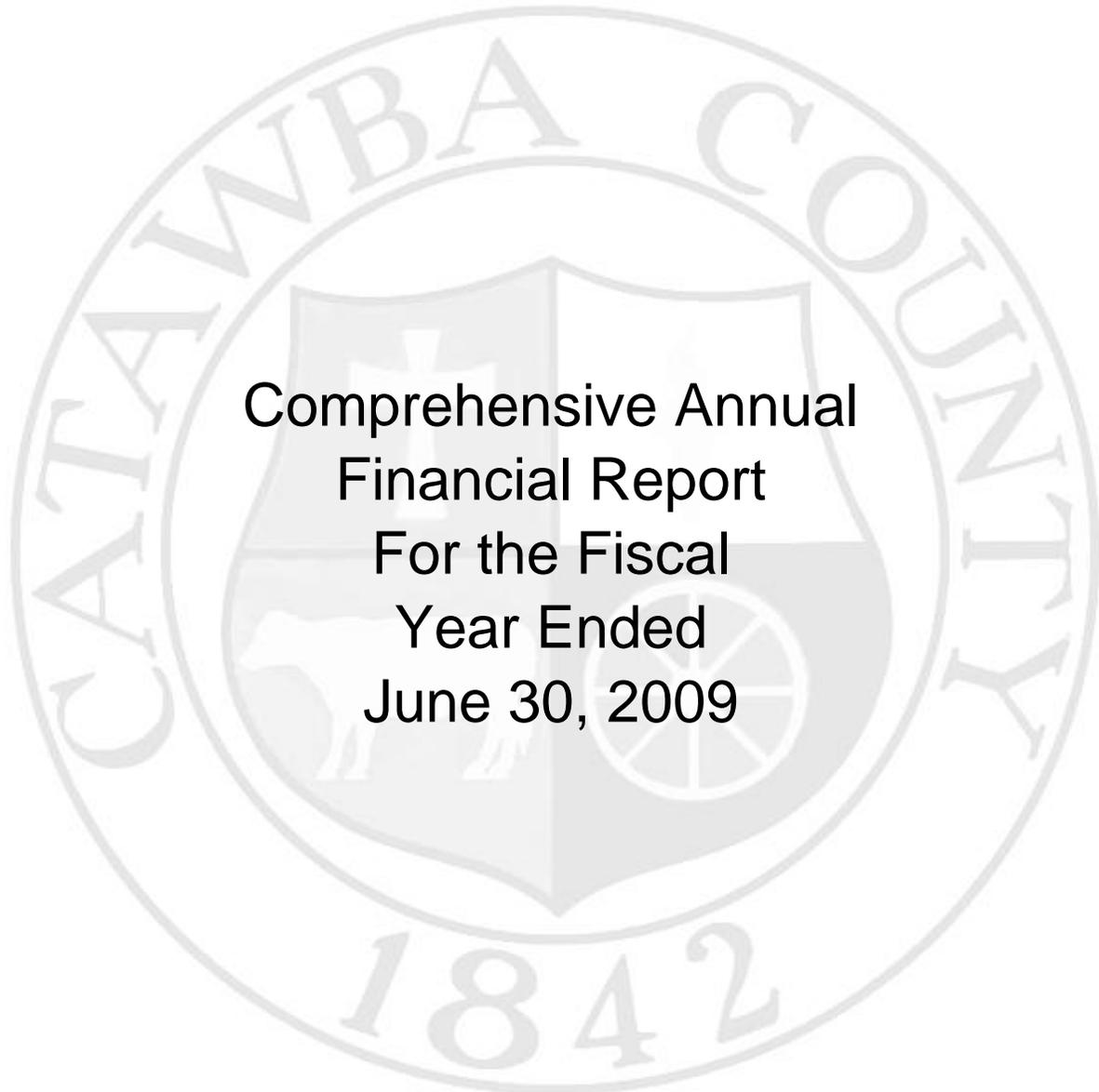


# Catawba County, North Carolina



## Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2009

J. Thomas Lundy, County Manager  
Rodney N. Miller, Director of Finance

Prepared by Catawba County Finance Department  
Published November 19, 2009

**Catawba County, North Carolina**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended June 30, 2009

Table of Contents

Page

**Introductory Section**

Letter of Transmittal.....i  
 GFOA Certificate of Achievement..... xii  
 Organization Chart ..... xiii

**Financial Section**

Report of Independent Certified Public Accountants ..... 1  
 Management Discussion and Analysis ..... 3

**Basic Financial Statements:**

Government-wide Financial Statements:

Statement of Net Assets ..... 14  
 Statement of Activities ..... 16

Fund Financial Statements:

Balance Sheet – Governmental Funds ..... 18  
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets..... 20  
 Statement of Revenues, Expenditures, and Changes in Fund Balances -  
 Governmental Funds ..... 22  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
 Fund Balances of Governmental Funds to the Statement of Activities ..... 24  
 Statement of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget and Actual – General Fund ..... 26  
 Statement of Net Assets – Proprietary Funds ..... 27  
 Statement of Revenues, Expenses, and Changes in Fund Net Assets -  
 Proprietary Funds ..... 28  
 Statement of Cash Flows – Proprietary Funds ..... 30  
 Statement of Fiduciary Net Assets – Fiduciary Funds ..... 32

Notes to the Financial Statements..... 33

**Required Supplemental Financial Data:**

Law Enforcement Officers’ Special Separation Allowance  
 Schedule of Funding Progress..... 68  
 Law Enforcement Officers’ Special Separation Allowance  
 Schedule of Employer Contributions..... 69  
 Law Enforcement Officers’ Special Separation Allowance  
 Notes to the Required Schedules ..... 69  
 Health Care Benefit – Pay As You Go  
 Schedule of Funding Progress..... 70  
 Health Care Benefit – Pay As You Go  
 Schedule of Employer Contributions..... 71

**Catawba County, North Carolina**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended June 30, 2009

Table of Contents – continued

	Page
Health Care Benefit – Pay As You Go	
Notes to the Required Schedules .....	71
<b><i>Combining and Individual Fund Financial Statements and Schedules:</i></b>	
<i>General Fund</i>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual ..	75
<i>Nonmajor Governmental Funds</i>	
Combining Balance Sheet – Nonmajor Governmental Funds .....	102
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds .....	103
<i>Special Revenue Funds</i>	
Combining Balance Sheet - Nonmajor Special Revenue Funds .....	106
Subcombining Balance Sheet – Fire District Funds .....	110
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	114
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Emergency Telephone System Fund .....	117
Citizens’ Alert System Fund .....	118
Narcotics Seized Funds and Property Fund .....	119
Reappraisal Fund .....	120
General Capital Reserve Fund .....	121
Water and Sewer Reserve Fund.....	122
Hospital Capital Reserve Fund .....	123
Rescue Squads Fund .....	124
Library Endowment Fund .....	125
Gretchen Peed Scholarship Fund .....	126
Parks/Historic Preservation Trust Fund .....	127
Community Development Fund .....	128
Subcombining Statement of Revenues, Expenditures and Changes in Fund Balances – Fire District Funds.....	132
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
Mountain View Fire District Fund .....	135
Propst Fire District Fund .....	136
St. Stephens Fire District Fund.....	137
Conover Rural Fire District Fund .....	138
Oxford Fire District Fund .....	139
Sherrills Ford Fire District Fund .....	140
Bandys Fire District Fund .....	141

**Catawba County, North Carolina**  
 Comprehensive Annual Financial Report  
 For the Fiscal Year Ended June 30, 2009

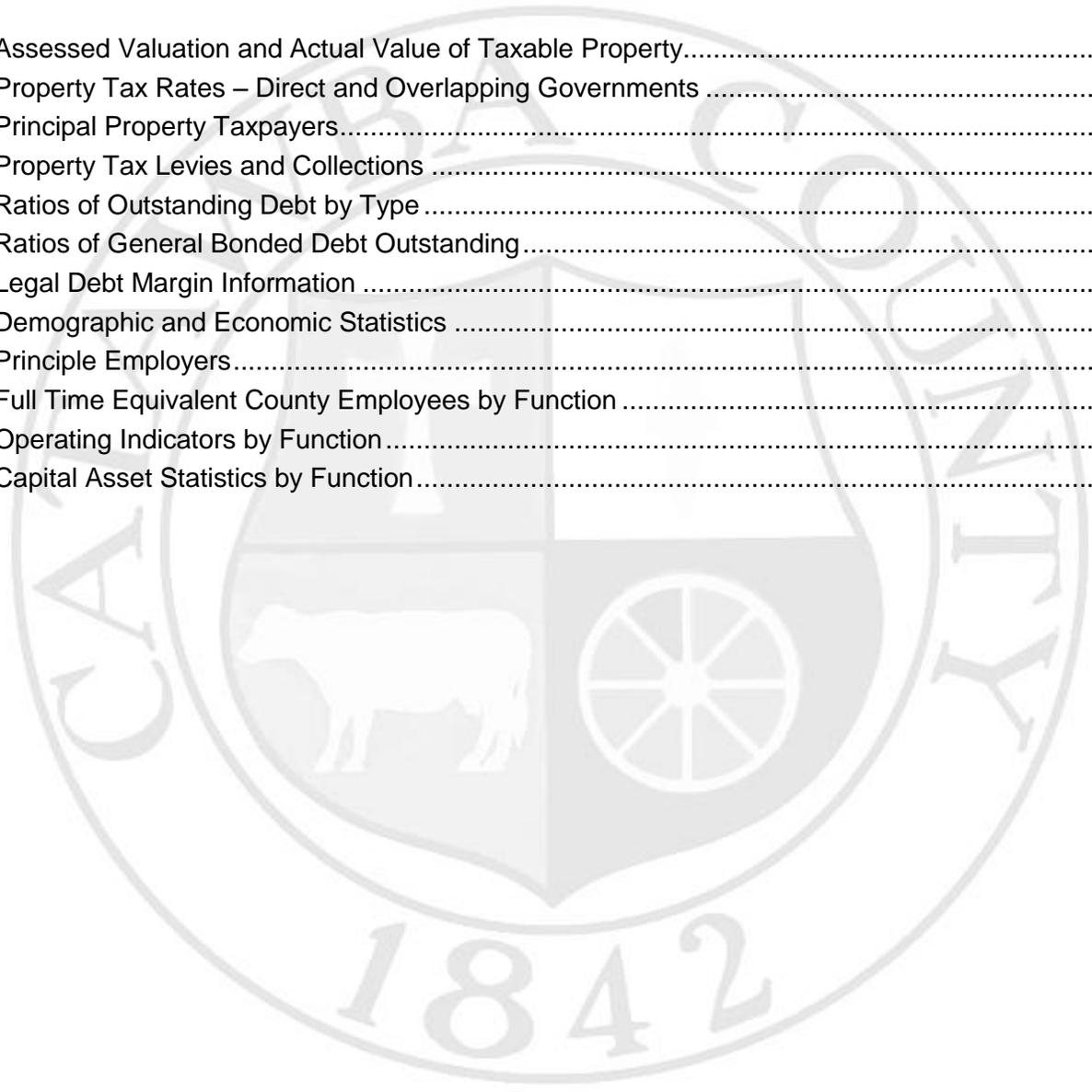
Table of Contents – continued

	Page
Maiden Fire District Fund .....	142
Claremont Fire District Fund.....	143
Catawba Fire District Fund .....	144
Long View Fire District Fund .....	145
Newton Rural Fire District Fund .....	146
Cooksville Fire District Fund .....	147
Denver Fire District Fund .....	148
Hickory Rural Fire District Fund .....	149
<i>Capital Projects Funds</i>	
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	152
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	153
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	
School Bond Fund - 1997 Series .....	154
Hospital Construction Fund .....	155
General Capital Projects Fund.....	156
School Capital Projects Fund .....	158
School Construction Fund .....	160
<i>Enterprise Fund</i>	
Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	
Solid Waste Management Fund.....	164
Water and Sewer Fund .....	166
Water and Sewer Construction Fund .....	168
<i>Trust and Agency Funds</i>	
Combining Statement of Changes in Assets and Liabilities – All Agency Funds .....	172
<b>Other Schedules:</b>	
Schedule of Cash and Investment Balances .....	174
Analysis of Current Tax Levy.....	176
Schedule of Taxes Receivable .....	177
Schedule of General Bonded Indebtedness and Debt Service Requirement.....	178
General Long-Term Debt Requirements and Maturity Schedule .....	179
<b>Statistical Section</b>	
Net Assets by Component.....	182
Changes in Net Assets.....	184
Fund Balances, Governmental Funds .....	186
Changes in Fund Balances, Governmental Funds.....	188

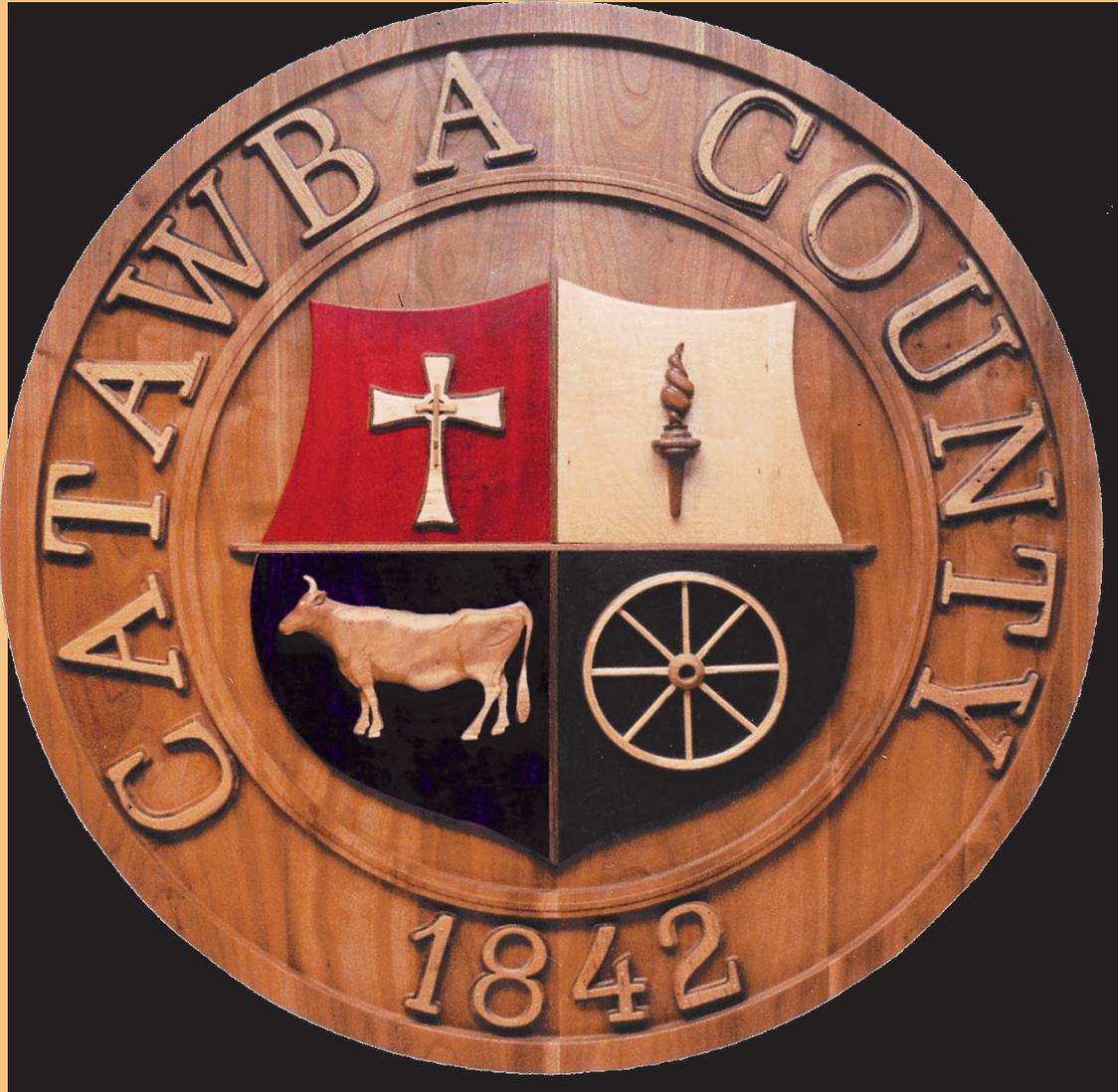
**Catawba County, North Carolina**  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2009

Table of Contents – continued

	Page
Assessed Valuation and Actual Value of Taxable Property.....	190
Property Tax Rates – Direct and Overlapping Governments .....	191
Principal Property Taxpayers.....	192
Property Tax Levies and Collections .....	193
Ratios of Outstanding Debt by Type .....	194
Ratios of General Bonded Debt Outstanding.....	195
Legal Debt Margin Information .....	196
Demographic and Economic Statistics .....	198
Principle Employers.....	199
Full Time Equivalent County Employees by Function .....	200
Operating Indicators by Function.....	201
Capital Asset Statistics by Function.....	202



# BOARD OF COUNTY COMMISSIONERS



**Katherine W.  
"Kitty" Barnes**  
Chair



**Lynn M.  
Lail**  
Vice Chair



**Barbara G.  
Beatty**



**Glenn E.  
Barger**



**Dan A.  
Hunsucker**



# CATAWBA COUNTY

P.O. Box 389 100-A South West Boulevard Newton, North Carolina 28658-0389 Telephone: 828-465-8201  
www.catawbacountync.gov Fax: 828-465-8392

Catawba County Board of Commissioners  
and Citizens of Catawba County, North Carolina

November 19, 2009

State law requires that all local governments have its financial records audited as soon as possible after the close of each fiscal year by an independent certified public accountant using generally accepted auditing standards. It is also requires that a local government publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) for Catawba County for the fiscal year ended June 30, 2009.

## THE REPORT

This report consists of management’s representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

*“ . . . we hereby issue the Comprehensive Annual Financial Report of Catawba County for the fiscal year ended June 30, 2009”*

The County’s financial statements have been audited by Martin, Starnes & Associates, CPAs, P.A., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County’s financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP. Issuance of an unqualified opinion means an auditor, upon review of a county’s financial statements and accompanying notes, certifies that the financial statements are reliable and represent the true financial condition of the county. The independent auditor’s report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and state mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not



“Keeping the Spirit Alive Since 1842!”

only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports, along with the schedule of expenditures of Federal and State awards, findings and recommendations, if any, are published in a separate report.

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

### COUNTY PROFILE

Located in a peaceful valley just east of the Blue Ridge Mountains, Catawba County is a land of scenic beauty, diverse cultures, and various industry. Three beautiful lakes are located within its 414 square miles, and the Catawba River winds along its northern and eastern border. The County is named for the river and the Catawba Indians who foraged in the valley and were friendly and helpful to the first settlers who arrived in 1747.

Catawba County was officially established on December 12, 1842 when Lincoln County was

divided by an act of the North Carolina General Assembly. The North Carolina General Assembly passed legislation to the effect that "the present Town of Newton as selected and

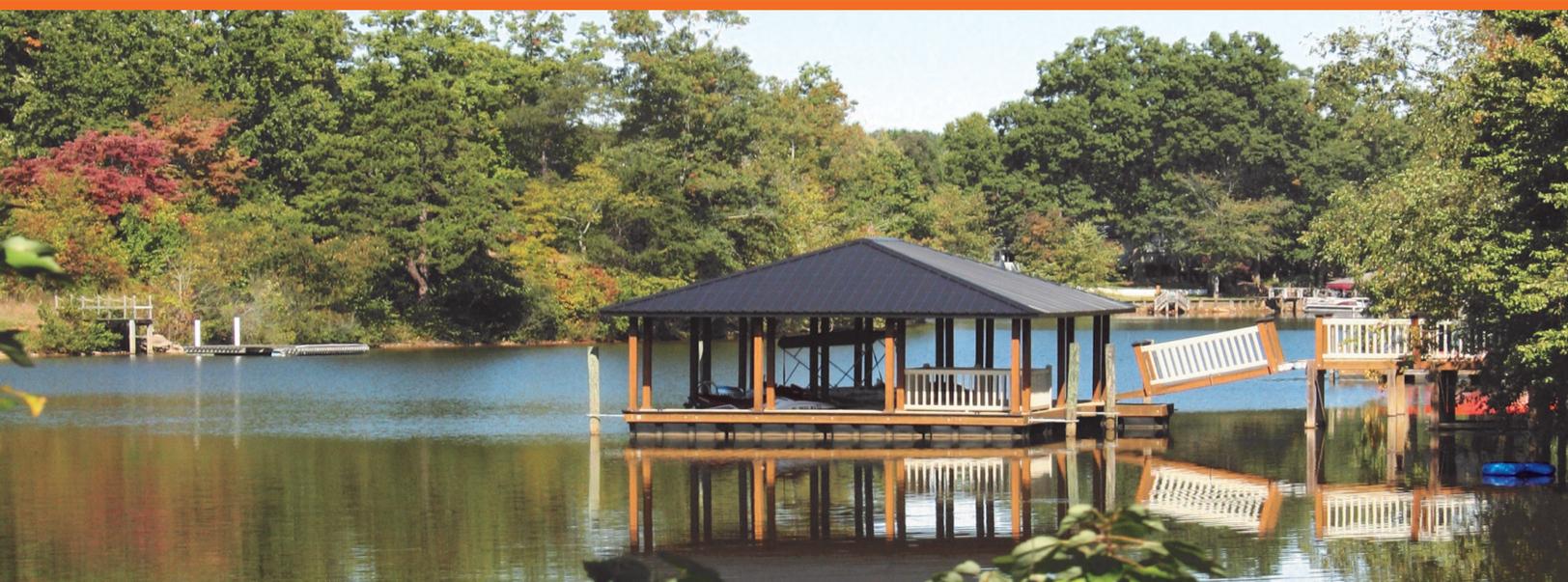


laid out shall be the site and location of the courthouse and jail of Catawba County." The County has eight cities and towns and a population of 157,073, ranking 17<sup>th</sup> largest out of 100 counties in North Carolina.

In 1937, Catawba County became the third county in the State to adopt the Council-Manager form of government. The Board of Commissioners is comprised of a five-member board elected at large on staggered terms in a countywide election. The Board of Commissioners is the policy-making and legislative authority for the County. It is responsible for adopting the annual budget, approving zoning and planning issues and other matters related to the health and welfare of the County. The Board makes appointments to various boards and commissions and appoints

*Below: Boat dock on scenic Lake Hickory in Catawba County.*

Photo courtesy: Kenneth Maynor



the County Manager. The County Manager is the chief executive officer and is responsible for enforcement of laws and ordinances, preparation and administration of the annual budget, delivery of services, implementing policies, managing daily operations and appointment of department heads. The County is fortunate to have stability in its management structure with the County Manager affording the County 37 years of continuous service.

Catawba County provides its citizens with a broad range of services that include public safety, environmental protection, health and human services, cultural and recreational programs, community and economic development, and education. This report encompasses the County's activities in maintaining these services and includes its financial support to certain separate agencies, boards and commissions to assist their efforts in serving citizens. Among these are the Catawba County, Hickory City and Newton-Conover City Schools, Catawba Valley Community College (CVCC), Catawba County Economic Development Corporation and the Hickory Metro Convention and Visitors Bureau.

The annual budget serves as the foundation for the County's financial planning and control. Each year all County departments are required to submit requests for appropriation to the County Manager, who then compiles a proposed budget and presents it to the Board of Commissioners for review. The Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than June 30, the close of the County's fiscal year.

## FACTORS AFFECTING FINANCIAL CONDITION

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

## LOCAL ECONOMY

In the midst of the longest U.S. recession in a quarter century, the region's economy struggled this past year, with the unemployment rate increasing from the prior year at the third highest rate in the nation in March 2009. The region, which includes Alexander, Burke, Caldwell and Catawba counties has seen its unemployment rate peak at 15.6% in February 2009, the highest rate of the 14 metro areas in North Carolina. Approximately 12,000 more people were unemployed in June 2009 than in June 2008, with 6,900 of those in the manufacturing sector, which accounts for about 33 percent of the jobs in the region. Since 2000, the region has lost approximately 32,000 jobs, or 15.5 percent of its workforce.

For Catawba County specifically, the unemployment rate increased over the past year from 8.2% in July 2008 to 14.9% in July 2009. Fortunately, the county rate has decreased slightly from its high of 15.6% in March, the highest rate since 1975. Catawba County is home to a large industrial base, heavily concentrated in manufacturing at 31 percent, and nearly three times the national average of 12 percent. The county and region are renowned as

---

*Below L-R: Cline Village; EMS crew assisting patient for transport to trauma center; Library branch manager Betty Jean Stinson; Early sunset in Catawba County.*

Photos courtesy (L-R): Economic Development Corporation, Emergency Management Services, Tammy Wilson, Cathy Yount



a furniture-manufacturing and distribution center, with approximately 500,000 annual visitors to two furniture malls and twenty miles of furniture stores between Hickory and Lenoir, two of the largest cities in the region.

During the last economic recession in 2002, significant job losses occurred primarily in the County's traditional industries of furniture and textiles. Though most of the textile jobs will never return to the county, a result of cheaper labor overseas, the furniture industry still needs skilled workers; especially cutters, sewers and upholsterers, which provides some hope for the future for those workers facing unemployment.

In the current recession, job losses have extended to other industries such as telecommunications, automotive, and banking, in addition to the County's traditional industries. Major employers including Corning, CommScope, Shurtape, Getrag, GoldToe Moretz, and Furniture Brands International have all announced layoffs over the past year, unable to avoid the decreased demand for their products and services and the lingering effects of the global recession.

In spite of the hardship that some employers have faced in the county, a surplus of available skilled workers has provided opportunities for existing companies to expand their current facilities. Last year, Poppelmann Plastics USA announced plans for a \$6 million Phase II expansion in Claremont, adding to its \$17 million manufacturing and warehouse facility that opened the previous year. In October, Technibilt completed a \$3 million expansion to its Newton facility to meet increased demand for shopping carts. Also, the von Drehle Corporation invested in a \$4 million expansion adding a new

production line and 31 jobs to its Maiden facility, which will allow it to produce more than four million cases of recycled towel and tissue per year. In December, Fiber-Line Inc. held a groundbreaking on a \$4.5 million project creating 10 new jobs initially, which will be the second major expansion in the last ten years and double the size of its existing facility in Hickory. Earlier this year, BSN Medical, a worldwide producer of medical supplies added a \$2.3 million expansion to its existing facility in Conover, adding 25 new jobs. Finally, Ethan Allan announced a \$2.25 million expansion to its Maiden facility, adding 150 new jobs, and re-hiring 152 positions that had been eliminated the year before.

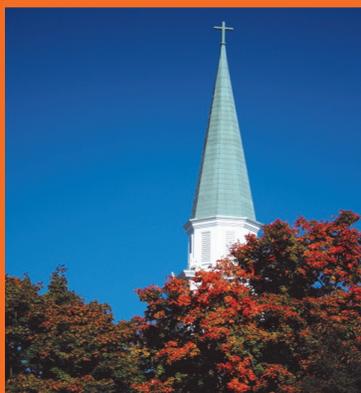
In addition, new manufacturing companies have recognized the availability of the county's skilled workforce and re-located to the area. Sutter Street, a division of Williams Sonoma began construction of a \$2.7 million facility in Hickory, which will add 820 jobs to the furniture industry over the next five years. Also in Hickory, Turbotec Products expanded its manufacturing operations into an existing manufacturing facility creating an additional 30 jobs.

Furthermore, through some targeted economic development efforts the County has diversified its economic base from traditional manufacturing. County officials worked with ADEVCO Corporation, a real estate development firm, to construct a \$5 million speculative call center last year, and in

---

*Below L-R: Shonda Hollis Emergency Management Services; First United Methodist Hickory; Annual Household Hazardous Waste & Electronics Collection Event; Rock Barn Golf & Spa Clubhouse.*

Photos courtesy (L-R): Lee Yount, Kenneth Maynor, Amanda Kain, Economic Development Corporation



December, Covation LLC agreed to purchase the building, along with \$6.2 million in improvements, which will provide over 900 new customer support jobs to the County over three years. Also in December, Convergys Customer Management Group opened a \$4 million call center in a former Joan Fabrics building creating 600 new jobs. The center is providing technical support and customer service for Fortune 500 clients and leaders in the telecommunications industry. In Claremont, Niagara Ventures has built a new Data Storage speculative building, which is the first of four buildings proposed on the site. Efforts like these have helped Catawba County's recruitment efforts, because the county has been at a severe disadvantage due to its lack of existing buildings that are easy to up fit to a company's needs.

In June 2009, a new Target distribution center opened in Newton, providing more than 500 new jobs in the county. The \$90 million facility is the largest distribution facility in the Charlotte region at 1.5 million square feet, and is a prototype for Target's regional distribution centers, serving 60 to 80 retail stores.

In July, all of the combined economic development efforts of local and state officials paid off, with the announcement that Apple, Inc will invest \$1 billion in Maiden toward a data center project. The project will create 50 new jobs and 250 related jobs upon its completion, along with 750 local construction jobs during construction. The 183-acre site had been marketed as a multi-jurisdictional park to attract a data center similar to the \$600 million Google, Inc. complex in an adjacent county, with large amounts of power and water available. With the announcement, Catawba County has secured its largest economic development project in the history of the county.

Even though the County has been mired in the worst recession in twenty-five years, it has been fortunate to announce new investment totaling more than \$1.15 billion and 1,478 new jobs since July 08.

*“Even though the County has been mired in the worst recession in twenty-five years, it has been fortunate to announce new investment totaling more than \$1.15 billion and 1,478 new jobs since July ‘08.”*

In addition to a large manufacturing and industrial base, the County is supported by a strong service-sector, accounting for more than half of the economic engine in Catawba County. CarMax, the nation's largest retailer of used cars opened its first store in the county earlier this year, employing 45 people and stocking 300 used vehicles.

The County is also a major medical hub, with a prospering medical and health care community, with two large medical centers, one county-owned and both profitable. In 2008, Frye



*Left: Ribbon Cutting Ceremony of the Target Distribution Center, June 2009.*



Photos courtesy: Lee Yount

Regional Medical Center received a five-star rating for cardiac, treatment of heart failure and coronary interventional procedures. The rating came from HealthGrades, a national provider of healthcare ratings comparing the quality of care of 5,000 hospitals across the country using clinical indicators. Later in the year, Frye Regional Medical Center also received a Distinguished Hospital award from J.D. Power and Associates, a global marketing information services firm. It was the only hospital in the State who has won the award three times for providing an outstanding inpatient experience to its visitors. Catawba Valley Medical Center, a county-owned facility, embarked on the first phase of its expansion with a \$25 million renovation of its surgical suite, creating three new operating rooms and renovating the others with new technology. The project was financed with bonds offered through the American Recovery and Reinvestment Act, which gave a 35%-45% tax credit on the interest payable over the life of the loan. Future plans include a new central energy plant and tower addition, estimated at \$45 million.

Though retail sales have decreased significantly this past year, Catawba County remains a retail magnet for the region, capturing 60% of the \$4.0 billion in retail sales from the four-county Metropolitan Statistical Area (MSA), compared to only 43% of the population. The County has approximately 150 retail furniture showrooms and outlets as well as two internationally known furniture malls totaling 1.3 million square feet of exhibit space. Though Catawba County's population ranks 17th largest in North Carolina, its retail sales per capita ranks 10th highest out of 100 counties. Furthermore, Catawba County boasts of a strong tourism industry, ranking 16<sup>th</sup> in tourism expenditures across the state, and more than one million visitors each year generating \$2.8 billion in economic activity, accounting for fifteen percent of the County's economy.

The local economy received some positive news in 2009 as federal funding from the American Recovery and Reinvestment Act began flowing into the County. Catawba County received a \$3 million grant to install a water loop, consisting of 11 miles of

water lines, which will service the town of Maiden and the southeastern portion of the county. Also, though not a direct grant to the County, Greenway Public Transportation, which serves Catawba, Alexander, Burke and Caldwell counties, received a \$2.5 million grant to upgrade its transit system. The agency was created last year when transit authorities in the four counties combined to form a single entity to provide regional transit service. Grant funding will be used to purchase some new hybrid vehicles, smaller vans, improve fleet maintenance and to install computers on para-transit vehicles to improve route efficiency. Also, the City of Conover landed a \$2.1 million federal grant to create a planned passenger rail station. The funds will be used to renovate a vacant manufacturing facility that was constructed in the early 1900s, and provide a multi-modal transit station, which will combine rail and bus passenger service at one site.

*Right :  
Retail  
shopping;  
Valley  
Hills Mall  
and  
Downtown  
Hickory.*



Photos courtesy: Economic Development Corporation

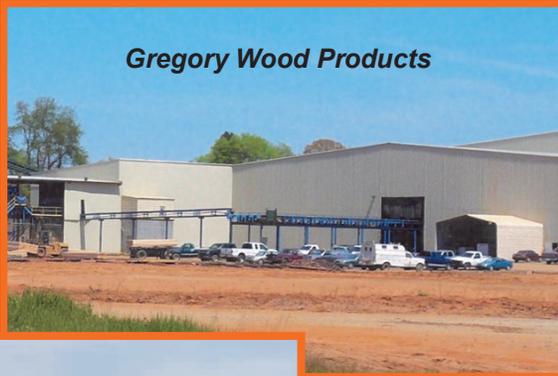
In addition to grant funding, the county received some national and state exposure this past year, which will hopefully improve economic development in the County. This summer, news crews from CNN embarked on the County's landfill to see the EcoComplex, a Regional Biosolids Processing Facility. The complex is designed to improve the ecology of Catawba County and promote economic development by attracting jobs in the green energy, agricultural and environmental sectors. Currently, two businesses are located at the facility producing wood products. Also, the County is partnering with Appalachian State University, who recently received a grant from the Golden LEAF Foundation for a biodiesel research facility to be located in the EcoComplex using the electricity and heat generated at the facility. The facility will provide testing and research for biodiesel manufacturers in western NC as well as producing biodiesel from agricultural crops at the landfill and surrounding farms. This will be the first facility of its kind in the state and will meet Leadership in Energy and Environmental Design (LEED)

standards. The EcoComplex received the National Association of Counties Achievement Award in 2008, which gives national recognition to significant and innovative programs, which improve county organization, management and service delivery.

The environmental efforts of the County were on display across the State as the NC Association of County Commissioners held their annual conference in Catawba County this past year. During the conference, sustainable efforts of the County were discussed, including tours of the EcoComplex and energy and environmental practices that the County has implemented.

Several Catawba County businesses were also recognized for their impact to the environment as Hickory Chair, a 97-year old furniture company in the county, was the first recipient of the Sage Award by the American Home Furnishings Alliance. The award recognizes companies that are environmental leaders while also serving as strong contributors to their local community and remaining a profitable business. The judges cited the involvement of employees at every level in environmental stewardship and social responsibility, including better machine utilization, reduced energy consumption, and

reduced landfill waste as a few examples. Also, Corning Cable Systems was



**Gregory Wood Products**



**Pallet One**



**Landfill Gas-to-Energy Facility**



**Blackburn Resource Recovery Facility**

*Above: Existing components of the Catawba County EcoComplex.*

Photos courtesy: Utilities & Engineering

recognized by the NC Department of Environment and Natural Resources as an Environmental Steward in 2008. The award recognized their superior environmental performance, commitment to continued reduction of its environmental impact and demonstrated commitment to exceed compliance. Finally, a local furniture manufacturer, Vanguard Furniture received a unique furniture order in late 2008, an

order to provide a piece of furniture to the White House for the President and Mrs. Obama. The piece was custom built in Catawba County within two days and delivered to the White House in January 2009.

### LONG-TERM FINANCIAL PLANNING

Beginning in 2007, the County began preparing an eight-year Capital Improvement Plan (CIP) to anticipate and plan for future capital expenditures. As of June 30, 2009, \$295 million in capital needs have been identified over the next eight years. This includes over \$170 million in school and community college construction needs, with three new elementary schools and a middle school planned for the three school systems in the County along with a new vocational building and arts center for Catawba Valley Community College (CVCC). To help pay for these needs, the Catawba County Board of Commissioners implemented a four-year funding cycle in fiscal year 2007-08 by dedicating two cents of the property tax rate, approximately \$2.8 million, along with \$1.4 million in lottery funds, as well as pledging the amount of school/community college debt retired each year towards new construction. This will provide funding for \$73.5 million in new construction needs over four years for all three school systems and CVCC. The Board of Commissioners continued this funding plan in the 2008-09 fiscal year, putting those funds towards expansion projects at four high schools and to construct a new Snow Creek elementary school, designed to be the county's first LEED certified school.

As the county continues to grow, planning for infrastructure is essential to encouraging orderly economic development, preventing urban sprawl, and accommodating that growth in adequate facilities. In 2007, the NC General Assembly agreed to assume responsibility for Medicaid costs from counties, phasing out those costs over three years and reducing local sales tax revenues to help pay for the change. Furthermore, counties were allowed to implement a new revenue option, either a ¼ cent sales tax or a land transfer tax, approved by local referendum. The new ¼ cent sales tax passed by an overwhelming majority on November 6, 2007 for Catawba County. This revenue source is currently providing

approximately \$5 million a year in revenue and has been a long-term goal for Catawba County, which has looked for the State to provide relief from the ever-increasing cost of Medicaid and to provide additional revenue options to keep up



Photo courtesy: Jeanne Jarrett

*Above: Construction of Snow Creek elementary school.*

with growth in the County. Some of the additional funds are planned to be used for the addition of courtroom space (a county responsibility) and a new Public Safety facility, which will include a 911 Communication Center, an Emergency Operations Center (EOC) and a Newton EMS base. A space needs study and facility master plan have been prepared and the architect selection process for both projects is underway.

The remaining sales tax revenues are being set aside for economic development, education, and water and sewer needs in the county. The Board of Commissioners expanded a policy established in fiscal year 1994-95 of setting aside funds, one and a half cents on the property tax rate or \$2.2 million, in fiscal year 2008-09 for future water and sewer projects throughout the county. Those funds, along with an additional \$1.4 million in sales tax revenues will help fund approximately \$32 million in water and sewer needs identified over the next eight years.

Also, increased growth in the County's jail population necessitated a \$17.5 million jail expansion in 2007, which added an additional 172 beds, now totaling 259 beds, and a facility designed for future expansion. Planning for the

facility began more than five years ago and the Board of Commissioners dedicated three cents of the tax rate, or \$4.2 million for annual operating costs and debt service for the new jail.

Another long-term initiative by the County was the formation of an education task force to improve the educational attainment of the region, which ranks last out of 14 metro areas across the State.

Several efforts have begun, such as increasing local teacher supplements, which helps attract and retain the best and brightest teachers in the County. In addition, the Board of Commissioners added a cent on the tax rate in 2007 to fund much needed technology updates for all three school systems, which will help foster a positive learning environment for our children. That same year, a  $\frac{3}{4}$  cent tax increase was added for school current expense to meet operational costs and continue implementation of the long-term initiatives. Those efforts seem to be producing dividends as evidenced by Newton-Conover City Schools ranking 1<sup>st</sup> out of 115 school districts statewide in meeting 98% of their Adequate Yearly Progress targets established by the federal government for 2008.

Furthermore, the County has invested in its educational future by continuing to support higher education initiatives designed to improve the educational attainment in the region. The Hickory Metro Higher Education Center opened in 2003 through a partnership with Catawba County, the City of Hickory, Catawba Valley Community College, Lenoir-Rhyne University and Appalachian State University (ASU). Since opening, HMHEC has provided a unique collaborative learning experience to the area that serves the needs for graduate, undergraduate, non-credit certificate courses, research and specialized workforce training. Earlier this year, the name of the center changed to Appalachian State University Center at Hickory, which created a new partnership consisting of ASU, CVCC, Caldwell Community College and Western Piedmont Community College to expand degree offerings in the region. In 2008, the center added four new bachelor degree programs in communications, psychology, criminal justice and business administration, which have further assisted local

residents with their higher education needs including more than 500 adults who have completed degree or licensure programs at the center.



Photo courtesy: Economic Development Corporation

*Above: Appalachian State University Center at Hickory.*

A similar endeavor was the creation of a new Engineering Technology Center, part of Western Carolina University's engineering technology degree program. This effort began as a regional economic development initiative and has become reality with public and private contributions of more than \$2.5 million. It is currently offering undergraduate degree programs enabling individuals employed in business, industry and State-related occupations to pursue a four-year degree through part-time evening study.

The county continues to support its local community college, Catawba Valley Community College, as it faces unprecedented growth in enrollment as the economic recession lingers in the region. To help accommodate the increase in students, the County assisted with the purchase of property adjacent to the campus for a new Center for Emerging Manufacturing Solutions, which will help create new and protect existing jobs in the area. The center will provide training, prototyping and research development for the manufacturing industry. In spite of significant budget cuts from the State, CVCC was named one of the top ten tech-savvy community colleges across the country by the Center for

Digital Education and the American Association of Community Colleges. CVCC was ranked 5<sup>th</sup> out of colleges nationwide in the mid-sized category (3,000-7,500 students) and was the only community college recognized in North Carolina.

With the Hickory Metro region having the distinction as the largest metropolitan statistical area in the state without a public university presence, it is hoped that these efforts will help the County remain economically viable by giving its citizens additional higher education opportunities that are desperately needed.

### CASH MANAGEMENT POLICIES AND PRACTICES

Under the authority of North Carolina General Statute 159-30, the County invests in obligations of the United States Treasury and several of its agencies and instrumentalities; high-grade commercial paper, certificates of deposit and participating shares in a Local Government Commission certified mutual fund for local government investment. The objectives of the County's investment program are safety, liquidity and yield, in that order. Investment options are chosen with the greatest emphasis placed on credit quality and maturity. The cash and investment portfolio balance for the fiscal year ended June 30, 2009 for all funds is \$142 million. Investment income includes appreciation or depreciation in the fair value of investments at June 30, 2009. Increases/decreases in fair value during the current year; however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the County intends to hold to maturity.

