

# Wilson County, North Carolina

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# Flowers, Stanley & Redman, L.L.P.

Certified Public Accountants

3403 N. Main Street – Tarboro, North Carolina 27886

Phone: 252-823-3125 Fax: 252-823-3201

Charles R. Flowers Jr., CPA  
Michael L. Stanley, CPA  
Gregory T. Redman, CPA

Members  
North Carolina Association of  
Certified Public Accountants

American Institute of  
Certified Public Accountants

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Fred A. Turlington Jr., CPA  
Eric B. Harrell, CPA

## Independent Auditor's Report

To the Board of County Commissioners  
Wilson County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Wilson County, North Carolina as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Wilson County's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. We did not audit the financial statements of the Wilson County ABC Board. Those financial statements were audited by other auditors whose reports thereon have been furnished to us; and our opinion, insofar as it relates to the amounts included for the Wilson County ABC Board, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Wilson County ABC Board were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, 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 discretely presented component units, each major fund and the aggregate remaining fund information of Wilson County, North Carolina as of June 30, 2007, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2007 on our consideration of Wilson County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis, the schedules of funding progress, employer contributions, and the notes to the required schedules for the law Enforcement Officers' Special Separation allowance are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion thereon.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of Wilson County, North Carolina. The introductory information, combining and individual nonmajor fund statements and schedules and the statistical tables, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the accompanying schedule of expenditures of federal and State awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory information and the statistical tables have not been subjected to the auditing procedures applied by us and other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Tarboro, North Carolina  
November 19, 2007

## **Management's Discussion and Analysis**

As management of Wilson County, we offer readers of Wilson County's financial statements this narrative overview and analysis of the financial activities of Wilson County for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information furnished in the County's financial statements, which follow this narrative.

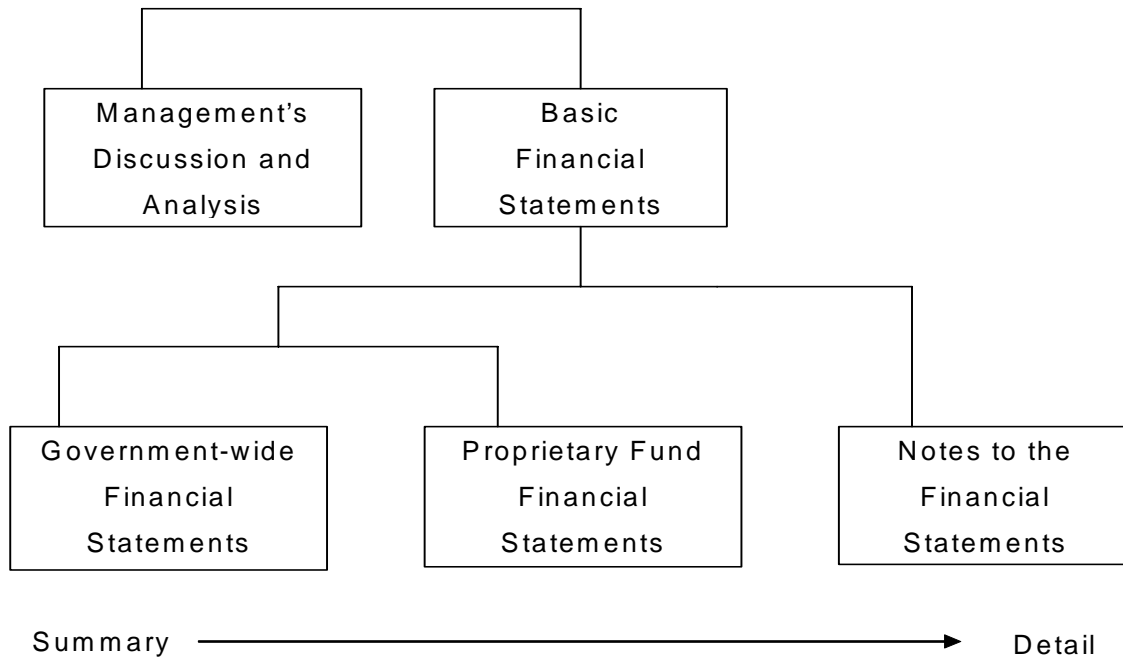
### **Financial Highlights**

- The assets of Wilson County's governmental activities and business type exceeded its liabilities at the close of the most recent fiscal year by \$44,255,252.
- Wilson County's net assets increased by \$4,822,119. Governmental Activities increase of \$3,505,016, accounts for 72.7% of the increase.
- Governmental funds reported combined ending fund balances of \$28,597,419. Approximately 78.28% of this total, or \$22,385,425, is unreserved or available for spending at Wilson County's discretion.
- At of the close of the current fiscal year, Wilson County's general fund reported an ending fund balance of \$27,332,485. Approximately \$21,276,027 of this total amount is available for spending at the government's discretion.
- The County holds the following bond ratings:
  - Moody's - Aaa
  - Standard & Poor's - AAA

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

This discussion and analysis is intended to serve as an introduction to Wilson County's basic financial statements. Wilson County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (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 fiscal condition of Wilson County.

**Required Components of Annual Financial Report**  
**Figure 1**



**Basic Financial Statements**

The first two statements, Exhibits 1 and 2, in the general purpose financial statements are the Government-wide Financial Statements. They provide both short and long-term information concerning the County's financial status.

The next statements, Exhibits 3 through 9, are the Fund Financial Statements. These statements focus on the activities of the individual parts of the County's government, providing more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements, 2) the budgetary comparison statements, and 3) the proprietary funds statements.

The final section of the general purpose financial statements is the Notes to the General Purpose Financial Statements. The notes offer a detailed examination about various information contained in the statements. Following the notes, supplemental information provides details of the County's non-major governmental funds and internal service funds, which are combined in one column on the basic financial statements. Budgetary information required by the North Carolina General Statutes can also be found in this part of the statements.

## **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of Wilson County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of Wilson County's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Wilson County is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Wilson County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Wilson County include general government, public safety, public education, economic development, and general administration. The business-type activities of Wilson County are the solid waste (landfill) operation and the Water Department.

The government-wide financial statements include not only Wilson County itself (known as the primary government), but also the ABC Board. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

## **Fund Financial Statements**

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. Wilson County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Wilson County can be divided into two categories: governmental funds and proprietary 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 which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.



Wilson 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.** Wilson County maintains one type of proprietary fund, an Enterprise fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. Wilson County uses enterprise funds to account for its Solid Waste Operation and Water Distribution Funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste Operation and Water Distribution 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 can be found on pages 28 through 64.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Wilson County's progress in funding its obligation to provide pension benefits to its public safety employees. Required supplemental information can be found on pages 64 and 65 of this report.

## **Government-wide Financial Analysis**

As noted earlier, net assets over time may serve as a useful indicator of a government's financial position. For Wilson County, assets exceeded liabilities by \$44,255,252 at the close of the most recent fiscal year

**Wilson County's Net Assets**  
**Figure 2**

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
<b>Assets:</b>						
Current and other assets	34,290,390	34,053,726	16,588,052	15,318,315	50,878,442	49,372,041
Restricted assets	340,844	186,316	383,298	1,043,010	724,142	1,229,326
Capital assets	26,310,011	24,007,791	26,981,694	26,548,621	53,291,705	50,556,412
<b>Total Assets</b>	60,941,245	58,247,833	43,953,044	42,909,946	104,894,289	101,157,779
<b>Liabilities:</b>						
Long-term liabilities						
Outstanding	42,332,186	44,029,463	9,834,000	9,918,500	52,166,186	53,947,963
Other liabilities	5,788,298	4,902,625	2,684,553	2,874,058	8,472,851	7,776,683
<b>Total Liabilities</b>	48,120,484	48,932,088	12,518,553	12,792,558	60,639,037	61,724,646
<b>Net Assets:</b>						
Invested in capital assets, net of related debt	17,033,706	14,991,356	17,056,014	16,358,676	34,089,720	31,350,032
Restricted	392,360	371,922	208,676	853,665	601,036	1,225,587
Unrestricted	(4,605,305)	(6,047,533)	14,169,801	12,905,047	9,564,496	6,857,514
<b>Total Net Assets</b>	12,820,761	9,315,745	31,434,491	30,117,388	44,255,252	39,433,133

By far the largest portion of Wilson County's net assets reflects its investment in capital assets and construction in progress (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. Wilson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Wilson County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to repay these liabilities.

## Wilson County's Changes in Net Assets

**Figure 3**

	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for Services	11,998,677	10,892,553	3,807,742	3,763,233	15,806,419	14,655,786
Intergovernmental	15,399,555	15,170,468			15,399,555	15,170,468
Capital Grants & Contributions	1,229,134	663,049	682,515	659,357	1,911,649	1,322,406
<b>General Revenues:</b>					-	-
Property Taxes	40,579,339	41,687,531			40,579,339	41,687,531
Local Option Sales Tax	16,107,578	14,060,662			16,107,578	14,060,662
Other Taxes & Licenses	1,352,912	1,311,338			1,352,912	1,311,338
Investment earnings	1,337,881	1,059,383	813,384	603,901	2,151,265	1,663,284
Miscellaneous	163,537	207,965			163,537	207,965
Transfer/Distributions	(216,677)	122,929			(216,677)	122,929
Sale of Equipment					-	-
Economic Development Incentive					-	-
<b>Total Revenues</b>	<b>87,951,936</b>	<b>85,175,878</b>	<b>5,303,641</b>	<b>5,026,491</b>	<b>93,255,577</b>	<b>90,202,369</b>
<b>Expenditures</b>						
General Government	8,591,788	6,553,323			8,591,788	6,553,323
Public Safety	16,009,343	14,849,173			16,009,343	14,849,173
Transportation	40,214	42,714			40,214	42,714
Environmental Protection	984,553	252,393			984,553	252,393
Economic & Physical Development	1,634,504	3,934,651			1,634,504	3,934,651
Human Services	34,779,448	33,260,796			34,779,448	33,260,796
Cultural and Recreational	1,947,966	2,204,386			1,947,966	2,204,386
Education	18,739,332	18,044,198			18,739,332	18,044,198
Interest & Other Charges	1,719,772	1,822,016			1,719,772	1,822,016
Landfill			2,352,221	1,940,209	2,352,221	1,940,209
Water			1,634,317	1,273,440	1,634,317	1,273,440
<b>Total Expenditures</b>	<b>84,446,920</b>	<b>80,963,650</b>	<b>3,986,538</b>	<b>3,213,649</b>	<b>88,433,458</b>	<b>84,177,299</b>
Increase in net assets before transfers	3,505,016	4,212,228	1,317,103	1,812,842	4,822,119	6,025,070
Net Assets July 1	9,315,745	5,187,800	30,117,388	28,304,546	39,433,133	33,492,346
Prior Year Adjustments		(84,283)			-	(84,283)
<b>Net Assets June 30</b>	<b>12,820,761</b>	<b>9,315,745</b>	<b>31,434,491</b>	<b>30,117,388</b>	<b>44,255,252</b>	<b>39,433,133</b>

**Governmental Activities.** Of the total net assets, governmental activities accounted for \$12,820,761, or 28.97% of the total net assets, and represents an increase of \$3,505,016 over fiscal year 2006. The debt for school projects is carried in the county's general fund while the assets are included as assets of the Board of Education. Expenditures for education were \$18,739,332, an increase by \$1,024,088, or 5.78% over the previous year. Operating grants in the amount of \$15,399,555, sales and services in the amount of \$11,998,677 and local option sales taxes of \$16,107,578, along with the ad valorem tax collections totaling \$40,579,339 were the major sources of funding of Wilson County's governmental activities.

**Business-type Activities.** Business-type activities increased Wilson County's net assets by \$1,317,103, accounting for 27.31% of the total growth in the county's net assets.

- The Solid Waste Fund accounted for the majority of the increase in business-type activities.

### **Financial Analysis of the County's Funds**

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

**Governmental Funds.** The focus of Wilson County's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Wilson County's governmental funds reported combined ending fund balances of \$28,597,419, down only slightly, with a decrease of \$14,202.

The General Fund is the chief operating fund of Wilson County. At the end of the current fiscal year, unreserved fund balance in the general fund was \$21,276,027, while total fund balance for the general fund reached \$27,332,485. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 25.16% percent of total general fund expenditures, while total fund balance represents 32.32% percent of that same amount.

**General Fund Budgetary Highlights.** During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available, 2) amendments made to recognize new funding amounts from external sources, such as federal and State grants, and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$2,637,567. Practically all of this increase was attributable to Restricted Intergovernmental Revenues.

**Proprietary Funds.** Wilson County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of Solid Waste and Water Districts for the fiscal year 2007 amounted to \$14,169,801.

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

**Capital Assets.** Wilson County's investment in capital assets for its governmental and business type activities as of June 30, 2007 amounts to \$53,291,705 (net of accumulated depreciation). This investment in capital assets includes land, vehicles, buildings and improvements, machinery and equipment.

- Expanded service district in the Southwest water district, which included the construction of an additional water tank.
- Purchased new equipment in the Landfill.
- Purchased new vehicles for Law Enforcement;
- Upgraded equipment in Register of Deeds
- Purchased new voting machines.
- Completed addition and upgrade to the Library building
- Upgraded equipment in Enhanced 911 Center

**Wilson County's Capital Assets**  
**Figure 4**

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 272,220	\$ 393,570	\$ 2,691,079	\$ 2,600,706	\$ 2,963,299	\$ 2,994,276
Buildings and Improvements	29,538,986	28,522,274	-	3,889,423	29,538,986	32,411,697
Equipment/Plant Distribution	8,426,365	5,891,568	22,717,600	18,688,915	31,143,965	24,580,483
Vehicles	3,260,927	2,867,753	185,304	185,304	3,446,231	3,053,057
Construction in in progress	-	-	3,949,609	3,186,750	3,949,609	3,186,750
	\$41,498,498	\$37,675,165	\$29,543,592	\$28,551,098	\$71,042,090	\$66,226,263
Less accumulated depreciation	(15,188,487)	(13,667,374)	(2,561,898)	(2,002,477)	(17,750,385)	(15,669,851)
<b>Total Capital Assets</b>	<b>\$26,310,011</b>	<b>\$24,007,791</b>	<b>\$26,981,694</b>	<b>\$26,548,621</b>	<b>\$53,291,705</b>	<b>\$50,556,412</b>

Additional information on Wilson County's capital assets can be found in Note 5 of this report.

**Long-term Debt.** At the end of the current fiscal year, Wilson County had total bonded debt outstanding of \$20,805,000, which is backed by the full faith and credit of the County.

**Wilson County's**  
**Outstanding General Obligation and Revenue Bonds**  
**Figure 5**

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
All Bonds	\$ 20,805,000	\$ 22,385,000	\$ 9,834,000	\$ 9,918,500	\$ 30,639,000	\$ 32,303,500

This outstanding General Obligation indebtedness is out of a legal debt limit of approximately \$416,135,214. This legal debt limit is determined by the Municipal Finance Law of North Carolina, which limits the amount of net bonded debt a County may have outstanding to 8 percent of the appraised value subject to taxation. The ratio of debt service expenditures to total general governmental expenditures is 7.35% a slight decrease from fiscal year 2006 ratio of 7.93%.

The County's general obligation debt per capita, at June 30, 2007 was \$281.15 as of June 30, 2007 while the County's gross debt per capita is \$529.45.

Additional information on Wilson County's long-term debt can be found in Note 7, Section B found on pages 55-61 of this report.

## **Economic Factors and Next Year's Budget and Rates**

- The location of a national building supply company.
- The purchase of a major distribution facility in Wilson County secures the future of the facility and the jobs that it provides.
- In recent years, the retail industry in Wilson County has shown tremendous growth. A new retail center that began construction in 2005 has opened all of the original stores and has added additional businesses within that center. The existing mall has undergone extensive renovations and added new businesses.
- Wilson County existing industries continue to expand.
- The opening of the new 264 Bypass promises to enhance growth on the eastern corridor of Wilson County, with Hwy 117, built to interstate standards, and could possibly be designated interstate status. Hwy 117 also links Wilson County to Wayne County. Both of those corridors in Wilson County will promote growth.
- The budget for 2007-2008 required no tax increase due to the fact that revenue remains constant and the tax collection rate remains to rise.

All of these factors were considered in preparing Wilson County's budget for fiscal year 2007-2008.

### **Budget Highlights for Fiscal Year 2007-2008**

**Governmental activities.** The general fund budget increased by only \$534,668 or 1.27%, while the total budget increased by \$619,854 or .62%. Due to the drop in debt service and the increase in property tax collections, the budget included no tax increase.

**Business-type activities.**

### **Requests for information**

This financial report is designed to provide a general overview of Wilson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Post Office Box 1728, Wilson, North Carolina, 27894.

**Wilson County, North Carolina**  
**Statement of Net Assets**  
**June 30, 2007**

Exhibit 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wilson County ABC Board
<b>Assets</b>				
Current Assets:				
Cash and cash equivalents	\$ 24,502,647	\$ 16,786,921	\$ 41,289,568	\$ 902,127
Receivable (net)	6,469,228	272,235	6,741,463	649
Due from other governments	2,659,788	28,896	2,688,684	-
Due from component unit	75,000	-	75,000	-
Deferred charges	83,727	-	83,727	13,028
Inventories	-	-	-	504,843
Due to/from other funds	500,000	(500,000)	-	-
<b>Total Current Assets</b>	<b>\$ 34,290,390</b>	<b>\$ 16,588,052</b>	<b>\$ 50,878,442</b>	<b>\$ 1,420,647</b>
Restricted Assets:				
Cash and cash equivalents	\$ 340,844	\$ 208,676	\$ 549,520	\$ -
Accounts receivable	-	174,622	174,622	-
<b>Total Restricted Assets</b>	<b>\$ 340,844</b>	<b>\$ 383,298</b>	<b>\$ 724,142</b>	<b>\$ -</b>
Capital assets:				
Land, improvements, and construction in progress	\$ 272,220	\$ 2,691,079	\$ 2,963,299	\$ 319,449
Other capital assets, net of depreciation	26,037,791	24,290,615	50,328,406	1,398,465
<b>Total Capital Assets</b>	<b>\$ 26,310,011</b>	<b>\$ 26,981,694</b>	<b>\$ 53,291,705</b>	<b>\$ 1,717,914</b>
<b>Total Assets</b>	<b>\$ 60,941,245</b>	<b>\$ 43,953,044</b>	<b>\$ 104,894,289</b>	<b>\$ 3,138,561</b>

(continued)



**Wilson County, North Carolina**  
**Statement of Net Assets**  
**June 30, 2007**

Exhibit 1

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Wilson County ABC Board
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable & accrued expenses	\$ 3,325,426	\$ 156,969	\$ 3,482,395	\$ 463,428
Unearned revenue	341,193	-	341,193	-
Accrued interest payable	450,612	91,681	542,293	-
Accrued landfill closure & postclosure care costs	-	2,137,233	2,137,233	-
Compensated absences	1,671,067	42,263	1,713,330	38,425
Customer deposits	-	81,790	81,790	-
Due to other governments	-	-	-	75,000
Restricted Liabilities:				
Accounts payable	-	174,617	174,617	-
Deferred credit - bond premium	-	-	-	-
Total Current Liabilities	<u>\$ 5,788,298</u>	<u>\$ 2,684,553</u>	<u>\$ 8,472,851</u>	<u>\$ 576,853</u>
Long-term Liabilities:				
Due within one year	\$ 4,919,625	\$ 89,000	\$ 5,008,625	\$ -
Due in more than one year	37,412,561	9,745,000	47,157,561	-
Total Long-term Liabilities	<u>\$ 42,332,186</u>	<u>\$ 9,834,000</u>	<u>\$ 52,166,186</u>	<u>\$ -</u>
Total Liabilities	<u>\$ 48,120,484</u>	<u>\$ 12,518,553</u>	<u>\$ 60,639,037</u>	<u>\$ 576,853</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	\$ 17,033,706	\$ 17,056,014	\$ 34,089,720	\$ 1,717,914
Restricted For:				
Public Safety	317,661	-	317,661	-
Register of Deeds	74,699	-	74,699	-
Other purposes	-	208,676	208,676	169,214
Unrestricted (deficit)	(4,605,305)	14,169,801	9,564,496	674,580
Total Net Assets	<u>\$ 12,820,761</u>	<u>\$ 31,434,491</u>	<u>\$ 44,255,252</u>	<u>\$ 2,561,708</u>

The notes to the financial statements are an integral part of this statement.

