



Report of
Independent Certified Public Accountants
on
County of Cumberland
Financial Statements
For Fiscal Year ended June 30, 2008

Presented By:

Michelle Loyd Thompson, Partner, Cherry, Bekaert & Holland
Amy Cannon, Assistant County Manager / Finance Director



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”



General Fund Summary

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Total revenue	\$ 286,131,096	\$ 289,782,000	\$ 3,650,904
Total expenditures	308,355,116	285,814,548	22,540,568
Total other financing sources (uses)	<u>22,224,020</u>	<u>(4,362,576)</u>	<u>(26,586,596)</u>
Revenue and other financing sources under expenditures and other financing uses	<u>\$ -</u>	<u>\$ (395,124)</u>	<u>\$ (395,124)</u>
Fund balances:			
Beginning of year, July 1, 2007		<u>98,111,884</u>	
End of year, June 30, 2008		<u>\$ 97,716,760</u>	



General Fund Summary- Expanded

	<u>Fund 101 General Fund</u>	<u>Fund 112 Mental Health</u>	<u>Audit General Fund</u>
Total revenue	\$ 267,908,339	\$ 21,873,661	\$ 289,782,000
Total expenditures	262,601,716	23,212,832	285,814,548
Total other financing sources (uses)	<u>(8,774,698)</u>	<u>4,412,122</u>	<u>(4,362,576)</u>
Revenue and other financing sources over expenditures and other financing uses	<u>\$ (3,468,075)</u>	<u>\$ 3,072,951</u>	<u>\$ (395,124)</u>
Fund balances:			
Beginning of year, July 1, 2007	78,538,664	19,573,220	\$ 98,111,884
End of year, June 30, 2008	<u>\$ 75,070,589</u>	<u>\$ 22,646,171</u>	<u>\$ 97,716,760</u>