### PENSION PLANS

Permanent County employees regularly scheduled to work 20 hours or more each workweek are required to participate in the North Carolina Local Governmental Employees' Retirement System. This system, as well as optional supplemental retirement plans available to employees and the required supplemental retirement plan for law enforcement officers, are discussed in more detail in the notes to the financial statements.

### AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Catawba County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Catawba County has received

---

*Below L-R: Election worker at the polls; Emergency crew working to free victim trapped in a car; Rock Barn golf course; Michelle Williams programmer; Mosteller Mansion.*

Photos courtesy (L-R): Lee Yount; Emergency Management Services; Economic Development Corporation; Marcia Hardy; Economic Development Corporation



# AWARDS AND ACKNOWLEDGEMENTS

a Certificate of Achievement for the last 27 consecutive years. We believe this current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget dated July 1, 2008. This is the twentieth consecutive year that the County has received this award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

## ACKNOWLEDGEMENTS

Each County department's strong commitment to the goals, vision and mission statements of the County government is reflected in the services provided to the residents of Catawba County. We appreciate the cooperation of all the

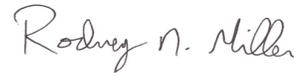
County departments in carrying out the financial activities encompassed in this report. The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Special recognition is extended to Martin, Starnes & Associates, CPAs for their assistance with the report.

In closing, we thank the Catawba County Board of Commissioners for its leadership and support in making Catawba County a fiscally sound, well-governed community.

Respectfully submitted,



J. Thomas Lundy  
County Manager



Rodney N. Miller  
Finance Director

## Certificate of Achievement for Excellence in Financial Reporting

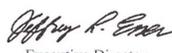
Presented to

**Catawba County,  
North Carolina**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

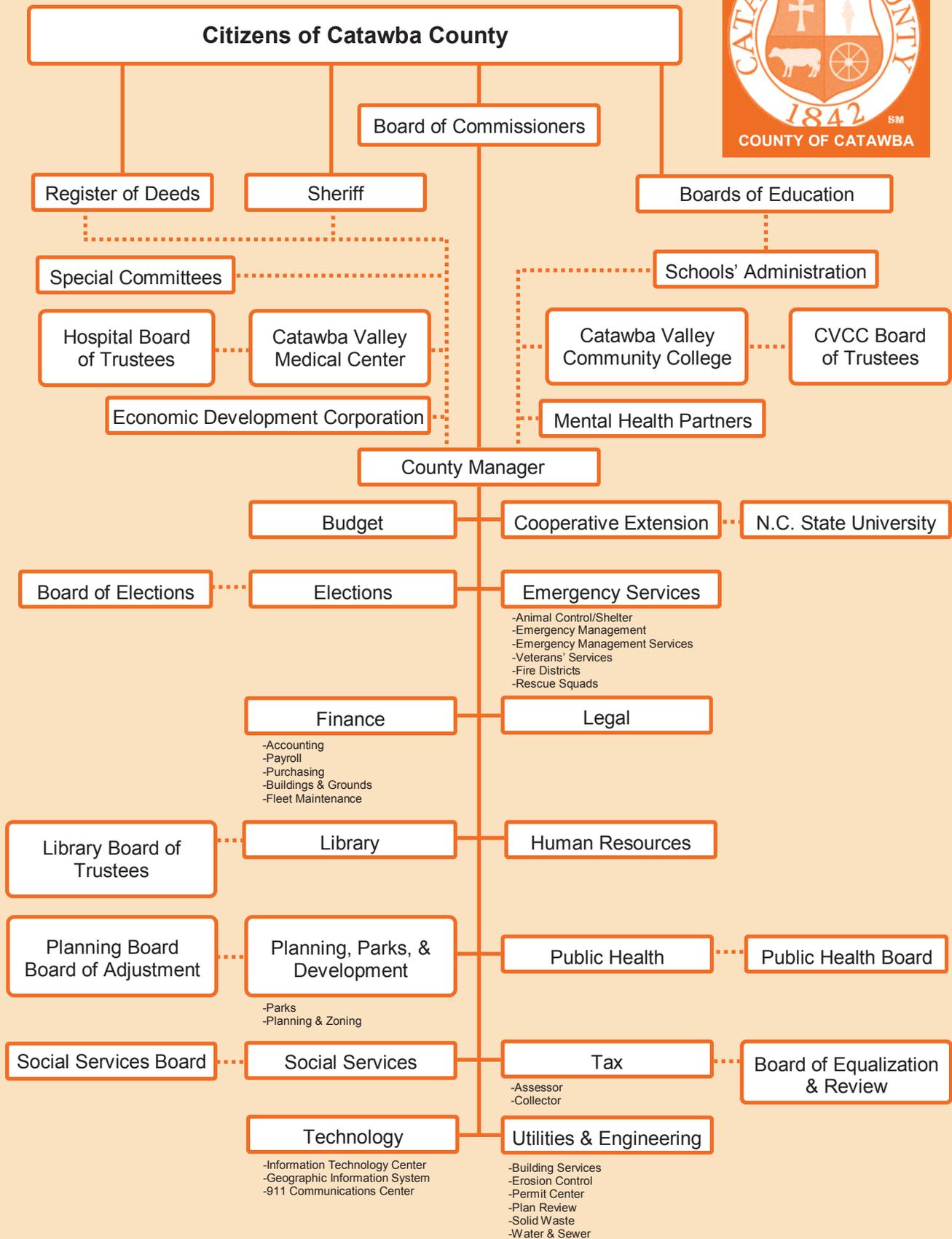
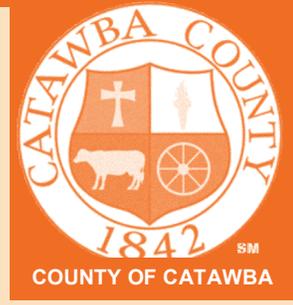


President



Executive Director

# ORGANIZATIONAL STRUCTURE





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

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

## INDEPENDENT AUDITORS' REPORT

Board of County Commissioners  
Catawba County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County, North Carolina, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Catawba County, North Carolina's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Catawba County ABC Board or Catawba Valley Medical Center which represents 100 percent of the assets, net assets and revenues of the aggregate discretely presented component units. 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 Catawba County ABC Board or Catawba Valley Medical Center 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 the Catawba County ABC Board and Catawba Valley Medical Center 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 and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based upon our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Catawba County, North Carolina as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the general fund for the year then ended in 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, 2009 on our consideration of Catawba County, North Carolina's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing in the results of our audit.

Management's Discussion and Analysis, employer contributions and the Schedule of Funding Progress, Schedule of Employer Contributions, and Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance and Other Post Employment Health Care Benefit are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors 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 the information and express no opinion thereon.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Catawba County, North Carolina basic financial statements. The introductory section, combined and individual fund financial statements and schedules, other schedules, additional financial data, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules, other schedules, and additional financial data have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subject to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Martin Starnes & Associates CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
November 19, 2009

# MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Catawba County, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Catawba County for the fiscal year ended June 30, 2009. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

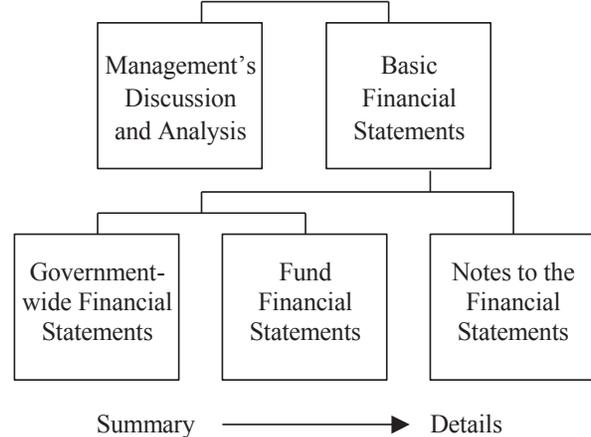
## FINANCIAL HIGHLIGHTS

- ▶ The assets of Catawba County exceeded its liabilities at the close of the fiscal year by \$140,658,651 (*net assets*). Of this figure, approximately \$111 million represents the County's investment in capital assets, which is not available for future spending.
- ▶ The government's total net assets decreased by \$8,645,332, primarily due to decreases in the governmental type activities net assets.
- ▶ As of the close of the current fiscal year, Catawba County's governmental funds reported combined ending fund balances of \$106,148,910, a decrease of \$37,205,947 in comparison with the prior year [See Exhibit 3]. Approximately 87 percent of this total amount, or \$92,180,781, is available for spending at the government's discretion (*unreserved fund balance*). Of this unreserved fund balance, \$50.4 million has been designated for future expenditures and capital projects in the adopted 2009-10 budget ordinance [See Note 1].
- ▶ At the end of the current fiscal year, unreserved fund balance for the General Fund was \$36,617,111, or 21.1 percent of total general fund expenditures for the fiscal year.
- ▶ Catawba County's total debt increased by \$9,359,519 during the current fiscal year equating to \$832 per capita. The County used installment purchase financing to borrow \$21.7 million for the construction and renovation of public school and community college facilities. This debt was offset by principal payments of \$12 million during the current fiscal year.
- ▶ For the fifth consecutive year, Catawba County maintained its AA bond rating with Standard & Poor's and maintained its Aa2 bond rating with Moody's Investors Service for the 28th consecutive year.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Catawba County's basic financial statements. The County's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements (see Figure A). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Catawba County.

**Figure A - Required Components of Annual Financial Report**



## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The first two statements in the basic financial statements are the Government-wide Financial Statements. They provide both short and long-term information about the County's financial status.

The government-wide financial statements are:

- ▶ **Statement of Net Assets** - presents information about the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.
- ▶ **Statement of Activities** - presents information showing how the County's net assets changed during the most recent fiscal year.

Both of the government-wide financial statements distinguish between services provided by the County that are primarily funded by property taxes and state and federal grants (*governmental activities*) and other services that the County charges user fees to recover all of the costs (*business-type activities*). The government activities include most of the County's basic services such as human services, education, public safety, parks, planning, and general administration. The business-type activities include the solid waste and water and sewer services offered by Catawba County. The government-wide financial statements include not only the County itself (known as the *primary government*) but also two legally separate entities (known as *component units*). Catawba Valley Medical Center (CVMC) is a public healthcare facility that is an entity of Catawba County. The County appoints the board of trustees for CVMC and has issued debt on its behalf. Although legally separate from the County, the Alcoholic Beverage Control (ABC) Board is important to the County because the County exercises control over the ABC Board by appointing its members and because the ABC Board is required to distribute a percentage of its profits to the County.

The government-wide financial statements begin on page 14 of this report.

## FUND FINANCIAL STATEMENTS

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Catawba County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. There are three parts to the Fund Financial Statements: (1) governmental funds, (2) budgetary comparison statements, and (3) proprietary fund statements.

- ▶ **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* that provides a short-term spending 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 governmental 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.

Catawba County adopts an annual budget for its General Fund, as required by the North Carolina 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 of Commissioners 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, changes 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.

The governmental funds financial statements can be found on pages 18-26 of the report.

- ▶ **Proprietary Funds** - Services for which the County charges customers a fee are generally reported in proprietary funds. Catawba County maintains one type of proprietary fund which includes two enterprise funds.

Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for both its solid-waste and water and sewer operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

The proprietary funds financial statements can be found on pages 27-31 of this report.

- ▶ **Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Catawba County has three fiduciary funds, all of which are agency funds.

The fiduciary funds financial statements can be found on page 32 of this report.

### 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 beginning on page 33 of this report.

### SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Catawba County's progress in funding its obligation to provide pension benefits to its employees.

Required supplementary information can be found beginning on page 68 of this report.

### FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE (Government-Wide Financial Analysis)

**Net Assets** - As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of Catawba County exceeded liabilities by \$140,658,651, as of June 30,

2009. The County's net assets decreased by \$8,645,332 for the fiscal year ended June 30, 2009. Key factors for the decrease in net assets are transfers of current and other assets to business-type activities for the creation of a new water and sewer enterprise fund and decreases in restricted cash. Restricted cash decreased by \$18 million, mainly from prior year debt proceeds spent for school and community college improvements in the current year. The County issued new debt of \$21.7 for improvements to public school and community college improvement. Long-term debt had a net increase of \$9.6 million.

The largest portion of net assets (78.9%) reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. Catawba County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Catawba County's investment in its capital assets is reported net of the outstanding related debt, the resources to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

Another portion of Catawba County's net assets (.7%) represents resources that are subject to external restrictions on how they may be used.

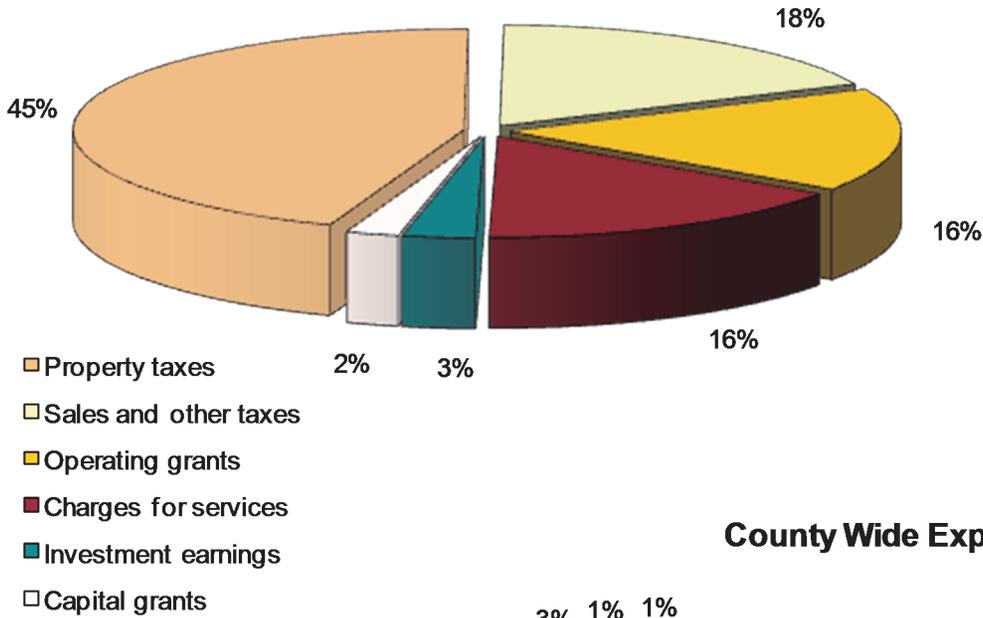
The remaining balance (20.4%) of \$28.4 million is unrestricted, a decrease of \$15.9 million from the prior year.

### Government-Wide Financial Analysis Catawba County's Net Assets

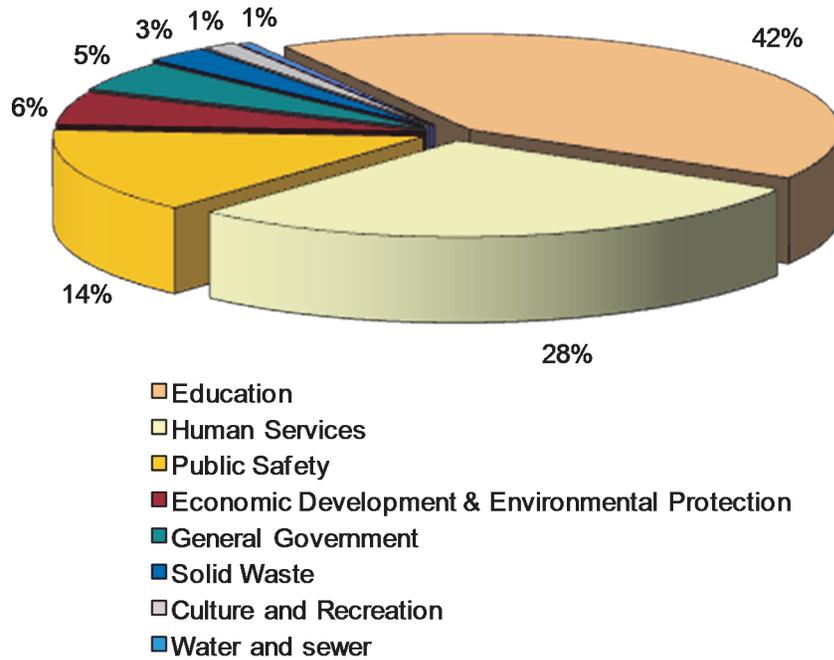
	Governmental Activities		Business-type Activities		Total		Total	
	2009	2008	2009	2008	2009	2008	Dollar Change	Percent Change
Current and other assets	\$ 122,882,165	\$ 162,436,507	\$ 44,906,450	\$ 16,540,422	\$ 167,788,615	\$ 178,976,929	\$ (11,188,314)	-6.25%
Capital assets	81,930,030	96,548,523	47,586,200	22,121,146	129,516,230	118,669,669	10,846,561	9.14%
<b>Total assets</b>	<b>204,812,195</b>	<b>258,985,030</b>	<b>92,492,650</b>	<b>38,661,568</b>	<b>297,304,845</b>	<b>297,646,598</b>	<b>(341,753)</b>	<b>-0.11%</b>
Long-term liabilities	130,690,856	127,633,531	14,042,153	6,929,444	144,733,009	134,562,975	10,170,034	7.56%
Other liabilities	11,029,783	12,864,897	883,402	914,743	11,913,185	13,779,640	(1,866,455)	-13.55%
<b>Total liabilities</b>	<b>141,720,639</b>	<b>140,498,428</b>	<b>14,925,555</b>	<b>7,844,187</b>	<b>156,646,194</b>	<b>148,342,615</b>	<b>8,303,579</b>	<b>5.60%</b>
<b>Net assets:</b>								
Invested in capital assets, net of related debt	67,484,313	81,948,941	43,612,368	22,121,146	111,096,681	104,070,087	7,026,594	6.75%
Restricted	1,089,189	810,599	-	-	1,089,189	810,599	278,590	34.37%
Unrestricted	(5,481,946)	35,727,062	33,954,727	8,696,235	28,472,781	44,423,297	(15,950,516)	-35.91%
<b>Total net assets</b>	<b>\$ 63,091,556</b>	<b>\$ 118,486,602</b>	<b>\$ 77,567,095</b>	<b>\$ 30,817,381</b>	<b>\$ 140,658,651</b>	<b>\$ 149,303,983</b>	<b>\$ (8,645,332)</b>	<b>-5.79%</b>

The following graphs summarize the sources of the County's total revenues and total program expenses.

### County Wide Sources of Revenues



### County Wide Expenses



In order to provide a complete picture of the changes in net assets of the County, information is provided separately for the net assets of governmental and business-type activities. See table shown on the next page.

## Catawba County Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 22,350,656	\$ 26,877,653	\$ 7,440,626	\$ 6,626,224	\$ 29,791,282	\$ 33,503,877
Operating grants and contributions	31,213,021	46,999,422	144,989	41,279	31,358,010	47,040,701
Capital grants and contributions	4,164,591	4,857,657	44,081	148,518	4,208,672	5,006,175
General revenues:						
Property taxes	84,738,225	82,048,071	-	-	84,738,225	82,048,071
Sales and other taxes	33,878,103	37,419,367	255,732	228,024	34,133,835	37,647,391
Investment earnings, unrestricted	4,023,446	5,786,693	1,700,401	861,349	5,723,847	6,648,042
<b>Total revenues</b>	<b>180,368,042</b>	<b>203,988,863</b>	<b>9,585,829</b>	<b>7,905,394</b>	<b>189,953,871</b>	<b>211,894,257</b>
<b>Expenses</b>						
General government	10,172,611	11,203,800	-	-	10,172,611	11,203,800
Public safety	28,263,640	26,316,167	-	-	28,263,640	26,316,167
Environmental protection	539,138	546,680	-	-	539,138	546,680
Economic and physical development	10,743,831	10,827,271	-	-	10,743,831	10,827,271
Human services	56,066,282	74,150,353	-	-	56,066,282	74,150,353
Cultural and recreation	2,830,192	2,760,614	-	-	2,830,192	2,760,614
Education	78,130,574	50,388,730	-	-	78,130,574	50,388,730
Interest on long-term debt	5,163,100	4,584,583	-	-	5,163,100	4,584,583
Solid waste management	-	-	5,570,927	8,172,432	5,570,927	8,172,432
Water and sewer	-	-	1,118,908	-	1,118,908	-
<b>Total expenses</b>	<b>191,909,368</b>	<b>180,778,198</b>	<b>6,689,835</b>	<b>8,172,432</b>	<b>198,599,203</b>	<b>188,950,630</b>
<b>Increase (decrease) in net assets before transfers</b>	<b>(11,541,326)</b>	<b>23,210,665</b>	<b>2,895,994</b>	<b>(267,038)</b>	<b>(8,645,332)</b>	<b>22,943,627</b>
<b>Transfers</b>	<b>(43,853,720)</b>	<b>(2,750)</b>	<b>43,853,720</b>	<b>2,750</b>	<b>-</b>	<b>-</b>
<b>Increase (decrease) in net assets</b>	<b>(55,395,046)</b>	<b>23,207,915</b>	<b>46,749,714</b>	<b>(264,288)</b>	<b>(8,645,332)</b>	<b>22,943,627</b>
<b>Net assets - beginning of year</b>	<b>118,486,602</b>	<b>95,278,687</b>	<b>30,817,381</b>	<b>31,081,669</b>	<b>149,303,983</b>	<b>126,360,356</b>
<b>Net assets - end of year</b>	<b>\$ 63,091,556</b>	<b>\$ 118,486,602</b>	<b>\$ 77,567,095</b>	<b>\$ 30,817,381</b>	<b>\$ 140,658,651</b>	<b>\$ 149,303,983</b>

The following describes the operations of governmental and business-type activities separately and in greater detail.

**Governmental Activities** - Governmental activities decreased the County's net assets by \$55,395,046. Key elements of this decrease are as follows:

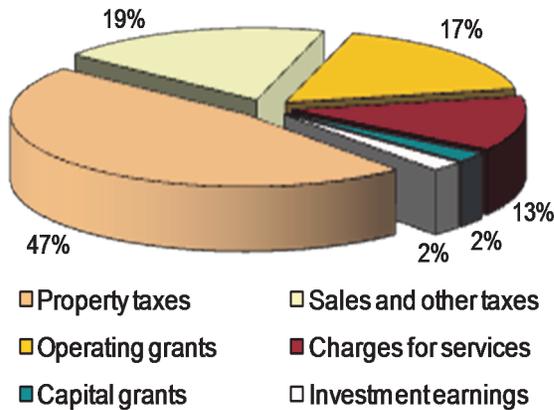
- ▶ Decrease in restricted grants for human services. Mental Health services are no longer a responsibility of the County, a result of State Mental Health Reform. Additionally, in FY 2009, the State assumed one half of the Medicaid cost from the County.
- ▶ Decrease in general revenues mainly from a decrease in sales taxes.

- ▶ Decrease in investment earnings as a result of the economic downturn.

- ▶ The transfer of two prior year governmental funds, Water and Sewer Reserve, and Water and Sewer Construction, to the newly created Water and Sewer enterprise fund.

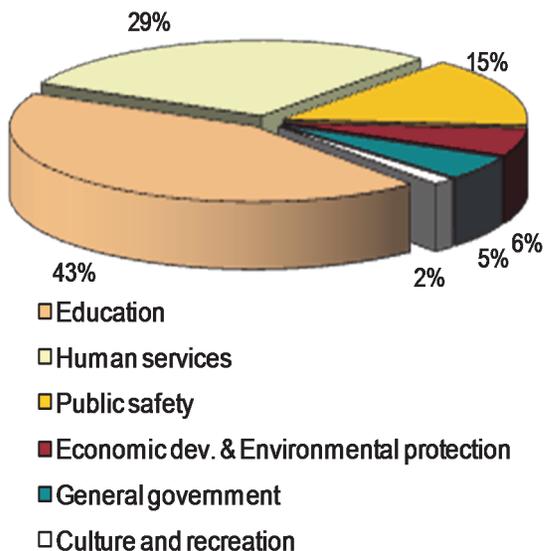
The graph on the next page represents the major sources of revenues for governmental activities.

### Revenues by Source – Governmental Activities



The following graph presents the major functions of expenditures for governmental activities.

### Expenditures by Function – Governmental Activities



**Business-type Activities** - Business-type activities increased Catawba County's net assets by \$46,749,714. Key elements of this increase are as follows:

- ▶ As mentioned previously, the addition of a new water and sewer enterprise fund was created in the current fiscal year. Two prior year governmental funds were transferred to this new fund.
- ▶ Increase in landfill closure and post closure costs as current material solid waste operating cell reaches capacity and new

operating cell is opened.

### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

**Governmental Funds** - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the County's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year. Information is presented separately in the governmental funds balance sheets and statement of revenues, expenditures and changes in fund balance for the General Fund, the General Capital Fund, the School Capital Fund, and School Construction Fund, all of which are considered major funds. Data from other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules elsewhere in the report.

At June 30, 2009, the governmental funds of the County reported a combined fund balance of \$106,148,910, a 25.9 percent decrease from the previous year. Included in this change in fund balance are decreases in three major funds; the General Fund, the School Capital Fund, and the School Construction Fund and the transfer of two governmental funds to the new Water and Sewer enterprise fund.

**General Fund** - The General Fund is the chief operating fund of Catawba County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$36,617,111, while total fund balance reached \$50,414,003. 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 21.2% of total General Fund expenditures while total fund balance represents 29.2% of that same amount.

The overall fund balance decreased by \$4.9 million due to decreases in sales tax revenues and restricted intergovernmental revenues. Additional information is provided in the discussion on General Fund budgetary highlights on the next page.

**Other Major Funds** - The **General Capital Fund** is a major governmental fund. This fund accounts for the

financing and construction of all general government multi-year capital projects. Its fund balance increased by \$4.5 million to \$16.7 million. The largest financing source came from the allocation of sales taxes of \$2.8 million. Expenditures were \$1.7 million, a decrease from \$2 million in the prior year. Net transfers from other funds were \$1.8 million during the year.

The School Capital Fund is another major governmental fund. This fund accounts for the various multi-year capital projects for the three school systems and community college in the County. Its fund balance decreased by \$1.8 million to \$13.7 million. The largest financing source came from the allocation of sales taxes of \$3.2 million. Expenditures were \$6.8 million, an increase from \$5.4 million in the prior year. Net transfers to and from other funds were \$391,245.

The School Construction Fund is the other major governmental fund. This fund accounts for the various multi-year construction projects for the three school systems and community college in the County. Its fund balance decreased by \$4 million to \$15.7 million. The largest financing source came from installment purchase obligations issued of \$21.7 million. Expenditures were \$31.4 million, an increase from \$7 million in the prior year. Net transfers to and from other funds were \$3.8 million.

**Non-Major Funds** - Fund balances for non-major funds decreased by \$30.8 million to \$9.7 million overall. The major decrease is from the transfer of the beginning balance of the Water and Sewer Construction Fund to the new Water and Sewer Enterprise Fund in the amount of \$30.6 million.

**Proprietary Funds** - The County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The County has two enterprise funds, the Solid Waste Management and the Water and Sewer Fund. Total net assets of the Enterprise Funds at the end of the fiscal year amounted to \$77.6 million with \$34 million of this amount being unrestricted. The increase in net assets in these funds was \$46.8 million. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

**General Fund Budgetary Highlights** - During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories:

- ▶ Amendments made to adjust the estimates that are used to prepare the original budget ordinance

once exact information is available.

- ▶ Amendments made to recognize new funding amounts from external sources, such as Federal and State grants.
- ▶ Increases in appropriations that become necessary to maintain services.

Total amendments to the General Fund increased revenues by \$2,363,181 or 1.4%. Budgeted revenues increased due to anticipation of additional federal and state grants available for County services.

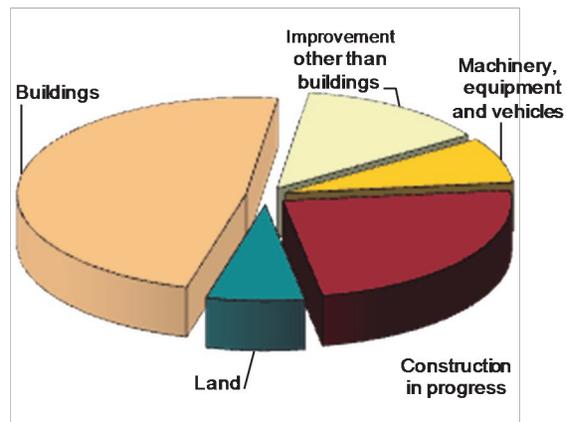
Actual revenues were less than final budgeted amounts by \$1,240,154. The primary factor for this decrease was the reduced collection of sales tax due to a decline in economic conditions. Some federal and state grants were frozen and not distributed so these anticipated funds were under budget as well.

Net amendments to budgeted appropriations were \$3,375,882 or 2%. The majority of amendments were for human services, mainly for change in expectations for receipts of federal and state grants. Actual expenditures were less than final budgeted amounts by \$15,572,322. These cost savings resulted mainly from unspent appropriations of a) \$7 million in services and supplies in human services departments and b) \$1.4 million in salaries and benefits due to temporary vacancies in various departments. Due to an anticipated decline in economic conditions, each County department reduced its operating expenses by 2%.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets** - Catawba County's investment in capital assets for its governmental and business-type activities as of June 30, 2009, totals \$129,516,230 (net of accumulated depreciation). These assets

**Catawba County's Total Capital Assets (net of depreciation)**



## Catawba County's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 5,689,821	\$ 6,198,146	\$ 7,108,489	\$ 6,573,282	\$ 12,798,310	\$ 12,771,428
Buildings	39,380,808	40,586,955	646,646	637,951	40,027,454	41,224,906
Improvements other than buildings	10,999,639	16,409,996	12,049,442	6,838,879	23,049,081	23,248,875
Machinery, equipment and vehicles	6,214,576	5,497,303	2,346,793	2,840,934	8,561,369	8,338,237
Construction in progress	19,645,186	27,856,123	25,434,830	5,230,100	45,080,016	33,086,223
<b>Total</b>	<b>81,930,030</b>	<b>96,548,523</b>	<b>47,586,200</b>	<b>22,121,146</b>	<b>129,516,230</b>	<b>118,669,669</b>

include buildings, land, machinery and equipment, park facilities, and vehicles. Major capital asset transactions during the year include the following additions (there were no significant disposals):

- ▶ Increase in construction in progress of approximately \$8.9 million primarily for water lines and a wastewater facility.
- ▶ Increase in construction in progress of approximately \$2 million primarily for the expansion of Unit 3 of the County landfill.

Additional information on the County's capital assets can be found in note 4.A. of the Basic Financial Statements.

**Long-term Debt** - As of June 30, 2009, Catawba County had total bonded debt outstanding of \$23,765,000, all of which is debt backed by the full faith and credit of the County. In addition, the County had Installment Purchase debt of \$63,603,312, Certificates of Participation debt of \$42,645,000 and Qualified Zone Academy Bonds of \$650,000. Catawba County's total debt increased by \$9,359,519 during the past fiscal year, by borrowing \$21.6 million for the construction and renovation of public school and community college facilities .

As mentioned in the financial highlights section of this document, Catawba County maintained for the 28<sup>th</sup> consecutive year, its Aa2 bond rating from Moody's Investor Service and for the 5<sup>th</sup> consecutive year, its AA rating from Standard and Poor's. This stable bond rating is a clear indication of the sound financial

condition of the County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

North Carolina general statutes limit the amount of debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The County's total debt burden outstanding is \$130,663,312 compared to the legal debt margin of \$1,074,833,696.

Additional information regarding Catawba County's long-term debt can be found in note 4.B of this report.

### FISCAL YEAR 2008-2009 ECONOMIC FACTORS

The following factors reflect the economic activity of the County.

- ▶ Low debt burden and property tax rate. The County's existing debt obligations are only 11% of its statutory limit. The property tax rate of \$0.535/\$100 was below the State average of \$0.632/\$100 and the 28<sup>th</sup> lowest of all 100 counties in North Carolina.
- ▶ Creation of new jobs/investment. County economic development efforts have successfully assisted with new business developments, bringing more than 1,400 jobs and \$150 million in investment to Catawba County in fiscal year 2008-09. A major announcement was made in July 2009 that Apple, Inc, a Fortune 100

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
General Obligation Bonds	\$ 23,765,000	\$ 30,160,000	\$ -	\$ -	\$ 23,765,000	\$ 30,160,000
Installment Purchases	56,831,959	45,008,793	6,771,353	-	63,603,312	45,008,793
Certificates of Participation	42,645,000	45,435,000	-	-	42,645,000	45,435,000
Qualified Zone Academy Bonds	650,000	700,000	-	-	650,000	700,000
<b>Total</b>	<b>\$ 123,891,959</b>	<b>\$ 121,303,793</b>	<b>\$ 6,771,353</b>	<b>\$ -</b>	<b>\$ 130,663,312</b>	<b>\$ 121,303,793</b>

company, picked Catawba County as their east coast site for a computer server farm with a planned \$1.0 billion investment. The project will create 50 new jobs and 250 related jobs upon its completion and 750 construction jobs during construction.

- ▶ Decrease in sales tax revenues/increase in unemployment. The economic recession has impacted retail sales negatively this past year.
- ▶ Catawba County voters approved a 1/4 cent local sales tax to be used to fund additional courtrooms, a new public safety center and various educational and economic development initiatives in the county.
- ▶ The county's unemployment rate peaked at 15.6% in March 09 as the economic recession continued.

#### **BUDGET HIGHLIGHTS FOR THE FISCAL YEAR ENDING JUNE 30, 2010**

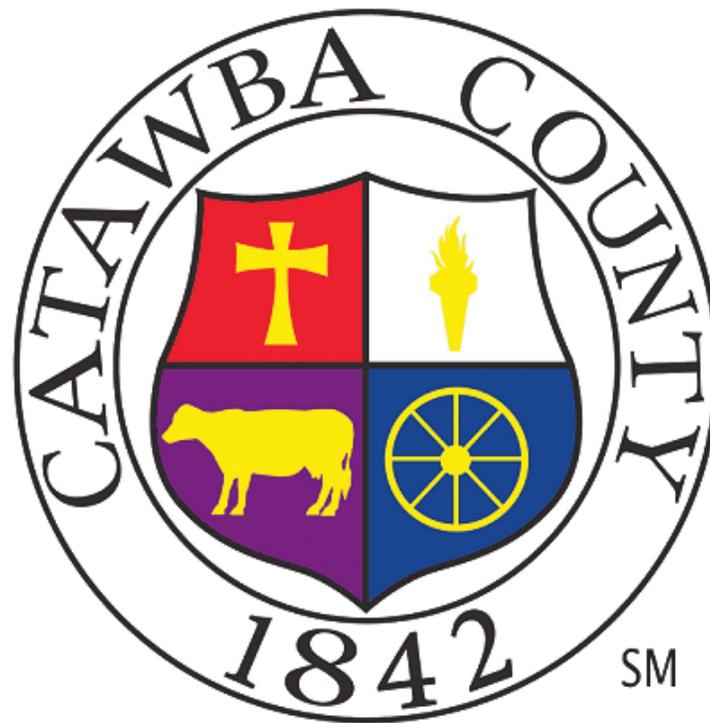
**Governmental Activities** - The property tax rate remains at the current \$0.535/\$100 assessed value. The budget projects a .29% decrease in property tax

revenue as a result of a 34% decrease in public utility values. Real and personal property is expected to grow by a combined 2.77%, largely as a result of various economic development projects that have added to the tax base. The budget proposes no new programs, no cost of living or performance pay increases for employees. In addition the County's operating expenses are reduced by 4%, for a total budget of \$217,649,017 for FY 2009-10.

**Business – type Activities** - The \$31,006,312 budget includes \$6,190,893 for solid waste operations, \$5,864,419 for water and sewer operations and \$18,951,000 for water and sewer capital projects. It includes \$1.45 million in sales tax revenues and 1.5 cents of the property tax rate dedicated for water and sewer needs in the county.

#### **Requests for Information**

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Catawba County, PO Box 389, Newton, NC 28658. Online information may be found at the County's website <http://www.catawbacountync.gov>.