**Wilson County, North Carolina**  
**Statement of Activities**  
**For the Year Ended June 30, 2007**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
Governmental Activities:				
General Government	\$ 8,591,788	\$ 975,562	\$ 67,717	\$ 379,832
Public Safety	16,009,343	3,915,444	339,368	-
Transportation	40,214	-	-	-
Environmental Protection	984,553	-	-	-
Economic and Physical Development	1,634,504	40,388	-	150,000
Human Services	34,779,448	7,067,283	14,992,470	-
Cultural and Recreation	1,947,966	-	-	156,008
Education	18,739,332	-	-	543,294
Interest on long-term debt	1,719,772	-	-	-
Total Governmental Activities	<u>\$ 84,446,920</u>	<u>\$ 11,998,677</u>	<u>\$ 15,399,555</u>	<u>\$ 1,229,134</u>
Business-type Activities:				
Landfill	\$ 2,352,221	\$ 2,689,342	\$ -	\$ -
Water	1,634,317	1,118,400	-	682,515
Total Business-type Activities	<u>\$ 3,986,538</u>	<u>\$ 3,807,742</u>	<u>\$ -</u>	<u>\$ 682,515</u>
Total Primary Government	<u>\$ 88,433,458</u>	<u>\$ 15,806,419</u>	<u>\$ 15,399,555</u>	<u>\$ 1,911,649</u>
Component Units:				
ABC Board	<u>\$ 5,336,593</u>	<u>\$ 5,534,614</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues:				
Taxes:				
Property taxes, levied for general purpose				
Local option sales tax				
Other taxes and licenses				
Grants and contributions not restricted to specific programs				
Investment earnings, unrestricted				
Miscellaneous, including loss on disposition of fixed assets				
Total General Revenues and Transfers/Distribution				
Change in Net Assets				
Net Assets-beginning				
Net Assets-ending				

The notes to the financial statements are an integral part of this statement.

Exhibit 2

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Wilson County ABC Board
\$ (7,168,677)	\$ -	\$ (7,168,677)	
(11,754,531)	-	(11,754,531)	
(40,214)	-	(40,214)	
(984,553)	-	(984,553)	
(1,444,116)	-	(1,444,116)	
(12,719,695)	-	(12,719,695)	
(1,791,958)	-	(1,791,958)	
(18,196,038)	-	(18,196,038)	
(1,719,772)	-	(1,719,772)	
<u>\$ (55,819,554)</u>	<u>\$ -</u>	<u>\$ (55,819,554)</u>	
\$ -	\$ 337,121	\$ 337,121	
-	166,598	166,598	
<u>\$ -</u>	<u>\$ 503,719</u>	<u>\$ 503,719</u>	
<u>\$ (55,819,554)</u>	<u>\$ 503,719</u>	<u>\$ (55,315,835)</u>	
			<u>\$ 198,021</u>
\$ 40,579,339	\$ -	\$ 40,579,339	\$ -
16,107,578	-	16,107,578	-
1,352,912	-	1,352,912	-
163,537	-	163,537	-
1,337,881	813,384	2,151,265	34,707
(216,677)	-	(216,677)	3,336
<u>\$ 59,324,570</u>	<u>\$ 813,384</u>	<u>\$ 60,137,954</u>	<u>\$ 38,043</u>
\$ 3,505,016	\$ 1,317,103	\$ 4,822,119	\$ 236,064
9,315,745	30,117,388	39,433,133	2,325,644
		-	
<u>\$ 12,820,761</u>	<u>\$ 31,434,491</u>	<u>\$ 44,255,252</u>	<u>\$ 2,561,708</u>

**Wilson County, North Carolina**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2007**

**Exhibit 3**

	<b>General</b>	<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 22,911,050	\$ 1,591,597	\$ 24,502,647
Restricted cash	-	340,844	340,844
Taxes receivable, net	1,833,822	49,107	1,882,929
Accounts and other receivables, net	6,680,225	240,322	6,920,547
Due from other governments	-	-	-
Due from other funds	561,634	(61,634)	500,000
Due from component unit	-	-	-
Total Assets	\$ 31,986,731	\$ 2,160,236	\$ 34,146,967
 <b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts payable and accrued liabilities	\$ 2,479,231	\$ 846,195	\$ 3,325,426
Deferred revenue	1,833,822	49,107	1,882,929
Prepaid property taxes	341,193	-	341,193
Total Liabilities	\$ 4,654,246	\$ 895,302	\$ 5,549,548
Fund Balances:			
Reserved for:			
State statute	\$ 7,241,859	\$ 155,536	\$ 7,397,395
Register of Deeds	74,699	-	74,699
Unreserved:			
Designated for subsequent year's expenditures	7,820,503	253,932	8,074,435
Undesignated	12,195,424	-	12,195,424
Unreserved, reported in nonmajor:			
Special revenue funds	-	328,010	328,010
Capital projects funds	-	527,456	527,456
Total Fund Balances	\$ 27,332,485	\$ 1,264,934	\$ 28,597,419
Total Liabilities and Fund Balances	\$ 31,986,731	\$ 2,160,236	\$ 34,146,967

The notes to the financial statements are an integral part of this statement.

**Wilson County, North Carolina  
Balance Sheet  
Governmental Funds  
June 30, 2007**

**Exhibit 3**

Reconciliation of the governmental fund balance to net assets:

Total fund balances	\$ 28,597,419
Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	26,310,011
Deferred charges related to advance refunding bond issue are not a current financial resource and therefore not reported in the funds.	83,727
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	400,540
Liabilities for earned but deferred revenues in fund statements.	1,882,929
Some liabilities, including bonds payable and accrued interest on long-term debt, are not due and payable in the current period and therefore are not reported in the funds.	(44,453,865)
Net Assets of Governmental Activities	<u><u>\$ 12,820,761</u></u>

The notes to the financial statements are an integral part of this statement

**Wilson County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2007**

**Exhibit 4**

	<u>Major Funds General</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Ad valorem taxes	\$ 40,002,261	\$ 966,188	\$ 40,968,449
Local option sales taxes	15,726,556	381,022	16,107,578
Other taxes and licenses	793,049	559,863	1,352,912
Unrestricted intergovernmental	163,537	-	163,537
Restricted intergovernmental	18,773,749	968,559	19,742,308
Permits and fees	660,740	-	660,740
Sales and service	8,176,067	48,252	8,224,319
Investment earnings	1,293,050	44,831	1,337,881
Miscellaneous	86,302	7,060	93,362
<b>Total Revenues</b>	<u>\$ 85,675,311</u>	<u>\$ 2,975,775</u>	<u>\$ 88,651,086</u>
<b>Expenditures</b>			
Current:			
General government	\$ 8,991,451	\$ 308,650	\$ 9,300,101
Public safety	12,974,654	2,233,431	15,208,085
Transportation	40,214	-	40,214
Environmental protection	260,307	-	260,307
Economic and physical development	984,553	1,342,875	2,327,428
Human services	34,681,279	-	34,681,279
Cultural and recreational	1,681,971	-	1,681,971
Intergovernmental:			
Education	18,739,332	-	18,739,332
Capital projects	-	1,572,530	1,572,530
Debt service:			
Principal	4,485,128	24,659	4,509,787
Interest and other charges	1,733,525	15,729	1,749,254
<b>Total Expenditures</b>	<u>\$ 84,572,414</u>	<u>\$ 5,497,874</u>	<u>\$ 90,070,288</u>

(continued)

**Wilson County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2007**

**Exhibit 4**

	<b>Major Funds General</b>	<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
(continued)			
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,102,897	\$ (2,522,099)	\$ (1,419,202)
Other Financing Sources (Uses):			
Transfers from other funds	\$ (1,600,000)	\$ 1,600,000	\$ -
Debt proceeds	400,000	1,005,000	1,405,000
Total Other Financing Sources (Uses):	\$ (1,200,000)	\$ 2,605,000	\$ 1,405,000
Net Change in Fund Balance	\$ (97,103)	\$ 82,901	\$ (14,202)
<b>Fund Balances:</b>			
Beginning of year, July 1	27,429,588	1,182,033	28,611,621
End of year, June 30	\$ 27,332,485	\$ 1,264,934	\$ 28,597,419

The notes to the financial statements are an integral part of this statement

**Wilson County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2007**

**Exhibit 4**

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$	(14,202)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exc		2,612,260
Property tax revenues (including accrued interest) in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(389,110)
Undepreciated cost of capital assets sold or retired which exceeds proceeds.		(310,042)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net ass		1,712,390
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Compensated absences		(120,650)
Net pension obligations		(27,074)
Accrued interest		41,444

Total Changes in Net Assets of Governmental Activities	\$	<u>3,505,016</u>
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The notes to the financial statements are an integral part of this statement.



**Wilson County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances - Budget and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit 5

	General Fund			
	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
<b>Revenues:</b>				
Ad valorem taxes	\$ 38,235,600	\$ 38,235,600	\$ 40,002,261	\$ 1,766,661
Local option sales tax	14,416,475	14,416,475	15,726,556	1,310,081
Other taxes and licenses	707,000	707,000	793,049	86,049
Unrestricted intergovernmental	113,449	142,500	163,537	21,037
Restricted intergovernmental	15,303,669	17,866,114	18,773,749	907,635
Permits and fees	532,500	555,000	660,740	105,740
Sales and services	7,230,610	7,232,907	8,176,067	943,160
Investment earnings	1,205,000	1,205,000	1,293,050	88,050
Miscellaneous	27,000	48,274	86,302	38,028
	<b>\$ 77,771,303</b>	<b>\$ 80,408,870</b>	<b>\$ 85,675,311</b>	<b>\$ 5,266,441</b>
<b>Expenditures:</b>				
Current:				
General Government	\$ 7,466,375	\$ 9,348,769	\$ 8,991,451	\$ 357,318
Public Safety	13,878,928	13,570,801	12,974,654	596,147
Transportation	40,214	40,214	40,214	-
Environmental Protection	276,335	282,774	260,307	22,467
Economic and Physical Development	1,111,584	1,135,500	984,553	150,947
Human Services	36,555,459	38,238,863	34,681,279	3,557,584
Cultural and Recreational	1,696,251	1,708,975	1,681,971	27,004
Intergovernmental:				
Education	18,196,038	18,739,332	18,739,332	-
Debt Service:				
Principal retirement	4,577,763	4,485,128	4,485,128	-
Interest and other charges	1,741,234	1,749,258	1,733,525	15,733
	<b>\$ 85,540,181</b>	<b>\$ 89,299,614</b>	<b>\$ 84,572,414</b>	<b>\$ 4,727,200</b>

(continued)

**Wilson County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances - Budget and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit 5

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
(continued)				
Revenues Over (Under) Expenditures	\$ (7,768,878)	\$ (8,890,744)	\$ 1,102,897	\$ 9,993,641
Other Financing Sources (Uses):				
Lease proceeds	\$ -	\$ 400,000	\$ 400,000	\$ -
Transfers (to) from other funds	(1,600,000)	(1,600,000)	(1,600,000)	-
Fund balance appropriated	9,468,878	10,090,744	-	(10,090,744)
Total Other Financing Sources (Uses)	\$ 7,868,878	\$ 8,890,744	\$ (1,200,000)	\$ (10,090,744)
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ 100,000	\$ -	\$ (97,103)	\$ (97,103)
<b>Fund Balances:</b>				
Beginning of year, July 1			27,429,588	
End of year, June 30			\$ 27,332,485	

The notes to the financial statements are an integral part of this statement.

**Wilson County, North Carolina**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2007**

Exhibit 6

	<b>Major Enterprise Funds</b>			<b>Total</b>
	<b>Solid Waste Fund</b>	<b>Water Distribution Fund Southeast District</b>	<b>Water Distribution Fund Southwest District</b>	
<b>Assets</b>				
Current Assets:				
Cash and cash equivalents	\$ 16,539,523	\$ 134,134	\$ 113,264	\$ 16,786,921
Receivables, net	143,960	60,902	67,373	272,235
Due from other governments	28,896	-	-	28,896
<b>Total Current Assets</b>	<b>\$ 16,712,379</b>	<b>\$ 195,036</b>	<b>\$ 180,637</b>	<b>\$ 17,088,052</b>
Non-current Assets:				
Restricted Assets:				
Cash and cash equivalents	\$ -	\$ 150,987	\$ 57,689	\$ 208,676
Accounts receivable	-	-	174,622	174,622
<b>Total Restricted Assets</b>	<b>\$ -</b>	<b>\$ 150,987</b>	<b>\$ 232,311</b>	<b>\$ 383,298</b>
Capital Assets:				
Land and construction in progress	\$ 2,564,021	\$ 48,389	\$ 78,669	\$ 2,691,079
Other capital assets, net of depreciation	811,491	9,517,491	13,961,633	24,290,615
<b>Capital Assets, Net</b>	<b>\$ 3,375,512</b>	<b>\$ 9,565,880</b>	<b>\$ 14,040,302</b>	<b>\$ 26,981,694</b>
<b>Total Non-current Assets</b>	<b>\$ 3,375,512</b>	<b>\$ 9,716,867</b>	<b>\$ 14,272,613</b>	<b>\$ 27,364,992</b>
<b>Total Assets</b>	<b>\$ 20,087,891</b>	<b>\$ 9,911,903</b>	<b>\$ 14,453,250</b>	<b>\$ 44,453,044</b>

(continued)

**Wilson County, North Carolina**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2007**

Exhibit 6

	Major Enterprise Funds			Total
	Solid Waste Fund	Water Distribution Fund Southeast District	Water Distribution Fund Southwest District	
(continued)				
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable	\$ 119,833	\$ 18,965	\$ 18,166	\$ 156,964
Customer deposits	-	39,570	42,220	81,790
Due to other funds	(303,500)	462,870	340,630	500,000
Current portion of bonds	-	44,000	45,000	89,000
Accrued interest	-	12,788	78,893	91,681
Liabilities Payable from Restricted Assets:				
Accounts payable	-	-	174,622	174,622
Total Current Liabilities	\$ (183,667)	\$ 578,193	\$ 699,531	\$ 1,094,057
Non-current Liabilities:				
Accrued landfill closure and postclosure care costs	\$ 2,137,233	\$ -	\$ -	\$ 2,137,233
Compensated absences	26,831	8,779	6,653	42,263
Bonds	-	3,436,000	6,309,000	9,745,000
Total Non-current Liabilities	\$ 2,164,064	\$ 3,444,779	\$ 6,315,653	\$ 11,924,496
Total Liabilities	\$ 1,980,397	\$ 4,022,972	\$ 7,015,184	\$ 13,018,553
<b>Net Assets</b>				
Invested in capital assets, net of related debt	\$ 3,375,512	\$ 6,073,092	\$ 7,607,410	\$ 17,056,014
Unrestricted	14,731,982	(335,148)	(227,033)	14,169,801
Restricted	-	150,987	57,689	208,676
Total Net Assets	\$ 18,107,494	\$ 5,888,931	\$ 7,438,066	\$ 31,434,491

The notes to the financial statements are an integral part of this statement.

**Wilson County, North Carolina**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended June 30, 2007**

Exhibit 7

	<b>Major Enterprise Funds</b>			<b>Total</b>
	<b>Solid Waste Fund</b>	<b>Water Distribution Fund Southeast District</b>	<b>Water Distribution Fund Southwest District</b>	
<b>Operating Revenues</b>				
Charges for services	\$ 2,689,342	\$ 547,386	\$ 571,014	\$ 3,807,742
<b>Operating Expenses</b>				
Administration	\$ -	\$ 204,676	\$ 208,858	\$ 413,534
Salaries and employee benefits	783,812	-	-	783,812
Operating expense	933,947	-	-	933,947
Landfill closure	488,244	-	-	488,244
Depreciation	138,953	249,422	289,354	677,729
Water purchase	-	98,777	114,432	213,209
Total Operating Expenses	<u>\$ 2,344,956</u>	<u>\$ 552,875</u>	<u>\$ 612,644</u>	<u>\$ 3,510,475</u>
Operating Income (Loss)	<u>\$ 344,386</u>	<u>\$ (5,489)</u>	<u>\$ (41,630)</u>	<u>\$ 297,267</u>
<b>Non-Operating Revenues (Expenses)</b>				
Interest/investment revenue	\$ 813,384	\$ -	\$ -	\$ 813,384
Bad debt	(7,265)	(5,897)	(4,714)	(17,876)
Interest expense	-	(161,903)	(296,284)	(458,187)
Total Non-Operating Revenue (Expenses)	<u>\$ 806,119</u>	<u>\$ (167,800)</u>	<u>\$ (300,998)</u>	<u>\$ 337,321</u>
Income (Loss) before Contributions and Transfers	\$ 1,150,505	\$ (173,289)	\$ (342,628)	\$ 634,588
Capital Contributions	-	-	682,515	682,515
Change in Net Assets	<u>\$ 1,150,505</u>	<u>\$ (173,289)</u>	<u>\$ 339,887</u>	<u>\$ 1,317,103</u>
Total Net Assets - Beginning	16,956,988	6,062,220	7,098,180	30,117,388
Total Net Assets - Ending	<u>\$ 18,107,493</u>	<u>\$ 5,888,931</u>	<u>\$ 7,438,067</u>	<u>\$ 31,434,491</u>

The notes to the financial statements are an integral part of this statement.

