



Report of
Independent Certified Public Accountants
on
County of Cumberland
Financial Statements
For Fiscal Year ended June 30, 2005

Presented By:

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Audit Results

- Generally Accepted Auditing Standards - Basic Financial Statements:
 - Unqualified – “clean opinion”
 - Represents *highest* level of assurance
- Government Auditing Standards
- OMB Circular A-133 – State and Federal Financial Assistance:
 - Unqualified – “clean opinion”



Other Results

- Management Letter
 - *New Auditing Standard*
- Statement of Auditing Standards (SAS 61) Letter
 - *Required*



General Fund Summary

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Total revenue	\$ 259,934,474	\$ 269,929,533	\$ 9,995,059
Total expenditures	277,531,281	258,509,050	19,022,231
Total other financing sources (uses)	<u>17,596,807</u>	<u>(2,136,866)</u>	<u>(19,733,673)</u>
Revenue and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 9,283,617</u>	<u>\$ 9,283,617</u>
Fund balances:			
Beginning of year, July 1, 2004		<u>81,315,228</u>	
End of year, June 30, 2005		<u>\$ 90,598,845</u>	



Fund Balance – General Fund

	<u>General</u>	<u>Mental Health</u>	<u>Other</u>	<u>Total General Fund</u>
Reserved for:				
Inventories	\$ 265,955	\$ -	\$ -	\$ 265,955
Register of Deeds	137,081			137,081
Encumbrances	3,620,717	341,749		3,962,466
State statute	22,065,483	2,163,466	(1,854,475)	22,374,474
Designated for:				
Subsequent year's expenditures	14,409,035	3,093,416		17,502,451
Technology	2,861,997			2,861,997
Renovation & maintenance	2,278,495			2,278,495
Courthouse/plaza repairs	1,705,555			1,705,555
Health Department renovations	2,500,000			2,500,000
School buses	453,000			453,000
Undesignated	24,029,629	10,648,444	1,879,298	36,557,371
Total fund balance	\$ 74,326,947	\$ 16,247,075	\$ 24,823	\$ 90,598,845
Undesignated fund balance as a percentage of FY2006 adopted budget	9.41%	29.13%		12.52%



General Fund Undesignated Fund Balance





Statement of Net Assets

	Government Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Assets						
Current and other	\$ 160,065,301	\$ 151,818,976	\$ 34,084,365	\$ 28,247,309	\$ 194,149,666	\$ 180,066,285
Capital	127,856,227	126,534,553	77,691,114	69,662,512	205,547,341	196,197,065
Total assets	287,921,528	278,353,529	111,775,479	97,909,821	\$ 399,697,007	\$ 376,263,350
Liabilities						
Long-term outstanding	196,242,069	198,326,022	54,187,628	49,120,590	250,429,697	247,446,612
Other	23,368,650	18,467,586	2,921,125	7,290,228	26,289,775	25,757,814
Total liabilities	219,610,719	216,793,608	57,108,753	56,410,818	276,719,472	273,204,426
Net assets:						
Invested in capital, net of related debt	13,374,791	30,253,418	29,393,382	20,708,795	42,768,173	50,962,213
Restricted	35,261,376	26,985,138	1,432,349	1,489,089	36,693,725	28,474,227
Unrestricted	19,674,642	4,321,365	23,840,995	19,301,119	43,515,637	23,622,484
Total net assets	\$ 68,310,809	\$ 61,559,921	\$ 54,666,726	\$ 41,499,003	\$ 122,977,535	\$ 103,058,924



Capital Assets

(net of depreciation)

	Government Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
Land	\$ 18,258,631	\$ 18,210,621	\$ 6,224,324	\$ 6,224,324	\$ 24,482,955	\$ 24,434,945
Buildings and improvements	99,742,670	102,505,675	52,655,299	54,443,160	152,397,969	156,948,835
Equipment, furniture and fixtures	3,720,611	3,781,750	3,363,453	3,359,057	7,084,064	7,140,807
Vehicles and motorized equipment	1,582,282	2,031,981	457,639	586,417	2,039,921	2,618,398
Construction in progress	4,552,033	4,526	14,990,399	5,049,554	19,542,432	5,054,080
Total net assets	\$127,856,227	\$126,534,553	\$ 77,691,114	\$ 69,662,512	\$205,547,341	\$196,197,065

