946 due primarily to a 2% across the board pay adjustment, the first payplan adjustment since FY2008.

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



Business-type Activities. Water/Sewer rates increased based on rising prices to purchase water and treat waste. Rates for landfill services remain at \$48 per ton; rural household fees, which support Convenience Center operations, remain at \$96 per household. General operating expenses are anticipated to remain level for 2015.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Nash County, 120 W. Washington St., Suite 3072, Nashville, NC 27856. You can also call (252)-459-9803, visit our website www.co.nash.nc.us or send an email to donna.wood@nashcountync.gov for more information.

Nash County, North Carolina
Financial Statements and Schedules

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BASIC FINANCIAL STATEMENTS

Nash County, North Carolina
Financial Statements and Schedules

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GOVERNMENT- WIDE FINANCIAL STATEMENTS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2014

	Governmental Activities	Business-Type Activities	Total Primary Government	Discretely Presented Component Units	Total Reporting Unit
Assets:					
Cash and cash equivalents	\$ 10,354,677	\$ 5,748,202	\$ 16,102,879	\$ 124,590,533	\$ 140,693,412
Investments	30,417,897	-	30,417,897	-	30,417,897
Receivables:					
Taxes receivable, net	3,308,663	-	3,308,663	-	3,308,663
Accounts receivable, net	7,133,250	314,694	7,447,944	43,278,983	50,726,927
Prepaid items and other assets	22,111	-	22,111	27,874,159	27,896,270
Inventories	-	-	-	5,713,099	5,713,099
Cash and cash equivalents - restricted	9,311,168	206,226	9,517,394	105,074,995	114,592,389
Capital assets:					
Non-depreciable capital assets	8,522,022	20,838,861	29,360,883	6,312,596	35,673,479
Other capital assets, net of depreciation	38,985,364	10,841,413	49,826,777	152,211,746	202,038,523
Total assets	<u>108,055,152</u>	<u>37,949,396</u>	<u>146,004,548</u>	<u>465,056,111</u>	<u>611,060,659</u>
Liabilities:					
Accounts payable and accrued liabilities	2,783,895	655,359	3,439,254	40,212,221	43,651,475
Accrued interest payable	443,426	55,961	499,387	-	499,387
Distribution payable	-	-	-	24,012	24,012
Liabilities payable from restricted assets:					
Customer deposits	-	95,226	95,226	-	95,226
Current portion of accrued landfill post-closure costs	-	300,000	300,000	-	300,000
Current portion of compensated absences	95,434	1,546	96,980	-	96,980
Current portion of long-term debt	3,453,637	416,500	3,870,137	2,302,021	6,172,158
Long-term liabilities:					
Accrued landfill post-closure costs	-	3,180,472	3,180,472	-	3,180,472
Non-current portion of long-term debt	47,487,522	14,290,500	61,778,022	110,532,066	172,310,088
OPEB liability	11,744,090	363,219	12,107,309	-	12,107,309
Unfunded pension obligation	757,368	-	757,368	-	757,368
Non-current portion of compensated absences	1,813,247	29,384	1,842,631	-	1,842,631
Total liabilities	<u>68,578,619</u>	<u>19,388,167</u>	<u>87,966,786</u>	<u>153,070,320</u>	<u>241,037,106</u>
Deferred Inflows of Resources:					
Prepaid property taxes	77,222	-	77,222	-	77,222
Total deferred inflows of resources	<u>77,222</u>	<u>-</u>	<u>77,222</u>	<u>-</u>	<u>77,222</u>
Net Position:					
Net investment in capital assets	6,576,499	16,973,274	23,549,773	47,380,062	70,929,835
Restricted for:					
Stabilization by State statute	8,415,736	-	8,415,736	-	8,415,736
Public safety	612,327	-	612,327	-	612,327
Human services	2,158,159	-	2,158,159	-	2,158,159
Education	112,270	-	112,270	-	112,270
Economic and physical development	179,092	-	179,092	566,767	745,859
Working capital	-	-	-	265,264	265,264
Unrestricted	<u>21,345,228</u>	<u>1,587,955</u>	<u>22,933,183</u>	<u>263,773,698</u>	<u>286,706,881</u>
Total net position	<u>\$ 39,399,311</u>	<u>\$ 18,561,229</u>	<u>\$ 57,960,540</u>	<u>\$ 311,985,791</u>	<u>\$ 369,946,331</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, 2014**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 9,411,187	\$ 2,832,372	\$ -	\$ -
Public safety	24,142,347	3,382,465	1,267,544	56,785
Transportation	322,183	-	-	-
Economic and physical development	3,264,870	-	2,634,601	-
Human services	26,866,248	719,735	19,509,409	-
Cultural	1,681,890	-	-	-
Education	26,030,698	-	1,068,654	-
Debt service - interest	2,423,982	-	-	-
Total governmental activities	<u>94,143,405</u>	<u>6,934,572</u>	<u>24,480,208</u>	<u>56,785</u>
Business-Type Activities:				
Water and sewer	2,292,325	1,533,671	-	1,119,740
Solid waste disposal	<u>2,057,507</u>	<u>2,150,373</u>	-	-
Total business-type activities	<u>4,349,832</u>	<u>3,684,044</u>	-	<u>1,119,740</u>
Total primary government	<u>\$ 98,493,237</u>	<u>\$ 10,618,616</u>	<u>\$ 24,480,208</u>	<u>\$ 1,176,525</u>
Component Units:				
Tourism Development Authority	\$ 693,739	\$ -	\$ 726,062	\$ -
Business Development Authority	12	-	-	-
Health Care Systems and Subsidiaries	225,515,630	217,812,344	-	-
ABC Board	<u>8,765,017</u>	<u>8,969,624</u>	-	-
Total component units	<u>\$ 234,974,398</u>	<u>\$ 226,781,968</u>	<u>\$ 726,062</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 position

Net Position:

Beginning of year - July 1

End of year - June 30

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

Exhibit B

Net (Expense) Revenue and Changes in Net Position				
Primary Government				Total
Governmental	Business-Type		Component	Reporting
Activities	Activities	Total	Units	Unit
\$ (6,578,815)	\$ -	\$ (6,578,815)	\$ -	\$ (6,578,815)
(19,435,553)	-	(19,435,553)	-	(19,435,553)
(322,183)	-	(322,183)	-	(322,183)
(630,269)	-	(630,269)	-	(630,269)
(6,637,104)	-	(6,637,104)	-	(6,637,104)
(1,681,890)	-	(1,681,890)	-	(1,681,890)
(24,962,044)	-	(24,962,044)	-	(24,962,044)
(2,423,982)	-	(2,423,982)	-	(2,423,982)
<u>(62,671,840)</u>	<u>-</u>	<u>(62,671,840)</u>	<u>-</u>	<u>(62,671,840)</u>
-	361,086	361,086	-	361,086
-	92,866	92,866	-	92,866
-	453,952	453,952	-	453,952
<u>(62,671,840)</u>	<u>453,952</u>	<u>(62,217,888)</u>	<u>-</u>	<u>(62,217,888)</u>
-	-	-	32,323	32,323
-	-	-	(12)	(12)
-	-	-	(7,703,286)	(7,703,286)
-	-	-	204,607	204,607
-	-	-	<u>(7,466,368)</u>	<u>(7,466,368)</u>
51,846,151	-	51,846,151	-	51,846,151
11,746,496	-	11,746,496	-	11,746,496
202,966	-	202,966	-	202,966
82,445	-	82,445	-	82,445
147,247	3,524	150,771	18,158,616	18,309,387
-	-	-	355,073	355,073
<u>64,025,305</u>	<u>3,524</u>	<u>64,028,829</u>	<u>18,513,689</u>	<u>82,542,518</u>
1,353,465	457,476	1,810,941	11,047,321	12,858,262
<u>38,045,846</u>	<u>18,103,753</u>	<u>56,149,599</u>	<u>300,938,470</u>	<u>357,088,069</u>
<u>\$ 39,399,311</u>	<u>\$ 18,561,229</u>	<u>\$ 57,960,540</u>	<u>\$ 311,985,791</u>	<u>\$ 369,946,331</u>

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

Nash County, North Carolina
Financial Statements and Schedules

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FUND FINANCIAL STATEMENTS

Nash County, North Carolina
Financial Statements and Schedules

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**BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014**

	Major			Nonmajor	Total Governmental Funds
	General Fund	2010 Capital Projects Fund	Nash Community College Bond Fund Project	Other Governmental Funds	
Assets:					
Cash and cash equivalents	\$ 1,659,905	\$ -	\$ 551,733	\$ 5,038,967	\$ 7,250,605
Investments	30,417,897	-	-	-	30,417,897
Taxes receivable, net	3,308,663	-	-	-	3,308,663
Accounts receivable, net	6,246,799	-	-	885,025	7,131,824
Due from other funds	1,117,530	-	-	-	1,117,530
Prepaid items and other assets	22,111	-	-	-	22,111
Restricted assets:					
Restricted cash	2,455,757	-	6,855,411	-	9,311,168
Total assets	<u>\$ 45,228,662</u>	<u>\$ -</u>	<u>\$ 7,407,144</u>	<u>\$ 5,923,992</u>	<u>\$ 58,559,798</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 1,768,168	\$ -	\$ -	\$ 225,448	\$ 1,993,616
Due to other funds	-	-	166,268	951,262	1,117,530
Total liabilities	<u>1,768,168</u>	<u>-</u>	<u>166,268</u>	<u>1,176,710</u>	<u>3,111,146</u>
Deferred Inflows of Resources:					
Property taxes receivable	3,308,663	-	-	-	3,308,663
Prepaid property taxes	77,222	-	-	-	77,222
Total deferred inflows of resources	<u>3,385,885</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,385,885</u>
Fund Balances:					
Non-spendable, not in spendable form:					
Prepaid assets	22,111	-	-	-	22,111
Restricted:					
Stabilization by State statute	7,507,804	-	-	907,932	8,415,736
Restricted, all other	3,524,097	-	6,855,411	903,689	11,283,197
Committed	512,895	-	385,465	2,286,665	3,185,025
Assigned	7,061,073	-	-	1,600,258	8,661,331
Unassigned	21,446,629	-	-	(951,262)	20,495,367
Total fund balances	<u>40,074,609</u>	<u>-</u>	<u>7,240,876</u>	<u>4,747,282</u>	<u>52,062,767</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 45,228,662</u>	<u>\$ -</u>	<u>\$ 7,407,144</u>	<u>\$ 5,923,992</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	47,507,386
Long-term liabilities, accrued interest and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(65,794,724)
Assets and liabilities of the internal service funds used by management to account for insurance costs are included in governmental activities in the Statement of Net Position	2,315,219
Liabilities for earned revenues considered deferred inflows of resources in the fund statements	<u>3,308,663</u>
Net position of governmental activities	<u>\$ 39,399,311</u>

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

NASH COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Major			Nonmajor	Total
	General Fund	2010 Capital Projects Fund	Nash Community College Bond Fund Project	Other Governmental Funds	
Revenues:					
Ad valorem taxes	\$ 49,841,529	\$ -	\$ -	\$ 2,831,577	\$ 52,673,106
Other taxes and licenses	12,031,907	-	-	-	12,031,907
Unrestricted intergovernmental	429,444	-	-	-	429,444
Restricted intergovernmental	19,659,007	-	-	2,627,583	22,286,590
Permits and fees	1,009,543	-	-	-	1,009,543
Sales and services	3,872,280	-	-	-	3,872,280
Investment earnings	130,042	6	5,400	10,449	145,897
Miscellaneous	3,394,064	-	-	294,257	3,688,321
Total revenues	<u>90,367,816</u>	<u>6</u>	<u>5,400</u>	<u>5,763,866</u>	<u>96,137,088</u>
Expenditures:					
Current:					
General government	8,612,548	3,502	-	-	8,616,050
Public safety	19,589,166	-	-	3,571,857	23,161,023
Transportation	123,576	-	-	191,003	314,579
Economic and physical development	2,175,974	-	-	908,647	3,084,621
Human services	25,999,089	-	-	-	25,999,089
Cultural and recreation	1,655,352	-	-	-	1,655,352
Education	22,415,215	15,420	2,454,589	1,079,150	25,964,374
Debt service:					
Principal	3,387,671	-	-	-	3,387,671
Interest	1,980,556	-	-	-	1,980,556
Total expenditures	<u>85,939,147</u>	<u>18,922</u>	<u>2,454,589</u>	<u>5,750,657</u>	<u>94,163,315</u>
Revenues over (under) expenditures	<u>4,428,669</u>	<u>(18,916)</u>	<u>(2,449,189)</u>	<u>13,209</u>	<u>1,973,773</u>
Other Financing Sources (Uses):					
Transfers in	1,380,284	-	-	1,400,000	2,780,284
Transfers out	(1,400,000)	(1,194,097)	-	(186,187)	(2,780,284)
General obligation bonds issued	-	-	9,310,000	-	9,310,000
Debt issued	576,923	-	-	-	576,923
Capital lease obligations issued	358,812	-	-	-	358,812
Bond premium	-	-	380,065	-	380,065
Total other financing sources (uses)	<u>916,019</u>	<u>(1,194,097)</u>	<u>9,690,065</u>	<u>1,213,813</u>	<u>10,625,800</u>
Net change in fund balances	5,344,688	(1,213,013)	7,240,876	1,227,022	12,599,573
Fund Balances:					
Beginning of year - July 1	<u>34,729,921</u>	<u>1,213,013</u>	<u>-</u>	<u>3,520,260</u>	<u>39,463,194</u>
End of year - June 30	<u>\$ 40,074,609</u>	<u>\$ -</u>	<u>\$ 7,240,876</u>	<u>\$ 4,747,282</u>	<u>\$ 52,062,767</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, 2014

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)	\$ 12,599,573
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.	(826,955)
Expenses related to compensated absences, accrued interest, OPEB, and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(2,415,528)
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.	1,488,729
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(2,621,149)
Internal Service Fund	314,587
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.	3,387,671
Governmental funds report the effect of bond premiums when the debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities.	(327,728)
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>(10,245,735)</u>
Change in net position of governmental activities (Exhibit B)	<u>\$ 1,353,465</u>

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

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Over/Under</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Ad valorem taxes	\$ 46,070,000	\$ 46,084,818	\$ 49,841,529	\$ 3,756,711
Other taxes and licenses	12,418,000	12,418,000	12,031,907	(386,093)
Unrestricted intergovernmental	332,000	332,000	429,444	97,444
Restricted intergovernmental	18,857,078	20,100,742	19,659,007	(441,735)
Permits and fees	981,500	987,500	1,009,543	22,043
Sales and services	3,909,896	3,909,896	3,872,280	(37,616)
Investment earnings	150,000	150,000	129,894	(20,106)
Miscellaneous	<u>1,472,000</u>	<u>1,674,758</u>	<u>1,823,271</u>	<u>148,513</u>
Total revenues	<u>84,190,474</u>	<u>85,657,714</u>	<u>88,796,875</u>	<u>3,139,161</u>
Expenditures:				
Current:				
General government	9,598,094	10,223,799	8,612,548	1,611,251
Public safety	19,811,299	20,254,838	19,589,166	665,672
Transportation	155,651	168,681	123,576	45,105
Economic and physical development	1,733,345	2,304,378	2,163,069	141,309
Human services	27,389,925	28,239,746	25,999,089	2,240,657
Cultural and recreation	1,562,663	1,662,627	1,655,352	7,275
Education	22,408,827	22,415,215	22,415,215	-
Debt service:				
Principal	3,229,917	3,387,677	3,387,671	6
Interest	<u>1,835,656</u>	<u>1,981,360</u>	<u>1,980,556</u>	<u>804</u>
Total expenditures	<u>87,725,377</u>	<u>90,638,321</u>	<u>85,926,242</u>	<u>4,712,079</u>
Revenues over (under) expenditures	<u>(3,534,903)</u>	<u>(4,980,607)</u>	<u>2,870,633</u>	<u>7,851,240</u>
Other Financing Sources (Uses):				
Transfers in	-	-	1,380,284	1,380,284
Transfers out	(40,000)	(1,593,500)	(1,593,500)	-
Capital lease obligations issued	-	358,813	358,812	(1)
Fund balance appropriated	3,614,903	6,255,294	-	(6,255,294)
Contingency	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>	<u>40,000</u>
Total other financing sources (uses)	<u>3,534,903</u>	<u>4,980,607</u>	<u>145,596</u>	<u>(4,835,011)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>3,016,229</u>	<u>\$ 3,016,229</u>
Fund Balance:				
Beginning of year - July 1			<u>33,550,073</u>	
End of year - June 30			<u>\$ 36,566,302</u>	

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

NASH COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
Assets:				
Current assets:				
Cash and investments	\$ 5,748,202	\$ -	\$ 5,748,202	\$ 3,104,072
Due from other funds	916,408	-	916,408	-
Accounts receivable, net	314,694	-	314,694	1,426
Restricted cash and investments	95,226	111,000	206,226	-
Total current assets	<u>7,074,530</u>	<u>111,000</u>	<u>7,185,530</u>	<u>3,105,498</u>
Non-current assets:				
Non-depreciable capital assets	2,939,981	17,898,880	20,838,861	-
Other capital assets, net of depreciation	10,841,413	-	10,841,413	-
Total non-current assets	<u>13,781,394</u>	<u>17,898,880</u>	<u>31,680,274</u>	<u>-</u>
Total assets	<u>20,855,924</u>	<u>18,009,880</u>	<u>38,865,804</u>	<u>3,105,498</u>
Liabilities:				
Current liabilities:				
Accounts payable and accrued liabilities	655,359	-	655,359	790,279
Accrued interest payable	24,118	31,843	55,961	-
Due to other funds	-	916,408	916,408	-
Current portion of accrued landfill post-closure costs	300,000	-	300,000	-
Current portion of compensated absences	1,546	-	1,546	-
Current portion of long-term debt	305,500	111,000	416,500	-
Liabilities payable from restricted assets:				
Customer deposits	95,226	-	95,226	-
Total current liabilities	<u>1,381,749</u>	<u>1,059,251</u>	<u>2,441,000</u>	<u>790,279</u>
Non-current liabilities:				
Non-current portion of long-term debt	1,884,500	12,406,000	14,290,500	-
OPEB liability	363,219	-	363,219	-
Accrued landfill closure and post-closure care costs	3,180,472	-	3,180,472	-
Compensated absences	29,384	-	29,384	-
Total non-current liabilities	<u>5,457,575</u>	<u>12,406,000</u>	<u>17,863,575</u>	<u>-</u>
Total liabilities	<u>6,839,324</u>	<u>13,465,251</u>	<u>20,304,575</u>	<u>790,279</u>
Net Position:				
Net investment in capital assets	11,591,394	5,381,880	16,973,274	-
Unrestricted	2,425,206	(837,251)	1,587,955	2,315,219
Total net position	<u>\$ 14,016,600</u>	<u>\$ 4,544,629</u>	<u>\$ 18,561,229</u>	<u>\$ 2,315,219</u>

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

NASH COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
Operating Revenues:				
Charges for sales and services	\$ 3,498,415	\$ -	\$ 3,498,415	\$ 6,179,575
Other operating revenue	175,752	9,877	185,629	-
Total operating revenues	<u>3,674,167</u>	<u>9,877</u>	<u>3,684,044</u>	<u>6,179,575</u>
Operating Expenses:				
Water and sewer operations	1,415,863	-	1,415,863	-
Solid waste disposal operations	2,057,507	-	2,057,507	-
System repairs and improvements	35,596	843	36,439	-
Depreciation	402,947	-	402,947	-
Insurance claims	-	-	-	5,866,338
Total operating expenses	<u>3,911,913</u>	<u>843</u>	<u>3,912,756</u>	<u>5,866,338</u>
Operating income (loss)	<u>(237,746)</u>	<u>9,034</u>	<u>(228,712)</u>	<u>313,237</u>
Non-Operating Revenues (Expenses):				
Interest and fees paid	(113,506)	(322,879)	(436,385)	-
Investment earnings	3,521	3	3,524	1,350
Loss on sale/disposal of assets	(691)	-	(691)	-
Total non-operating revenues (expenses)	<u>(110,676)</u>	<u>(322,876)</u>	<u>(433,552)</u>	<u>1,350</u>
Income before transfers and contributions	(348,422)	(313,842)	(662,264)	314,587
Capital contributions	174,811	944,929	1,119,740	-
Transfers (to)/from other funds	(439,846)	439,846	-	-
Change in net position	(613,457)	1,070,933	457,476	314,587
Net Position:				
Beginning of year - July 1	14,630,057	3,473,696	18,103,753	2,000,632
End of year - June 30	<u>\$ 14,016,600</u>	<u>\$ 4,544,629</u>	<u>\$ 18,561,229</u>	<u>\$ 2,315,219</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, 2014

	Utilities Fund	Central Nash Water and Sewer District	Total	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:				
Cash received from customers	\$ 4,066,822	\$ 9,877	\$ 4,076,699	\$ 6,276,891
Cash paid for goods and services	(2,696,399)	(222,093)	(2,918,492)	(5,836,533)
Cash paid to employees for services	(949,257)	-	(949,257)	-
Customer deposits	12,200	-	12,200	-
Net cash provided (used) by operating activities	<u>433,366</u>	<u>(212,216)</u>	<u>221,150</u>	<u>440,358</u>
Cash Flows from Non-Capital Financing Activities:				
Change in due to other funds	(426,954)	426,954	-	-
Transfers (to) from other funds	(439,846)	439,846	-	-
Net cash provided (used) by non-capital financing activities	<u>(866,800)</u>	<u>866,800</u>	<u>-</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:				
Capital contributions	174,811	944,929	1,119,740	-
Proceeds from long-term debt	-	4,766,000	4,766,000	-
Principal paid on long-term debt	(305,500)	(4,874,000)	(5,179,500)	-
Interest paid on long-term debt	(89,388)	(291,036)	(380,424)	-
Principal collected on note receivable	85,973	-	85,973	-
Acquisition of capital assets	(149,691)	(1,197,480)	(1,347,171)	-
Net cash provided (used) by capital and related financing activities	<u>(283,795)</u>	<u>(651,587)</u>	<u>(935,382)</u>	<u>-</u>
Cash Flows from Investing Activities:				
Investment earnings	3,521	3	3,524	1,350
Net increase (decrease) in cash and cash equivalents	(713,708)	3,000	(710,708)	441,708
Cash and cash equivalents - July 1	6,557,136	108,000	6,665,136	2,662,364
Cash and cash equivalents - June 30	<u>\$ 5,843,428</u>	<u>\$ 111,000</u>	<u>\$ 5,954,428</u>	<u>\$ 3,104,072</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (237,746)	\$ 9,034	\$ (228,712)	\$ 313,237
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	402,947	-	402,947	-
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	392,655	-	392,655	97,316
Increase (decrease) in accounts payable and accrued liabilities	185,927	(221,250)	(35,323)	29,805
Increase (decrease) in customer deposits	12,200	-	12,200	-
Increase (decrease) in landfill closure and post-closure care costs	(322,617)	-	(322,617)	-
Net cash provided (used) by operating activities	<u>\$ 433,366</u>	<u>\$ (212,216)</u>	<u>\$ 221,150</u>	<u>\$ 440,358</u>

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

NASH COUNTY, NORTH CAROLINA

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Agency Fund</u>
Assets:	
Cash and cash equivalents	\$ 101,675
Receivables	<u>173,761</u>
Total assets	<u>\$ 275,436</u>
Liabilities:	
Accounts payable	\$ 51,768
Intergovernmental payable	<u>223,668</u>
Total liabilities	<u>\$ 275,436</u>

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

NASH COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF NET POSITION
 ALL DISCRETELY PRESENTED COMPONENT UNITS
 JUNE 30, 2014