## **Basic Financial Statements**

**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Net Assets**  
**June 30, 2009**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and investments	\$ 90,883,901	\$ 40,363,806	\$ 131,247,707
Taxes receivable - net	3,775,362	-	3,775,362
Due from other governments	14,785,066	554,125	15,339,191
Notes receivable	-	572,073	572,073
Other receivables	3,083,924	401,835	3,485,759
Interest receivable	514,820	217,090	731,910
Inventories	357,355	-	357,355
Prepaid items	16,526	-	16,526
Deferred charges	565,633	-	565,633
Restricted cash and investments	7,849,847	2,797,521	10,647,368
Other assets			
Capital assets:			
Land, improvements, and construction in progress	25,335,007	32,543,319	57,878,326
Other capital assets, net of depreciation	56,595,023	15,042,881	71,637,904
Total capital assets	<u>81,930,030</u>	<u>47,586,200</u>	<u>129,516,230</u>
Net investment in joint venture	1,049,731	-	1,049,731
Total assets	<u>204,812,195</u>	<u>92,492,650</u>	<u>297,304,845</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	7,937,430	883,402	8,820,832
Unearned revenues	3,092,353	-	3,092,353
Long-term liabilities:			
Due within one year	16,353,844	513,499	16,867,343
Due in more than one year	114,337,012	13,528,654	127,865,666
Total long-term liabilities	<u>130,690,856</u>	<u>14,042,153</u>	<u>144,733,009</u>
Total liabilities	<u>141,720,639</u>	<u>14,925,555</u>	<u>156,646,194</u>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	67,484,313	43,612,368	111,096,681
Restricted			
Public safety	1,049,731	-	1,049,731
Register of Deeds	39,458	-	39,458
Debt service	-	-	-
Capital projects	-	-	-
Other	-	-	-
Unrestricted	<u>(5,481,946)</u>	<u>33,954,727</u>	<u>28,472,781</u>
Total net assets	<u>\$ 63,091,556</u>	<u>\$ 77,567,095</u>	<u>\$ 140,658,651</u>

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

Component Units	
Catawba Valley Medical Center	Catawba County ABC Board
\$ 47,778,512	\$ 936,090
-	-
874,739	-
-	-
25,618,986	-
262,150	-
4,098,278	1,809,829
1,087,748	-
-	-
6,660,321	-
14,187,165	-
7,475,901	-
<u>57,113,794</u>	<u>2,314,140</u>
<u>64,589,695</u>	<u>2,314,140</u>
-	-
<u>165,157,594</u>	<u>5,060,059</u>
24,900,186	1,024,451
-	-
7,148,289	-
<u>14,694,258</u>	-
<u>21,842,547</u>	-
<u>46,742,733</u>	<u>1,024,451</u>
46,819,685	2,314,140
-	-
-	-
1,246,797	-
5,185,460	-
228,064	-
<u>64,934,855</u>	<u>1,721,468</u>
<u>\$ 118,414,861</u>	<u>\$ 4,035,608</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Activities**  
**For the Year Ended June 30, 2009**

Functions/Programs	Expenses	Program Revenues		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities				
General government	\$ 10,172,611	\$ 2,683,400	\$ 979,038	\$ 1,471,700
Public safety	28,263,640	8,613,711	524,601	79,308
Environmental protection	539,138	5,125	83,108	-
Economic and physical development	10,743,831	2,013,945	396,230	29,662
Human services	56,066,282	7,962,471	29,004,286	-
Culture and recreation	2,830,192	77,989	225,758	-
Education	78,130,574	994,015	-	2,583,921
Interest on long-term debt	5,163,100	-	-	-
Total expenditures	<u>191,909,368</u>	<u>22,350,656</u>	<u>31,213,021</u>	<u>4,164,591</u>
Business-type activities				
Solid waste management	5,570,927	5,923,012	81,638	44,081
Water and sewer	1,118,908	1,517,614	63,351	-
Total expenditures	<u>6,689,835</u>	<u>7,440,626</u>	<u>144,989</u>	<u>44,081</u>
Total primary government	<u>\$ 198,599,203</u>	<u>\$ 29,791,282</u>	<u>\$ 31,358,010</u>	<u>\$ 4,208,672</u>
<b>Component units</b>				
Catawba Valley Medical Center	\$ 181,109,169	\$ 187,458,232	\$ 806,507	\$ 196,521
Catawba County ABC Board	<u>11,288,937</u>	<u>11,134,954</u>	<u>-</u>	<u>-</u>
Total Component Units	<u>\$ 192,398,106</u>	<u>\$ 198,593,186</u>	<u>\$ 806,507</u>	<u>\$ 196,521</u>

## General Revenues:

## Taxes

Property taxes, levied for general purposes

Local option sales taxes

Other taxes and licenses

Investment earnings, unrestricted

## Transfers

Total general revenues and transfers

Change in net assets

Net assets - beginning of year

Net assets - end of year

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

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Catawba Valley Medical Center	Catawba County ABC Board
\$ (5,038,473)	\$ -	\$ (5,038,473)		
(19,046,020)	-	(19,046,020)		
(450,905)	-	(450,905)		
(8,303,994)	-	(8,303,994)		
(19,099,525)	-	(19,099,525)		
(2,526,445)	-	(2,526,445)		
(74,552,638)	-	(74,552,638)		
(5,163,100)	-	(5,163,100)		
<u>(134,181,100)</u>	<u>-</u>	<u>(134,181,100)</u>		
-	477,804	477,804		
-	462,057	462,057		
-	939,861	939,861		
<u>\$ (134,181,100)</u>	<u>\$ 939,861</u>	<u>\$ (133,241,239)</u>		
			\$ 7,352,091	\$ -
			<u>-</u>	<u>(153,983)</u>
			<u>\$ 7,352,091</u>	<u>\$ (153,983)</u>
\$ 84,738,225	\$ -	\$ 84,738,225	\$ -	\$ -
32,272,780	-	32,272,780	-	-
1,605,323	255,732	1,861,055	-	-
4,023,446	1,700,401	5,723,847	1,778,090	20,046
(43,853,720)	43,853,720	-	-	-
<u>78,786,054</u>	<u>45,809,853</u>	<u>124,595,907</u>	<u>\$ 1,778,090</u>	<u>\$ 20,046</u>
(55,395,046)	46,749,714	(8,645,332)	\$ 9,130,181	\$ (133,937)
<u>118,486,602</u>	<u>30,817,381</u>	<u>149,303,983</u>	<u>109,284,680</u>	<u>4,169,545</u>
<u>\$ 63,091,556</u>	<u>\$ 77,567,095</u>	<u>\$ 140,658,651</u>	<u>\$ 118,414,861</u>	<u>\$ 4,035,608</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

	<b>Major Funds</b>			
	<b>General Fund</b>	<b>General Capital Projects Fund</b>	<b>School Capital Projects Fund</b>	<b>School Construction Fund</b>
<b>Assets</b>				
Cash and investments	\$ 44,901,537	\$ 15,822,735	\$ 13,117,820	\$ 7,438,090
Taxes receivable - net	3,608,766	-	-	-
Due from other funds	3,531	-	-	-
Due from other governments	11,021,659	747,081	770,165	2,140,380
Other receivables	3,061,962	18,108	-	-
Interest receivable	300,141	83,716	63,022	16,773
Inventories	357,355	-	-	-
Prepaid items	9,476	-	-	-
Restricted cash and investments	-	1,000	-	7,848,847
Total assets	63,264,427	16,672,640	13,951,007	17,444,090
<b>Liabilities</b>				
Accounts payable and accrued liabilities	5,851,984	12,601	254,417	1,729,858
Due to other funds	-	-	-	-
Deferred revenues	6,998,440	-	-	-
Total liabilities	12,850,424	12,601	254,417	1,729,858
<b>Fund Balances</b>				
Reserved for inventories	357,355	-	-	-
Reserved for prepaid items	9,476	-	-	-
Reserved for encumbrances	1,766,125	-	-	-
Reserved by state statute	11,624,478	-	-	-
Reserved for register of deeds	39,458	-	-	-
Unreserved	36,617,111	16,660,039	13,696,590	15,714,232
Unreserved, reported in nonmajor				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Total fund balances	50,414,003	16,660,039	13,696,590	15,714,232
Total liabilities and fund balances	\$ 63,264,427	\$ 16,672,640	\$ 13,951,007	\$ 17,444,090

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

**Non-Major Funds**

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 9,603,719	\$ 90,883,901
166,596	3,775,362
-	3,531
105,781	14,785,066
3,854	3,083,924
51,168	514,820
-	357,355
7,050	16,526
-	7,849,847
<u>9,938,168</u>	<u>121,270,332</u>
88,570	7,937,430
3,531	3,531
<u>182,021</u>	<u>7,180,461</u>
<u>274,122</u>	<u>15,121,422</u>
-	357,355
7,050	16,526
7,500	1,773,625
156,687	11,781,165
-	39,458
-	82,687,972
9,403,227	9,403,227
89,582	89,582
<u>9,664,046</u>	<u>106,148,910</u>
<u>\$ 9,938,168</u>	<u>\$ 121,270,332</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Assets**  
**For the Year Ended June 30, 2009**

Total <i>fund balances</i> for governmental funds (Exhibit 3)	\$ 106,148,910
Total net assets reported for governmental activities in the statement of net assets (Exhibit 1) is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	81,930,030
Net Investment in Joint Venture	1,049,731
Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period expenditures, therefore are reported as deferred revenue in the funds	4,088,108
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in fund statements	565,633
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4)	<u>(130,690,856)</u>
Net assets of governmental activities	<u>\$ 63,091,556</u>

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



**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Major Funds</b>			
	<b>General Fund</b>	<b>General Capital Projects Fund</b>	<b>School Capital Projects Fund</b>	<b>School Construction Fund</b>
<b>Revenues</b>				
Ad valorem taxes	\$ 80,440,854	\$ -	\$ -	\$ -
Other taxes	26,789,614	2,782,058	3,222,650	-
Unrestricted intergovernmental revenues	2,127,081	-	-	-
Restricted intergovernmental revenues	37,619,500	29,663	867,225	1,716,696
Licenses and permits	2,224,220	-	-	-
Sales and services	12,936,583	-	-	-
Investment earnings	2,053,754	643,769	506,313	243,109
Miscellaneous	2,768,825	850,624	-	-
<b>Total revenues</b>	<b>166,960,431</b>	<b>4,306,114</b>	<b>4,596,188</b>	<b>1,959,805</b>
<b>Expenditures</b>				
Current				
General government	11,153,785	-	-	-
Public safety	23,218,283	-	-	-
Environmental protection	512,882	-	-	-
Economic and physical development	10,429,100	-	-	-
Human services	55,117,250	-	-	-
Culture and recreation	2,733,206	-	-	-
Education	39,948,749	-	-	-
Capital outlay		1,687,225	6,768,236	31,388,304
Debt service				
Principal	12,067,834	-	-	-
Interest	5,067,500	-	-	-
<b>Total expenditures</b>	<b>160,248,589</b>	<b>1,687,225</b>	<b>6,768,236</b>	<b>31,388,304</b>
Excess of revenues over (under) expenditures	6,711,842	2,618,889	(2,172,048)	(29,428,499)
<b>Other Financing Sources (Uses)</b>				
Transfers from other funds	1,030,276	2,652,210	1,584,673	5,144,438
Transfers to other funds	(12,656,295)	(812,323)	(1,193,428)	(1,327,095)
Installment purchase obligations issued	-	-	-	21,656,000
<b>Total other financing sources (uses)</b>	<b>(11,626,019)</b>	<b>1,839,887</b>	<b>391,245</b>	<b>25,473,343</b>
Net change in fund balance	(4,914,177)	4,458,776	(1,780,803)	(3,955,156)
<b>Fund Balances - Beginning of Year</b>	<b>55,328,180</b>	<b>12,201,263</b>	<b>15,477,393</b>	<b>19,669,388</b>
<b>Fund Balances - End of Year</b>	<b>\$ 50,414,003</b>	<b>\$ 16,660,039</b>	<b>\$ 13,696,590</b>	<b>\$ 15,714,232</b>

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

<b>Non Major Funds</b>		
<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>	
\$ 3,684,693	\$ 84,125,547	
-	32,794,322	
-	2,127,081	
1,713,128	41,946,212	
46,927	2,271,147	
-	12,936,583	
390,136	3,837,081	
4,872	3,624,321	
<u>5,839,756</u>	<u>183,662,294</u>	
403,135	11,556,920	
5,294,918	28,513,201	
-	512,882	
297,952	10,727,052	
1,000	55,118,250	
25,000	2,758,206	
-	39,948,749	
25,285	39,869,050	
-	12,067,834	
-	5,067,500	
<u>6,047,290</u>	<u>206,139,644</u>	
<u>(207,534)</u>	<u>(22,477,350)</u>	
1,850,733	12,262,330	
(32,657,786)	(48,646,927)	
-	21,656,000	
<u>(30,807,053)</u>	<u>(14,728,597)</u>	
(31,014,587)	(37,205,947)	
<u>40,678,633</u>	<u>143,354,857</u>	
<u>\$ 9,664,046</u>	<u>\$ 106,148,910</u>	

**CATAWBA COUNTY, NORTH CAROLINA**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2009**

Net change in <i>fund balances</i> - total governmental funds (Exhibit 4)	\$ (37,205,947)
The change in net assets reported for governmental activities in the statement of activities (Exhibit 2) is different because:	
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 outlays exceeded depreciation in the current period.	(149,370)
Governmental funds do not report the changes in the net investment in joint ventures. However in the Statement of Activities the current year increase (decrease) in this investment is recorded.	289,582
Revenues in the statement of activities that do not provide current financial resources are not recorded as revenues in the funds.	(707,264)
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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(9,588,166)
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.	(564,758)
One time transfer of capital assets from governmental funds to enterprise fund	(14,469,123)
One time transfer of liability from governmental funds to enterprise fund	<u>7,000,000</u>
Change in net assets of governmental activities	<u>\$ (55,395,046)</u>

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



**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over/Under</u>
<b>Revenues</b>				
Ad Valorem taxes	\$ 78,712,663	\$ 78,742,265	\$ 80,440,854	\$ 1,698,589
Other taxes	29,350,072	29,395,072	26,789,614	(2,605,458)
Unrestricted intergovernmental revenues	1,453,000	1,516,000	2,127,081	611,081
Restricted intergovernmental revenues	37,258,039	39,024,892	37,619,500	(1,405,392)
Licenses and permits	3,587,703	3,631,426	2,224,220	(1,407,206)
Sales and services	12,166,517	12,491,070	12,936,583	445,513
Investment earnings	812,200	812,200	2,053,754	1,241,554
Miscellaneous	2,497,210	2,587,660	2,768,825	181,165
Total revenues	<u>165,837,404</u>	<u>168,200,585</u>	<u>166,960,431</u>	<u>(1,240,154)</u>
<b>Expenditures</b>				
Current				
General government	10,646,610	10,828,262	11,153,785	(325,523)
Public safety	24,192,310	25,866,052	23,218,283	2,647,769
Environmental protection	618,841	624,184	512,882	111,302
Economic and physical development	11,485,283	11,835,099	10,429,100	1,405,999
Human services	61,289,112	62,374,744	55,117,250	7,257,494
Culture and recreation	2,918,542	2,918,678	2,733,206	185,472
Education	40,165,301	40,244,862	39,948,749	296,113
Debt service				
Principal	16,990,430	15,930,335	12,067,834	3,862,501
Interest	4,138,600	5,198,695	5,067,500	131,195
Total expenditures	<u>172,445,029</u>	<u>175,820,911</u>	<u>160,248,589</u>	<u>15,572,322</u>
Excess of revenues over (under) expenditures	<u>(6,607,625)</u>	<u>(7,620,326)</u>	<u>6,711,842</u>	<u>14,332,168</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from other funds	287,623	1,030,276	1,030,276	-
Transfers to other funds	(7,700,898)	(12,656,295)	(12,656,295)	-
Installment purchase obligation issued	1,497,510	1,497,510	-	(1,497,510)
Fund balance appropriated	12,523,390	17,748,835	-	(17,748,835)
Total other financing sources (uses)	<u>6,607,625</u>	<u>7,620,326</u>	<u>(11,626,019)</u>	<u>(19,246,345)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(4,914,177)</u>	<u>\$ (4,914,177)</u>
<b>Fund Balances - Beginning of Year</b>			<u>55,328,180</u>	
<b>Fund Balances - End of Year</b>			<u>\$ 50,414,003</u>	

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

**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2009**

**Business-Type Activities - Enterprise Funds**

	<b>Solid Waste Management Fund</b>	<b>Water and Sewer Fund</b>	<b>Total</b>
<b>Assets</b>			
Current assets			
Cash and investments	\$ 15,165,763	25,198,043	\$ 40,363,806
Due from other governments	134,693	419,432	554,125
Notes receivable	-	572,073	572,073
Other receivables (net of allowance)	379,087	22,748	401,835
Interest receivables	79,803	137,287	217,090
Restricted cash and investments	-	2,797,521	2,797,521
Total current assets	<u>15,759,346</u>	<u>29,147,104</u>	<u>44,906,450</u>
Noncurrent assets			
Capital assets			
Land, non-depreciable improvements, and construction in progress	14,201,015	18,342,304	32,543,319
Other capital assets, net of depreciation	9,760,586	5,282,295	15,042,881
Total capital assets	<u>23,961,601</u>	<u>23,624,599</u>	<u>47,586,200</u>
Total assets	<u>39,720,947</u>	<u>52,771,703</u>	<u>92,492,650</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities	318,065	565,337	883,402
Accrued landfill closure and postclosure care costs	200,334	-	200,334
Installment loan payable	-	239,165	239,165
Compensated absences payable	69,000	5,000	74,000
Total current liabilities	<u>587,399</u>	<u>809,502</u>	<u>1,396,901</u>
Noncurrent liabilities			
Accrued landfill closure and postclosure care costs	6,890,704	-	6,890,704
Installment loan payable	-	6,532,188	6,532,188
Compensated absences payable	35,391	7,797	43,188
Other post employment benefits obligation	61,715	859	62,574
Total noncurrent liabilities	<u>6,987,810</u>	<u>6,540,844</u>	<u>13,528,654</u>
Total liabilities	<u>7,575,209</u>	<u>7,350,346</u>	<u>14,925,555</u>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	23,961,601	19,650,767	43,612,368
Unrestricted	8,184,137	25,770,590	33,954,727
Total net assets	<u>\$ 32,145,738</u>	<u>\$ 45,421,357</u>	<u>\$ 77,567,095</u>

The accompanying notes are an integral part of the financial statements

**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2009**

**Business-Type Activities - Enterprise Funds**

	<b>Solid Waste Management Fund</b>	<b>Water and Sewer Fund</b>	<b>Total</b>
<b>Operating Revenues</b>			
Charges for services	\$ 5,253,661	\$ 412,284	\$ 5,665,945
Methane recovery	580,821	-	580,821
Other operating revenues	88,438	-	88,438
Total operating revenues	<u>5,922,920</u>	<u>412,284</u>	<u>6,335,204</u>
<b>Operating Expenses</b>			
Administration	445,047	-	445,047
Recycling	44,887	-	44,887
Solid waste management improvements	250,729	-	250,729
Solid waste code enforcement	63,267	-	63,267
Sanitary landfill	2,529,502	-	2,529,502
Landfill closure and postclosure costs	301,954	-	301,954
Convenience centers	329,592	-	329,592
Household hazardous waste	72,285	-	72,285
Blackburn landfill methane recovery	683,694	-	683,694
Water and sewer	-	121,838	121,838
Composting expenses	-	234,946	234,946
Depreciation	849,971	156,229	1,006,200
Total operating expenses	<u>5,570,928</u>	<u>513,013</u>	<u>6,083,941</u>
Operating income (loss)	<u>351,992</u>	<u>(100,729)</u>	<u>251,263</u>
<b>Nonoperating Revenues (Expenses)</b>			
Investment earnings	594,583	1,105,818	1,700,401
Solid waste disposal taxes	255,732	-	255,732
Scrap tire grant	81,638	-	81,638
State clean water grant	-	63,351	63,351
Municipal revenue sharing	-	1,105,332	1,105,332
Engineering fees	-	(297,667)	(297,667)
Interest on long term debt	-	(291,759)	(291,759)
Miscellaneous	92	(16,470)	(16,378)
Total nonoperating revenues (expenses)	<u>932,045</u>	<u>1,668,605</u>	<u>2,600,650</u>
Income (loss) before contributions and transfers	<u>1,284,037</u>	<u>1,567,876</u>	<u>2,851,913</u>
Capital contributions	44,081	7,469,123	7,513,204
Transfer in	-	30,589,831	30,589,831
Transfer in	-	1,854,384	1,854,384
Transfer from General Fund	239	3,940,143	3,940,382
Increase (decrease) in Net Assets	<u>1,328,357</u>	<u>45,421,357</u>	<u>46,749,714</u>
<b>Net Assets - Beginning of Year</b>	<u>30,817,381</u>	<u>-</u>	<u>30,817,381</u>
<b>Net Assets - End of Year</b>	<u>\$ 32,145,738</u>	<u>\$ 45,421,357</u>	<u>\$ 77,567,095</u>

The accompanying notes are an integral part of the financial statements



**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Solid Waste Management Fund</b>	<b>Water and Sewer Fund</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>			
Cash received from customers	\$ 5,855,432	(368,959)	\$ 5,486,473
Cash paid for goods and services	(3,532,979)	94,255	(3,438,724)
Cash paid to employees	(1,456,957)	(36,375)	(1,493,332)
Other operating revenues	88,438	-	88,438
Net cash provided (used) by operating activities	<u>953,934</u>	<u>(311,079)</u>	<u>642,855</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Tire disposal tax	162,410	-	162,410
Solid waste disposal tax	45,097	-	45,097
White goods disposal tax	48,225	-	48,225
Scrap tire grant	81,638	-	81,638
Clean water grant	-	63,351	63,351
Municipal revenue sharing	-	1,105,332	1,105,332
Miscellaneous	15,371	(12,864)	2,507
Engineering fees	-	(297,667)	(297,667)
Transfer from general fund	239	3,940,143	3,940,382
Transfer in water and sewer reserve fund	-	1,780,894	1,780,894
Transfer in capital project fund	-	30,453,748	30,453,748
Total cash provided by noncapital financing activities	<u>352,980</u>	<u>37,032,937</u>	<u>37,385,917</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Principal paid on installment notes payable	-	(228,647)	(228,647)
Interest paid on installment notes payable	-	(291,759)	(291,759)
Acquisition and construction of capital assets	(2,646,344)	(9,311,706)	(11,958,050)
Net cash provided (used) by capital and related financing activities	<u>(2,646,344)</u>	<u>(9,832,112)</u>	<u>(12,478,456)</u>
<b>Cash Flows from Investing Activities</b>			
Investment earnings	<u>594,583</u>	<u>1,105,818</u>	<u>1,700,401</u>
Net increase (decrease) in cash and cash equivalents	(744,847)	27,995,564	27,250,717
Cash and cash equivalents - beginning of year	<u>15,910,610</u>	<u>-</u>	<u>15,910,610</u>
Cash and cash equivalents - end of year	<u>\$ 15,165,763</u>	<u>27,995,564</u>	<u>\$ 43,161,327</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>			
Operating income	\$ 351,992	(100,729)	251,263
Adjustments to reconcile operating income to net cash provided (used) by operating activities			
Depreciation and amortization	849,971	156,229	1,006,200
Increase (decrease) in landfill closure and postclosure care costs	301,954	-	301,954
Changes in assets and liabilities			
(Increase) decrease in refundable sales tax	40,168	(205,041)	(164,873)
(Increase) decrease in other receivables	(19,218)	(4,129)	(23,347)
(Increase) decrease in notes receivables	-	(572,072)	(572,072)
Increase (decrease) in accounts payable	(644,672)	401,882	(242,790)
Increase (decrease) in other liabilities	72,050	(875)	71,175
Increase (decrease) in accrued salaries and other benefits	1,689	13,656	15,345
Total adjustments	<u>601,942</u>	<u>(210,350)</u>	<u>391,592</u>
Net cash provided by operating activities	<u>\$ 953,934</u>	<u>(311,079)</u>	<u>\$ 642,855</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Solid Waste Management Fund</b>	<b>Water and Sewer Fund</b>	<b>Total</b>
Noncash investing, capital and financing activities:			
Transfer of assets	-	373,903	373,903
Transfer of liabilities	-	(164,330)	(164,330)
Contribution of capital assets	-	14,469,122	14,469,122
Contribution of long term debt	-	(7,000,000)	(7,000,000)
	<u>\$ -</u>	<u>\$ 7,678,695</u>	<u>\$ 7,678,695</u>

The accompanying notes are an integral part of the financial statements

**CATAWBA COUNTY, NORTH CAROLINA**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2009**

	<b>Agency Funds</b>
<b>Assets</b>	
Cash and investments	<u>\$ 85,580</u>
<b>Liabilities</b>	
Miscellaneous liabilities	<u>\$ 85,580</u>

The accompanying notes are an integral part of the financial statements

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Catawba County (government) and its discretely presented component units conform to generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

**A. Reporting Entity**

The County, which is governed by a five-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 financial activities of the County and its component units, legally-separate entities for which the County is financially accountable. The Catawba 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. Catawba Valley Medical Center (the *Medical Center*) and the Catawba County ABC Board (the *Board*) have a June 30 year end and are presented as if they are separate proprietary funds of the County (discrete presentation).

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Catawba County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member board that is appointed by the Board of County Commissioners. The County can remove any member of the Authority with or without cause.	None Issued.
Catawba Valley Medical Center	Discrete	The Medical Center is a public hospital that was organized in 1962 by resolution of the Board of Commissioners of Catawba County. The County appoints the board of trustees for the Medical Center. The County has also issued revenue bonds for improvement of the Medical Center facilities, which are paid from Medical Center revenues.	Catawba Valley Medical Center 810 Fairgrove Church Road S.E. Hickory, NC 28602
Catawba County ABC Board	Discrete	The members of the ABC Board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County.	Catawba County ABC Board 1910 Fairgrove Church Road Newton, NC 28658

**B. Basis of Presentation**

**Government-wide Statements** - The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities except for interfund services provided and used which are not eliminated in the consolidation process. 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 for services provided to them.

## CATAWBA COUNTY, NORTH CAROLINA

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the County and for each function of the County's governmental activities. *Direct expenses* are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a specific function. *Indirect expense allocations* that have been made in the funds have been reversed for the statement of activities. *Program revenues* include 1) fees and charges by the recipients of goods or services offered by the programs and 2) 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 funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in separate columns. All remaining governmental and proprietary funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result in 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 and investment earnings, result from non-exchange transactions or ancillary services.

The County reports the following major governmental funds:

**General Fund** - The *General Fund* is the primary operating fund of the County. It is used to account for all financial resources of the general government, except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, sales taxes, Federal and State grants, and other various taxes and licenses. The primary expenditures are for education, human services, public safety, economic and physical development, environmental protection, cultural and recreational projects, and general government services.

**General Capital Projects Fund** - *The General Capital Projects Fund* accounts for the financing and construction of all major general capital projects.

**School Capital Projects Fund** - *The School Capital Projects Fund* accounts for the financing and construction of all major capital projects for the three school systems and community college in the County.

**School Construction Fund** - *The School Construction Fund* accounts for the financing and construction of major capital projects for the three public school systems and community college in the County.

The County reports the following major proprietary funds, which are both enterprise funds:

**Solid Waste Management Fund** - *The Solid Waste Management Fund* accounts for the operation, maintenance and development of various landfills and disposal sites and other solid waste activities.

**Water and Sewer Fund** - *The Water and Sewer Fund* accounts for the operation, maintenance, and development of water and sewer lines and pump stations.

The County reports the following fiduciary fund types:

**Agency Funds** - *Agency funds* are custodial in nature (assets equal liabilities) and do not involve 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 funds: Social Services fund, Sheriff Commissary fund and Delinquent Motor Vehicle fund. The Social Services fund accounts for monies deposited with the Social Services department for the benefit of certain individuals and the Sheriff Commissary fund

## CATAWBA COUNTY, NORTH CAROLINA

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

accounts for monies deposited with the Sheriff department for inmates. The Delinquent Motor Vehicle fund accounts for 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.

#### C. Measurement Focus and Basis of Accounting

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

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

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

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's enterprise funds, the Solid Waste Management Fund and the Water and Sewer Fund, are charges to customers for services. Operating expenses for the enterprise funds include the cost of 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. Revenues are recognized when measurable and available. Expenditures are recorded when the related liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated balances, which are recognized to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable 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, Catawba County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, 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 2008 through February 2009 apply to the fiscal year ended June 30, 2009. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Sales taxes collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues 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 then by general revenues.

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

**D. Budgetary Data**

The County's budgets are adopted as required by North Carolina General Statutes. An annual budget is adopted for the General, Special Revenue, and Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances that may span more than one year are adopted for the Capital Projects Funds. These appropriations are carried over until the projects are completed. All budgets were prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the fund and departmental level for all annually budgeted and multi-year funds. Transfers of appropriations between funds may be made only by the Board, with the exception of merit, reclassification funds, and special contingency which the County Manager has the authority to transfer. Transfers of appropriations between departments in a fund or from contingency shall be approved by the Board, but may be approved by the County Manager if he finds they are consistent with operational needs and any Board approved goals and do not exceed \$50,000 for department transfers or \$50,000 for transfers from contingency. Transfers from contingency approved by the Manager can exceed \$50,000 if he determines an emergency exists. All such transfers approved by the Manager must be presented to the Board at its next regular meeting. During the year, several 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 the time until the annual ordinance can be adopted.

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

**Deposits and Investments**

All deposits of the County are made in board-designated official depositories and are secured as required by G.S. 159-31. The County may designate as an official depository any bank or savings association whose principal office is located in North Carolina. Also, the unit 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)] authorized the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT), a SEC-registered money market mutual fund.

The County's investments are carried at fair value at June 30, 2009 as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, a SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securi-

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

ties are valued at fair value.

**Cash and Cash Equivalents**

A cash and investment pool is maintained by the County to facilitate disbursement and investment and to maximize investment income. The pool is used by all funds except social services and sheriff commissary agency funds. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The social services and sheriff commissary agency accounts are maintained in noninterest bearing demand deposit accounts as reflected on Schedule G-1.

**Restricted Assets**

The unexpended installment purchase proceeds are classified as restricted assets within the School Construction Fund and the Water and Sewer Fund because their use is completely restricted to the purpose for which the funds were borrowed.

The unexpended Certificates of Participation proceeds are classified as restricted assets within the General Capital Projects Fund because their use is completely restricted to the purpose for which the Certificates were issued.

**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, 2008.

**Allowance for Doubtful Accounts**

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

**Inventories and Prepaid Items**

Inventories of the County are valued at cost, which approximates market, using the first-in, first-out method. The inventory of the County's General Fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when purchased.

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

**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. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

The County holds title to certain Catawba County Board of Education and Hickory Public Schools Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit financing of acquisition and construction costs. Agreements between the County and the Boards of Education give the Boards full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the properties back to the Boards of Education, once all restrictions of the financing agreements have been met. The properties are reflected as capital assets in the financial statements of the Catawba County Board of Education and the Hickory Public Schools Board of Education.

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

Building and improvements	50 years
Furniture and office equipment	10 years
Maintenance and construction equipment	8 years
Medium and heavy motor trucks	6 years
Automobiles and light trucks	4 years
Computer equipment	5 years

**Long-Term Obligations**

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

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

**Compensated Absences**

It is the policy of the County to permit employees to accumulate up to thirty (30) days earned but unused vacation leave, with such leave being fully vested when earned. The County's liability for accumulated earned vacation and salary-related payments as of June 30, 2009, is recorded in the government-wide financial statements. For the County's proprietary fund, an expense and liability for compensated absences and the salary-related payments are recorded within those funds as the leave is earned, if the amount is considered to be material.

The sick leave policy of the County provides for an unlimited accumulation of earned but unused sick leave. Sick leave does not vest, but an unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither employee nor the County has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County.

**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.

Restricted Net Assets are classified as follows:

**Public Safety** - portion of net assets constituting investment in joint venture.

**Register of Deeds** - portion of net assets 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 legally restricted for computer and imaging technology in the register of deeds' office.

**Fund Balances**

In the governmental fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use 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

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as these amounts stand at the close of the fiscal year preceding the budget year.

The governmental fund types classify fund balances as follows:

**Reserved**

**Reserved for inventories and prepaid items** - portion of fund balance *not* available for appropriation because it represents the year-end balance of ending inventories and prepaid items, which are not expendable available resources.

**Reserved for encumbrances** - portion of fund balance available to pay for any commitments related to purchase orders and contracts that remained unperformed at year-end.

**Reserved by State statute** - portion of fund balance, in addition to reserves for encumbrances and reserves for inventories, which is *not* available for appropriation under State law [G.S. 159-8(a)]. This amount is usually comprised of the receivable balances 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.

**Unreserved**

**Designated for subsequent year's expenditures** - portion of total fund balance available for appropriation that has been designated for the adopted 2009-2010 budget ordinance.

Designations of Catawba County represent tentative management plans that are subject to change. The unreserved fund balance had the following designations at June 30, 2009.

Designated for subsequent year's expenditures:

General Fund	\$	8,038,540
General Capital Projects Fund	\$	16,623,537
School Capital Projects Fund	\$	9,708,825
School Construction Fund	\$	15,520,117
Nonmajor Special Revenue Funds	\$	554,479
Nonmajor Capital Project Funds	\$	10,635

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

**F. Management Estimates**

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

**a. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets.**

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 \$(43,057,354) consists of several elements as follows:

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND  
FINANCIAL STATEMENTS POLICIES**

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)	\$ 128,478,599
Less accumulated depreciation	<u>(46,548,569)</u>
Net capital assets	<u>81,930,030</u>
Equity in joint ventures recorded on government-wide statement of net assets but not on fund statements because it is not a current financial source of funds	1,049,731
Deferred charges related to advance refunding issued - included on government-wide statement of net assets but are not current financial resources	565,633
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	4,088,108
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
General obligation bonds	(23,765,000)
Certificates of participation	(42,645,000)
Installment purchase	(56,831,959)
Qualified zone academy bonds	(650,000)
Compensated absences	(3,862,715)
Net pension obligation	(548,041)
Net other post employment benefits	<u>(2,388,141)</u>
	<u>(130,690,856)</u>
Total adjustment	<u>\$ (43,057,354)</u>

**b. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances 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 in governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(18,189,099) as follows:

Governmental funds report capital outlays as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful lives	\$ 3,027,408
---	--------------

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	(3,176,778)
--	-------------

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

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND  
FINANCIAL STATEMENTS POLICIES (continued)**

Installment purchase	(21,656,000)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affects only the statement of net assets in the government-wide statements	
General obligation bonds	6,395,000
Certificates of participation	2,790,000
Installment purchases	2,832,834
Qualified zone academy bonds	50,000
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	
Amortization of refunding costs not recorded on fund statements	(95,599)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	93,740
Net (increase) decrease in pension obligation	(19,942)
Net (increase) decrease in other post employment benefits	(542,957)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Increase in value of joint venture	289,582
Reversal of deferred tax revenue recorded at 7/1/2008	(3,162,688)
Recording of tax receipts deferred in the fund statements as of 6/30/2009	3,775,366
Increase(decrease) in accrued receivables for year ended 6/30/2009	(1,506,307)
Amortization of premium on debt issuance	186,365
One time transfer of capital assets to enterprise fund	(14,469,123)
One time transfer of liability to enterprise fund	<u>7,000,000</u>
Total adjustment	<u><u>\$ (18,189,099)</u></u>

**NOTE 3. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Excess of Expenditures over Appropriations**

The expenditures for the general government function of the General Fund were \$11,153,785, which exceeded appropriations of \$10,828,262. This \$325,523 difference is the result of excess health insurance claims in self insurance. The expenditures for the mental health function of the General Fund were \$3,303,265, which exceeded appropriation of \$3,296,888. This \$6,377 difference is the result of more funding from the ABC Board being received and distributed on behalf of Mental Health than had been anticipated in the budget.

Expenditures in the Water and Sewer Reserve Fund exceeded appropriations by \$1,854,384. This is a result of this special revenue fund being transferred to a new Water and Sewer Enterprise Fund. The transfer of this fund was approved by the Board of Commissioners. The amount represents the beginning fund balance, but it was not budgeted as a transfer during the fiscal year.

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS**

**A. Assets**

**Deposits and Investments**

**Deposits**

All of the County's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's agent in the name of the County. 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, these deposits are considered held by 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 escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for under collateralization, 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.

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 County has no formal policy regarding custodial credit risk for deposits.

At June 30, 2009, the County's deposits had a carrying amount of \$1,578,569 and a bank balance of \$1,975,029. Of the bank balance, \$390,658 was covered by federal depository insurance, and \$1,584,371 in interest bearing deposits were covered by collateral under the Pooling Method.

At June 30, 2009, Catawba County had \$8,881 cash on hand.

**Investments**

As of June 30, 2009 the County had the following investments and maturities.

Investment Type	Fair Value	Less than 6		
		months	6-12 months	1-5 years
Certificates of deposit	\$ 17,255,133	\$ 4,255,133	\$ 2,000,000	\$ 11,000,000
U.S. Government-sponsored enterprises *	67,186,460	1,003,130	-	66,183,330
Money market-unrestricted	2,873,091	-	-	-
Money market-restricted	10,646,150	-	-	-
NC Capital Trust Management Trust				
Cash Portfolio-unrestricted	42,431,153	N/A	N/A	N/A
NC Capital Trust Management Trust				
Cash Portfolio-restricted	1,218	N/A	N/A	N/A
Total:	<u>\$ 140,393,205</u>	<u>\$ 5,258,263</u>	<u>\$ 2,000,000</u>	<u>\$ 77,183,330</u>

\*\$29 million of these securities have call options. It is the intention of the County to hold these to final maturity and this time frame is reflected in the table.

**Interest Rate Risk**

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy is to stagger portfolio maturities to avoid undue concentration of assets in a specific maturity sector. A portion of the portfolio is continuously invested in maturities of less than 12 months.

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

The investment policy limits all securities to a final maturity of not more than five years. The County does not have a board approved policy on interest rate risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

**Credit Risk**

The County's investment in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard & Poor's as of June 30, 2009. The County's investment in U.S. government-sponsored enterprises includes Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (FreddieMac), Federal National Mortgage Association (FannieMae), and are rated AAA by Standard & Poors and Aaa by Moody's Investors Service. The County does not have a board approved policy on credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

**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. Proceeds from the issuance of certificates of participation and other installment financing are held in escrow in bank trust departments. These escrow agents purchase and hold the securities in the County's name. The County does not have a board approved policy on custodial credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

**Concentration of Credit Risk**

The County places no limit on the amount that the County may invest in any one issuer. More than 10% of the County's investments are in United States government-sponsored enterprises. Investments in Federal Farm Credit are 2%, Federal Home Loan Bank are 17%, Federal Home Loan Mortgage Corporation are 17%, and Federal National Mortgage Agency are 12% of the County's total investments. The County does not have a board approved policy on concentration of credit risk; however, it follows the restrictions of an internal investment policy that has been reviewed by the Board of Commissioners.

**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>
2006	760,504	21,485	781,989
2007	920,875	17,727	938,602
2008	1,033,217	10,590	1,043,807
2009	1,085,219	-	1,085,219
Total	<u>\$ 3,799,815</u>	<u>\$ 49,802</u>	<u>\$ 3,849,617</u>

**Receivables**

Receivables at the government-wide level at June 30, 2009 were as follows:

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

	Governmental activities					Total governmental activities
	General	Capital Projects	School Capital Projects	School Construction	Non-major	
	General	Projects	Projects	Construction	Non-major	
Receivables						
Accounts	\$ 3,314,777	\$ 18,108	\$ -	\$ -	\$ -	\$ 3,332,885
Taxes	6,884,866	-	-	-	313,096	7,197,962
Due from other governments	11,021,659	747,081	770,165	2,140,380	105,781	14,785,066
Other	400,460	83,716	63,022	16,773	55,021	618,992
Gross Receivables	21,621,762	848,905	833,187	2,157,153	473,898	25,934,905
Allowance for uncollectibles	(3,629,234)	-	-	-	(146,499)	(3,775,733)
Net total receivables	<u>\$ 17,992,528</u>	<u>\$ 848,905</u>	<u>\$ 833,187</u>	<u>\$ 2,157,153</u>	<u>\$ 327,399</u>	<u>\$ 22,159,172</u>

	Business-type activities		
	Solid Waste Management	Water and Sewer	Total business- type activities
Receivables			
Accounts	\$ 376,619	\$ 562,748	\$ 939,367
Taxes	-	-	-
Notes	-	572,073	572,073
Due from other governments	134,693	419,432	554,125
Other	82,271	137,287	219,558
Gross Receivables	593,583	1,691,540	2,285,123
Allowance for uncollectibles	-	(540,000)	(540,000)
Net total receivables	<u>\$ 593,583</u>	<u>\$ 1,151,540</u>	<u>\$ 1,745,123</u>

Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ 445,407</u>	<u>\$ 445,407</u>
---	-------------	-------------------	-------------------

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

	Governmental Activities	Business-Type Activities
Local option sales tax	\$ 6,967,478	\$ -
White goods disposal tax	-	10,838
Scrap tire tax	-	41,734
Solid waste disposal tax	-	15,954
Lottery funds	1,380,045	-
Various federal and state grants	6,402,594	62,311
Refundable sales tax	34,949	423,288
	<u>\$ 14,785,066</u>	<u>\$ 554,125</u>

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

**Capital Assets**

Capital asset activity for the year ended June 30, 2009 was as follows:

**Primary Government**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets, not being depreciated				
Land	\$ 6,198,146	\$ -	\$ (508,325)	\$ 5,689,821
Construction in progress	<u>27,856,123</u>	<u>311,337</u>	<u>(8,522,274)</u>	<u>19,645,186</u>
Total capital assets, not being depreciated	<u>34,054,269</u>	<u>311,337</u>	<u>(9,030,599)</u>	<u>25,335,007</u>
Capital assets, being depreciated				
Buildings	71,217,523	217,136	-	71,434,659
Other improvements	20,222,893	306,299	(6,500,517)	14,028,675
Equipment and vehicles	<u>17,534,660</u>	<u>2,192,636</u>	<u>(2,047,038)</u>	<u>17,680,258</u>
Total capital assets, being depreciated	<u>108,975,076</u>	<u>2,716,071</u>	<u>(8,547,555)</u>	<u>103,143,592</u>
Less accumulated depreciation for				
Buildings	(30,630,568)	(1,423,283)	-	(32,053,851)
Other improvements	(3,812,897)	(278,132)	1,061,993	(3,029,036)
Equipment and vehicles	<u>(12,037,357)</u>	<u>(1,475,363)</u>	<u>2,047,038</u>	<u>(11,465,682)</u>
Total accumulated depreciation	<u>(46,480,822)</u>	<u>(3,176,778)</u>	<u>3,109,031</u>	<u>(46,548,569)</u>
Total capital assets, being depreciated, net	<u>62,494,254</u>	<u>(460,707)</u>	<u>(5,438,524)</u>	<u>56,595,023</u>
Governmental activities capital assets, net	<u>\$ 96,548,523</u>	<u>\$ (149,370)</u>	<u>\$ (14,469,123)</u>	<u>\$ 81,930,030</u>

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

Governmental activities	
General government	\$ 157,778
Public safety	1,141,948
Environmental protection	26,256
Economic & physical development	389,419
Human services	1,389,391
Culture and recreation	<u>71,986</u>
Total depreciation expense	<u>\$ 3,176,778</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities</b>				
<b>Solid Waste Management</b>				
Capital assets, not being depreciated				
Land	\$ 6,573,282	\$ -	\$ -	\$ 6,573,282
Construction in progress	<u>5,230,100</u>	<u>2,397,633</u>	-	<u>7,627,733</u>
Total capital assets, not being depreciated	<u>11,803,382</u>	<u>2,397,633</u>	-	<u>14,201,015</u>

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

Capital assets, being depreciated				
Buildings	742,011	23,850	-	765,861
Other improvements	16,828,784	75,193	-	16,903,977
Equipment and vehicles	8,720,009	193,750	(67,331)	8,846,428
Total capital assets, being depreciated	<u>26,290,804</u>	<u>292,793</u>	<u>(67,331)</u>	<u>26,516,266</u>
Less accumulated depreciation for				
Buildings	(104,060)	(15,155)	-	(119,215)
Other improvements	(9,989,905)	(146,925)	-	(10,136,830)
Equipment and vehicles	(5,879,075)	(687,891)	67,331	(6,499,635)
Total accumulated depreciation	<u>(15,973,040)</u>	<u>(849,971)</u>	<u>67,331</u>	<u>(16,755,680)</u>
Total capital assets, being depreciated, net	<u>10,317,764</u>	<u>(557,178)</u>	<u>-</u>	<u>9,760,586</u>
Business-type activities capital assets, net	<u>\$ 22,121,146</u>	<u>\$ 1,840,455</u>	<u>\$ -</u>	<u>\$ 23,961,601</u>
	<b>Beginning</b>			<b>Ending</b>
<b>Business-type activities</b>	<b>Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance</b>
<b>Water &amp; Sewer</b>				
Capital assets, not being depreciated				
Land	\$ -	\$ 535,207	\$ -	\$ 535,207
Construction in progress	-	17,807,097	-	17,807,097
Total capital assets, not being depreciated	<u>-</u>	<u>18,342,304</u>	<u>-</u>	<u>18,342,304</u>
Capital assets, being depreciated				
Buildings	-	-	-	-
Other improvements	-	6,495,017	-	6,495,017
Equipment and vehicles	-	-	-	-
Total capital assets, being depreciated	<u>-</u>	<u>6,495,017</u>	<u>-</u>	<u>6,495,017</u>
Less accumulated depreciation for				
Buildings	-	-	-	-
Other improvements	-	(1,212,722)	-	(1,212,722)
Equipment and vehicles	-	-	-	-
Total accumulated depreciation	<u>-</u>	<u>(1,212,722)</u>	<u>-</u>	<u>(1,212,722)</u>
Total capital assets, being depreciated, net	<u>-</u>	<u>5,282,295</u>	<u>-</u>	<u>5,282,295</u>
Business-type activities capital assets, net	<u>\$ -</u>	<u>\$ 23,624,599</u>	<u>\$ -</u>	<u>\$ 23,624,599</u>

**Construction Commitments**

The County has active construction and other capital projects as of June 30, 2009. The government's commitments with contractors and vendors is composed of numerous projects within the following funds:

	<u>Project Authorization</u>	<u>Expended to June 30, 2009</u>	<u>Committed</u>	<u>Future Financing</u>
Governmental activities				
General Capital Projects	\$ 41,240,118	\$ 26,912,370	14,327,748	None
Schools Capital Projects	21,424,840	15,030,618	6,394,222	None
School Construction	73,227,961	58,655,755	14,572,206	None
Total governmental activities	<u>\$ 135,892,919</u>	<u>\$ 100,598,743</u>	<u>\$ 35,294,176</u>	

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

	<u>Authorization</u>	<u>June 30, 2009</u>	<u>Committed</u>	<u>Financing</u>
Business-type activities				
Water and Sewer Fund	\$ 26,895,702	\$ 9,860,789	\$ 17,034,913	None

Invested in capital assets, net of related debt for June 30, 2009 was calculated as follows:

	<u>Governmental activities</u>	<u>Business-type activities</u>
Capital assets	\$ 81,930,030	\$ 47,586,200
Total Debt, gross	(123,891,959)	(6,771,353)
Add: Debt not related to Capital assets		
School debt for which County does not hold title	109,445,242	-
Unexpended proceeds	1,000	2,797,521
Total related debt	(14,445,717)	(3,973,832)
Invested in Capital Assets, net of related debt	\$ 67,484,313	\$ 43,612,368

**B. Liabilities**

**Payables**

Payables at the government-wide level at June 30, 2009 were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Other</u>	<u>Total</u>
Governmental Activities				
General	\$2,245,361	\$2,403,482	\$1,203,141	\$5,851,984
Other Governmental	2,054,390	31,056	-	2,085,446
Total governmental activities	<u>\$4,299,751</u>	<u>\$2,434,538</u>	<u>\$1,203,141</u>	<u>\$7,937,430</u>
Business-type Activities				
Solid Waste Management	\$ 216,292	\$ 101,677	\$ 96	\$ 318,065
Water and Sewer	541,434	1,746	22,157	565,337
Total business-type activities	<u>\$ 757,726</u>	<u>\$ 103,423</u>	<u>\$ 22,253</u>	<u>\$ 883,402</u>

**Pension Plan Obligations**

**Local Governmental Employees' Retirement System**

**Plan Description.** All permanent full-time employees of Catawba County participate in the statewide Local Government 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.** Covered employees are required by state statute to contribute six percent of their annual covered salary to LGERS. The County is required by the same statute 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 are 4.88% and 4.86%, respectively, of annual covered payroll. The contribution requirements of members and of Catawba County are established and may be amended by

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

the North Carolina General Assembly. The County's contribution to LGERS for the years ended June 30, 2009, 2008, and 2007 were \$2,211,738, \$2,229,221 and \$2,030,010, respectively. The contributions made by the County equaled the required contributions for each year.

