

COUNTY OF CUMBERLAND  
NORTH CAROLINA

Board of County Commissioners

Talmage S. Baggett, Jr., Chairman

Jeannette M. Council, Vice Chairman  
J. Breeden Blackwell  
Kenneth S. Edge

John T. Henley, Jr.  
Billy R. King  
J. Lee Warren, Jr.

Comprehensive Annual  
Financial Report

For the Year Ended June 30, 2002

Prepared by:  
Cumberland County Finance Department

County Officials

County Manager  
County Attorney  
Deputy County Manager  
Assistant County Manager  
Assistant County Manager

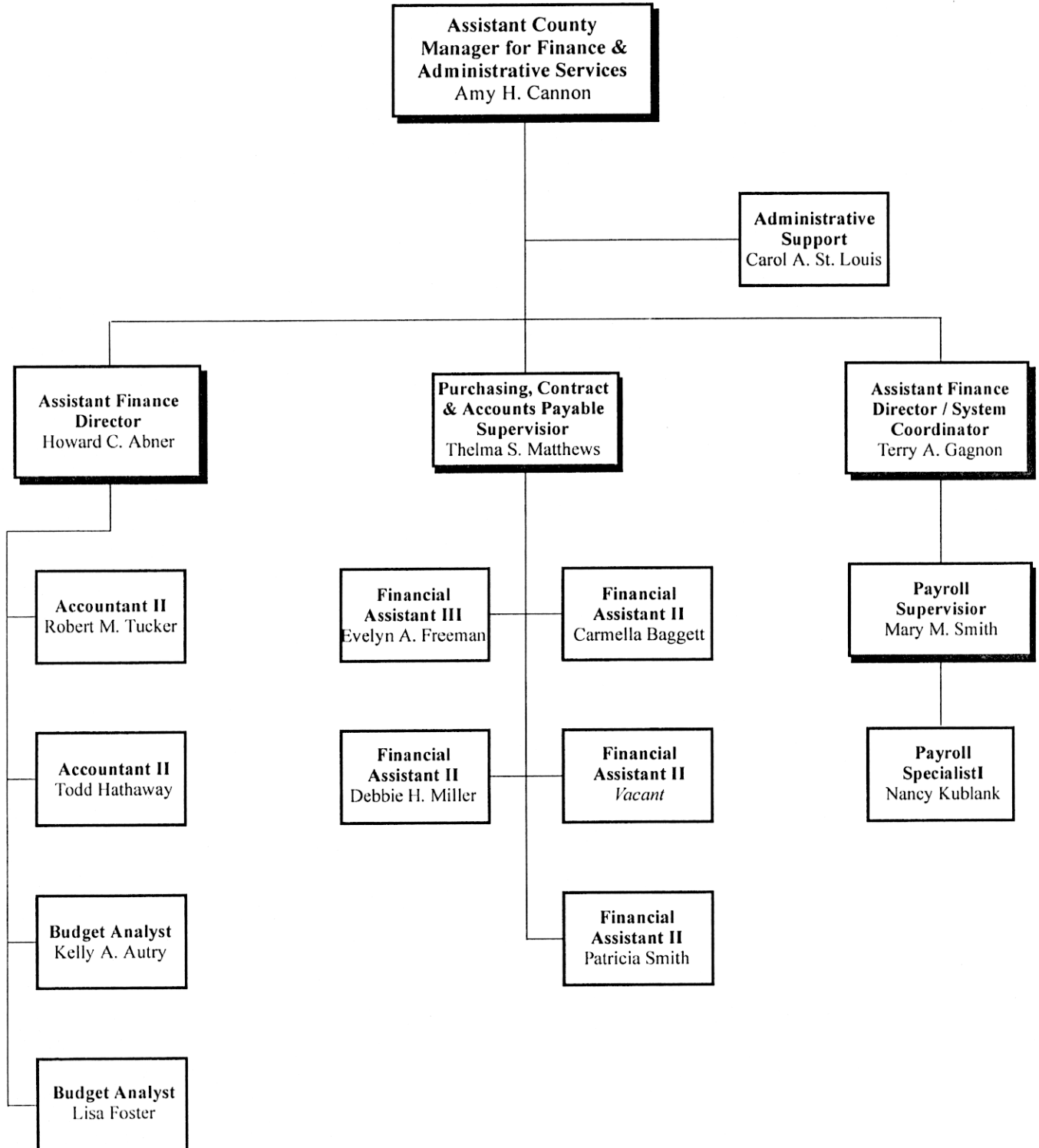
James E. Martin  
Grainger Barrett  
Juanita Pilgrim  
Amy H. Cannon, CPA  
Cliff Spiller