	Nash County Tourism Development Authority	Nash County Business Development Authority	Nash Health Care Systems and Subsidiaries	Nash County ABC Board	Total Component Units
Assets:					
Cash and cash equivalents	\$ 566,767	\$ 1,283	\$ 122,493,303	\$ 1,529,180	\$ 124,590,533
Cash and cash equivalents - restricted	-	-	105,074,995	-	105,074,995
Receivables:					
Accounts receivable, net	-	-	43,278,983	-	43,278,983
Prepaid items and other assets	-	-	27,873,409	750	27,874,159
Inventories	-	-	4,660,974	1,052,125	5,713,099
Capital assets:					
Depreciable capital assets, net	-	-	150,745,677	1,466,069	152,211,746
Non-depreciable assets	-	1,730,000	4,582,596	-	6,312,596
Total assets	<u>566,767</u>	<u>1,731,283</u>	<u>458,709,937</u>	<u>4,048,124</u>	<u>465,056,111</u>
Liabilities:					
Accounts payable and accrued liabilities	-	-	39,901,611	310,610	40,212,221
Distributions payable	-	-	-	24,012	24,012
Current portion - long-term debt	-	-	2,302,021	-	2,302,021
Non-current portion - long-term debt	-	-	110,464,625	67,441	110,532,066
Total liabilities	<u>-</u>	<u>-</u>	<u>152,668,257</u>	<u>402,063</u>	<u>153,070,320</u>
Net Position:					
Net investment in capital assets	-	1,730,000	44,251,403	1,398,659	47,380,062
Restricted for:					
Tourism	566,767	-	-	-	566,767
Working capital	-	-	-	265,264	265,264
Unrestricted	<u>-</u>	<u>1,283</u>	<u>261,790,277</u>	<u>1,982,138</u>	<u>263,773,698</u>
Total net position	<u>\$ 566,767</u>	<u>\$ 1,731,283</u>	<u>\$ 306,041,680</u>	<u>\$ 3,646,061</u>	<u>\$ 311,985,791</u>

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

NASH COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF ACTIVITIES ALL DISCRETELY PRESENTED COMPONENT UNITS FOR THE YEAR ENDED JUNE 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Tourism Development Authority</u>
Component Units:				
Tourism Development Authority	\$ 693,739	\$ -	\$ 726,062	\$ 32,323
Business Development Authority	12	-	-	-
Health Care Systems and Subsidiaries	225,515,630	217,812,344	-	-
ABC Board	<u>8,765,017</u>	<u>8,969,624</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$ 234,974,398</u>	<u>\$ 226,781,968</u>	<u>\$ 726,062</u>	<u>32,323</u>
General Revenues:				
Investment earnings:				
Tourism Development Authority				180
Health Care Systems and Subsidiaries				-
ABC Board				-
Miscellaneous:				
Health Care Systems and Subsidiaries				<u>-</u>
Total general revenues				<u>180</u>
Change in net position				32,503
Net Position:				
Beginning of year - July 1				<u>534,264</u>
End of year - June 30				<u>\$ 566,767</u>

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

Exhibit L

Revenues

<u>Business Development Authority</u>	<u>Health Care Systems and Subsidiaries</u>	<u>ABC Board</u>	<u>Total Component Units</u>
\$ -	\$ -	\$ -	\$ 32,323
(12)	-	-	(12)
-	(7,703,286)	-	(7,703,286)
-	-	204,607	204,607
(12)	(7,703,286)	204,607	(7,466,368)
-	-	-	180
-	18,154,621	-	18,154,621
-	-	3,815	3,815
-	355,073	-	355,073
-	18,509,694	3,815	18,513,689
(12)	10,806,408	208,422	11,047,321
1,731,295	295,235,272	3,437,639	300,938,470
<u>\$ 1,731,283</u>	<u>\$ 306,041,680</u>	<u>\$ 3,646,061</u>	<u>\$ 311,985,791</u>

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

Nash County, North Carolina
Financial Statements and Schedules

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NOTES TO FINANCIAL STATEMENTS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Note 1 – Summary of Significant Accounting Policies

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

REPORTING ENTITY

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

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

Component Units:

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

- Nash County Tourism Development Authority – The fifteen members of the Nash County Tourism Development Authority's governing board, including the Chairman, are appointed by the County. The Finance Officer for the County serves as ex-officio Finance Officer for the Authority. The County levies, collects, and remits a room occupancy tax on behalf of the Authority. The Authority, which has a June 30 year-end, is presented as a 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, 2014

- 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 Position and the Statement of Activities display information about the primary government net position (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

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

Major Funds – The General Fund, the 2010 Capital Projects Fund, Nash Community College Bond Fund Project, 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 Nash Community College Bond Fund Project is used to account for construction of the Nash Community College Continuing Education and Public Services Training Facility. The Utilities Fund is used to account for the County’s water and sewer operations, solid waste disposal operations, and convenience center operations. The Central Nash Water and Sewer District Fund (Blended Component Unit) is used to account for the water and sewer operations in the Central Nash Water and Sewer District.

The County has the following fund categories:

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

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

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

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Proprietary Funds – include the following fund type:

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

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

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

Fiduciary Funds – include the following fund type:

Agency Funds – Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The County has 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 Fund, which is used to account for tax monies collected for the benefit of municipalities located in the County; the Fines and Forfeitures Fund, which is used to account for monies collected by the Clerk of Court for the benefit of the Nash/Rocky Mount School System Fund; the Jail Inmate Fund, which is used to account for monies held for inmates; and the Rental Vehicle Taxes Fund, which accounts for vehicle rental taxes collected.

Measurement Focus, Basis of Accounting

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

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

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

BUDGETARY DATA

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

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

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

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

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

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

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Restricted Assets – Restricted cash and cash equivalents held by the County is for unexpended Limited Obligation Bonds, General Obligation bonds, and installment purchase proceeds are restricted in the governmental activities because their use is completely restricted to the purpose for which the bonds and installment purchase notes were issued. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Customer deposits held by the County in the Utilities Fund before any services are supplied are restricted to the service for which the deposit was collected. In the Central Nash Water and Sewer District the 2014 debt service payment on the USDA loan is restricted for future payment.

Governmental Activities:

General Fund:

Tax revaluation	\$ 512,896
Unexpended debt proceeds	1,942,861

Nash Community College Bond Fund Project:

Unexpended debt proceeds	<u>6,855,411</u>
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Total governmental activities	<u>9,311,168</u>
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Business-Type Activities:

Utilities Fund:

Customer deposits	\$ 95,226
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Central Nash Water and Sewer District:

Debt service payment	<u>111,000</u>
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Total business-type activities	<u>206,226</u>
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Total restricted cash	<u>\$ 9,517,394</u>
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Ad Valorem Taxes Receivable – In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2013. As allowed by State law, the County has repealed the schedule of discounts that apply to taxes effective July 1, 2013. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowance for Doubtful Accounts – All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

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

Interest incurred during the construction phase of capital assets of enterprise funds is included as a part of the capitalized value of the assets constructed. The amount of interest capitalized depends on the specific circumstances. The County capitalized \$56,699 of interest during construction for the Central Nash Water and Sewer District at June 30, 2014.

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

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

Deferred Outflows/Inflows of Resources – In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County does not have any items that meet this criterion. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has only two items that meet the criterion for this category – taxes receivable and prepaid taxes.

Long-Term Obligations – In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs are expensed in the reporting period in which they are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on the debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences – The vacation policies of the County provide for the accumulation of up to thirty (30) days earned vacation leave, with such leave being fully vested when earned. The County's liability for accumulated earned vacation and the salary-related payments as of June 30, 2014 are recorded in the governmental activities of the government-wide financial statements. For the County's proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded within those funds as the benefits accrue to the employees. The County has assumed a first in, first out method of using accumulated compensated time. The portion of that time estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

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

NET POSITION/FUND BALANCES

Net Position – Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through State statute.

Fund Balances – In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

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

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

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

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

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

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

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

Restricted fund balance at June 30, 2014 is as follows:

<u>Function</u>	<u>General Fund</u>	<u>Nash Community College Bond Fund Project</u>	<u>Other Governmental Funds</u>
Restricted, all other:			
Human services	\$ 2,158,159	\$ -	\$ -
Education	1,365,938	6,855,411	112,270
Public safety	-	-	612,327
Economic and physical development	-	-	179,092
Total	<u>\$ 3,524,097</u>	<u>\$ 6,855,411</u>	<u>\$ 903,689</u>

Restricted net position on Exhibit A varies from restricted fund balance on Exhibit C by the amount of unspent debt proceeds of \$8,221,349, as of June 30, 2014.

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

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

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

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Committed fund balance at June 30, 2014 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Nash Community College Bond Fund Project</u>	<u>Other Governmental Funds</u>
Tax revaluation	\$ 512,895	\$ -	\$ -
Capital outlays	-	385,465	2,286,665
Total	<u>\$ 512,895</u>	<u>\$ 385,465</u>	<u>\$ 2,286,665</u>

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

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

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

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

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

Assigned fund balance at June 30, 2014 is as follows:

<u>Purpose</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>
Subsequent year's expenditures	\$ 4,118,661	\$ -
Public safety	-	1,575,085
Economic development	2,942,412	-
Transportation	-	25,173
Total	<u>\$ 7,061,073</u>	<u>\$ 1,600,258</u>

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

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

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

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

Total fund balance - General Fund	\$ 40,074,609
Less:	
Prepaid assets	22,111
Stabilization by State statute	<u>7,507,804</u>
Total available fund balance	<u><u>\$ 32,544,694</u></u>

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

	General Fund	Nonmajor Governmental Funds
Encumbrances	<u>\$ 143,475</u>	<u>\$ 22,907</u>

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

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

Fund balance, ending - General Fund (Exhibit F)	\$ 36,566,302
Tax Revaluation Fund:	
Investment earnings	148
Transfer in - General Fund	193,500
Fund balance, beginning	319,247
Economic Development Fund:	
Miscellaneous revenue	1,570,793
Economic and physical development	(12,905)
Debt issued	576,923
Fund balance, beginning	<u>860,601</u>
Fund balance, ending - General Fund (Exhibit D)	<u>\$ 40,074,609</u>

ACCOUNTING ESTIMATES

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

Note 2 – Deposits and Investments

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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, 2014, the County's deposits had a carrying amount of \$5,165,215 and a bank balance of \$5,981,120. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$5,731,120 was covered by collateral held under the Pooling Method. At June 30, 2014, Nash County had \$3,295 cash on hand.

Investments – At June 30, 2014, the County had the following investments and maturities:

	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Greater Than One Year</u>	<u>% Concentration</u>
U.S. Government Agencies:					
Fannie Mae	\$ 1,997,056	\$ -	\$ -	\$ 1,997,056	4%
Federal Home Loan	5,294,542	-	-	5,294,542	10%
Freddie Mac	1,999,758	-	-	1,999,758	4%
Commercial Paper:					
BNP Paribas	2,995,003	998,675	1,996,328	-	6%
DCAT LLC	1,999,775	1,999,775	-	-	4%
Abbey National	2,995,611	997,633	1,997,978	-	6%
Deutsche Bank	999,451	999,451	-	-	2%
ING US	2,997,375	2,997,375	-	-	6%
Natixis US	3,997,256	3,997,256	-	-	8%
Kookmin Bank NY	5,150,021	5,150,021	-	-	10%
PNC - Cash Portfolio	4,005,431	n/a	n/a	n/a	8%
Southern Bank and Trust - Cash Portfolio	200,101	n/a	n/a	n/a	0%
NCCMT - Cash Portfolio	8,196,410	n/a	n/a	n/a	16%
NCCMT - Term Portfolio*	<u>8,143,545</u>	<u>8,143,545</u>	<u>n/a</u>	<u>n/a</u>	<u>16%</u>
Total	<u>\$ 50,971,335</u>	<u>\$ 25,283,731</u>	<u>\$ 3,994,306</u>	<u>\$ 9,291,356</u>	<u>100%</u>

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

Credit Risk – State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). The County policy allows investments in North Carolina Capital Management Trust, US Treasury Securities, US Agency Securities specifically authorized in NCGS 159 and rated no lower than AAA, and commercial paper meeting the requirements of NCGS 159. As of June 30, 2014, 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, 2014. The County’s investments in the NC Capital Management Trust Term Portfolio are unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended.

Concentration of Credit Risk – The County limits amounts invested in US Treasury or Agencies to no more than 20% of total investments and commercial paper to no more than 10% per investment. A minimum of 20% of available investments must be liquid. At June 30, 2014, investments in U.S. government agencies and commercial paper representing greater than 5% of the County’s total investments were: Federal Home Loan, BNP Paribas, Abbey National, ING US, Natixis US, and Kookmin Bank NY. Combined US government agencies and commercial paper represented 60% of the County’s total investments; PNC, NCCMT and Southern Bank and Trust cash portfolios represented 24%, and NCCMT term portfolio represented the remaining 16%.

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

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

<u>Year of Levy</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 2,538,148	\$ 831,243	\$ 3,369,391
2012	2,563,740	608,888	3,172,628
2013	2,573,482	379,588	2,953,070
2014	2,571,722	-	2,571,722
Total	<u>\$ 10,247,092</u>	<u>\$ 1,819,719</u>	<u>\$ 12,066,811</u>

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Note 4 - Receivables

At June 30, 2014, the County's government-wide receivable balances were as follows:

	Government-Wide Financial Statements		
	Governmental Activities	Business-Type Activities	Total
Receivables:			
Taxes	\$ 4,947,243	\$ -	\$ 4,947,243
Accounts	731,227	314,561	1,045,788
Due from other governments	6,402,023	72,495	6,474,518
Gross receivables	12,080,493	387,056	12,467,549
Less: Allowance for uncollectibles	(1,638,580)	(72,362)	(1,710,942)
Net total receivables	\$ 10,441,913	\$ 314,694	\$ 10,756,607

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

Local option sales tax	\$ 2,913,720	\$ -
Sales tax refund	253,429	-
Other reimbursements (refunds, grants, DSS, Health)	3,234,874	-
White goods disposal and scrap tire tax	-	72,495
Total	\$ 6,402,023	\$ 72,495

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Note 5 – Capital Assets

Capital asset activity for the governmental activities for the year ended June 30, 2014 was as follows:

	<u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 8,516,805	\$ -	\$ -	\$ 8,516,805
Construction in progress	<u>-</u>	<u>5,217</u>	<u>-</u>	<u>5,217</u>
Total capital assets not being depreciated	<u>8,516,805</u>	<u>5,217</u>	<u>-</u>	<u>8,522,022</u>
Capital assets being depreciated:				
Land improvements	336,177	11,575	-	347,752
Infrastructure	566,636	35,714	-	602,350
Buildings	54,203,195	538,067	-	54,741,262
Vehicles	5,767,026	529,641	-	6,296,667
Equipment	<u>12,835,714</u>	<u>368,515</u>	<u>-</u>	<u>13,204,229</u>
Total capital assets being depreciated	<u>73,708,748</u>	<u>1,483,512</u>	<u>-</u>	<u>75,192,260</u>
Less accumulated depreciation for:				
Land improvements	75,473	17,098	-	92,571
Infrastructure	143,993	21,309	-	165,302
Buildings	19,234,015	1,223,583	-	20,457,598
Vehicles	4,460,568	579,802	-	5,040,370
Equipment	<u>9,671,698</u>	<u>779,357</u>	<u>-</u>	<u>10,451,055</u>
Total accumulated depreciation	<u>33,585,747</u>	<u>\$ 2,621,149</u>	<u>\$ -</u>	<u>36,206,896</u>
Total capital assets being depreciated, net	<u>40,123,001</u>			<u>38,985,364</u>
Governmental activity capital assets, net	<u>\$ 48,639,806</u>			<u>\$ 47,507,386</u>

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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

General government	\$	1,266,981
Public safety		1,046,617
Transportation		43,318
Cultural (parks and recreation)		6,766
Economic and physical development		132,508
Human services		58,635
Education		66,324
Total depreciation expense	\$	<u>2,621,149</u>

The County's equity interest in the Rocky Mount/Wilson Airport represents \$1,946,795 (Note 13).

Capital asset activity for business-type activities for the year ended June 30, 2014 was as follows:

	<u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
Business-Type Activities:				
Utilities Fund:				
Water and Sewer Activity:				
Capital assets not being depreciated:				
Construction in progress	\$ 2,595,356	\$ 36,440	\$ -	\$ 2,631,796
Total capital assets not being depreciated	<u>2,595,356</u>	<u>36,440</u>	<u>-</u>	<u>2,631,796</u>
Capital assets being depreciated:				
Infrastructure	13,214,277	-	-	13,214,277
Furniture, fixtures, and equipment	40,875	5,302	-	46,177
Vehicles	68,461	17,366	-	85,827
Total capital assets being depreciated	<u>13,323,613</u>	<u>22,668</u>	<u>-</u>	<u>13,346,281</u>
Less accumulated depreciation for:				
Infrastructure	2,754,976	281,372	-	3,036,348
Furniture, fixtures, and equipment	32,202	2,770	-	34,972
Vehicles	68,462	2,026	-	70,488
Total accumulated depreciation	<u>2,855,640</u>	<u>\$ 286,168</u>	<u>\$ -</u>	<u>3,141,808</u>
Total capital assets being depreciated, net	<u>10,467,973</u>			<u>10,204,473</u>
Water and Sewer activity capital assets, net	<u>13,063,329</u>			<u>12,836,269</u>

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
Solid Waste Disposal Activity:				
Capital assets not being depreciated:				
Land	238,000	\$ -	\$ -	238,000
Capital assets being depreciated:				
Land improvements	1,439,542	-	-	1,439,542
Buildings and building improvements	27,471	-	-	27,471
Furniture, fixtures, and equipment	1,732,341	90,583	(39,335)	1,783,589
Vehicles	32,741	-	(2,000)	30,741
Total capital assets being depreciated	<u>3,232,095</u>	<u>90,583</u>	<u>(41,335)</u>	<u>3,281,343</u>
Less accumulated depreciation for:				
Land improvements	938,639	69,509	-	1,008,148
Buildings and building improvements	21,697	145	-	21,842
Furniture, fixtures, and equipment	1,597,364	43,088	(38,644)	1,601,808
Vehicles	28,694	-	(2,000)	26,694
Total accumulated depreciation	<u>2,586,394</u>	<u>\$ 112,742</u>	<u>\$ (40,644)</u>	<u>2,658,492</u>
Total capital assets being depreciated, net	<u>645,701</u>			<u>622,851</u>
Solid Waste Disposal activity capital assets, net	<u>883,701</u>			<u>860,851</u>
Convenience Centers Activity:				
Capital assets not being depreciated:				
Land	70,185	\$ -	\$ -	70,185
Total capital assets not being depreciated	<u>70,185</u>	<u>-</u>	<u>-</u>	<u>70,185</u>
Capital assets being depreciated:				
Land improvements	293,241	-	-	293,241
Buildings and building improvements	94,379	-	-	94,379
Furniture, fixtures, and equipment	108,667	-	-	108,667
Total capital assets being depreciated	<u>496,287</u>	<u>-</u>	<u>-</u>	<u>496,287</u>
Less accumulated depreciation for:				
Land improvements	284,731	2,592	-	287,323
Buildings and building improvements	84,986	1,445	-	86,431
Furniture, fixtures, and equipment	108,444	-	-	108,444
Total accumulated depreciation	<u>478,161</u>	<u>\$ 4,037</u>	<u>\$ -</u>	<u>482,198</u>
Total capital assets being depreciated, net	<u>18,126</u>			<u>14,089</u>
Convenience Center activity capital assets, net	<u>88,311</u>			<u>84,274</u>
Utilities Fund, net	<u>14,035,341</u>			<u>13,781,394</u>

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

	<u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>
Central Nash Water and Sewer District:				
Capital assets not being depreciated:				
Construction in progress	16,701,400	\$ 1,197,480	\$ -	17,898,880
Total capital assets not being depreciated	<u>16,701,400</u>	<u>\$ 1,197,480</u>	<u>\$ -</u>	<u>17,898,880</u>
Central Nash Water and Sewer District	<u>16,701,400</u>			<u>17,898,880</u>
Business-type activities capital assets, net	<u>\$ 30,736,741</u>			<u>\$ 31,680,274</u>

Net Investment in Capital Assets

The total net investment in capital assets at June 30, 2014 is composed of the following elements:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets	\$ 47,507,386	\$ 31,680,274
Total debt, gross	50,941,159	14,707,000
Less:		
Long-term debt for assets not owned by the County	1,212,000	-
Other non-capital related debt	576,923	-
Capital related unspent debt proceeds	<u>8,221,349</u>	<u>-</u>
Total capital debt	<u>40,930,887</u>	<u>14,707,000</u>
Net investment in capital assets	<u>\$ 6,576,499</u>	<u>\$ 16,973,274</u>

Note 6 – Construction Commitments

The government has active construction projects as of June 30, 2014. The projects include water and sewer projects. At June 30, 2014, the government’s commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Central Nash Water/Sewer	<u>\$ 5,678,400</u>	<u>\$ 259,593</u>

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Note 7 – Accounts Payable and Accrued Liabilities

Accounts payable and other accrued liabilities are disaggregated at June 30, 2014 as follows:

Government-Wide Financial Statements

Governmental Activities:

Vendors	\$ 2,358,321
Other governmental agencies	<u>425,574</u>
Total governmental activities	<u>\$ 2,783,895</u>

Business-Type Activities:

Vendors	\$ 560,133
Customer deposits	<u>95,226</u>
Total business-type activities	<u>\$ 655,359</u>

Note 8 – Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description – Nash County contributes to the State-wide 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 7.07% and 7.28%, 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, 2014, 2013, and 2012 were \$1,886,865, \$1,751,509, and \$1,819,686, 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, 2014

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, 2013, the Separation Allowance's membership consisted of:

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

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, 2012 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases range from 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2012 was 18 years.

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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	\$ 119,913
Interest on net pension obligation	34,762
Adjustment to annual required contribution	<u>(56,644)</u>
Annual pension cost	98,031
Contributions made	<u>35,910</u>
Increase (decrease) in net pension obligation	62,121
Net pension obligation, beginning of year - July 1	<u>695,247</u>
Net pension obligation, end of year - June 30	<u><u>\$ 757,368</u></u>

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contribution	Net Pension Obligation
2012	\$ 103,417	56.94%	\$ 628,489
2013	105,473	36.71%	695,247
2014	98,031	36.63%	757,368

Funded Status and Funding Progress – As of December 31, 2013, 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 \$947,775. The covered payroll (annual payroll of active employees covered by the plan) was \$3,617,519, and the ratio of the UAAL to the covered payroll was 26.20 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, 2014

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, 2014 were \$231,405, which consisted of \$178,255 from the County; \$46,870 and \$6,280 (Roth) from the law enforcement officers for Supplemental Law Funding (401K).

Registers of Deeds' Supplemental Pension Fund

Plan Description – Nash County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a non-contributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any county register of deeds that is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Registers of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy – On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 3 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2014, the County's required and actual contributions were \$6,867.

Deferred Compensation Plan 401(k)

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

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

The County's contributions were calculated using a covered payroll amount of \$23,025,863. Total contributions for the year ended June 30, 2014 were \$1,603,642, which consisted of \$1,151,294 from the County and \$452,348 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, 2014

Other Employment Benefits - Nash County

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

For the fiscal year ended June 30, 2014, the County made contributions to the State for death benefits of \$0. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 0.00% and 0.00% of covered payroll, respectively.

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

Other Post-Employment Benefits - Nash County

Healthcare Benefits

Plan Description – According to a County resolution, the County administers a single employer defined benefit plan to provide healthcare benefits and a Medicare Supplement Policy at age 65 to retirees of the County who participate in the North Carolina Local Government Employees' Retirement System (System), a multiple-employer, and have at least five years of creditable service with the County. The County pays the full cost of coverage for these benefits. Also, retirees can purchase coverage for their dependents at the County's group rates. Currently, 58 retirees are eligible for post-retirement health benefits up to age 65 (and 74 employees are eligible for the supplemental retirement at age 65 and above). For the fiscal year ended June 30, 2014, the County made payments for post-retirement health benefit premiums of \$344,883 for retired employees up to age 65 (and \$185,581 for the supplemental retirement at age 65 and above). The County obtains healthcare coverage through private insurers. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Membership of the Plan consisted of the following at December 31, 2012, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	103	N/A
Active plan members	488	74
Total	591	74

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 10.44% of annual covered payroll. For the current year, the County contributed \$530,464 or 2.17% 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 10.44% and 10.44% of covered payroll, respectively. In 2014, employee contributions totaled \$85,910, which includes \$18,587 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	\$ 2,550,810
Interest on net OPEB obligation	402,759
Adjustments to annual required contribution	384,760
Annual OPEB cost (expense)	2,568,809
Contributions made	530,464
Increase (decrease) in net OPEB obligation	2,038,345
Net OPEB obligation, beginning of year - July 1	10,068,964
Net OPEB obligation, end of year - June 30	\$ 12,107,309

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 were as follows:

<u>Year Ended</u> <u>June 30</u>	<u>Annual</u> <u>OPEB</u> <u>Cost</u>	<u>Percentage</u> <u>of Annual</u> <u>OPEB Cost</u> <u>Contributed</u>	<u>Net</u> <u>OPEB</u> <u>Obligation</u>
2014	\$ 2,568,809	20.65%	\$ 12,107,309
2013	2,565,085	18.80%	10,068,964
2012	2,476,515	16.22%	7,986,079

Fund Status and Funding Progress – As of December 31, 2012, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$29,202,377. The covered payroll (annual payroll of active employees covered by the plan) was \$24,433,547 and the ratio of the UAAL to the covered payroll was 119.5 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, 2012 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 6.25 to 5.00 percent annually. Both rates included a 3.00 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level dollar amount on an open basis. The remaining amortization period at December 31, 2012, was 30 years.