**Law Enforcement Officers Special Separation Allowance**

**Plan Description.** Catawba County administers public employee retirement systems (the Separation Allowance), single-employer, defined benefit pension plans that provide 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 office 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.

All full-time law enforcement officers of the County are covered by the Separation Allowance. At December 31, 2008, the Separation Allowance's membership consisted of:

Retirees receiving benefits	10
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>134</u>
	<u>144</u>

A separate report was not issued for the County's plan.

**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 for the County are made from the General Fund, which is maintained on the modified accrual basis of accounting. Administration expenses are recognized as incurred.

**Method Used to Value Investments.** No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

**Contributions**

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and have, at the present, chosen to fund the benefit payments on a pay as you go basis. For the County, these benefits are funded through appropriations made in the General Fund operating budget. These benefit payments for the County are considered immaterial amounts. The County's obligation to contribute to the plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees to the County's plan.

The annual required contribution for the current year for the County was determined as part of the December 31, 2008 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return and (b) projected salary increases ranging from 4.5% to 12.3% per year. The inflation component was 3.75%. The assumptions do not include postretirement benefit increases. The actuarial value of assets was market value. The unfunded actuarial accrued liability is being amortized as a level percentage of pay on a closed basis. The remaining amortization period at December 31, 2008 was 22 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	\$ 124,340
Interest on net pension obligation	38,287
Adjustment to annual required contribution	<u>(33,376)</u>
Annual pension cost	\$ 129,251

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

Contributions made	109,309
Increase (decrease) in net pension obligation	\$ 19,942
Net pension obligation beginning of year	528,099
Net pension obligation end of year	<u>\$ 548,041</u>

**3 Year Trend Information**

<b>Fiscal Year Ended</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/2007	118,330	96.17	509,278
6/30/2008	115,452	83.70	528,099
6/30/2009	129,251	84.57	548,041

***Funded Status and Funding Progress***

As of December 31, 2008, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$1,118,461. The covered payroll (annual payroll of active employees covered by the plan) was \$5,093,101, and the ratio of the UAAL to the covered payroll was 21.96%.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

***Plan Description.*** All law enforcement officers employed by the County participate in the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. Participation begins at the date of employment, and benefits are provided to all law enforcement officers employed by the County. G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

***Funding Policy.*** Article 12E of G.S. Chapter 143 requires the County 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. Total contributions for the County for the year ended June 30, 2009 were \$363,802 which consisted of \$259,421 from the County and \$104,381 from the law enforcement officers.

**Register of Deeds' Supplemental Pension Fund**

***Plan Description.*** Catawba County also contributes to the Register of Deeds' Supplemental Pension Fund (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. The Register of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary informa-

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

tion for the Register of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

**Funding Policy.** On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 151. 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 year ended June 30, 2009, the County's required and actual contributions were \$11,806.

**Other Postemployment Benefits (OPEB) – Catawba County**

**Healthcare Benefits**

**Plan Description.** According to County resolution, the County provides health care benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (LGERS) and have at least thirty years of creditable service with the County. The County will pay the individual premium for these individuals. Employees who retire with at least 15 years of service but less than 30 years can purchase coverage at the County's group rates. Also, retirees can purchase coverage for their dependents at the County's group rates. Eligibility for coverage ceases when the retiree and/or dependents receive Medicare.

Membership consisted of the following at December 31, 2007, the date of the latest actuarial valuation:

	<b>General Employees</b>	<b>Law Enforcement Officers</b>
Retirees and dependents receiving benefits	42	13
Terminated plan members entitled to but not yet receiving benefits	0	0
Active plan members	1023	114
Total	<u>1065</u>	<u>127</u>

A separate report was not issued for the County's plan.

**Funding Policy.** The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under the County resolution that can be amended by the Board of Commissioners. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

The current ARC rate is 2.21% of annual covered payroll. For the current year, the County contributed \$235,957 or .5% of annual covered payroll. The County has a limited self-insurance plan covering health care coverage, and has a stop loss policy with private insurers.

**Summary of Significant Accounting Policies.** Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

**Annual OPEB Cost and Net OPEB Obligation.** The County's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually con-

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

tributed to the plan, and changes in the County's net OPEB obligation for the healthcare benefits:

Annual required contribution	\$ 1,013,872
Interest on net OPEB obligation	-
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	<u>1,013,872</u>
Contributions made	<u>(235,957)</u>
Increase (decrease) in net OPEB obligation	777,915
Net OPEB obligation, beginning of year	1,672,800
Net OPEB obligation, end of year	<u><u>\$ 2,450,715</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 were as follows:

<u>For the Year Ended</u> <u>June 30</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of Annual</u> <u>OPEB Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
2008	\$1,882,841	11.16%	\$1,672,800
2009	\$1,013,872	23.27%	\$2,450,715

**Funded Status and Funding Progress.** As of December 31, 2007, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$9,826,953. The covered payroll (annual payroll of active employees covered by the plan) was \$45,934,924, and the ratio of the UAAL to the covered payroll was 21.4 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value asses, consistent with the long-term perspective of the calculations.

In the December 31, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investment calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 11.00 to 5.00 percent annually. Both rates included a 3.75 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a 9 year period. The UAAL is being amortized as a level percentage of projected payroll on an payroll on an open basis. The remaining amortization period at December 31, 2007, was 30 years.

**Other Employment Benefits**

The County has elected to provide death benefits to employees through the Death Benefit Plan for

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

members of the Local Governmental Employees' Retirement System, 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 LGERS, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership services in LGERS at the time of death are eligible for death benefits. Lump sum death benefits payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the state. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. For the fiscal year ended June 30, 2009, the County made contributions to the State for death benefits of \$40,031. The County's required contribution for employees not engaged in law enforcement and for law enforcement officers represent .08% and .14% of covered payroll, respectively. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

**Closure and Postclosure Care Costs – Blackburn Landfill Facility**

State and Federal laws and regulations require the County to place a final cover on its current operating cell at Blackburn Landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County also has a closed cell at the Blackburn Landfill facility for which the entire amount of the closure and postclosure costs has been recognized as the cell capacity was used. Although closure and postclosure care costs will be paid only or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$7,091,038 reported as landfill closure and postclosure care liability as of June 30, 2009 represents a cumulative amount reported to date based on the use of 54% of the total estimated capacity of the material solid waste operating cell and 46% of the total estimated capacity of the construction and demolition operating cell of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$9,352,871 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2009. The County expects to close the current material solid waste operating cell at the Blackburn facility in 2018 and the construction and demolition operating cell in 2016. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

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.

**Deferred/Unearned Revenues**

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

	<u>Deferred Revenue</u>		<u>Unearned Revenue</u>
<b>Governmental Activities</b>	<u>General Fund</u>	<u>Special Revenue</u>	
Taxes receivable (net)	\$ 3,608,766	\$ 166,598	\$ -
Ambulance receivable (net)	823,977	-	-
Business license receivable (net)	6,486	-	-
Human resource receivable (net)	1,932,352	-	-
Human resource unearned revenue:	284,625		284,625

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

Prepaid taxes not yet earned	289,227	-	289,227
Prepaid licenses and other	15,455	-	15,455
Unamortized debt premium	-	-	2,450,071
Other unearned revenues	37,552	15,423	52,975
	<u>\$ 6,998,440</u>	<u>\$ 182,021</u>	<u>\$ 3,092,353</u>

**Risk Management**

The County is exposed to various risks of losses related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The property of Catawba County Government is insured on a blanket basis with replacement cost coverage on buildings and contents, and actual cash value on equipment. The County self-insures its liability risk up to a deductible of \$100,000 each occurrence, and purchases excess liability insurance with limits of \$7 million for any one occurrence for bodily injury, property damage, and personal injury, including law enforcement, public officials, and employment practices liability. The County also self-insures its workers compensation risks up to \$350,000 each accident, and purchases excess workers compensation insurance to statutory limits. The insurance program includes physical damage coverage for owned autos at actual cash value, and fidelity insurance with limits of \$250,000 per occurrence. At the inception of the program, all of the property, liability, and workers compensation insurers utilized by the County have an A.M. Best's Company rating/financial size category of "A-/VII" or better with stable outlooks.

The County health plan is self insured with claims paid through a third party administrator. The plan has specific stop loss coverage for individual losses in excess of \$100,000 and aggregate plan losses in excess of 120% of expected net paid claims.

The County carries flood insurance as a part of its property insurance through Argonaut Insurance Group with limits of \$1 million for any one occurrence. For all locations outside flood zone "A" (100 year flood plain), as designated by the Federal Emergency Management Association, a deductible of \$50,000 applies to flood damages. Locations within flood zone "A" are subject to a deductible equal to the maximum limit of flood coverage available through the National Flood Insurance Program. The County periodically reviews updated flood maps to identify any owned locations within designated flood zones.

In accordance with G.S. 159-29, The County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The director of finance and tax collector are each individually bonded for \$100,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR's). Liabilities for claims are reported in the County's General Fund.

Changes in the balances of claims liabilities during the past three fiscal year are as follows:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Unpaid claims, beginning	\$ 887,351	\$ 730,282	\$ 389,000
Incurred claims	5,651,413	4,707,625	4,726,729
Claim payments	5,871,375	4,550,556	4,385,447
Unpaid claims, ending	<u>\$ 667,389</u>	<u>\$ 887,351</u>	<u>\$ 730,282</u>

**Contingent Liabilities**

At June 30, 2009, the County was a defendant to various lawsuits. In the opinion of management and the County attorney, the ultimate effect of these legal matters will not have a material effect on the County's financial position.

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

**Long-Term Obligations**

**Operating Leases**

Catawba County is committed under various operating leases for building space and equipment. These operating leases can be canceled with proper notice. For the year ended June 30, 2009, total lease expenditures reached \$321,567.

The following is a schedule of the future minimum lease payments under these leases:

<u>Year Ending</u>	<u>Amount</u>
2010	\$ 316,404
2011	295,532
2012	269,959
2013	253,045
	<u>\$ 1,134,940</u>

**Governmental Activities**

**Installment Purchases**

1. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement for the purpose of providing funds up to \$9,900,000 to pay a portion of the cost of constructing and equipping a public middle school for Hickory City Schools. The installment purchase was executed on September 15, 2003 pursuant to a deed of trust that requires legal title remain with the County as long as the debt is outstanding. The County entered into a lease with the Board of Education of the Hickory Administrative School Unit ("Board of Education") that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

The transaction requires fifteen principal payments by the County of \$660,000 and thirty semi-annual interest payments at an interest rate of 3.54%. For Catawba County, the future minimum payments as of June 30, 2009, including \$1,169,800 of interest are:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	660,000	222,054
2011	660,000	198,690
2012	660,000	175,774
2013	660,000	151,962
2014	660,000	128,598
2015-2019	<u>3,300,000</u>	<u>292,722</u>
Total principal payments	<u>\$ 6,600,000</u>	
Total interest payments		<u>\$ 1,169,800</u>

2. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement in April, 2006 for the purpose of providing funds up to \$9,200,000 to pay a portion of the cost of constructing and equipping a public elementary school for Catawba County Schools. The installment purchase was issued pursuant to a deed of trust that requires legal title remain with the County as long as the debt is outstanding. The County entered into a lease with the Board of Education of Catawba County Schools ("Board of Education") that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments with the lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment pur-

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

chase obligation are recorded by the Board of Education.

The transaction requires thirty semi-annual principal payments by the County of \$306,667 and thirty semi-annual interest payments at an interest rate of 4.19%. For Catawba County, the future minimum payments as of June 30, 2009, including \$1,927,400 of interest are:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 613,333	301,959
2011	613,333	276,261
2012	613,333	250,562
2013	613,333	224,863
2014	613,333	199,165
2015-2019	3,066,669	610,343
2020-2021	1,226,666	64,247
<b>Total principal payments</b>	<u><u>\$ 7,360,000</u></u>	
<b>Total interest payments</b>		<u><u>\$ 1,927,400</u></u>

3. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement in December, 2006 for the purpose of providing funds of \$1,450,000 for the purchase of telephone and computer equipment for the County.

The transaction requires nineteen quarterly payments by the County of \$90,178 including principal and interest at 4.29%. For Catawba County, the future minimum payments as of June 30, 2009, including \$51,753 of interest are:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	329,376	31,335
2011	343,736	16,975
2012	179,730	3,443
<b>Total principal payments</b>	<u><u>\$ 852,842</u></u>	
<b>Total interest payments</b>		<u><u>\$ 51,753</u></u>

4. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement for the purpose of providing funds up to \$21,607,000 to pay a portion of construction and renovation of public school and community college facilities. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County entered into a lease with the Board of Education and Community College Board of Trustees that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education and Community College Board of Trustees. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education and Community College Board of Trustees. This agreement was executed on May 30, 2008 and requires forty semi-annual principal payments of \$540,175 and interest payments at an interest rate of 4.19%.

For Catawba County, the future minimum payments as of June 30, 2009, including \$8,385,650 of interest are:

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	1,080,350	848,750
2011	1,080,350	803,483
2012	1,080,350	758,217
2013	1,080,350	712,950
2014	1,080,350	667,683
2015-2019	5,401,750	2,659,417
2020-2024	5,401,750	1,527,750
2025-2028	4,321,400	407,400
Total principal payments	<u>\$ 20,526,650</u>	
Total interest payments		<u>\$ 8,385,650</u>

5. As authorized by State law (G.S. 160A-20 and 153A-), the County entered into an installment financing agreement for the purpose of providing funds up to \$4,906,000 to pay a portion of construction and renovation of a public high school. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County entered into a lease with the Board of Education that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. This agreement was executed on August 8, 2008 and requires thirty semi-annual principal payments of \$163,533 and interest payments at an interest rate of 4.38%.

For Catawba County, the future minimum payments as of June 30, 2009 including interest are:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	327,067	204,139
2011	327,067	189,813
2012	327,067	175,488
2013	327,067	161,162
2014	327,067	146,837
2015-2019	1,635,332	519,300
2020-2023	1,471,800	161,161
Total principal payments	<u>\$ 4,742,467</u>	
Total interest payments		<u>\$ 1,557,900</u>

6. As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement for the purpose of providing funds up to \$16,750,000 to pay a portion of construction and renovation of public school and community college facilities. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County entered into a lease with the Boards of Education and Community College Board of Trustees that transfers the rights and responsibilities for the maintenance and insurance of the property to the Boards of Education and Board of Trustees. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Boards of Education and Board of Trustees. This agreement was executed on May 12, 2009 and requires thirty semi-annual principal payments of \$558,333 and interest payments at an interest rate of 3.72%.

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

For Catawba County, the future minimum payments as of June 30, 2009, including interest are:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	1,116,667	612,715
2011	1,116,667	571,175
2012	1,116,667	529,635
2013	1,116,667	488,095
2014	1,116,667	446,555
2015-2019	5,583,333	1,609,675
2020-2024	5,583,332	571,175
Total principal payments	<u>\$ 16,750,000</u>	
Total interest payments		<u>\$ 4,829,025</u>

**Qualified Zone Academy Bonds**

As authorized by State law (G.S. 160A-20), the County entered into an installment financing agreement on May 30, 2008 for the purpose of providing funds up to \$700,000 to pay a portion of the renovation of a public school facility. The County's obligation under the contract will be designated as "Qualified Zone Academy Bonds (QZAB)" pursuant to the federal QZAB program. Under the QZAB program, the County's obligation will be interest free and the lender will receive tax credits that approximate a rate of return commensurate to the return it would have received on certain U.S. Treasury obligations. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County entered into a lease with the Board of Education that transfers the rights and responsibilities for the maintenance and insurance of the property to the Board of Education. The lease calls for nominal lease payments and a bargain purchase option. The lease term the same as that of the installment purchase agreement. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

For Catawba County, the future minimum payments as of June 30, 2009 are:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	50,000	-
2011	50,000	-
2012	50,000	-
2013	50,000	-
2014	50,000	-
2015-2019	250,000	-
2020-2022	150,000	-
Total	<u>\$ 650,000</u>	<u>\$ -</u>

**Certificates of Participation**

1. In August 2004, the County issued \$35,705,000 of Certificates of Participation to finance the constructing and equipping of a new high school, a new middle school and equipping of a learning resource center at the local community college. The financing contract requires principal payments beginning June 2005 with interest rates ranging from 2.0 – 5.25% with a maturity date of June 1, 2024.

The future minimum payments of this installment purchase as of June 30, 2009, including \$11,233,400 of interest, are as follows:

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	1,805,000	1,380,325
2011	1,805,000	1,296,500
2012	1,805,000	1,212,613
2013	1,805,000	1,122,225
2014	1,805,000	1,029,962
2015-2019	9,010,000	3,774,275
2020-2024	9,000,000	1,417,500
Total principal payments	<u>\$ 27,035,000</u>	
Total interest payments		<u>\$ 11,233,400</u>

2. In May 2005, the County issued \$19,550,000 of Certificates of Participation to finance the constructing, equipping, renovating and improving certain governmental and public school facilities. The financing contract requires principal payments beginning June 2006 with interest rates ranging from 3.0 – 5.0% with a maturity date of June 1, 2025.

The future minimum payments of this installment purchase as of June 30, 2009, including \$6,418,775 of interest, are as follows:

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	985,000	720,650
2011	975,000	681,750
2012	975,000	643,500
2013	975,000	604,500
2014	975,000	555,750
2015-2019	4,875,000	2,181,562
2020-2024	4,875,000	982,313
2025	975,000	48,750
Total principal payments	<u>\$ 15,610,000</u>	
Total interest payments		<u>\$ 6,418,775</u>

**General Obligation Indebtedness**

All general obligation bonds serviced by the County's General Fund are collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirements are appropriated when due, from property tax revenues.

The County's general obligation bonds payable at June 30, 2009 are comprised of the following individual issues:

Serviced by the County's General Fund:

\$9,800,000 1998 School Facility Series Bonds due in varying annual installments from \$550,000 - \$800,000 through June 1, 2013: interest at 4.3 - 4.4 %	\$ 3,125,000
\$16,645,000 1999 School Facility Series Bonds due in varying annual installments from \$950,000 - \$1,400,000 through June 1, 2014: interest at 4.4 - 4.7%	6,450,000

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

\$8,955,000 2000 School Facility Series Bonds due in varying annual installments from \$450,000 - \$805,000 through June 1, 2015: interest at 5.3 - 5.4% \$3.68 million of these bonds were refunded in June 2005. 625,000

\$14,495,000 2002 School Facility and Community College Refunding Bonds due in varying annual installments from \$420,000 - \$2,070,000 through June 1, 2014: interest at 2.0 - 4.0%

	Schools	3,288,000
	Community College	822,000

\$16,035,000 2005 School Facility and Community College Refunding Bonds due in varying annual installments from \$760,000 - \$2,240,000 through June 1, 2015: interest at 3.0 - 3.75%

	Schools	9,080,582
	Community College	374,418
Total		<u>\$ 23,765,000</u>

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

	<b>Governmental Activities</b>	
	<u>Principal</u>	<u>Interest</u>
2010	6,455,000	993,494
2011	5,200,000	729,769
2012	4,395,000	523,106
2013	4,390,000	344,006
2014	2,565,000	138,106
2015	760,000	28,500
Total	<u>\$ 23,765,000</u>	<u>\$ 2,756,981</u>

At June 30, 2009, Catawba County had \$6,970,000 of authorized but unissued bonds and had a legal debt margin of \$1,074,833,696.

**General Obligation Refunding Bonds**

On June 1, 2005, the County issued \$16,035,000 of General Obligation Refunding Bonds to provide resources to purchase United States government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt payment of the following \$15,455,000 general obligation bonds.

\$3,575,000 School Bonds, Series 1995, dated 6/1/1995, and stated to mature in installments on June 1 in the years 2006 – 2010. These bonds were called August 1, 2005.

\$2,000,000 Public School Improvement Bonds, Series 1996, dated 5/1/1996, and stated to mature in installments on June 1 in the years 2006 – 2011. These bonds were called June 1, 2006.

\$6,200,000 School Bonds, Series 1997, dated 7/1/1997, and stated to mature in installments on June 1 in the years 2006-2013. These bonds were called June 1, 2007.

\$3,680,000 School Bonds, Series 2000, dated 6/1/2000, and stated to mature in installments on June 1 in the years 2006-2015. First call date is June 1, 2010.

As a result, the refunded bonds are considered defeased and the liability has been removed from the governmental activities column of the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$580,000. This amount is being netted against the new debt and am-

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

ortized over the life of the refunded debt, which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt payments over the next 10 years by \$529,616 and resulted in an economic gain of \$495,644.

Total 2005 Refunding Bonds outstanding at June 30, 2009 were \$3,680,000.

**Business-Type Activities**

**Installment Purchase**

As authorized by State law (G.S. 160A-20 and 153A-158.1), the County entered into an installment financing agreement for the purpose of providing funds up to \$7,000,000 for the construction of various wastewater system improvements, including sewer mains and lines, pump stations, and a utility bridge. Fees from developers and new customer connection and usage fees will be used to repay this debt. The agreement, executed on May 30, 2008 requires forty semi-annual principal payments in varying amounts and interest payments at an interest rate of 4.19%.

For Catawba County, the future minimum payments as of June 30, 2009 including \$3,116,345 of interest are:

	<b>Business-type Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2010	239,165	281,240
2011	249,291	271,114
2012	259,845	260,560
2013	270,847	249,558
2014	282,314	238,091
2015-2019	1,601,313	1,000,713
2020-2024	1,970,249	631,777
2025-2028	1,898,329	183,292
<b>Total principal payments</b>	<b>\$ 6,771,353</b>	
<b>Total interest payments</b>		<b>\$ 3,116,345</b>

**Revenue Bonds**

**North Carolina Recreational Facilities**

On December 22, 1999, the County issued County of Catawba, North Carolina Recreational Facilities Lease Revenue Bonds (YMCA of Catawba Valley Project), Series 1999 totaling \$4,300,000 pursuant to an Indenture of Trust dated as of December 1, 1999 (the "Indenture") between the County of Catawba, North Carolina (the "County") and First Citizens Bank and Trust Company, as trustee (the "Trustee"), and authorized by a bond order of the County adopted effective as of December 8, 1999. The proceeds received by the County from the sale of the Bonds were used by the County to acquire, pursuant to the Ground Lease dated as of December 1, 1999 (the "Ground Lease") between the Young Mens Christian Association of Catawba Valley, Inc. (the "Corporation") as Lessor and the County as Lessee, a long-term leasehold estate in (i) certain existing recreational facilities owned by the Corporation, and (ii), certain real property on which the Corporation constructed new recreational facilities owned by the Corporation ((i) and (ii) collectively, the "Property"), which Property the County simultaneously leased back to the Corporation pursuant to the Lease Agreement dated as of December 1, 1999 (the "Lease Agreement") between the County and the Corporation. The Corporation used the funds it received from the lease of the property to the County under the Ground Lease and from other sources for the purpose of refinancing certain existing indebtedness and financing the costs of acquiring, constructing, improving, and equipping certain new recreational facilities, which are located within the County.

The Bonds are limited obligations of the County. The Bonds and interest thereon and any redemption or purchase premiums with respect thereto do not now and shall never constitute an indebtedness or an

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

obligation of the County, the State of North Carolina (the "State") or any political subdivision thereof, within the meaning of any constitutional limitation or statutory provision and does give rise to a charge against the general credit or taxing powers of any of them, but is payable solely from the revenues and income derived from the Lease Agreement, which revenues and income have been pledged and assigned to the Trustee to secure payment thereof, and from moneys available to be drawn by the Trustee under the Credit Facility. No owner of the Bonds shall have the right to compel the exercise of the taxing power of the County, the State or any political subdivision thereof to pay any principal installment or purchase price of, or redemption or purchase premium, if any, or interest on the Bonds.

Total NC Recreational Facilities Lease Revenue Bonds outstanding at June 30, 2009 were \$2.1 million.

**Catawba Valley Medical Center**

On March 1, 1999, the County issued County of Catawba, North Carolina Refunding Revenue Bonds (Catawba Memorial Hospital Project) Series 1999 (the "Series 1999 Bonds") totaling \$23,620,000 for the purpose of refunding the Series 1992 Hospital Revenue bonds (the "Series 1992 Bonds"). The County defeased \$24,070,000 of the Series 1992 bonds in an escrow fund to provide for all future debt service. As a result of this defeasance transaction, a proportionate amount of the unamortized bond issuance costs were written off. A loss of \$2,286,075 was deferred and is being amortized over the remaining life of the refunded bonds. Costs of \$637,326 were incurred in connection with the issuance of the Series 1999 Bonds and have been deferred. Such cost have been amortized over the remaining terms of the Series 1999 Bonds. The revenue bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any of the County's property or upon its income, receipts, or revenues. The taxing power of the County is not pledged for the payment of the principal or interest on the revenue bonds, and no owner has the right to compel the exercise of the taxing power of the County or the forfeiture of any of its property in connection with any default under the bond order.

Total 1999 Hospital Refunding Bonds outstanding at June 30, 2009 were \$15.4 million.

**Installment Purchases**

**Catawba Valley Medical Center**

In September, 2005, the County entered into a \$5 million installment financing agreement under North Carolina Statute 160A-20 on behalf of Catawba Valley Medical Center to finance the acquisition of capital equipment. The annual interest rate is 3.99% and the financing term is 59 months. Catawba Valley Medical Center is responsible for the repayment of the loan with revenues from operations and no County funds are obligated. The balance outstanding at June 30, 2009 was \$1.3 million.

In December, 2006, the County entered into a \$1.7 million installment financing agreement under North Carolina Statute 160A-20 on behalf of Catawba Valley Medical Center to finance the acquisition of medical equipment. The annual interest rate is 4.29% and the financing term is 59 months. Catawba Valley Medical Center is responsible for the repayment of the loan with revenues from operations and no County funds are obligated. The balance outstanding at June 30, 2009 was \$.9 million.

**Long-Term Obligation Activity**

The following is a summary of changes in the County's general long-term obligations for the fiscal year ended June 30, 2009:

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

	<b>Balance</b>			<b>Balance</b>	<b>Current</b>
	<b>June 30, 2008</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2009</b>	<b>Portion</b>
					<b>of Balance</b>
<b>Governmental activities</b>					
General obligation debt	\$ 30,160,000	\$ -	\$ (6,395,000)	\$ 23,765,000	\$ 6,455,000
Certificates of participation	45,435,000		(2,790,000)	42,645,000	2,790,000
Installment purchase	38,008,793	21,656,000	(2,832,834)	56,831,959	4,126,793
Qualified Zone Academy Bond	700,000		(50,000)	650,000	50,000
Compensated absences	3,956,455	2,838,311	(2,932,051)	3,862,715	2,932,051
Net pension obligation	528,099	129,251	(109,309)	548,041	-
Net OPEB obligation	1,635,143	988,955	(235,957)	2,388,141	-
<b>Total governmental activities</b>	<b>\$ 120,423,490</b>	<b>\$ 25,612,517</b>	<b>\$ (15,345,151)</b>	<b>\$ 130,690,856</b>	<b>\$ 16,353,844</b>
<b>Business-type activities</b>					
Installment purchase	\$ 7,000,000	\$ -	\$ (228,647)	\$ 6,771,353	239,165
Accrued landfill closure and postclosure costs	6,789,084	301,954	-	7,091,038	200,334
Compensated absences	102,703	83,586	(69,101)	117,188	74,000
Net OPEB obligation	37,657	24,917	-	62,574	-
<b>Total business-type activities</b>	<b>\$ 13,929,444</b>	<b>\$ 410,457</b>	<b>\$ (297,748)</b>	<b>\$ 14,042,153</b>	<b>\$ 513,499</b>

Compensated absences typically have been liquidated in the general fund and are accounted for on a last in first out (LIFO) basis, assuming that employees are taking leave time as it is earned. The current portion of compensated absences is estimated at \$2,932,051 for governmental activities and \$74,000 for business-type activities.

**Conduit Debt Obligations**

Catawba County Industrial Facility and Pollution Control Financing Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as by letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2009, according to information furnished by the Economic Development Commission, there were eight series of industrial revenue bonds outstanding, with an aggregate principal amount payable of approximately \$12.7 million.

**Other Commitments**

In May 2005, an area municipality and tourism development authority (TDA) entered into an agreement to increase the size of the Hickory Metro Convention Center. The municipality is obligated for the financing costs associated with this expansion. The County has a financial commitment of \$1.2 million over fifteen years to the area municipality as a share of the debt obligation. The TDA will repay the County annually for the \$1.2 million obligation from revenues generated by the facility.

**C. Interfund Balances and Activity**

Transfers to/from other funds at June 30, 2009, consists of the following:

**The composition of interfund balances as of June 30, 2009 are as follows:**

Due to General fund from Community Development Fund for the advance of funds for expenditures prior to grant reimbursement	<u>\$ 3,531</u>
--	-----------------

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

**Transfers to/from other funds at June 30, 2009, consists of the following:**

**General Fund**

From the General fund to the Emergency Telephone System fund to supplement other funding sources \$ 454

From the General fund to the Citizens' Alert System fund to supplement other funding sources for the citizens' alert system 38,834

From the General fund to the Reappraisal fund to accumulate resources for the four year cycle revaluation of real property 479,200

From the General fund to the General Capital Reserve fund to accumulate resources for future economic development projects 365,095

From the General fund to the Rescue Squads fund for the first responder program and to supplement other funding sources 967,150

From the General fund to the General Capital Projects fund for new construction and various capital improvement projects 2,527,335

From the General fund to the Schools Capital Projects fund to supplement other funding sources for school facility improvements 336,835

From the General fund to the School Construction fund for the construction of new school facilities 4,001,010

From the General fund to the Water & Sewer fund for the installation of waterlines to supply adequate water to various County locations 3,940,143

From the General fund to the Solid Waste Management Fund to supplement other funding sources 239

Subtotal General Fund 12,656,295

**General Capital Fund**

From the General Capital Projects fund to the General Fund to supplement funds for debt service and renovations to Burke-Catawba confinement facility 812,323

**Schools Capital Fund**

From the Schools Capital Projects fund to the General Fund to supplement funds for debt service 50,000

From the Schools Capital Projects fund to the School Construction fund to supplement funds for new school construction 1,143,428

Subtotal School Capital Fund 1,193,428

**School Construction Fund**

From the School Construction fund to the General fund to supplement funds for debt service related to school construction 79,257

**CATAWBA COUNTY, NORTH CAROLINA**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009

**NOTE 4. DETAIL NOTES ON ALL FUNDS (continued)**

From the School Construction fund to the Schools Capital Projects fund to supplement funds for various community college renovations	1,247,838
Subtotal School Construction Fund	<u>1,327,095</u>
<b>Other Governmental Funds</b>	
From the Emergency Telephone System fund to the General Capital Projects fund to supplement other funding sources	\$ 94,875
From the General Capital Reserve fund to the General fund to supplement funds for economic development projects	88,696
From the Parks/Historic Preservation fund to the General Capital Projects fund to supplement funds for the renovation and reactivation of St. Stephens Park	30,000
In 2009 the County established a water and sewer enterprise fund. This one time transfer from the Water and Sewer Reserve fund to provide funds for this initial startup	1,854,384
From the Water and Sewer Construction Fund to the Water and Sewer enterprise fund to provide funds for initial startup	30,589,831
Subtotal Other Governmental Funds	<u>32,657,786</u>
Total transfers to other funds	<u>\$ 48,646,927</u>

**NOTE 5. RELATED ORGANIZATION**

The County's governing board is also responsible for appointing five members of the nine-member board of the Economic Development Corporation (EDC), but the County's accountability for this organization does not extend beyond making these appointments. The EDC is a nonprofit organization that exists for the purpose of recruitment, retention and expansion of established manufacturing and non-manufacturing businesses for economic development purposes. Its primary revenues are allocations from Catawba County and various municipalities within the County. The County is not responsible for the debt issued by the EDC and the EDC's debt is not included in determining the County's legal debt limit.

**NOTE 6. JOINT VENTURES**

The County, in conjunction with the State of North Carolina and the Catawba County, Newton-Conover and Hickory Boards of Education, participate in a joint venture to operate the Catawba Valley Community College. The State of North Carolina, Catawba County, and the Boards of Education each appoint 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. In addition to providing annual appropriations for the facilities, the County has periodically issued general obligation bonds and installment purchase obligations to provide financing for new and restructured facilities. General obligation debt of \$1,196,418 and installment purchase obligations of \$9,489,084 are outstanding at June 30, 2009. The County has an ongoing financial responsibility for the Community College because of statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$3,200,000 and \$1,395,506 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2009. In addition, the County made debt service payments of

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 6. JOINT VENTURES (continued)**

\$482,592 during the fiscal year on general obligation bonds and debt service payments of \$750,344 on installment purchase obligations issued for capital facilities. The participating entities do not have any equity interest in the joint venture; therefore, no equity interest is reflected in the County's financial statements at June 30, 2009. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at 2550 Highway 70 SE, Hickory NC, 28602.

The County, in conjunction with three other counties, participates in the Lake Norman Marine Commission (the "Commission"), that was created by the North Carolina General Assembly in 1969. Board members are appointed by the four counties (Catawba, Iredell, Lincoln, and Mecklenburg) that fall within the jurisdiction of the Commission. At any given time and on a rotating basis, one of the Counties has two Board appointees and the other three have one Board appointee. Cash contributions in equal amounts from the participating counties comprise the majority of the Commission's revenues. Catawba County contributed \$25,500 to the Lake Norman Marine Commission for operating expenses during the fiscal year ended June 30, 2009. Complete financial statements for the Commission can be obtained from the Mecklenburg County Finance Department, PO Box 34486, Charlotte NC 28234.

The County, in conjunction with Burke County, participates in the operation of the Burke-Catawba Regional Jail Agency (the "Agency"), a regional jail facility. The Agency, established under North Carolina General Statute 153A-210, was created for that purpose. On dissolution of the corporation, the net assets of the Agency will be shared by the two counties, according to their allocation. The Agency is governed by a four-member board composed of two appointees from each county. The counties are each obligated by contract to remit amounts required annually to supplement the Agency's operating revenues and are entitled to an allocated share of the Agency's annual operating income, if any. The County's net investment and its share of the operating results of the Agency are reported in the County's Statement of Net Assets. The County's equity interest in the Agency was estimated at \$1,049,731 at June 30, 2009. Complete financial statements for the Agency can be obtained from the Agency's administrative offices at 150 Government Drive, Morganton NC 28655.

**NOTE 7. JOINTLY GOVERNED ORGANIZATION**

The County, in conjunction with three other counties and twenty-three municipalities, established the Western Piedmont 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 of \$40,115 to the Council during the fiscal year ended June 30, 2009.

**NOTE 8. BENEFIT PAYMENTS ISSUED BY THE STATE**

The amounts listed below were paid directly to individual recipients by the State from Federal and State moneys. 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 that do not appear in the financial statements because they are not revenues and expenditures of the County. The amounts paid by the County are included in the financial statements.

	<u>Federal</u>	<u>State</u>
Medical assistance	\$ 102,205,492	\$ 39,235,355
Temporary assistance for needy families	757,636	(103)
Low-income energy assistance	900,224	-
Aid the aged and disabled	-	1,281,325
Adoptive services	-	1,165,446
WIC	3,439,774	-
Food stamp program	26,473,684	-
	<u>\$ 133,776,810</u>	<u>\$ 41,682,023</u>

**CATAWBA COUNTY, NORTH CAROLINA**

**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2009**

**NOTE 9. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

**Federal and State Assisted Programs**

The County has received proceeds from various 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. Based upon prior experience, management believes such disallowances, if any, will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

**NOTE 10. SIGNIFICANT EFFECTS OF SUBSEQUENT EVENTS**

In May 2009, Catawba County was notified that its application for Economic Recovery Funding under the American Recovery and Reinvestment Act of 2009 was approved. The County was awarded \$3 million consisting of a \$1.5 million grant and a \$1.5 million interest-free loan from the North Carolina Clean Water State Revolving Fund to finance public water infrastructure improvements. In September 2009 the Board of Commissioners of Catawba County approved bids for the Blackburn-Plateau Water Supply Loop Project for a total bid amount of \$2,736,716.

In August 2009, the Board of Commissioners of Catawba County approved a Supplemental Bond Order and Master Trust Agreement for the financing up to \$25 million for an expansion and renovation at Catawba Valley Medical Center (CVMC), a component unit of the County. The financing will be repaid with revenues from operations of CVMC and no revenues of the County will be obligated. Catawba Valley Medical Center has entered into a \$17 million contract with a construction company for this project.

## **Required Supplemental Financial Data**

This section contains additional information required by generally accepted accounting principles.

*Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance.*

*Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance.*

*Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.*

*Schedule of Funding Progress for the Health Care Benefit – Pay As You Go.*

*Schedule of Employer Contributions for the Health Care Benefit – Pay As You Go.*

*Notes to the Required Schedules for the Health Care Benefit – Pay As You Go.*

*Please note:* The Schedule of Funding Progress for Catawba Valley Medical Center can be found in the separately issued financial statements for the Medical Center, available from the Medical Center Finance office (see note 1.A. to the County statements for contact information.)

**CATAWBA COUNTY, NORTH CAROLINA**  
**Law Enforcement Officers' Special Separation Allowance**  
**Required Supplementary Information**  
**Schedule of Funding Progress**  
**For Fiscal Years Ended June 30, 2004 to 2009**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Projected Unit Credit</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
12/31/2003	0	1,054,595	1,054,595	0.00%	3,335,259	31.62%
12/31/2004	0	1,138,936	1,138,936	0.00%	3,835,301	29.70%
12/31/2005	0	1,013,767	1,013,767	0.00%	3,953,071	25.65%
12/31/2006	0	922,560	922,560	0.00%	4,102,106	22.49%
12/31/2007	0	999,815	999,815	0.00%	4,756,519	21.02%
12/31/2008	0	1,118,461	1,118,461	0.00%	5,093,101	21.96%

**CATAWBA COUNTY, NORTH CAROLINA**  
**Law Enforcement Officers' Special Separation Allowance**  
**Required Supplementary Information**  
**Schedule of Employer Contributions**  
**For Fiscal Years Ended June 30, 2004 to 2009**

<u>Year Ended June 30</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2004	110,172	108.59
2005	111,448	119.46
2006	124,640	98.44
2007	111,942	101.66
2008	109,823	87.99
2009	124,340	87.91

**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	12/31/2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay - closed
Remaining amortization period	22 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	4.5 - 12.3%
*Includes inflation at	3.75%
Cost-of-living adjustments	N/A

**CATAWBA COUNTY, NORTH CAROLINA**  
**Health Care Benefit - Pay As You Go**  
**Required Supplementary Information**  
**Schedule of Funding Progress**  
**For Fiscal Years Ended June 30, 2008 to 2009**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Projected Unit Credit</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as % of Covered Payroll</u>
12/31/2005	\$0	\$18,572,261	\$18,572,261	0.00%	\$38,665,996	48.00%
12/31/2007	\$0	\$9,826,953	\$9,826,953	0.00%	\$45,934,924	21.40%

**CATAWBA COUNTY, NORTH CAROLINA**  
**Health Care Benefit - Pay As You Go**  
**Required Supplementary Information**  
**Schedule of Employer Contributions**  
**For Fiscal Years Ended June 30, 2008 to 2009**

<u>Year Ended June 30</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2008	1,882,841	11.16
2009	1,013,872	23.27

**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	12/31/2007
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay - open
Remaining amortization period	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	4.00%
Medical cost trend rate increases (decreases)*	11.00 - 5.00%
*Includes inflation at	3.75%
Year of ultimate trend rate	2016



## **Financial Statements of Individual Funds**

## **General Fund**

To account for resources traditionally associated with governments that are not required legally or by sound financial management to be accounted for in another fund. Revenues and expenditures of the *Self-Insurance Fund*, and the *Register of Deeds Fund* are integrated with the *General Fund* for reporting purposes.