**Wilson County, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For The Fiscal Year Ended June 30, 2007**

Exhibit 8

	<b>Solid Waste Fund</b>	<b>Water Distribution Fund Southeast District</b>	<b>Water Distribution Fund Southwest District</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$ 2,668,392	\$ 514,466	\$ 528,353	\$ 3,711,211
Cash paid for goods & services	(1,634,575)	(291,079)	(312,268)	(2,237,922)
Cash paid to employees for services	(783,182)	-	-	(783,182)
Customer deposits received	-	(30)	4,030	4,000
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 250,635</b>	<b>\$ 223,357</b>	<b>\$ 220,115</b>	<b>\$ 694,107</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition & construction of capital assets	\$ (345,043)	\$ (1,450)	\$ (779,033)	\$ (1,125,526)
Principal paid on debt	-	(41,500)	(43,000)	(84,500)
Interest paid on debt	-	(162,869)	(285,737)	(448,606)
Capital contributions	-	-	1,136,259	1,136,259
Interfund loan	-	-	(521,109)	(521,109)
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>\$ (345,043)</b>	<b>\$ (205,819)</b>	<b>\$ (492,620)</b>	<b>\$ (1,043,482)</b>
<b>Cash Flows from Investing Activities:</b>				
Interest on investments	\$ 813,384	\$ -	\$ -	\$ 813,384
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 718,976</b>	<b>\$ 17,538</b>	<b>\$ (272,505)</b>	<b>\$ 464,009</b>
<b>Cash and Cash Equivalents:</b>				
July 1, 2006	15,820,547	267,583	443,458	16,531,588
June 30, 2007	<u>\$ 16,539,523</u>	<u>\$ 285,121</u>	<u>\$ 170,953</u>	<u>\$ 16,995,597</u>

(continued)

**Wilson County, North Carolina**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For The Fiscal Year Ended June 30, 2007**

**Exhibit 8**

	<b>Solid Waste Fund</b>	<b>Water Distribution Fund Southeast District</b>	<b>Water Distribution Fund Southwest District</b>	<b>Total</b>
(continued)				
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>				
Operating income (loss)	<b>\$ 344,386</b>	<b>\$ (5,489)</b>	<b>\$ (41,630)</b>	<b>\$ 297,267</b>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation (net)	\$ 138,953	\$ 249,422	\$ 289,354	\$ 677,729
Provision for uncollectible accounts	(7,266)	(5,897)	(4,715)	(17,878)
Changes in Assets and Liabilities:				
(Increase) Decrease in accounts receivable	(13,684)	(27,023)	(37,946)	(78,653)
Decrease in accrued landfill closure costs	(259,931)	-	-	(259,931)
Increase (decrease) in accounts payable	47,547	10,358	9,006	66,911
(Decrease) in customer deposits	-	(30)	4,030	4,000
Increase in accrued vacation pay	630	2,016	2,016	4,662
Total Adjustments	<b>\$ (93,751)</b>	<b>\$ 228,846</b>	<b>\$ 261,745</b>	<b>\$ 396,840</b>
Net Cash Provided by Operating Activities	<b>\$ 250,635</b>	<b>\$ 223,357</b>	<b>\$ 220,115</b>	<b>\$ 694,107</b>

The notes to the financial statements are an integral part of this statement.

**Wilson County, North Carolina  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
For the Year Ended June 30, 2007**

**Exhibit 9**

**Agency  
Fund**

**Assets**

Cash and cash equivalents

\$ 3,712

**Liabilities and Net Assets**

Liabilities:

Intergovernmental payable - State of North Carolina - DMV

\$ 3,712

Net Assets

\$ -

The notes to the financial statements are an integral part of this statement.



**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**I. Summary of Significant Accounting Policies**

The accounting policies of Wilson County and its component unit conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

**A. Reporting Entity**

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 generally accepted accounting principles, these financial statements present the County and its component unit, a legally separate entity for which the County is financially accountable. Wilson County Water Districts (the "Districts") exist to provide and maintain a water system for the county residents within the districts. The Districts are reported as enterprise funds in the County's financial statements. Wilson County Industrial Facility and Pollution Control Financing Authority (the "Authority") exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

The discretely presented component unit presented below is reported in a separate column in the County's financial statements in order to emphasize that it is legally separate from the County.

**Wilson County ABC Board**

The Wilson County ABC Board, a component unit of Wilson County, is a corporate body with powers outlined by General Statutes [Chapter 18B-701]. The County's governing body appoints the ABC Board. The Wilson county ABC Board is required by State Statute to distribute its surpluses to the General Fund of Wilson County, which represents a financial benefit to Wilson County. Therefore, the Wilson County ABC Board is reported as a discretely presented component unit in Wilson County's financial statements. Complete financial statements for the ABC Board may be obtained from the entity's administrative offices at Wilson County ABC Board, P.O. Box 7290, Wilson, N.C. 27895.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**B. Basis of Presentation, Basis of Accounting**

**Basis of Presentation, Measurement Focus - Basis of Accounting**

**Government-wide Statements**

The statement of net assets and the statement of activities display information about the primary government (the County) and its component unit. 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. 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 of 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.

**Fund Financial Statements**

The fund financial statements provide information about the County's funds, including its fiduciary fund and blended component units. 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. Nonoperating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

The County reports the following major governmental fund:

**General Fund** - This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The County reports the following major enterprise funds:

**Water Distribution Funds** - These funds are used to account for the operations of the two Water and Sewer districts within the County. The Water Capital Projects funds are consolidated with these funds for financial reporting purposes.

**Landfill Fund** - The Landfill Closure and Postclosure Reserve Fund is a reserve established by the County to accumulate the funds necessary to cover the closure and postclosure care costs that will be incurred by the landfill in the future. The Landfill Closure and Postclosure Reserve Fund and the Solid Waste Reserve Fund are consolidated with the Landfill operating fund for financial reporting purposes. The Solid Waste Reserve Fund is a fund created to accumulate resources from users for the operation of convenience disposal sites.

**Agency Funds** - Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The county maintains the following agency fund; the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles.

**Measurement Focus, Basis of Accounting**

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

**Government-wide, Proprietary, and Fiduciary Fund Financial Statements**

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary 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.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 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 nonoperating 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 60 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Wilson County is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts in the County. For motor vehicles registered under the staggered system and for vehicles newly registered under the annual system, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2006 through February 2007 apply

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

to the fiscal year ended June 30, 2007. Uncollected taxes, which were billed during this period are shown as a receivable on these financial statements. In addition, as of January 1, 2007, State law implemented a staggered expiration date system for annually registered vehicles as part of the conversion into the staggered registration. Originally, annually registration expired December 31<sup>st</sup> each year with taxes due by May 1<sup>st</sup> of the following year. To transition from the staggered into the annual registration, the initial 2006 registration renewals will vary from 7 to 18 months after December 31, 2006. Once these initial renewals have expired, all vehicles that were previously annually registered will be in the staggered system.

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 are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and them by general revenues.

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

The County has implemented GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and related standards. These new standards provide for significant changes in terminology and presentation and for the inclusion of Management's Discussion and Analysis as required supplementary information.

**C. Budgetary Data**

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, Revaluation Fund, Fire District Fund, Enhanced 911 Service Fund, Economic Development Reserve Fund, Public Buildings Fund, Transportation Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Grant Projects Fund, School Improvements Capital Projects Fund, Library Construction Fund, Regional Wastewater Facility, and the Enterprise Capital Projects Funds, which are consolidated with the enterprise operating funds for reporting purposes.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for the all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000. The governing board must approve all amendments. During the year, several immaterial amendments to the original budget were necessary. 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.

**D. Assets, Liabilities, and Fund Equity**

**1. Deposits and Investments**

All deposits of the County and Wilson County ABC Board are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the ABC Board 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 and the ABC Board 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 and the ABC Board's 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, an SEC registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. 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.

**2. Cash and Cash Equivalents**

The County pools moneys 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. The ABC Board considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**3. Restricted Assets**

The unexpended bond proceeds of the District's Serial Bonds are classified as restricted assets within the enterprise fund because their use is completely restricted to the purpose for which the bonds were originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Also the unexpended bond (debt) proceeds for the Library and Economic Development Fund are restricted to the purpose for which they were borrowed.

**4. 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, 2006.

**5. Allowances for Doubtful Accounts**

All receivables that historically experience uncollectable 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.

**6. Inventories and Prepaid Items**

The inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The inventory of the ABC Board consists of materials and supplies held for consumption or resale. The cost of the inventory carried by the ABC Board is recorded as an expense as it is consumed or sold.

**7. Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: land, \$10,000; Buildings, improvements, substations, lines, and other plant and distribution systems, \$5,000; infrastructure, \$20,000; furniture and equipment, \$5,000; and vehicles, \$10,000. 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.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

The County holds title to certain Wilson County Board of Education 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 the Board of Education give the Board of Education 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 Board of Education, 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 the Wilson County Board of Education.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

	Years
Buildings	50
Improvements	25
Infrastructure	50
Furniture and equipment	3-20
Vehicles	3-5
Computer Equipment	3-5

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	Years
Buildings	40-50
Furniture and equipment	3-10
Vehicles	3-5
Leasehold improvements	5-10

**8. Long-term Obligations**

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

**9. Compensated Absences**

The vacation policies of the County and the ABC Board provide for the accumulation of up to 240 hours earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds and the ABC Board, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.



**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

The sick leave policies of the County and the ABC Board 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 none of the entities have any obligation for accumulated sick leave until it is actually taken no accrual for sick leave has been made by the County or its component unit.

**10. Net Assets/Fund Balances**

**Net Assets**

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

**Fund Balances**

In the governmental fund financial statements, reservations or restrictions of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

State law [G.S. 159-13(b)(16)] restricts the appropriation of fund balance to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

The governmental fund types classify fund balances as follows:

**Reserved**

Reserved by State Statute - portion of fund balance not available for appropriation under State law [G.S. 159-8(a)]. This amount is usually comprised of accounts receivable and interfund receivables that are not offset by deferred revenues.

Reserved for Register of Deeds - portion of fund balance constituting the Automation Enhancement and Preservation Fund, funded by 10% of the fees collected and maintained by the register of deeds' office. The funds are available for appropriation but are legally restricted for computer and imaging technology in the register of deeds office.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**Unreserved**

Designated for subsequent year's expenditures - portion of total fund balance available for appropriation, which has been designated for the adopted 2006 - 2007 budget ordinance.

Undesignated - portion of total fund balance available for appropriation that is uncommitted at year-end.

**E. Reconciliation of Government-wide and Fund Financial Statements**

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net asset.

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$(15,776,658) consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 41,498,498
Less accumulated depreciation	15,188,487
Net Capital Assets	\$ 26,310,011
Deferred charges related to advance refunding bond issue are not a current financial resource and therefore not reported in the funds	83,727
Liabilities for revenue deferred but earned and therefore recorded in the fund statements but not in the government-wide.	2,283,469
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Bonds, leases, and installment financing	(41,900,282)
Compensated absences	(1,671,067)
Accrued interest payable	(450,612)
Unfunded Separation Allowance	(431,904)
Total Adjustments	\$ (15,776,658)

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$3,519,218 follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities.	\$ 4,444,660
Depreciation expense, the allocation of those assets over their useful lives that is recorded on the statement of activities but not in the fund statements.	(1,832,400)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets.	(1,405,000)
New capital leases and capital lease payments have no effect on the statement of activities, it affects only the government-wide statement of net assets:	
New capital leases	(1,628,121)
Capital lease payments	247,685
Principal payments along with issuance costs and premiums on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net assets in the government-wide statements.	4,497,826
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual).	41,444
Compensated absences and certain pension costs are accrued in the government-wide statements but not in the fund statements because they do not use current resources.	(147,724)
Property tax and other revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	(389,110)
Undepreciated cost of capital assets sold or retired which exceeds proceeds.	(310,042)
Total Adjustment	\$ 3,519,218

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**II. Stewardship, Compliance, and Accountability**

**A. Material Violations of Finance-Related Legal and Contractual Provisions**

**Noncompliance with North Carolina General Statutes**

During the year the Board of Commissioners approved and the County entered into a capital lease for the Miller Road office building. The County did not obtain the required approval from the Local Government Commission before the lease was executed. Approval is being obtained subsequent to June 30, 2007.

During the year amounts received from the N.C. State Public Bond Fund for the Wilson County Board of Education totaling, \$543,294 were inadvertently not budgeted. Subsequent to year-end the budget was amended to reflect the funds received and transferred to the Board of Education.

**III Detail Notes on All Funds**

**A. Assets**

**1. Deposits**

All of the County's and the ABC Board's deposits are insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the ABC Board's agents in these units names. Under the Pooling Method, which is a collateral pool, 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 and the ABC Board, these deposits are considered to be held by the their agents in the entities' names. 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 ABC Board, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the ABC Board under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

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. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2007, the County's deposits had a carrying amount of \$29,216,291 and a bank balance of \$29,906,005. Of the bank balance, \$344,330 was covered by federal depository insurance, \$499,427 in non-interest bearing deposits and \$2,906,248 in interest-bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2007, Wilson County had \$8,985 cash on hand.

At June 30, 2007, the carrying amount of deposits for Wilson County ABC Board was \$896,427 and the bank balance was \$853,690. Of the bank balance \$140,074 was covered by federal depository insurance and \$713,616 in interest-bearing deposits was insured under the Pooling Method.

**2. Investments**

As of June 30, 2007, the County had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>Over 1 Year</u>
Commercial Paper	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -
N.C. Capital Management Trust - Cash Portfolio	9,113,812	n/a	n/a	n/a
Total	<u>\$ 12,613,812</u>	<u>\$ 3,500,000</u>	<u>\$ -</u>	<u>\$ -</u>

*Interest Rate Risk.* As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than 12 months. Also, the County's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than three years.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

*Credit Risk.* The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County had no formal policy on managing credit risk. As of June 30, 2007, the County's investments in commercial paper were rated P1 by Standard & 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 & Poor's as of June 30, 2007. The County's investment in the NC Capital Management Trust Term Portfolio is 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. The County's investments in US Agencies (Federal Home Loan Bank) are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service.

*Concentration of Credit Risk.* The County's Board places no limit on the amount that the county may invest in any one issuer. More than 5 percent of the County's investments are in Commercial Paper. This investment is 28% of the County's total investment.

*Custodial Credit Risk.* For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County had no policy on custodial credit risk.

At June 30, 2007, the ABC Board had no investments.

**3. Property Tax - Use-Value Assessment on Certain Lands**

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the 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 the accrued interest from the original due date. This tax is immediately due and payable. The following 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 Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2003	\$ 1,362,880	\$ 323,684	\$ 1,686,564
2004	1,335,851	197,038	1,532,889
2005	1,369,003	78,717	1,447,720
2006	1,332,325	76,609	1,408,934
Total	\$ 5,400,059	\$ 676,048	\$ 6,076,107
	=====	=====	=====

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**4. Receivables**

Receivables at the government-wide level at June 30, 2007, were as follows:

	<u>Accounts</u>	<u>Taxes &amp; Related Accrued Interest</u>	<u>Due from Other Governments</u>	<u>Other</u>	<u>Total</u>
<b>Governmental</b>					
<b>Activities:</b>					
General	\$4,020,437	\$2,949,737	\$ 2,659,788	\$ -	\$9,629,962
Other governmental	240,322	49,107	-	-	289,429
Total Receivables	<u>\$4,260,759</u>	<u>\$2,998,844</u>	<u>\$ 2,659,788</u>	<u>\$ -</u>	<u>\$9,919,391</u>
Allowance for doubtful accounts	<u>-</u>	<u>(715,375)</u>	<u>-</u>	<u>-</u>	<u>(715,375)</u>
Total Governmental Activities	<u>\$4,260,759</u>	<u>\$2,283,469</u>	<u>\$ 2,659,788</u>	<u>\$ -</u>	<u>\$9,204,016</u>
	=====	=====	=====	=====	=====
 <b>Business-type</b>					
<b>Activities:</b>					
Landfill	\$ 158,960	\$ -	\$ 28,896	\$ -	\$ 187,856
Water & Sewer	163,658	-	-	-	163,658
Total Receivables	<u>\$ 322,618</u>	<u>\$ -</u>	<u>\$ 28,896</u>	<u>\$ -</u>	<u>\$ 351,514</u>
Allowance for doubtful accounts	<u>(50,383)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,383)</u>
Total Business-type Activities	<u>\$ 272,235</u>	<u>\$ -</u>	<u>\$ 28,896</u>	<u>\$ -</u>	<u>\$ 301,131</u>
	=====	=====	=====	=====	=====

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

	<u>General Fund</u>	<u>Enterprise Fund</u>
Local option sales tax	\$ 2,659,788	\$ -
White goods disposal tax	-	7,741
Scrap tire tax	-	21,155
Total	<u>\$ 2,659,788</u>	<u>\$ 28,896</u>
	=====	=====

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**5. Capital Assets**

Capital asset activity for the year ended June 30, 2007, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental Activities:</b>				
Capital Assets Not Being depreciated:				
Land	\$ 393,570	\$ -	\$ 121,350	\$ 272,220
Capital Assets Being Depreciated:				
Buildings	\$ 23,305,312	\$ 1,091,056	\$ 178,650	\$ 24,217,718
Other improvements	5,216,962	104,306	-	5,321,268
Furniture & equipment	5,891,568	2,615,653	80,856	8,426,365
Vehicles & motor equipment	2,867,753	633,645	240,471	3,260,927
Total	<u>\$ 37,281,595</u>	<u>\$ 4,444,660</u>	<u>\$ 499,977</u>	<u>\$ 41,226,278</u>
Less Accumulated Depreciation For:				
Buildings	\$ 6,865,115	\$ 446,792	\$ 893	\$ 7,311,014
Other improvements	594,100	183,864	-	777,964
Equipment	3,985,002	802,055	80,867	4,706,190
Vehicles & motor equipment	2,223,157	399,689	229,527	2,393,319
Total	<u>\$ 13,667,374</u>	<u>\$ 1,832,400</u>	<u>\$ 311,287</u>	<u>\$ 15,188,487</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 23,614,221</u>			<u>\$ 26,037,791</u>
Governmental Activities Capital Assets, Net	\$ 24,007,791			\$ 26,310,011
	=====			=====