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

## COUNTY OF CUMBERLAND, NORTH CAROLINA

Year Ended June 30, 2002

Prepared by the Finance Department



COUNTY OF CUMBERLAND, NORTH CAROLINA

Comprehensive Annual Financial Report  
Year Ended June 30, 2002

Table of Contents

	<u>Page No.</u>
<b>INTRODUCTORY SECTION</b>	
TRANSMITTAL LETTER	i - xiii
CERTIFICATE OF ACHIEVEMENT	xiv
ORGANIZATIONAL CHART	xv
<b>FINANCIAL SECTION</b>	
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-12
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Assets	13
Statement of Activities	14
<b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds	15
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Assets	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	19
Statement of Net Assets – Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22-23

**COUNTY OF CUMBERLAND, NORTH CAROLINA**

**Comprehensive Annual Financial Report  
Year Ended June 30, 2002**

**Table of Contents (continued)**

	<u>Page No.</u>
<b>FINANCIAL SECTION (continued)</b>	
Statement of Fiduciary Net Assets – Fiduciary Funds	24
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds	25
Notes to financial statements	26-67
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Law Enforcement Officers' Special Separation Allowance - Required Supplementary Information - Schedule of Funding Progress	68
Law Enforcement Officers' Special Separation Allowance - Required Supplementary Information - Schedule of Employer Contributions and Notes to Required Schedules	69
Health System Pension Plan - Required Supplementary Information - Schedule of Funding Progress	70
Health System Pension Plan - Required Supplementary Information - Schedule of Employer Contributions and Notes to Required Schedules	71
<b>COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES</b>	
<b>GENERAL FUND</b>	
Comparative Balance Sheets - General Fund	72
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	73-81
<b>NONMAJOR GOVERNMENTAL FUNDS</b>	
Combining Balance Sheet - Nonmajor Governmental Funds	82
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	83
Combining Balance Sheet - Nonmajor Special Revenue Funds	84-85
Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	86-87

COUNTY OF CUMBERLAND, NORTH CAROLINA

Comprehensive Annual Financial Report  
Year Ended June 30, 2002

Table of Contents (continued)

FINANCIAL SECTION (continued)

	<u>Page No.</u>
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Prepared Food and Beverage Fund	88
County School Fund	89
911 Emergency Fund	90
Wireless 911 Emergency Fund	91
Jobs Training Fund	92
Industrial Development Fund	93
Water and Sewer Fund	94
Property Revaluation Fund	95
Recreation Fund	96
Juvenile Crime Prevention	97
Transportation Fund	98
Flea Hill Drainage District Fund	99
Community Development Fund	100
Fire Protection Fund	101
Federal Drug Forfeiture Fund	102
Federal Forfeiture Treasury Fund	103
North Carolina Controlled Substance Fund	104
Injured Animal Stabilization Fund	105
Downtown Revitalization Fund	106
Inmate Welfare Fund	107
Combining Balance Sheet – Nonmajor Capital Project Funds	108
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Project Funds	109
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
Library Bond Fund	110
Detention Facility Fund	111
Capital Project Bond Fund	112
FTCC Bond Fund	113
Social Services/Community Corrections Fund	114
Winding Creek Renovation Fund	115
1998 School Bond Fund	116
Animal Control Building Capital Project Fund	117
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Cemetery Permanent Fund	118