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>REVENUES</b>				
<b>Ad Valorem Taxes</b>				
Current year	\$ 77,143,855	\$ 77,974,463		
Prior year	1,310,000	1,925,373		
Penalties and interest	235,000	470,758		
Tax leased vehicles	53,410	70,260		
Total ad valorem taxes	<u>78,742,265</u>	<u>80,440,854</u>	<u>1,698,589</u>	<u>78,004,908</u>
<b>Other Taxes</b>				
<b>Local Option Sales Taxes</b>				
Article 39 - one percent	13,705,585	12,153,265		
Article 40 - one half of one percent	4,747,545	4,328,111		
Article 42 - one half of one percent	4,295,723	4,026,345		
Article 44 - one half of one percent	3,862,719	3,529,694		
Article 46 - one quarter of one percent	2,112,500	2,230,659		
Subtotal local option sales taxes	<u>28,724,072</u>	<u>26,268,074</u>	<u>(2,455,998)</u>	<u>29,540,187</u>
<b>Other Taxes and Licenses</b>				
Real estate excise stamps	600,000	449,890		
ABC 5 cents per bottle	45,000	47,713		
Privilege licenses	26,000	23,937		
Subtotal other taxes and licenses	<u>671,000</u>	<u>521,540</u>	<u>(149,460)</u>	<u>716,948</u>
Total other taxes	<u>29,395,072</u>	<u>26,789,614</u>	<u>(2,605,458)</u>	<u>30,257,135</u>
<b>Unrestricted Intergovernmental Revenues</b>				
Beer & Wine Tax	325,000	366,585		
Video Programming fees	528,000	715,496		
Catawba County ABC profit distribution	663,000	1,045,000		
Total unrestricted intergovernmental revenues	<u>1,516,000</u>	<u>2,127,081</u>	<u>611,081</u>	<u>1,970,909</u>
<b>Restricted Intergovernmental Revenues</b>				
<b>State of North Carolina</b>				
Mental Health Services				
Criminal justice partnership program	122,893	119,160		
Social Services				
Rural general public funds	111,024	111,024		
Office Juvenile Justice Corner house	228,679	228,231		
Smart Start	1,808,851	1,897,678		
Share the warmth grant	1,272	5,907		
Child boarding home funds	169,000	334,085		
State administrative aid	69,160	69,158		
Special permanency planning	9,884	17,461		
Community alternatives state in-home	40,116	28,655		
Fingerprinting criminal history	250	-		
Family finders	-	74,398		
Medicaid expansion	31,742	28,025		
Foster care visitation	23,442	3,493		
Child boarding home funds therapeutic	6,000	1,807		
Adult day care	129,268	135,111		
Adult services	46,900	47,103		
Elderly handicapped transportation	124,953	124,953		

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
State maintenance of effort	527,042	520,044		
Child Protective Services	253,234	254,545		
Community transportation grant	24,000	27,994		
Aid to blind equalization	75	100		
<b>Public Health</b>				
Accreditation revenue	25,000	25,000		
Smart Start	313,342	312,806		
School based health center	63,575	63,575		
School nurse initiative	200,600	195,671		
Immunization program	34,122	34,122		
Communicable diseases	8,197	8,197		
Communicable diseases -aid to counties	12,500	12,500		
Healthy Carolinians partnership	5,727	5,727		
Child health	85,793	85,793		
Child service coordination	41,873	15,538		
Child fatality prevention	1,249	1,249		
Health aid to counties	156,263	155,263		
Maternal health	115,982	115,982		
Health promotion	23,852	23,852		
Family planning waiver grant	2,500	2,500		
Breast cancer grant	54,312	54,312		
North Carolina health and wellness grant	99,705	96,470		
Tuberculosis grant	24,926	24,926		
Public health interpreter grant	20,000	20,000		
Veterans service	2,000	2,000		
Controlled substance tax	18,000	33,169		
Public school building capital lottery funds	1,450,000	1,450,000		
<b>Juvenile Justice &amp; Delinquency Prevention</b>				
Project challenge	48,677	48,678		
Catawba parenting network	23,963	23,963		
Juvenile crime prevention planning	14,387	14,387		
Peace pipeline conflict resolution	20,314	20,314		
North Carolina agriculture cost share	25,265	27,176		
Court facility fees	200,000	196,389		
District court fees	80,000	69,071		
State Aid - Library	164,664	155,794		
Emergency medical services for quality assurance grant	29,508	35,634		
Safe roads act	15,000	12,164		
Emergency services homeland security grants	450,000	214,955		
Library summer reading grant	1,000	1,500		
Soil and water conservation grant	4,000	4,000		
CCAP Program	-	1,619		
Subtotal state revenue	<u>7,566,832</u>	<u>7,593,228</u>	<u>26,396</u>	<u>22,034,112</u>
<b>Federal</b>				
<b>Social Services</b>				
LSCA Automation	-	3,611		
Permanency planning	44,395	55,490		
Energy assistance administration	39,661	86,712		
Employment and training	17,000	10,081		
Medical transportation administration	956,634	990,677		

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Temporary assistance for needy family-domestic violence	30,000	27,900		
Social Security Payments	84,000	114,604		
US Department of Agriculture supplemental funds	2,750	4,072		
Supplemental meals	1,340	1,340		
Title III general transportation	56,670	57,868		
Title III medical transportation	6,560	5,360		
Community alternatives program chore	1,068,713	839,295		
Chore Level II	152,461	237,559		
Chore Level III	141,538	46,637		
In-home aid on site Social Security block grant	66,082	90,585		
IV-D administration	1,177,240	1,070,927		
IV-E board	245,000	121,702		
IV-E administration	1,346,686	907,532		
Independent living administration	32,725	32,243		
Links-independent living trust fund	30,000	26,897		
In-home case management Social Security block grant	-	7,818		
Case management at risk	135,500	141,004		
Work First block grant	1,457,032	1,485,015		
Food stamp fraud administration	55,378	44,393		
Food stamp administration	699,904	628,919		
FNS Recovery	-	63,136		
Medicaid administration	1,383,401	1,293,111		
Adult day health	16,099	10,049		
IV-A Child care	218,568	201,520		
Title III Nutrition	118,860	151,909		
US Department of Agriculture nutrition	23,100	23,950		
US Department of Agriculture home delivered meals	36,100	32,491		
Home delivered meals	178,876	180,456		
Community assistance home delivered meals	13,520	12,054		
Community services block grant	206,494	214,266		
Crisis intervention	760,000	748,929		
Intensive family preservation restore families	50,104	50,104		
Public Health				
Bioterrorism grants	53,965	41,279		
Title X	164,123	164,123		
Hazardous Mitigation Funds				
Help America Vote Grant	23,600	21,700		
Federal inmate transport	1,500	57,133		
Secure our schools grant	127,800	24,304		
Local law enforcement block grant	-	2,809		
Bullet proof vests grant	-	3,342		
Governor Crime Commission DV Unit Grant	84,000	78,087		
State criminal alien assistance program	19,691	19,726		
Emergency management planning grant	20,000	20,000		
Assistant secretary for preparedness and response grant	5,000	65,744		
Lifeskills funds	19,269	15,957		
Subtotal federal revenue	<u>11,371,339</u>	<u>10,534,420</u>	<u>(836,919)</u>	<u>10,959,837</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>State of North Carolina and Federal</b>				
Social Services				
Social Services block grant	557,940	480,735		
Temporary assistance for needy families social security block grant	-	18,757		
Aid to families with dependent children	50,229	9,558		
Child day care purchase of care	5,527,348	5,482,471		
Aid to families with dependent children-foster care	485,000	793,367		
IV-E foster care therapeutic	30,000	7,464		
Temporary assistance for needy families foster care	-	34,138		
Adoption assistance non-recurring	60,000	40,445		
Adoption assistance medical	230,000	252,282		
Special children adoption fund	100,000	67,500		
IV-E/Child protective services	1,036,975	1,147,250		
Family preservation	58,444	58,444		
High risk intervention	596,875	634,521		
Title III Adult day care	82,433	65,232		
IV-D Aid to families with dependent children	40,000	51,667		
Iv-D Child support - non AFDC	29,000	38,683		
IV-D Incentives	282,156	309,457		
Medicaid waiver-case management	440,544	432,731		
Community alternative program medical equipment and supplies	153,000	132,110		
Adult care home case management	75,834	76,832		
State adult specialist fund	41,904	48,282		
North Carolina Health Choice	74,332	117,434		
Public Health				
Women Infants Children funds	657,949	629,216		
IV-D Civil papers	79,364	74,056		
Legal services	-	4,949		
FEMA Disaster recovery funds	-	955		
Medicaid-emergency medical services transports	400,000	516,076		
Subtotal state and federal revenue	<u>11,089,327</u>	<u>11,524,612</u>	<u>435,285</u>	<u>10,936,622</u>
<b>Fines &amp; Forfeitures</b>	<u>1,288,464</u>	<u>994,015</u>	<u>(294,449)</u>	<u>1,081,098</u>
<b>Other grants</b>				
Social Services				
Training services	500	-		
Hickory community relations nurturing	500	-		
Catawba County Medical Society Alliance	-	1,000		
Community relations teen up	500	-		
Rising Stars summer enrichment	15,000	14,920		
Community corrections contractual	238,000	271,374		
Confidential intermediary	-	500		
Hickory Housing Authority	4,000	-		
Adult day care - local	7,354	6,877		
Duke Endowment grant	317,567	175,522		
Medicaid contract local managing entity	15,500	14,986		

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Child mental health local managing entity	126,287	121,427		
Other state revenue local managing entity	95,660	34,053		
Comprehensive treatment services program local managing entity	97,500	261,854		
Mental Health contract local managing entity	360,500	374,457		
Federal substance abuse local managing entity	39,000	17,476		
Medicaid direct billing	1,998,243	1,360,687		
Medicaid community support	462,293	230,434		
Catawba Valley Medical Center	81,535	80,815		
Catawba County Schools	52,627	52,627		
Hickory Public Schools	122,637	124,632		
United Fund emergency grant	26,000	28,662		
<b>Public Health</b>				
Catawba Valley Medical Center	502,228	494,924		
Catawba County Schools	274,786	269,836		
Newton-Conover City Schools	36,065	20,633		
Hickory Public Schools	136,151	101,907		
<b>Municipalities</b>				
City Of Newton	41,171	41,163		
Town Of Maiden	4,255	4,251		
City Of Conover	41,775	41,789		
City Of Hickory	18,896	18,876		
City Of Claremont	20,226	22,030		
Town Of Longview	851	851		
Sex crimes investigation	68,500	41,448		
Transport mental health patients	14,789	6,861		
Mental health partners contracts	-	129,793		
Social services local funds	18,910	18,910		
Community Schools-Cooperative Extension	14,116	14,116		
Lawn and mowing services	2,226	2,226		
Hospice	20,000	58,800		
Supervisor training	-	6,000		
Voice over internet protocol revenue	214,545	214,548		
Four-H Grant	13,495	13,490		
Tourism development authority	55,957	55,957		
Historical association	-	2,750		
Western Piedmont COG technology services	22,980	24,895		
Catawba County Schools/Dare	42,932	42,932		
Newton-Conover City Schools	33,700	33,790		
Hickory Public Schools	45,500	45,519		
Technical support	72,000	63,700		
Catawba Valley Community College - deputy reimbursement	144,513	135,887		
Catawba County Schools-deputy reimbursement	437,284	541,473		
Personnel indirect cost	1,349,876	1,331,567		
Subtotal other grants	<u>7,708,930</u>	<u>6,973,225</u>	<u>(735,705)</u>	<u>6,556,340</u>
<b>Total restricted intergovernmental revenues</b>	<u>39,024,892</u>	<u>37,619,500</u>	<u>(1,405,392)</u>	<u>51,568,009</u>
<b>Licenses, Permits and Fees</b>				
Marriage licenses	29,579	25,445		

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Recording of legal instruments	712,075	526,443		
Uniform commercial code filing	13,694	10,842		
Gun permits	9,500	19,925		
Surrendered weapon storage fee	200	1,510		
Noise amplification permit	-	305		
Concealed weapon fees	17,500	63,250		
Public fingerprint fees	9,500	8,920		
Electronic house arrest fees	4,000	8,830		
Vehicle storage fees	200	235		
Building permits	2,159,197	1,181,233		
Building services after hours inspections	-	210		
Minor sub-division plat review	5,200	2,782		
Express plan review fee	7,000	2,400		
Contract services plan review	300	-		
Plan review fees	6,100	3,980		
Storm water and erosion control	64,220	20,985		
Plat review fees	8,825	3,638		
Performance guarantees	520	390		
Telecommunications tower fees	90,000	53,500		
Zoning permits	16,625	12,195		
Accessory permit fees	3,500	5,125		
Sign permits	1,000	1,150		
Homeowners recovery fund	-	395		
Park fees and permits	6,000	4,805		
Environmental health fees	461,191	251,514		
Election filing fees	-	267		
Fire inspection fees	1,500	7,275		
Animal control fines and citations	2,000	2,825		
Immunizations	-	3,346		
Training fees	2,000	500		
Total licenses, permits, fees	<u>3,631,426</u>	<u>2,224,220</u>	<u>(1,407,206)</u>	<u>3,878,231</u>

**Sales and Services**

<b>Social Services</b>				
Patient fees	59,208	13,968		
Insurance reimbursements	270,788	157,312		
State in-home fees	225	30		
IV-D application fees	4,300	36,465		
Level II and III chore fees	450	903		
Title III adult day care fees	1,800	1,150		
Community alternatives program chore fee	600	8,658		
Trust account fees	5,800	4,620		
Adoption fees	7,500	3,613		
North Carolina health choice premiums	40,000	42,750		
IV-D blood test fees	1,100	1,736		
Access care	20,678	20,460		
Local support general assistance	10,000	22,255		
<b>Public Health</b>				
Patient fees	233,515	179,612		
Home health/third party reimbursements	3,036,227	3,282,869		
Pregnancy fees	8,500	7,080		
Clinic fees	265,000	179,152		
Child health fees	4,500	3,129		

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Adult health fees	2,000	3,490		
Medicaid health check fees	50,543	32,234		
Medicaid management fees	10,300	13,721		
Obstetrics services	520,000	575,309		
Dental services	5,747	5,748		
Child seats copay	450	450		
Medicaid escrow	59,875	59,875		
Medicaid earned	41,857	28,015		
Medicaid earned maternity care coordinator	275,509	222,914		
Medicaid earned maternal health	581,813	616,271		
Medicaid escrow maternal health	56,275	-		
Medicaid earned postpartum maternity	11,500	9,240		
Medicaid earned postpartum newborn	22,000	18,540		
Medicaid earned child service coordination	278,690	198,856		
Medicaid earned child health	23,439	35,559		
Medicaid escrow child health	330,321	286,913		
Medicaid earned dental	299,241	333,460		
Medicaid escrow dental	18,250	-		
Medicaid earned adult health	44,083	32,474		
Medicaid escrow adult health	33,600	-		
Medicaid earned women's preventative health	289,927	245,334		
Medicaid escrow women's preventative health	97,310	-		
Medicaid earned enhanced nutrition	18,000	6,358		
Medicaid escrow sonogram	158,000	179,786		
Social services/public health contract services	9,000	9,470		
<b>Municipalities</b>				
Tax billing/collection	211,213	189,841		
Data processing	500	29		
Animal shelter	126,922	126,922		
Fire inspections	30,372	30,372		
Tax fees and charges	13,475	33,203		
Motor vehicle tax-collection fee	37,855	37,414		
Leased vehicle tax - collection fee	765	976		
Sale of maps and publications	15,800	7,014		
Advertising fees for renaming streets	350	650		
Check processing fees	4,940	5,542		
Transport fees district confinement facility	53,944	13,486		
Garage services	13,000	6,815		
Sheriff service of process	185,000	214,330		
Project lifesavers	2,000	3,760		
Inmate services	207,000	246,113		
Ambulance services	4,173,000	4,956,763		
Animal services	100,400	89,176		
Planning department ordinance	200	3,600		
Zoning amendments	9,200	-		
Board of adjustment charges	5,100	3,050		
Clinic fees	3,500	4,040		
Rental Fees	38,100	49,863		
Copy and print charges	50,513	33,845		
Total sales and services	<u>12,491,070</u>	<u>12,936,583</u>	<u>445,513</u>	<u>15,071,656</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>Investment Earnings</b>				
Interest On Investments	812,200	2,053,754	1,241,554	2,574,460
<b>Miscellaneous</b>				
Social Services				
North Carolina Association of Residential Child Facilities Services	500	3,600		
Kellogg Foundation	500	-		
Restitution funds	3,000	405		
Fraud services	42,775	68,919		
Nutrition meals project income	31,250	29,662		
Donations	75,000	57,975		
Miscellaneous	8,545	5,488		
Public Health				
Kids in Need	40,000	38,509		
Cardio pulmonary resuscitation training	10,860	4,207		
Donations	1,000	17		
Susan G. Komen grant	67,500	45,000		
Healthy Start Foundation	3,000	3,000		
Miscellaneous	19,530	1,443		
Badge revenue	-	210		
Rents & Royalties	112,274	118,659		
Cell tower lease payments	19,096	19,144		
Cable television franchise	-	108,287		
Cable lease payment	-	1,176		
Park souvenir sales	600	21		
Concessions	70,000	51,202		
Commissary	20,000	24,105		
Sale of properties	-	46,869		
Insurance settlements	48,000	57,028		
Drug reimbursement	5,000	398		
Restitution funds	-	6,750		
Excise tax administrative cost	11,000	8,998		
Donations	10,850	12,658		
Leadership grant	-	5,150		
Emergency management/Duke Power grant	32,300	-		
Hazmat revenue	15,000	19,467		
Short term disability premiums	80,000	82,600		
Group health and dental premiums	1,622,000	1,735,358		
Miscellaneous revenue	238,080	212,520		
Total miscellaneous	<u>2,587,660</u>	<u>2,768,825</u>	<u>181,165</u>	<u>3,809,540</u>
Total revenues	<u>168,200,585</u>	<u>166,960,431</u>	<u>(1,240,154)</u>	<u>187,134,848</u>
<b>EXPENDITURES</b>				
<b>General Government</b>				
<b>Board of Commissioners</b>				
Salaries & employee benefits	4,680	4,680		
Other operating	189,785	158,308		
	<u>194,465</u>	<u>162,988</u>	<u>31,477</u>	<u>159,107</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>Administration</b>				
County Manager				
Salaries & employee benefits	807,388	823,680		
Other operating	42,750	49,803		
Non-operating	101,910	-		
	<u>952,048</u>	<u>873,483</u>	<u>78,565</u>	<u>735,253</u>
Legal Services				
Salaries & employee benefits	312,654	300,248		
Other operating	27,468	24,299		
	<u>340,122</u>	<u>324,547</u>	<u>15,575</u>	<u>265,459</u>
Budget				
Salaries & employee benefits	212,806	215,326		
Other operating	26,867	7,876		
	<u>239,673</u>	<u>223,202</u>	<u>16,471</u>	<u>252,857</u>
Total Administration	<u>1,531,843</u>	<u>1,421,232</u>	<u>110,611</u>	<u>1,253,569</u>
<b>Tax Administration</b>				
Tax Assessor				
Salaries & employee benefits	851,254	836,418		
Other operating	298,445	218,337		
Non-operating tax refunds	5,000	-		
	<u>1,154,699</u>	<u>1,054,755</u>	<u>99,944</u>	<u>1,018,252</u>
Tax Collector				
Salaries & employee benefits	398,707	393,704		
Other operating	117,695	103,657		
	<u>516,402</u>	<u>497,361</u>	<u>19,041</u>	<u>489,650</u>
Total Tax Administration	<u>1,671,101</u>	<u>1,552,116</u>	<u>118,985</u>	<u>1,507,902</u>
<b>Board of Elections</b>				
Salaries & employee benefits	380,334	349,921		
Other operating	196,923	98,455		
Capital outlay	110,021	-		
	<u>687,278</u>	<u>448,376</u>	<u>238,902</u>	<u>602,781</u>
<b>Personnel</b>				
Personnel				
Salaries & employee benefits	564,154	525,511		
Other operating	57,206	56,099		
Non-operating	174,488	-		
	<u>795,848</u>	<u>581,610</u>	<u>214,238</u>	<u>582,868</u>
Recruitment				
Salaries & employee benefits	59,225	58,687		
Other operating	29,923	19,086		
Non-operating	79,202	-		
	<u>168,350</u>	<u>77,773</u>	<u>90,577</u>	<u>88,886</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Risk Management				
Salaries & employee benefits	118,518	119,288		
Other operating	18,800	16,142		
	<u>137,318</u>	<u>135,430</u>	<u>1,888</u>	<u>130,975</u>
 Total Personnel	 <u>1,101,516</u>	 <u>794,813</u>	 <u>306,703</u>	 <u>802,729</u>
<b>Register of Deeds</b>				
Salaries & employee benefits	594,232	576,360		
Other operating	335,339	288,833		
	<u>929,571</u>	<u>865,193</u>	<u>64,378</u>	<u>842,668</u>
<b>Finance</b>				
Administration				
Salaries & employee benefits	302,931	294,090		
Other operating	185,885	161,475		
	<u>488,816</u>	<u>455,565</u>	<u>33,251</u>	<u>477,847</u>
Accounting				
Salaries & employee benefits	430,851	420,232		
Other operating	424,535	396,561		
	<u>855,386</u>	<u>816,793</u>	<u>38,593</u>	<u>759,217</u>
Purchasing and Service Center				
Salaries & employee benefits	195,049	196,005		
Other operating	30,165	23,280		
	<u>225,214</u>	<u>219,285</u>	<u>5,929</u>	<u>249,591</u>
 Total Finance	 <u>1,569,416</u>	 <u>1,491,643</u>	 <u>77,773</u>	 <u>1,486,655</u>
<b>Other General Government Programs</b>				
Government Agencies - Justice Center				
Other operating	11,500	11,015		
Capital outlay	22,255	22,255		
	<u>33,755</u>	<u>33,270</u>	<u>485</u>	<u>4,048</u>
Other Government Costs				
Salaries & employee benefits	60,376	30,688		
Other operating	246,241	219,714		
	<u>306,617</u>	<u>250,402</u>	<u>56,215</u>	<u>225,710</u>
Self Insurance				
Wellness	222,200	167,044		
Premiums	1,370,000	2,883,378		
Liability	717,101	602,906		
Workers Compensation	493,399	480,424		
	<u>2,802,700</u>	<u>4,133,752</u>	<u>(1,331,052)</u>	<u>2,633,982</u>
 Total Self Insurance	 <u>2,802,700</u>	 <u>4,133,752</u>	 <u>(1,331,052)</u>	 <u>2,633,982</u>
 Total Other General Government Programs	 <u>3,143,072</u>	 <u>4,417,424</u>	 <u>(1,274,352)</u>	 <u>2,863,740</u>
 Total General Government	 <u>10,828,262</u>	 <u>11,153,785</u>	 <u>(325,523)</u>	 <u>9,519,151</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>Public Safety</b>				
<b>Sheriff</b>				
Administration and Law Enforcement				
Salaries & employee benefits	3,236,546	3,119,142		
Other operating	1,198,407	974,523		
Capital outlay	503,133	479,132		
	<u>4,938,086</u>	<u>4,572,797</u>	<u>365,289</u>	<u>4,135,373</u>
Catawba Valley Community College - Resource Officers				
Salaries & employee benefits	142,963	138,228		93,920
Other operating	3,000	3,000		
	<u>145,963</u>	<u>141,228</u>	<u>4,735</u>	<u>93,920</u>
School Resource Officers				
Salaries & employee benefits	574,079	561,743		
Other operating	39,600	38,436		
	<u>613,679</u>	<u>600,179</u>	<u>13,500</u>	<u>563,262</u>
Records				
Salaries & employee benefits	323,107	317,567		
Other operating	25,300	22,427		
	<u>348,407</u>	<u>339,994</u>	<u>8,413</u>	<u>299,146</u>
Mental Health Transport				
Salaries & employee benefits	22,290	13,986		
	<u>22,290</u>	<u>13,986</u>	<u>8,304</u>	<u>9,347</u>
Crime Prevention				
Salaries & employee benefits	149,015	148,688		
Other operating	18,530	11,141		
Capital outlay	9,965	9,965		
	<u>177,510</u>	<u>169,794</u>	<u>7,716</u>	<u>157,912</u>
Narcotics				
Salaries & employee benefits	292,971	300,965		
Other operating	68,680	51,798		
	<u>361,651</u>	<u>352,763</u>	<u>8,888</u>	<u>364,768</u>
Detectives				
Salaries & employee benefits	721,208	710,388		
Other operating	61,459	57,043		
	<u>782,667</u>	<u>767,431</u>	<u>15,236</u>	<u>607,667</u>
Lake Norman Water Patrol				
Salaries & employee benefits	137,730	122,040		
Other operating	26,651	22,577		
Capital outlay	5,841	5,841		
	<u>170,222</u>	<u>150,458</u>	<u>19,764</u>	<u>218,874</u>
Court Security				
Salaries & employee benefits	498,064	461,480		
Other operating	7,000	6,932		
	<u>505,064</u>	<u>468,412</u>	<u>36,652</u>	<u>487,089</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Newton Detention Center				
Salaries & employee benefits	3,281,951	3,139,035		
Other operating	974,855	816,503		
	<u>4,256,806</u>	<u>3,955,538</u>	<u>301,268</u>	<u>3,863,846</u>
Prisoner Food Services				
Other operating	457,730	438,350	19,380	288,466
District Confinement Facility				
Salaries & employee benefits	58,764	56,656		
Other operating	1,715,747	1,058,018		
	<u>1,774,511</u>	<u>1,114,674</u>	<u>659,837</u>	<u>1,141,604</u>
<b>Total Sheriff</b>	<u>14,554,586</u>	<u>13,085,604</u>	<u>1,468,982</u>	<u>12,231,274</u>
<b>Emergency Services</b>				
Emergency Services Administration				
Salaries & employee benefits	63,764	20,897		
Other operating	33,380	27,330		
	<u>97,144</u>	<u>48,227</u>	<u>48,917</u>	<u>121,415</u>
Emergency Management				
Salaries & employee benefits	250,249	251,663		
Other operating	621,214	390,024		
Capital outlay	5,040	-		
	<u>876,503</u>	<u>641,687</u>	<u>234,816</u>	<u>323,410</u>
Veterans Services				
Salaries & employee benefits	43,159	43,496		
Other operating	5,700	5,053		
	<u>48,859</u>	<u>48,549</u>	<u>310</u>	<u>45,775</u>
Fire Marshal				
Salaries & employee benefits	144,801	147,170		
Other operating	30,205	21,561		
	<u>175,006</u>	<u>168,731</u>	<u>6,275</u>	<u>153,961</u>
Emergency Medical Services				
Salaries & employee benefits	5,572,825	5,359,772		
Other operating	1,143,667	853,477		
Capital outlay	613,543	545,234		
	<u>7,330,035</u>	<u>6,758,483</u>	<u>571,552</u>	<u>6,507,088</u>
Fire Fighting Alarms				
Other operating	36,000	33,600	2,400	36,000
Animal Control				
Salaries & employee benefits	168,765	167,332		
Other operating	81,046	63,088		
Capital outlay	38,897	38,897		
	<u>288,708</u>	<u>269,317</u>	<u>19,391</u>	<u>225,609</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Animal Shelter				
Salaries & employee benefits	209,280	211,864		
Other operating	187,918	184,679		
Capital outlay	6,754	6,754		
	<u>403,952</u>	<u>403,297</u>	<u>655</u>	<u>355,475</u>
 Total Emergency Services	 <u>9,256,207</u>	 <u>8,371,891</u>	 <u>884,316</u>	 <u>7,768,733</u>
 Citizen Alert Notification System				
Salaries & employee benefits	-	-		
Other operating	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,058</u>
 Communication Center				
Salaries & employee benefits	1,267,446	1,241,456		
Other operating	352,784	279,902		
	<u>1,620,230</u>	<u>1,521,358</u>	<u>98,872</u>	<u>1,280,249</u>
 Other Public Safety				
Other operating	435,029	239,430	195,599	139,148
	<u>435,029</u>	<u>239,430</u>	<u>195,599</u>	<u>139,148</u>
 Total Public Safety	 <u>25,866,052</u>	 <u>23,218,283</u>	 <u>2,647,769</u>	 <u>21,498,462</u>
 <b>Environmental Protection</b>				
Cooperative Extension				
Salaries & employee benefits	241,882	230,939		
Other operating	106,983	95,330		
Non-operating	82,532	-		
	<u>431,397</u>	<u>326,269</u>	<u>105,128</u>	<u>333,845</u>
 Soil & Water Conservation				
Salaries & employee benefits	125,026	125,855		
Other operating	14,950	12,810		
	<u>139,976</u>	<u>138,665</u>	<u>1,311</u>	<u>133,823</u>
 Forest Ranger				
Other operating	52,811	47,948	4,863	52,919
	<u>52,811</u>	<u>47,948</u>	<u>4,863</u>	<u>52,919</u>
 Total Environmental Protection	 <u>624,184</u>	 <u>512,882</u>	 <u>111,302</u>	 <u>520,587</u>
 <b>Economic and Physical Development</b>				
<b>Technology</b>				
Information Technology Center				
Salaries & employee benefits	1,642,140	1,635,552		
Other operating	1,289,862	1,168,056		
Capital outlay	20,570	19,306		
	<u>2,952,572</u>	<u>2,822,914</u>	<u>129,658</u>	<u>2,840,996</u>
 Geospatial Information Services				
Salaries & employee benefits	246,430	246,462		
Other operating	91,351	65,625		
Capital outlay	16,174	16,174		
	<u>353,955</u>	<u>328,261</u>	<u>25,694</u>	<u>304,196</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Total Technology	3,306,527	3,151,175	155,352	3,145,192
<b>Economic Development and Planning</b>				
Planning & Zoning				
Salaries & employee benefits	502,177	504,194		
Other operating	345,681	207,906		
	<u>847,858</u>	<u>712,100</u>	<u>135,758</u>	<u>613,234</u>
County Parks				
Salaries & employee benefits	269,594	242,582		
Other operating	75,275	58,742		
Capital outlay	7,511	1,990		
	<u>352,380</u>	<u>303,314</u>	<u>49,066</u>	<u>247,911</u>
Other Economic and Physical Development				
Other operating	1,284,261	755,158	529,103	1,111,064
Total Economic Development and Planning	<u>2,484,499</u>	<u>1,770,572</u>	<u>713,927</u>	<u>1,972,209</u>
<b>Utilities &amp; Engineering</b>				
Utilities & Engineering Administration				
Salaries & employee benefits	135,362	135,795		
Other operating	28,470	21,775		
	<u>163,832</u>	<u>157,570</u>	<u>6,262</u>	<u>185,036</u>
Building Inspection				
Salaries & employee benefits	1,217,577	1,176,856		
Other operating	558,202	441,373		
Capital outlay	85,713	82,345		
	<u>1,861,492</u>	<u>1,700,574</u>	<u>160,918</u>	<u>1,726,901</u>
Water & Sewer				
Other operating	3,000	1,500		
	<u>3,000</u>	<u>1,500</u>	<u>1,500</u>	<u>100,678</u>
Permit Center				
Salaries & employee benefits	320,403	318,897		
Other operating	33,383	20,360		
	<u>353,786</u>	<u>339,257</u>	<u>14,529</u>	<u>301,160</u>
Plan Review				
Salaries & employee benefits	320,065	256,485		
Other operating	20,813	12,501		
	<u>340,878</u>	<u>268,986</u>	<u>71,892</u>	<u>320,878</u>
Storm water and Erosion Control				
Salaries & employee benefits	185,395	171,957		
Other operating	28,480	16,461		
	<u>213,875</u>	<u>188,418</u>	<u>25,457</u>	<u>199,735</u>
Total Utilities & Engineering	<u>2,936,863</u>	<u>2,656,305</u>	<u>280,558</u>	<u>2,834,388</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>Finance/Facilities Division</b>				
Garage				
Salaries & employee benefits	207,857	208,760		
Other operating	311,780	308,947		
	<u>519,637</u>	<u>517,707</u>	<u>1,930</u>	<u>548,248</u>
General maintenance				
Salaries & employee benefits	547,494	547,342		
Other operating	114,700	97,276		
Capital outlay	30,850	26,472		
	<u>693,044</u>	<u>671,090</u>	<u>21,954</u>	<u>645,209</u>
General Buildings				
Other operating	498,023	469,131		
Capital outlay	328,100	210,449		
	<u>826,123</u>	<u>679,580</u>	<u>146,543</u>	<u>480,163</u>
Justice Buildings				
Other operating	725,313	682,857		
Capital outlay	40,000	40,000		
	<u>765,313</u>	<u>722,857</u>	<u>42,456</u>	<u>642,863</u>
Library Buildings				
Other operating	68,415	60,545	7,870	62,507
Leased Buildings				
Other operating	17,925	14,947	2,978	12,127
Social Services Buildings				
Other operating	77,525	63,035		
Capital outlay	29,000	28,300		
	<u>106,525</u>	<u>91,335</u>	<u>15,190</u>	<u>156,056</u>
Public Health Buildings				
Other operating	54,556	51,666		
Capital outlay	3,475	-		
	<u>58,031</u>	<u>51,665</u>	<u>6,366</u>	<u>23,283</u>
Mental Health Buildings				
Other operating	34,197	24,217	9,980	22,560
Street Signs				
Other operating	18,000	17,105	895	15,926
<b>Total Finance/Facilities Division</b>	<u>3,107,210</u>	<u>2,851,048</u>	<u>256,162</u>	<u>2,608,942</u>
<b>Total Economic &amp; Physical Development</b>	<u>11,835,099</u>	<u>10,429,100</u>	<u>1,405,999</u>	<u>10,560,731</u>
<b>Human Services</b>				
Medical Examiner				
Other operating	100,000	85,200	14,800	120,400

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>Mental Health Department</b>				
General Administration				
Other operating	3,296,888	3,303,265		
	<u>3,296,888</u>	<u>3,303,265</u>	<u>(6,377)</u>	<u>2,765,930</u>
Area Administration				
Salaries & employee benefits	-	-		
Other operating	-	-		
Mental health assistance	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,279,016</u>
Consumer Affairs				
Salaries & employee benefits	-	-		
Other operating	-	-		
Mental health assistance	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>173,571</u>
Consumer Services				
Salaries & employee benefits	-	-		
Other operating	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>759,897</u>
Direct Services				
Other operating	-	-		
Mental health assistance	-	-		
Non-operating	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,994,263</u>
Burke County Services				
Other operating	-	-		
Mental health assistance	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,592,215</u>
<b>Total Mental Health Department</b>	<u>3,296,888</u>	<u>3,303,265</u>	<u>(6,377)</u>	<u>19,564,892</u>
<b>Social Services Department</b>				
Administration				
Salaries & employee benefits	1,204,435	1,139,752		
Other operating	1,304,796	1,075,168		
Non-operating	50,000	-		
Capital outlay	2,485,025	12,932		
	<u>5,044,256</u>	<u>2,227,852</u>	<u>2,816,404</u>	<u>2,494,396</u>
Children and Family Services				
Salaries & employee benefits	1,586,995	1,600,357		
Other operating	489,427	449,075		
Social Services assistance	1,000	472		
	<u>2,077,422</u>	<u>2,049,904</u>	<u>27,518</u>	<u>2,056,827</u>
Department of Human Resources Teams				
Salaries & employee benefits	407,964	338,905		
Other operating	13,766	13,708		
Social Services assistance	4,000	1,286		
	<u>425,730</u>	<u>353,899</u>	<u>71,831</u>	<u>409,163</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Children's Day Care				
Salaries & employee benefits	418,287	410,292		
Other operating	5,527	3,273		
	<u>423,814</u>	<u>413,565</u>	<u>10,249</u>	<u>399,411</u>
Intensive Family Preservation				
Salaries & employee benefits	228,687	176,270		
Other operating	11,108	22,167		
Social Services assistance	500	-		
	<u>240,295</u>	<u>198,437</u>	<u>41,858</u>	<u>182,307</u>
Early Childhood Development				
Salaries & employee benefits	107,903	103,153		
Other operating	9,452	7,690		
	<u>117,355</u>	<u>110,843</u>	<u>6,512</u>	<u>110,671</u>
Prevention Management				
Salaries & employee benefits	97,915	98,525		
Other operating	-	297		
	<u>97,915</u>	<u>98,822</u>	<u>(907)</u>	<u>97,757</u>
Family Children Teams / Family Preservation				
Salaries & employee benefits	3,273,577	3,255,738		
Other operating	35,036	35,036		
Social Services assistance	37,000	31,390		
	<u>3,345,613</u>	<u>3,322,164</u>	<u>23,449</u>	<u>3,200,625</u>
Duke Endowment Family Children Project				
Salaries & employee benefits	269,538	184,965		
Other operating	45,940	39,891		
Social Services assistance	7,450	(1,076)		
	<u>322,928</u>	<u>223,780</u>	<u>99,148</u>	<u>69,313</u>
Teen Up				
Salaries & employee benefits	162,882	169,232		
Other operating	17,000	27,302		
Social Services assistance	7,000	4,058		
	<u>186,882</u>	<u>200,592</u>	<u>(13,710)</u>	<u>186,892</u>
Families for Kids				
Social Services assistance	500	-	500	1,089
Community Services Block Grant				
Salaries & employee benefits	214,728	217,436		
Other operating	18,015	15,408		
Social Services assistance	2,500	5,910		
	<u>235,243</u>	<u>238,754</u>	<u>(3,511)</u>	<u>224,611</u>
Therapeutic Foster Care				
Salaries & employee benefits	227,770	217,921		
Other operating	26,977	23,091		
Social Services assistance	1,000	1,065		
	<u>255,747</u>	<u>242,077</u>	<u>13,670</u>	<u>236,224</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Adoptions				
Salaries & employee benefits	839,828	833,340		
Other operating	27,150	15,798		
Social Services assistance	3,500	2,627		
	<u>870,478</u>	<u>851,765</u>	<u>18,713</u>	<u>830,035</u>
Child Advocacy				
Salaries & employee benefits	204,888	228,699		
Other operating	112,014	106,254		
Social Services assistance	3,000	2,307		
	<u>319,902</u>	<u>337,260</u>	<u>(17,358)</u>	<u>265,416</u>
Temporary Assistance Needy Families				
Salaries & employee benefits	44,622	1,606		
	<u>44,622</u>	<u>1,606</u>	<u>43,016</u>	<u>1,006</u>
FamilyNet Administration				
Salaries & employee benefits	611,147	494,524		
Other operating	718,708	548,504		
Social Services assistance	10,000	8,400		
	<u>1,339,855</u>	<u>1,051,428</u>	<u>288,427</u>	<u>1,119,729</u>
FamilyNet Community Support				
Salaries & employee benefits	532,436	386,541		
Other operating	41,054	32,048		
	<u>573,490</u>	<u>418,589</u>	<u>154,901</u>	<u>565,394</u>
FamilyNet Act				
Salaries & employee benefits	405,833	404,793		
Other operating	62,450	27,807		
Social Services assistance	500	143		
	<u>468,783</u>	<u>432,743</u>	<u>36,040</u>	<u>413,646</u>
FamilyNet In-home Services				
Salaries & employee benefits	253,393	154,886		
Other operating	14,027	19,142		
	<u>267,420</u>	<u>174,028</u>	<u>93,392</u>	<u>210,528</u>
FamilyNet Adolescent Services				
Salaries & employee benefits	392,475	234,038		
Other operating	8,000	2,675		
	<u>400,475</u>	<u>236,713</u>	<u>163,762</u>	<u>405,801</u>
FamilyNet Family Services				
Salaries & employee benefits	525,002	342,024		
Other operating	8,000	7,547		
	<u>533,002</u>	<u>349,571</u>	<u>183,431</u>	<u>404,360</u>
FamilyNet Children Services				
Salaries & employee benefits	610,588	381,965		
Other operating	3,594	5,169		
	<u>614,182</u>	<u>387,134</u>	<u>227,048</u>	<u>399,929</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
FamilyNet ECST				
Salaries & employee benefits	430,231	414,452		
Other operating	40,220	33,391		
Social Services assistance	4,000	3,602		
	<u>474,451</u>	<u>451,445</u>	<u>23,006</u>	<u>454,888</u>
FamilyNet Child Protective Services				
Salaries & employee benefits	259,643	152,735		
Other operating	19,308	14,355		
	<u>278,951</u>	<u>167,090</u>	<u>111,861</u>	<u>150,089</u>
Work First				
Salaries & employee benefits	560,468	491,870		
Other operating	241,000	93,281		
Social Services assistance	191,700	69,707		
	<u>993,168</u>	<u>654,858</u>	<u>338,310</u>	<u>878,243</u>
Office Juvenile Justice Girls Program				
Other operating	55,400	46,868		
Social Services assistance	2,000	804		
	<u>57,400</u>	<u>47,672</u>	<u>9,728</u>	<u>53,340</u>
Administration Group Homes				
Salaries & employee benefits	1,315,264	1,226,007		
Other operating	39,988	40,061		
	<u>1,355,252</u>	<u>1,266,068</u>	<u>89,184</u>	<u>1,299,607</u>
Emergency Shelter				
Other operating	51,900	45,648		
Social Services assistance	2,750	937		
	<u>54,650</u>	<u>46,585</u>	<u>8,065</u>	<u>52,437</u>
Girls Program				
Other operating	56,750	49,845		
Social Services assistance	4,000	1,512		
Capital outlay	16,500	14,307		
	<u>77,250</u>	<u>65,664</u>	<u>11,586</u>	<u>75,770</u>
Boys Program				
Other operating	49,550	51,181		
Social Services assistance	5,000	1,444		
	<u>54,550</u>	<u>52,625</u>	<u>1,925</u>	<u>58,671</u>
Office Juvenile Justice Boys Program				
Other operating	62,449	58,509		
Social Services assistance	4,000	1,743		
	<u>66,449</u>	<u>60,252</u>	<u>6,197</u>	<u>62,813</u>
Adult Services				
Other operating	1,361,315	1,177,653		
Social Services assistance	1,178,973	1,131,500		
	<u>2,540,288</u>	<u>2,309,153</u>	<u>231,135</u>	<u>2,118,936</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Adult Social Work				
Salaries & employee benefits	1,320,626	1,274,396		
Other operating	82,072	73,680		
Social Services assistance	12,000	12,083		
	<u>1,414,698</u>	<u>1,360,159</u>	<u>54,539</u>	<u>1,321,685</u>
Medicaid Administration				
Salaries & employee benefits	818,065	805,532		
Other operating	8,104	6,691		
	<u>826,169</u>	<u>812,223</u>	<u>13,946</u>	<u>787,998</u>
Transportation				
Salaries & employee benefits	368,057	355,867		
Other operating	378,316	369,847		
Capital outlay	71,454	46,279		
	<u>817,827</u>	<u>771,993</u>	<u>45,834</u>	<u>919,302</u>
Nutrition				
Salaries & employee benefits	111,379	109,435		
Other operating	18,179	19,384		
Social Services assistance	503,934	466,729		
	<u>633,492</u>	<u>595,548</u>	<u>37,944</u>	<u>483,274</u>
Public Assistance Administration				
Salaries & employee benefits	1,235,834	1,230,115		
Other operating	47,839	41,124		
	<u>1,283,673</u>	<u>1,271,239</u>	<u>12,434</u>	<u>1,195,627</u>
Food Stamps				
Salaries & employee benefits	1,016,792	1,033,467		
Other operating	92,139	68,334		
Social Services assistance	34,000	19,013		
	<u>1,142,931</u>	<u>1,120,814</u>	<u>22,117</u>	<u>1,072,379</u>
Child Support				
Salaries & employee benefits	1,306,383	1,256,886		
Other operating	29,331	27,413		
	<u>1,335,714</u>	<u>1,284,299</u>	<u>51,415</u>	<u>1,290,149</u>
General Assistance				
Other operating	62,000	34,931		
Social Services assistance	135,525	148,973		
	<u>197,525</u>	<u>183,904</u>	<u>13,621</u>	<u>236,246</u>
Public Assistance Payments				
Social Services assistance	5,665,012	4,123,359	1,541,653	6,964,392
Children's Purchase Services				
Social Services assistance	9,060,926	9,429,023	(368,097)	8,756,962
Total Social Services	<u>46,536,285</u>	<u>39,995,499</u>	<u>6,540,786</u>	<u>42,517,938</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
<b>Public Health Department</b>				
Health Administration				
Salaries & employee benefits	660,702	661,902		
Other operating	324,892	247,030		
	<u>985,594</u>	<u>908,932</u>	<u>76,662</u>	<u>847,730</u>
Home Health				
Salaries & employee benefits	1,361,014	1,391,909		
Other operating	1,179,503	1,156,016		
	<u>2,540,517</u>	<u>2,547,925</u>	<u>(7,408)</u>	<u>2,448,943</u>
Environmental Health				
Salaries & employee benefits	806,892	797,381		
Other operating	139,929	135,693		
	<u>946,821</u>	<u>933,074</u>	<u>13,747</u>	<u>896,055</u>
Maternal Health				
Salaries & employee benefits	592,799	581,510		
Other operating	999,751	948,477		
Public Health assistance	27,900	32,171		
Capital outlay	8,100	8,100		
	<u>1,628,550</u>	<u>1,570,258</u>	<u>58,292</u>	<u>1,601,512</u>
Maternity Care Coordinator				
Salaries & employee benefits	268,837	242,059		
Other operating	6,850	4,233		
	<u>275,687</u>	<u>246,292</u>	<u>29,395</u>	<u>273,424</u>
Child Health				
Salaries & employee benefits	462,427	464,992		
Other operating	72,998	61,067		
	<u>535,425</u>	<u>526,059</u>	<u>9,366</u>	<u>519,401</u>
Child Health - Human Resource Teams				
Salaries & employee benefits	488,216	462,948		
Other operating	32,366	26,878		
	<u>520,582</u>	<u>489,826</u>	<u>30,756</u>	<u>489,741</u>
Child Health - Smart Start				
Salaries & employee benefits	168,361	167,309		
Other operating	15,493	16,215		
	<u>183,854</u>	<u>183,524</u>	<u>330</u>	<u>188,892</u>
Child Health - Health Check				
Salaries & employee benefits	60,201	61,359		
Other operating	3,125	2,099		
	<u>63,326</u>	<u>63,458</u>	<u>(132)</u>	<u>61,847</u>
Adolescent Health				
Salaries & employee benefits	112,204	99,593		
Other operating	104,860	57,503		
	<u>217,064</u>	<u>157,096</u>	<u>59,968</u>	<u>177,701</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Child Service Coordinator				
Salaries & employee benefits	329,496	279,750		
Other operating	24,730	21,991		
	<u>354,226</u>	<u>301,741</u>	<u>52,485</u>	<u>270,035</u>
Health and Wellness				
Salaries & employee benefits	67,817	61,295		
Other operating	31,836	23,181		
	<u>99,653</u>	<u>84,476</u>	<u>15,177</u>	<u>69,702</u>
School Health Assistants				
Salaries & employee benefits	87,221	81,539		
Other operating	1,075	368		
	<u>88,296</u>	<u>81,907</u>	<u>6,389</u>	<u>83,548</u>
School Nurse Fund Initiative				
Salaries & employee benefits	163,982	142,059		
Other operating	14,700	8,178		
	<u>178,682</u>	<u>150,237</u>	<u>28,445</u>	<u>126,925</u>
School Nurses Initiative - Catawba Valley Medical Center				
Salaries & employee benefits	283,757	283,578		
Other operating	28,425	20,913		
	<u>312,182</u>	<u>304,491</u>	<u>7,691</u>	<u>283,932</u>
School Nurses - Catawba County				
Salaries & employee benefits	322,196	325,028		
Other operating	41,310	30,074		
	<u>363,506</u>	<u>355,102</u>	<u>8,404</u>	<u>388,784</u>
School Nurses - Newton-Conover				
Salaries & employee benefits	104,711	93,678		
Other operating	13,770	8,323		
	<u>118,481</u>	<u>102,001</u>	<u>16,480</u>	<u>46,337</u>
School Nurses Initiative - Catawba County				
Salaries & employee benefits	54,112	46,381		
Other operating	6,885	4,968		
	<u>60,997</u>	<u>51,349</u>	<u>9,648</u>	<u>33,529</u>
Dental Health				
Salaries & employee benefits	168,230	171,339		
Other operating	215,215	213,773		
Public Health assistance	35,069	28,817		
	<u>418,514</u>	<u>413,929</u>	<u>4,585</u>	<u>355,585</u>
Dental - Smart Start				
Salaries & employee benefits	57,076	58,069		
Other operating	9,204	9,076		
	<u>66,280</u>	<u>67,145</u>	<u>(865)</u>	<u>66,730</u>
Glaucoma/Adult Health				
Salaries & employee benefits	309,554	286,656		
Other operating	407,786	263,413		