As of June 30, 2014, 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, 2014**

Note 9 – Closure and Post-Closure Costs

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

The \$620,972 reported as landfill closure and post-closure care liability at June 30, 2014 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 \$2,859,500 at June 30, 2014 based on the use of 100% of total estimated capacity. The County currently reports a combined liability of \$3,480,472 and will recognize the remaining estimated cost of closure and post closure care as the remaining estimated capacity is filled.

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

Note 10 – Deferred Outflows and Inflows of Resources

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

	<u>Unavailable Revenue</u>	<u>Unearned Revenue</u>
Taxes receivable (General Fund)	\$ 3,308,663	\$ -
Prepaid taxes (General Fund)	-	77,222
Total	<u>\$ 3,308,663</u>	<u>\$ 77,222</u>

Note 11 - Long-Term Obligations

Capital Leases

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

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

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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

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

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

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

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

At June 30, 2014, the County leased equipment and vehicles valued at:

<u>Classes of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Equipment	\$ 1,346,329	\$ 663,299	\$ 683,030
Vehicles and motorized equipment	1,607,987	1,222,389	385,598
Total	<u>\$ 2,954,316</u>	<u>\$ 1,885,688</u>	<u>\$ 1,068,628</u>

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2014 were as follows:

<u>Year Ending June 30</u>	
2015	\$ 490,665
2016	462,357
2017	<u>133,057</u>
Total minimum lease payments	1,086,079
Less: amount representing interest	<u>61,932</u>
Present value of the minimum lease payments	<u>\$ 1,024,147</u>

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Installment Purchase Contracts – Installment purchase contracts at June 30, 2014 are summarized below:

Serviced by Governmental Activities:

\$8,484,000 issued on December 1, 2000 for Nash Central High School, due in semi-annual installments of fixed principal \$303,000, plus interest of 4.76% through November 2015 \$ 1,212,000

\$10,800,000 issued on June 1, 2004 for Certificate of Participation, due in annual installments of fixed principal \$650,000, plus interest through June 2024. COPS debt includes \$1,510,000 for Community College, \$1,000,000 for Technology Center, \$5,070,000 for Bailey Elementary School, \$2,010,000 for Courthouse renovations, and \$1,210,000 for Shell Building 4,405,000

\$339,380 issued on September 15, 2009 for EMS defibrillators, due in annual installments of \$75,699, interest of 3.75% included through September 2014 72,963

\$7,342,300 issued on March 17, 2010 for Middlesex Elementary in interest only quarterly installments until final payment with principal payment of \$7,342,300 in September 2012, interest rate of 2.05% 7,200,007

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

Total serviced by governmental activities \$ 13,466,893

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Serviced by Business-Type Activities:

\$1,122,000 issued on December 31, 2006 for Bailey Water Project, due in semi-annual installments of fixed principal \$56,100, plus interest of 2.305% through May 2027	\$ 729,300
\$1,500,000 issued on October 19, 2006 for Bailey/BOR/Bentridge water line construction project, due in semi-annual installments of fixed principal \$75,000, plus interest of 4.35% through October 2026	937,500
\$2,616,000 issued on December 19, 2002 for Highway 58 Water Project, due in semi-annual installments of fixed principal \$87,200, plus interest of 4.29% through July 2017	<u>523,200</u>
Total serviced by business-type activities	<u>\$ 2,190,000</u>

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

<u>Year Ending June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 1,576,622	\$ 532,729	\$ 305,500	\$ 77,351
2016	1,508,813	460,372	305,500	65,313
2017	903,148	402,349	305,500	53,276
2018	908,670	363,752	131,100	43,109
2019	909,385	324,962	655,500	147,212
2020-2024	2,187,975	1,242,146	486,900	35,769
2025-2029	1,114,021	882,349	-	-
2030-2034	1,323,108	673,262	-	-
2035-3039	1,571,437	424,933	-	-
2040-2044	1,463,714	130,110	-	-
Total	<u>\$ 13,466,893</u>	<u>\$ 5,436,964</u>	<u>\$ 2,190,000</u>	<u>\$ 422,030</u>

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Limited Obligation Bonds

The County issued \$28,355,000 Limited Obligation Bonds on March 25, 2010, which will be used to finance construction and renovation of school facilities, storage building, and EMS building. Principal and interest are due annually, in installments ranging from \$455,000 to \$1,660,000, beginning fiscal year 2012 through October 2030; interest due in semi-annual installments at rates ranging from 2.0% to 5.0%. Outstanding balance at June 30, 2014 is \$25,975,000.

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

Year Ending June 30	Governmental Activities	
	Principal	Interest
2015	\$ 965,000	\$ 1,156,713
2016	965,000	1,127,763
2017	1,405,000	1,090,456
2018	1,405,000	1,043,038
2019	1,405,000	985,025
2020-2024	8,225,000	3,831,625
2025-2029	8,285,000	1,867,125
2030-2034	3,320,000	166,000
Total	\$ 25,975,000	\$ 11,267,745

General Obligation Indebtedness

The County issued \$9,310,000 General Obligation Bonds on October 15, 2013, which will be used to finance construction of two buildings at Nash Community College. Principal and interest are due annually, in installments ranging from \$470,000 to \$465,000, beginning fiscal year 2015 through November 2033; interest due in semi-annual installments at rates ranging from 2.0% to 3.7%. Outstanding balance at June 30, 2014 is \$9,310,000.

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

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

The County's general obligation bonds payable at June 30, 2014, which are serviced by the business-type activities are comprised of the following individual issues:

Serviced by Business-Type Activities:

\$5,239,000 of General Obligation Water Bonds issued on May 26, 2009, due on June 1 in annual installments ranging from \$60,000 to \$235,000 through December 2048; interest of 3.625% to 4.5%	\$ 4,989,000
\$2,804,000 of General Obligation Water Bonds issued on January 23, 2012, due on June 1 in annual installments ranging from \$42,000 to \$119,000 through December 2051; interest of 3.0%	2,762,000
\$4,766,000 of General Obligation Water Bonds issued on June 23, 2014, due on June 1 in annual installments ranging from \$67,000 to \$209,000 through December 2054; interest of 3.25%	<u>4,766,000</u>
Total serviced by business-type activities	<u>\$ 12,517,000</u>

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

<u>Year Ending</u> <u>June 30</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 470,000	\$ 292,170	\$ 111,000	\$ 446,658
2016	470,000	282,770	114,000	451,728
2017	465,000	272,258	188,000	447,341
2018	465,000	260,633	193,000	440,495
2019	465,000	247,845	199,000	433,460
2020-2024	2,325,000	992,775	1,115,000	2,052,377
2025-2029	2,325,000	597,060	1,334,000	1,832,392
2030-2034	2,325,000	214,366	1,598,000	1,567,750
2035-2039	-	-	1,917,000	1,248,775
2040-2044	-	-	2,293,000	864,006
2045-2049	-	-	2,285,000	415,714
2050-2054	-	-	1,170,000	100,888
Total	<u>\$ 9,310,000</u>	<u>\$ 3,159,877</u>	<u>\$ 12,517,000</u>	<u>\$ 10,301,584</u>

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

The following is a summary of changes in the County's long-term obligations as of June 30, 2014:

	<u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>	<u>Due in Less Than One Year</u>
Governmental Activities:					
Compensated absences	\$ 1,975,895	\$ 1,796,922	\$ (1,864,136)	\$ 1,908,681	\$ 95,434
Unfunded LEO pension	695,247	98,031	(35,910)	757,368	-
OPEB liability	9,766,895	2,491,745	(514,550)	11,744,090	-
Capital lease	1,364,387	358,812	(699,052)	1,024,147	442,015
Installment purchase contracts	14,613,589	576,923	(1,723,619)	13,466,893	1,576,622
Limited obligation bonds	26,940,000	-	(965,000)	25,975,000	965,000
General obligation bonds	-	9,310,000	-	9,310,000	470,000
Unamortized premium/discounts	837,391	380,065	(52,337)	1,165,119	-
Total governmental activities	<u>\$ 56,193,404</u>	<u>\$ 15,012,498</u>	<u>\$ (5,854,604)</u>	<u>\$ 65,351,298</u>	<u>\$ 3,549,071</u>
	<u>June 30, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2014</u>	<u>Due in Less Than One Year</u>
Business-Type Activities:					
Central Nash Water and Sewer District:					
General Obligation Water Bonds	\$ 7,859,000	\$ 4,766,000	\$ (108,000)	\$ 12,517,000	\$ 111,000
Bond anticipation notes	4,766,000	-	(4,766,000)	-	-
Total Central Nash Water and Sewer District	<u>12,625,000</u>	<u>4,766,000</u>	<u>(4,874,000)</u>	<u>12,517,000</u>	<u>111,000</u>
Utilities Fund:					
Water and Sewer Activity:					
Installment purchase contract	2,495,500	-	(305,500)	2,190,000	305,500
OPEB liability	302,069	77,064	(15,914)	363,219	-
Accrued vacation	28,292	22,654	(20,016)	30,930	1,546
Total Water and Sewer activity	<u>2,825,861</u>	<u>99,718</u>	<u>(341,430)</u>	<u>2,584,149</u>	<u>307,046</u>
Solid Waste Disposal Activity:					
Accrued landfill closure and post-closure costs	3,803,089	-	(322,617)	3,480,472	300,000
Total Utilities Fund	<u>6,628,950</u>	<u>99,718</u>	<u>(664,047)</u>	<u>6,064,621</u>	<u>607,046</u>
Total business-type activities	<u>\$ 19,253,950</u>	<u>\$ 4,865,718</u>	<u>\$ (5,538,047)</u>	<u>\$ 18,581,621</u>	<u>\$ 718,046</u>

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

State statutes provide for a legal debt margin of 8% of the County's appraised valuation. The County had a legal debt limitation of \$557,442,553 at June 30, 2014.

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, 2014, there were no outstanding balances; the last payment was paid in December 2004.

Note 12 – Interfund Balances and Activity

Due From/To Other Funds

Interfund balances are summarized below:

	Interfund Loans		Reason
	From	To	
General Fund	\$ 1,117,530	\$ -	Advance project costs
Nash Community College Bond Fund Project	-	166,268	Advance project costs
Nonmajor governmental funds	-	951,262	Advance project costs
Utilities Fund	916,408	-	USDA future debt service
Central Nash Water and Sewer District	-	916,408	USDA future debt service
Total	\$ 2,033,938	\$ 2,033,938	

Transfers To/From Other Funds

Transfers in (out) for the year ended June 30, 2014 are summarized below:

	Transfers	
	From	To
General Fund	\$ 1,400,000	\$ 1,380,284
2010 Capital Projects Fund	1,194,097	-
Nonmajor governmental funds	186,187	1,400,000
Utilities Fund	439,846	-
Central Nash Water and Sewer District	-	439,846
Total	\$ 3,220,130	\$ 3,220,130

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Transfers from two nonmajor governmental funds to the General Fund were made to transfer excess debt proceeds from the two projects closing. A transfer from a nonmajor governmental fund to the General Fund was made to return prior year transfers when the project was completed.

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

Note 13 – Joint Ventures

Nash Community College – The County, in conjunction with the State of North Carolina and the Rocky Mount Nash Board of Education, participates in a joint venture to operate the Nash Community College (Community College). Each of the three entities appoints four members of the twelve-member Board of Trustees of the Community College. The Community College is a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and for providing some financial support for the Community College's operation. The County has an ongoing financial responsibility for the college because of statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,641,676 to the Community College for operating purposes and \$201,387 for capital outlay during the year ended June 30, 2014. The participants in the joint venture do not have any equity interest in the Community College; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2014. Complete financial statements for the Community College may be obtained from the college's administrative offices at Old Carriage Road, Rocky Mount, North Carolina 27804.

Eastpointe – The County, in conjunction with eleven other counties is a member of Eastpointe Local Management Entity (LME) for mental health services. In addition to Nash, the following counties are served: Bladen, Columbus, Duplin, Edgecombe, Green, Lenoir, Robeson, Sampson, Scotland, Wayne and Wilson. Nash County Board of Commissioners appoint three of the twenty-seven members to the Eastpointe Board of Directors. The County contributed \$356,705 to the LME during the year ended June 30, 2014. Complete financial statements for the LME may be obtained from the Administrative Offices at 514 E. Main St., P.O. Box 896, Beaulaville, North Carolina, 28518.

Rocky Mount/Wilson Airport Authority – The County, in conjunction with the City of Rocky Mount, City of Wilson, Edgecombe County, and Wilson County, participates in a joint venture to operate the Rocky Mount/Wilson Airport Authority (Authority). Each of the entities appoints members of the seven-member Board of Commissioners of the Authority. The County appoints one of the seven Board members. The County has an ongoing financial responsibility for the Authority. The County contributed \$46,900 to the Authority's operating purposes during the year ended June 30, 2014. The participants in the joint venture have an equity interest in the Authority's real property; therefore, an equity interest of \$1,946,795 has been reported in the governmental capital assets in the County's basic financial statements at June 30, 2014. 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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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, 2014, the County contribution was not required due to other funds leveraged by the consortium.

Carolinas Gateway Partnership, Inc. – The County, in conjunction with Edgecombe County, the Town of Tarboro, and the City of Rocky Mount, participates in a joint venture to operate Carolinas Gateway Partnership, Inc. (Partnership). As of June 30, 2014, \$224,375 in pledges and contributions have been received from 106 donors from the private sector and \$594,271 in public funding. As of June 30, 2014, the County contributed \$246,630 to support the Partnership.

Braswell Memorial Library – The County, in conjunction with the Library Association, the County of Rocky Mount and Edgecombe County, participates in a joint venture to operate the Braswell Memorial Library (Library). Each of the entities appoints members of the twelve-member Board of Trustees of the Library. The County appoints two of the twelve Board members. The County contributed \$850,739 to the Library's operating purposes during the year ended June 30, 2014. In addition, the County has contributed \$222,861 of federal and State funds; primarily the State equalizing and block grants, to supplement the County's funding.

Note 14 – Contingencies

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

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

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

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

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

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

for individual claims in excess of \$100,000 for the year ended June 30, 2014. 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>2014</u>	<u>2013</u>
Unpaid claims, beginning	\$ 760,474	\$ 785,011
Incurred claims	5,584,541	5,689,005
Claim payments	<u>(5,554,736)</u>	<u>(5,713,542)</u>
Unpaid claims, ending	<u>\$ 790,279</u>	<u>\$ 760,474</u>

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

Claims and Judgments – At June 30, 2014, 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, 2014. 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.

NASH COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Note 15 – Additional Social Welfare Expenditures

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

	<u>Federal</u>	<u>State</u>
Medicaid	\$ 84,795,045	\$ 46,916,048
WIC	2,251,658	-
NC Health Choice	1,757,945	554,541
TANF	364,159	(86)
Adoption Assistance	290,925	75,831
Low Income Home Energy Assistance	851,227	-
Special Assistance to Adults	-	812,153
Total	<u>\$ 90,310,959</u>	<u>\$ 48,358,487</u>

Note 16 – Summary Disclosure of Significant Contingencies

Federal and State-Assisted Programs

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

Note 17 – Related-Party Transactions

Nash County Healthcare Systems

During 1995, Nash County Healthcare Systems (Systems) renegotiated the existing operating lease agreement with Nash County for the use of the land and building originally purchased by the County (the “First Amendment”). Systems prepaid the lease amount of \$12 million in 1995. The renegotiated lease agreement, before extensions, was scheduled to expire in May 2000. During December 1997, Systems and the County extended the lease through May 2011 (the “Second Amendment”). Under the Second Amendment, additional consideration of \$300,000 per year was paid through 2001. During May 2001, Systems and the County extended the lease through May 2031 (the “Third Amendment”). Under the Third Amendment, Systems will pay the County additional consideration of 4.5 percent of Systems’ net income, as defined, from its immediately preceding fiscal year beginning with the lease year starting May 2002. In addition, the Third Amendment provided that additional consideration of \$300,000 would be paid to the County for the lease year ending April 2002. Payments to the County, related to this agreement in 2014 and 2013, were \$362,869 and \$716,823, respectively.

NASH COUNTY, NORTH CAROLINA

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Note 18 – Stewardship, Compliance and Accountability

Excess of Expenditures Over Appropriations

For the year ended June 30, 2014, the expenditures made in the County's Fire Districts Fund exceeded the authorized appropriations made by the governing board by \$196,581. This over-expenditure occurred because the collections of ad valorem taxes exceeded budgeted amounts, and the remittance of those excess collections to the fire departments was not accounted for in the budget process due to oversight. Management and the Board will more closely monitor the budget in this fund to ensure compliance in future years.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2014**

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					
12/31/2008	\$ -	\$ 637,593		\$ 637,593	0.00%	\$ 3,266,762	19.52%
12/31/2009	-	884,365		884,365	0.00%	3,400,251	26.01%
12/31/2010	-	833,487		833,487	0.00%	3,439,533	24.23%
12/31/2011	-	843,536		843,536	0.00%	3,431,365	24.58%
12/31/2012	-	867,799		867,799	0.00%	3,536,565	24.54%
12/31/2013	-	947,775		947,775	0.00%	3,617,519	26.20%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)		Percentage of ARC Contributed
2009	\$	76,177	17.14%
2010		83,139	39.18%
2011		117,501	53.21%
2012		109,055	53.99%
2013		113,161	34.21%
2014		119,913	29.95%

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	12/31/2013
Actuarial cost method	Projected unit credit
Amortization method	Level dollar closed
Remaining amortization period	17 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	5.00%
Projected salary increases *	4.25-7.85%
* Includes inflation at 3.00%	
Cost-of-living adjustments	N/A

NASH COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS - RETIREE HEALTH PLAN
 REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2014

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)	(b)				
12/31/2007	\$ -	\$ 23,491,661	\$ 23,491,661	\$ 23,491,661	0.00%	\$ 24,357,779	96.4%
12/31/2010	-	29,377,801	29,377,801	29,377,801	0.00%	26,374,745	111.4%
12/31/2012	-	29,202,377	29,202,377	29,202,377	0.00%	24,433,547	119.5%

Schedule of Employer Contributions

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

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	12/31/2012
Actuarial cost method	Projected unit credit
Amortization method	Level dollar amount, open
Remaining amortization period	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	4.00%
Medical cost trend rate	6.25% - 5.00%
Year of Ultimate trend rate	2018

* Includes inflation at 3.00%

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

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

Nash County, North Carolina
Financial Statements and Schedules

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GENERAL FUND

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

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND CONSOLIDATED
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>General Fund</u>	<u>Revaluation Fund</u>	<u>Economic Development Fund</u>	<u>Eliminations</u>	<u>Total</u>
Revenues:					
Ad valorem taxes	\$ 49,841,529	\$ -	\$ -	\$ -	\$ 49,841,529
Other taxes and licenses	12,031,907	-	-	-	12,031,907
Unrestricted intergovernmental	429,444	-	-	-	429,444
Restricted intergovernmental	19,659,007	-	-	-	19,659,007
Permits and fees	1,009,543	-	-	-	1,009,543
Sales and services	3,872,280	-	-	-	3,872,280
Investment earnings	129,894	148	-	-	130,042
Miscellaneous	<u>1,823,271</u>	<u>-</u>	<u>1,570,793</u>	<u>-</u>	<u>3,394,064</u>
Total revenues	<u>88,796,875</u>	<u>148</u>	<u>1,570,793</u>	<u>-</u>	<u>90,367,816</u>
Expenditures:					
Current:					
General government	8,612,548	-	-	-	8,612,548
Public safety	19,589,166	-	-	-	19,589,166
Transportation	123,576	-	-	-	123,576
Economic and physical development	2,163,069	-	12,905	-	2,175,974
Human services	25,999,089	-	-	-	25,999,089
Cultural and recreation	1,655,352	-	-	-	1,655,352
Education	22,415,215	-	-	-	22,415,215
Debt service:					
Principal	3,387,671	-	-	-	3,387,671
Interest	<u>1,980,556</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,980,556</u>
Total expenditures	<u>85,926,242</u>	<u>-</u>	<u>12,905</u>	<u>-</u>	<u>85,939,147</u>
Revenues over (under) expenditures	<u>2,870,633</u>	<u>148</u>	<u>1,557,888</u>	<u>-</u>	<u>4,428,669</u>
Other Financing Sources (Uses):					
Transfers in	1,380,284	193,500	-	(193,500)	1,380,284
Transfers out	(1,593,500)	-	-	193,500	(1,400,000)
Debt issued	-	-	576,923	-	576,923
Capital lease obligations issued	<u>358,812</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>358,812</u>
Total other financing sources (uses)	<u>145,596</u>	<u>193,500</u>	<u>576,923</u>	<u>-</u>	<u>916,019</u>
Net change in fund balances	3,016,229	193,648	2,134,811	-	5,344,688
Fund Balances:					
Beginning of year - July 1	<u>33,550,073</u>	<u>319,247</u>	<u>860,601</u>	<u>-</u>	<u>34,729,921</u>
End of year - June 30	<u>\$ 36,566,302</u>	<u>\$ 512,895</u>	<u>\$ 2,995,412</u>	<u>\$ -</u>	<u>\$ 40,074,609</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, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Revenues:				
Ad Valorem Taxes:				
Current year, net of discounts	\$ 44,509,818	\$ 47,553,888		\$ 45,001,226
Prior year's taxes	1,300,000	1,685,599		1,596,117
Penalties and interest	275,000	602,042		367,953
Total	46,084,818	49,841,529	\$ 3,756,711	46,965,296
Other Taxes and Licenses:				
Local option sales taxes	12,200,000	11,746,496		11,618,815
Real estate transfer taxes	150,000	202,966		185,829
Rental vehicle tax	55,000	68,761		65,381
Privilege licenses	13,000	13,684		14,426
Total	12,418,000	12,031,907	(386,093)	11,884,451
Unrestricted Intergovernmental Revenues:				
Beer and wine tax	130,000	182,072		168,124
ABC 5% bottle tax	32,000	33,675		33,552
Video programming tax	170,000	213,697		220,116
Total	332,000	429,444	97,444	421,792
Restricted Intergovernmental Revenues:				
Restricted State DSS	10,426,148	10,038,089		9,797,536
Restricted State health	2,315,448	2,026,030		2,284,878
Restricted State other	3,302,662	3,276,622		2,694,207
Restricted federal health	3,830,723	4,168,668		3,464,473
Restricted local grants	225,761	149,598		214,807
Total	20,100,742	19,659,007	(441,735)	18,455,901
Permits and Fees:				
Register of Deeds	350,000	337,333		397,294
Building permits	315,000	335,288		339,191
Imaging system payback	6,000	6,000		11,604
Other permits and fees	316,500	330,922		403,297
Total	987,500	1,009,543	22,043	1,151,386
Sales and Services:				
Sheriff's officer fees	20,000	17,350		16,719
Jail fees	125,000	109,160		131,270
Home health - other	46,147	29,042		63,637
Environmental fees	109,000	106,941		109,312