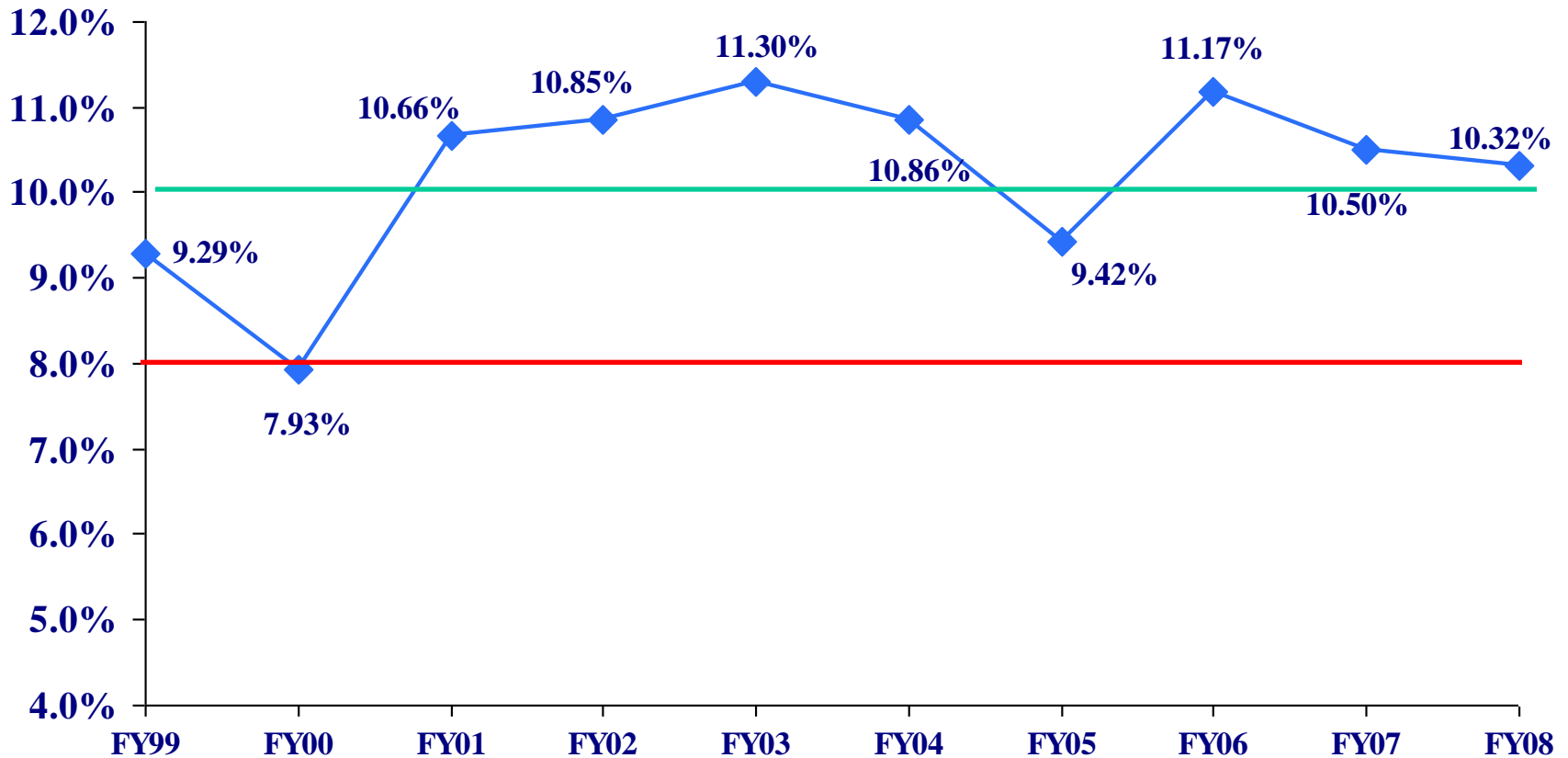


Fund Balance – General Fund

	<u>Fund 101</u> <u>General</u>	<u>Fund 112</u> <u>Mental Health</u>	<u>Other</u>	<u>Total Audit</u> <u>General Fund</u>
Reserved for:				
Inventories	\$ 230,328			\$ 230,328
Register of Deeds	463,139			463,139
Encumbrances	6,235,971	851,477		7,087,448
State statute	20,606,202	2,598,651	2,518	23,207,371
Designated for:				
FY2009 Fund balance appropriated	10,979,989	4,798,285		15,778,274
Revaluation	175,000			175,000
Tax office software	1,000,000			1,000,000
Renovation & maintenance	3,258,222			3,258,222
Courthouse/plaza repairs	262,793			262,793
Hope VI project	3,375,000			3,375,000
Special purposes	876,004			876,004
Undesignated	27,603,596	14,397,758	1,827	42,003,181
Total fund balance	\$ 75,066,244	\$ 22,646,171	\$ 4,345	\$ 97,716,760
Undesignated fund balance and designated for special purposes as a percentage of FY2009 adopted budget	10.32%	43.08%		14.68%



Fund Balance - General Fund History





Statement of Net Assets

	Government Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
Assets						
Current and other	\$ 167,234,422	\$ 216,729,863	\$ 43,442,943	\$ 47,648,978	\$ 210,677,365	\$ 264,378,841
Capital	135,230,584	142,173,301	76,885,603	76,149,943	212,116,187	218,323,244
Total assets	302,465,006	358,903,164	120,328,546	123,798,921	\$ 422,793,552	\$ 482,702,085
Liabilities						
Long-term outstanding	173,450,475	220,297,583	51,222,239	50,829,855	224,672,714	271,127,438
Other	20,879,830	26,840,690	2,836,551	4,129,091	23,716,381	30,969,781
Total liabilities	194,330,305	247,138,273	54,058,790	54,958,946	248,389,095	302,097,219
Net assets:						
Invested in capital, net of related debt	31,490,183	46,663,703	33,021,723	34,904,003	64,511,906	81,567,706
Restricted	45,620,960	59,131,948	2,038,462	5,328,277	47,659,422	64,460,225
Unrestricted	31,023,558	5,969,240	31,209,571	28,607,695	62,233,129	34,576,935
Total net assets	\$ 108,134,701	\$ 111,764,891	\$ 66,269,756	\$ 68,839,975	\$ 174,404,457	\$ 180,604,866