**Primary Government**

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

General Government	\$ 379,484
Public Safety	868,703
Economic and Physical Development	41,693
Human Services	321,287
Cultural and Recreational	221,233
Total Depreciation Expense	<u>\$ 1,832,400</u>
	=====



**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Business-type Activities:</b>				
<b>Solid Waste:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 2,473,648	\$ 90,373	\$ -	\$ 2,564,021
Capital Assets Being Depreciated:				
Furniture & maintenance equipment	\$ 1,771,425	\$ 264,262	\$ 127,900	\$ 1,907,787
Vehicles	124,041	-	-	124,041
Total	<u>\$ 1,895,466</u>	<u>\$ 264,262</u>	<u>\$ 127,900</u>	<u>\$ 2,031,828</u>
Less Accumulated Depreciation For:				
Furniture & maintenance equipment	\$ 1,151,080	\$ 121,573	\$ 118,308	\$ 1,154,345
Vehicles	48,612	17,380	-	65,992
Total	<u>\$ 1,199,692</u>	<u>\$ 138,953</u>	<u>\$ 118,308</u>	<u>\$ 1,220,337</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 695,774</u>			<u>\$ 811,491</u>
Solid Waste Capital Assets, Net	<u>\$ 3,169,422</u>			<u>\$ 3,375,512</u>
<b>Southeast Water District:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 48,389	\$ -	\$ -	\$ 48,389
Construction in progress	-	-	-	-
Total	<u>\$ 48,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,389</u>
Capital Assets Being Depreciated:				
Plant & distribution system	\$ 8,671,737	\$ -	\$ -	\$ 8,671,737
Office & maintenance equipment	1,462,964	1,450	-	1,464,414
Vehicles	39,778	-	-	39,778
Total	<u>\$ 10,174,479</u>	<u>\$ 1,450</u>	<u>\$ -</u>	<u>\$ 10,175,929</u>

(continued)

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Business-type Activities: (continued)</b>				
<b>Southeast Water District: (continued)</b>				
Less Accumulated				
Depreciation For:				
Plant &				
distribution system	\$ 178,258	\$ 164,960	\$ -	\$ 343,218
Office & maintenance				
equipment	199,496	78,510	-	278,006
Vehicles	31,262	5,952	-	37,214
Total	<u>\$ 409,016</u>	<u>\$ 249,422</u>	<u>\$ -</u>	<u>\$ 658,438</u>
Total Capital Assets				
Being Depreciated, Net	<u>\$ 9,765,463</u>			<u>\$ 9,517,491</u>
Southeast Water District				
Capital Assets, Net	<u>\$ 9,813,852</u>			<u>\$ 9,565,880</u>
<b>Southwest Water District:</b>				
Capital Assets Not				
Being Depreciated:				
Land	\$ 78,669	\$ -	\$ -	\$ 78,669
Construction				
in progress	3,186,750	762,859	-	3,949,609
Total	<u>\$ 3,265,419</u>	<u>\$ 762,859</u>	<u>\$ -</u>	<u>\$ 4,028,278</u>
Capital Assets				
Being Depreciated:				
Plant &				
distribution system	\$ 10,017,178	\$ -	\$ -	\$ 10,017,178
Office & maintenance				
equipment	655,034	1,450	-	656,484
Vehicles	21,485	-	-	21,485
Total	<u>\$ 10,693,697</u>	<u>\$ 1,450</u>	<u>\$ -</u>	<u>\$ 10,695,147</u>
Less Accumulated				
Depreciation For:				
Plant &				
distribution system	\$ 341,802	\$ 217,123	\$ -	\$ 558,925
Office & maintenance				
equipment	35,081	69,017	-	104,098
Vehicles	16,886	3,214	-	20,100
Total	<u>\$ 393,769</u>	<u>\$ 289,354</u>	<u>\$ -</u>	<u>\$ 683,123</u>
Total Capital Assets				
Being Depreciated, Net	<u>\$ 10,299,928</u>			<u>\$ 10,012,024</u>
Southwest Water District				
Capital Assets, Net	<u>\$ 13,565,347</u>			<u>\$ 14,040,302</u>
Business-type Activities				
Capital Assets, Net	<u>\$ 26,548,621</u>			<u>\$ 26,981,694</u>
	=====			=====

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**Construction Commitments**

The government has active construction projects as of June 30, 2007. At year-end, the government's commitments with contractors are as follows:

<u>Project</u>	<u>Original Contracts</u>	<u>Remaining Commitment</u>
Water System	\$ 2,523,090	\$ 91,422
	=====	=====

**Discretely Presented Component Units**

Activity for the ABC Board for the year ended June 30, 2007, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Capital Assets Not Being Depreciated:				
Land	\$ 319,449	\$ -	\$ -	\$ 319,449
Construction in progress	-	-	-	-
Total	<u>\$ 319,449</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 319,449</u>
Capital Assets Being Depreciated:				
Buildings	\$ 1,484,021	\$ -	\$ -	\$ 1,484,021
Furniture & equipment	357,361	7,774	4,135	361,000
Vehicles	23,876	-	-	23,876
Leasehold Improvements	7,809	1,953	-	9,762
Total	<u>\$ 1,873,067</u>	<u>\$ 9,727</u>	<u>\$ 4,135</u>	<u>\$ 1,878,659</u>
Less Accumulated Depreciation For:				
Buildings	\$ 149,902	\$ 31,526	\$ -	\$ 181,428
Furniture & equipment	251,007	23,624	3,933	270,698
Vehicles	23,876	-	-	23,876
Leasehold Improvements	3,568	624	-	4,192
Total	<u>\$ 428,353</u>	<u>\$ 55,774</u>	<u>\$ 3,933</u>	<u>\$ 480,194</u>
Total Capital Assets Being Depreciated, Net	<u>\$ 1,444,714</u>			<u>\$ 1,398,465</u>
Capital Assets, Net	<u>\$ 1,764,163</u>			<u>\$ 1,717,914</u>
	=====			=====

Depreciation expense was charged to functions as follows:

Warehouse and delivery	\$ 8,829
Administrative	8,852
Store expenses	38,063
Total Depreciation Expense	<u>\$ 55,744</u>
	=====

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**B. Liabilities**

**1. Payables**

Payables at the government-wide level at June 30, 2007, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Accrued Interest</u>	<u>Total</u>
<b>Governmental Activities:</b>				
General	\$ 2,437,792	\$ 41,439	\$ 450,612	\$ 2,929,843
Other governmental	846,195	-	-	846,195
Total	<u>\$ 3,283,987</u>	<u>\$ 41,439</u>	<u>\$ 450,612</u>	<u>\$ 3,776,038</u>
=====				
<b>Business-type Activities:</b>				
Solid Waste	\$ 119,835	\$ -	\$ -	\$ 119,835
Water Distribution Funds:				
Southeast District	18,966	-	12,788	31,754
Southwest District	18,168	-	78,893	97,061
Total	<u>\$ 156,969</u>	<u>\$ -</u>	<u>\$ 91,681</u>	<u>\$ 248,650</u>
=====				

**2. Pension Plan Obligations**

**Local Governmental Employees' Retirement System**

**Plan Description**

Wilson County and the ABC Board contribute to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System 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 six percent of their annual covered salary. The County and the ABC Board are 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

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

is 4.88% and 4.78%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 4.90% of annual covered payroll. The contribution requirements of members and of Wilson County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2007, 2006, and 2005 were \$1,144,446, \$1,097,458, and \$998,291, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2007, 2006, and 2005 were \$53,912, \$50,746, and \$46,791, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

**Law Enforcement Officers Special Separation Allowance**

**Plan Description**

Wilson 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 percent 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. The Separation Allowance is reported in the County's report as a pension trust fund.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2006, the Separation Allowance's membership consisted of:

Retirees receiving benefits	9
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	73
Total	<hr style="width: 50%; margin: 0 auto;"/> 82 =====

**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.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**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. For the current year, the County contributed \$69,197. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly.

The annual required contribution for the current year was determined as part of the December 31, 2006 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4.5% to 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at December 31, 2006 was 25 years.

**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	\$ 116,674
Interest on net pension obligation	29,350
Adjustment to annual required contribution	(24,227)
Annual pension cost	\$ 121,797
Contributions made	(94,723)
Increase (decrease) in net pension obligation	\$ 27,074
Net Pension Obligation -	
Beginning of year	404,830
End of year	\$ 431,904
	=====

3 Year Trend Information			
For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2005	\$ 96,000	72.08%	\$ 358,906
2006	114,624	59.93%	404,830
2007	121,797	77.77%	431,904

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

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

**Plan Description**

Wilson 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.

**Funding Policy**

Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2007 were \$186,919, which consisted of \$143,613 from the County and \$43,306 from the law enforcement officers.

**Registers of Deeds' Supplemental Pension Fund**

**Plan Description**

The County also contributes to the Registers of Deeds' Supplemental Pension Fund (the Fund), a noncontributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who 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.

**Funding Policy**

On a monthly basis, the County remits to the Department of State Treasurer an amount equal to four and one-half percent (4.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2007, the County's required and actual contributions were \$21,626.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**Other Post-Employment Benefits**

According to a county policy, the County provides health care benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least five years of creditable service with the State Retirement System. 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 71 retirees are eligible for post-retirement health benefits. For the fiscal year ended June 30, 2007, the County made payments for post-retirement health benefit premiums of \$259,549. The County obtains health care coverage through private insurers.

**Other Employment 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 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 would not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

**3. Closure and Post-closure Care Costs - Wilson County Solid Waste Facility**

State and federal 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. The landfill stopped accepting solid waste on January 1, 1998.

The County is also permitted to accept construction and demolition waste on top of a closed landfill site for maximum period of five years or until maximum capacity has been reached. The estimated future costs to close the construction and demolition area and subsequent postclosure costs based on remaining capacity at June 30, 2007, are \$2,137,233.



**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

The County has met the requirements of a local government financial test that is one option under State and federal laws and regulations that helps determine if a unit is financially able to meet closure and postclosure care requirements. However, the County has also elected to establish a reserve fund that accumulates resources through annual contributions for the payment of closure and postclosure care costs. At June 30, 2007, those funds are held in investments with a cost and market value of \$3,301,304.

The County expects that future inflation costs will be paid from the interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or by future tax revenues.

**4. Deferred/Unearned Revenues**

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

	Deferred Revenues	Unearned Revenues
Prepaid taxes not yet earned (General)	\$ -	\$ 341,193
Taxes receivable (net) (General)	1,833,822	-
Taxes receivable (net) (Special Revenue)	49,107	-
Total	\$ 1,882,929	\$ 341,193
	=====	=====

**5. 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 North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general liability coverage of \$2 million per occurrence, and workers' compensation coverage up to the statutory limits. The pools are reinsured through commercial companies for single occurrence losses in excess of \$500,000 up to a \$2 million limit for general liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property coverage, and single occurrence losses of \$400,000 for workers' compensation.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

The County carries flood insurance through the National Flood Insurance Plan (NFIP). The County is in an area of the State that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency. The County has purchased \$210,000 of insurance on one structure.

Wilson County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Board has property, general liability, auto liability, workers' compensation, and employee health coverage. The Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

**6. Contingent Liabilities**

At June 30, 2007, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate outcome of these legal matters will not have a materially adverse effect on the County's financial position.

**7. 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 their inception.

1. Lease executed on July 1, 2003 for imaging equipment requiring sixty monthly installments of \$550.
2. Lease executed on August 10, 2003 for telephone networking equipment requiring forty-eight monthly installments of \$1,832.
3. Lease executed on August 23, 2003 for telephone networking equipment requiring forty-eight monthly installments of \$1,231.
4. Lease executed on September 6, 2003 for telephone networking equipment requiring forty-eight monthly installments of \$1,649.
5. Lease executed on September 20, 2003 for telephone networking equipment requiring forty-eight monthly installments of \$1,014.

(continued)

**Wilson County, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2007**

**Capital Leases (continued)**

6. Lease executed on March 20, 2007 for 60 laptops requiring thirty-six monthly installments of \$3,361.
7. Lease executed on March 17, 2006 for a multitasking copier requiring sixty monthly installments of \$515.
8. Lease executed on May 2, 2007 for software and equipment requiring five annual installments of \$88,907.

Under the terms of the agreements, the County at the end of the lease has a purchase option of \$1.

Lease executed on December 1, 2006 for the Miller Road building requiring 180 monthly installments starting at \$7,233 with an estimated annual cpi adjustment of 2%. At the end of the lease, the County has a purchase option of \$250,000.

The following is an analysis of the assets recorded under capital leases in the County's Capital Assets at June 30:

<u>Classes of Property</u>	<u>2007</u>
Equipment	\$ 861,157
Buildings	1,091,056
Total	<u>\$ 1,952,213</u>
	=====

For Wilson County, the future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2007 were as follows:

<u>Year Ending June 30</u>	<u>General Long-Term Debt</u>
2008	\$ 237,207
2009	223,958
2010	215,646
2011	185,658
2012	182,862
2013 - 2017	498,725
2018 - 2022	550,633
2023 - 2027	250,000
Total minimum lease payments	<u>\$ 2,344,689</u>
Less: amount representing interest	687,963
Present value of the minimum lease payments	<u>\$ 1,656,726</u>
	=====

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**General Obligation Indebtedness**

Wilson County Water 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 Water District Fund, are collateralized by the full faith, credit, and taxing power of the District. Principal and interest payments are appropriated when due.

The County's general obligation bonds payable at June 30, 2007 is comprised of the following individual issues:

	Balance 6-30-07
General Obligation Bonds:	
\$8,000,000 Detention Center Bond Issue - February 1, 1993; due in annual principal installments ranging from \$380,000 to \$450,000 through June 2014; interest at 2.0% to 3.25%; payable on June 1 and December 1	\$ 2,805,000
\$17,400,000 School Series 2004 - April 9, 2005; due in annual principal installments ranging from \$500,000 to \$2,000,000 through April 2017; interest at 4.0% to 5.0%; payable on October 1 and April 1	14,100,000
\$5,300,000 Library Bonds Series 2003 - February 2, 2003; due in annual principal installments of \$350,000 through February 2018; interest at 3.25% to 3.6%; payable on February 1 and August 1	3,900,000
Total	\$ 20,805,000 =====

The County has financed capital improvements throughout the years with financing agreements with local banks.

The County's financing debt at June 30, 2007 are comprised of the following notes payable:

	Balance 6-30-07
\$8,500,000 Financing Agreement - School Improvements December 19, 1996; due in semi-annual principal interest payments of \$389,391 through January 1, 2012; interest at 4.01% payable on July 1 and January 1	\$ 3,496,822

(continued)

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

	Balance 6-30-07
Notes Payable: (continued)	
\$5,600,000 Financing Agreement - School Improvements July 31, 2001; due in semi-annual fixed principal payments of \$192,323 plus interest at 4.09% through October 27, 2015, payable on October 27 and April 27	3,269,488
\$5,000,000 Financing Agreement - School Improvements April 2, 2002; due in semi-annual fixed principal payments of \$163,945 plus interest at 4.16% through October, 2016; payable on July 1 and January 1	3,114,948
\$8,500,000 Financing Agreement - School Improvements January 15, 1997; due in semi-annual principal and interest payments of \$391,392 through January 1, 2006; interest at 4.01%; payable on July 1 and January 1	3,514,790
\$3,500,000 Notes Payable - County DSS Building December 22, 1992; due in semi-annual principal and interest payments of \$162,381 through January 2008; interest at 3.49%; payable on January 10 and July 10; collateralized by a deed of trust on a building	316,455
\$1,340,875 Notes Payable - Economic Development November 20, 1997; due in quarterly principal and interest payments of \$30,338 through December 2012; interest at 4.25%; payable March 1, June 1, September 1, and December 1; collateralized by a deed of trust on a building	592,374
\$5,000,000 Financing Agreement - School Improvements August 30, 1999; due in semi-annual principal payments of \$170,167 through August 30, 2014; interest at 4.09%; payable on February 28 and August 30	2,550,250
\$800,000 Notes Payable - Economic Development October 21, 1994; County's share of a joint loan with the City of Wilson for ½ of a building constructed as an industrial economic incentive; due in monthly principal and interest payments of \$8,168 through November 2008; interest at 6.5% payable monthly	131,935
\$457,000 Financing Agreement - Economic Development March 31, 2006; Due in annual principal and interest payments of \$40,388 through March 2021; interest at 3.75%; collateralized by a deed of trust on the property	432,341

(continued)

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

	Balance <u>6-30-07</u>
Notes Payable: (continued)	
\$400,000 Financing Agreement - Software February 28, 2007; due in quarterly principal and interest payments of \$35,692 through February 2010; interest at 3.9%; payable on July 28, October 28, January 28, and April 28	400,000
\$905,000 Financing Agreement - Energy Conservation September 15, 2006; due in annual principal and interest payments of \$96,864 through May 2018; interest at 4.353%	832,668
\$100,000 Notes Payable - Economic Development March 26, 2007; due in annual principal and interest payments of \$7,440 through March 2021 and a final payment of \$39,967 due March 2022; interest at 4.125%	100,000
Installment Purchases:	
\$903,313 School Renovations Qualified Zone Academy Bond - July 2, 2002; due in annual payments of \$54,209 through July 2019; non-interest bearing	686,485
Total	<u>\$ 19,438,556</u> =====
Serviced by the Southwest Water District:	
2005 USDA/Rural Development Water Bonds \$3,784,000 due in annual installments of \$41,000 to \$164,000 (beginning 2006) plus interest at 4.5% through June 1, 2043	\$ 3,700,000
Serviced by the Southeast Water District;	
2003 USDA/Rural Development Water Bonds \$3,600,000 due in annual installments of \$38,500 to \$154,000 (beginning 2005) plus interest at 4.625% through June 1, 2042	3,480,000
Serviced by the Southwest Water District;	
2006 USDA/Rural Development Water Bonds \$2,654,000 due in annual installments of \$35,000 to \$123,000 (beginning 2009) plus interest at 4.375% through June 1, 2046	2,654,000
Total	<u>\$ 9,834,000</u> =====

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

The annual requirements to amortize general obligation bonds and notes payable outstanding as of June 30, 2007, including interest payments, are as follows:

<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>
2008	\$ 1,570,000	\$ 873,350	\$ 89,000	\$ 443,563
2009	1,665,000	817,125	127,500	439,502
2010	1,660,000	752,963	132,500	433,752
2011	1,650,000	687,912	138,000	427,775
2012	1,645,000	623,162	143,000	421,548
2013 to 2017	12,215,000	1,661,162	815,000	2,004,990
2018 to 2022	400,000	14,400	1,005,000	1,804,615
2023 to 2027	-	-	1,241,500	1,557,259
2028 to 2032	-	-	1,533,500	1,251,493
2033 to 2037	-	-	1,887,000	873,586
2038 to 2042	-	-	2,090,000	423,926
2043 to 2047	-	-	632,000	59,440
<b>Total</b>	<b>\$ 20,805,000</b>	<b>\$ 5,430,074</b>	<b>\$ 9,834,000</b>	<b>\$ 10,141,449</b>
	=====	=====	=====	=====

The annual requirements to amortize notes payable outstanding as of June 30, 2007, including interest payments, are as follows:

<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 3,119,688	\$ 737,030	\$ 3,856,718
2009	2,821,377	611,338	3,432,715
2010	2,848,447	498,938	3,347,385
2011	2,774,170	387,166	3,161,336
2012	2,842,131	275,926	3,118,057
2013 to 2017	4,590,504	452,302	5,042,806
2018 to 2022	442,239	27,942	470,181
<b>Total</b>	<b>\$ 19,438,556</b>	<b>\$ 2,990,642</b>	<b>\$ 22,429,198</b>
	=====	=====	=====

At June 30, 2007, the County had a legal debt margin of \$375,891,658

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**Long-Term Obligation Activity**

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2007:

	Balance July 1, 2006	Increases	Decreases	Balance June 30, 2007	Current Portion of Balance
<b>Governmental Activities:</b>					
General obligation debt	\$22,385,000	\$ -	\$1,580,000	\$20,805,000	\$1,570,000
Capitalized leases	276,270	1,628,121	247,665	1,656,726	229,937
Notes payable	20,963,363	1,405,000	2,929,807	19,438,556	3,119,688
Compensated absences	1,550,417	120,650	-	1,671,067	-
Unfunded Special Separation Allowance	404,830	27,074	-	431,904	-
<b>Total Governmental Activities</b>	<b>\$45,579,880</b>	<b>\$3,180,845</b>	<b>\$4,757,472</b>	<b>\$44,003,253</b>	<b>\$4,919,625</b>
	=====	=====	=====	=====	=====
<b>Business-type Activities:</b>					
Notes payable	\$ 9,918,500	\$2,654,000	\$2,738,500	\$ 9,834,000	\$ 89,000
Accrued landfill closure & postclosure care costs	2,397,164	-	259,931	2,137,233	-
Compensated absences	37,601	4,661	-	42,262	-
<b>Total Business-type Activities</b>	<b>\$12,353,265</b>	<b>\$2,658,661</b>	<b>\$2,998,431</b>	<b>\$12,013,495</b>	<b>\$ 89,000</b>
	=====	=====	=====	=====	=====
<b>Discretely Presented Component Units</b>					
<b>Long-term Liabilities:</b>					
Installment Purchase	\$ 229,845	\$ -	\$ 229,845	\$ -	\$ -
	=====	=====	=====	=====	=====

Compensated absences typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.



**Wilson County, North Carolina  
Notes to the Financial Statements  
For the Fiscal Year Ended June 30, 2007**

**Interfund Transfers**

	From	To
General Fund:		
Revaluation (Annual transfer)	\$ -	\$ 100,000
Economic Development Reserve	-	1,500,000
Economic Development Reserve/Revaluation:		
General Fund (to consolidate resources)	1,600,000	-
Total	\$ 1,600,000	\$ 1,600,000
	=====	=====

**IV. Related Organization**

Wilson Memorial Hospital (the "Hospital") is a not-for-profit corporation and is a legally separate organization. Although the County Board of Commissioners is responsible for appointing the members of the Board of the Hospital, the County's accountability for this organization does not extend beyond making these appointments.

**V. Joint Ventures**

**Wilson Economic Development Council**

The County is a participant with the City of Wilson (the "City") in a joint venture to promote industrial and commercial development of the County and City. The Council is managed by a nine-member board composed of four appointees from the County, four appointees from the City and a chairman from either the County or City based on election by the Board. The by-laws of the Council state that the County and City are to provide funding for the financial requirements and operations of the Council. In accordance with the joint venture agreement, the County contributed \$232,950 to the Council for the fiscal year ended June 30, 2007. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2007. Complete financial statements for the Council can be obtained from the Council's administrative offices at 126 West Nash Street, Wilson, North Carolina 27893.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**Rocky Mount-Wilson Airport Authority**

The County, in conjunction with the City of Wilson, City of Rocky Mount, County of Edgecombe, and County of Nash, participates in the Rocky Mount-Wilson Airport Authority (the "Airport"). Each participating city appoints two members and each participating County appoints one member to the seven-member board. The Airport is a joint venture established to facilitate economic expansion within the region and improve the quality of life for its citizens. The County has an ongoing financial responsibility for the Airport because it and the other participants are legally obligated, under the intergovernmental agreement that created the Airport, to honor any deficiencies in the event that proceeds from other default remedies are insufficient. The County contributed \$40,214 to the Airport during the fiscal year ended June 30, 2007. The participating governments do not have any equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2007. Complete financial statements for the Airport can be obtained from the Airport's administrative offices at 250 Airport Drive, Elm City, North Carolina 27822.

**Wilson Technical Community College**

The County, in conjunction with the State of North Carolina and the Wilson County Board of Education, participates in a joint venture to operate the Wilson Technical Community College. Each of the three participants appoints four members of the thirteen member Board of Trustees of the Community College. The president of the Community College's student government serves as an ex officio nonvoting member of the Community College's board of trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,668,872 and \$133,912 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2007. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2007. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 902 Herring Avenue, Wilson, North Carolina 27893.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**Wilson-Green Board of Mental Health, Mental Retardation and Substance Abuse**

The County, in conjunction with Greene County, participates in a joint venture to operate the Wilson-Greene Board of Mental Health, Mental Retardation, and Substance Abuse (the "Board"). The Board of County Commissioners of each participating county appoints one county commissioner to the Board. The appointed commissioners then appoint the remaining thirteen members of the Board. Each participant in the joint venture makes an annual appropriation to the Board, but the majority of its funding comes from other sources. During the fiscal year ended June 30, 2007, the County contributed \$388,043 to the Board. None of the participating governments have an equity interest in the Board, so no equity interest has been reflected in the financial statements at June 30, 2007. Complete financial statements for the Board may be obtained from the Board's offices at 1709 South Tarboro Street, Wilson, North Carolina 27893.

**VI. Jointly Governed Organization**

**Upper Coastal Plain Council of Governments**

The County, in conjunction with five other counties and 35 municipalities, established the Upper Coastal Plain Council of Governments (the "Council"). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees and other costs of \$32,214 to the Council during the fiscal year ended June 30, 2007.

**Wilson County Tourism Development Authority**

The County of Wilson and the City of Wilson created the Wilson County Tourism Development Authority (the "Authority"), a public authority established to promote the growth of tourism and travel related industry. The Authority is funded by occupancy sales tax on motel and bed and breakfast rentals. The Authority receives no financial support from the County.

**Wilson County, North Carolina**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2007**

**VII Benefit Payments Issued by the State**

The amounts listed below were paid directly to individual recipients by the State from federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients, which do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Medical Assistance Program		
Medicaid - Title XIX	\$ 63,137,222	\$ 31,094,107
IV - E Adoption/Foster Care	183,178	31,822
Temporary Assistance for Needy Families	890,822	(1,875)
Low Income Home Energy		
Assistance Block Grant	241,239	-
WIC	2,095,096	-
Special Assistance for Adults	-	1,040,419
Food Stamp Program	10,595,897	-
CWS Adoption	-	229,902
State Foster Home	-	78,499
F/C At Risk Maximization	-	717
Total	<u>\$ 77,143,454</u>	<u>\$ 32,473,591</u>
	=====	=====

**XII Summary Disclosure of Significant Commitments and 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.

**Operating Leases**

The County is obligated under operating leases to make monthly payments ranging from \$248 to \$1,322 through January, 2009. Lease expenditures for the fiscal year ended June 30, 2007 totaled \$87,488. Under these leases, minimum lease payments for the fiscal year ending June 30, 2008 total \$60,451.

**XIII Subsequent Event**

Subsequent to June 30, 2007 the county entered into an \$18,000,000 Certificates of Participation Agreement for the purpose of financing the construction of an additional elementary school.

**Wilson County, North Carolina  
Law Enforcement Officers' Special Separation Allowance  
Required Supplementary Information  
Schedule of Funding Progress**

**Exhibit A-1**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
12/31/94	\$ -	\$ 215,111	\$ 215,111	0.00%	\$ 1,326,932	16.21%
12/31/95	-	278,703	278,703	0.00%	1,359,862	20.49%
12/31/96	-	319,619	319,619	0.00%	1,502,886	21.27%
12/31/97	-	357,219	357,219	0.00%	1,636,804	21.82%
12/31/98	-	386,832	386,832	0.00%	1,703,087	22.71%
12/31/99	-	430,641	430,641	0.00%	1,865,945	23.08%
12/31/00	-	699,004	699,004	0.00%	1,951,257	35.82%
12/31/01	-	797,139	797,139	0.00%	2,070,144	38.51%
12/31/02	-	802,713	802,713	0.00%	2,075,538	38.67%
12/31/03	-	854,938	854,938	0.00%	2,238,943	38.18%
12/31/04	-	1,031,697	1,031,697	0.00%	2,453,246	42.05%
12/31/05	-	1,124,959	1,124,959	0.00%	2,779,417	40.47%
12/31/06	-	1,228,224	1,228,224	0.00%	2,944,282	41.72%

**Wilson County, North Carolina  
Law Enforcement Officers' Special Separation Allowance  
Required Supplementary Allowance  
Schedule of Employer Contributions**

**Exhibit A-2**

<b>Year Ended June 30</b>	<b>Annual Required Contribution</b>	<b>Percentage Contributed</b>
2000	\$ 53,230	49.40%
2001	59,626	54.46%
2002	81,236	46.17%
2003	88,384	44.76%
2004	90,553	58.17%
2005	109,217	63.36%
2006	116,674	59.93%
2007	125,341	77.77%

**Notes to the Required Schedules:**

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

Valuation date	12/31/06
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	25 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	4.5 to 12.3%
*Includes inflation at	3.75%
Cost-of-living adjustments	N/A

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues:</b>			
Ad Valorem Taxes:			
Taxes	\$ 37,885,600	\$ 39,620,785	\$ 1,735,185
Penalties and interest	350,000	381,476	31,476
Total	\$ 38,235,600	\$ 40,002,261	\$ 1,766,661
Local Option Sales Taxes	\$ 14,416,475	\$ 15,726,556	\$ 1,310,081
Other Taxes and Licenses:			
Franchise tax	\$ 60,000	\$ 61,051	\$ 1,051
Privilege and civil licenses	13,000	12,315	(685)
Beer and wine tax	108,000	111,946	3,946
Excise tax	526,000	607,737	81,737
Total	\$ 707,000	\$ 793,049	\$ 86,049
Unrestricted Intergovernmental:			
Housing Authority	\$ 30,000	\$ 13,537	\$ (16,463)
Wilson County ABC Board:			
Profit distribution	112,500	150,000	37,500
Total	\$ 142,500	\$ 163,537	\$ 21,037
Restricted Intergovernmental:			
General Fund	\$ 2,163,574	\$ 2,488,885	\$ 325,311
Health Services	2,160,099	2,771,238	611,139
Social Services	13,351,691	13,293,347	(58,344)
Court facility fees	190,750	220,279	29,529
Total	\$ 17,866,114	\$ 18,773,749	\$ 907,635

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Revenues (continued):</b>			
Permits and Fees:			
Building permits and inspection fees	\$ 145,000	\$ 168,496	\$ 23,496
Register of deeds	410,000	492,244	82,244
Total	\$ 555,000	\$ 660,740	\$ 105,740
Sales and Services:			
Rents, concessions, and fees	\$ 4,871,407	\$ 5,072,111	\$ 200,704
Jail fees and Sheriff fees	811,500	759,520	(51,980)
Ambulance service fees	925,000	1,542,939	617,939
Communication Center	625,000	801,497	176,497
Total	\$ 7,232,907	\$ 8,176,067	\$ 943,160
Investment Earnings	\$ 1,205,000	\$ 1,293,050	\$ 88,050
Miscellaneous:			
Sale of fixed assets	\$ -	\$ 19,729	\$ 19,729
Other	48,274	66,573	18,299
Total	\$ 48,274	\$ 86,302	\$ 38,028
Total Revenues	\$ 80,408,870	\$ 85,675,311	\$ 5,266,441
<b>Expenditures:</b>			
General Government:			
Board of Commissioners:			
Salaries and employee benefits	\$ 52,318	\$ 52,318	\$ -
Other operating expenditures	33,500	31,990	1,510
Total	\$ 85,818	\$ 84,308	\$ 1,510

(continued)



**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures: (continued)</b>			
General Government: (continued)			
Administration:			
Salaries and employee benefits	\$ 277,636	\$ 276,649	\$ 987
Other operating expenditures	18,935	13,844	5,091
Total	\$ 296,571	\$ 290,493	\$ 6,078
Human Resources:			
Salaries and employee benefits	\$ 89,128	\$ 85,053	\$ 4,075
Other operating expenditures	37,653	30,977	6,676
Total	\$ 126,781	\$ 116,030	\$ 10,751
Board of Elections:			
Salaries and employee benefits	\$ 234,683	\$ 199,314	\$ 35,369
Other operating expenditures	129,481	69,577	59,904
Capital outlay	205,000	687,086	(482,086)
Total	\$ 569,164	\$ 955,977	\$ (386,813)
Finance:			
Salaries and employee benefits	\$ 383,359	\$ 371,564	\$ 11,795
Other operating expenditures	39,831	32,442	7,389
Data Processing charges	540,271	408,319	131,952
Capital outlay	39,046	34,924	4,122
Total	\$ 1,002,507	\$ 847,249	\$ 155,258

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
General Government (continued):			
Office of Tax Supervisor:			
Salaries and employee benefits	\$ 706,695	\$ 677,104	\$ 29,591
Other operating expenditures	251,635	183,145	68,490
Data processing charges	150,983	144,492	6,491
Capital outlay	32,436	31,886	550
Total	\$ 1,141,749	\$ 1,036,627	\$ 105,122
Technology Services:			
Salaries and employee benefits	\$ 184,603	\$ 168,897	\$ 15,706
Data processing charges	58,543	55,555	2,988
Other operating expenditures	168,724	168,792	(68)
Total	\$ 411,870	\$ 393,244	\$ 18,626
Register of Deeds:			
Salaries and employee benefits	\$ 336,996	\$ 329,103	\$ 7,893
Other operating expenditures	76,688	61,441	15,247
Capital outlay	10,000	8,614	1,386
Total	\$ 423,684	\$ 399,158	\$ 24,526
Public Buildings:			
Other operating expenditures	\$ 1,018,697	\$ 876,855	\$ 141,842
Capital outlay	210,280	148,769	61,511
Total	\$ 1,228,977	\$ 1,025,624	\$ 203,353

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
General Government (continued):			
Court Facilities:			
Salaries and employee benefits	\$ 264,397	\$ 243,202	\$ 21,195
Other operating expenditures	191,124	177,149	13,975
Capital outlay	24,570	23,565	1,005
Total	\$ 480,091	\$ 443,916	\$ 36,175
Central Service:			
Other operating expenditures	\$ 1,474,923	\$ 1,391,530	\$ 83,393
Other:			
Upper Coastal Plain COG	\$ 34,838	\$ 33,215	\$ 1,623
Block Grant Aging	577,275	591,349	(14,074)
Other area projects	1,494,521	1,382,731	111,790
Total	\$ 2,106,634	\$ 2,007,295	\$ 99,339
Total General Government	\$ 9,348,769	\$ 8,991,451	\$ 357,318
Public Safety:			
Sheriff:			
Salaries and employee benefits	\$ 3,755,628	\$ 3,697,934	\$ 57,694
Other operating expenditures	889,569	838,106	51,463
Capital outlay	412,507	408,192	4,315
Total	\$ 5,057,704	\$ 4,944,232	\$ 113,472

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Public Safety (continued):			
County Jail:			
Salaries and employee benefits	\$ 2,911,092	\$ 2,637,722	\$ 273,370
Other operating expenditures	956,087	931,038	25,049
Capital outlay	1,638	11,697	(10,059)
Total	\$ 3,868,817	\$ 3,580,457	\$ 288,360
Emergency Communications:			
Salaries and employee benefits	\$ 1,362,564	\$ 1,247,049	\$ 115,515
Other operating expenditures	164,032	156,142	7,890
Total	\$ 1,526,596	\$ 1,403,191	\$ 123,405
Emergency Management:			
Salaries and employee benefits	\$ 78,472	\$ 74,928	\$ 3,544
Other operating expenditures	75,418	74,648	770
Capital outlay	87,012	81,955	5,057
Total	\$ 240,902	\$ 231,531	\$ 9,371
Emergency Medical Servicing:			
Salaries and employee benefits	\$ 1,859,972	\$ 1,861,606	\$ (1,634)
Other operating expenditures	605,405	545,492	59,913
Capital outlay	411,405	408,145	3,260
Total	\$ 2,876,782	\$ 2,815,243	\$ 61,539
Total Public Safety	\$ 13,570,801	\$ 12,974,654	\$ 596,147
Transportation:			
Rocky Mount/Wilson Airport	\$ 40,214	\$ 40,214	\$ -

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Environmental Protection:			
Forestry Program:			
Other operating expenditures	\$ 73,553	\$ 67,912	\$ 5,641
Soil Conservation:			
Salaries and employee benefits	\$ 168,643	\$ 168,794	\$ (151)
Other operating expenditures	29,428	22,557	6,871
Capital outlay	11,150	1,044	10,106
Total	\$ 209,221	\$ 192,395	\$ 16,826
Total Environmental Protection	\$ 282,774	\$ 260,307	\$ 22,467
Economic and Physical Development:			
Agricultural Extension and 4-H:			
Salaries and employee benefits	\$ 395,272	\$ 360,237	\$ 35,035
Other operating expenditures	63,995	44,125	19,870
Capital outlay	5,000	4,165	835
Total	\$ 464,267	\$ 408,527	\$ 55,740
Planning and Zoning:			
Salaries and employee benefits	\$ 497,289	\$ 446,135	\$ 51,154
Other operating expenditures	159,883	116,060	43,823
Capital outlay	14,061	13,831	230
Total	\$ 671,233	\$ 576,026	\$ 95,207
Total Economic and Physical Development	\$ 1,135,500	\$ 984,553	\$ 150,947