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Ambulance collections	3,000,000	2,520,148		2,782,476
Ambulance cost settlement	200,000	512,513		665,810
Local health	47,000	42,511		47,582
Other sales and services	362,749	534,615		557,715
Total	3,909,896	3,872,280	(37,616)	4,374,521
Investment Earnings	150,000	129,894	(20,106)	137,132
Miscellaneous:				
Nash general lease	500,000	390,300		722,769
Sales tax refund	-	113,567		378,319
Contribution from ABC Board	310,000	317,900		392,349
TDA funds - economic development	75,000	75,000		75,000
Miscellaneous	789,758	926,504		1,390,046
Total	1,674,758	1,823,271	148,513	2,958,483
Total revenues	85,657,714	88,796,875	3,139,161	86,348,962
Expenditures:				
General Government:				
Governing Body:				
Salaries	67,432	67,411		67,410
Professional services	23,300	22,000		-
Operating expenditures	47,770	43,346		37,406
Total	138,502	132,757	5,745	104,816
Administration:				
Salaries and employee benefits	590,792	590,181		442,597
Professional services	4,317	1,899		2,433
Operating expenditures	42,854	36,069		40,321
Total	637,963	628,149	9,814	485,351
Finance:				
Salaries and employee benefits	474,819	472,045		457,536
Other operating expenditures	26,176	22,476		21,193
Total	500,995	494,521	6,474	478,729
Human Resources:				
Salaries and employee benefits	299,108	264,095		290,055
Operating expenditures	15,400	4,505		4,722
Total	314,508	268,600	45,908	294,777

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Board of Elections:				
Salaries and employee benefits	178,736	178,364		169,121
Operating expenditures	76,345	71,572		80,135
Capital outlay	7,500	5,650		10,667
Total	262,581	255,586	6,995	259,923
Election Cost:				
Salaries and employee benefits	94,305	63,346		89,345
Operating expenditures	131,650	117,199		98,760
Capital outlay	-	-		8,726
Total	225,955	180,545	45,410	196,831
Tax Supervisor and Data Processing:				
Salaries and employee benefits	1,062,308	1,054,876		1,049,717
Professional services	68,323	62,748		86,211
Operating expenditures	301,108	254,664		134,798
Total	1,431,739	1,372,288	59,451	1,270,726
Legal:				
Professional services	395,000	176,322		128,579
Total	395,000	176,322	218,678	128,579
Register of Deeds:				
Salaries and employee benefits	246,769	240,365		217,201
Operating expenditures	54,945	49,004		48,971
Total	301,714	289,369	12,345	266,172
Management Information Services:				
Salaries and employee benefits	889,525	865,931		861,523
Professional services	10,500	28,208		16,846
Operating expenditures	46,610	22,280		39,604
Total	946,635	916,419	30,216	917,973
Technology:				
Professional services	14,950	14,950		-
Operating expenditures	689,420	639,291		515,334
Capital outlay	7,530	7,530		40,184
Total	711,900	661,771	50,129	555,518

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Public Buildings:				
Operating expenditures	425,436	373,146		294,817
Capital outlay	492,341	288,811		429,265
Total	917,777	661,957	255,820	724,082
Non-Departmental Costs:				
Operating expenditures	1,610,321	1,358,521		1,370,225
Total	1,610,321	1,358,521	251,800	1,370,225
Administration Building:				
Salaries and employee benefits	427,407	420,389		394,445
Professional services	10,000	6,826		-
Operating expenditures	377,735	312,774		388,667
Capital outlay	115,500	98,495		72,090
Total	930,642	838,484	92,158	855,202
Court Facilities:				
Operating expenditures	233,420	178,063		184,882
Capital outlay	69,600	45,334		17,331
Total	303,020	223,397	79,623	202,213
Disaster Relief:				
Operating expenditures	-	-		13,442
Total	-	-	-	13,442
County Capital Improvements:				
Operating expenditures	34,384	34,384		11,658
Capital outlay	560,163	119,478		282,980
Total	594,547	153,862	440,685	294,638
Total general government	10,223,799	8,612,548	1,611,251	8,419,197
Public Safety:				
Sheriff:				
Salaries and employee benefits	4,050,083	4,012,869		4,005,760
Operating expenditures	1,053,060	898,446		918,523
Capital outlay	281,947	271,862		291,256
Total	5,385,090	5,183,177	201,913	5,215,539

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014		2013
	Budget	Actual	Actual
		Variance Over/Under	
Court Security:			
Salaries and employee benefits	740,563	723,229	698,629
Total	740,563	723,229	698,629
School Officers NRMS:			
Salaries and employee benefits	343,345	333,437	327,454
Total	343,345	333,437	327,454
Jail:			
Salaries and employee benefits	2,764,305	2,679,085	2,613,433
Professional services	407,500	369,045	423,749
Operating expenditures	1,070,743	1,035,340	1,103,668
Capital outlay	42,056	42,054	35,632
Total	4,284,604	4,125,524	4,176,482
Court Liaison Grant- ARRA:			
Salaries and employee benefits	57,789	57,780	55,382
Operating expenditures	35,827	30,789	36,157
Total	93,616	88,569	91,539
Communications:			
Salaries and employee benefits	1,377,686	1,325,130	1,173,960
Operating expenditures	79,168	70,135	59,807
Total	1,456,854	1,395,265	1,233,767
Enhanced Wireline:			
Operating expenditures	52,740	51,321	70,375
Capital outlay	42,114	40,063	5,790
Total	94,854	91,384	76,165
Emergency Services:			
Salaries and employee benefits	499,936	494,559	485,904
Operating expenditures	100,341	84,109	91,530
Total	600,277	578,668	577,434
Emergency Medical Services:			
Salaries and employee benefits	5,259,696	5,143,526	4,843,721
Professional services	49,000	37,000	41,989
Other operating expenditures	973,082	961,921	1,019,925
Capital outlay	191,972	191,226	464,503
Total	6,473,750	6,333,673	6,370,138

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Fire and Rescue:				
Professional services	229,810	229,810		229,810
Total	229,810	229,810	-	229,810
Animal Control:				
Salaries and employee benefits	251,418	248,481		224,016
Professional services	41,900	37,537		26,105
Operating expenditures	88,060	59,685		73,254
Capital outlay	31,695	31,694		-
Total	413,073	377,397	35,676	323,375
Forestry:				
Operating expenditures	86,002	76,633		86,002
Total	86,002	76,633	9,369	86,002
Medical Examiner:				
Professional services	53,000	52,400		62,300
Total	53,000	52,400	600	62,300
Total public safety	20,254,838	19,589,166	665,672	19,468,634
Transportation:				
Airport:				
Operations	46,900	46,900	-	46,900
Rural Transportation Planning:				
Salaries	90,581	48,442		61,488
Operations	31,200	28,234		19,928
Total	121,781	76,676	45,105	81,416
Total transportation	168,681	123,576	45,105	128,316
Economic and Physical Development:				
Planning:				
Salaries and employee benefits	273,136	270,365		243,176
Professional services	65,920	22,912		56,885
Operating expenditures	24,705	22,320		26,104
Total	363,761	315,597	48,164	326,165

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Inspections:				
Salaries and employee benefits	353,806	330,729		414,895
Operating expenditures	38,413	26,302		28,787
Total	392,219	357,031	35,188	443,682
Cooperative Extension:				
Salaries and employee benefits	243,997	205,630		229,535
Operating expenditures	76,505	71,910		67,223
Total	320,502	277,540	42,962	296,758
Soil Conservation:				
Salaries and employee benefits	265,793	263,312		255,316
Operating expenditures	38,895	38,775		32,498
Total	304,688	302,087	2,601	287,814
Economic Development:				
Operating expenditures	923,208	910,814		514,490
Total	923,208	910,814	12,394	514,490
Total economic and physical development	2,304,378	2,163,069	141,309	1,868,909
Human Services:				
Health:				
Administration:				
Salaries and employee benefits	1,403,513	1,357,723		1,276,242
Professional services	115,750	107,576		105,293
Operating expenditures	435,536	388,629		428,909
Total	1,954,799	1,853,928	100,871	1,810,444
Family Planning:				
Salaries and employee benefits	641,837	606,000		618,495
Professional services	18,040	10,381		19,126
Operating expenditures	175,037	163,446		136,678
Total	834,914	779,827	55,087	774,299
Home Health:				
Salaries and employee benefits	1,288,829	1,167,155		1,164,027
Professional services	677,168	635,920		518,040
Operating expenditures	289,475	214,252		236,466
Total	2,255,472	2,017,327	238,145	1,918,533

NASH COUNTY, NORTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
CAP:				
Salaries and employee benefits	198,701	197,945		193,787
Operating expenditures	32,067	27,829		33,920
Total	230,768	225,774	4,994	227,707
Child Service Coordinator:				
Salaries and employee benefits	161,904	153,655		129,658
Professional services	5,040	2,246		3,063
Operating expenditures	111,389	14,871		14,451
Total	278,333	170,772	107,561	147,172
Child Health:				
Salaries and employee benefits	340,873	340,457		326,869
Professional services	11,745	11,745		11,663
Operating expenditures	270,508	268,825		279,403
Total	623,126	621,027	2,099	617,935
Maternal Health:				
Salaries and employee benefits	530,799	511,586		498,824
Professional services	65,440	61,960		59,276
Operating expenditures	47,912	37,999		43,121
Total	644,151	611,545	32,606	601,221
AIDS:				
Salaries and employee benefits	71,006	70,675		86,090
Operating expenditures	24,494	22,191		13,401
Total	95,500	92,866	2,634	99,491
Health Promotion:				
Salaries and employee benefits	101,881	98,940		93,844
Professional services	8,000	2,525		6,911
Operating expenditures	15,302	5,154		19,792
Total	125,183	106,619	18,564	120,547
Environmental Health:				
Salaries and employee benefits	714,703	708,090		690,248
Professional services	6,168	-		-
Operating expenditures	86,924	54,165		52,264
Total	807,795	762,255	45,540	742,512

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Diabetic Care:				
Professional services	23,000	2,736		1,351
Total	23,000	2,736	20,264	1,351
Tuberculosis:				
Salaries and employee benefits	107,980	101,819		102,341
Professional services	2,518	2,518		2,518
Total	110,498	104,337	6,161	104,859
CDC Tuberculosis Project:				
Salaries and employee benefits	49,559	49,349		50,329
Professional services	6,000	3,431		3,663
Operating expenditures	6,100	5,117		3,662
Total	61,659	57,897	3,762	57,654
Community Transformation Grant:				
Salaries and employee benefits	-	-		9,355
Operating expenditures	24,337	12,170		22,238
Total	24,337	12,170	12,167	31,593
WIC Administration:				
Salaries and employee benefits	523,456	492,546		458,030
Professional services	5,040	1,254		4,413
Operating expenditures	34,817	19,629		14,842
Total	563,313	513,429	49,884	477,285
Communicable Disease:				
Salaries and employee benefits	56,669	56,296		53,559
Professional services	500	180		227
Operating expenditures	26,631	10,335		24,590
Total	83,800	66,811	16,989	78,376
Healthy Start Baby Love Plus:				
Salaries and employee benefits	142,695	138,276		138,318
Operating expenditures	24,742	20,855		32,232
Total	167,437	159,131	8,306	170,550
Breast and Cervical Cancer:				
Salaries and employee benefits	21,283	21,119		20,572
Professional services	48,419	41,828		24,530
Total	69,702	62,947	6,755	45,102

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Komen Breast Cancer:				
Salaries and employee benefits	77,840	77,237		49,201
Operating expenditures	26,214	1,537		4,246
Total	104,054	78,774	25,280	53,447
Immunization Action Plan:				
Salaries and employee benefits	51,702	51,380		49,674
Operating expenditures	1,800	-		7,473
Total	53,502	51,380	2,122	57,147
NAP SACC:				
Salaries	36,427	36,247		48,638
Professional services	1,500	1,500		-
Operating expenditures	9,083	8,877		4,353
Total	47,010	46,624	386	52,991
Project Connect State:				
Salaries	8,210	8,157		58,839
Operating expenditures	5,708	556		54,831
Total	13,918	8,713	5,205	113,670
Lead Grant:				
Salaries	12,918	-		1,376
Operating expenditures	18,474	-		1,764
Total	31,392	-	31,392	3,140
Bioterrorism Program:				
Salaries	20,697	17,631		26,457
Operating expenditures	16,719	15,664		16,335
Total	37,416	33,295	4,121	42,792
Community Care of Eastern North Carolina:				
Salaries	131,520	112,178		126,112
Operating expenditures	50,444	28,541		28,116
Total	181,964	140,719	41,245	154,228
OB Case Management:				
Salaries	173,801	168,891		141,158
Operating expenditures	65,633	11,453		15,609
Total	239,434	180,344	59,090	156,767

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Triple P Health:				
Salaries and employee benefits	55,161	44,119		5,933
Professional services	199,544	176,195		91,700
Operating expenditures	96,195	53,222		845
Total	350,900	273,536	77,364	98,478
Total health	10,013,377	9,034,783	978,594	8,759,291
Office of Juvenile Justice:				
Operating expenses	307,465	307,465		303,857
Total	307,465	307,465	-	303,857
Mental Health:				
Operating expenses	412,423	412,423		380,759
Total	412,423	412,423	-	380,759
Home Care Community Block Grant:				
Operating expenses	724,555	721,634		744,147
Total	724,555	721,634	2,921	744,147
Social Services:				
General:				
Salaries and employee benefits	7,890,226	7,482,345		7,441,261
Professional services	63,875	57,386		38,036
Assistance payments	1,070,439	893,271		862,368
Operating expenditures	454,590	415,408		426,115
Capital outlay	25,000	21,898		21,405
Total	9,504,130	8,870,308	633,822	8,789,185
Title IVD -1571:				
Salaries and employee benefits	1,146,552	1,096,744		1,081,925
Professional services	2,154	1,485		1,274
Operating expenditures	85,150	38,980		42,791
Total	1,233,856	1,137,209	96,647	1,125,990
Work First:				
Salaries and employee benefits	527,698	522,861		509,332
Operating expenditures	45,992	35,774		64,657
Total	573,690	558,635	15,055	573,989

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Social Services - Other:				
WFFA charges	1,000	-		272
Special assistance	826,003	807,990		813,565
Other assistance	4,013,582	3,563,238		3,441,134
Total	4,840,585	4,371,228	469,357	4,254,971
DNS - County Only Participation:				
Non-reimbursable	6,770	5,245		4,913
Foster children	2,750	1,874		6,871
Pauper burials	1,550	1,550		450
Total	11,070	8,669	2,401	12,234
Total social services	16,163,331	14,946,049	1,217,282	14,756,369
Aging:				
Salaries and employee benefits	170,714	161,126		160,484
Operating expenditures	32,413	30,790		54,491
Contracts and grants	46,278	33,905		38,604
Total	249,405	225,821	23,584	253,579
Senior Center Caregiver Grant:				
Salaries and employee benefits	25,478	23,884		29,227
Operating expenditures	18,900	14,316		21,811
Total	44,378	38,200	6,178	51,038
Senior Health Insurance Info Program:				
Salaries and employee benefits	1,434	-		-
Operating expenditures	1,175	-		-
Total	2,609	-	2,609	-
Med Impr Patient Provider Act:				
Salaries and employee benefits	1,039	-		-
Operating expenditures	700	-		-
Total	1,739	-	1,739	-
Veteran's Services:				
Salaries and employee benefits	72,394	72,394		37,307
Total	72,394	72,394	-	37,307

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Local Human Services:				
Contributions	44,860	43,060		41,648
Tri-County industries	41,160	41,160		41,160
My Sisters House	9,000	9,000		9,800
Beaver Control BMAP	54,000	54,000		4,000
Nash County Arts Council	29,400	29,400		29,400
Nashville Boys Club	24,500	24,500		24,500
House the Children	29,400	29,400		29,400
Downeast Partnership for Children	9,800	9,800		9,800
MLK Grant	-	-		490
Imperial Center	5,950	-		5,938
Total	248,070	240,320	7,750	196,136
Total human services	28,239,746	25,999,089	2,240,657	25,482,483
Cultural:				
Recreation:				
Salaries	334,856	334,852		324,722
Operating expenditures	182,791	180,650		179,385
Total	517,647	515,502	2,145	504,107
Libraries:				
Braswell Library	850,739	850,739		850,739
NC Library Block Grant	228,091	222,961		122,214
Local libraries	66,150	66,150		66,150
Total	1,144,980	1,139,850	5,130	1,039,103
Total cultural	1,662,627	1,655,352	7,275	1,543,210
Education:				
Nash Community College:				
Operating expenditures	1,641,676	1,641,676		1,641,676
Capital outlay	201,388	201,388		497,883
Total	1,843,064	1,843,064	-	2,139,559
Nash Rocky Mount Schools:				
Operating expenditures	19,175,261	19,175,261		19,175,261
Capital outlay	1,396,890	1,396,890		1,423,758
Total	20,572,151	20,572,151	-	20,599,019
Total education	22,415,215	22,415,215	-	22,738,578

NASH COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Debt Service:				
Principal retirement	3,387,677	3,387,671		2,876,051
Interest and fees	1,981,360	1,980,556		1,858,043
Total debt service	5,369,037	5,368,227	810	4,734,094
Total expenditures	90,638,321	85,926,242	4,712,079	84,383,421
Revenues over (under) expenditures	(4,980,607)	2,870,633	7,851,240	1,965,541
Other Financing Sources (Uses):				
Transfers to other funds:				
Special revenue funds	-	-	-	(5,000)
Economic Development Fund	-	-	-	(860,601)
Capital project funds	(1,400,000)	(1,400,000)	-	-
Tax Revaluation Fund	(193,500)	(193,500)	-	(40,000)
Transfers from other funds:				
Capital project funds	-	1,380,284	1,380,284	348,702
Capital lease obligations issued	358,813	358,812	(1)	464,503
Contingency	(40,000)	-	40,000	-
Appropriated fund balance	6,255,294	-	(6,255,294)	-
Total other financing sources (uses)	4,980,607	145,596	(4,835,011)	(92,396)
Net change in fund balance	\$ -	3,016,229	\$ 3,016,229	1,873,145
Fund Balance:				
Beginning of year - July 1		33,550,073		31,676,928
End of year - June 30		\$ 36,566,302		\$ 33,550,073

NASH COUNTY, NORTH CAROLINA

REVALUATION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Investment earnings	\$ -	\$ 148	\$ 148	\$ 168
Expenditures:				
Revaluation	40,000	-	40,000	-
Total expenditures	40,000	-	40,000	-
Revenues over (under) expenditures	(40,000)	148	40,148	168
Other Financing Sources (Uses):				
Transfers from other funds	40,000	193,500	153,500	40,000
Total other financing sources (uses)	40,000	193,500	153,500	40,000
Net change in fund balance	\$ -	193,648	\$ 193,648	40,168
Fund Balance:				
Beginning of year - July 1		319,247		279,079
End of year - June 30		\$ 512,895		\$ 319,247

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, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Unrestricted intergovernmental	\$ -	\$ 1,570,793	\$ 1,570,793	\$ -
Total revenues	-	1,570,793	1,570,793	-
Expenditures:				
Economic and physical development	14,800	12,905	1,895	-
Total expenditures	14,800	12,905	1,895	-
Revenues over (under) expenditures	(14,800)	1,557,888	1,572,688	-
Other Financing Sources (Uses):				
Appropriated fund balance	14,800	-	(14,800)	-
Debt issued	-	576,923	576,923	-
Transfers from other funds	-	-	-	860,601
Total other financing sources (uses)	14,800	576,923	562,123	860,601
Net change in fund balance	\$ -	2,134,811	\$ 2,134,811	860,601
Fund Balance:				
Beginning of year - July 1		860,601		-
End of year - June 30		\$ 2,995,412		\$ 860,601

Nash County, North Carolina
Financial Statements and Schedules

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MAJOR CAPITAL PROJECT FUNDS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

**2010 CAPITAL PROJECTS - MAJOR CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental:					
Public School Building Capital Fund	\$ 4,427,000	\$ 4,482,757	\$ -	\$ 4,482,757	\$ 55,757
Public School Building Capital Fund - Lottery	6,600,000	6,600,000	-	6,600,000	-
Contribution from Edgecombe County	3,345,032	1,380,977	-	1,380,977	(1,964,055)
Contribution from Nashville	11,500	8,153	-	8,153	(3,347)
Investment earnings	-	94,612	6	94,618	94,618
Total revenues	<u>14,383,532</u>	<u>12,566,499</u>	<u>6</u>	<u>12,566,505</u>	<u>(1,817,027)</u>
Expenditures:					
Education:					
Rocky Mount High School	37,802,200	36,251,608	15,420	36,267,028	1,535,172
Southern Nash Fieldhouse	1,500,000	1,500,000	-	1,500,000	-
Public Safety:					
Nash EMS Station	1,479,691	1,479,692	-	1,479,692	(1)
General government:					
Nash Storage Facility	1,112,662	1,112,661	-	1,112,661	1
Other expenses	644,284	358,927	3,502	362,429	281,855
Total expenditures	<u>42,538,837</u>	<u>40,702,888</u>	<u>18,922</u>	<u>40,721,810</u>	<u>1,817,027</u>
Revenues over (under) expenditures	<u>(28,155,305)</u>	<u>(28,136,389)</u>	<u>(18,916)</u>	<u>(28,155,305)</u>	<u>-</u>
Other Financing Sources (Uses):					
Limited obligation bonds issued	29,349,402	28,355,000	-	28,355,000	(994,402)
Bond premium	-	994,402	-	994,402	994,402
Transfers to other fund	(1,194,097)	-	(1,194,097)	(1,194,097)	-
Total other financing sources (uses)	<u>28,155,305</u>	<u>29,349,402</u>	<u>(1,194,097)</u>	<u>28,155,305</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,213,013</u>	<u>(1,213,013)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>1,213,013</u>		
End of year - June 30			<u>\$ -</u>		

NASH COUNTY, NORTH CAROLINA

**NASH COMMUNITY COLLEGE BOND FUND PROJECT - 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, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Investment earnings	\$ -	\$ -	\$ 5,400	\$ 5,400	\$ 5,400
Total revenues	<u>-</u>	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,400</u>
Expenditures:					
Education:					
Construction	9,690,066	-	2,454,589	2,454,589	7,235,477
Total expenditures	<u>9,690,066</u>	<u>-</u>	<u>2,454,589</u>	<u>2,454,589</u>	<u>7,235,477</u>
Revenues over (under) expenditures	<u>(9,690,066)</u>	<u>-</u>	<u>(2,449,189)</u>	<u>(2,449,189)</u>	<u>7,240,877</u>
Other Financing Sources (Uses):					
Proceeds from general obligation bonds	9,310,001	-	9,310,000	9,310,000	(1)
Premium on general obligation bonds	380,065	-	380,065	380,065	-
Total other financing sources (uses)	<u>9,690,066</u>	<u>-</u>	<u>9,690,065</u>	<u>9,690,065</u>	<u>(1)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>7,240,876</u>	<u>\$ 7,240,876</u>	<u>\$ 7,240,876</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ 7,240,876</u>		

NONMAJOR GOVERNMENTAL FUNDS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014

	<u>Nonmajor</u>		<u>Total</u>
	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	
Assets:			
Cash and cash equivalents	\$ 1,274,607	\$ 3,764,360	\$ 5,038,967
Accounts receivable, net	85,025	800,000	885,025
Total assets	<u>\$ 1,359,632</u>	<u>\$ 4,564,360</u>	<u>\$ 5,923,992</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable and accrued liabilities	\$ 225,448	\$ -	\$ 225,448
Due to other funds	83	951,179	951,262
Total liabilities	<u>225,531</u>	<u>951,179</u>	<u>1,176,710</u>
Fund Balances:			
Restricted:			
Stabilization by State statute	107,932	800,000	907,932
Restricted, all other	791,419	112,270	903,689
Committed	34,575	2,252,090	2,286,665
Assigned	200,258	1,400,000	1,600,258
Unassigned	(83)	(951,179)	(951,262)
Total fund balances	<u>1,134,101</u>	<u>3,613,181</u>	<u>4,747,282</u>
Total liabilities and fund balances	<u>\$ 1,359,632</u>	<u>\$ 4,564,360</u>	<u>\$ 5,923,992</u>