Capital Assets

(net of depreciation)

	Government Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
Land	\$ 18,216,850	\$ 18,482,239	\$ 6,248,474	\$ 6,423,807	\$ 24,465,324	\$ 24,906,046
Buildings and improvements	106,104,682	108,490,172	50,415,985	50,332,835	156,520,667	158,823,007
Equipment, furniture and fixtures	3,499,499	3,532,948	3,915,167	3,488,170	7,414,666	7,021,118
Vehicles and motorized equipment	2,713,035	3,134,524	388,869	292,029	3,101,904	3,426,553
Plant and distribution system	-	-	11,783,609	11,479,603	11,783,609	11,479,603
Construction in progress	4,696,518	8,533,418	4,133,499	4,133,499	8,830,017	12,666,917
Total net assets	\$ 135,230,584	\$ 142,173,301	\$ 76,885,603	\$ 76,149,943	\$ 212,116,187	\$ 218,323,244

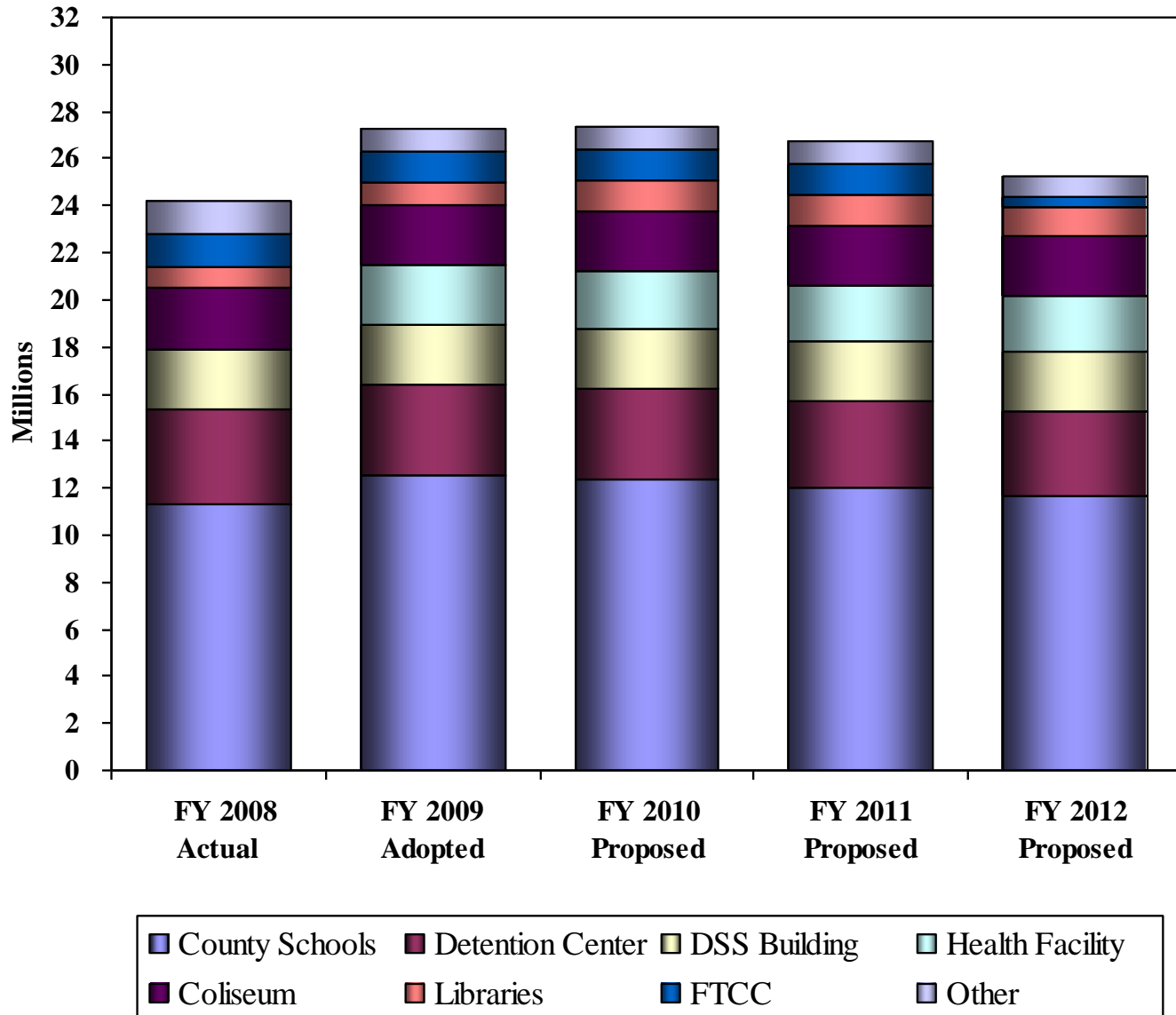


Outstanding Debt

	Government Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
General obligation bonds	\$ 98,230,000	\$ 90,235,000	\$ 1,250,000	\$ 1,236,000	\$ 99,480,000	\$ 91,471,000
Revenue bonds	62,250,000	57,950,000	46,078,781	43,198,781	108,328,781	101,148,781
Capital leases	4,241,761	3,908,523	-	-	4,241,761	3,908,523
Other debt	4,526,143	49,554,052	-	-	4,526,143	49,554,052
Total debt	\$ 169,247,904	\$ 201,647,575	\$ 47,328,781	\$ 44,434,781	\$ 216,576,685	\$ 246,082,356



General Fund - Debt Service Payments





Statement of Activities

	Expenses	Program Revenues	Total Governmental	Total Business-Type	Total
Governmental activities					
General government	\$ 23,237,459	\$ 14,898,785	\$ (8,338,674)	\$ -	\$ (8,338,674)