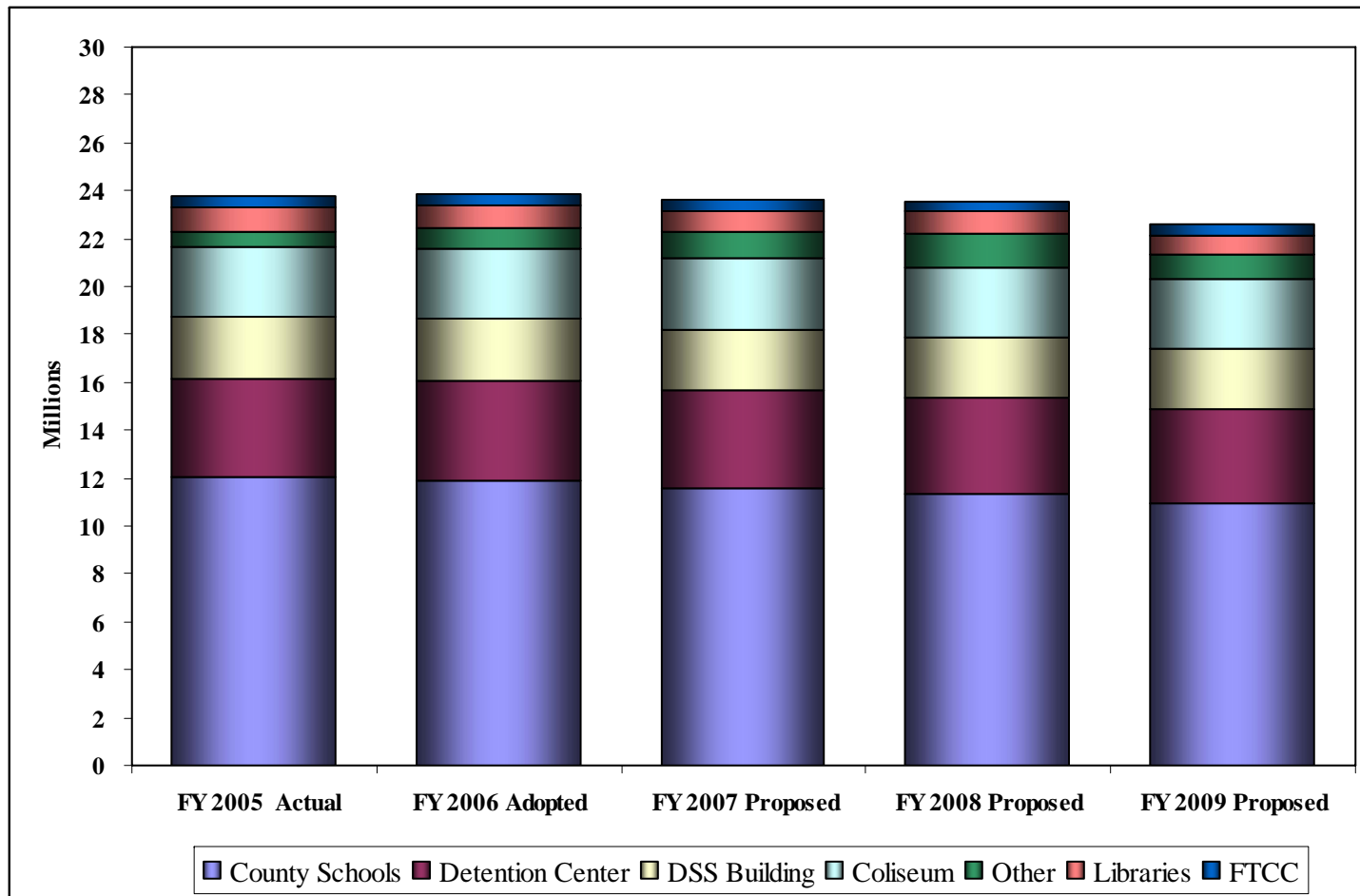


Outstanding Debt

	Government Activities		Business-type Activities		Total	
	2005	2004	2005	2004	2005	2004
General obligation bonds	\$ 114,140,000	\$ 115,895,000	\$ -	\$ -	\$ 114,140,000	\$ 115,895,000
Revenue bonds	70,635,000	74,570,000	51,058,781	53,183,781	121,693,781	127,753,781
Capital leases	4,537,080				4,537,080	
Other debt	2,999,271	3,234,457	1,250,000		4,249,271	3,234,457
Total debt	\$ 192,311,351	\$ 193,699,457	\$ 52,308,781	\$ 53,183,781	\$ 244,620,132	\$ 246,883,238



General Fund Debt Service Requirements





Statement of Activities

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Total Governmental</u>	<u>Total Business-Type</u>	<u>Total</u>
Governmental activities:					
General government	\$ 20,761,217	\$ 6,774,029	\$ (13,987,188)	\$ -	\$ (13,987,188)
Public safety	41,207,126	4,676,243	(36,530,883)		(36,530,883)
Economic and physical development	12,357,831	10,045,999	(2,311,832)		(2,311,832)
Human services	107,506,798	72,164,063	(35,342,735)		(35,342,735)
Cultural and recreational	13,865,651	1,433,682	(12,431,969)		(12,431,969)
Education	83,763,840		(83,763,840)		(83,763,840)
Interest on long-term debt	9,190,661		(9,190,661)		(9,190,661)
Total governmental activities	288,653,124	95,094,016	(193,559,108)		(193,559,108)
Business-type activities					
Crown Center	11,172,781	2,002,713		(9,170,068)	(9,170,068)
Solid Waste	5,123,756	3,752,650		(1,371,106)	(1,371,106)
NORCRESS Water & Sewer		5,279,865		5,279,865	5,279,865
Kelly Hills Water & Sewer		1,782,725		1,782,725	1,782,725
Total business-type activities	16,296,537	12,817,953		(3,478,584)	(3,478,584)
Total primary government	\$ 304,949,661	\$ 107,911,969	\$ (193,559,108)	\$ (3,478,584)	\$ (197,037,692)
General revenues:					
Property taxes			138,418,541		138,418,541
Other taxes			58,376,570	5,321,308	63,697,878
Other revenue			13,437,473	1,402,411	14,839,884
Transfers			(9,922,588)	9,922,588	
Total revenues and transfers			200,309,996	16,646,307	216,956,303
Change in net assets			6,750,888	13,167,723	19,918,611
Net assets - beginning			61,559,921	41,499,003	103,058,924
Net assets - ending			\$ 68,310,809	\$ 54,666,726	\$ 122,977,535



Audit on the Web

- www.co.cumberland.nc.us
 - Click on - Budget/Finance
 - Click on - Finance (View audit reports)