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
	717,340	550,069	167,271	608,141
Bioterrorism Grant				
Salaries & employee benefits	41,953	15,044		
Other operating	11,980	4,223		
	<u>53,933</u>	<u>19,267</u>	<u>34,666</u>	<u>71,582</u>
NAP-SACC Smart Start				
Other operating	38,050	37,628		
	<u>38,050</u>	<u>37,628</u>	<u>422</u>	<u>13,094</u>
Nurses/Family Planning				
Salaries & employee benefits	717,039	713,608		
Other operating	281,134	210,910		
	<u>998,173</u>	<u>924,518</u>	<u>73,655</u>	<u>987,536</u>
Women Infants Children Program				
Salaries & employee benefits	576,660	584,029		
Other operating	99,178	78,953		
	<u>675,838</u>	<u>662,982</u>	<u>12,856</u>	<u>574,662</u>
Total Public Health	<u>12,441,571</u>	<u>11,733,286</u>	<u>708,285</u>	<u>11,485,368</u>
Total Human Services	<u>62,374,744</u>	<u>55,117,250</u>	<u>7,257,494</u>	<u>73,688,598</u>
<b>Culture and Recreation</b>				
<b>County Library</b>				
Library Administration - Main Library				
Salaries & employee benefits	964,452	928,633		
Other operating	309,410	287,594		
Non-operating	109,801	-		
	<u>1,383,663</u>	<u>1,216,227</u>	<u>167,436</u>	<u>1,213,014</u>
Sherrills Ford Branch				
Salaries & employee benefits	81,381	82,779		
Other operating	45,249	44,139		
	<u>126,630</u>	<u>126,918</u>	<u>(288)</u>	<u>118,971</u>
Maiden Branch				
Salaries & employee benefits	90,755	90,496		
Other operating	37,724	37,849		
	<u>128,479</u>	<u>128,345</u>	<u>134</u>	<u>119,000</u>
St. Stephens Branch				
Salaries & employee benefits	278,298	270,186		
Other operating	116,409	112,183		
	<u>394,707</u>	<u>382,369</u>	<u>12,338</u>	<u>381,850</u>
Southwest Branch Library				
Salaries & employee benefits	128,988	124,717		
Other operating	125,482	125,002		
	<u>254,470</u>	<u>249,719</u>	<u>4,751</u>	<u>270,355</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Conover Branch Library				
Salaries & employee benefits	47,414	47,752		
Other operating	21,728	21,196		
	<u>69,142</u>	<u>68,948</u>	<u>194</u>	<u>58,883</u>
Claremont Branch Library				
Salaries & employee benefits	33,388	32,671		
Other operating	17,000	16,810		
	<u>50,388</u>	<u>49,481</u>	<u>907</u>	<u>48,680</u>
Total County Library	<u>2,407,479</u>	<u>2,222,007</u>	<u>185,472</u>	<u>2,210,753</u>
Arts-Administration				
Other operating	506,199	506,199	-	478,713
Other Cultural				
Other operating	5,000	5,000	-	5,000
Total Culture and Recreation	<u>2,918,678</u>	<u>2,733,206</u>	<u>185,472</u>	<u>2,694,466</u>
<b>Education</b>				
Catawba County Schools				
Current expense	25,087,083	25,087,083		
Fines and forfeitures	903,465	697,003		
	<u>25,990,548</u>	<u>25,784,086</u>	<u>206,462</u>	<u>24,816,716</u>
Newton-Conover City Schools				
Current expense	4,033,191	4,033,191		
Fines and forfeitures	145,248	111,398		
	<u>4,178,439</u>	<u>4,144,589</u>	<u>33,850</u>	<u>4,138,586</u>
Hickory City Schools				
Current expense	6,636,124	6,636,124		
Fines and forfeitures	239,751	183,950		
	<u>6,875,875</u>	<u>6,820,074</u>	<u>55,801</u>	<u>6,237,626</u>
Catawba Valley Community College				
Current expense	3,200,000	3,200,000	-	2,821,526
Total Education	<u>40,244,862</u>	<u>39,948,749</u>	<u>296,113</u>	<u>38,014,454</u>
<b>Debt Service</b>				
General obligation bonds				
Principal	6,395,000	6,395,000		
Interest	1,243,550	1,243,544		
	<u>7,638,550</u>	<u>7,638,544</u>	<u>6</u>	<u>7,869,869</u>
Installment purchases				
Principal	4,222,215	2,832,834		
Interest	1,745,200	1,620,406		
	<u>5,967,415</u>	<u>4,453,240</u>	<u>1,514,175</u>	<u>2,256,888</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>Budget</u>	<u>Actuals</u>	<u>Over/Under</u>	<u>Prior Year Actuals</u>
Certificates of Participation				
Principal	5,263,120	2,790,000		
Interest	2,209,945	2,203,550		
	<u>7,473,065</u>	<u>4,993,550</u>	<u>2,479,515</u>	<u>5,087,100</u>
Qualified Zone Academy Bonds				
Principal	50,000	50,000	-	-
Total Debt Service	<u>21,129,030</u>	<u>17,135,334</u>	<u>3,993,696</u>	<u>15,213,857</u>
Total expenditures	<u>175,820,911</u>	<u>160,248,589</u>	<u>15,572,322</u>	<u>171,710,306</u>
Revenues over (under) expenditures	<u>(7,620,326)</u>	<u>6,711,842</u>	<u>14,332,168</u>	<u>15,424,542</u>
<b>Other financing sources (uses)</b>				
Transfers from				
Emergency Telephone Fund	-	-	-	732,033
General Capital Reserve Fund	88,696	88,696	-	52,059
Water & Sewer Reserve Fund	-	-	-	77,958
Community Development Fund	-	-	-	11,479
General Capital Projects Fund	812,323	812,323	-	215,995
School Capital Fund	50,000	50,000	-	-
School Construction Fund	79,257	79,257	-	97,487
Transfers to				-
Emergency Telephone Fund	(454)	(454)	-	-
Citizens Alert System Fund	(38,834)	(38,834)	-	-
Reappraisal Fund	(479,200)	(479,200)	-	(437,123)
General Capital Reserve Fund	(365,095)	(365,095)	-	-
Rescue Squads Fund	(967,150)	(967,150)	-	(924,000)
General Capital Projects Fund	(2,527,335)	(2,527,335)	-	(897,310)
Water and Sewer Construction Fund			-	(2,100,000)
School Capital Fund	(336,835)	(336,835)	-	(747,943)
School Construction Fund	(4,001,010)	(4,001,010)	-	(199,000)
Water and Sewer Fund	(3,940,143)	(3,940,143)	-	-
Solid Waste Management Fund	(239)	(239)	-	(2,750)
Installment purchase obligation issued	1,497,510	-	(1,497,510)	-
Fund Balance appropriated/contingency	17,748,835	-	(17,748,835)	-
Total other financing sources (uses)	<u>7,620,326</u>	<u>(11,626,019)</u>	<u>(19,246,345)</u>	<u>(4,121,115)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>-</u>	<u>(4,914,177)</u>	<u>(4,914,177)</u>	<u>11,303,427</u>
<b>Fund Balances - Beginning of Year</b>		<u>55,328,180</u>		
<b>Fund Balances - End of Year</b>		<u>\$ 50,414,003</u>		



## **Combining Statements for Nonmajor Funds**

**CATAWBA COUNTY, NORTH CAROLINA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2009**

	<u>Special Revenue Funds (Schedule C-1)</u>	<u>Capital Project Funds (Schedule D-1)</u>	<u>Total Nonmajor Governmental Funds (Exhibit 3)</u>
<b>Assets</b>			
Cash and investments	\$ 9,498,090	\$ 105,629	\$ 9,603,719
Taxes receivable - net	166,596	-	166,596
Due from other governments	105,781	-	105,781
Other receivables	3,854	-	3,854
Interest receivable	50,583	585	51,168
Prepaid items	7,050	-	7,050
Total assets	<u>9,831,954</u>	<u>106,214</u>	<u>9,938,168</u>
<b>Liabilities</b>			
Accounts payable	71,938	16,632	88,570
Deferred revenues	182,021	-	182,021
Due to General Fund	3,531	-	3,531
Total liabilities	<u>257,490</u>	<u>16,632</u>	<u>274,122</u>
<b>Fund Balances</b>			
Reserved for prepaid items	7,050	-	7,050
Reserved for encumbrances	7,500	-	7,500
Reserved by State statute	156,687	-	156,687
Unreserved	9,403,227	89,582	9,492,809
Total fund balances	<u>9,574,464</u>	<u>89,582</u>	<u>9,664,046</u>
Total liabilities and fund balances	<u>\$ 9,831,954</u>	<u>\$ 106,214</u>	<u>\$ 9,938,168</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Special Revenue Funds (Schedule C-3)</b>	<b>Capital Project Funds (Schedule D-2)</b>	<b>Total Nonmajor Governmental Funds (Exhibit 4)</b>
<b>Revenues</b>			
Ad valorem taxes	\$ 3,684,693	\$ -	\$ 3,684,693
Other taxes	-	-	-
Restricted intergovernmental revenues	1,713,128	-	1,713,128
Licenses and permits	46,927	-	46,927
Investment earnings	385,683	4,453	390,136
Miscellaneous	4,872	-	4,872
<b>Total revenues</b>	<u>5,835,303</u>	<u>4,453</u>	<u>5,839,756</u>
<b>Expenditures</b>			
Current			
General government	403,135	-	403,135
Public safety	5,294,918	-	5,294,918
Economic and physical development	297,952	-	297,952
Human services	1,000	-	1,000
Culture and recreation	25,000	-	25,000
Capital outlay	-	25,285	25,285
<b>Total expenditures</b>	<u>6,022,005</u>	<u>25,285</u>	<u>6,047,290</u>
Excess of revenues over (under) expenditures	(186,702)	(20,832)	(207,534)
<b>Other Financing Sources (Uses)</b>			
Transfers from other funds	1,850,733	-	1,850,733
Transfers to other funds	(2,067,955)	(30,589,831)	(32,657,786)
<b>Total other financing sources (uses)</b>	<u>(217,222)</u>	<u>(30,589,831)</u>	<u>(30,807,053)</u>
Net change in fund balance	(403,924)	(30,610,663)	(31,014,587)
<b>Fund Balances - Beginning of Year</b>	<u>9,978,388</u>	<u>30,700,245</u>	<u>40,678,633</u>
<b>Fund Balances - End of Year</b>	<u>\$ 9,574,464</u>	<u>\$ 89,582</u>	<u>\$ 9,664,046</u>



## Nonmajor Special Revenue Funds

To account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

### *Emergency Telephone System Fund -*

Established in accordance with North Carolina law to account for the revenues received by the Communication Center for the 911 charges and the expenditure of those funds for the emergency telephone systems.

### *Citizens' Alert System Fund –*

To account for the accumulation of funds to provide emergency notifications to citizens and local agencies.

### *Narcotics Seized Funds and Property Fund –*

To account for the revenue received by the Sheriff's Department for Drug Reimbursements and the expenditure of those funds to further narcotics enforcement efforts.

### *Reappraisal Fund-*

The County maintains this fund as required by the General Statutes of North Carolina for financing the cost of the next reappraisal or real property in the County.

### *General Capital Reserve Fund -*

To account for the accumulation of funds for the financing and construction of schools, general and hospital capital projects.

### *Water & Sewer Reserve Fund –*

To account for the accumulation of funds for the financing and construction of water and sewer capital projects. During FY2009, this fund was transferred to the Water & Sewer Enterprise Fund. Details of this fund can be found in the Enterprise section.

### *Hospital Capital Reserve Fund -*

To account for the accumulation of funds for the financing and construction of major capital projects for Catawba Valley Medical Center.

### *Rescue Squads Fund -*

To account for the accumulation of funds for the financing of future capital needs of the six rescue squads within the County.

### *Library Endowment Fund –*

To account for donations that are stipulated for the purchase of library books.

### *Gretchen Peed Scholarship Fund –*

To account for donations that are stipulated for scholarships.

### *Parks/Historic Preservation Trust Fund –*

To account for donations and other funds that are stipulated for park expenditures.

### *Community Development Fund –*

To account for the accumulation of various grants for the financing of critical housing needs for low-income families and other community projects.

### *Fire District Funds -*

The County maintains fourteen separate fire district funds under its budgetary control to account for tax receipts and disbursements to the fire districts.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2009**

	<b>Emergency Telephone System Fund</b>	<b>Citizens' Alert System Fund</b>	<b>Narcotics Seized Funds And Property Fund</b>	<b>Reappraisal Fund</b>	<b>General Capital Reserve Fund</b>
<b>Assets</b>					
Cash and investments	\$ 2,253,909	\$ 23,459	\$ 221,054	\$ 173,639	\$ 445,675
Taxes receivable - net	-	-	-	-	-
Due from other governments	98,611	741	737	440	-
Other receivables	-	-	-	3,854	-
Interest receivable	11,731	89	1,172	1,250	2,414
Prepaid items	7,050	-	-	-	-
Total assets	<u>2,371,301</u>	<u>24,289</u>	<u>222,963</u>	<u>179,183</u>	<u>448,089</u>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	32,209	7,668	5,070	24,850	-
Deferred revenues	-	-	-	-	-
Due to General Fund	-	-	-	-	-
Total liabilities	<u>32,209</u>	<u>7,668</u>	<u>5,070</u>	<u>24,850</u>	<u>-</u>
<b>Fund Balances</b>					
Reserved for prepaid items	7,050	-	-	-	-
Reserved for encumbrances	-	-	7,500	-	-
Reserved by State statute	110,342	830	1,909	5,544	2,414
Unreserved	2,221,700	15,791	208,484	148,789	445,675
Total fund balances	<u>2,339,092</u>	<u>16,621</u>	<u>217,893</u>	<u>154,333</u>	<u>448,089</u>
Total liabilities and fund balances	<u>\$ 2,371,301</u>	<u>\$ 24,289</u>	<u>\$ 222,963</u>	<u>\$ 179,183</u>	<u>\$ 448,089</u>

(continued on page 108)

<u>Water &amp; Sewer Reserve Fund</u>	<u>Hospital Capital Reserve Fund</u>	<u>Rescue Squads Fund</u>	<u>Library Endowment Fund</u>	<u>Gretchen Peed Scholarship Fund</u>	<u>Parks/ Historic Preservation Fund</u>	<u>Community Development Fund</u>
\$ -	\$ 5,165,627	\$ 175,719	\$ 225,041	\$ 35,433	\$ 133,513	\$ -
-	-	-	-	-	-	-
-	-	-	1,721	-	-	3,531
-	-	-	-	-	-	-
-	27,137	1,476	1,192	186	700	-
-	-	-	-	-	-	-
-	<u>5,192,764</u>	<u>177,195</u>	<u>227,954</u>	<u>35,619</u>	<u>134,213</u>	<u>3,531</u>
-	-	301	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	3,531
-	-	<u>301</u>	-	-	-	<u>3,531</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	27,137	1,476	2,913	186	700	-
-	<u>5,165,627</u>	<u>175,418</u>	<u>225,041</u>	<u>35,433</u>	<u>133,513</u>	-
-	<u>5,192,764</u>	<u>176,894</u>	<u>227,954</u>	<u>35,619</u>	<u>134,213</u>	-
<u>\$ -</u>	<u>\$ 5,192,764</u>	<u>\$ 177,195</u>	<u>\$ 227,954</u>	<u>\$ 35,619</u>	<u>\$ 134,213</u>	<u>\$ 3,531</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Nonmajor Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2009**

	<u>Fire District Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Assets</b>		
Cash and investments	\$ 645,021	\$ 9,498,090
Taxes receivable - net	166,596	166,596
Due from other governments	-	105,781
Other receivables	-	3,854
Interest receivable	3,236	50,583
Prepaid items	-	7,050
Total assets	<u>814,853</u>	<u>9,831,954</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,840	71,938
Deferred revenues	182,021	182,021
Due to General Fund	-	3,531
Total liabilities	<u>183,861</u>	<u>257,490</u>
<b>Fund Balances</b>		
Reserved for prepaid items	-	7,050
Reserved for encumbrances	-	7,500
Reserved by State statute	3,236	156,687
Unreserved	<u>627,756</u>	<u>9,403,227</u>
Total fund balances	<u>630,992</u>	<u>9,574,464</u>
 Total liabilities and fund balances	 <u>\$ 814,853</u>	 <u>\$ 9,831,954</u>



**CATAWBA COUNTY, NORTH CAROLINA**  
**Fire District Funds**  
**Subcombining Balance Sheet**  
**June 30, 2009**

	<u>Mountain View Fire District Fund</u>	<u>Propst Fire District Fund</u>	<u>St. Stephens Fire District Fund</u>	<u>Conover Rural Fire District Fund</u>	<u>Oxford Fire District Fund</u>
<b>Assets</b>					
Cash and investments	\$ 38,413	\$ 38,087	\$ 31,437	\$ 16,523	\$ 18,964
Taxes receivable - net	12,603	17,300	16,847	3,876	13,289
Interest receivable	164	197	137	83	188
Total assets	<u>51,180</u>	<u>55,584</u>	<u>48,421</u>	<u>20,482</u>	<u>32,441</u>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	-	1,840	-	-	-
Deferred revenues	14,329	18,223	19,143	4,282	14,529
Total liabilities	<u>14,329</u>	<u>20,063</u>	<u>19,143</u>	<u>4,282</u>	<u>14,529</u>
<b>Fund Balances</b>					
Reserved by State statute	164	197	137	83	188
Unreserved	36,687	35,324	29,141	16,117	17,724
Total fund balances	<u>36,851</u>	<u>35,521</u>	<u>29,278</u>	<u>16,200</u>	<u>17,912</u>
Total liabilities and fund balances	<u>\$ 51,180</u>	<u>\$ 55,584</u>	<u>\$ 48,421</u>	<u>\$ 20,482</u>	<u>\$ 32,441</u>

(continued on page 112)

<b>Sherrills Ford Fire District Fund</b>	<b>Bandys Fire District Fund</b>	<b>Maiden Fire District Fund</b>	<b>Claremont Fire District Fund</b>	<b>Catawba Fire District Fund</b>	<b>Long View Fire District Fund</b>	<b>Newton Rural Fire District Fund</b>
\$ 103,259	\$ 129,369	\$ 68,611	\$ 21,412	\$ 78,981	\$ 12,727	\$ 34,306
31,597	18,525	7,543	12,454	8,691	1,266	13,663
482	638	354	109	407	65	149
<u>135,338</u>	<u>148,532</u>	<u>76,508</u>	<u>33,975</u>	<u>88,079</u>	<u>14,058</u>	<u>48,118</u>
-	-	-	-	-	-	-
<u>33,931</u>	<u>20,012</u>	<u>8,247</u>	<u>13,619</u>	<u>9,285</u>	<u>1,470</u>	<u>15,148</u>
<u>33,931</u>	<u>20,012</u>	<u>8,247</u>	<u>13,619</u>	<u>9,285</u>	<u>1,470</u>	<u>15,148</u>
482	638	354	109	407	65	149
<u>100,925</u>	<u>127,882</u>	<u>67,907</u>	<u>20,247</u>	<u>78,387</u>	<u>12,523</u>	<u>32,821</u>
<u>101,407</u>	<u>128,520</u>	<u>68,261</u>	<u>20,356</u>	<u>78,794</u>	<u>12,588</u>	<u>32,970</u>
<u>\$ 135,338</u>	<u>\$ 148,532</u>	<u>\$ 76,508</u>	<u>\$ 33,975</u>	<u>\$ 88,079</u>	<u>\$ 14,058</u>	<u>\$ 48,118</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Fire District Funds**  
**Subcombining Balance Sheet**  
**June 30, 2009**

	<u>Cooksville Fire District Fund</u>	<u>Denver Fire District Fund</u>	<u>Hickory Rural Fire District Fund</u>	<u>Total Fire District Funds</u>
<b>Assets</b>				
Cash and investments	\$ 31,971	\$ -	\$ 20,961	\$ 645,021
Taxes receivable - net	3,617	-	5,325	166,596
Interest receivable	163	-	100	3,236
Total assets	<u>35,751</u>	<u>-</u>	<u>26,386</u>	<u>814,853</u>
<b>Liabilities</b>				
Accounts payable and accrued liabilities	-	-	-	1,840
Deferred revenues	4,031	-	5,772	182,021
Total liabilities	<u>4,031</u>	<u>-</u>	<u>5,772</u>	<u>183,861</u>
<b>Fund Balances</b>				
Reserved by State statute	163	-	100	3,236
Unreserved	31,557	-	20,514	627,756
Total fund balances	<u>31,720</u>	<u>-</u>	<u>20,614</u>	<u>630,992</u>
Total liabilities and fund balances	<u>\$ 35,751</u>	<u>\$ -</u>	<u>\$ 26,386</u>	<u>\$ 814,853</u>



**CATAWBA COUNTY, NORTH CAROLINA**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Emergency Telephone System Fund</u>	<u>Citizens' Alert System Fund</u>	<u>Narcotics Seized Funds and Property Fund</u>	<u>Reappraisal Fund</u>	<u>General Capital Reserve Fund</u>
<b>Revenues</b>					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	1,268,696	63,899	97,128	-	-
Licenses and permits	-	-	-	-	-
Investment earnings	73,335	642	8,024	14,134	17,869
Miscellaneous	-	96	-	-	-
Total revenues	<u>1,342,031</u>	<u>64,637</u>	<u>105,152</u>	<u>14,134</u>	<u>17,869</u>
<b>Expenditures</b>					
Current					
General government	-	-	-	403,135	-
Public safety	403,072	86,850	10,507	-	-
Economic and physical development	-	-	-	-	19,950
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	<u>403,072</u>	<u>86,850</u>	<u>10,507</u>	<u>403,135</u>	<u>19,950</u>
Excess of revenue over (under) expenditures	<u>938,959</u>	<u>(22,213)</u>	<u>94,645</u>	<u>(389,001)</u>	<u>(2,081)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	454	38,834	-	479,200	365,095
Transfers to other funds	<u>(94,875)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(88,696)</u>
Total other financing sources (uses)	<u>(94,421)</u>	<u>38,834</u>	<u>-</u>	<u>479,200</u>	<u>276,399</u>
Net change in fund balance	844,538	16,621	94,645	90,199	274,318
<b>Fund Balances - Beginning of Year</b>	<u>1,494,554</u>	<u>-</u>	<u>123,248</u>	<u>64,134</u>	<u>173,771</u>
<b>Fund Balances - End of Year</b>	<u>\$ 2,339,092</u>	<u>\$ 16,621</u>	<u>\$ 217,893</u>	<u>\$ 154,333</u>	<u>\$ 448,089</u>

(continued on page 116)

<u>Water &amp; Sewer Reserve Fund</u>	<u>Hospital Capital Reserve Fund</u>	<u>Rescue Squads Fund</u>	<u>Library Endowment Fund</u>	<u>Gretchen Peed Scholarship Fund</u>	<u>Parks/ Historic Preservation Fund</u>	<u>Community Development Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	283,405
-	-	-	-	-	46,927	-
-	204,470	20,317	9,265	1,393	5,357	154
-	-	346	-	2,750	1,680	-
<u>-</u>	<u>204,470</u>	<u>20,663</u>	<u>9,265</u>	<u>4,143</u>	<u>53,964</u>	<u>283,559</u>
-	-	-	-	-	-	-
-	-	919,275	-	-	-	-
-	-	-	-	-	-	278,002
-	-	-	-	1,000	-	-
-	-	-	25,000	-	-	-
<u>-</u>	<u>-</u>	<u>919,275</u>	<u>25,000</u>	<u>1,000</u>	<u>-</u>	<u>278,002</u>
-	204,470	(898,612)	(15,735)	3,143	53,964	5,557
-	-	967,150	-	-	-	-
<u>(1,854,384)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>
<u>(1,854,384)</u>	<u>-</u>	<u>967,150</u>	<u>-</u>	<u>-</u>	<u>(30,000)</u>	<u>-</u>
(1,854,384)	204,470	68,538	(15,735)	3,143	23,964	5,557
<u>1,854,384</u>	<u>4,988,294</u>	<u>108,356</u>	<u>243,689</u>	<u>32,476</u>	<u>110,249</u>	<u>(5,557)</u>
<u>\$ -</u>	<u>\$ 5,192,764</u>	<u>\$ 176,894</u>	<u>\$ 227,954</u>	<u>\$ 35,619</u>	<u>\$ 134,213</u>	<u>\$ -</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Nonmajor Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Fire District Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Revenues</b>		
Ad valorem taxes	\$ 3,684,693	\$ 3,684,693
Restricted intergovernmental revenues	-	1,713,128
Licenses and permits	-	46,927
Investment earnings	30,723	385,683
Miscellaneous	-	4,872
Total revenues	<u>3,715,416</u>	<u>5,835,303</u>
<b>Expenditures</b>		
Current		
General government	-	403,135
Public safety	3,875,214	5,294,918
Economic and physical development	-	297,952
Human services	-	1,000
Culture and recreation	-	25,000
Total expenditures	<u>3,875,214</u>	<u>6,022,005</u>
Excess of revenue over (under) expenditures	<u>(159,798)</u>	<u>(186,702)</u>
<b>Other Financing Sources (Uses)</b>		
Transfers from other funds	-	1,850,733
Transfers to other funds	-	(2,067,955)
Total other financing sources (uses)	<u>-</u>	<u>(217,222)</u>
Net change in fund balance	(159,798)	(403,924)
<b>Fund Balances - Beginning of Year</b>	<u>790,790</u>	<u>9,978,388</u>
<b>Fund Balances - End of Year</b>	<u>\$ 630,992</u>	<u>\$ 9,574,464</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Emergency Telephone System Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Other taxes				
911 system subscriber fees	\$ -	\$ -	\$ -	\$ 374,348
Restricted intergovernmental revenues				
North Carolina 911 wireless funds	-	-	-	206,536
North Carolina 911 funds	1,002,934	1,268,696	265,762	385,663
Investment earnings	-	73,335	73,335	196,469
Total revenues	<u>1,002,934</u>	<u>1,342,031</u>	<u>339,097</u>	<u>1,163,016</u>
<b>Expenditures</b>				
Current				
Public Safety				
Salaries & employee benefits	81,323	80,648	675	73,890
Other operating	472,687	322,424	150,263	390,049
Capital outlay	6,174	-	6,174	395,227
Nonoperating	354,503	-	354,503	-
Total expenditures	<u>914,687</u>	<u>403,072</u>	<u>511,615</u>	<u>859,166</u>
Excess of revenues over (under) expenditures	<u>88,247</u>	<u>938,959</u>	<u>850,712</u>	<u>303,850</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from				
General Fund	454	454	-	-
Transfers to				
General Fund	-	-	-	(732,033)
General Capital Projects Fund	(94,875)	(94,875)	-	(2,782,752)
Fund balance appropriated	6,174	-	(6,174)	-
Total other financing sources (uses)	<u>(88,247)</u>	<u>(94,421)</u>	<u>(6,174)</u>	<u>(3,514,785)</u>
Net change in fund balance	<u>\$ -</u>	844,538	<u>\$ 844,538</u>	(3,210,935)
<b>Fund Balances - Beginning of Year</b>		<u>1,494,554</u>		<u>4,705,489</u>
<b>Fund Balances - End of Year</b>		<u>\$ 2,339,092</u>		<u>\$ 1,494,554</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Citizens' Alert System Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Restricted intergovernmental revenues - federal	\$ -	\$ 26,577	\$ 26,577	\$ -
Restricted intergovernmental revenues - local	55,127	37,322	(17,805)	-
Investment earnings	-	642	642	-
Miscellaneous	3,000	96	(2,904)	-
Total revenues	<u>58,127</u>	<u>64,637</u>	<u>6,510</u>	<u>-</u>
<b>Expenditures</b>				
Current				
Public Safety				
Salaries & employee benefits	21,979	25,839	(3,860)	-
Other operating	74,982	61,011	13,971	-
Total expenditures	<u>96,961</u>	<u>86,850</u>	<u>10,111</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(38,834)</u>	<u>(22,213)</u>	<u>16,621</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from				
General Fund	38,834	38,834	-	-
Total other financing sources (uses)	<u>38,834</u>	<u>38,834</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	16,621	<u>\$ 16,621</u>	-
<b>Fund Balances - Beginning of Year</b>		-		-
<b>Fund Balances - End of Year</b>		<u>\$ 16,621</u>		<u>\$ -</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Narcotics Seized Funds and Property Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Restricted intergovernmental revenues				
U. S. Treasury				
Drug reimbursement	\$ 8,000	\$ 97,128	\$ 89,128	\$ 24,297
Investment earnings	-	8,024	8,024	5,706
Miscellaneous	2,000	-	(2,000)	80
Total revenues	<u>10,000</u>	<u>105,152</u>	<u>95,152</u>	<u>30,083</u>
<b>Expenditures</b>				
Current				
Public Safety				
Other operating	16,500	10,507	5,993	9,393
Capital outlay	7,500	-	7,500	-
Drug prevention contingency	10,000	-	10,000	-
Total expenditures	<u>34,000</u>	<u>10,507</u>	<u>23,493</u>	<u>9,393</u>
Excess of revenues over (under) expenditures	<u>(24,000)</u>	<u>94,645</u>	<u>118,645</u>	<u>20,690</u>
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	24,000	-	(24,000)	-
Total other financing sources (uses)	<u>24,000</u>	<u>-</u>	<u>(24,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	94,645	<u>\$ 94,645</u>	20,690
<b>Fund Balances - Beginning of Year</b>		<u>123,248</u>		<u>102,558</u>
<b>Fund Balances - End of Year</b>		<u>\$ 217,893</u>		<u>\$ 123,248</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Reappraisal Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Investment earnings	\$ -	\$ 14,134	\$ 14,134	\$ 13,326
Total revenues	<u>-</u>	<u>14,134</u>	<u>14,134</u>	<u>13,326</u>
<b>Expenditures</b>				
Current				
General government				
Salaries & employee benefits	396,396	340,240	56,156	389,236
Other operating	82,804	62,895	19,909	36,184
Total expenditures	<u>479,200</u>	<u>403,135</u>	<u>76,065</u>	<u>425,420</u>
Excess of revenues over (under) expenditures	<u>(479,200)</u>	<u>(389,001)</u>	<u>90,199</u>	<u>(412,094)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from				
General Fund	479,200	479,200	-	437,123
Total other financing sources (uses)	<u>479,200</u>	<u>479,200</u>	<u>-</u>	<u>437,123</u>
Net change in fund balance	<u>\$ -</u>	90,199	<u>\$ 90,199</u>	25,029
<b>Fund Balances - Beginning of Year</b>		<u>64,134</u>		<u>39,105</u>
<b>Fund Balances - End of Year</b>		<u>\$ 154,333</u>		<u>\$ 64,134</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Capital Reserve Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Investment earnings	\$ -	\$ 17,869	\$ 17,869	\$ 8,311
Total revenues	<u>-</u>	<u>17,869</u>	<u>17,869</u>	<u>8,311</u>
<b>Expenditures</b>				
Other operating	365,095	19,950	345,145	-
Total expenditures	<u>365,095</u>	<u>19,950</u>	<u>345,145</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(365,095)</u>	<u>(2,081)</u>	<u>363,014</u>	<u>8,311</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from				
General Fund	365,095	365,095	-	-
Fund balance appropriated	88,696	-	(88,696)	-
Transfers to				
General Fund	(88,696)	(88,696)	-	(52,059)
Total other financing sources (uses)	<u>365,095</u>	<u>276,399</u>	<u>(88,696)</u>	<u>(52,059)</u>
Net change in fund balance	<u>\$ -</u>	274,318	<u>\$ 274,318</u>	(43,748)
<b>Fund Balances - Beginning of Year</b>		<u>173,771</u>		<u>217,519</u>
<b>Fund Balances - End of Year</b>		<u>\$ 448,089</u>		<u>\$ 173,771</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Water and Sewer Reserve Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Restricted intergovernmental revenues	\$ -	\$ -	\$ -	\$ 724,766
Investment earnings	-	-	-	30,040
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>754,806</u>
<b>Expenditures</b>				
Capital Outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>754,806</u>
<b>Other Financing Sources (Uses)</b>				
Transfers to				
General Fund	-	-	-	(77,958)
Water & Sewer Fund	-	(1,854,384)	(1,854,384)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,854,384)</u>	<u>(1,854,384)</u>	<u>(77,958)</u>
Net change in fund balance	<u>\$ -</u>	<u>(1,854,384)</u>	<u>\$ (1,854,384)</u>	676,848
<b>Fund Balances - Beginning of Year</b>		<u>1,854,384</u>		<u>1,177,536</u>
<b>Fund Balances - End of Year</b>		<u>\$ -</u>		<u>\$ 1,854,384</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Hospital Capital Reserve Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Investment earnings	\$ -	\$ 204,470	\$ 204,470	\$ 239,789
Total revenues	<u>-</u>	<u>204,470</u>	<u>204,470</u>	<u>239,789</u>
<b>Expenditures</b>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>204,470</u>	<u>204,470</u>	<u>239,789</u>
<b>Other Financing Sources (Uses)</b>				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>204,470</u>	<u>\$ 204,470</u>	<u>239,789</u>
<b>Fund Balances - Beginning of Year</b>		<u>4,988,294</u>		<u>4,748,505</u>
<b>Fund Balances - End of Year</b>		<u>\$ 5,192,764</u>		<u>\$ 4,988,294</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Rescue Squads Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Investment earnings	\$ -	\$ 20,317	\$ 20,317	\$ 20,409
Miscellaneous	-	346	346	-
Total revenues	<u>-</u>	<u>20,663</u>	<u>20,317</u>	<u>20,409</u>
<b>Expenditures</b>				
Public Safety				
Other operating	995,868	919,275	76,593	1,037,511
Total expenditures	<u>995,868</u>	<u>919,275</u>	<u>76,593</u>	<u>1,037,511</u>
Excess of revenues over (under) expenditures	<u>(995,868)</u>	<u>(898,612)</u>	<u>97,256</u>	<u>(1,017,102)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from				
General Fund	967,150	967,150	-	924,000
Fund balance appropriated	28,718	-	(28,718)	-
Total other financing sources (uses)	<u>995,868</u>	<u>967,150</u>	<u>(28,718)</u>	<u>924,000</u>
Net change in fund balance	<u>\$ -</u>	68,538	<u>\$ 68,192</u>	(93,102)
<b>Fund Balances - Beginning of Year</b>		<u>108,356</u>		<u>201,458</u>
<b>Fund Balances - End of Year</b>		<u>\$ 176,894</u>		<u>\$ 108,356</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Library Endowment Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Investment earnings	\$ -	\$ 9,265	\$ 9,265	\$ 11,589
Total revenues	<u>-</u>	<u>9,265</u>	<u>9,265</u>	<u>11,589</u>
<b>Expenditures</b>				
Culture and recreation				
Other operating	25,000	25,000	-	25,000
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Excess of revenues over (under) expenditures	<u>(25,000)</u>	<u>(15,735)</u>	<u>9,265</u>	<u>(13,411)</u>
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	25,000	-	(25,000)	-
Total other financing sources (uses)	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(15,735)</u>	<u>\$ (15,735)</u>	<u>(13,411)</u>
<b>Fund Balances - Beginning of Year</b>		<u>243,689</u>		<u>257,100</u>
<b>Fund Balances - End of Year</b>		<u>\$ 227,954</u>		<u>\$ 243,689</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Gretchen Peed Scholarship Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Investment earnings	\$ -	\$ 1,393	\$ 1,393	\$ 1,542
Miscellaneous				
Donations	<u>10,000</u>	<u>2,750</u>	<u>(7,250)</u>	<u>2,750</u>
Total revenues	<u>10,000</u>	<u>4,143</u>	<u>(5,857)</u>	<u>4,292</u>
<b>Expenditures</b>				
Human services				
Scholarship awards	<u>10,000</u>	<u>1,000</u>	<u>9,000</u>	<u>1,729</u>
Total expenditures	<u>10,000</u>	<u>1,000</u>	<u>9,000</u>	<u>1,729</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>3,143</u>	<u>3,143</u>	<u>2,563</u>
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>3,143</u>	<u>\$ 3,143</u>	<u>2,563</u>
<b>Fund Balances - Beginning of Year</b>		<u>32,476</u>		<u>29,913</u>
<b>Fund Balances - End of Year</b>		<u>\$ 35,619</u>		<u>\$ 32,476</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Parks/Historic Preservation Trust Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts for Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Licenses and permits				
Developer fee	\$ -	\$ 46,927	\$ 46,927	\$ 33,798
Investment earnings	-	5,357	5,357	8,396
Miscellaneous				
Donations	-	-	-	50
Cookbook sales	-	1,680	1,680	824
Total revenues	<u>-</u>	<u>53,964</u>	<u>53,964</u>	<u>43,068</u>
<b>Expenditures</b>				
Economic and physical development				
Other operating	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>53,964</u>	<u>53,964</u>	<u>43,068</u>
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	30,000	-	(30,000)	-
Transfers to				
General Capital Projects Fund	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>(180,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(180,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>23,964</u>	<u>\$ 23,964</u>	<u>(136,932)</u>
<b>Fund Balances - Beginning of Year</b>		<u>110,249</u>		<u>247,181</u>
<b>Fund Balances - End of Year</b>		<u>\$ 134,213</u>		<u>\$ 110,249</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Community Development Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2009**