NASH COUNTY, NORTH CAROLINA

**NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Nonmajor</u>		<u>Total</u>
	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	
Revenues:			
Ad valorem taxes	\$ 2,831,577	\$ -	\$ 2,831,577
Restricted intergovernmental	1,986,837	640,746	2,627,583
Investment earnings	9,516	933	10,449
Miscellaneous	15,947	278,310	294,257
Total revenues	<u>4,843,877</u>	<u>919,989</u>	<u>5,763,866</u>
Expenditures:			
Current:			
Public safety	3,571,857	-	3,571,857
Transportation	191,003	-	191,003
Economic and physical development	908,647	-	908,647
Education	-	1,079,150	1,079,150
Total expenditures	<u>4,671,507</u>	<u>1,079,150</u>	<u>5,750,657</u>
Revenues over (under) expenditures	<u>172,370</u>	<u>(159,161)</u>	<u>13,209</u>
Other Financing Sources (Uses):			
Transfers in	-	1,400,000	1,400,000
Transfers (out)	(7,000)	(179,187)	(186,187)
Total other financing sources (uses)	<u>(7,000)</u>	<u>1,220,813</u>	<u>1,213,813</u>
Net change in fund balances	165,370	1,061,652	1,227,022
Fund Balances:			
Beginning of year - July 1	<u>968,731</u>	<u>2,551,529</u>	<u>3,520,260</u>
End of year - June 30	<u>\$ 1,134,101</u>	<u>\$ 3,613,181</u>	<u>\$ 4,747,282</u>

NONMAJOR SPECIAL REVENUE FUNDS

NASH COUNTY, NORTH CAROLINA

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014**

	Rural Operating Assistance Program	Fire Districts Fund	Emergency Telephone System Fund	Controlled Substance Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Cash and cash equivalents	\$ 59,996	\$ 267,364	\$ 239,717	\$ 190,829
Receivables, net	<u>-</u>	<u>27,200</u>	<u>57,745</u>	<u>80</u>
Total assets	<u>\$ 59,996</u>	<u>\$ 294,564</u>	<u>\$ 297,462</u>	<u>\$ 190,909</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 34,823	\$ 56,010	\$ 98,556	\$ 4,626
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>34,823</u>	<u>56,010</u>	<u>98,556</u>	<u>4,626</u>
Fund Balances:				
Restricted:				
Stabilization by State statute	-	27,200	57,745	22,987
Restricted, all other	-	211,354	141,161	-
Committed	-	-	-	-
Assigned	25,173	-	-	163,296
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>25,173</u>	<u>238,554</u>	<u>198,906</u>	<u>186,283</u>
Total liabilities and fund balances	<u>\$ 59,996</u>	<u>\$ 294,564</u>	<u>\$ 297,462</u>	<u>\$ 190,909</u>

Schedule D-1

Federal Asset Forfeiture Fund	Stormwater Maintenance Fund	Tourism Fund	Grant Projects Fund	Total
\$ 260,883	\$ 11,789	\$ 209,454	\$ 34,575	\$ 1,274,607
-	-	-	-	85,025
<u>\$ 260,883</u>	<u>\$ 11,789</u>	<u>\$ 209,454</u>	<u>\$ 34,575</u>	<u>\$ 1,359,632</u>
\$ 1,071	\$ -	\$ 30,362	\$ -	\$ 225,448
-	-	-	83	83
<u>1,071</u>	<u>-</u>	<u>30,362</u>	<u>83</u>	<u>225,531</u>
-	-	-	-	107,932
259,812	-	179,092	-	791,419
-	-	-	34,575	34,575
-	11,789	-	-	200,258
-	-	-	(83)	(83)
<u>259,812</u>	<u>11,789</u>	<u>179,092</u>	<u>34,492</u>	<u>1,134,101</u>
<u>\$ 260,883</u>	<u>\$ 11,789</u>	<u>\$ 209,454</u>	<u>\$ 34,575</u>	<u>\$ 1,359,632</u>

NASH COUNTY, NORTH CAROLINA

**NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014**

	Rural Operating Assistance Program	Fire Districts Fund	Emergency Telephone System Fund	Controlled Substance Fund
Revenues:				
Ad valorem taxes	\$ -	\$ 2,831,577	\$ -	\$ -
Restricted intergovernmental	191,003	-	692,947	41,000
Investment earnings	49	9,107	92	84
Miscellaneous	-	-	7,547	8,400
Total revenues	<u>191,052</u>	<u>2,840,684</u>	<u>700,586</u>	<u>49,484</u>
Expenditures:				
Public safety	-	2,816,373	620,271	69,425
Transportation	191,003	-	-	-
Economic and physical development	-	-	-	-
Total expenditures	<u>191,003</u>	<u>2,816,373</u>	<u>620,271</u>	<u>69,425</u>
Net change in fund balances	49	24,311	80,315	(19,941)
Fund Balances:				
Beginning of year - July 1	<u>25,124</u>	<u>214,243</u>	<u>118,591</u>	<u>206,224</u>
End of year - June 30	<u>\$ 25,173</u>	<u>\$ 238,554</u>	<u>\$ 198,906</u>	<u>\$ 186,283</u>

Schedule D-2

Federal Asset Forfeiture Fund	Stormwater Maintenance Fund	Tourism Fund	Grant Projects Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 2,831,577
15,785	-	493,049	553,053	1,986,837
117	5	62	-	9,516
-	-	-	-	15,947
<u>15,902</u>	<u>5</u>	<u>493,111</u>	<u>553,053</u>	<u>4,843,877</u>
26,171	-	-	39,617	3,571,857
-	-	-	-	191,003
-	-	424,625	484,022	908,647
<u>26,171</u>	<u>-</u>	<u>424,625</u>	<u>523,639</u>	<u>4,671,507</u>
(10,269)	5	68,486	22,414	165,370
<u>270,081</u>	<u>11,784</u>	<u>110,606</u>	<u>12,078</u>	<u>968,731</u>
<u>\$ 259,812</u>	<u>\$ 11,789</u>	<u>\$ 179,092</u>	<u>\$ 34,492</u>	<u>\$ 1,134,101</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, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Restricted intergovernmental - grants:				
EDTAP	\$ 82,910	\$ 82,910	\$ -	\$ 75,860
WorkFirst	21,400	21,400	-	22,597
Rural General Public Program	<u>86,693</u>	<u>86,693</u>	-	<u>74,468</u>
Total restricted intergovernmental - grants	<u>191,003</u>	<u>191,003</u>	-	<u>172,925</u>
Investment earnings	<u>-</u>	<u>49</u>	<u>49</u>	<u>60</u>
Total revenues	<u>191,003</u>	<u>191,052</u>	<u>49</u>	<u>172,985</u>
Expenditures:				
Transportation:				
EDTAP	82,910	82,910	-	72,860
WorkFirst	21,400	21,400	-	12,597
Rural General Public Programs	<u>86,693</u>	<u>86,693</u>	-	<u>87,468</u>
Total expenditures	<u>191,003</u>	<u>191,003</u>	-	<u>172,925</u>
Net change in fund balance	<u>\$ -</u>	<u>49</u>	<u>\$ 49</u>	<u>60</u>
Fund Balance:				
Beginning of year - July 1		<u>25,124</u>		<u>25,064</u>
End of year - June 30		<u>\$ 25,173</u>		<u>\$ 25,124</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, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes	\$ 2,601,607	\$ 2,831,577	\$ 229,970	\$ 2,646,268
Investment earnings	-	9,107	9,107	457
Total revenues	<u>2,601,607</u>	<u>2,840,684</u>	<u>239,077</u>	<u>2,646,725</u>
Expenditures:				
Public safety:				
Stanhope	57,572	62,164	(4,592)	54,614
Stony Creek	8,267	8,782	(515)	6,024
Green Hornet	106,780	116,389	(9,609)	102,287
Harrison	117,635	120,465	(2,830)	117,806
Ferrells	177,440	196,710	(19,270)	177,440
N.S. Gulley	374,866	407,406	(32,540)	421,981
Silver Lake	9,275	9,828	(553)	9,581
Sims	10,085	8,504	1,581	2,272
Tri-County	78,496	83,275	(4,779)	77,295
Salem	97,646	106,553	(8,907)	96,805
West Mount	244,691	267,341	(22,650)	242,533
Coopers	276,603	296,469	(19,866)	268,176
Castalia	109,283	120,765	(11,482)	107,965
Spring Hope	221,965	236,083	(14,118)	218,704
Middlesex	82,992	90,293	(7,301)	84,075
Whitakers	185,907	188,992	(3,085)	176,409
Red Oak	354,713	378,759	(24,046)	380,501
Momeyer	105,576	117,595	(12,019)	105,804
Total expenditures	<u>2,619,792</u>	<u>2,816,373</u>	<u>(196,581)</u>	<u>2,650,272</u>
Revenues over (under) expenditures	<u>(18,185)</u>	<u>24,311</u>	<u>42,496</u>	<u>(3,547)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	<u>18,185</u>	<u>-</u>	<u>(18,185)</u>	<u>-</u>
Total other financing sources (uses)	<u>18,185</u>	<u>-</u>	<u>(18,185)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>24,311</u>	<u>\$ 24,311</u>	<u>(3,547)</u>
Fund Balance:				
Beginning of year - July 1		<u>214,243</u>		<u>217,790</u>
End of year - June 30		<u>\$ 238,554</u>		<u>\$ 214,243</u>

NASH COUNTY, NORTH CAROLINA

**EMERGENCY TELEPHONE SYSTEM FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental - Wireless E911	\$ 692,947	\$ 692,947	\$ -	\$ 346,764
Investment earnings	-	92	92	196
Miscellaneous	-	7,547	7,547	-
Total revenues	<u>692,947</u>	<u>700,586</u>	<u>7,639</u>	<u>346,960</u>
Expenditures:				
Public safety:				
Telephone	264,949	203,047	61,902	138,899
Software	293,942	292,514	1,428	117,360
Training	7,160	5,305	1,855	2,584
Implemental functions	126,896	103,905	22,991	74,676
Public safety expenditures	<u>15,500</u>	<u>15,500</u>	<u>-</u>	<u>294,500</u>
Total expenditures	<u>708,447</u>	<u>620,271</u>	<u>88,176</u>	<u>628,019</u>
Revenues over (under) expenditures	<u>(15,500)</u>	<u>80,315</u>	<u>95,815</u>	<u>(281,059)</u>
Other Financing Sources (Uses):				
Appropriated fund balance	<u>15,500</u>	<u>-</u>	<u>(15,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>15,500</u>	<u>-</u>	<u>(15,500)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>80,315</u>	<u>\$ 80,315</u>	<u>(281,059)</u>
Fund Balance:				
Beginning of year - July 1		<u>118,591</u>		<u>399,650</u>
End of year - June 30		<u>\$ 198,906</u>		<u>\$ 118,591</u>

**PSAP RECONCILIATION
 FOR THE YEAR ENDED JUNE 30, 2014**

Amounts reported on the Emergency Telephone System Fund budget to actual are different from the PSAP Revenue - Expenditure Report because:

Ending fund balance, reported on Budget to Actual	\$ 198,906
Ineligible expenditures reported in Emergency Telephone System Fund	<u>3,866</u>
Ending balance, PSAP Revenue - Expenditure Report	<u>\$ 202,772</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, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013**

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Controlled substance funds	\$ 40,000	\$ 41,000	\$ 1,000	\$ 34,099
Investment earnings	-	84	84	115
Miscellaneous	-	8,400	8,400	18,200
Total revenues	<u>40,000</u>	<u>49,484</u>	<u>9,484</u>	<u>52,414</u>
Expenditures:				
Public safety	<u>120,400</u>	<u>69,425</u>	<u>50,975</u>	<u>23,725</u>
Revenues over (under) expenditures	<u>(80,400)</u>	<u>(19,941)</u>	<u>60,459</u>	<u>28,689</u>
Other Financing Sources (Uses):				
Appropriated fund balance	<u>80,400</u>	-	<u>(80,400)</u>	-
Total other financing sources (uses)	<u>80,400</u>	-	<u>(80,400)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(19,941)</u>	<u>\$ (19,941)</u>	28,689
Fund Balance:				
Beginning of year - July 1		<u>206,224</u>		<u>177,535</u>
End of year - June 30		<u>\$ 186,283</u>		<u>\$ 206,224</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, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Federal asset forfeitures	\$ -	\$ 15,785	\$ 15,785	\$ 31,075
Investment earnings	-	117	117	157
Total revenues	-	15,902	15,902	31,232
Expenditures:				
Public safety	160,000	26,171	133,829	18,931
Revenues over (under) expenditures	(160,000)	(10,269)	149,731	12,301
Other Financing Sources (Uses):				
Appropriated fund balance	160,000	-	(160,000)	-
Total other financing sources (uses)	160,000	-	(160,000)	-
Net change in fund balance	\$ -	(10,269)	\$ (10,269)	12,301
Fund Balance:				
Beginning of year - July 1		270,081		257,780
End of year - June 30		\$ 259,812		\$ 270,081

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, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Stormwater maintenance fees	\$ 2,500	\$ -	\$ (2,500)	\$ -
Investment earnings	-	5	5	7
Total revenues	<u>2,500</u>	<u>5</u>	<u>(2,495)</u>	<u>7</u>
Expenditures:				
Public safety	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>5</u>	<u>\$ 5</u>	<u>7</u>
Fund Balance:				
Beginning of year - July 1		<u>11,784</u>		<u>11,777</u>
End of year - June 30		<u>\$ 11,789</u>		<u>\$ 11,784</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, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental	\$ 449,176	\$ 493,049	\$ 43,873	\$ 474,891
Investment earnings	-	62	62	33
Total revenues	<u>449,176</u>	<u>493,111</u>	<u>43,935</u>	<u>474,924</u>
Expenditures:				
Economic and physical development:				
Salaries	66,621	66,583	38	51,357
Operating expenditures	<u>382,555</u>	<u>358,042</u>	<u>24,513</u>	<u>389,867</u>
Total expenditures	<u>449,176</u>	<u>424,625</u>	<u>24,551</u>	<u>441,224</u>
Net change in fund balance	<u>\$ -</u>	68,486	<u>\$ 68,486</u>	33,700
Fund Balance:				
Beginning of year - July 1		<u>110,606</u>		<u>76,906</u>
End of year - June 30		<u>\$ 179,092</u>		<u>\$ 110,606</u>

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

**GRANT PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Homeland Security Grant</u>	<u>Single Family Rehabilitation Project</u>	<u>Urgent Repair Program</u>
Revenues:			
Restricted intergovernmental - grants	\$ 57,294	\$ 52,813	\$ 37,467
Total revenues	<u>57,294</u>	<u>52,813</u>	<u>37,467</u>
Expenditures:			
Public safety	39,617	-	-
Economic and physical development	<u>-</u>	<u>52,409</u>	<u>33,134</u>
Total expenditures	<u>39,617</u>	<u>52,409</u>	<u>33,134</u>
Revenues over (under) expenditures	<u>17,677</u>	<u>404</u>	<u>4,333</u>
Other Financing Sources (Uses):			
Transfers to General Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	17,677	404	4,333
Fund Balances:			
Beginning of year - July 1	<u>(17,554)</u>	<u>(487)</u>	<u>(4,333)</u>
End of year - June 30	<u>\$ 123</u>	<u>\$ (83)</u>	<u>\$ -</u>

Schedule D-10

<u>American Recovery and Reinvestment</u>	<u>Abandoned Manufactured Homes Grant</u>	<u>CDBG Grant Fund</u>	<u>Hazard Mitigation Plan Grant</u>	<u>Total</u>
\$ -	\$ -	\$ 398,894	\$ 6,585	\$ 553,053
-	-	398,894	6,585	553,053
-	-	-	-	39,617
-	-	391,894	6,585	484,022
-	-	391,894	6,585	523,639
-	-	7,000	-	29,414
-	-	(7,000)	-	(7,000)
-	-	(7,000)	-	(7,000)
-	-	-	-	22,414
31,952	2,500	-	-	12,078
<u>\$ 31,952</u>	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,492</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, 2014**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Homeland Security Grant	\$ 1,035,346	\$ 966,244	\$ 57,294	\$ 1,023,538	\$ (11,808)
Emergency Operations Planning Grant	29,950	29,000	-	29,000	(950)
Investment earnings	-	1,832	-	1,832	1,832
Total revenues	<u>1,065,296</u>	<u>997,076</u>	<u>57,294</u>	<u>1,054,370</u>	<u>(10,926)</u>
Expenditures:					
Public safety:					
Planning	29,950	29,000	-	29,000	950
Supplies	76,040	74,350	-	74,350	1,690
Training	48,968	16,777	33,111	49,888	(920)
Equipment	<u>910,338</u>	<u>894,503</u>	<u>6,506</u>	<u>901,009</u>	<u>9,329</u>
Total expenditures	<u>1,065,296</u>	<u>1,014,630</u>	<u>39,617</u>	<u>1,054,247</u>	<u>11,049</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (17,554)</u>	17,677	<u>\$ 123</u>	<u>\$ 123</u>
Fund Balance:					
Beginning of year - July 1			<u>(17,554)</u>		
End of year - June 30			<u>\$ 123</u>		

NASH COUNTY, NORTH CAROLINA

SINGLE FAMILY REHABILITATION
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Single Family Rehabilitation Grant 2008	\$ 370,210	\$ 370,210	\$ -	\$ 370,210	\$ -
Single Family Rehabilitation Grant 2011	<u>500,000</u>	<u>383,975</u>	<u>52,813</u>	<u>436,788</u>	<u>(63,212)</u>
Total revenues	<u>870,210</u>	<u>754,185</u>	<u>52,813</u>	<u>806,998</u>	<u>(63,212)</u>
Expenditures:					
Economic and physical development:					
Single Family Rehabilitation Grant 2008	370,210	370,292	-	370,292	(82)
Single Family Rehabilitation Grant 2011	<u>500,000</u>	<u>384,380</u>	<u>52,409</u>	<u>436,789</u>	<u>63,211</u>
Total expenditures	<u>870,210</u>	<u>754,672</u>	<u>52,409</u>	<u>807,081</u>	<u>63,129</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (487)</u>	404	<u>\$ (83)</u>	<u>\$ (83)</u>
Fund Balance:					
Beginning of year - July 1			<u>(487)</u>		
End of year - June 30			<u>\$ (83)</u>		

NASH COUNTY, NORTH CAROLINA

**URGENT REPAIR PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
Urgent Repair Grant 2010	\$ 53,000	\$ 53,000	\$ -	\$ 53,000	\$ -
Urgent Repair Grant 2012	75,000	37,500	37,467	74,967	(33)
Owner contributions	8,500	8,200	-	8,200	(300)
Program income	150	150	-	150	-
Investment earnings	-	31	-	31	31
Total revenues	<u>136,650</u>	<u>98,881</u>	<u>37,467</u>	<u>136,348</u>	<u>(302)</u>
Expenditures:					
Economic and physical development:					
Urgent Repair Grant 2010	61,150	61,364	-	61,364	(214)
Urgent Repair Grant 2012	<u>75,500</u>	<u>41,850</u>	<u>33,134</u>	<u>74,984</u>	<u>516</u>
Total expenditures	<u>136,650</u>	<u>103,214</u>	<u>33,134</u>	<u>136,348</u>	<u>302</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (4,333)</u>	4,333	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>(4,333)</u>		
End of year - June 30			<u>\$ -</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, 2014**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental:					
HCCBG Nutrition Grant	\$ 41,220	\$ 41,038	\$ -	\$ 41,038	\$ (182)
JAG Recovery Technology Grant	38,354	38,354	-	38,354	-
WII Program Grant	40,454	13,748	-	13,748	(26,706)
Methodist Home Re-Entry Program	122,000	93,841	-	93,841	(28,159)
Energy Efficiency Grant	132,963	132,962	-	132,962	(1)
H.Y.P.E. Program Grant	43,715	3,643	-	3,643	(40,072)
Vocational Job Grant	63,715	47,225	-	47,225	(16,490)
Pride S.A.A.T. Grant	76,140	76,139	-	76,139	(1)
Total revenues	<u>558,561</u>	<u>446,950</u>	<u>-</u>	<u>446,950</u>	<u>(111,611)</u>
Expenditures:					
Human services:					
Nutrition grant expenditures	43,857	41,038	-	41,038	2,819
WII Program Grant	40,454	13,748	-	13,748	26,706
Methodist Home Re-Entry Program	122,000	93,839	-	93,839	28,161
Energy Efficiency Grant	193,991	193,990	-	193,990	1
Public safety:					
JAG Technology Grant expenses	38,354	38,349	-	38,349	5
H.Y.P.E. Program Grant	43,715	3,643	-	3,643	40,072
Vocational Job Grant	63,715	47,225	-	47,225	16,490
Pride S.A.A.T. Grant	76,140	76,139	-	76,139	1
Total expenditures	<u>622,226</u>	<u>507,971</u>	<u>-</u>	<u>507,971</u>	<u>114,255</u>
Revenues over (under) expenditures	<u>(63,665)</u>	<u>(61,021)</u>	<u>-</u>	<u>(61,021)</u>	<u>2,644</u>
Other Financing Sources (Uses):					
Transfer from other funds	<u>63,665</u>	<u>92,973</u>	<u>-</u>	<u>92,973</u>	<u>29,308</u>
Total other financing sources (uses)	<u>63,665</u>	<u>92,973</u>	<u>-</u>	<u>92,973</u>	<u>29,308</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 31,952</u>	<u>-</u>	<u>\$ 31,952</u>	<u>\$ 31,952</u>
Fund Balance:					
Beginning of year - July 1			<u>31,952</u>		
End of year - June 30			<u>\$ 31,952</u>		

NASH COUNTY, NORTH CAROLINA

**ABANDONED MANUFACTURED HOMES GRANT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

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

NASH COUNTY, NORTH CAROLINA

CDBG GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Community Development Grants:					
Mamie Lane	\$ 780,000	\$ 664,965	\$ -	\$ 664,965	\$ (115,035)
Scattered Site Housing	400,000	234,253	165,747	400,000	-
Drake Community	650,000	438,662	211,338	650,000	-
Infrastructure hookup	75,000	35,545	17,701	53,246	(21,754)
Miscellaneous	10,000	3,000	4,108	7,108	(2,892)
Total revenues	<u>1,915,000</u>	<u>1,376,425</u>	<u>398,894</u>	<u>1,775,319</u>	<u>(139,681)</u>
Expenditures:					
Economic and physical development:					
Community Development Grants:					
Mamie Lane	788,000	588,521	79,445	667,966	120,034
Scattered Site Housing	400,000	250,019	149,981	400,000	-
Drake Community	650,000	509,759	147,348	657,107	(7,107)
Infrastructure hookup	<u>75,000</u>	<u>38,126</u>	<u>15,120</u>	<u>53,246</u>	<u>21,754</u>
Total expenditures	<u>1,913,000</u>	<u>1,386,425</u>	<u>391,894</u>	<u>1,778,319</u>	<u>134,681</u>
Revenues over (under) expenditures	<u>2,000</u>	<u>(10,000)</u>	<u>7,000</u>	<u>(3,000)</u>	<u>(5,000)</u>
Other Financing Sources (Uses):					
Transfer from other funds	5,000	10,000	-	10,000	5,000
Transfer to other funds	<u>(7,000)</u>	<u>-</u>	<u>(7,000)</u>	<u>(7,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,000)</u>	<u>10,000</u>	<u>(7,000)</u>	<u>3,000</u>	<u>5,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ -</u>		

NASH COUNTY, NORTH CAROLINA

**HAZARD MITIGATION PLAN
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Over/Under</u>
Revenues:					
Restricted intergovernmental:					
Hazard Mitigation Grant	\$ 70,000	\$ 2,122	\$ 6,585	\$ 8,707	\$ (61,293)
Total revenues	<u>70,000</u>	<u>2,122</u>	<u>6,585</u>	<u>8,707</u>	<u>(61,293)</u>
Expenditures:					
Economic and physical development:					
Hazard Mitigation Plan expenses	70,000	2,122	6,585	8,707	61,293
Total expenditures	<u>70,000</u>	<u>2,122</u>	<u>6,585</u>	<u>8,707</u>	<u>61,293</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:					
Beginning of year - July 1			-		
End of year - June 30			<u>\$ -</u>		

NONMAJOR CAPITAL PROJECT FUNDS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

NONMAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2014

	School Capital Project	Middlesex Industrial Park	Capital Reserve Fund	Nash Community College Road Project	Nashville EMS Station Capital Project	Courts/Sheriff Addition Capital Project	Total
Assets:							
Cash and cash equivalents	\$ 112,270	\$ 187,310	\$ 2,064,780	\$ -	\$ 400,000	\$ 1,000,000	\$ 3,764,360
Accounts receivable	-	-	-	800,000	-	-	800,000
Total assets	<u>\$ 112,270</u>	<u>\$ 187,310</u>	<u>\$ 2,064,780</u>	<u>\$ 800,000</u>	<u>\$ 400,000</u>	<u>\$ 1,000,000</u>	<u>\$ 4,564,360</u>
Liabilities:							
Due to other funds	\$ -	\$ -	\$ -	\$ 951,179	\$ -	\$ -	\$ 951,179
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>951,179</u>	<u>-</u>	<u>-</u>	<u>951,179</u>
Fund Balances:							
Restricted:							
Stabilization by State statute	-	-	-	800,000	-	-	800,000
Restricted, all other	112,270	-	-	-	-	-	112,270
Committed	-	187,310	2,064,780	-	-	-	2,252,090
Assigned	-	-	-	-	400,000	1,000,000	1,400,000
Unassigned	-	-	-	(951,179)	-	-	(951,179)
Total fund balances	<u>112,270</u>	<u>187,310</u>	<u>2,064,780</u>	<u>(151,179)</u>	<u>400,000</u>	<u>1,000,000</u>	<u>3,613,181</u>
Total liabilities and fund balances	<u>\$ 112,270</u>	<u>\$ 187,310</u>	<u>\$ 2,064,780</u>	<u>\$ 800,000</u>	<u>\$ 400,000</u>	<u>\$ 1,000,000</u>	<u>\$ 4,564,360</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, 2014**

	School Capital Project	Middlesex Industrial Park	Middlesex Elementary School	Capital Reserve Fund	Nash Community College Road Project	Nashville EMS Station Capital Project	Courts/Sheriff Addition Capital Project	Total
Revenues:								
Restricted intergovernmental - grants	\$ -	\$ -	\$ -	\$ -	\$ 640,746	\$ -	\$ -	\$ 640,746
Lottery funds	278,310	-	-	-	-	-	-	278,310
Investment earnings	-	-	-	933	-	-	-	933
Total revenues	<u>278,310</u>	<u>-</u>	<u>-</u>	<u>933</u>	<u>640,746</u>	<u>-</u>	<u>-</u>	<u>919,989</u>
Expenditures:								
Current:								
Education	278,310	-	8,915	-	791,925	-	-	1,079,150
Total expenditures	<u>278,310</u>	<u>-</u>	<u>8,915</u>	<u>-</u>	<u>791,925</u>	<u>-</u>	<u>-</u>	<u>1,079,150</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(8,915)</u>	<u>933</u>	<u>(151,179)</u>	<u>-</u>	<u>-</u>	<u>(159,161)</u>
Other Financing Sources (Uses):								
Transfers from other funds	-	-	-	-	-	400,000	1,000,000	1,400,000
Transfers to other funds	-	-	(179,187)	-	-	-	-	(179,187)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(179,187)</u>	<u>-</u>	<u>-</u>	<u>400,000</u>	<u>1,000,000</u>	<u>1,220,813</u>
Net change in fund balances	-	-	(188,102)	933	(151,179)	400,000	1,000,000	1,061,652
Fund Balances:								
Beginning of year - July 1	112,270	187,310	188,102	2,063,847	-	-	-	2,551,529
End of year - June 30	<u>\$ 112,270</u>	<u>\$ 187,310</u>	<u>\$ -</u>	<u>\$ 2,064,780</u>	<u>\$ (151,179)</u>	<u>\$ 400,000</u>	<u>\$ 1,000,000</u>	<u>\$ 3,613,181</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, 2014**

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Public School Building Capital Fund	\$ 3,899,060	\$ 3,859,767	\$ -	\$ 3,859,767	\$ (39,293)
Lottery funds	11,076,988	10,798,673	278,310	11,076,983	(5)
Investment earnings	215,845	215,849	-	215,849	4
Total revenues	<u>15,191,893</u>	<u>14,874,289</u>	<u>278,310</u>	<u>15,152,599</u>	<u>(39,294)</u>
Expenditures:					
Education:					
New high school	5,524,941	5,524,942	-	5,524,942	(1)
PSBCF	3,899,060	3,929,843	-	3,929,843	(30,783)
Lottery funds	11,076,988	10,728,597	278,310	11,006,907	70,081
School Capital Fund	<u>5,535,846</u>	<u>5,210,996</u>	<u>-</u>	<u>5,210,996</u>	<u>324,850</u>
Total expenditures	<u>26,036,835</u>	<u>25,394,378</u>	<u>278,310</u>	<u>25,672,688</u>	<u>364,147</u>
Revenues over (under) expenditures	<u>(10,844,942)</u>	<u>(10,520,089)</u>	<u>-</u>	<u>(10,520,089)</u>	<u>324,853</u>
Other Financing Sources (Uses):					
Transfers from other funds	250,000	142,535	-	142,535	(107,465)
Transfers to other funds	(215,846)	(215,846)	-	(215,846)	-
Proceeds from installment purchases issued	10,498,378	10,705,670	-	10,705,670	207,292
Appropriated fund balance	<u>312,410</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(312,410)</u>
Total other financing sources (uses)	<u>10,844,942</u>	<u>10,632,359</u>	<u>-</u>	<u>10,632,359</u>	<u>(212,583)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 112,270</u>	<u>-</u>	<u>\$ 112,270</u>	<u>\$ 112,270</u>
Fund Balance:					
Beginning of year - July 1			<u>112,270</u>		
End of year - June 30			<u>\$ 112,270</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, 2014**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
DOT	\$ 1,100,000	\$ 1,110,234	\$ -	\$ 1,110,234	\$ 10,234
Rural Hope Grant	32,000	32,000	-	32,000	-
Investment earnings	-	1,533	-	1,533	1,533
Total revenues	<u>1,132,000</u>	<u>1,143,767</u>	<u>-</u>	<u>1,143,767</u>	<u>11,767</u>
Expenditures:					
General government:					
Road project	<u>1,354,717</u>	<u>1,292,272</u>	<u>-</u>	<u>1,292,272</u>	<u>62,445</u>
Total expenditures	<u>1,354,717</u>	<u>1,292,272</u>	<u>-</u>	<u>1,292,272</u>	<u>62,445</u>
Revenues over (under) expenditures	<u>(222,717)</u>	<u>(148,505)</u>	<u>-</u>	<u>(148,505)</u>	<u>74,212</u>
Other Financing Sources (Uses):					
Proceeds from certificates of participation	10,235	-	-	-	(10,235)
Transfers from other funds	<u>212,482</u>	<u>335,815</u>	<u>-</u>	<u>335,815</u>	<u>123,333</u>
Total other financing sources (uses)	<u>222,717</u>	<u>335,815</u>	<u>-</u>	<u>335,815</u>	<u>113,098</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 187,310</u>	<u>-</u>	<u>\$ 187,310</u>	<u>\$ 187,310</u>
Fund Balance:					
Beginning of year - July 1			<u>187,310</u>		
End of year - June 30			<u>\$ 187,310</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, 2014

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings	\$ -	\$ 7,346	\$ -	\$ 7,346	\$ 7,346
Total revenues	-	7,346	-	7,346	7,346
Expenditures:					
Education:					
School construction	7,163,113	7,161,544	8,915	7,170,459	(7,346)
Total expenditures	7,163,113	7,161,544	8,915	7,170,459	(7,346)
Revenues over (under) expenditures	(7,163,113)	(7,154,198)	(8,915)	(7,163,113)	-
Other Financing Sources (Uses):					
Proceeds from debt issued	7,342,300	7,342,300	-	7,342,300	-
Transfers to other funds	(179,187)	-	(179,187)	(179,187)	-
Total other financing sources (uses)	7,163,113	7,342,300	(179,187)	7,163,113	-
Net change in fund balance	\$ -	\$ 188,102	(188,102)	\$ -	\$ -
Fund Balance:					
Beginning of year - July 1			188,102		
End of year - June 30			\$ -		

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, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	<u>2014</u>			<u>2013</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Investment earnings	\$ -	\$ 933	\$ 933	\$ 1,234
Total revenues	-	933	933	1,234
Net change in fund balance	\$ -	933	\$ 933	1,234
Fund Balance:				
Beginning of year - July 1		<u>2,063,847</u>		<u>2,062,613</u>
End of year - June 30		<u>\$ 2,064,780</u>		<u>\$ 2,063,847</u>

NASH COUNTY, NORTH CAROLINA

**NASH COMMUNITY COLLEGE ROAD PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	Project Authorization	Actual		Total to Date	Variance Over/Under
	Prior Years	Current Year			
Revenues:					
NCDOT Grant	\$ 800,000	\$ 159,254	\$ 640,746	\$ 800,000	\$ -
Total revenues	<u>800,000</u>	<u>159,254</u>	<u>640,746</u>	<u>800,000</u>	<u>-</u>
Expenditures:					
Education:					
Construction	1,012,528	159,254	791,925	951,179	61,349
Total expenditures	<u>1,012,528</u>	<u>159,254</u>	<u>791,925</u>	<u>951,179</u>	<u>61,349</u>
Revenues over (under) expenditures	<u>(212,528)</u>	<u>-</u>	<u>(151,179)</u>	<u>(151,179)</u>	<u>61,349</u>
Other Financing Sources (Uses):					
Transfers from other funds	212,528	-	-	-	(212,528)
Total other financing sources (uses)	<u>212,528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(212,528)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(151,179)</u>	<u>\$ (151,179)</u>	<u>\$ (151,179)</u>
Fund Balance:					
Beginning of year - July 1			<u>-</u>		
End of year - June 30			<u>\$ (151,179)</u>		

NASH COUNTY, NORTH CAROLINA

**NASHVILLE EMS STATION CAPITAL PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

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

NASH COUNTY, NORTH CAROLINA

**NASH COURTS/SHERIFF ADDITION CAPITAL PROJECT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

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

Nash County, North Carolina
Financial Statements and Schedules

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ENTERPRISE FUNDS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

UTILITIES FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2014
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014			2013
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating revenues:				
Charges for services	\$ 1,329,800	\$ 1,533,671	\$ 203,871	\$ 1,231,895
Solid waste charges	265,000	254,147	(10,853)	249,422
Scrap tire disposal tax	116,000	115,425	(575)	117,646
Miscellaneous	80,500	59,545	(20,955)	104,824
Rural household fees	1,672,416	1,705,602	33,186	1,669,803
Recycling fees	12,200	4,995	(7,205)	15,792
White Goods Grant	-	782	782	-
Total operating revenues	<u>3,475,916</u>	<u>3,674,167</u>	<u>198,251</u>	<u>3,389,382</u>
Non-operating revenues:				
Capital contribution	133,720	134,811	1,091	129,811
Interest on investments	6,550	3,521	(3,029)	5,048
Total non-operating revenues	<u>140,270</u>	<u>138,332</u>	<u>(1,938)</u>	<u>134,859</u>
Total revenues	<u>3,616,186</u>	<u>3,812,499</u>	<u>196,313</u>	<u>3,524,241</u>
Expenditures:				
Operating expenditures:				
Water operations:				
Salaries and employee benefits		456,631		412,609
Professional services		28,256		48,934
Operating expenses		614,423		485,194
Repairs and maintenance		3,843		5,368
Capital outlay		21,608		-
Total	<u>1,430,496</u>	<u>1,124,761</u>	<u>305,735</u>	<u>952,105</u>
Stormwater operations:				
Professional services		965		7,000
Salaries and benefits		63		-
Operating expenses		4,182		3,700
Total	<u>17,250</u>	<u>5,210</u>	<u>12,040</u>	<u>10,700</u>
Sewer operations:				
Salaries and employee benefits		25,168		29,956
Professional services		3,924		7,962
Operating expenses		219,830		212,554
Repairs and maintenance		-		5
Capital outlay		1,060		-
Total	<u>316,436</u>	<u>249,982</u>	<u>66,454</u>	<u>250,477</u>

NASH COUNTY, NORTH CAROLINA

UTILITIES FUND

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2014

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2014		Variance Over/Under	2013
	Budget	Actual		Actual
Solid waste disposal operations:				
Salaries and employee benefits		531,246		527,032
Professional services		123,738		205,900
Operating expenses		1,620,918		1,514,614
Repairs and maintenance		99,012		110,641
Capital outlay		90,583		70,631
Total	2,888,853	2,465,497	423,356	2,428,818
Total operating expenditures	4,653,035	3,845,450	807,585	3,642,100
Non-operating expenditures:				
Debt principal payment	305,500	305,500	-	305,500
Debt interest payment	89,392	89,388	4	101,426
Total non-operating expenditures	394,892	394,888	4	406,926
Total expenditures	5,047,927	4,240,338	807,589	4,049,026
Revenues over (under) expenditures	(1,431,741)	(427,839)	1,003,902	(524,785)
Other Financing Sources (Uses):				
Transfer from other funds	-	-	-	(28,000)
Transfer to other funds	(439,846)	(439,846)	-	-
Appropriated fund balance	1,871,587	-	(1,871,587)	-
Total other financing sources (uses)	1,431,741	(439,846)	(1,871,587)	(28,000)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (867,685)	\$ (867,685)	\$ (552,785)

Reconciliation from Budgetary Basis

(Modified Accrual) to Full Accrual Basis:

Revenues and other financing sources over
(under) expenditures and other financing uses

\$ (867,685)

Reconciling items:

Capital assets purchased

113,251

Depreciation

(402,947)

Accrued interest

(24,118)

Principal retirement

305,500

Change in accrued compensated absences

(2,638)

Grant revenues from capital projects

40,000

Non-capitalized capital project expense

(35,596)

Gain (loss) on disposal of capital asset

(691)

Change in landfill post-closure liability

322,617

Change in OPEB liability

(61,150)

Change in net position

\$ (613,457)

NASH COUNTY, NORTH CAROLINA

**HIGHWAY 58 EMERGENCY WATER LINE
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

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

NASH COUNTY, NORTH CAROLINA

RURAL CENTER GRANTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	Project Authorization	Actual		Total to Date	Variance Over/Under
		Prior Years	Current Year		
Revenues:					
Rural Center Grant	\$ 120,000	\$ 40,000	\$ 40,000	\$ 80,000	\$ (40,000)
Investment earnings	-	35	-	35	35
Total revenues	<u>120,000</u>	<u>40,035</u>	<u>40,000</u>	<u>80,035</u>	<u>(39,965)</u>
Expenditures:					
Feasibility study and drought plan	247,000	166,730	35,596	202,326	44,674
Total expenditures	<u>247,000</u>	<u>166,730</u>	<u>35,596</u>	<u>202,326</u>	<u>44,674</u>
Revenues over (under) expenditures	<u>(127,000)</u>	<u>(126,695)</u>	<u>4,404</u>	<u>(122,291)</u>	<u>4,709</u>
Other Financing Sources (Uses):					
Transfer from other funds	127,000	127,000	-	127,000	-
Total other financing sources (uses)	<u>127,000</u>	<u>127,000</u>	<u>-</u>	<u>127,000</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 305</u>	<u>\$ 4,404</u>	<u>\$ 4,709</u>	<u>\$ 4,709</u>

NASH COUNTY, NORTH CAROLINA

**CASTALIA WATER SYSTEM PROJECT
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL (NON-GAAP)
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues:					
Contributions	\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ -
CDBG	750,000	750,000	-	750,000	-
NC Rural Center Grant	500,000	488,833	-	488,833	(11,167)
Total revenues	<u>1,270,000</u>	<u>1,258,833</u>	<u>-</u>	<u>1,258,833</u>	<u>(11,167)</u>
Expenditures:					
Operating expenditures	<u>1,293,768</u>	<u>1,246,161</u>	<u>36,440</u>	<u>1,282,601</u>	<u>11,167</u>
Total expenditures	<u>1,293,768</u>	<u>1,246,161</u>	<u>36,440</u>	<u>1,282,601</u>	<u>11,167</u>
Revenues over (under) expenditures	<u>(23,768)</u>	<u>12,672</u>	<u>(36,440)</u>	<u>(23,768)</u>	<u>-</u>
Other Financing Sources (Uses):					
Transfer from Utilities Fund	<u>23,768</u>	<u>23,768</u>	<u>-</u>	<u>23,768</u>	<u>-</u>
Total other financing sources (uses)	<u>23,768</u>	<u>23,768</u>	<u>-</u>	<u>23,768</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 36,440</u>	<u>\$ (36,440)</u>	<u>\$ -</u>	<u>\$ -</u>

NASH COUNTY, NORTH CAROLINA

CENTRAL NASH WATER AND SEWER DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2014

	Project Authorization	Actual			Variance Over/Under
		Prior Years	Current Year	Total to Date	
Revenues:					
Operating revenues:					
Tap fees	\$ 198,200	\$ 108,700	\$ -	\$ 108,700	\$ (89,500)
Miscellaneous collections	35,250	35,250	9,877	45,127	9,877
Total operating revenues	<u>233,450</u>	<u>143,950</u>	<u>9,877</u>	<u>153,827</u>	<u>(79,623)</u>
Non-operating revenues:					
Capital contribution	5,958,951	3,014,025	944,929	3,958,954	(1,999,997)
Interest on investments	-	74,923	3	74,926	74,926
Total non-operating revenues	<u>5,958,951</u>	<u>3,088,948</u>	<u>944,932</u>	<u>4,033,880</u>	<u>(1,925,071)</u>
Total revenues	<u>6,192,401</u>	<u>3,232,898</u>	<u>954,809</u>	<u>4,187,707</u>	<u>(2,004,694)</u>
Expenditures:					
Operating expenditures:					
Water project startup:					
Administration	11,700	7,500	-	7,500	4,200
Engineering and construction	46,512	41,465	100	41,565	4,947
Total	<u>58,212</u>	<u>48,965</u>	<u>100</u>	<u>49,065</u>	<u>9,147</u>
Highway 97 project:					
Administration	16,250	16,250	-	16,250	-
Engineering and construction	901,651	887,630	-	887,630	14,021
Total	<u>917,901</u>	<u>903,880</u>	<u>-</u>	<u>903,880</u>	<u>14,021</u>
Capital items:					
Phase I	3,485,149	3,465,523	-	3,465,523	19,626
Phase II	3,275,690	3,238,461	-	3,238,461	37,229
Phase III	4,369,500	3,677,772	15,461	3,693,233	676,267
Phase IV	6,802,475	5,332,333	1,126,063	6,458,396	344,079
Total	<u>17,932,814</u>	<u>15,714,089</u>	<u>1,141,524</u>	<u>16,855,613</u>	<u>1,077,201</u>
Total operating expenditures	<u>18,908,927</u>	<u>16,666,934</u>	<u>1,141,624</u>	<u>17,808,558</u>	<u>1,100,369</u>
Non-operating expenditures:					
Debt principal payment	5,058,000	63,000	4,874,000	4,937,000	121,000
Debt interest payment	1,570,775	1,117,494	347,735	1,465,229	105,546
Total non-operating expenditures	<u>6,628,775</u>	<u>1,180,494</u>	<u>5,221,735</u>	<u>6,402,229</u>	<u>226,546</u>
Total expenditures	<u>25,537,702</u>	<u>17,847,428</u>	<u>6,363,359</u>	<u>24,210,787</u>	<u>1,326,915</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, 2014

	<u>Project Authorization</u>	<u>Actual</u>			<u>Variance Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
Revenues over (under) expenditures	<u>(19,345,301)</u>	<u>(14,614,530)</u>	<u>(5,408,550)</u>	<u>(20,023,080)</u>	<u>(677,779)</u>
Other Financing Sources (Uses):					
Transfer from other funds	1,770,301	1,343,085	439,846	1,782,931	12,630
Debt issued	<u>17,575,000</u>	<u>12,809,000</u>	<u>4,766,000</u>	<u>17,575,000</u>	-
Total other financing sources (uses)	<u>19,345,301</u>	<u>14,152,085</u>	<u>5,205,846</u>	<u>19,357,931</u>	<u>12,630</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (462,445)</u>	<u>\$ (202,704)</u>	<u>\$ (665,149)</u>	<u>\$ (665,149)</u>
Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual Basis:					
Revenues and other financing sources over (under) expenditures and other financing uses			\$ (202,704)		
Reconciling items:					
Capital assets purchased			1,197,480		
Accrued interest			(31,843)		
Principal payment			4,874,000		
Debt issued			<u>(4,766,000)</u>		
Change in net position			<u>\$ 1,070,933</u>		

Nash County, North Carolina
Financial Statements and Schedules

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INTERNAL SERVICE FUNDS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2014

	<u>Employee Healthcare Benefits</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
Assets:			
Current assets:			
Cash and investments	\$ 1,745,650	\$ 1,358,422	\$ 3,104,072
Accounts receivable, net	1,426	-	1,426
Total assets	<u>1,747,076</u>	<u>1,358,422</u>	<u>3,105,498</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	<u>525,375</u>	<u>264,904</u>	<u>790,279</u>
Total liabilities	<u>525,375</u>	<u>264,904</u>	<u>790,279</u>
Net Position:			
Unrestricted	<u>\$ 1,221,701</u>	<u>\$ 1,093,518</u>	<u>\$ 2,315,219</u>

NASH COUNTY, NORTH CAROLINA

**INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2014**

	Employee Healthcare Benefits	Workers' Compensation Fund	Total
Operating Revenues:			
Contributions from employer	\$ 5,712,852	\$ 466,723	\$ 6,179,575
Total revenues	<u>5,712,852</u>	<u>466,723</u>	<u>6,179,575</u>
Operating Expenditures:			
Claims costs	4,960,604	623,937	5,584,541
Wellness Program costs	281,797	-	281,797
Total expenditures	<u>5,242,401</u>	<u>623,937</u>	<u>5,866,338</u>
Operating income (loss)	470,451	(157,214)	313,237
Non-Operating Revenues:			
Investment earnings	<u>786</u>	<u>564</u>	<u>1,350</u>
Change in net position	471,237	(156,650)	314,587
Net Position:			
Beginning of year - July 1	<u>750,464</u>	<u>1,250,168</u>	<u>2,000,632</u>
End of year - June 30	<u>\$ 1,221,701</u>	<u>\$ 1,093,518</u>	<u>\$ 2,315,219</u>

NASH COUNTY, NORTH CAROLINA

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Employee Healthcare Benefits</u>	<u>Workers' Compensation Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash received from customers	\$ 5,810,168	\$ 466,723	\$ 6,276,891
Cash paid for goods and services	<u>(5,291,234)</u>	<u>(545,299)</u>	<u>(5,836,533)</u>
Net cash provided (used) by operating activities	<u>518,934</u>	<u>(78,576)</u>	<u>440,358</u>
Cash Flows from Investing Activities:			
Investment earnings	<u>786</u>	<u>564</u>	<u>1,350</u>
Net increase (decrease) in cash and cash equivalents	519,720	(78,012)	441,708
Cash and cash equivalents - July 1	<u>1,225,930</u>	<u>1,436,434</u>	<u>2,662,364</u>
Cash and cash equivalents - June 30	<u>\$ 1,745,650</u>	<u>\$ 1,358,422</u>	<u>\$ 3,104,072</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 470,451	\$ (157,214)	\$ 313,237
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	97,316	-	97,316
Increase (decrease) in accounts payable and accrued liabilities	<u>(48,833)</u>	<u>78,638</u>	<u>29,805</u>
Net cash provided (used) by operating activities	<u>\$ 518,934</u>	<u>\$ (78,576)</u>	<u>\$ 440,358</u>

NASH COUNTY, NORTH CAROLINA

**EMPLOYEE HEALTH CARE BENEFITS
SCHEDULE OF REVENUES AND EXPENDITURES -
FINANCIAL PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Contributions from employer	\$ 5,707,000	\$ 5,712,852	\$ 5,852
Total operating revenues	<u>5,707,000</u>	<u>5,712,852</u>	<u>5,852</u>
Operating Expenditures:			
Claims costs	5,410,000	4,960,604	449,396
Wellness Program costs	<u>297,000</u>	<u>281,797</u>	<u>15,203</u>
Total operating expenditures	<u>5,707,000</u>	<u>5,242,401</u>	<u>464,599</u>
Operating income (loss)	-	470,451	470,451
Non-Operating Revenues:			
Investment earnings	<u>-</u>	<u>786</u>	<u>786</u>
Change in net position	<u>\$ -</u>	<u>\$ 471,237</u>	<u>\$ 471,237</u>