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Human Services:			
Mental Health	\$ 367,072	\$ 367,072	\$ -
Diversified Opportunities	\$ 38,000	\$ 38,000	\$ -
Health:			
Administration:			
Salaries and employee benefits	\$ 79,249	\$ 43,959	\$ 35,290
Other operating expenditures	352,023	255,966	96,057
Capital outlay	50,948	26,839	24,109
Total	\$ 482,220	\$ 326,764	\$ 155,456
Health Promotion:			
Salaries and employee benefits	\$ 91,669	\$ 72,993	\$ 18,676
Other operating expenditures	34,035	18,166	15,869
Total	\$ 125,704	\$ 91,159	\$ 34,545
Tuberculosis Control:			
Salaries and employee benefits	\$ 179,638	\$ 151,399	\$ 28,239
Other operating expenditures	31,578	16,956	14,622
Total	\$ 211,216	\$ 168,355	\$ 42,861
Home Health:			
Salaries and employee benefits	\$ 2,836,585	\$ 2,692,547	\$ 144,038
Other operating expenditures	1,553,847	1,493,958	59,889
Capital outlay	198,900	188,584	10,316
Total	\$ 4,589,332	\$ 4,375,089	\$ 214,243

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health (continued):			
Family Planning:			
Salaries and employee benefits	\$ 676,110	\$ 558,685	\$ 117,425
Other operating expenditures	221,818	117,435	104,383
Capital outlay	4,872	4,523	349
Total	\$ 902,800	\$ 680,643	\$ 222,157
Maternal Health:			
Salaries and employee benefits	\$ 564,205	\$ 475,798	\$ 88,407
Other operating expenditures	95,367	90,335	5,032
Capital outlay	4,872	4,523	349
Total	\$ 664,444	\$ 570,656	\$ 93,788
Environmental Health:			
Salaries and employee benefits	\$ 474,327	\$ 432,732	\$ 41,595
Other operating expenditures	50,179	29,389	20,790
Total	\$ 524,506	\$ 462,121	\$ 62,385
Immunization:			
Salaries and employee benefits	\$ 15,819	\$ 14,910	\$ 909
Other operating expenditures	8,759	8,695	64
Total	\$ 24,578	\$ 23,605	\$ 973
Communicable Diseases:			
Salaries and employee benefits	\$ 394,683	\$ 316,785	\$ 77,898
Other operating expenditures	22,249	13,313	8,936
Total	\$ 416,932	\$ 330,098	\$ 86,834

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health (continued):			
Comprehensive Breast Cancer Prevention:			
Salaries and employee benefits	\$ 9,022	\$ 3,967	\$ 5,055
Other operating expenditures	8,251	5,495	2,756
Total	\$ 17,273	\$ 9,462	\$ 7,811
Child Health:			
Salaries and employee benefits	\$ 639,169	\$ 575,802	\$ 63,367
Other operating expenditures	70,455	37,583	32,872
Total	\$ 709,624	\$ 613,385	\$ 96,239
Child Service Coordinator:			
Salaries and employee benefits	\$ 314,793	\$ 285,675	\$ 29,118
Other operating expenditures	39,191	29,070	10,121
Capital outlay	13,200	12,206	994
Total	\$ 367,184	\$ 326,951	\$ 40,233
WIC Clinic Administration:			
Salaries and employee benefits	\$ 73,028	\$ 71,782	\$ 1,246
Other operating expenditures	7,079	2,971	4,108
Capital outlay	2,800	-	2,800
Total	\$ 82,907	\$ 74,753	\$ 8,154
WIC Nutrition Education:			
Salaries and employee benefits	\$ 141,030	\$ 146,207	\$ (5,177)
Other operating expenditures	4,334	3,629	705
Total	\$ 145,364	\$ 149,836	\$ (4,472)

(continued)



**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health (continued):			
Animal Control:			
Salaries and employee benefits	\$ 290,497	\$ 277,924	\$ 12,573
Other operating expenditures	83,955	79,514	4,441
Total	<u>\$ 374,452</u>	<u>\$ 357,438</u>	<u>\$ 17,014</u>
AIDS Control:			
Salaries and employee benefits	\$ 22,553	\$ 11,192	\$ 11,361
Other operating expenditures	7,307	5,238	2,069
Total	<u>\$ 29,860</u>	<u>\$ 16,430</u>	<u>\$ 13,430</u>
Bioterrorism:			
Other operating expenditures	\$ 68,370	\$ 35,412	\$ 32,958
Capital outlay	22,024	20,000	2,024
Total	<u>\$ 90,394</u>	<u>\$ 55,412</u>	<u>\$ 34,982</u>
WIC Client Services:			
Salaries and employee benefits	\$ 363,363	\$ 360,167	\$ 3,196
Other operating expenditures	12,050	8,622	3,428
Total	<u>\$ 375,413</u>	<u>\$ 368,789</u>	<u>\$ 6,624</u>
Maternal Child Care:			
Salaries and employee benefits	\$ 334,723	\$ 277,035	\$ 57,688
Other operating expenditures	36,234	24,782	11,452
Capital outlay	37,140	36,867	273
Total	<u>\$ 408,097</u>	<u>\$ 338,684</u>	<u>\$ 69,413</u>

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Human Services (continued):			
Health (continued):			
Adult Health:			
Salaries and employee benefits	\$ 263,439	\$ 265,074	\$ (1,635)
Other operating expenditures	75,476	73,020	2,456
Total	\$ 338,915	\$ 338,094	\$ 821
Total Health	\$ 10,881,215	\$ 9,677,724	\$ 1,203,491
Social Services:			
Administration:			
Salaries and employee benefits	\$ 9,978,371	\$ 9,042,324	\$ 936,047
Other operating expenditures	1,645,109	1,286,874	358,235
Capital outlay	169,146	169,146	-
Total	\$ 11,792,626	\$ 10,498,344	\$ 1,294,282
4D Child Support:			
Salaries and employee benefits	\$ 103,043	\$ 98,518	\$ 4,525
Other operating expenditures	68,760	32,766	35,994
Total	\$ 171,803	\$ 131,284	\$ 40,519
Income Maintenance Programs:			
AFDC program - County participation	\$ 100,000	\$ 37,032	\$ 62,968
AFDC Foster Care	766,799	340,163	426,636
Special assistance - Adults	1,116,466	1,040,449	76,017
Medicaid - County participation	6,014,669	5,914,882	99,787
Total	\$ 7,997,934	\$ 7,332,526	\$ 665,408

(continued)

**Wilson County, North Carolina  
General Fund  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Human Services (continued):			
Social Services (continued):			
Other Services:			
Other operating expenditures	\$ 6,947,331	\$ 6,595,050	\$ 352,281
Total Social Services	\$ 26,909,694	\$ 24,557,204	\$ 2,352,490
Veterans Affairs:			
Salaries and employee benefits	\$ 41,976	\$ 41,086	\$ 890
Other operating expenditures	906	193	713
Total	\$ 42,882	\$ 41,279	\$ 1,603
Total Human Services	\$ 38,238,863	\$ 34,681,279	\$ 3,557,584
Cultural and Recreational:			
Recreation:			
Other operating expenditures	\$ 246,783	\$ 256,778	\$ (9,995)
Libraries:			
Salaries and employee benefits	\$ 1,032,719	\$ 1,008,978	\$ 23,741
Other operating expenditures	413,723	400,465	13,258
Capital outlay	15,750	15,750	-
Total	\$ 1,462,192	\$ 1,425,193	\$ 36,999
Total Cultural and Recreational	\$ 1,708,975	\$ 1,681,971	\$ 27,004

(continued)

**Wilson County, North Carolina**  
**General Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit B-1**

	Budget	Actual	Variance Positive (Negative)
<b>Expenditures (continued):</b>			
Education:			
Public schools - current	\$ 15,143,254	\$ 15,143,254	\$ -
Public schools - capital outlay	1,250,000	1,250,000	-
Public school bond fund	543,294	543,294	-
Community colleges - current	1,668,872	1,668,872	-
Community colleges - capital outlay	133,912	133,912	-
Total Education	\$ 18,739,332	\$ 18,739,332	\$ -
Debt Service:			
Principal retirement	\$ 4,485,128	\$ 4,485,128	\$ -
Interest and other charges	1,749,258	1,733,525	15,733
Total Debt Service	\$ 6,234,386	\$ 6,218,653	\$ 15,733
Total Expenditures	\$ 89,299,614	\$ 84,572,414	\$ 4,727,200
Revenues Over Expenditures	\$ (8,890,744)	\$ 1,102,897	\$ 9,993,641
Other Financing Sources (Uses):			
Lease proceeds	\$ 400,000	\$ 400,000	\$ -
Transfers (to) from other funds	(1,600,000)	(1,600,000)	-
Fund balance appropriated	10,090,744	-	(10,090,744)
Total Other Financing Sources (Uses)	\$ 8,890,744	\$ (1,200,000)	\$ (10,090,744)
Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ (97,103)	\$ (97,103)
<b>Fund Balances:</b>			
Beginning of year, July 1		27,429,588	
End of year, June 30		\$ 27,332,485	

**Wilson County, North Carolina**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2007**

**Special Revenue Funds**

	<u>Revaluation Fund</u>	<u>Fire Districts Fund</u>	<u>Enhanced 911 Service</u>	<u>Transportation Fund</u>	<u>Total Non-major Special Revenue Funds</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 190,037	\$ 390,320	\$ 313,063	\$ 75,062	\$ 968,482
Restricted cash	-	-	-	-	-
Taxes receivable, net	-	49,107	-	-	49,107
Accounts receivable, net	-	30	60,147	38,102	98,279
Due from other funds	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 190,037</u>	<u>\$ 439,457</u>	<u>\$ 373,210</u>	<u>\$ 113,164</u>	<u>\$ 1,115,868</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts payable and accrued liabilities	\$ 28,800	\$ 390,350	\$ 55,549	\$ 16,871	\$ 491,570
Deferred revenue	-	49,107	-	-	49,107
<b>Total Liabilities</b>	<u>\$ 28,800</u>	<u>\$ 439,457</u>	<u>\$ 55,549</u>	<u>\$ 16,871</u>	<u>\$ 540,677</u>
<b>Fund Balances:</b>					
<b>Reserved:</b>					
By state statute	\$ -	\$ -	\$ 60,147	\$ 38,102	\$ 98,249
Designated for subsequent year's expenditures	66,000	-	82,932	-	148,932
Unreserved	95,237	-	174,582	58,191	328,010
<b>Total Fund Balances</b>	<u>\$ 161,237</u>	<u>\$ -</u>	<u>\$ 317,661</u>	<u>\$ 96,293</u>	<u>\$ 575,191</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 190,037</u>	<u>\$ 439,457</u>	<u>\$ 373,210</u>	<u>\$ 113,164</u>	<u>\$ 1,115,868</u>

Exhibit C-1

Capital Projects Funds

<u>Economic Development Reserve Fund</u>	<u>Public Buildings Fund</u>	<u>Grant Projects Fund</u>	<u>Regional Wastewater Facility</u>	<u>Library Construction Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 565,146	\$ 57,966	\$ 3	\$ -	\$ -	\$ 623,115	\$ 1,591,597
256,500	56,786	-	-	27,558	340,844	340,844
-	-	-	-	-	-	49,107
45,493	-	56,550	40,000	-	142,043	240,322
-	-	(24,427)	(37,207)	-	(61,634)	(61,634)
<u>\$ 867,139</u>	<u>\$ 114,752</u>	<u>\$ 32,126</u>	<u>\$ 2,793</u>	<u>\$ 27,558</u>	<u>\$ 1,044,368</u>	<u>\$ 2,160,236</u>
\$ 331,500	\$ -	\$ 23,125	\$ -	\$ -	\$ 354,625	\$ 846,195
-	-	-	-	-	-	49,107
<u>\$ 331,500</u>	<u>\$ -</u>	<u>\$ 23,125</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 354,625</u>	<u>\$ 895,302</u>
\$ 45,493	\$ -	\$ 9,001	\$ 2,793	\$ -	\$ 57,287	\$ 155,536
-	105,000	-	-	-	105,000	253,932
490,146	9,752	-	-	27,558	527,456	855,466
<u>\$ 535,639</u>	<u>\$ 114,752</u>	<u>\$ 9,001</u>	<u>\$ 2,793</u>	<u>\$ 27,558</u>	<u>\$ 689,743</u>	<u>\$ 1,264,934</u>
<u>\$ 867,139</u>	<u>\$ 114,752</u>	<u>\$ 32,126</u>	<u>\$ 2,793</u>	<u>\$ 27,558</u>	<u>\$ 1,044,368</u>	<u>\$ 2,160,236</u>

**Wilson County, North Carolina**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2007**

**Special Revenue Funds**

	<b>Revaluation Fund</b>	<b>Fire District Fund</b>	<b>Enhanced 911 Service</b>	<b>Transportation Fund</b>	<b>Total Non-major Special Revenue Funds</b>
<b>Revenues</b>					
Ad valorem taxes	\$ -	\$ 966,188	\$ -	\$ -	\$ 966,188
Local option sales tax	-	381,022	-	-	381,022
Other taxes	-	-	559,863	-	559,863
Restricted intergovernmental	-	-	-	249,241	249,241
Sales and Services	-	-	-	48,252	48,252
Investment earnings	9,453	-	15,572	-	25,025
Miscellaneous	-	-	-	7,060	7,060
Total Revenues	<u>\$ 9,453</u>	<u>\$ 1,347,210</u>	<u>\$ 575,435</u>	<u>\$ 304,553</u>	<u>\$ 2,236,651</u>
<b>Expenditures</b>					
Economic Incentives	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	1,347,210	608,672	277,549	2,233,431
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital Projects	-	-	-	-	-
General Government	308,650	-	-	-	308,650
Total Expenditures	<u>\$ 308,650</u>	<u>\$ 1,347,210</u>	<u>\$ 608,672</u>	<u>\$ 277,549</u>	<u>\$ 2,542,081</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (299,197)</u>	<u>\$ -</u>	<u>\$ (33,237)</u>	<u>\$ 27,004</u>	<u>\$ (305,430)</u>
<b>Other Financing Sources:</b>					
Transfers (to) from other funds	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Debt proceeds	-	-	-	-	-
Total Other Financing Sources	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000</u>
Net Change in Fund Balances	\$ (199,197)	\$ -	\$ (33,237)	\$ 27,004	\$ (205,430)
<b>Fund Balances:</b>					
Beginning of year, July 1	360,434	-	350,898	69,289	780,621
End of year, June 30	<u>\$ 161,237</u>	<u>\$ -</u>	<u>\$ 317,661</u>	<u>\$ 96,293</u>	<u>\$ 575,191</u>

**Capital Projects Funds**

<b>Economic Development Reserve Fund</b>	<b>Public Buildings Fund</b>	<b>Grant Projects Fund</b>	<b>Regional Wastewater Facility</b>	<b>Library Construction Fund</b>	<b>Total Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 966,188
-	-	-	-	-	-	381,022
-	-	-	-	-	-	559,863
150,388	-	538,930	30,000	-	719,318	968,559
-	-	-	-	-	-	48,252
13,427	-	-	-	6,379	19,806	44,831
-	-	-	-	-	-	7,060
<u>\$ 163,815</u>	<u>\$ -</u>	<u>\$ 538,930</u>	<u>\$ 30,000</u>	<u>\$ 6,379</u>	<u>\$ 739,124</u>	<u>\$ 2,975,775</u>
\$ 1,342,875	\$ -	\$ -	\$ -	\$ -	\$ 1,342,875	\$ 1,342,875
-	-	-	-	-	-	2,233,431
24,659	-	-	-	-	24,659	24,659
15,729	-	-	-	-	15,729	15,729
-	848,214	529,929	30,000	164,387	1,572,530	1,572,530
-	-	-	-	-	-	308,650
<u>\$ 1,383,263</u>	<u>\$ 848,214</u>	<u>\$ 529,929</u>	<u>\$ 30,000</u>	<u>\$ 164,387</u>	<u>\$ 2,955,793</u>	<u>\$ 5,497,874</u>
<u>\$ (1,219,448)</u>	<u>\$ (848,214)</u>	<u>\$ 9,001</u>	<u>\$ -</u>	<u>\$ (158,008)</u>	<u>\$ (2,216,669)</u>	<u>\$ (2,522,099)</u>
\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,600,000
100,000	905,000	-	-	-	1,005,000	1,005,000
<u>\$ 1,600,000</u>	<u>\$ 905,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,505,000</u>	<u>\$ 2,605,000</u>
\$ 380,552	\$ 56,786	\$ 9,001	\$ -	\$ (158,008)	\$ 288,331	\$ 82,901
155,087	57,966	-	2,793	185,566	401,412	1,182,033
<u>\$ 535,639</u>	<u>\$ 114,752</u>	<u>\$ 9,001</u>	<u>\$ 2,793</u>	<u>\$ 27,558</u>	<u>\$ 689,743</u>	<u>\$ 1,264,934</u>



**Wilson County, North Carolina**  
**Revaluation Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit C-3**

	2007		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Investment earnings	\$ 5,000	\$ 9,453	\$ 4,453
<b>Expenditures:</b>			
Revaluation expense	405,000	308,650	96,350
Revenues Over (Under) Expenditures	\$ (400,000)	\$ (299,197)	\$ 100,803
Other Financing Sources:			
Transfer In:			
General Fund	100,000	100,000	-
Revenues and Other Financing Sources Over (Under) Expenditures	\$ (300,000)	\$ (199,197)	\$ 100,803
Appropriated fund balance	300,000	-	(300,000)
Revenues, Other Financing Sources, and Appropriated Fund Balance Over (Under) Expenditures	\$ -	\$ (199,197)	\$ (199,197)
<b>Fund Balances:</b>			
Beginning of year, July 1		360,434	
End of year, June 30		\$ 161,237	

**Wilson County, North Carolina  
Fire District Fund  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2007**

**Exhibit C-4**

	<b>2007</b>		
	<b>Budget</b>	<b>Actual</b>	<b>Variance Positive (Negative)</b>
<b>Revenues:</b>			
Ad Valorem Taxes:			
Current year	\$ 833,174	\$ 923,536	\$ 90,362
Prior year	37,800	42,652	4,852
Total Ad Valorem Taxes	\$ 870,974	\$ 966,188	\$ 95,214
Other taxes	238,650	381,022	142,372
Total Revenues	\$ 1,109,624	\$ 1,347,210	\$ 237,586
<b>Expenditures:</b>			
Public Safety	1,109,624	1,347,210	(237,586)
Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -
<b>Fund Balances:</b>			
Beginning of year, July 1		-	
End of year, June 30		\$ -	