NC Housing Finance Agency 2007 Urgent Repair Grant - URP0704	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Restricted intergovernmental revenues	\$ 75,000	\$ 37,500	\$ 37,500	\$ 75,000	\$ -
Investment earnings	-	1,385	154	1,539	1,539
Total revenues	75,000	38,885	37,654	76,539	1,539
<b>Expenditures</b>					
Economic and physical development					
Administration	7,500	-	7,500	7,500	-
Rehabilitation	67,500	27,792	41,247	69,039	(1,539)
Total expenditures	75,000	27,792	48,747	76,539	(1,539)
Excess of revenues over (under) expenditures	-	11,093	(11,093)	-	-
Net change in fund balance	\$ -	\$ 11,093	(11,093)	\$ -	\$ -
<b>Fund Balances - Beginning of Year</b>			11,093		
<b>Fund Balances - End of Year</b>			\$ -		

NC Housing Finance Agency Home Energy Loan Pool (HELP)	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Restricted intergovernmental revenues	\$ 20,000	\$ -	\$ 19,994	\$ 19,994	\$ (6)
Total revenues	20,000	-	19,994	19,994	(6)
<b>Expenditures</b>					
Economic and physical development					
Legal Costs	134	-	134	134	-
Rehabilitation	19,866	-	19,860	19,860	6
Total expenditures	20,000	-	19,994	19,994	6
Excess of revenues over (under) expenditures	-	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -	\$ -
<b>Fund Balances - Beginning of Year</b>			-		
<b>Fund Balances - End of Year</b>			\$ -		

(continued on page 130)

**CATAWBA COUNTY, NORTH CAROLINA**  
**Community Development Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2009**

<b>Community Development Block Grant Scattered Site Housing (06-C-1521)</b>	<b>Project Authorization</b>	<b>Actual</b>			<b>Over/Under</b>
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total to Date</b>	
<b>Revenues</b>					
Restricted intergovernmental revenues	\$ 400,000	\$ 205,234	\$ 194,766	\$ 400,000	\$ -
Program Income	-	11,479	-	11,479	11,479
<b>Total revenues</b>	<u>400,000</u>	<u>216,713</u>	<u>194,766</u>	<u>411,479</u>	<u>11,479</u>
<b>Expenditures</b>					
Economic and physical development					
Administration	40,000	28,110	11,890	40,000	-
Rehabilitation	270,500	89,159	182,876	272,035	1,535
Clearance	6,000	3,140	-	3,140	2,860
Relocation	80,000	81,325	-	81,325	(1,325)
Planning	3,500	3,500	-	3,500	-
<b>Total expenditures</b>	<u>400,000</u>	<u>205,234</u>	<u>194,766</u>	<u>400,000</u>	<u>3,070</u>
Excess of revenues over (under) expenditures	-	11,479	-	11,479	11,479
<b>Other Financing Sources (Uses)</b>					
Transfers to					
General Fund	-	(11,479)	-	(11,479)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(11,479)</u>	<u>-</u>	<u>(11,479)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balances - Beginning of Year</b>			-		
<b>Fund Balances - End of Year</b>			<u>\$ -</u>		

<b>Community Development Block Grant Individual Development Accounts (05-C-1472)</b>	<b>Project Authorization</b>	<b>Actual</b>			<b>Over/Under</b>
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total to Date</b>	
<b>Revenues</b>					
Restricted intergovernmental revenues	\$ 70,000	\$ 48,704	\$ 15,495	\$ 64,199	\$ (5,801)
<b>Total revenues</b>	<u>70,000</u>	<u>48,704</u>	<u>15,495</u>	<u>64,199</u>	<u>(5,801)</u>
<b>Expenditures</b>					
Economic and physical development					
Administration	10,000	5,255	4,745	10,000	-
Rehabilitation	60,000	44,449	9,750	54,199	5,801
<b>Total expenditures</b>	<u>70,000</u>	<u>49,704</u>	<u>14,495</u>	<u>64,199</u>	<u>5,801</u>
Excess of revenues over (under) expenditures	-	(1,000)	1,000	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,000)</u>	<u>1,000</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balances - Beginning of Year</b>			(1,000)		
<b>Fund Balances - End of Year</b>			<u>\$ -</u>		

**CATAWBA COUNTY, NORTH CAROLINA**  
**Community Development Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2009**

NCDOT Enhancement Project Bunker Hill Covered Bridge (E-4806)	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Restricted intergovernmental revenues	\$ 105,000	\$ 100	\$ 15,650	\$ 15,750	\$ (89,250)
Total revenues	105,000	100	15,650	15,750	(89,250)
<b>Expenditures</b>					
Economic and physical development Capital Outlay	105,000	15,750		15,750	89,250
Total expenditures	105,000	15,750	-	15,750	89,250
Excess of revenues over (under) expenditures	-	(15,650)	15,650	-	-
Net change in fund balance	\$ -	\$ (15,650)	15,650	\$ -	\$ -
<b>Fund Balances - Beginning of Year</b>			(15,650)		
<b>Fund Balances - End of Year</b>			\$ -		
<b>Grand Total</b>					
<b>Fund Balances - Beginning of Year</b>			(5,557)		
<b>Fund Balances - End of Year</b>			\$ -		



**CATAWBA COUNTY, NORTH CAROLINA**  
**Fire District Funds**  
**Subcombining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Mountain View Fire District Fund</u>	<u>Propst Fire District Fund</u>	<u>St. Stephens Fire District Fund</u>	<u>Conover Rural Fire District Fund</u>	<u>Oxford Fire District Fund</u>
<b>Revenues</b>					
Ad valorem taxes	\$ 343,467	\$ 193,241	\$ 434,701	\$ 81,593	\$ 258,557
Investment earnings	1,789	1,858	1,823	772	2,797
Total revenues	<u>345,256</u>	<u>195,099</u>	<u>436,524</u>	<u>82,365</u>	<u>261,354</u>
<b>Expenditures</b>					
Current					
Public safety	<u>349,843</u>	<u>194,160</u>	<u>446,324</u>	<u>80,128</u>	<u>335,893</u>
Total expenditures	<u>349,843</u>	<u>194,160</u>	<u>446,324</u>	<u>80,128</u>	<u>335,893</u>
Excess of revenue over (under) expenditures	<u>(4,587)</u>	<u>939</u>	<u>(9,800)</u>	<u>2,237</u>	<u>(74,539)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(4,587)	939	(9,800)	2,237	(74,539)
<b>Fund Balances - Beginning of Year</b>	<u>41,438</u>	<u>34,582</u>	<u>39,078</u>	<u>13,963</u>	<u>92,451</u>
<b>Fund Balances - End of Year</b>	<u>\$ 36,851</u>	<u>\$ 35,521</u>	<u>\$ 29,278</u>	<u>\$ 16,200</u>	<u>\$ 17,912</u>

(continued on page 134)

<b>Sherrills Ford Fire District Fund</b>	<b>Bandys Fire District Fund</b>	<b>Maiden Fire District Fund</b>	<b>Claremont Fire District Fund</b>	<b>Catawba Fire District Fund</b>	<b>Long View Fire District Fund</b>	<b>Newton Rural Fire District Fund</b>
\$ 931,914	\$ 366,400	\$ 139,767	\$ 222,576	\$ 129,599	\$ 22,460	\$ 345,874
4,394	5,434	2,926	1,224	3,285	540	1,688
<u>936,308</u>	<u>371,834</u>	<u>142,693</u>	<u>223,800</u>	<u>132,884</u>	<u>23,000</u>	<u>347,562</u>
<u>1,018,498</u>	<u>352,547</u>	<u>137,838</u>	<u>224,808</u>	<u>126,285</u>	<u>22,392</u>	<u>354,549</u>
<u>1,018,498</u>	<u>352,547</u>	<u>137,838</u>	<u>224,808</u>	<u>126,285</u>	<u>22,392</u>	<u>354,549</u>
<u>(82,190)</u>	<u>19,287</u>	<u>4,855</u>	<u>(1,008)</u>	<u>6,599</u>	<u>608</u>	<u>(6,987)</u>
137	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(82,053)	19,287	4,855	(1,008)	6,599	608	(6,987)
<u>183,460</u>	<u>109,233</u>	<u>63,406</u>	<u>21,364</u>	<u>72,195</u>	<u>11,980</u>	<u>39,957</u>
<u>\$ 101,407</u>	<u>\$ 128,520</u>	<u>\$ 68,261</u>	<u>\$ 20,356</u>	<u>\$ 78,794</u>	<u>\$ 12,588</u>	<u>\$ 32,970</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Fire District Funds**  
**Subcombining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Cooksville Fire District Fund</u>	<u>Denver Fire District Fund</u>	<u>Hickory Rural Fire District Fund</u>	<u>Total Fire District Funds</u>
<b>Revenues</b>				
Ad valorem taxes	\$ 74,395	\$ -	\$ 140,149	\$ 3,684,693
Investment earnings	1,368	-	825	30,723
Total revenues	<u>75,763</u>	<u>-</u>	<u>140,974</u>	<u>3,715,416</u>
<b>Expenditures</b>				
Current				
Public safety	<u>72,701</u>	<u>26,458</u>	<u>132,790</u>	<u>3,875,214</u>
Total expenditures	<u>72,701</u>	<u>26,458</u>	<u>132,790</u>	<u>3,875,214</u>
Excess of revenue over (under) expenditures	<u>3,062</u>	<u>(26,458)</u>	<u>8,184</u>	<u>(159,798)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from other funds	-	-	-	137
Transfers to other funds	-	(137)	-	(137)
Total other financing sources (uses)	<u>-</u>	<u>(137)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3,062	(26,595)	8,184	(159,798)
<b>Fund Balances - Beginning of Year</b>	<u>28,658</u>	<u>26,595</u>	<u>12,430</u>	<u>790,790</u>
<b>Fund Balances - End of Year</b>	<u>\$ 31,720</u>	<u>\$ -</u>	<u>\$ 20,614</u>	<u>\$ 630,992</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Mountain View Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 329,453	\$ 343,467	\$ 14,014	\$ 334,921
Investment earnings	-	1,789	1,789	2,874
Total revenues	<u>329,453</u>	<u>345,256</u>	<u>15,803</u>	<u>337,795</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>349,843</u>	<u>349,843</u>	-	<u>331,313</u>
Total expenditures	<u>349,843</u>	<u>349,843</u>	-	<u>331,313</u>
Excess of revenues over (under) expenditures	(20,390)	(4,587)	15,803	6,482
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>20,390</u>	-	<u>(20,390)</u>	-
Total other financing sources (uses)	<u>20,390</u>	-	<u>(20,390)</u>	-
Net change in fund balance	<u>\$ -</u>	(4,587)	<u>\$ (4,587)</u>	6,482
<b>Fund Balances - Beginning of Year</b>		<u>41,438</u>		<u>34,956</u>
<b>Fund Balances - End of Year</b>		<u>\$ 36,851</u>		<u>\$ 41,438</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Propst Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 197,302	\$ 193,241	\$ (4,061)	\$ 204,282
Investment earnings	-	1,858	1,858	2,429
Total revenues	<u>197,302</u>	<u>195,099</u>	<u>(2,203)</u>	<u>206,711</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>197,302</u>	<u>194,160</u>	<u>3,142</u>	<u>204,273</u>
Total expenditures	<u>197,302</u>	<u>194,160</u>	<u>3,142</u>	<u>204,273</u>
Excess of revenues over (under) expenditures	-	939	939	2,438
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ -</u>	939	<u>\$ 939</u>	2,438
<b>Fund Balances - Beginning of Year</b>		<u>34,582</u>		<u>32,144</u>
<b>Fund Balances - End of Year</b>		<u>\$ 35,521</u>		<u>\$ 34,582</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**St. Stephens Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 426,402	\$ 434,701	\$ 8,299	\$ 432,268
Investment earnings	-	1,823	1,823	3,326
Total revenues	<u>426,402</u>	<u>436,524</u>	<u>10,122</u>	<u>435,594</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>446,324</u>	<u>446,324</u>	-	<u>429,334</u>
Total expenditures	<u>446,324</u>	<u>446,324</u>	-	<u>429,334</u>
Excess of revenues over (under) expenditures	(19,922)	(9,800)	10,122	6,260
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>19,922</u>	-	<u>(19,922)</u>	-
Total other financing sources (uses)	<u>19,922</u>	-	<u>(19,922)</u>	-
Net change in fund balance	<u>\$ -</u>	(9,800)	<u>\$ (9,800)</u>	6,260
<b>Fund Balances - Beginning of Year</b>		<u>39,078</u>		<u>32,818</u>
<b>Fund Balances - End of Year</b>		<u>\$ 29,278</u>		<u>\$ 39,078</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Conover Rural Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 80,128	\$ 81,593	\$ 1,465	\$ 80,833
Investment earnings	-	772	772	718
Total revenues	<u>80,128</u>	<u>82,365</u>	<u>2,237</u>	<u>81,551</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>80,128</u>	<u>80,128</u>	<u>-</u>	<u>75,589</u>
Total expenditures	<u>80,128</u>	<u>80,128</u>	<u>-</u>	<u>75,589</u>
Excess of revenues over (under) expenditures	-	2,237	2,237	5,962
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	2,237	<u>\$ 2,237</u>	5,962
<b>Fund Balances - Beginning of Year</b>		<u>13,963</u>		<u>8,001</u>
<b>Fund Balances - End of Year</b>		<u>\$ 16,200</u>		<u>\$ 13,963</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Oxford Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Ad valorem taxes	\$ 253,124	\$ 258,557	\$ 5,433	\$ 258,516
Investment earnings	-	2,797	2,797	5,470
Total revenues	<u>253,124</u>	<u>261,354</u>	<u>8,230</u>	<u>263,986</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>335,893</u>	<u>335,893</u>	-	<u>245,601</u>
Total expenditures	<u>335,893</u>	<u>335,893</u>	-	<u>245,601</u>
Excess of revenues over (under) expenditures	(82,769)	(74,539)	8,230	18,385
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>82,769</u>	-	<u>(82,769)</u>	-
Total other financing sources (uses)	<u>82,769</u>	-	<u>(82,769)</u>	-
Net change in fund balance	<u>\$ -</u>	(74,539)	<u>\$ (74,539)</u>	18,385
<b>Fund Balances - Beginning of Year</b>		<u>92,451</u>		<u>74,066</u>
<b>Fund Balances - End of Year</b>		<u>\$ 17,912</u>		<u>\$ 92,451</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Sherrills Ford Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 901,388	\$ 931,914	\$ 30,526	\$ 758,669
Investment earnings	-	4,394	4,394	11,218
Total revenues	<u>901,388</u>	<u>936,308</u>	<u>34,920</u>	<u>769,887</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>1,018,498</u>	<u>1,018,498</u>	-	<u>717,653</u>
Total expenditures	<u>1,018,498</u>	<u>1,018,498</u>	-	<u>717,653</u>
Excess of revenues over (under) expenditures	(117,110)	(82,190)	34,920	52,234
<b>Other Financing Sources (Uses)</b>				
Transfer from Denver Fire District	-	137	137	-
Fund balance appropriated	<u>117,110</u>	-	<u>(117,110)</u>	-
Total other financing sources (uses)	<u>117,110</u>	<u>137</u>	<u>(116,973)</u>	-
Net change in fund balance	<u>\$ -</u>	(82,053)	<u>\$ (82,053)</u>	52,234
<b>Fund Balances - Beginning of Year</b>		<u>183,460</u>		<u>131,226</u>
<b>Fund Balances - End of Year</b>		<u>\$ 101,407</u>		<u>\$ 183,460</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Bandys Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 352,547	\$ 366,400	\$ 13,853	\$ 358,052
Investment earnings	-	5,434	5,434	6,497
Total revenues	<u>352,547</u>	<u>371,834</u>	<u>19,287</u>	<u>364,549</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>352,547</u>	<u>352,547</u>	-	<u>340,603</u>
Total expenditures	<u>352,547</u>	<u>352,547</u>	-	<u>340,603</u>
Excess of revenues over (under) expenditures	-	19,287	19,287	23,946
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ -</u>	19,287	<u>\$ 19,287</u>	23,946
<b>Fund Balances - Beginning of Year</b>		<u>109,233</u>		<u>85,287</u>
<b>Fund Balances - End of Year</b>		<u>\$ 128,520</u>		<u>\$ 109,233</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Maiden Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 137,838	\$ 139,767	\$ 1,929	\$ 139,887
Investment earnings	-	2,926	2,926	3,588
Total revenues	<u>137,838</u>	<u>142,693</u>	<u>4,855</u>	<u>143,475</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>137,838</u>	<u>137,838</u>	-	<u>135,771</u>
Total expenditures	<u>137,838</u>	<u>137,838</u>	-	<u>135,771</u>
Excess of revenues over (under) expenditures	-	4,855	4,855	7,704
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ -</u>	4,855	<u>\$ 4,855</u>	7,704
<b>Fund Balances - Beginning of Year</b>		<u>63,406</u>		<u>55,702</u>
<b>Fund Balances - End of Year</b>		<u>\$ 68,261</u>		<u>\$ 63,406</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Claremont Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 220,808	\$ 222,576	\$ 1,768	\$ 223,921
Investment earnings	-	1,224	1,224	1,517
Total revenues	<u>220,808</u>	<u>223,800</u>	<u>2,992</u>	<u>225,438</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>224,808</u>	<u>224,808</u>	-	<u>229,644</u>
Total expenditures	<u>224,808</u>	<u>224,808</u>	-	<u>229,644</u>
Excess of revenues over (under) expenditures	(4,000)	(1,008)	2,992	(4,206)
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>4,000</u>	-	<u>(4,000)</u>	-
Total other financing sources (uses)	<u>4,000</u>	-	<u>(4,000)</u>	-
Net change in fund balance	<u>\$ -</u>	(1,008)	<u>\$ (1,008)</u>	(4,206)
<b>Fund Balances - Beginning of Year</b>		<u>21,364</u>		<u>25,570</u>
<b>Fund Balances - End of Year</b>		<u>\$ 20,356</u>		<u>\$ 21,364</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Catawba Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 126,285	\$ 129,599	\$ 3,314	\$ 130,398
Investment earnings	-	3,285	3,285	3,938
Total revenues	<u>126,285</u>	<u>132,884</u>	<u>6,599</u>	<u>134,336</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>126,285</u>	<u>126,285</u>	<u>-</u>	<u>123,967</u>
Total expenditures	<u>126,285</u>	<u>126,285</u>	<u>-</u>	<u>123,967</u>
Excess of revenues over (under) expenditures	-	6,599	6,599	10,369
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	6,599	<u>\$ 6,599</u>	10,369
<b>Fund Balances - Beginning of Year</b>		<u>72,195</u>		<u>61,826</u>
<b>Fund Balances - End of Year</b>		<u>\$ 78,794</u>		<u>\$ 72,195</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Long View Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 22,392	\$ 22,460	\$ 68	\$ 22,443
Investment earnings	-	540	540	685
Total revenues	<u>22,392</u>	<u>23,000</u>	<u>608</u>	<u>23,128</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>22,392</u>	<u>22,392</u>	-	<u>22,326</u>
Total expenditures	<u>22,392</u>	<u>22,392</u>	-	<u>22,326</u>
Excess of revenues over (under) expenditures	-	608	608	802
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ -</u>	608	<u>\$ 608</u>	802
<b>Fund Balances - Beginning of Year</b>		<u>11,980</u>		<u>11,178</u>
<b>Fund Balances - End of Year</b>		<u>\$ 12,588</u>		<u>\$ 11,980</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Newton Rural Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 333,943	\$ 345,874	\$ 11,931	\$ 340,456
Investment earnings	-	1,688	1,688	3,019
Total revenues	<u>333,943</u>	<u>347,562</u>	<u>13,619</u>	<u>343,475</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>354,549</u>	<u>354,549</u>	-	<u>332,767</u>
Total expenditures	<u>354,549</u>	<u>354,549</u>	-	<u>332,767</u>
Excess of revenues over (under) expenditures	(20,606)	(6,987)	13,619	10,708
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	<u>20,606</u>	-	<u>(20,606)</u>	-
Total other financing sources (uses)	<u>20,606</u>	-	<u>(20,606)</u>	-
Net change in fund balance	<u>\$ -</u>	(6,987)	<u>\$ (6,987)</u>	10,708
<b>Fund Balances - Beginning of Year</b>		<u>39,957</u>		<u>29,249</u>
<b>Fund Balances - End of Year</b>		<u>\$ 32,970</u>		<u>\$ 39,957</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Cooksville Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 72,701	\$ 74,395	\$ 1,694	\$ 75,456
Investment earnings	-	1,368	1,368	1,633
Total revenues	<u>72,701</u>	<u>75,763</u>	<u>3,062</u>	<u>77,089</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>72,701</u>	<u>72,701</u>	-	<u>71,248</u>
Total expenditures	<u>72,701</u>	<u>72,701</u>	-	<u>71,248</u>
Excess of revenues over (under) expenditures	-	3,062	3,062	5,841
<b>Other Financing Sources (Uses)</b>				
Fund balance appropriated	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	<u>\$ -</u>	3,062	<u>\$ 3,062</u>	5,841
<b>Fund Balances - Beginning of Year</b>		<u>28,658</u>		<u>22,817</u>
<b>Fund Balances - End of Year</b>		<u>\$ 31,720</u>		<u>\$ 28,658</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Denver Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<u>2009</u>			<u>Actual Prior Year</u>
	<u>Budget</u>	<u>Actual</u>	<u>Over/Under</u>	
<b>Revenues</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 118,116
Investment earnings	-	-	-	1,610
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,726</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>26,458</u>	<u>26,458</u>	<u>-</u>	<u>111,653</u>
Total expenditures	<u>26,458</u>	<u>26,458</u>	<u>-</u>	<u>111,653</u>
Excess of revenues over (under) expenditures	(26,458)	(26,458)	-	8,073
<b>Other Financing Sources (Uses)</b>				
Transfer to Sherrills Ford Fire District	-	(137)	137	-
Fund balance appropriated	<u>26,458</u>	<u>-</u>	<u>(26,458)</u>	<u>-</u>
Total other financing sources (uses)	<u>26,458</u>	<u>(137)</u>	<u>(26,458)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	(26,595)	<u>\$ (26,458)</u>	8,073
<b>Fund Balances - Beginning of Year</b>		<u>26,595</u>		<u>18,522</u>
<b>Fund Balances - End of Year</b>		<u>\$ -</u>		<u>\$ 26,595</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Hickory Rural Fire District Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Ad valorem taxes	\$ 128,277	\$ 140,149	\$ 11,872	\$ 142,097
Investment earnings	-	825	825	1,265
Total revenues	<u>128,277</u>	<u>140,974</u>	<u>12,697</u>	<u>143,362</u>
<b>Expenditures</b>				
Public safety				
Transmitted to fire department	<u>132,790</u>	<u>132,790</u>	-	<u>140,564</u>
Total expenditures	<u>132,790</u>	<u>132,790</u>	-	<u>140,564</u>
Excess of revenues over (under) expenditures	(4,513)	8,184	12,697	2,798
<b>Other Financing Sources (Uses)</b>				
Transfers from other funds	-	-	-	9,632
Fund balance appropriated	<u>4,513</u>	-	<u>(4,513)</u>	-
Total other financing sources (uses)	<u>4,513</u>	-	<u>(4,513)</u>	<u>9,632</u>
Net change in fund balance	<u>\$ -</u>	8,184	<u>\$ 8,184</u>	12,430
<b>Fund Balances - Beginning of Year</b>		<u>12,430</u>		<u>-</u>
<b>Fund Balances - End of Year</b>		<u>\$ 20,614</u>		<u>\$ 12,430</u>



## Capital Projects Funds

To account for financial resources to be used for the acquisition or construction of major capital projects.

### Non Major Funds

#### *Water & Sewer Construction Fund -*

To account for the financing and construction of all major water and sewer capital projects in the unincorporated sections of the County. During FY2009, this fund was transferred to the Water & Sewer Enterprise Fund. Details of this fund can be found in the Enterprise section.

#### *School Bond Fund - 1997 Series -*

To account for the construction of major capital projects for the three school systems in the County to be paid for out of bond proceeds.

#### *Hospital Construction Fund -*

To account for the financing and construction of major capital projects for Catawba Valley Medical Center.

### Major Funds

#### *General Capital Projects Fund -*

To account for the financing and construction of major general government capital projects.

#### *School Capital Projects Fund -*

To account for the financing and construction of major capital projects for the three school systems and community college in the County.

#### *School Construction Fund -*

To account for the financing and construction of major capital projects for the three school systems and community college in the County.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Nonmajor Capital Projects Funds**  
**Combining Balance Sheet**  
**June 30, 2009**

	<b>Water &amp; Sewer Construction Fund</b>	<b>School Bond Fund - 1997 Series Fund</b>	<b>Hospital Construction Fund</b>	<b>Total Nonmajor Capital Projects Fund</b>
<b>Assets</b>				
Cash and investments	\$ -	\$ 82,939	\$ 22,690	\$ 105,629
Interest receivables	-	466	119	585
Total assets	<u>-</u>	<u>83,405</u>	<u>22,809</u>	<u>106,214</u>
<b>Liabilities</b>				
Accounts payable	-	16,632	-	16,632
Total liabilities	<u>-</u>	<u>16,632</u>	<u>-</u>	<u>16,632</u>
<b>Fund Balance</b>				
Unreserved	-	66,773	22,809	89,582
Total fund balances	<u>-</u>	<u>66,773</u>	<u>22,809</u>	<u>89,582</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 83,405</u>	<u>\$ 22,809</u>	<u>\$ 106,214</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Nonmajor Capital Projects Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Water &amp; Sewer Construction</u>	<u>School Bond Fund - 1997 Series Fund</u>	<u>Hospital Construction Fund</u>	<u>Total Nonmajor Capital Projects Fund</u>
<b>Revenues</b>				
Investment earnings	\$ -	\$ 3,555	\$ 898	\$ 4,453
Total revenues	<u>-</u>	<u>3,555</u>	<u>898</u>	<u>4,453</u>
<b>Expenditures</b>				
Capital outlay	-	25,285	-	25,285
Total expenditures	<u>-</u>	<u>25,285</u>	<u>-</u>	<u>25,285</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(21,730)</u>	<u>898</u>	<u>(20,832)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers to other funds	(30,589,831)	-	-	(30,589,831)
Total other financing sources (uses)	<u>(30,589,831)</u>	<u>-</u>	<u>-</u>	<u>(30,589,831)</u>
Net change in fund balance	(30,589,831)	(21,730)	898	(30,610,663)
<b>Fund Balances - Beginning of Year</b>	<u>30,589,831</u>	<u>88,503</u>	<u>21,911</u>	<u>30,700,245</u>
<b>Fund Balances - End of Year</b>	<u>\$ -</u>	<u>\$ 66,773</u>	<u>\$ 22,809</u>	<u>\$ 89,582</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**School Bond Fund - 1997 Series**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual**  
**From Inception and for the Year Ended June 30, 2009**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings	\$ 1,883,390	\$ 1,946,608	\$ 3,555	\$ 1,950,163	\$ 66,773
<b>Expenditures</b>					
Hickory Public Schools					
College Park Renovations	419,377	410,724	8,653	419,377	-
Technology	1,475,000	1,458,368	16,632	1,475,000	-
Total expenditures	<u>1,894,377</u>	<u>1,869,092</u>	<u>25,285</u>	<u>1,894,377</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(10,987)</u>	<u>77,516</u>	<u>(21,730)</u>	<u>55,786</u>	<u>66,773</u>
<b>Other Financing Sources (Uses)</b>					
Transfer from School Capital Fund	<u>10,987</u>	<u>10,987</u>	<u>-</u>	<u>10,987</u>	<u>-</u>
Total other financing sources (uses)	<u>10,987</u>	<u>10,987</u>	<u>-</u>	<u>10,987</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 88,503</u>	<u>(21,730)</u>	<u>\$ 66,773</u>	<u>\$ 66,773</u>
<b>Fund Balances - Beginning of Year</b>			<u>88,503</u>		
<b>Fund Balances - End of Year</b>			<u>\$ 66,773</u>		

**CATAWBA COUNTY, NORTH CAROLINA**  
**Hospital Construction Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2009**

	Project Authorization	Actual			Over/ Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Investment earnings	\$ -	\$ 21,911	\$ 898	\$ 22,809	\$ 22,809
<b>Expenditures</b>					
Capital outlay	-	-	-	-	-
Excess of revenues over (under) expenditures	-	21,911	898	22,809	22,809
Net change in fund balance	<u>\$ -</u>	<u>\$ 21,911</u>	898	<u>\$ 22,809</u>	<u>\$ 22,809</u>
<b>Fund Balances - Beginning of Year</b>			<u>21,911</u>		
<b>Fund Balances - End of Year</b>			<u>\$ 22,809</u>		

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Capital Projects Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Year Ended June 30, 2009**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Other Taxes					
Sales Taxes - Article 46-one quarter of one percent	\$ 2,637,500	\$ -	\$ 2,782,058	\$ 2,782,058	\$ 144,558
Restricted intergovernmental revenues					
Geospatial grant	-	12,118	-	12,118	12,118
Municipalities Grants	53,020	-	29,663	29,663	(23,357)
Parks and Recreation grant	125,000	125,000	-	125,000	-
Investment earnings	97,718	4,908,568	643,769	5,552,337	5,454,619
Miscellaneous					
Personnel indirect cost	50,000	50,000	-	50,000	-
Miscellaneous	158,136	144,163	50	144,213	(13,923)
Rental - Jail Beds	350,000	129,002	553,151	682,153	332,153
Rental - Mental Health	733,674	366,996	297,423	664,419	(69,255)
<b>Total revenues</b>	<b>4,205,048</b>	<b>5,735,847</b>	<b>4,306,114</b>	<b>10,041,961</b>	<b>5,836,913</b>
<b>Expenditures</b>					
Capital outlay					
Animal Shelter - HVAC	133,500	6,160	124,040	130,200	3,300
Animal Shelter Renovation	21,000	-	4,000	4,000	17,000
Dental Clinic	403,400	118,024	-	118,024	285,376
Finance/Budget/Personnel Software	1,396,323	1,394,654	-	1,394,654	1,669
Future Unspecified Projects	56,309	-	-	-	56,309
General Renovations	943,238	866,497	67,727	934,224	9,014
GIS Remapping	125,000	-	43,912	43,912	81,088
Imaging System	60,000	40,202	4,217	44,419	15,581
Jail Expansion	17,869,980	17,570,697	137,496	17,708,193	161,787
Jail Expansion - Federal Beds	350,000	-	-	-	350,000
Justice Center Expansion	3,642,707	287,882	-	287,882	3,354,825
Justice Center Roofing	140,000	139,572	-	139,572	428
Justice Center Security System	20,000	18,191	-	18,191	1,809
Microsoft Software Licensing	740,000	522,197	151,066	673,263	66,737
Mobile Field Applications	391,000	66,114	280,500	346,614	44,386
Mobile Workforce	50,000	-	-	-	50,000
PeopleSoft Financials Project	298,702	298,513	-	298,513	189
Permitting/Inspections System	750,000	-	267,182	267,182	482,818
Pictometry Flyover	95,000	-	94,800	94,800	200
Public Health Billing System	60,000	59,985	-	59,985	15
Public Safety Center	6,765,059	-	-	-	6,765,059
Public Safety Software System	622,149	620,794	-	620,794	1,355
Radio Frequency Study	1,114,904	1,073,655	2,775	1,076,430	38,474
Rescue Squad - Hickory	720,000	-	-	-	720,000
Rescue Squad - Newton-Conover	120,000	-	-	-	120,000
Right of Way Acquisition	85,268	20,617	-	20,617	64,651
Riverbend Park Renovation	285,000	275,574	-	275,574	9,426
Roofing Projects	186,727	171,374	11,500	182,874	3,853
Sherrills Ford Library	750,000	-	-	-	750,000
Sherrills Ford Park	300,000	-	-	-	300,000
Snow Creek Park Gardens	210,000	6,683	199,077	205,760	4,240
Tax Software	510,000	315,000	-	315,000	195,000
Technology Infrastructure Upgrades	618,100	240,071	234,746	474,817	143,283
Viper 800mhz System	282,752	-	64,187	64,187	218,565
Voting Equipment	1,124,000	1,112,689	-	1,112,689	11,311
<b>Total expenditures</b>	<b>41,240,118</b>	<b>25,225,145</b>	<b>1,687,225</b>	<b>26,912,370</b>	<b>14,327,748</b>
Excess of revenues over (under) expenditures	(37,035,070)	(19,489,298)	2,618,889	(16,870,409)	20,164,661

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Capital Projects Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Other Financing Sources (Uses)</b>					
Transfers from					
General Fund	15,213,261	12,685,926	2,527,335	15,213,261	-
Emergency Telephone Fund Transfer	2,877,627	2,782,752	94,875	2,877,627	-
Park Preservation Fund	370,000	340,000	30,000	370,000	-
Transfers to					
General Fund	(3,062,318)	(2,249,995)	(812,323)	(3,062,318)	-
Sales of Capital Assets	24,000	322,428	-	322,428	298,428
Installment Purchase Issued	3,612,500	-	-	-	(3,612,500)
Certificates of Participation Issued - Series 2005	18,000,000	16,950,000	-	16,950,000	(1,050,000)
Premium on Certificates of Participation	-	859,450	-	859,450	859,450
Total other financing sources (uses)	<u>37,035,070</u>	<u>31,690,561</u>	<u>1,839,887</u>	<u>33,530,448</u>	<u>(3,504,622)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 12,201,263</u>	4,458,776	<u>\$ 16,660,039</u>	<u>\$ 16,660,039</u>
<b>Fund Balances - Beginning of Year</b>			<u>12,201,263</u>		
<b>Fund Balances - End of Year</b>			<u>\$ 16,660,039</u>		

**CATAWBA COUNTY, NORTH CAROLINA**  
**School Capital Projects Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Year Ended June 30, 2009**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Other taxes					
Sales Taxes-Article 40-one half of one percent	\$ 3,721,028	\$ 4,306,077	\$ 1,497,073	\$ 5,803,150	\$ 2,082,122
Sales Taxes-Article 42-one half of one percent	2,414,085	5,703,746	1,725,577	7,429,323	5,015,238
Restricted intergovernmental revenues					
Public School Building Capital Fund	8,000,000	7,887,817	864,100	8,751,917	751,917
Public School Building Lottery Fund	178,904	178,904	3,125	182,029	3,125
Investment earnings	4,974,640	4,370,350	506,313	4,876,663	(97,977)
Total revenues	<u>19,288,657</u>	<u>22,446,894</u>	<u>4,596,188</u>	<u>27,043,082</u>	<u>7,754,425</u>
<b>Expenditures</b>					
Capital outlay					
Catawba County Schools					
Activity Buses	390,000	-	386,235	386,235	3,765
American with Disabilities Act Renovations	675,000	569,777	1,663	571,440	103,560
Annex Renovations	364,300	-	36,506	36,506	327,794
Asebestos Flooring Replacement	150,000	-	145,991	145,991	4,009
Banoak Elementary Property	100,000	30,500	-	30,500	69,500
Bus Garage - Biodiesel Tank	41,000	-	34,181	34,181	6,819
Capital Projects Manager	33,092	-	33,092	33,092	-
Emergency Generators	70,000	21,385	29,210	50,595	19,405
Energy Management/Gym Lighting	64,000	-	54,756	54,756	9,244
Energy Management Retrofits	20,000	-	-	-	20,000
Fred T Foard High School Air Conditioning	206,700	89,064	96,824	185,888	20,812
Gym Bleacher Replacements	140,000	105,000	33,301	138,301	1,699
Gym Floor Replacements	95,000	19,804	74,250	94,054	946
HVAC Controls System Upgrade	165,000	-	159,200	159,200	5,800
Maiden Middle School Convert Classroom	80,000	-	79,342	79,342	658
Per Capita Allocation	868,035	-	868,035	868,035	-
Roofing Projects	1,045,000	493,396	281,598	774,994	270,006
School Buses	2,533,156	2,011,447	521,577	2,533,024	132
Sherrills Ford Wastewater	40,000	29,277	472	29,749	10,251
St.Stephens Elementary Demolition	95,281	-	88,280	88,280	7,001
St.Stephens High School Air Conditioning	240,000	-	240,000	240,000	-
St.Stephens High School Greenhouse	42,550	-	42,550	42,550	-
Warehouse Delivery Truck	45,000	-	43,385	43,385	1,615
Window Replacements	23,000	-	-	-	23,000
Total Catawba County Schools	<u>7,526,114</u>	<u>3,369,650</u>	<u>3,250,448</u>	<u>6,620,098</u>	<u>906,016</u>
Catawba County Community College					
Center for Emerging Manufacturing Solutions	425,838	-	-	-	425,838
General Renovations	1,605,721	587,051	1,014,580	1,601,631	4,090
HVAC Replacement	147,000	60,000	87,000	147,000	-
Mulipurpose Complex Cooling Tower	127,000	-	127,000	127,000	-
Parking Lot Security	40,000	-	-	-	40,000
Paving Projects	420,000	-	119,328	119,328	300,672
Security Cameras	90,000	-	-	-	90,000
Simulated Hospital	1,000,000	-	-	-	1,000,000
Student Parking Lot	85,000	-	3,080	3,080	81,920
Student Services Renovation	100,000	55,482	44,518	100,000	-
Total Catawba Valley Community College	<u>4,040,559</u>	<u>702,533</u>	<u>1,395,506</u>	<u>2,098,039</u>	<u>1,942,520</u>
Hickory Public Schools					
American with Disabilities Act	150,000	117,505	30,000	147,505	2,495
Bus Handicapped Activity	65,000	64,991	-	64,991	9
Drainage and Erosion Control	20,000	13,645	6,350	19,995	5
Fire Alarms	50,000	34,669	15,331	50,000	-
Hickory High School American Legion Renovation	2,203,467	2,202,792	675	2,203,467	-
Hickory High School Asbestos	1,094,314	545,004	549,310	1,094,314	-

**CATAWBA COUNTY, NORTH CAROLINA**  
**School Capital Projects Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Year Ended June 30, 2009**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
Hickory High School Classroom Addition	440,200	440,200	-	440,200	-
Hickory High School Roofing	75,000	65,623	9,377	75,000	-
Hickory High School Vocational Building	25,000	7,708		7,708	17,292
Jenkins Elementary Fence and Wall	20,000	-	20,000	20,000	-
Mobile Classrooms	90,000	-	89,481	89,481	519
Parking Lots	195,930	185,232	10,698	195,930	-
Per Capita Allocation	180,349	-	180,349	180,349	-
Southwest Elementary Roof	328,972	93,355	228,196	321,551	7,421
Viewmont Gym Floor	63,165	-	42,840	42,840	20,325
<b>Total Hickory Public Schools</b>	<b>5,001,397</b>	<b>3,770,724</b>	<b>1,182,607</b>	<b>4,953,331</b>	<b>48,066</b>
<b>Newton-Conover City Schools</b>					
Activity Buses	74,856	55,000	-	55,000	19,856
Americans with Disabilities Act	80,000	76,997	989	77,986	2,014
Asbestos Removal	66,869	28,293	5,250	33,543	33,326
Boiler Replacements	123,593	-	123,593	123,593	-
Capital Projects Manager	33,092	-	30,919	30,919	2,173
Maintenance Vehicles	18,533	18,011	522	18,533	-
Newton-Conover Health Science School	178,904	-	178,904	178,904	-
Newton-Conover High School General Renovatic	335,815	-	322,000	322,000	13,815
Newton-Conover High School Press Box	18,000	-	-	-	18,000
Newton-Conover High School Track Resurface	64,598	-	64,598	64,598	-
Newton-Conover High School Underground Tank	45,102	31,259	13,843	45,102	-
Per Capita Allocation	139,552	-	139,552	139,552	-
Roofing Projects	137,272	-	37,930	37,930	99,342
South Newton Elementary Renovations	9,684	7,672	2,012	9,684	-
Summit System	70,000	48,132	-	48,132	21,868
Thornton Roofing	19,015	-	19,015	19,015	-
Warehouse	155,000	154,111	548	154,659	341
<b>Total Newton-Conover City Schools</b>	<b>1,569,885</b>	<b>419,475</b>	<b>939,675</b>	<b>1,359,150</b>	<b>210,735</b>
Future Unspecified Projects	3,286,885	-	-	-	3,286,885
<b>Total expenditures</b>	<b>21,424,840</b>	<b>8,262,382</b>	<b>6,768,236</b>	<b>15,030,618</b>	<b>6,394,222</b>
Excess of revenues over (under) expenditures	(2,136,183)	14,184,512	(2,172,048)	12,012,464	14,148,647
<b>Other Financing Sources (Uses)</b>					
Transfers from					
General Fund	1,536,835	747,943	336,835	1,084,778	(452,057)
School Construction Fund	1,389,838	142,000	1,247,838	1,389,838	-
Transfers to					
General Fund	(347,062)	(297,062)	(50,000)	(347,062)	-
School Construction Fund	(1,143,428)	-	(1,143,428)	(1,143,428)	-
Qualified Zone Academy Bonds (QZAB) Issued	700,000	700,000	-	700,000	-
<b>Total other financing sources (uses)</b>	<b>2,136,183</b>	<b>1,292,881</b>	<b>391,245</b>	<b>1,684,126</b>	<b>(452,057)</b>
Net change in fund balance	\$ -	\$ 15,477,393	(1,780,803)	\$ 13,696,590	\$ 13,696,590
<b>Fund Balances - Beginning of Year</b>			15,477,393		
<b>Fund Balances - End of Year</b>			\$ 13,696,590		

**CATAWBA COUNTY, NORTH CAROLINA**  
**School Construction Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual**  
**From Inception and for the Year Ended June 30, 2009**

Project	Actual			Over/Under	
	Authorization	Prior Years	Current Year		Total to Date
<b>Revenues</b>					
Restricted intergovernmental revenues					
Public School Building Lottery Fund	\$ 1,445,693	\$ 1,057,266	\$ 1,716,696	\$ 2,773,962	\$ 1,328,269
Investment earnings	1,328,910	1,812,558	243,109	2,055,667	726,757
Total revenues	<u>2,774,603</u>	<u>2,869,824</u>	<u>1,959,805</u>	<u>4,829,629</u>	<u>2,055,026</u>
<b>Expenditures</b>					
Catawba County Schools					
Bandys High School Renovation	5,878,474	1,471,916	4,036,149	5,508,065	370,409
Bunker Hill High School Renovation	7,956,000	471,436	6,549,286	7,020,722	935,278
Catawba Elementary	9,527,159	9,521,444	5,715	9,527,159	-
Fred T Foard High School Renovation	4,793,000	79,837	3,965,557	4,045,394	747,606
Snow Creek Elementary	12,028,704	2,948,439	6,673,898	9,622,337	2,406,367
St. Stephens High School Track	679,000	-	613,884	613,884	65,116
Webb Murray Elementary	178,513	147,969	30,544	178,513	-
Total Catawba County Schools	<u>41,040,850</u>	<u>14,641,041</u>	<u>21,875,033</u>	<u>36,516,074</u>	<u>4,524,776</u>
Catawba Valley Community College					
Land Purchase	950,000	-	950,000	950,000	-
Multi-use Driver Training Facility	252,162	7,922	19,240	27,162	225,000
Paving Project	225,000	76,584	148,416	225,000	-
Roofing Project	542,922	-	542,922	542,922	-
Student Services Center	2,500,000	1,096	147,896	148,992	2,351,008
Total Catawba Valley Community College	<u>4,470,084</u>	<u>85,602</u>	<u>1,808,474</u>	<u>1,894,076</u>	<u>2,576,008</u>
Hickory Public Schools					
Grandview Middle School	11,931,503	11,926,973	3,217	11,930,190	1,313
Hickory High School Renovation	7,647,577	480,969	5,416,669	5,897,638	1,749,939
Total Hickory Public Schools	<u>19,579,080</u>	<u>12,407,942</u>	<u>5,419,886</u>	<u>17,827,828</u>	<u>1,751,252</u>
Newton-Conover City Schools					
Newton-Conover High School Renovation	2,940,728	132,866	2,284,911	2,417,777	522,951
Total Newton-Conover City Schools	<u>2,940,728</u>	<u>132,866</u>	<u>2,284,911</u>	<u>2,417,777</u>	<u>522,951</u>
Other					
Future Projects	850,000	-	-	-	850,000
Future Debt Service	4,347,219	-	-	-	4,347,219
Total Other	<u>5,197,219</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,197,219</u>
Total expenditures	<u>73,227,961</u>	<u>27,267,451</u>	<u>31,388,304</u>	<u>58,655,755</u>	<u>14,572,206</u>
Excess of revenues over (under) expenditures	<u>(70,453,358)</u>	<u>(24,397,627)</u>	<u>(29,428,499)</u>	<u>(53,826,126)</u>	<u>16,627,232</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**School Construction Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual**  
**From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Other Financing Sources (Uses)</b>					
Transfers from					
General Fund	9,181,753	5,180,743	4,001,010	9,181,753	-
School Capital Fund	1,864,554	721,126	1,143,428	1,864,554	-
Transfers to					
General Fund	(5,079,111)	(4,999,854)	(79,257)	(5,079,111)	-
School Capital Fund	(1,389,838)	(142,000)	(1,247,838)	(1,389,838)	-
Installment Purchase Obligations Issued 2009	16,750,000	-	16,750,000	16,750,000	-
Installment Purchase Obligations Issued 2008	27,426,000	21,607,000	4,906,000	26,513,000	(913,000)
Installment Purchase Obligations Issued 2006	9,200,000	9,200,000	-	9,200,000	-
Installment Purchase Obligations Issued 2004	9,900,000	9,900,000	-	9,900,000	-
Certificates of Participation Issued 2005	2,600,000	2,600,000	-	2,600,000	-
Total other financing sources (uses)	<u>70,453,358</u>	<u>44,067,015</u>	<u>25,473,343</u>	<u>69,540,358</u>	<u>(913,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 19,669,388</u>	<u>(3,955,156)</u>	<u>\$ 15,714,232</u>	<u>\$ 15,714,232</u>
<b>Fund Balances - Beginning of Year</b>			<u>19,669,388</u>		
<b>Fund Balances - End of Year</b>			<u>\$ 15,714,232</u>		



**Enterprise Fund**  
(Proprietary Fund Type)

To account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

*Solid Waste Management Fund -*

To account for the operations of the County's solid waste activities.