NASH COUNTY, NORTH CAROLINA

**WORKERS' COMPENSATION BENEFITS
SCHEDULE OF REVENUES AND EXPENDITURES -
FINANCIAL PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Financial Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Contributions from employer	\$ 510,000	\$ 466,723	\$ (43,277)
Operating Expenditures:			
Workers' compensation claims	728,338	623,937	104,401
Operating income (loss)	(218,338)	(157,214)	61,124
Non-Operating Revenues:			
Investment earnings	-	564	564
Other Financing Sources (Uses):			
Appropriated fund balance	218,338	-	(218,338)
Total other financing sources (uses)	218,338	-	(218,338)
Change in net position	<u>\$ -</u>	<u>\$ (156,650)</u>	<u>\$ (156,650)</u>

Nash County, North Carolina
Financial Statements and Schedules

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AGENCY FUNDS

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
Social Services Trust Fund:				
Assets:				
Cash and cash equivalents	\$ 35,900	\$ 308,646	\$ 323,132	\$ 21,414
Liabilities:				
Accounts payable	\$ 35,900	\$ 308,646	\$ 323,132	\$ 21,414
Jail Inmate Fund:				
Assets:				
Cash and cash equivalents	\$ 25,953	\$ 219,614	\$ 215,213	\$ 30,354
Liabilities:				
Accounts payable	\$ 25,953	\$ 219,614	\$ 215,213	\$ 30,354
Fines and Forfeitures:				
Assets:				
Cash and cash equivalents	\$ -	\$ 498,968	\$ 498,968	\$ -
Liabilities:				
Intergovernmental payable	\$ -	\$ 498,968	\$ 498,968	\$ -
Tax Collections Held for Municipalities:				
Assets:				
Cash and cash equivalents	\$ 161,543	\$ 3,522,719	\$ 3,634,355	\$ 49,907
Receivables	-	2,206,760	2,032,999	173,761
Total assets	\$ 161,543	\$ 5,729,479	\$ 5,667,354	\$ 223,668
Liabilities:				
Accounts payable				
Intergovernmental payable	\$ 161,543	\$ 5,729,479	\$ 5,667,354	\$ 223,668
Rental Vehicle Taxes:				
Assets:				
Cash and cash equivalents	\$ -	\$ 67,073	\$ 67,073	\$ -
Liabilities:				
Accounts payable	\$ -	\$ 67,073	\$ 67,073	\$ -
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 223,396	\$ 4,617,020	\$ 4,738,741	\$ 101,675
Receivables	-	2,206,760	2,032,999	173,761
Total assets	\$ 223,396	\$ 6,823,780	\$ 6,771,740	\$ 275,436
Liabilities:				
Accounts payable	\$ 61,853	\$ 595,333	\$ 605,418	\$ 51,768
Intergovernmental payable	161,543	6,228,447	6,166,322	223,668
Total liabilities	\$ 223,396	\$ 6,823,780	\$ 6,771,740	\$ 275,436

Nash County, North Carolina
Financial Statements and Schedules

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SUPPLEMENTAL FINANCIAL DATA

Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2014

<u>Fiscal Year</u>	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Balance June 30, 2014</u>
2013-2014	\$ -	\$ 48,579,724	\$ 47,477,353	\$ 1,102,371
2012-2013	2,112,704	45,615	1,251,884	906,435
2011-2012	858,346	3,965	229,993	632,318
2010-2011	566,520	1,748	100,904	467,364
2009-2010	415,986	1,891	62,320	355,557
2008-2009	377,583	515	25,694	352,404
2007-2008	359,008	50	15,458	343,600
2006-2007	351,238	338	11,374	340,202
2005-2006	237,986	353	6,585	231,754
2004-2005	218,027	291	3,080	215,238
2003-2004	207,856	-	207,856	-
Total	<u>\$ 5,705,254</u>	<u>\$ 48,634,490</u>	<u>\$ 49,392,501</u>	4,947,243
Less: Allowance for uncollectible accounts				
General Fund				<u>(1,638,580)</u>
Ad valorem taxes receivable, net				
General Fund				<u>\$ 3,308,663</u>
Reconciliation with Revenues:				
Ad valorem taxes - General Fund				\$ 49,841,529
Reconciling items:				
Amount written off per statute				207,856
Interest and lien advertising collected				(602,042)
Miscellaneous				<u>(54,842)</u>
Total collections and credits				<u>\$ 49,392,501</u>

NASH COUNTY NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
FOR THE YEAR ENDED JUNE 30, 2014

	County-Wide			Property Excluding Registered	Registered
	Property Valuation	Rate	Total Levy	Motor Vehicles	Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 6,293,869,598	\$ 0.67	\$ 42,168,926	\$ 42,168,926	\$ -
Motor vehicles	964,286,260	0.67	6,460,718	-	6,460,718
Penalties	-		52,126	52,126	-
Lien ad	-		3,580	3,580	-
Dogs	-		16,718	16,718	-
Total	<u>7,258,155,858</u>		<u>48,702,068</u>	<u>42,241,350</u>	<u>6,460,718</u>
Discoveries:					
Current year taxes	4,038,204	0.67	27,066	26,756	309
Total	<u>4,038,204</u>		<u>27,066</u>	<u>26,756</u>	<u>309</u>
Abatements	<u>(21,324,650)</u>	0.67	<u>(149,410)</u>	<u>(92,838)</u>	<u>(56,572)</u>
Total property valuation	<u>\$ 7,240,869,412</u>				
Net Levy			48,579,724	42,175,268	6,404,455
Uncollected taxes, June 30, 2014			<u>1,102,371</u>	<u>835,858</u>	<u>266,513</u>
Current Year's Taxes Collected			<u>\$ 47,477,353</u>	<u>\$ 41,339,410</u>	<u>\$ 6,137,942</u>
Current Levy Collection Percentage			<u>97.73%</u>	<u>98.02%</u>	<u>95.84%</u>
Prior Year Collection Percentage			<u>95.51%</u>	<u>97.06%</u>	<u>81.95%</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
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	138
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property taxes.	143
Debt Capacity 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.	148
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	153
Operating Information 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.	155

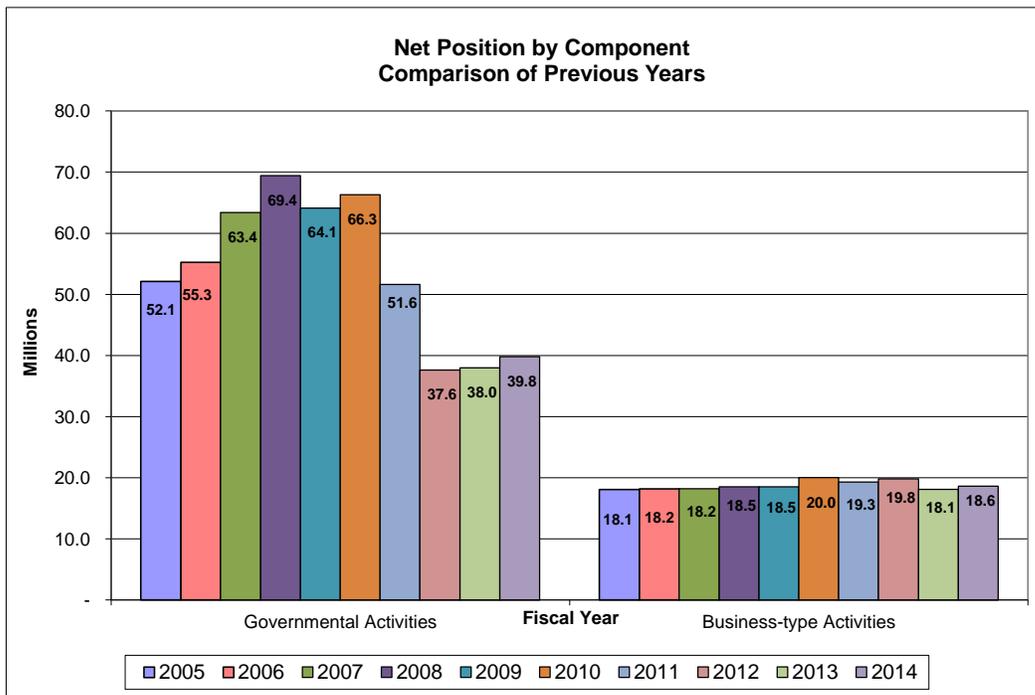
Nash County, North Carolina
Financial Statements and Schedules

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NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 33,256	\$ 40,398	\$ 42,226	\$ 43,816	\$ 36,778	\$ 38,100	\$ 26,720	\$ 10,065	\$ 8,212	\$ 6,576
Restricted	13,086	736	606	551	647	705	6,698	11,161	8,199	11,478
Unrestricted	5,793	14,118	20,535	25,081	26,646	27,497	18,170	16,346	21,635	21,345
Total governmental activities net position	\$ 52,135	\$ 55,252	\$ 63,367	\$ 69,448	\$ 64,071	\$ 66,302	\$ 51,588	\$ 37,572	\$ 38,046	\$ 39,399
Business-type activities										
Net investment in capital assets	\$ 9,482	\$ 9,736	\$ 8,547	\$ 11,028	\$ 12,052	\$ 15,355	\$ 16,852	\$ 14,599	\$ 15,616	\$ 16,973
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	8,569	8,434	9,629	7,464	6,469	4,663	2,483	5,241	2,488	1,588
Total business-type activities net position	\$ 18,051	\$ 18,170	\$ 18,176	\$ 18,492	\$ 18,521	\$ 20,018	\$ 19,335	\$ 19,840	\$ 18,104	\$ 18,561
Primary government										
Net investment in capital assets	\$ 42,738	\$ 50,134	\$ 50,774	\$ 54,844	\$ 48,830	\$ 53,455	\$ 43,572	\$ 24,664	\$ 23,828	\$ 23,549
Restricted	13,086	736	606	551	647	705	6,698	11,161	8,199	11,478
Unrestricted	14,362	22,552	30,164	32,545	33,115	32,160	20,653	21,587	24,123	22,933
Total primary government net position	\$ 70,186	\$ 73,422	\$ 81,544	\$ 87,940	\$ 82,592	\$ 86,320	\$ 70,923	\$ 57,412	\$ 56,150	\$ 57,960



NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	\$ 8,038	\$ 6,593	\$ 7,668	\$ 7,285	\$ 18,240	\$ 9,249	\$ 10,626	\$ 10,641	\$ 9,106	\$ 9,411
Public safety	14,486	15,833	17,756	19,569	21,374	22,426	22,185	23,518	24,181	24,142
Transportation	149	200	248	250	356	411	408	409	338	322
Economic and physical development	720	4,560	2,717	2,928	2,889	2,936	3,513	2,825	3,849	3,265
Human services	27,593	28,290	29,691	29,653	28,933	27,004	25,781	26,593	26,211	26,866
Cultural	980	1,077	1,235	1,456	1,669	1,583	1,704	1,614	1,602	1,682
Education	24,220	22,391	21,662	22,393	23,720	26,042	51,507	38,579	25,383	26,031
Interest on long-term debt	1,079	1,025	1,092	1,000	829	708	2,012	1,904	1,858	2,424
Total governmental activities expenses	<u>77,265</u>	<u>79,969</u>	<u>82,069</u>	<u>84,534</u>	<u>98,010</u>	<u>90,359</u>	<u>117,736</u>	<u>106,083</u>	<u>92,528</u>	<u>94,143</u>
Business-type activities:										
Water and sewer	1,054	992	1,217	1,437	1,538	1,988	2,179	1,965	2,099	2,292
Solid waste disposal	889	1,003	1,013	2,330	2,944	2,336	3,023	2,368	3,944	2,058
Convenience centers	1,305	1,335	1,350	-	-	-	-	-	-	-
Total business-type activities	<u>3,248</u>	<u>3,330</u>	<u>3,580</u>	<u>3,767</u>	<u>4,482</u>	<u>4,324</u>	<u>5,202</u>	<u>4,333</u>	<u>6,043</u>	<u>4,350</u>
Total primary governmental expenses	<u>80,513</u>	<u>83,299</u>	<u>85,649</u>	<u>88,301</u>	<u>102,492</u>	<u>94,683</u>	<u>122,938</u>	<u>110,416</u>	<u>98,571</u>	<u>98,493</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 985	\$ 1,279	\$ 1,359	\$ 2,755	\$ 1,916	\$ 3,097	\$ 3,116	\$ 2,445	\$ 3,782	\$ 2,832
Public safety	2,263	1,727	2,560	4,164	4,368	4,525	4,009	3,575	3,798	3,382
Economic & physical development	246	464	527	-	15	-	-	-	-	-
Human services	589	250	153	602	541	570	614	1,511	1,048	720
Operating grants and contributions	18,348	19,465	23,024	18,660	21,432	22,778	34,239	22,819	22,406	24,480
Capital grants and contributions	4,339	3,056	285	815	5,607	856	1,236	114	65	57
Total governmental activities program revenues	<u>26,770</u>	<u>26,241</u>	<u>27,908</u>	<u>26,996</u>	<u>33,879</u>	<u>31,826</u>	<u>43,214</u>	<u>30,464</u>	<u>31,099</u>	<u>31,471</u>
Business-type activities:										
Charges for services:										
Water and sewer	367	431	499	696	899	1,097	1,205	1,167	1,232	1,534
Solid waste disposal	593	598	520	2,142	2,218	2,056	2,046	3,267	2,157	2,150
Convenience centers	1,347	1,665	1,634	-	-	-	-	-	-	-
Operating grants and contributions	224	126	162	-	-	-	-	-	-	-
Capital grants and contributions	46	-	-	543	1,127	2,587	1,239	379	889	1,120
Total business-type activities program revenues	<u>2,577</u>	<u>2,820</u>	<u>2,815</u>	<u>3,381</u>	<u>4,244</u>	<u>5,740</u>	<u>4,490</u>	<u>4,813</u>	<u>4,278</u>	<u>4,804</u>
Total primary governmental program revenues	<u>\$ 29,347</u>	<u>\$ 29,061</u>	<u>\$ 30,723</u>	<u>\$ 30,377</u>	<u>\$ 38,123</u>	<u>\$ 37,566</u>	<u>\$ 47,704</u>	<u>\$ 35,277</u>	<u>\$ 35,377</u>	<u>\$ 36,275</u>
Net (expense)/revenue										
Governmental activities	(\$50,495)	(\$53,728)	(54,161)	(57,538)	(\$64,132)	(\$58,533)	(\$74,522)	(\$75,619)	(\$61,429)	(\$62,672)
Business-type activities	(672)	(510)	(765)	(386)	(237)	1,416	(712)	480	(1,764)	454
Total primary governmental net expense	<u>\$ (51,167)</u>	<u>\$ (54,238)</u>	<u>\$ (54,926)</u>	<u>\$ (57,924)</u>	<u>\$ (64,369)</u>	<u>\$ (57,117)</u>	<u>\$ (75,234)</u>	<u>\$ (75,139)</u>	<u>\$ (63,193)</u>	<u>\$ (62,218)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 38,118	\$ 38,858	\$ 42,661	\$ 44,151	\$ 43,224	\$ 48,476	\$ 48,436	\$ 49,155	\$ 49,874	\$ 51,846
Sales taxes	14,660	15,758	17,039	17,553	14,353	11,758	10,810	12,071	11,619	11,747
Excise taxes	364	386	371	319	202	182	142	144	186	203
Other taxes	262	67	69	74	67	68	72	77	80	82
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Investment earnings	817	1,439	1,908	1,522	910	280	348	156	143	147
Miscellaneous	174	337	228	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>54,395</u>	<u>56,845</u>	<u>62,276</u>	<u>63,619</u>	<u>58,756</u>	<u>60,764</u>	<u>59,808</u>	<u>61,603</u>	<u>61,902</u>	<u>64,025</u>
Business-type activities:										
Other taxes & licenses	-	-	-	-	-	-	-	-	-	-
Investment earnings	314	629	771	702	266	81	29	25	29	3
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>314</u>	<u>629</u>	<u>771</u>	<u>702</u>	<u>266</u>	<u>81</u>	<u>29</u>	<u>25</u>	<u>29</u>	<u>3</u>
Total primary government	<u>\$ 54,709</u>	<u>\$ 57,474</u>	<u>\$ 63,047</u>	<u>\$ 64,321</u>	<u>\$ 59,022</u>	<u>\$ 60,845</u>	<u>\$ 59,837</u>	<u>\$ 61,628</u>	<u>\$ 61,931</u>	<u>\$ 64,028</u>
Change in Net Position										
Governmental activities	\$ 3,900	\$ 3,117	\$ 8,115	\$ 6,081	\$ (5,376)	\$ 2,231	(\$14,714)	\$(14,016)	\$ 474	\$ 1,353
Business-type activities	(357)	119	6	316	28	1,497	(683)	505	(1,736)	457
Total primary government	<u>\$ 3,543</u>	<u>\$ 3,236</u>	<u>\$ 8,121</u>	<u>\$ 6,397</u>	<u>\$ (5,348)</u>	<u>\$ 3,728</u>	<u>\$(15,397)</u>	<u>\$(13,511)</u>	<u>\$ (1,262)</u>	<u>\$ 1,810</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>
2005	\$38,118	\$14,659	\$364	\$48	\$21	\$53,210
2006	38,858	15,758	386	48	19	55,069
2007	42,661	17,040	371	54	14	60,140
2008	44,151	17,552	319	55	19	62,096
2009	43,224	14,353	202	50	17	57,846
2010	48,476	11,758	182	54	14	60,484
2011	48,435	10,810	142	56	16	59,459
2012	49,155	12,071	144	63	14	61,447
2013	49,874	11,619	186	65	14	61,758
2014	51,846	11,746	203	69	14	63,878

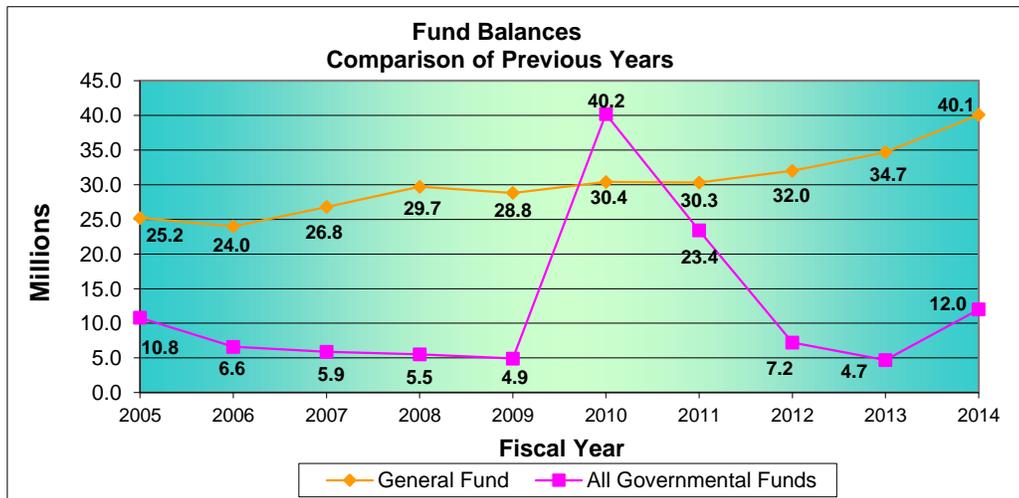
NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$7,534	\$5,542	\$6,277	\$7,365	\$7,564	\$7,242	-	-	-	-
Unreserved	17,705	18,468	20,528	22,367	21,264	23,169	-	-	-	-
Non Spendable	-	-	-	-	-	-	15	17	19	22
Restricted	-	-	-	-	-	-	5,543	6,524	6,980	11,032 ²
Committed	-	-	-	-	-	-	239	279	319	513
Assigned	-	-	-	-	-	-	3,323	2,199	4,476	7,061 ²
Unassigned	-	-	-	-	-	-	21,155	22,937	22,936	21,447
Total General Fund	<u>\$25,239</u>	<u>\$24,010</u>	<u>\$26,805</u>	<u>\$29,732</u>	<u>\$28,828</u>	<u>\$30,411</u>	<u>\$30,275</u>	<u>\$31,956</u>	<u>\$34,730</u>	<u>\$40,075</u>
All other governmental funds										
Reserved	\$397	\$230	\$425	\$235	\$35	\$36,349 ¹	-	-	-	-
Unreserved, reported in:										
Special revenue funds	3,629	3,665	4,102	3,919	3,690	3,492	-	-	-	-
Capital projects funds	6,755	2,696	1,351	1,361	1,225	347	-	-	-	-
Non Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	4,156	1,583	1,399	1,812
Committed	-	-	-	-	-	-	2,539	2,417	2,286	2,287
Assigned	-	-	-	-	-	-	228	214	243	1,600
Unassigned	-	-	-	-	-	-	(505)	(76)	(408)	(951)
Restricted in Capital Project	-	-	-	-	-	-	18,991	3,054	1,213	-
Committed in Capital Project	-	-	-	-	-	-	-	-	-	-
Unassigned in Capital Project	-	-	-	-	-	-	(1,970)	-	-	-
Restricted in Bond Fund	-	-	-	-	-	-	-	-	-	6,855 ²
Committed in Bond Project	-	-	-	-	-	-	-	-	-	385
Total all other governmental funds	<u>\$10,781</u>	<u>\$6,591</u>	<u>\$5,878</u>	<u>\$5,515</u>	<u>\$4,950</u>	<u>\$40,188</u>	<u>\$23,439</u>	<u>\$7,192</u>	<u>\$4,733</u>	<u>\$11,988</u>

¹ 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.