**Wilson County, North Carolina**  
**Enhanced 911 Service**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

**Exhibit C-5**

	<b>2007</b>		<b>Variance</b>
	<b>Budget</b>	<b>Actual</b>	<b>Positive</b>
			<b>(Negative)</b>
<b>Revenues:</b>			
Other taxes	\$ 525,000	\$ 559,863	\$ 34,863
Investment earnings	5,500	15,572	10,072
	<u>\$ 530,500</u>	<u>\$ 575,435</u>	<u>\$ 44,935</u>
<b>Expenditures:</b>			
Salaries and employee benefits	\$ 169,484	\$ 113,923	\$ 55,561
Operating expenses	460,882	351,210	109,672
Capital outlay	105,994	143,539	(37,545)
	<u>\$ 736,360</u>	<u>\$ 608,672</u>	<u>\$ 127,688</u>
Revenues Over (Under) Expenditures	\$ (205,860)	\$ (33,237)	\$ 172,623
<b>Other Financing Sources:</b>			
Fund balance appropriated	<u>205,860</u>	<u>-</u>	<u>(205,860)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (33,237)</u>	<u>\$ (33,237)</u>
<b>Fund Balances:</b>			
Beginning of year, July 1		350,898	
End of year, June 30		<u>\$ 317,661</u>	

**Wilson County, North Carolina  
Transportation Fund  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2007**

Exhibit C-6

	2007		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Restricted Intergovernmental:			
Rural Operating Grant	\$ 181,689	181,689	\$ -
Capital Grant	42,044	-	(42,044)
Public Transportation Grant	111,996	67,552	(44,444)
Sales & Services	1,980	48,252	46,272
Miscellaneous	-	7,060	7,060
	<b>\$ 337,709</b>	<b>\$ 304,553</b>	<b>\$ (33,156)</b>
<b>Expenditures:</b>			
Salaries and employee benefits	\$ 41,366	\$ 40,683	\$ 683
Operating expenses	254,299	236,866	17,433
Capital outlay	42,044	-	42,044
	<b>\$ 337,709</b>	<b>\$ 277,549</b>	<b>\$ 60,160</b>
Revenues Over (Under) Expenditures	<b>\$ -</b>	<b>\$ 27,004</b>	<b>27,004</b>
<b>Fund Balances:</b>			
Beginning of year, July 1		69,289	
End of year, June 30		<b>\$ 96,293</b>	

**Wilson County, North Carolina**  
**Economic Development Reserve Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit C-7

	2007		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
N.C. Dept. of Commerce - NC 1 Grant	\$ 110,000	\$ 110,000	\$ -
Upper Coastal Plains - Local Match	-	40,388	40,388
Investment earnings	4,000	13,427	9,427
Total Revenues	\$ 114,000	\$ 163,815	\$ 49,815
<b>Expenditures:</b>			
Economic incentives	\$ 1,569,612	\$ 1,081,875	\$ 487,737
Capital outlay	261,000	261,000	-
Debt Service:			
Principal	24,659	24,659	-
Interest	15,729	15,729	-
Total Expenditures	\$ 1,871,000	\$ 1,383,263	\$ 487,737
Revenues Over (Under) Expenditures	\$ (1,757,000)	\$ (1,219,448)	\$ 537,552
<b>Other Financing Sources (Uses):</b>			
Transfers in (out)	\$ 1,500,000	\$ 1,500,000	\$ -
Fund balance appropriated	157,000	-	(157,000)
Debt proceeds	100,000	100,000	-
Total Other Financing Sources (Uses)	\$ 1,757,000	\$ 1,600,000	\$ (157,000)
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ -	\$ 380,552	\$ 380,552
<b>Fund Balances:</b>			
Beginning of year, July 1		155,087	
End of year, June 30		\$ 535,639	

**Wilson County, North Carolina**  
**Public Buildings Fund**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit C-8

	2007		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Investment earnings	\$ -	\$ -	\$ -
Miscellaneous	-	-	-
	\$ -	\$ -	\$ -
<b>Expenditures:</b>			
Other energy conservation	905,000	848,214	56,786
Revenues Over (Under) Expenditures	\$ (905,000)	\$ (848,214)	\$ 56,786
Other Financing Sources (Uses):			
Lease proceeds	905,000	905,000	-
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ 56,786	\$ 56,786
<b>Fund Balances:</b>			
Beginning of year, July 1		57,966	
End of year, June 30		\$ 114,752	

**Wilson County, North Carolina**  
**Grant Projects Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances (Uses) - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2007**

Exhibit C-9

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
<b>Restricted Intergovernmental:</b>					
Community Development Block Grants:					
Scattered Sites					
(#06-C-1542)	\$ 400,000	\$ -	\$ 63,750	\$ 63,750	\$ (336,250)
Hookup	75,000	7,404	52,054	59,458	(15,542)
Sugar Hill	700,000	158,190	408,126	566,316	(133,684)
Local Match	30,000	15,000	15,000	30,000	-
Hazard mitigation	-	-	-	-	-
Total Revenues	<u>\$ 1,205,000</u>	<u>\$ 180,594</u>	<u>\$ 538,930</u>	<u>\$ 719,524</u>	<u>\$ (485,476)</u>
<b>Expenditures:</b>					
Scattered Sites:					
Administration	\$ 40,000	\$ -	\$ 32,950	\$ 32,950	\$ 7,050
Rehabilitation	360,000	-	33,660	33,660	326,340
Total Scattered Sites	<u>\$ 400,000</u>	<u>\$ -</u>	<u>\$ 66,610</u>	<u>\$ 66,610</u>	<u>\$ 333,390</u>
Hookup	<u>\$ 75,000</u>	<u>\$ 7,404</u>	<u>\$ 42,544</u>	<u>\$ 49,948</u>	<u>\$ 25,052</u>
Sugar Hill:					
Administration	\$ 67,000	\$ 46,279	\$ 7,850	\$ 54,129	\$ 12,871
Rehabilitation	663,000	126,911	412,925	539,836	123,164
Total Sugar Hill	<u>\$ 730,000</u>	<u>\$ 173,190</u>	<u>\$ 420,775</u>	<u>\$ 593,965</u>	<u>\$ 136,035</u>
Total Expenditures	<u>\$ 1,205,000</u>	<u>\$ 180,594</u>	<u>\$ 529,929</u>	<u>\$ 710,523</u>	<u>\$ 494,477</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ 9,001	<u>\$ 9,001</u>	<u>\$ 9,001</u>
<b>Fund Balances:</b>					
Beginning of year, July 1			-		
End of year, June 30			<u>\$ 9,001</u>		

**Wilson County, North Carolina  
Regional Wastewater Facility  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances (Uses) - Budget and Actual  
From Inception and for the Fiscal Year Ended June 30, 2007**

Exhibit C-10

	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Actual Current Year</b>	<b>Total to Date</b>	<b>Variance Positive (Negative)</b>
<b>Revenues</b>					
Rural Center grant	\$ 80,000	\$ 80,000	\$ 40,000	\$ 120,000	\$ 40,000
Local units match	22,400	32,050	(10,000)	22,050	(350)
Total Revenues	<u>\$ 102,400</u>	<u>\$ 112,050</u>	<u>\$ 30,000</u>	<u>\$ 142,050</u>	<u>\$ 39,650</u>
<b>Expenditures</b>					
Engineering	\$ 88,500	\$ 99,257	\$ -	\$ 99,257	\$ (10,757)
Environmental assessment	8,900	10,000	30,000	40,000	(31,100)
Administration costs	5,000	-	-	-	5,000
Total Expenditures	<u>\$ 102,400</u>	<u>\$ 109,257</u>	<u>\$ 30,000</u>	<u>\$ 139,257</u>	<u>\$ (36,857)</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 2,793</u>	\$ -	<u>\$ 2,793</u>	<u>\$ 2,793</u>
<b>Fund Balances:</b>					
Beginning of year, July 1			2,793		
End of year, June 30			<u>\$ 2,793</u>		



**Wilson County, North Carolina**  
**Library Construction Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances (Uses) - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2007**

Exhibit C-11

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>					
Bond proceeds	\$ 5,300,000	\$ 5,300,000	\$ -	\$ 5,300,000	\$ -
Investment earnings	116,984	111,235	6,379	117,614	630
Total Revenues	<u>\$ 5,416,984</u>	<u>\$ 5,411,235</u>	<u>\$ 6,379</u>	<u>\$ 5,417,614</u>	<u>\$ 630</u>
<b>Expenditures</b>					
Legal services	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
Professional service	367,018	362,206	-	362,206	4,812
Capital outlay	5,039,966	4,863,464	164,387	5,027,851	12,115
Total Expenditures	<u>\$ 5,416,984</u>	<u>\$ 5,225,670</u>	<u>\$ 164,387</u>	<u>\$ 5,390,057</u>	<u>\$ 26,927</u>
Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 185,565</u>	\$ (158,008)	<u>\$ 27,557</u>	<u>\$ 27,557</u>
<b>Fund Balances:</b>					
Beginning of year, July 1			185,566		
End of year, June 30			<u>\$ 27,558</u>		

**Wilson County, North Carolina**  
**Solid Waste Fund**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit D-1

	2007		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues:			
Charges for services	\$ 2,420,819	\$ 2,682,077	\$ 261,258
<b>Expenditures:</b>			
Operating expenses	6,623,661	2,151,532	4,472,129
Revenues Over (Under) Expenditures	\$ (4,202,842)	\$ 530,545	\$ 4,733,387
Other Financing Sources (Uses):			
Investment earnings	\$ 60,000	\$ 813,384	\$ 753,384
Fund balance appropriated	4,142,842	-	(4,142,842)
Transfer from other funds	-	-	-
Total Other Financing Sources (Uses)	\$ 4,202,842	\$ 813,384	\$ (3,389,458)
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ -	\$ 1,343,929	\$ 1,343,929
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
Reconciling Items:			
Capital outlays		\$ 206,090	
Depreciation		(138,953)	
(Increase) Decrease in accrued landfill closure and costs		(259,931)	
(Increase) in accrued compensated absences		(630)	
Total Reconciling Items		\$ (193,424)	
Change in Net Assets		\$ 1,150,505	

**Wilson County, North Carolina**  
**Southeast Water District**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit D-2

	<b>2007</b>		<b>Variance</b>
	<b>Budget</b>	<b>Actual</b>	<b>Positive</b>
			<b>(Negative)</b>
<b>Revenues:</b>			
Operating Revenues:			
Charges for services	\$ 466,099	\$ 541,489	\$ 75,390
<b>Expenditures:</b>			
Operating Expenditures:			
Operating expenses	\$ 186,729	\$ 202,660	\$ (15,931)
Water purchases	75,000	98,777	(23,777)
Total Operating Expenditures	\$ 261,729	\$ 301,437	\$ (39,708)
Debt Service:			
Interest	\$ 162,870	\$ 161,903	\$ 967
Principal	41,500	41,500	-
Total Debt Service	\$ 204,370	\$ 203,403	\$ 967
Capital outlay	\$ -	\$ 1,450	\$ (1,450)
Total Expenditures	\$ 466,099	\$ 506,290	\$ (40,191)
Revenues Over Expenditures	\$ -	\$ 35,199	\$ 35,199
<b>Reconciliation from budgetary basis</b>			
<b>(modified accrual) to full accrual:</b>			
Reconciling Items:			
Capital outlay		\$ 1,450	
Principal paid on long-term debt		41,500	
Depreciation		(249,422)	
(Increase) in accrued compensated absences		(2,016)	
Capital contributions		-	
Total Reconciling Items		\$ (208,488)	
Change in Net Assets		\$ (173,289)	

**Wilson County, North Carolina**  
**Southwest Water District**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit D-3

	2007		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues:			
Charges for services	\$ 473,750	\$ 566,299	\$ 92,549
<b>Expenditures:</b>			
Operating Expenditures:			
Operating expenses	\$ 205,227	\$ 206,842	\$ (1,615)
Water purchases	104,302	114,432	(10,130)
Total Operating Expenditures	\$ 309,529	\$ 321,274	\$ (11,745)
Debt Service:			
Interest	\$ 168,435	\$ 296,284	\$ (127,849)
Principal	43,000	43,000	-
Total Debt Service	\$ 211,435	\$ 339,284	\$ (127,849)
Total Expenditures	\$ 520,964	\$ 660,558	\$ (139,594)
Revenues Over (Under) Expenditures	\$ (47,214)	\$ (94,259)	\$ (47,045)
Other Financing Sources (Uses):			
Transfer from other funds	47,214	-	(47,214)
Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	\$ -	\$ (94,259)	\$ (94,259)
<b>Reconciliation from budgetary basis (modified accrual) to full accrual:</b>			
Reconciling Items:			
Principal paid on long-term debt		43,000	
Depreciation		(289,354)	
Capital contributions		682,515	
(Increase) in accrued compensated absences		(2,015)	
Total Reconciling Items		\$ 434,146	
Change in Net Assets		\$ 339,887	

**Wilson County, North Carolina**  
**Water District Capital Project Fund - Southwest II**  
**Schedule of Revenues and Expenditures**  
**- Budget and Actual - (Non-GAAP)**  
**From Inception and for the Fiscal Year Ended June 30, 2007**

Exhibit D-4

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>					
Restricted					
intergovernmental	\$ 1,281,000	\$ 636,331	\$ 616,202	\$ 1,252,533	\$ (28,467)
Investment earnings	-	30,990	3,463	34,453	34,453
	<u>\$ 1,281,000</u>	<u>\$ 667,321</u>	<u>\$ 619,665</u>	<u>\$ 1,286,986</u>	<u>\$ 5,986</u>
<b>Expenditures:</b>					
Water System					
Construction	<u>3,950,000</u>	<u>3,186,749</u>	<u>778,132</u>	<u>3,964,881</u>	<u>(14,881)</u>
Revenues Over (Under) Expenditures	<u>\$ (2,669,000)</u>	<u>\$ (2,519,428)</u>	<u>\$ (158,467)</u>	<u>\$ (2,677,895)</u>	<u>\$ (8,895)</u>
<b>Other Financing Sources:</b>					
Proceeds from debt	\$ 2,654,000	\$ 2,654,000	\$ -	\$ 2,654,000	\$ -
Local capital contributions	<u>15,000</u>	<u>-</u>	<u>58,348</u>	<u>58,348</u>	<u>43,348</u>
Total Other Financing Sources	<u>\$ 2,669,000</u>	<u>\$ 2,654,000</u>	<u>\$ 58,348</u>	<u>\$ 2,712,348</u>	<u>\$ 43,348</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 134,572</u>	<u>\$ (100,119)</u>	<u>\$ 34,453</u>	<u>\$ 34,453</u>

**Wilson County, North Carolina  
General Fund  
Schedule of Ad Valorem Taxes Receivable  
June 30, 2007**

**Exhibit E-1**

<b>Fiscal Year</b>	<b>Uncollected Balance June 30, 2006</b>	<b>Additions</b>	<b>Collections And Credits</b>	<b>Uncollected Balance June 30, 2007</b>
2006-2007	\$ -	\$ 39,537,727	\$ 38,188,244	\$ 1,349,483
2005-2006	1,427,290	-	1,156,229	271,061
2004-2005	373,655	-	218,967	154,688
2003-2004	242,403	-	32,930	209,473
2002-2003	188,166	-	49,410	138,756
2001-2002	132,194	-	24,558	107,636
2000-2001	108,065	-	13,784	94,281
1999-2000	88,006	-	8,772	79,234
1998-1999	71,868	-	7,564	64,304
1997-1998	85,572	-	5,292	80,280
1996-1997	69,360	-	69,360	-
	<b>\$ 2,786,579</b>	<b>\$ 39,537,727</b>	<b>\$ 39,775,110</b>	<b>\$ 2,549,196</b>
Less: Allowance for Uncollectible Accounts:				
	General Fund			(715,375)
Ad Valorem Taxes Receivable - Net:				
	General Fund			\$ 1,833,821
Reconcilement with Revenues:				
	Ad valorem taxes - General Fund			\$ 40,002,261
Reconciling Items:				
	Interest collected			\$ (381,476)
	Taxes written off			154,325
	Total Reconciling Items			\$ (227,151)
Total Collections and Credits				\$ 39,775,110

**Wilson County, North Carolina**  
**Analysis of Current Tax Levy**  
**For the Fiscal Year Ended June 30, 2007**

Exhibit E-2

	<u>County - Wide</u>			<u>Total Levy</u>	
	<u>Property Valuation</u>	<u>Rate</u>	<u>Amount of Levy</u>	<u>Property excluding Registered Motor Vehicles</u>	<u>Registered Motor Vehicles</u>
Original Levy:					
Property taxed at current year's rate	\$ 4,917,492,617	0.76	\$ 37,397,369	\$ 34,763,879	\$ 2,633,490
Motor vehicles taxed at prior year's rate	231,497,390	0.72	1,759,380	-	1,759,380
Discoveries	85,888,073	0.76	668,785	668,785	-
Abatements:					
at current year's rate	(32,783,616)	0.76	(278,424)	(225,205)	(53,219)
at prior year's rate	<u>(404,291)</u>	0.72	<u>(9,383)</u>	<u>-</u>	<u>(9,383)</u>
Total Property Valuation	<u>\$ 5,201,690,173</u>				
Net Levy			\$ 39,537,727	\$ 35,207,459	\$ 4,330,268
Uncollected taxes at June 30, 2007			(1,349,483)	(580,954)	(768,529)
Current Year's Taxes Collected			<u>\$ 38,188,244</u>	<u>\$ 34,626,505</u>	<u>\$ 3,561,739</u>
Current Levy Collection Percentage			<u>96.59%</u>	<u>98.35%</u>	<u>82.25%</u>

**Wilson County, North Carolina  
Agency Funds  
Statement of Changes in Assets and Liabilities  
For The Fiscal Year Ended June 30, 2007**

**Exhibit E-3**

	<b>Balance July 1, 2006</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2007</b>
<b>Motor Vehicle Tax</b>				
Assets:				
Cash and cash equivalents	\$ 2,535	\$ 64,596	\$ 63,419	\$ 3,712
Liabilities:				
Miscellaneous liabilities	\$ 2,535	\$ 64,596	\$ 63,419	\$ 3,712



# Flowers, Stanley & Redman, L.L.P.

Certified Public Accountants

3403 N. Main Street – Tarboro, North Carolina 27886

Phone: 252-823-3125 Fax: 252-823-3201

Charles R. Flowers Jr., CPA  
Michael L. Stanley, CPA  
Gregory T. Redman, CPA

Members  
North Carolina Association of  
Certified Public Accountants

American Institute of  
Certified Public Accountants

\_\_\_\_\_  
Fred A. Turlington Jr., CPA  
Eric B. Harrell, CPA

## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

To the Board of County Commissioners  
Wilson County, North Carolina

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregated remaining fund information of Wilson County, North Carolina, as of and for the year ended June 30, 2007, which collectively comprises the Wilson County's basic financial statements, and have issued our report thereon dated November 19, 2007. We did not audit the financial statements of the Wilson County ABC Board. Those financial statements were audited by other auditors whose report thereon has been provided to us, and our opinion, insofar as it relates to the amounts included for the Wilson County ABC Board, is 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. The financial statements of the Wilson County ABC Board were not audited in accordance with *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Wilson County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wilson County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting. These significant deficiencies are referenced as findings 07-1, 07-2, and 07-3.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe none of the significant deficiencies described above is a material weakness.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wilson County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The County's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the organization, federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Tarboro, North Carolina  
November 19, 2007

# Flowers, Stanley & Redman, L.L.P.

Certified Public Accountants

3403 N. Main Street – Tarboro, North Carolina 27886

Phone: 252-823-3125 Fax: 252-823-3201

Charles R. Flowers Jr., CPA  
Michael L. Stanley, CPA  
Gregory T. Redman, CPA

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Fred A. Turlington Jr., CPA  
Eric B. Harrell, CPA

Members  
North Carolina Association of  
Certified Public Accountants

American Institute of  
Certified Public Accountants

## **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**

To the Board of County Commissioners  
Wilson County, North Carolina

### Compliance

We have audited the compliance of Wilson County, North Carolina, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major federal programs for the year ended June 30, 2007. Wilson County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Wilson County's management. Our responsibility is to express an opinion on Wilson County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Wilson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Wilson County's compliance with those requirements.