COUNTY OF CUMBERLAND, NORTH CAROLINA

Comprehensive Annual Financial Report  
Year Ended June 30, 2002

Table of Contents (continued)

FINANCIAL SECTION (continued)

	<u>Page No.</u>
<b>ENTERPRISE FUNDS</b>	
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP):	
Cumberland County Crown Center Fund	119
Cumberland County Solid Waste Fund	120
Solid Waste Cell Construction Fund	121
Arena Ventures Marketing Fund	122
<b>INTERNAL SERVICE FUNDS</b>	
Combining Statement of Net Assets - Internal Service Funds	123
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Internal Service Funds	124
Combining Statement of Cash Flows - Internal Service Funds	125-126
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP):	
Group Insurance Fund	127
Employee Flexible Benefit Fund	128
Workers' Compensation Fund	129
General Litigation Fund	130
<b>AGENCY FUNDS</b>	
Combining Statement of Fiduciary Assets and Liabilities - Agency Funds	131
Combining Statement of Changes in Fiduciary Assets and Liabilities - Agency Funds	132-133
Combining Statement of Fiduciary Assets and Liabilities - Agency Fund - City Tax Fund	134
<b>DISCRETELY PRESENTED COMPONENT UNIT – EASTOVER SANITARY DISTRICT</b>	
Statement of Net Assets	135
Statement of Revenues, Expenses and Changes in Fund Net Assets	136
Statement of Cash Flows	137

COUNTY OF CUMBERLAND, NORTH CAROLINA

Comprehensive Annual Financial Report  
Year Ended June 30, 2002

Table of Contents (continued)

FINANCIAL SECTION (continued)

	<u>Page No.</u>
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP):	
Eastover Sanitary District Fund	138
Eastover Water Capital Project Fund	139
<b>OTHER SUPPLEMENTAL FINANCIAL DATA</b>	
Schedule of Current Tax Levy	140
Schedule of Ad Valorem Taxes Receivable	141
Schedule of Transfers	142-143
<b>STATISTICAL SECTION</b>	
General Governmental Expenditures by Function - Table 1	144
General Governmental Revenues by Source - Table 2	145
General Governmental Tax Revenues by Source - Table 2A	145
Property Tax Levies and Collections - Table 3	146
Assessed and Estimated Actual Value of Property - Table 4	147
Property Tax Rates - Direct and Overlapping Governments - Table 5	148
Principal Taxpayers - Table 6	149
Special Assessment Billings and Collections - Table 7	150
Computation of Legal Debt Margin - Table 8	151
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Table 9	152
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Fund Type Expenditures - Table 10	153
Computation of Direct and Overlapping Bonded Debt - General Obligation Bonds - Table 11	154
Demographic Statistics - Table 12	155
Property Value, Construction and Bank Deposits - Table 13	156
Miscellaneous Statistics - Table 14	157-158

**COUNTY OF CUMBERLAND, NORTH CAROLINA**

**Comprehensive Annual Financial Report  
Year Ended June 30, 2002**

**Table of Contents (continued)**

**FINANCIAL SECTION (continued)**

**Page No.**

**COMPLIANCE SECTION**

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	159
Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Implementation Act	160-161
Report on Compliance with Requirements Applicable to Each Major State Program and Internal Control Over Compliance in Accordance with Applicable Sections of OMB Circular A-133 and the State Single Audit Implementation Act	162-163
Schedule of Findings and Questioned Costs	164-166
Corrective Action Plan	167
Summary Schedule of Prior Year Audit Findings	168
Schedule of Expenditures of Federal and State Awards	169-175
<b>CONTINUING DISCLOSURE INFORMATION SECTION</b>	
Securities Exchange Commission Rule 15c2-12 Reporting	176-185