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



NASH COUNTY, NORTH CAROLINA

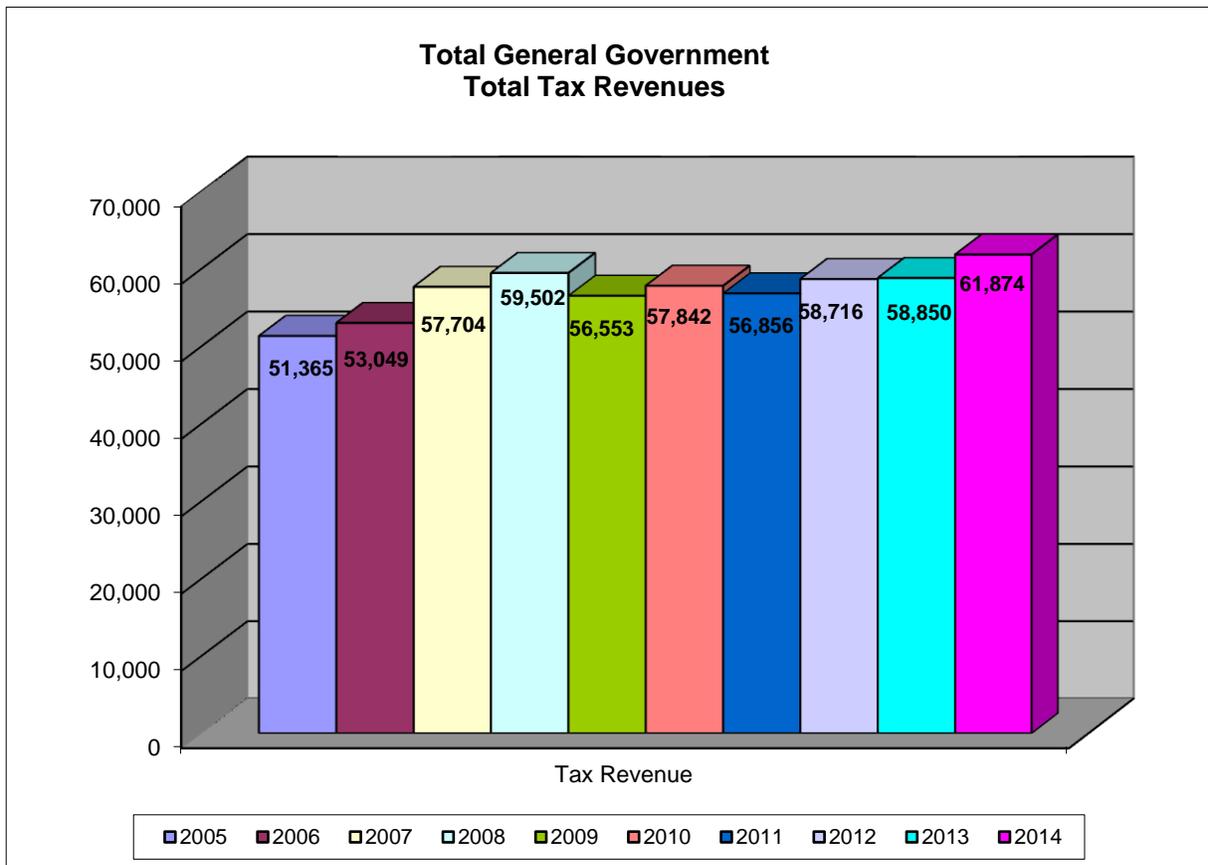
**Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Ad valorem taxes	\$37,920	\$38,670	\$42,232	\$43,739	\$44,119	\$48,278	\$48,301	\$48,978	\$49,612	\$52,673
Other taxes and licenses	15,093	16,212	17,479	17,945	14,622	12,008	11,024	12,292	11,884	12,032
Intergovernmental	22,825	21,691	18,945	19,665	22,296	23,054	34,015	22,981	21,928	22,716
Permits and fees	1,059	1,295	1,364	1,310	1,000	920	917	983	1,151	1,010
Sales and services	2,320	2,419	3,160	4,207	4,468	5,139	4,531	4,186	4,374	3,872
Investment earnings	816	1,439	1,806	1,357	872	274	291	154	142	146
Miscellaneous	934	1,172	4,648	1,814	1,034	2,555	3,584	2,147	3,457	3,688
Total revenues	80,967	82,898	89,634	90,037	88,411	92,228	102,663	91,721	92,548	96,137
Expenditures										
General government	7,291	10,798	7,672	7,871	8,244	8,826	10,472	10,039	8,446	8,616
Public safety	14,435	16,715	17,825	19,335	21,122	21,825	22,368	23,639	23,222	23,161
Transportation	149	165	213	231	327	397	381	343	301	315
Economic and physical development	2,129	4,505	2,726	3,823	3,345	5,233	3,706	2,654	3,652	3,085
Human services	27,827	28,185	29,688	29,545	28,097	26,231	25,683	25,626	25,483	25,999
Cultural and recreation	980	1,077	1,195	1,351	1,497	1,562	1,675	1,581	1,543	1,655
Education	28,582	25,227	22,004	22,327	23,654	25,976	51,431	38,513	25,316	25,964
Revaluation	-	-	41	104	146	-	-	-	-	-
Debt Service:										
Principal	2,381	2,413	2,707	2,641	2,619	2,580	2,800	3,132	2,876	3,388
Interest	1,079	1,025	1,092	1,000	829	708	2,012	1,905	1,858	1,980
Total expenditures	84,853	90,110	85,163	88,228	89,880	93,338	120,528	107,432	92,697	94,163
Excess of revenues over (under) expenditures	(\$3,886)	(\$7,212)	\$4,471	\$1,809	(\$1,469)	(\$1,110)	(\$17,865)	(\$15,711)	(\$149)	\$1,974
Other financing sources (uses)										
Transfers in	1,605	50	50	1,235	386	505	730	27	354	2,780
Transfers out	(1,605)	(50)	(2,439)	(1,381)	(386)	(505)	(730)	(27)	(354)	(2,780)
Proceeds from installment purchases	-	-	-	-	-	-	-	-	-	-
Bonds issued	-	-	-	-	-	36,937	-	-	-	9,310
Bond premium	-	-	-	-	-	994	-	-	-	380
Long-term debt issued	388	1,793	-	-	-	-	-	-	-	577
Sale of capital assets	543	-	-	901	-	-	-	70	-	-
Capital lease obligations issued	-	-	-	-	-	-	979	1,075	465	359
Total other financing sources (uses)	931	1,793	(2,389)	755	-	37,931	979	1,145	465	10,626
Net change in fund balances	(\$2,955)	(\$5,419)	\$2,082	\$2,564	(\$1,469)	\$36,821	(\$16,886)	(\$14,566)	\$316	\$12,600
Debt service as a percentage of noncapital expenditures	4.46%	4.28%	4.63%	4.28%	3.84%	3.52%	4.16%	4.90%	5.22%	5.79%

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>
2005	\$36,272	\$0	\$14,660	\$364	\$48	\$21	\$51,365
2006	36,838	-	15,758	386	48	19	53,049
2007	40,225	-	17,040	371	54	14	57,704
2008	41,557	-	17,552	319	55	19	59,502
2009	41,931	-	14,353	202	50	17	56,553
2010	45,834	-	11,758	182	54	14	57,842
2011	45,832	-	10,810	142	56	16	56,856
2012	46,424	-	12,071	144	63	14	58,716
2013	46,965	-	11,619	186	65	15	58,850
2014	49,842	-	11,746	203	69	14	61,874



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					
2005	\$2,962,736	\$1,799,040	\$682,382	\$833,850	(\$849,047)	\$5,428,961	0.66	\$5,843,375	92.91%
2006	2,969,201	1,956,460	707,566	882,221	(853,556)	5,661,892	0.66	6,060,838	93.42%
2007	3,005,337	1,978,664	728,015	900,598	(840,561)	5,772,053	0.70	6,337,039	91.08%
2008	3,058,683	2,039,122	768,476	996,483	(842,337)	6,020,427	0.70	6,905,655	87.18%
2009	3,132,659	2,033,235	764,185	950,943	(855,723)	6,025,299	0.70	6,924,835	87.01%
2010	3,752,284	2,510,928	679,641	958,630	(1,000,154)	6,901,329	0.67	7,097,942	97.23%
2011	3,769,534	2,539,620	643,305	960,321	(1,019,267)	6,893,513	0.67	7,125,815	96.74%
2012	3,792,117	2,638,493	682,422	956,318	(1,111,614)	6,957,736	0.67	7,001,848	99.37%
2013	3,803,337	2,634,284	731,442	954,638	(1,109,318)	7,014,383	0.67	6,971,162	100.62%
2014	3,826,638	2,654,172	860,376 ¹	933,828	(1,113,587)	7,240,869	0.67	7,190,535	100.70%

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

Source: County tax assessor

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

NASH COUNTY, NORTH CAROLINA

Property Tax Rates Direct and Overlapping Governments Last Ten Fiscal Years

	Year Taxes Are Payable									
	2005	2006	2007	2008	2009	2010 ¹	2011	2012	2013	2014
Nash County	\$ 0.6600	\$ 0.6600	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.6700	\$ 0.6700	\$ 0.6700	\$ 0.6700	\$ 0.6700
<u>Municipality Rates:</u>										
City of Rocky Mount	0.5000	0.5000	0.5500	0.5800	0.5800	0.5500	0.5500	0.5800	0.5800	0.5800
Town of Sharpsburg	0.4500	0.4500	0.4500	0.5000	0.5000	0.5000	0.5000	0.5500	0.6500	0.6500
Town of Spring Hope	0.7000	0.7000	0.6200	0.6200	0.6200	0.5700	0.5700	0.5700	0.5700	0.6000
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	0.5000	0.5000	0.5200
Town of Whitakers	0.6900	0.6900	0.6900	0.6900	0.6900	0.6900	0.6900	0.7200	0.7200	0.7200
Town of Nashville	0.6100	0.6300	0.6300	0.6300	0.6300	0.5600	0.5600	0.5600	0.5600	0.5600
Town of Castalia	0.2700	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2500
Town of Momeyer	0.0500	0.0500	0.0500	0.0900	0.0900	0.0900	0.0900	0.1300	0.1300	0.1300
<u>Other Districts:</u>										
Rocky Mount Municipal District	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
<u>Fire Districts:</u>										
Ferrells	0.0960	0.1100	0.1100	0.1200	0.1200	0.1200	0.1200	0.1336	0.1336	0.1336
N.S. Gulley	0.0975	0.0975	0.1075	0.1075	0.1075	0.1075	0.1075	0.1075	0.1075	0.1075
Harrison	0.0600	0.0700	0.0700	0.0700	0.0700	0.0900	0.0900	0.0900	0.0900	0.1000
Stanhope	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Stony Creek	0.0500	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Green Hornet	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Silver Lake	0.0900	0.0900	0.0900	0.0800	0.0900	0.0900	0.0900	0.0900	0.0900	0.0900
Sims	0.0500	0.0400	0.0400	0.0400	0.0400	0.0464	0.0464	0.0464	0.0464	0.0464
Tri-County	0.0600	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800
Salem	0.0550	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.0800	0.1200
West Mount	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Coopers	0.0600	0.0600	0.0600	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850
Castalia	0.0660	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735	0.0735
Spring Hope	0.0600	0.0800	0.0800	0.0800	0.0800	0.0900	0.0900	0.0900	0.0900	0.0900
Middlesex	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0800
Red Oak	0.0500	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Momeyer	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0800
Whitakers	0.0600	0.0600	0.0600	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750

¹ Revaluation years.

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

Source: County tax assessor

NASH COUNTY, NORTH CAROLINA

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

Taxpayer	2014			2005		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
Consolidated Diesel Co.	\$200,242	1	2.77%	\$189,672	1	3.49%
Hospira Inc.	154,305	2	2.13%	72,605	3	1.34%
Universal Leaf North America NC	96,446	3	1.33%	106,753	2	1.97%
Progress Energy Carolinas	55,030	4	0.76%	39,029	5	0.72%
Hendon Golden East LLC	35,678	5	0.49%	24,478	7	0.45%
McLane Mid Atlantic, Inc.	26,987	6	0.37%	20,970	10	0.39%
Carolina Telephone	26,949	7	0.37%	-	-	-
Kaba Ilco-Unican Corporation	20,090	8	0.28%	21,993	8	0.41%
Rocky Mount WEH LP	19,393	9	0.27%	-	-	-
Cheesecake Factory Bakery, Inc.	19,136	10	0.26%	-	-	-
PNC - RBC Centura Bank, Inc.	-	-	-	49,624	4	0.91%
Sprint	-	-	-	30,863	6	0.57%
William Harry Hull, Jr.	-	-	-	21,156	9	0.39%
Totals	\$654,256		9.04%	\$577,143		10.63%

Source: County tax assessor

NASH COUNTY, NORTH CAROLINA

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

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Levy	Subsequent Years	Amount	Percentage of Levy
2005	\$35,866	\$34,494	95.11%	\$1,774	\$36,268	101.12%
2006	37,460	36,149	96.90%	1,156	37,305	99.59%
2007	39,669	38,698	95.63%	1,769	40,467	102.01%
2008	42,226	40,648	96.26%	1,257	41,905	99.24%
2009	42,180	40,459	95.92%	1,378	41,837	99.19%
2010	46,000	44,205	96.10%	1,330	45,535	98.99%
2011	46,010	44,172	96.01%	1,421	45,593	99.09%
2012	46,574	44,629	95.82%	1,419	46,039	98.85%
2013	47,082	44,970	95.51%	1,586	46,811	99.42%
2014	48,580	47,477	97.73%	1,669	48,683	100.21%

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

Source: County tax assessor

NASH COUNTY, NORTH CAROLINA

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

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Installment Purchases	Limited Obligation Bonds	Capital Leases	Installment Purchases	Water Bonds			
2005	\$0	\$23,437	\$0	\$0	\$2,093	\$0	\$25,530	0.96%	\$279
2006	-	22,817	-	-	1,918	-	24,735	0.91%	267
2007	-	20,110	-	-	4,328	-	24,438	0.84%	263
2008	-	17,470	-	-	4,023	-	21,493	0.69%	229
2009	-	14,851	-	-	3,717	5,239	23,807	0.75%	251
2010	-	20,852	28,355	-	3,412	5,239	57,858	1.79%	603
2011	-	18,310	28,355	722	3,107	5,179	55,673	1.70%	580
2012	-	16,102	27,900	1,327	2,801	7,922	56,052	1.65%	586
2013	-	14,614	26,940	1,364	2,496	7,859	53,273	1.53%	557
2014	9,310	13,467	25,975	1,024	2,190	12,517	64,483	na	681

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

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

NASH COUNTY, NORTH CAROLINA

**Ratio of General Bonded Debt Outstanding
Last Six Fiscal Years**

(amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value¹ of Property	Per Capita²
2009 ³	\$ 5,239	\$ -	\$ 5,239	0.08%	\$ 55
2010	5,239	-	5,239	0.07%	54
2011	5,179	-	5,179	0.07%	53
2012	7,922	-	7,922	0.11%	82
2013	7,859	-	7,859	0.11%	82
2014	21,827	-	21,827	0.31%	230

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

²Population data can be found in the Schedule of Demographic and Economic Statistics.

³First year Nash County had General Bonded Debt Outstanding

NASH COUNTY, NORTH CAROLINA

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2014
(amounts expressed in thousands)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes:			
Town of Sharpsburg	\$ 1,564	0.74%	\$ 12
Subtotal, overlapping debt			12
Nash County direct debt			
General Obligation Debt			9,310
Limited Obligation Debt			25,975
Installment Purchase Contracts			13,467
Total direct debt			48,752
Total direct and overlapping debt			\$ 48,764

Source: North Carolina Department of State Treasurer www.nctreasurer.com

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

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

NASH COUNTY, NORTH CAROLINA

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

	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Debt limit	\$ 434,317	\$ 452,951	\$ 461,764	\$ 481,634	\$ 482,024	\$ 552,106	\$ 551,481	\$ 556,619	\$ 561,151	\$ 579,270
Total net debt applicable to limit	-	-	-	-	5,239	5,239	5,179	7,922	7,859	21,827
Legal debt margin	<u>\$ 434,317</u>	<u>\$ 452,951</u>	<u>\$ 461,764</u>	<u>\$ 481,634</u>	<u>\$ 476,785</u>	<u>\$ 546,867</u>	<u>\$ 546,302</u>	<u>\$ 548,697</u>	<u>\$ 553,292</u>	<u>\$ 557,443</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	1.09%	0.95%	0.94%	1.42%	1.40%	3.77%

Legal Debt Margin Calculation for Fiscal Year 2014

Total assessed value	<u>\$ 7,240,869</u>
Debt Limit (8% of total assessed value)	\$ 579,270
Debt applicable to limit:	
Water bonds	12,517
General Obligation Bond	9,310
Less: Amount set aside for repayment of water bond debt	-
Total net debt applicable to limit	<u>\$ 21,827</u>
Legal debt margin	<u>\$ 557,443</u>

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

NASH COUNTY, NORTH CAROLINA

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

This schedule does not apply to Nash County.

NASH COUNTY, NORTH CAROLINA

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population ¹	Personal Income (amounts expressed in thousands) ²	Per Capita Personal Income ²	Median Age ¹	School Enrollment ³	Unemployment Rate ⁴
2005	91,530	\$ 2,655,155	\$ 29,116	37.3	17,773	6.7
2006	92,480	2,706,364	29,597	37.5	17,792	6.0
2007	93,088	2,908,534	31,374	37.7	17,800	6.1
2008	93,820	3,112,413	33,174	37.9	17,773	8.1
2009	94,745	3,179,260	33,557	38.1	17,549	13.1
2010	95,894	3,237,490	33,761	38.6	17,282	12.2
2011	95,912	3,284,494	34,245	39.4	17,767	12.7
2012	95,708	3,393,700	35,459	39.7	17,500	12.8
2013	95,728	3,475,011	36,301	40.0	16,443	12.6
2014	94,744	na	na	41.0	16,200	8.8

Data Sources

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

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

³ School District

⁴ Employment Security Commission of North Carolina www.ncesc.com

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

NASH COUNTY, NORTH CAROLINA

Principal Employers Current Year and Nine Years Ago

Employer	<u>2014</u>			<u>2005</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Hospira Inc.	3,000	1	7.17%	2,039	2	4.87%
Nash-Rocky Mount Schools	2,275	2	5.43%	2,480	1	5.93%
Cummins, Inc.	1,800	3	4.30%	1,037	6	2.48%
Nash Health Care Systems	1,600	4	3.82%	1,862	3	4.45%
Century Link	850	5	2.03%			
City of Rocky Mount	850	6	2.03%	1,262	4	3.02%
PNC Bank	800	7	1.91%	1,123	5	2.68%
Universal Leaf North America NC	800	8	1.91%	1,007	7	2.41%
West Corporation	800	9	1.91%	659	8	1.57%
McLane Mid-Atlantic, Inc.	650	10	1.55%	585	10	1.40%
Kaba Ilco-Unican Corporation				602	9	1.44%
Total	13,425		32.07%	12,656		30.24%

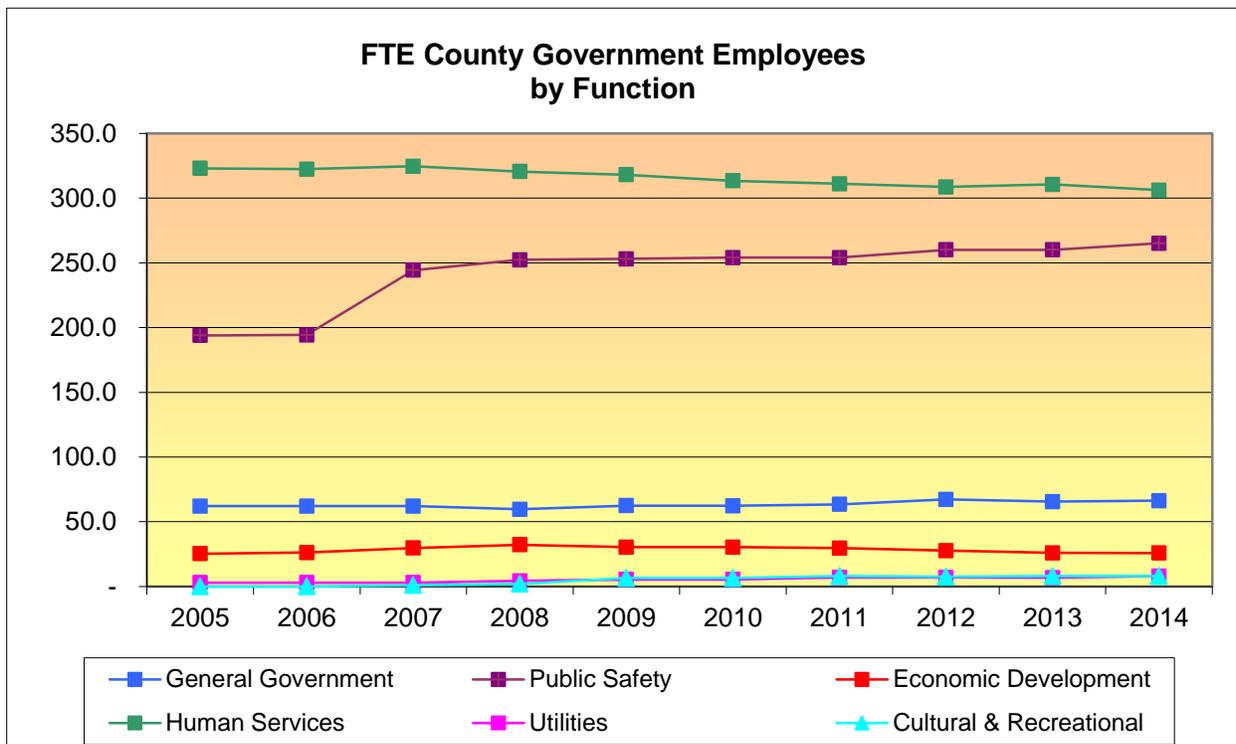
Source: Nash County business community

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government	62.1	62.1	62.1	59.7	62.5	62.4	63.4	67.3	65.5	66.3
Public safety										
Sheriff										
Deputies	68.0	68.0	68.0	76.0	77.0	78.0	78.0	77.0	77.0	77.0
Civilians	59.0	59.0	59.0	57.0	57.0	57.0	57.0	58.0	58.0	58.0
Emergency Services	62.0	62.3	112.3	114.3	114.1	114.1	114.1	120.1	120.1	125.1
Other Public Safety	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Economic Development	25.3	26.2	29.8	32.3	30.4	30.4	29.7	27.7	26.0	25.8
Human Services										
Health	134.8	135.2	134.1	130.1	123.7	119.8	117.7	115.5	116.7	114.9
Social Services	160.5	159.5	163.0	163.0	166.0	165.0	165.0	165.0	165.0	164.0
Other Human Services	27.8	27.8	27.5	27.5	28.4	28.6	28.4	28.1	28.9	27.3
Utilities	3.0	3.0	3.0	4.4	5.5	5.5	7.0	7.1	6.8	8.0
Cultural & Recreational	-	-	1.0	2.0	6.5	6.5	8.0	7.5	8.0	8.0
Total	607.4	608.0	664.7	671.3	676.1	672.3	673.3	678.3	677.0	679.4

Source: Government finance office.



NASH COUNTY, NORTH CAROLINA

Operating Indicators by Function Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Public Safety										
Sheriff										
Physical arrests	6,210	6,164	6,061	6,284	6,044	5,840	5,656	2,316	2,418	2,286
Serving civil papers (evictions, executions, court)	18,809	18,690	19,216	18,966	19,670	19,121	18,454	21,112	20,348	11,753
Traffic violations/citations	292	271	827	1,742	1,612	1,779	675	534	475	355
Cases in review by investigations	1,913	2,228	1,894	1,938	2,052	1,764	1,082	1,077	1,103	1,541
Cases closed/cleared	1,078	1,553	1,206	1,313	1,314	1,219	568	550	581	971
Calls for service	12,980	13,600	12,226	12,787	18,213	23,614	21,643	22,442	22,130	25,691
Transports	1,561	1,753	1,488	1,475	1,578	1,065	1,598	1,251	1,927	1,881
Emergency Services										
Number incoming/outbound calls	237,012	213,148	na	na	na	180,894	170,426	179,712	166,944	169,803
Number of calls for service dispatched from 911 Center	46,350	48,324	47,421	54,538	68,800	79,774	91,566	110,925	112,474	115,056
Public education events	46	-	12	12	12	8	8	8	10	10
Fire										
Inspections	560	700	923	903	762	834	985	1,023	1,203	1,404
Number of fire investigations	27	25	29	27	21	23	31	24	21	22
Plans review	-	-	-	-	28	31	38	33	26	19
Economic Development										
Permits issued (building, electrical, mechanical, plumbing, etc.)	1,778	1,998	2,135	2,085	2,899	3,243	3,296	3,255	3,409	2,538
New residential construction (units)	340	332	400	317	165	170	112	138	141	132
New commercial construction (units)	10	12	17	29	26	15	21	16	19	13
Building inspections performed	9,830	10,739	12,101	11,791	9,178	8,807	8,359	8,936	8,387	7,358

NASH COUNTY, NORTH CAROLINA

Operating Indicators by Function Last Ten Fiscal Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Solid Waste										
Refuse collected (tons/day)	63.3	88.4	76.8	78.7	77.2	73.6	79.6	129.3	60.7	64.7
Utilities										
Water										
Total water customers	381	386	663	896	1,041	1,538	1,996	2,115	2,177	2,656
Water mains breaks	-	1	-	-	-	-	3	2	4	6
Average daily consumption (thousands of gallons)	102	110	158	138	136	178	202	219	279	334
Sewer										
Total sewage customers	257	257	270	278	271	270	252	263	267	267
Average daily sewage treatment (thousands of gallons)	65	65	55	67	69	77	55	61	76	84

Sources: Various County government departments.

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

NASH COUNTY, NORTH CAROLINA

Capital Asset Statistics by Function Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Public safety										
Sheriff:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	-	68	71	75	76	76	76	76	76	76
Water										
Water mains (miles)	15.1	16.0	39.6	39.6	52.7	100.4	127.8	129.2	129.2	140.1
Fire hydrants	184	186	186	186	186	186	214	216	216	283
Maximum daily capacity (thousands of gallons)	300	300	989	989	989	989	989	989	989	989
Sewer										
Sanitary sewers (miles)	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3	10.3
Maximum daily treatment capacity (thousands of gallons)	300	300	300	300	300	300	300	300	300	300

Sources: Various County government departments

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

Nash County, North Carolina
Financial Statements and Schedules

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