Public safety	51,535,695	5,539,187	(45,996,508)		(45,996,508)
Economic and physical development	13,898,530	8,371,596	(5,526,934)		(5,526,934)
Human services	118,152,732	69,602,401	(48,550,331)		(48,550,331)
Cultural and recreational	14,240,374	1,301,858	(12,938,516)		(12,938,516)
Education	96,807,818	-	(96,807,818)		(96,807,818)
Interest on long-term debt	8,179,997	-	(8,179,997)		(8,179,997)
Total governmental activities	326,052,605	99,713,827	(226,338,778)		(226,338,778)
Business-type activities					
Crown Center	10,374,820	2,682,260		(7,692,560)	(7,692,560)
Solid Waste	8,777,111	4,042,647		(4,734,464)	(4,734,464)
NORCRESS Water & Sewer	475,019	231,570		(243,449)	(243,449)
Kelly Hills Water & Sewer	602	-		(602)	(602)
Total business-type activities	19,627,552	6,956,477		(12,671,075)	(12,671,075)
Total primary government	\$ 345,680,157	\$ 106,670,304	\$ (226,338,778)	\$ (12,671,075)	\$ (239,009,853)
General revenues					
Property taxes			153,067,580		153,067,580
Other taxes			63,209,326	5,780,859	68,990,185
Other revenue			21,078,587	2,073,910	23,152,497
Transfers			(7,386,525)	7,386,525	
Total revenues and transfers			229,968,968	15,241,294	245,210,262
Change in net assets			3,630,190	2,570,219	6,200,409
Net assets - beginning			108,134,701	66,269,756	174,404,457
Net assets - ending			\$ 111,764,891	\$ 68,839,975	\$ 180,604,866



Audit on the Web

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



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