In our opinion, Wilson County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

## Internal Control Over Compliance

The management of Wilson County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Wilson County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the organization, federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Tarboro, North Carolina  
November 19, 2007

# Flowers, Stanley & Redman, L.L.P.

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## **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**

To the Board of County Commissioners  
Wilson County, North Carolina

### Compliance

We have audited the compliance of Wilson County, North Carolina, with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2007. Wilson County's major State programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major State programs is the responsibility of Wilson County's management. Our responsibility is to express an opinion on Wilson County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*; and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Wilson County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Wilson County's compliance with those requirements.

In our opinion, Wilson County complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2007.

## Internal Control Over Compliance

The management of Wilson County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to State programs. In planning and performing our audit, we considered Wilson County's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on the effectiveness on internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a State program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies that adversely affects the entity's ability to administer a State program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a State program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a State program will not be prevented or detected by the County's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Commissioners, management, others within the organization, federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Tarboro, North Carolina  
November 19, 2007

**Wilson County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2007**

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Section I - Summary of Auditor's Results

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**Financial Statements**

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?                       yes      X  no
  
- Significant deficiency (ies) identified that are not considered to be material weaknesses                      X  yes       none reported

Noncompliance material to financial statements noted                       yes      X  no

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified?                       yes      X  no
  
- Significant deficiency (ies) identified that are not considered to be material weaknesses                       yes      X  none reported

Noncompliance material to federal awards                       yes      X  no

Type of auditor's report issued on compliance for major federal programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133                       yes      X  no

**Wilson County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2007**

Identification of major federal programs:

<u>CFDA#</u>	<u>Program Name</u>
10.551 and 10.561	Food Stamp Cluster
93.778	Medical Assistance Program
93.558	Temporary Assistance for Needy Families
	Subsidized Child Care Cluster:
93.575	Child Care and Development Block Grant
93.667	Social Services Block Grant
93.558	Temporary Assistance for Needy Families
93.596	Child Care Development Fund
93.596	Child Care Development Fund
93.667	Social Services Block Grant

Federal programs that did not meet the criteria for a major program using the criteria discussed in OMB Circular No. A-133 Section .520 but were tested as a major program because the State awards met the threshold for a major State program are included in the list of major federal programs.

Dollar threshold used to distinguish  
between Type A and Type B Programs \$ 2,733,513

Auditee qualified as low-risk auditee  yes  no

**State Awards**

Internal control over major State programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency (ies) identified that are not considered to be material weaknesses  yes  none reported

Noncompliance material to State awards  yes  no

Type of auditor's report issued on compliance for major State programs:  
Unqualified.

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act  yes  no



**Wilson County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2007**

Identification of major State programs:

<u>Program Name</u>	<u>CFDA #</u>
SC/SA Domiciliary Care	N/A
Subsidized Child Care Cluster:	
TANF - MOE	N/A
State Appropriations	N/A
Smart Start	N/A
Public School Building Fund	N/A

Section II - Financial Statement Findings

**Finding 07-1.** Approval of Capital Lease

**Criteria:** The Board of commissioners approved and the County entered into a capital lease for the Miller Road office building.

**Condition:** The County did not obtain the required approval from the Local Government Commission before the lease was executed.

**Effect:** This is a violation of State Statutes.

**Cause:** Oversight in the finance department.

**Recommendation:** Procedures should be established to insure compliance with North Carolina General Statutes concerning the approval of capital leases.

**Management response:** Wilson County concurs with the finding that a lease was entered into without the approval of the Local Government Commission. The original interpretation of the Statute was that this transaction could be excluded from the Local Government Commission approval. Further research proved that it, in fact, should have been approved due to the fact that it is indeed a capital lease. Wilson County is seeking approval at this time from the Local Government Commission.

**Wilson County, North Carolina**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2007**

**Finding 07-2. Expenditures Exceeded Budgetary Appropriations**

Criteria: Amounts received from the N.C. State Public Bond Fund for the Wilson County Board of Education were inadvertently not budgeted.

Condition: This violation was the result of expenditures not monitored and budgetary amendments not made during the year. Subsequent to year end the budget was amended to reflect the funds received and transferred to the Board of Education.

Effect: This is a violation of State Statutes.

Cause: Oversight in the finance department.

Recommendation: Procedures should be established to insure compliance with North Carolina General Statutes concerning "The Local Government Budget and Fiscal Control Act".

Management response: Wilson County concurs with the finding concerning amounts received from the N.C. State Public Bond Fund. Due to the nature of the account, in that the bank account is in the County's name but held at the state level, budgeting was inadvertently overlooked. To ensure that there are no other instance in the future, Wilson County will estimate a budget at the beginning of the fiscal year based on the previous year and amend as necessary.

**Finding 07-3. Auditor Prepared Financial Statements**

Criteria: SAS 112, effective for years ended after December 12, 2006, requires communication of certain matters related to internal control over financial reporting.

Condition: The County contracted with the auditor to assist in drafting financial statements for the year ended June 30, 2007 because of a lack of expertise in financial reporting.

Effect: This is a significant deficiency reportable under SAS 112 requirements.

Cause: Limited administrative personnel.

Recommendation: The County Board should be aware of SAS 112 requirements and consider steps needed to increase internal control over financial reporting.

Management response: Wilson County concurs and understands it is management's responsibility to oversee financial statements reporting. However, we must accept this degree of risk because of the high cost of mitigating this risk with limited personnel.

**Wilson County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2007**

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Section III - Federal Award Findings and Questioned Costs

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NONE

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Section IV - State Award Findings and Questioned Costs

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NONE

**Wilson County, North Carolina  
Corrective Action Plan  
For the Year Ended June 30, 2007**

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Section II - Financial Statement Findings

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**Significant Deficiencies**

**07-1 - Approval of Capital Lease**

Name of Contract Person: Phyllis R. Vick  
Finance Director

Corrective Action: We are seeking approval at this time from the Local Government Commission.

Proposed Completion Date: Upon LGC approval.

**07-2 - Expenditures Exceeded Budgetary Appropriations**

Name of Contract Person: Phyllis R. Vick  
Finance Director

Corrective Action: We are aware of budgetary requirements and are establishing procedures to prevent further violations.

Proposed Completion Date: October 31, 2007

**07-3 - Auditor Prepared Financial Statements**

Name of Contract Person: Phyllis R. Vick  
Finance Director

Corrective Action: The Board will examine the possibility of future outsourcing of particular accounting related tasks, but currently has no such plans due to cost constraints.

Proposed Completion Date: N/A

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Section III - Federal Award Findings and Questioned Costs

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N/A

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Section IV - State Award Findings and Questioned Costs

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N/A

**Wilson County, North Carolina  
Summary Schedule of Prior Year Audit Findings  
For the Year Ended June 30, 2007**

NONE REPORTED

**Wilson County, North Carolina**  
**Schedule of Expenditures of Federal and State Awards**  
**For the Year Ended June 30, 2007**

<u>Grantor/Pass-Through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>
<b>CASH PROGRAMS:</b>	
<b>FEDERAL GRANTS:</b>	
<b>U.S. Department of Agriculture:</b>	
Passed-through N.C. Department of Health and Human Services:	
Division of Social Services:	
Administration:	
Food Stamp Cluster:	
Food Stamp Program - Noncash	10.551
Food Stamp Program	10.561
Total Food Stamp Cluster	
Division of Public Health:	
Administration:	
Special Supplemental Nutrition Program for WIC	10.557
Direct Benefit Payments:	
Special Supplemental Nutrition Program for WIC	10.557
Agri-SFP Food Program	10.559
Total Direct Benefit Payments	
Division of Rural Utilities Service:	
Water and Waste Disposal loans and grants	10.770
Total U.S. Department of Agriculture	
<b>U.S. Department of Health and Human Services:</b>	
Passed-through N.C. Department of Health and Human Services:	
Division of Social Services:	
Foster Care and Adoption Cluster:	
Assistance Foster Care Title IV-E	93.658
Title IV-E Adoption Subsidy	93.659
Total Foster Care and Adoption Cluster	

<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
\$ 10,595,897	\$ -	\$ -
678,855	-	653,469
<u>\$ 11,274,752</u>	<u>\$ -</u>	<u>\$ 653,469</u>
\$ 448,338	\$ -	\$ -
\$ 2,095,096	\$ -	\$ -
-	-	-
<u>\$ 2,095,096</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,077,911	\$ -	\$ -
\$ 14,896,097	\$ -	\$ 653,469
\$ 645,274	\$ 69,538	\$ 496,075
424,796	118,788	118,788
<u>\$ 1,070,070</u>	<u>\$ 188,326</u>	<u>\$ 614,863</u>

(continued)

**FEDERAL GRANTS: (continued)**

**U.S. Department of Health and Human Services: (continued)**

Passed-through N.C. Department of Health and Human Services: (continued)

Division of Social Services: (continued)

Medical Assistance Program - Medicaid Title XIX	93.778
Low Income Energy Assistance/Crisis Intervention	93.568
NC Health Choice	93.767
Workfirst	93.658
Social Services Block Grant	93.667
Child Support Enforcement	93.563
Permanency Planning	93.645
Temporary Assistance for Needy Families	93.558
LINKS	93.674
LINKS - Direct Benefit	93.674
Total Division of Social Services	

Division of Public Health:

Syphilis Elimination Program	93.977
Tuberculosis Control Project - CDC	93.116
Promotion Program	93.991
Bioterrorism Grant	93.283
Maternal and Child Health Services Block Grant	93.994
Temporary Assistance for Needy Families	93.558
Immunization Action Plan	93.268
Prevention Investigations and Technical Assistance	93.283
Family Planning Services	93.217
Total Division of Public Health	

Subsidized Child Care Cluster: (Note 2)

Child Care Development Fund Cluster:

Division of Social Services:

Child Care Development Fund - Administration	93.596
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Division of Child Development:

Child Care Development Funds Discretionary	93.575
Child Care and Development Fund - Mandatory	93.596
Child Care and Development Fund - Match	93.596

Total Child Care Development Fund Cluster



1,331,695	108,356	1,211,698
258,747	2,805	-
55,158	4,063	14,325
-	-	149,456
399,464	41,871	140,726
922,386	-	475,098
22,753	5,848	1,736
1,387,285	-	1,383,678
12,766	3,191	-
7,748	-	-
<u>\$ 5,468,072</u>	<u>\$ 354,460</u>	<u>\$ 3,991,580</u>
\$ 57	\$ -	\$ -
36,533	-	-
13,601	-	-
55,412	-	-
248,925	-	-
14,700	-	-
25,512	-	-
8,601	-	-
77,346	-	-
<u>\$ 480,687</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 176,347	\$ -	\$ -
1,591,787	-	-
621,636	-	-
891,891	495,937	- (continued)
<u>\$ 3,281,661</u>	<u>\$ 495,937</u>	<u>\$ -</u>

**FEDERAL GRANTS: (continued)**

**U.S. Department of Health and Human Services: (continued)**

Passed-through N.C. Department of Health and Human Services: (continued)

Subsidized Child Care Cluster: (Note 2) (continued)

Division of Child Development: (continued)

Social Services Block Grant 93.667

Temporary Assistance for Needy Families 93.558

TANF - MOE N/A

State Appropriations N/A

Smart Start N/A

Total Subsidized Child Care Cluster

Direct Benefit Payments:

Medical Assistance Program 93.778

Temporary Assistance for Needy Families 93.558

Energy Assistance 93.568

IV-E Adoption/Foster Care 93.658 / 93.659

Total Direct Benefit Payments

Total U.S. Department of Health and Human Services

**U.S. Department of Homeland Security:**

Passed-through N.C. Department of Crime Control and Public Safety:

State and Local Homeland Security Training Program 97.005

Homeland Security Grant 97.067

Law Enforcement Training and Technical Assistance 97.081

Total U.S. Department of Homeland Security

**U.S. Department of Commerce:**

Passed-through N.C. Department of Commerce:

Small Cities Community Development Block Grant 14.228

30,813	-	-
569,838	-	-
-	944,595	-
-	206,208	-
-	43,704	-
<u>\$ 3,882,312</u>	<u>\$ 1,690,444</u>	<u>\$ -</u>
\$ 63,137,222	\$ 31,094,107	\$ 5,601,143
890,822	(1,875)	482
241,239	-	-
183,178	31,822	78,661
<u>\$ 64,452,461</u>	<u>\$ 31,124,054</u>	<u>\$ 5,680,286</u>
<u>\$ 74,283,532</u>	<u>\$ 33,168,958</u>	<u>\$ 9,671,866</u>
\$ 19,793	\$ -	\$ -
1,081	-	-
5,415	-	-
<u>\$ 26,289</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 523,930</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

**FEDERAL GRANTS: (continued)**

**U.S. Department of Justice:**

Passed-through N.C. Department of Crime Control and Public Safety: Juvenile Justice	16.542
Local Law Enforcement Block Grant Program	16.592

Total U.S. Department of Justice

**Election Assistance Commission:**

Passed-through N.C. Department of Crime Control and Public Safety: Help America Vote Act	90.401
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**U.S. Department of Labor:**

Passed-through N.C. Department of Labor:  
Workforce 17.258 thru 17.260

**U.S. Department of Transportation:**

Passed-through N.C. Department of Transportation: Formula Grant for Other than Urbanized Areas	20.509
Safety Incentive Grants	20.605

Total U.S. Department of Transportation

**STATE GRANTS:**

**N.C. Department of Transportation:**

RGP	N/A
Rural Operating Assistance	N/A
ROA - Workfirst	N/A

Total N.C. Department of Transportation

\$ 259,415 14,900	\$ 67,451 -	\$ - -
<u>\$ 274,315</u>	<u>\$ 67,451</u>	<u>\$ -</u>
<u>\$ 379,832</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 658,986</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 74,115 -	\$ 4,633 9,000	\$ - -
<u>\$ 74,115</u>	<u>\$ 13,633</u>	<u>\$ -</u>
\$ - - -	\$ 95,738 78,142 7,809	\$ - - -
<u>\$ -</u>	<u>\$ 181,689</u>	<u>\$ -</u>

(continued)

**STATE GRANTS: (continued)**

**N.C. Department of Human and Health Services:**

Division of Social Services:

Energy Assistance	N/A
County Funded Programs	N/A
CWS Adoption Subsidy - Direct Benefit	N/A
SC/SA Domiciliary Care - Direct Benefit	N/A
State Foster Home - Direct Benefit	N/A
TANF/AFDC Program Integrity	N/A
State Aid to Counties	N/A
State Adult Protective Service	N/A
Smart Start	N/A
F/C At Risk Maximization	N/A
SC/SA Administration	N/A

Total N.C. Department of Human and Health Services:

**N.C. Department of Public Instruction:**

Public School Building Fund	N/A
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**N.C. Department of Health and Human Services:**

Division of Health:

General Health	N/A
Tuberculosis Control	N/A
AIDS Control Project	N/A
Risk Reduction/Health Promotion	N/A
Communicable Disease	N/A
Women's Preventative Health	N/A
TB Medical Service	N/A
Public Health Nurse Training	N/A

Total N.C. Department of Health and Human Services:

\$	-	\$	410	\$	-
	-		-		381,143
	-		229,902		42,434
	-		1,040,419		1,040,449
	-		78,499		78,449
	-		11,144		-
	-		92,810		136,576
	-		58,382		-
	-		84,540		-
	-		717		406
	-		-		77,325
<u>\$</u>	<u>-</u>	<u>\$</u>	<u>1,596,823</u>	<u>\$</u>	<u>1,756,782</u>

<u>\$</u>	<u>-</u>	<u>\$</u>	<u>543,294</u>	<u>\$</u>	<u>-</u>
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\$	-	\$	55,666	\$	-
	-		60,090		-
	-		12,500		-
	-		9,125		-
	-		8,294		-
	-		8,895		-
	-		1,500		-
	-		1,200		-
<u>\$</u>	<u>-</u>	<u>\$</u>	<u>157,270</u>	<u>\$</u>	<u>-</u>

(continued)

**STATE GRANTS: (continued)**

**N.C. Department of Environment and Natural Resources:**

Scrap Tire Program	N/A
Clean Water Management Trust Fund	N/A

Total N.C. Department of Environment and Natural Resources

**N.C. Department of Cultural Resources:**

Aid to Public Libraries Fund	N/A
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**N.C. Department of Commerce:**

Wilson Corporate Park Grant	N/A
One NC Fund Grant	N/A

Total N.C. Department of Commerce

Total Financial Assistance

Note 1: federal and State grant activity of Wilson County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

Note 2: The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: **Subsidized Child Care**.



\$ -	\$ 83,963	\$ -
-	40,000	-
<u>\$ -</u>	<u>\$ 123,963</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 156,008</u>	<u>\$ -</u>
\$ -	\$ 80,000	\$ -
-	30,000	-
<u>\$ -</u>	<u>\$ 110,000</u>	<u>\$ -</u>
<u>\$ 91,117,096</u>	<u>\$ 36,119,089</u>	<u>\$ 12,082,117</u>