*Water and Sewer Fund -*

To account for the County's water and sewer activities.

*Water and Sewer Construction Fund -*

To account for the financing and construction of all major water and sewer capital projects in the unincorporated sections of the County.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Solid Waste Management Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
<b>Revenues</b>				
Operating revenues				
Charges for services				
Solid waste charges	\$ 5,905,000	\$ 5,253,661		
Methane recovery	632,000	580,821		
Other operating	88,100	88,438		
Total operating revenues	<u>6,625,100</u>	<u>5,922,920</u>	<u>(702,180)</u>	<u>6,626,224</u>
Nonoperating revenues				
Investment earnings	-	594,583		
Tire disposal tax	130,000	162,410		
Solid waste disposal tax	34,285	45,097		
White goods disposal tax	50,000	48,225		
North Carolina biofuels grant	150,000	-		
Scrap tire grant	80,000	81,638		
Miscellaneous	-	92		
Total nonoperating revenues	<u>444,285</u>	<u>932,045</u>	<u>487,760</u>	<u>1,279,170</u>
Total revenues	<u>7,069,385</u>	<u>6,854,965</u>	<u>(214,420)</u>	<u>7,905,394</u>
<b>Expenditures</b>				
Solid Waste Management				
Administration				
Salaries & employee benefits	210,822	211,143		
Other operating	236,584	233,904		
Solid waste reserve	366,063	-		
	<u>813,469</u>	<u>445,047</u>	<u>368,422</u>	<u>449,622</u>
Recycling				
Other operating	52,965	44,887		
	<u>52,965</u>	<u>44,887</u>	<u>8,078</u>	<u>46,849</u>
Solid Waste Management Improvements				
Other operating	465,052	250,729		
	<u>465,052</u>	<u>250,729</u>	<u>214,323</u>	<u>653,991</u>
Solid Waste Code Enforcement				
Salaries & employee benefits	66,937	51,708		
Other operating	68,548	11,559		
	<u>135,485</u>	<u>63,267</u>	<u>72,218</u>	<u>111,887</u>
Sanitary Landfill				
Salaries & employee benefits	1,168,815	1,125,337		
Other operating	1,925,344	1,402,476		
	<u>3,094,159</u>	<u>2,527,813</u>	<u>566,346</u>	<u>2,259,736</u>
Convenience Centers				
Other operating	337,444	329,592		
	<u>337,444</u>	<u>329,592</u>	<u>7,852</u>	<u>336,331</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Solid Waste Management Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	<b>2009</b>			<b>Actual Prior Year</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	
Household Hazardous Waste				
Other operating	83,050	72,285		
	<u>83,050</u>	<u>72,285</u>	10,765	<u>70,966</u>
Blackburn Landfill - Methane Recovery				
Salaries & employee benefits	126,236	117,589		
Other operating	656,757	566,105		
	<u>782,993</u>	<u>683,694</u>	99,299	<u>558,842</u>
Total operating expenditures	<u>5,764,617</u>	<u>4,417,314</u>	1,347,303	<u>4,488,224</u>
Capital outlay	<u>3,955,006</u>	<u>2,646,344</u>	1,308,662	<u>4,465,006</u>
Total expenditures	<u>9,719,623</u>	<u>7,063,658</u>	2,655,965	<u>8,953,230</u>
Excess of revenues over (under) expenditures	<u>(2,650,238)</u>	<u>(208,693)</u>	2,441,545	<u>(1,047,836)</u>
<b>Other Financing Sources (Uses)</b>				
Transfer from General fund	239	239	-	-
Fund balance appropriated	<u>2,649,999</u>	-	<u>(2,649,999)</u>	-
Total other financing sources (uses)	<u>2,650,238</u>	<u>239</u>	<u>(2,649,999)</u>	<u>2,750</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (208,454)</u>	<u>\$ (208,454)</u>	<u>\$ (1,045,086)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Net change in fund balance		<u>\$ (208,454)</u>		
Reconciling items				
Capital outlay		2,646,344		
Depreciation		(849,971)		
(Increase) decrease in accrued landfill closure and postclosure care costs		(301,954)		
(Increase) decrease in compensated absences		(1,689)		
Capital contribution		<u>44,081</u>		
Total reconciling items		<u>1,536,811</u>		
Increase (decrease) in net assets (Exhibit 7) (full accrual)		<u>\$ 1,328,357</u>		

**CATAWBA COUNTY, NORTH CAROLINA****Water and Sewer Fund****Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP)****For the Fiscal Year Ended June 30, 2009****With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

	2009			Actual Prior Year
	Budget	Actual	Over/Under	
<b>Revenues</b>				
Operating revenues				
Charges for services				
Domestic Haulers	\$ 97,300	\$ 104,374		
Capital and engineering fees	850,000	307,910		
Total operating revenues	947,300	412,284	(535,016)	-
Nonoperating revenues				
State clean water grant	-	63,351		
Municipality revenue	382,400	1,105,332		
Investment earnings	-	302,844		
Total nonoperating revenues	382,400	1,471,527	1,089,127	-
Total revenues	1,329,700	1,883,811	554,111	-
<b>Expenditures</b>				
Water and Sewer				
Administration				
Salaries & employee benefits	48,609	50,031		
Other operating	69,001	59,010		
Principal	400,000	228,647		
Interest	600,000	291,759		
Water and sewer reserve	4,152,233	-		
Total water and sewer	5,269,843	629,447	4,640,396	-
Total expenditures	5,269,843	629,447	4,640,396	-
Excess of revenues over (under) expenditures	(3,940,143)	1,254,364	5,194,507	-
<b>Other Financing Sources (Uses)</b>				
Transfer from General fund	3,940,143	3,940,143	-	-
Transfer in	-	1,854,384	1,854,384	-
Total other financing sources (uses)	3,940,143	5,794,527	1,854,384	-
Net change in fund balance	\$ -	\$ 7,048,891	\$ 7,048,891	\$ -

**CATAWBA COUNTY, NORTH CAROLINA**  
**Water and Sewer Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2009**  
**With Comparative Actual Amounts For Fiscal Year Ended June 30, 2008**

Reconciliation from budgetary basis (modified accrual) to full accrual:

Net change in fund balance	<u>\$ 7,048,891</u>
Reconciling items	
Investment earnings from project fund	802,974
Transfer in project fund	30,589,831
Project expenditures not capitalized	(549,083)
Depreciation	(156,229)
(Increase) decrease in compensated absences	(12,797)
Loan principal	228,647
Capital contribution	<u>7,469,123</u>
Total reconciling items	<u>38,372,466</u>
Increase (decrease) in net assets (Exhibit 7) (full accrual)	<u>\$ 45,421,357</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Water and Sewer Construction Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP)**  
**From Inception and for the Year Ended June 30, 2009**

	Project Authorization	Actual			Over/Under
		Prior Years	Current Year	Total to Date	
<b>Revenues</b>					
Restricted intergovernmental revenues					
Clean Water Bond High Unit Cost Grant					
SECC Water Loop	\$ 5,897	\$ -	\$ -	\$ -	\$ (5,897)
Community Development Block Grants (CDBG)					
Infrastructure Water Hookup	35,011	-	-	-	(35,011)
State Clean Water Grants					
Balls Creek	97,093	-	-	-	(97,093)
Municipal Grants	25,246	-	-	-	(25,246)
Investment earnings	802,974	-	802,974	802,974	-
Miscellaneous					
Sherrills Ford Development Water Project	35,462	-	-	-	(35,462)
<b>Total revenues</b>	<b>1,001,683</b>	<b>-</b>	<b>802,974</b>	<b>802,974</b>	<b>(198,709)</b>
<b>Expenditures</b>					
Capital outlay					
Advents Crossroads Waterline	9,097	-	-	-	9,097
Blackburn/Plateau Water	180,600	-	121,659	121,659	58,941
Clarks Creek Wastewater	120,000	-	-	-	120,000
Community Road Water	300,000	-	-	-	300,000
State Clean Water Grants					
Balls Creek Elementary	315,458	-	133,680	133,680	181,778
Bunker Hill Sewer	2,768,734	-	123,037	123,037	2,645,697
Conover/Southeastern Catawba County Pass					
Through	5,000	-	-	-	5,000
EPA Stormwater Phase II	100,000	-	-	-	100,000
Feasibility Study & Engineering	179,514	-	5,820	5,820	173,694
Future Water & Sewer Projects	2,994,212	-	-	-	2,994,212
Hwy 150 Water Service	34,951	-	-	-	34,951
Infrastructure Water Hookup	28,290	-	11,000	11,000	17,290
Miscellaneous	4,928,876	-	16,471	16,471	4,912,405
Mt. Grove Shiloh Water	104,871	-	-	-	104,871
Mountain View Elementary Water	30,000	-	-	-	30,000
Newton Pass Through	15,000	-	-	-	15,000
Regional Biosolids Facility	769,367	-	244,428	244,428	524,939
Regional Water Supply Study	50,000	-	-	-	50,000
Rocky Ford/Startown Water	1,240,000	-	-	-	1,240,000
Sherrills Ford/Terrell Water	12,141	-	-	-	12,141
Shiloh Road Water Line	9,446	-	-	-	9,446
Sludge Composting Project	768,246	-	234,946	234,946	533,300
Southeastern Catawba County Interconnect					
Water Line	12,420	-	-	-	12,420
Southeastern Catawba County Wastewater	6,810,573	-	4,704,346	4,704,346	2,106,227
Southeastern Catawba County Water Supply					
Loop	5,107,976	-	4,265,402	4,265,402	842,574
Stormwater Layers Flyover	930	-	-	-	930
<b>Total expenditures</b>	<b>26,895,702</b>	<b>-</b>	<b>9,860,789</b>	<b>9,860,789</b>	<b>17,034,913</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(25,894,019)</b>	<b>-</b>	<b>(9,057,815)</b>	<b>(9,057,815)</b>	<b>16,836,204</b>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Water and Sewer Construction Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP)**  
**From Inception and for the Year Ended June 30, 2009**

	<u>Project Authorization</u>	<u>Actual</u>			<u>Over/Under</u>
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	
<b>Other Financing Sources (Uses)</b>					
Transfers from (to)					
General Fund	(1,237,224)	-	-	-	1,237,224
Water and Sewer Construction Fund - Governmental	27,131,243	-	30,589,831	30,589,831	3,458,588
Total other financing sources (uses)	<u>25,894,019</u>	<u>-</u>	<u>30,589,831</u>	<u>30,589,831</u>	<u>4,695,812</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,532,016</u>	<u>\$ 21,532,016</u>	<u>\$ 21,532,016</u>



**Agency Funds**  
(Fiduciary Fund Types)

Agency Funds are used to account for funds held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature and do not involve measurement of results of operations.

*Social Services Fund* – accounts for monies held by the Social Services Department for the benefit of certain individuals for whom the County serves as agent.

*Sheriff Commissary Fund* – accounts for monies held by the Sheriff's Department on behalf of inmates detained in the County jail.

*Delinquent Motor Vehicle Fund* - accounts for 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.

**CATAWBA COUNTY, NORTH CAROLINA**  
**All Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For Fiscal Year Ended June 30, 2009**

	<u>Balance June 20, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2009</u>
<b>Social Services Fund</b>				
Assets				
Cash and investments	\$ 52,210	\$ 368,656	\$ 369,834	\$ 51,032
Liabilities				
Miscellaneous liabilities	\$ 52,210	\$ 368,656	\$ 369,834	\$ 51,032
<b>Sheriff Commissary Fund</b>				
Assets				
Cash and investments	\$ 24,964	\$ 267,979	\$ 263,582	\$ 29,362
Liabilities				
Miscellaneous liabilities	\$ 24,964	\$ 267,979	\$ 263,582	\$ 29,362
<b>Delinquent Motor Vehicle Fund</b>				
Assets				
Cash and investments	\$ 4,832	\$ 67,627	\$ 67,273	\$ 5,186
Liabilities				
Intergovernmental payable - State of North Carolina	\$ 4,832	\$ 67,627	\$ 67,273	\$ 5,186
<b>Total - All Agency Funds</b>				
Assets				
Cash and investments	\$ 82,006	\$ 704,263	\$ 700,689	\$ 85,580
Liabilities				
Miscellaneous liabilities	\$ 82,006	\$ 704,263	\$ 700,689	\$ 85,580

## **Other Schedules**

This section contains additional information on *cash and investments, property taxes, and general long-term debt.*

*Schedule of Cash and Investment Balances*

*Analysis of Current Tax Levy*

*Schedule of Taxes Receivable*

*Schedule of General Bonded Indebtedness and Debt Service Requirement*

*General Long-Term Debt Requirements and Maturity Schedule*

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Cash and Investment Balances**  
**June 30, 2009**

	<u>Amounts Represented on Statements</u>	<u>Cost Value</u>	<u>Fair Value</u>
<b>Cash</b>			
On hand	\$ 8,881	\$ 8,881	\$ 8,881
In demand deposits (interest bearing)	1,498,175	1,498,175	1,498,175
(noninterest bearing)	80,394	80,394	# 80,394
Total cash	<u>\$ 1,587,450</u>	<u>\$ 1,587,450</u>	<u>\$ 1,587,450</u>
<b>Other Investments</b>			
North Carolina Capital Management Trust, unrestricted	\$ 42,431,153	\$ 42,431,153	\$ 42,431,153
North Carolina Capital Management Trust, restricted for capital	10,646,150	10,646,150	10,646,150
Finistar	2,365,365	2,365,365	2,365,365
Federal Farm Credit	3,001,890	3,001,875	3,001,890
Federal Home Loan Bank	24,288,859	23,913,840	24,288,859
Federal Home Loan Mortgage Corporation	23,349,125	22,882,580	23,349,125
Federal National Mortgage Association	16,546,586	16,296,739	16,546,586
Money Market, unrestricted	507,726	507,726	507,726
Money Market, restricted for capital	1,218	1,218	1,218
Certificates of deposit	17,255,133	17,255,133	17,255,133
Total other investments	<u>\$ 140,393,205</u>	<u>\$ 139,301,778</u>	<u>\$ 140,393,205</u>
<b>Total cash and investments</b>	<u>\$ 141,980,655</u>	<u>\$ 140,889,228</u>	<u>\$ 141,980,655</u>

**Distribution by funds**

<b>General Fund</b>		\$ 44,901,537
<b>Special Revenue Funds</b>		
Emergency Telephone System Fund	\$ 2,253,909	
Citizens' Alert System Fund	23,459	
Narcotics Seized Funds and Property Fund	221,054	
Reappraisal Fund	173,639	
General Capital Reserve Fund	445,675	
Hospital Capital Reserve Fund	5,165,627	
Rescue Squads Fund	175,719	
Library Endowment Fund	225,041	
Gretchen Peed Scholarship Fund	35,433	
Parks Preservation Trust Fund	133,513	
Fire District Funds	<u>645,021</u>	9,498,090
<b>Capital Projects Funds</b>		
General Capital Projects Fund	\$ 15,822,735	
Restricted Cash	1,000	
Schools Capital Projects Fund	13,117,820	
School Construction Fund	7,438,090	
Restricted Cash	7,848,847	
School Bond Fund 1997 Series	82,939	
Hospital Construction Fund	<u>22,690</u>	44,334,121
<b>Enterprise Fund</b>		
Solid Waste Management Fund	\$ 15,165,763	
Water & Sewer Fund	25,198,043	
Restricted Cash	<u>2,797,521</u>	43,161,327
<b>Fiduciary Funds</b>		
Social Services Fund	\$ 51,032	
Sheriff Commissary Fund	29,362	
Delinquent Motor Vehicle Fund	<u>5,186</u>	<u>85,580</u>
<b>Total</b>		<u>\$ 141,980,655</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Analysis of Current Tax Levy**  
**For the Fiscal Year Ended June 30, 2009**

	County-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
<b>Original levy:</b>					
Property taxed at current year's rate	\$ 15,068,712,596	0.535	\$ 80,617,612	\$ 74,604,727	\$ 6,012,885
Penalties	-		106,391	106,391	-
Total	<u>\$ 15,068,712,596</u>		<u>\$ 80,724,004</u>	<u>\$ 74,711,118</u>	<u>\$ 6,012,885</u>
Discoveries and releases - net			<u>242,448</u>	<u>(222,080)</u>	<u>464,528</u>
Total property valuation	<u>\$ 15,068,712,596</u>				
Net levy			\$ 80,966,452	\$ 74,489,038	\$ 6,477,413
Uncollected taxes at June 30, 2009			<u>2,991,989</u>	<u>1,985,122</u>	<u>1,006,867</u>
Current year's taxes collected			<u>\$ 77,974,463</u>	<u>\$ 72,503,916</u>	<u>\$ 5,470,546</u>
Current levy collection percentage			<u>96.30%</u>	<u>97.34%</u>	<u>84.46%</u>

**Secondary Market Disclosures**

**Assessed Valuation:**

Assessment Ratio <sup>(1)</sup>	100%
Real Property	\$ 11,778,146,940
Personal Property	2,560,844,568
Public Service Companies <sup>(2)</sup>	<u>794,924,639</u>
Total Assessed Valuation	<u>\$ 15,133,916,147</u>

Tax Rate per \$100 0.535

Levy \$ 80,966,452

In addition to the County-wide rate, the following is the total levies by the County on behalf of fire protection districts for the fiscal year ended June 30:

Fire Protection Districts \$ 3,706,496

<sup>(1)</sup> Percentage of appraised value has been established by statute.

<sup>(2)</sup> Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of Taxes Receivable**  
**For the Year Ended June 30, 2009**

<u>General Fund</u>	<u>Uncollected Balance June 30, 2008</u>	<u>Additions</u>	<u>Collections</u>	<u>Discoveries Releases</u>	<u>Uncollected Balance June 30, 2009</u>
2008	\$ -	\$ 80,724,004	\$ 77,974,463	\$ 242,448	\$ 2,991,989
2007	2,524,724	-	1,579,014	(45,273)	900,437
2006	668,230	-	168,677	(13,125)	486,428
2005	450,854	-	70,077	(7,729)	373,048
2004	372,877	-	39,392	(7,133)	326,352
2003	346,629	-	31,744	(966)	313,919
2002	303,742	-	17,067	(1,261)	285,414
2001	275,636	-	11,062	(1,371)	263,203
2000	237,158	-	5,026	(867)	231,265
Prior to 2000	716,793	-	3,314	(668)	712,811
	<u>\$ 5,896,643</u>	<u>\$ 80,724,004</u>	<u>\$ 79,899,836</u>	<u>\$ 164,055</u>	<u>\$ 6,884,866</u>
Less allowance for uncollectible taxes	<u>2,876,200</u>				<u>3,276,100</u>
Taxes receivable -- net	<u>\$ 3,020,443</u>				<u>\$ 3,608,766</u>

Reconciliation with revenues:

Ad valorem taxes - General Fund	\$ 80,440,854
Reconciling items:	
Penalties and interest collected	(470,758)
Tax on leased vehicle collected	(70,260)
Total reconciling items	<u>(541,018)</u>
Total collections	<u>\$ 79,899,836</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Schedule of General Bonded Indebtedness and Debt Service Requirement**  
**For the Fiscal Year Ended June 30, 2009**

Date of Issue	Purpose	Maturity	Interest	Notes and Bonds Outstanding June 30, 2008	Notes and Bonds Issued 2008-2009	Notes and Bonds Retired 2008-2009	Interest Paid 2008-2009	Notes and Bonds Outstanding June 30, 2009	Falling Due Within Next Fiscal Year	
									Principal	Interest
6/01/1998	School Bonds Series 1998	1998-13	4.30-4.40	\$ 3,850,000	\$ -	\$ 725,000	\$ 169,400	\$ 3,125,000	\$ 750,000	\$ 137,500
6/01/1999	School Bonds Series 1999	2000-14	4.40-4.70	7,650,000	-	1,200,000	359,350	6,450,000	1,200,000	303,150
6/01/2000	School Bonds Series 2000	2001-10	5.30-5.40	1,225,000	-	600,000	64,925	625,000	625,000	33,125
12/1/2002	Refunding Series 2002 Schools Community College	2003-14	2.00-4.00	4,624,000	-	1,336,000	178,280	3,288,000	1,312,000	131,520
		2003-14	2.00-4.00	1,156,000	-	334,000	44,570	822,000	328,000	32,880
6/1/2005	Refunding Series 2005 Schools Community College	2006-15	3.00-3.75	11,193,462	-	2,112,880	409,917	9,080,582	2,151,296	341,248
		2006-15	3.00-3.75	461,538	-	87,120	16,902	374,418	88,704	14,071
				<u>\$ 30,160,000</u>	<u>\$ -</u>	<u>\$ 6,395,000</u>	<u>\$ 1,243,344</u>	<u>\$ 23,765,000</u>	<u>\$ 6,455,000</u>	<u>\$ 993,494</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**General Long-Term Debt Requirements and Maturity Schedule**  
**For the Fiscal Year Ended June 30, 2009**

Fiscal Year Ended June 30	Governmental Activities			Business Type Activities		
	Debt Principal	Interest	Total	Debt Principal	Interest	Total
2010	13,421,792	5,315,421	18,737,213	239,165	281,240	520,405
2011	12,171,151	4,764,416	16,935,567	249,291	271,114	520,405
2012	11,202,147	4,272,337	15,474,484	259,845	260,560	520,405
2013	11,017,417	3,809,764	14,827,181	270,847	249,558	520,405
2014	9,192,417	3,312,656	12,505,073	282,314	238,091	520,405
2015-2019	33,882,084	12,473,650	46,355,734	1,601,313	1,000,713	2,602,026
2020-2024	27,708,550	4,724,146	32,432,696	1,970,249	631,777	2,602,026
2025-2028	5,296,400	456,150	5,752,550	1,898,329	183,292	2,081,621
	<sup>(1)</sup> <u>\$ 123,891,958</u>	<u>\$ 39,128,540</u>	<u>\$ 163,020,498</u>	<u>\$ 6,771,353</u>	<u>\$ 3,116,345</u>	<u>\$ 9,887,698</u>

<sup>(1)</sup> 11% of Legal Debt Limit



## Statistical Section

This part of Catawba County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Catawba County's overall financial health.

<u>Content</u>	<u>Pages</u>
<i>Financial Trends</i> These tables contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	182-189
<i>Revenue Capacity</i> These tables contain information to help the reader assess the County's most significant local revenue source, the property tax.	190-193
<i>Debt Capacity</i> These tables present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	194-197
<i>Demographic and Economic Information</i> These tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	198-199
<i>Operating Information</i> These tables contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the county provides and the activities it performs.	200-202

*Sources: Unless otherwise noted, the information in these statistical tables is from the comprehensive annual reports for the relevant year. Catawba County implemented GASB Statement 34 in fiscal year 2002; tables presenting government-wide information include information beginning in that year.*

**CATAWBA COUNTY, NORTH CAROLINA**  
**Net Assets by Component**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

	<b>Fiscal Year</b>			
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental activities:				
Invested in capital assets, net of related debt	\$ 67,484,313	\$ 81,948,941	\$ 78,197,249	\$ 76,988,789
Restricted	1,089,189	810,599	745,357	655,333
Unrestricted	<u>(5,481,946)</u>	<u>35,727,062</u>	<u>16,336,081</u>	<u>10,274,088</u>
Total governmental activities net assets	<u>63,091,556</u>	<u>118,486,602</u>	<u>95,278,687</u>	<u>87,918,210</u>
Business-type activities:				
Invested in capital assets, net of related debt	43,612,368	22,121,146	18,670,633	17,159,517
Restricted	-	-	-	-
Unrestricted	<u>33,954,727</u>	<u>8,696,235</u>	<u>12,411,036</u>	<u>10,784,695</u>
Total business-type activities net assets	<u>77,567,095</u>	<u>30,817,381</u>	<u>31,081,669</u>	<u>27,944,212</u>
Primary government:				
Invested in capital assets, net of related debt	111,096,681	104,070,087	96,867,882	94,148,306
Restricted	1,089,189	810,599	745,357	655,333
Unrestricted	<u>28,472,781</u>	<u>44,423,297</u>	<u>28,747,117</u>	<u>21,058,783</u>
Total primary government net assets	<u>\$ 140,658,651</u>	<u>\$ 149,303,983</u>	<u>\$ 126,360,356</u>	<u>\$ 115,862,422</u>

Data Source

Audited Financial Statements

Catawba County implemented GASB 34 during the fiscal year ended June 30, 2002. Therefore, information prior to fiscal year 2002 is unavailable

**Fiscal Year**

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 74,327,245	\$ 72,847,615	\$ 69,185,903	\$ 65,163,339	N/A	N/A
650,382	12,276,811	2,822,098	4,636,398	N/A	N/A
24,523,260	21,007,494	24,825,035	11,253,425	N/A	N/A
<u>99,500,887</u>	<u>106,131,920</u>	<u>96,833,036</u>	<u>81,053,162</u>	-	-
15,639,246	15,371,592	13,580,563	13,841,215	N/A	N/A
-	-	-	-	N/A	N/A
10,547,160	9,707,303	10,020,174	8,709,873	N/A	N/A
<u>26,186,406</u>	<u>25,078,895</u>	<u>23,600,737</u>	<u>22,551,088</u>	-	-
89,966,491	88,219,207	82,766,466	79,004,554	N/A	N/A
650,382	12,276,811	2,822,098	4,636,398	N/A	N/A
35,070,420	30,714,797	34,845,209	19,963,298	N/A	N/A
<u>\$ 125,687,293</u>	<u>\$ 131,210,815</u>	<u>\$ 120,433,773</u>	<u>\$ 103,604,250</u>	<u>N/A</u>	<u>N/A</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Changes in Net Assets**  
**Last Ten Fiscal Years**  
(accrual basis of accounting)

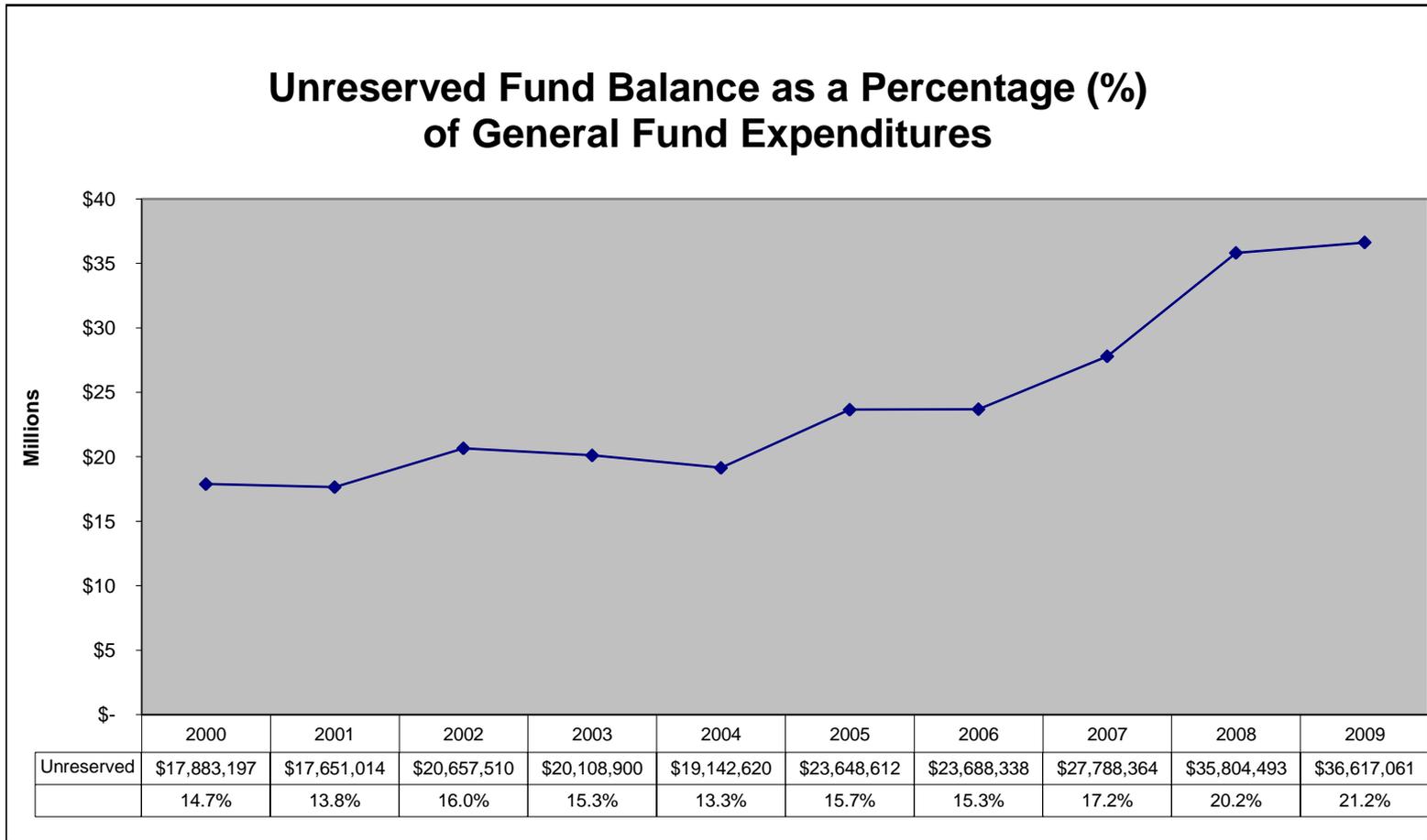
	Fiscal Year			
	2009	2008	2007	2006
<b>Expenses</b>				
Governmental activities:				
General government	\$ 10,172,611	\$ 11,203,800	\$ 9,001,933	\$ 9,593,037
Public safety	28,263,640	26,316,167	22,897,052	20,926,787
Environmental protection	539,138	546,680	504,416	481,844
Economic and physical development	10,743,831	10,827,271	12,054,976	9,383,320
Human services	56,066,282	74,150,353	66,083,707	67,310,514
Culture and recreation	2,830,192	2,760,614	2,771,008	2,687,546
Education	78,130,574	50,388,730	52,216,062	65,203,410
Interest on long-term debt	5,163,100	4,584,583	4,909,742	4,956,696
Total governmental activities expenses	<u>191,909,368</u>	<u>180,778,198</u>	<u>170,438,896</u>	<u>180,543,154</u>
Business-type activities:				
Solid waste management	5,570,927	8,172,432	5,260,776	5,035,563
Water and sewer	1,118,908	-	-	-
Total business-type activities expenses	<u>6,689,835</u>	<u>8,172,432</u>	<u>5,260,776</u>	<u>5,035,563</u>
Total primary government expenses	<u>198,599,203</u>	<u>188,950,630</u>	<u>175,699,672</u>	<u>185,578,717</u>
<b>Program Revenues</b>				
Governmental activities:				
Fees, fines, and charges for services:				
General government	2,683,400	4,340,110	4,380,295	5,136,475
Public safety	8,613,711	6,950,872	5,017,287	4,807,088
Environmental protection	5,125	4,825	4,575	4,575
Economic and physical development	2,013,945	4,618,557	3,247,499	2,497,490
Human services	7,962,471	9,819,859	9,779,244	11,996,379
Culture and recreation	77,989	62,332	63,723	53,911
Education	994,015	1,081,098	1,126,095	1,110,419
Operating grants and contributions	31,213,021	46,999,422	43,735,432	41,299,324
Capital grants and contributions	4,164,591	4,857,657	101,953	496,774
Total governmental activities program revenues	<u>57,728,268</u>	<u>78,734,732</u>	<u>67,456,103</u>	<u>67,402,435</u>
Business-type activities:				
Fees, fines, and charges for services	7,440,625	6,626,224	6,677,959	6,046,872
Operating grants and contributions	144,989	41,279	102,816	129,482
Capital grants and contributions	44,081	148,518	526,398	-
Total business-type activities program revenues	<u>7,629,695</u>	<u>6,816,021</u>	<u>7,307,173</u>	<u>6,176,354</u>
Total primary government program revenues	<u>65,357,963</u>	<u>85,550,753</u>	<u>74,763,276</u>	<u>73,578,789</u>
<b>Net (Expenses) Revenues</b>				
Governmental activities	(134,181,100)	(102,043,466)	(102,982,793)	(113,140,719)
Business-type activities	939,861	(1,356,411)	2,046,397	1,140,791
Total primary government net expense	<u>(133,241,239)</u>	<u>(103,399,877)</u>	<u>(100,936,396)</u>	<u>(111,999,928)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental activities:				
Taxes				
Property taxes	84,738,225	82,048,071	68,378,012	65,459,626
Local option sales taxes	32,272,780	35,299,813	33,760,033	29,984,796
Other taxes and licenses	1,605,323	2,119,554	2,135,782	2,015,798
Unrestricted intergovernmental	-	-	-	-
Investment earnings	4,023,446	5,786,693	6,069,443	4,099,093
Miscellaneous, unrestricted	-	-	-	-
Transfers	(43,853,720)	(2,750)	-	(1,271)
Total governmental activities	<u>78,786,054</u>	<u>125,251,381</u>	<u>110,343,270</u>	<u>101,558,042</u>
Business-type activities:				
Other taxes and licenses	255,732	228,024	221,825	178,691
Investment earnings	1,700,401	861,349	869,235	437,053
Transfers	43,853,720	2,750	-	1,271
Total business-type activities	<u>45,809,853</u>	<u>1,092,123</u>	<u>1,091,060</u>	<u>617,015</u>
Total primary government	<u>124,595,907</u>	<u>126,343,504</u>	<u>111,434,330</u>	<u>102,175,057</u>
<b>Change in Net Assets</b>				
Governmental activities	(55,395,046)	23,207,915	7,360,477	(11,582,677)
Business-type activities	46,749,714	(264,288)	3,137,457	1,757,806
Total primary government	<u>\$ (8,645,332)</u>	<u>\$ 22,943,627</u>	<u>\$ 10,497,934</u>	<u>\$ (9,824,871)</u>

Fiscal Year

	2005	2004	2003	2002	2001	2000
\$	8,383,352	\$ 7,654,774	\$ 7,488,739	\$ 6,589,117	N/A	N/A
	19,900,883	18,701,908	17,113,397	16,116,145	N/A	N/A
	447,428	343,334	288,825	413,588	N/A	N/A
	9,567,712	12,075,442	3,995,945	11,023,798	N/A	N/A
	66,858,370	59,973,114	57,455,455	56,180,481	N/A	N/A
	2,543,170	2,412,593	2,256,079	2,303,221	N/A	N/A
	57,377,775	39,661,513	33,710,855	36,517,278	N/A	N/A
	4,223,199	3,055,058	3,309,748	3,786,722	N/A	N/A
	<u>169,301,889</u>	<u>143,877,736</u>	<u>125,619,043</u>	<u>132,930,350</u>	<u>N/A</u>	<u>N/A</u>
	5,755,205	5,022,049	5,396,381	4,730,935	N/A	N/A
	-	-	-	-	N/A	N/A
	<u>5,755,205</u>	<u>5,022,049</u>	<u>5,396,381</u>	<u>4,730,935</u>	<u>N/A</u>	<u>N/A</u>
	<u>175,057,094</u>	<u>148,899,785</u>	<u>131,015,424</u>	<u>137,661,285</u>	<u>N/A</u>	<u>N/A</u>
	3,554,324	3,645,125	3,042,134	2,041,026	N/A	N/A
	4,210,617	3,566,200	2,627,209	2,857,343	N/A	N/A
	4,247	3,850	3,730	-	N/A	N/A
	2,314,143	1,771,763	1,233,712	1,324,016	N/A	N/A
	13,808,150	14,855,301	13,606,776	12,912,757	N/A	N/A
	51,652	45,520	43,369	33,831	N/A	N/A
	1,185,125	1,472,428	904,533	1,018,039	N/A	N/A
	39,488,016	34,010,552	30,045,717	33,326,706	N/A	N/A
	416,096	-	-	-	N/A	N/A
	<u>65,032,370</u>	<u>59,370,739</u>	<u>51,507,180</u>	<u>53,513,718</u>	<u>N/A</u>	<u>N/A</u>
	6,154,906	6,164,825	5,865,730	6,059,102	N/A	N/A
	145,601	59,007	63,206	60,527	N/A	N/A
	-	-	-	-	N/A	N/A
	<u>6,300,507</u>	<u>6,223,832</u>	<u>5,928,936</u>	<u>6,119,629</u>	<u>N/A</u>	<u>N/A</u>
	<u>71,332,877</u>	<u>65,594,571</u>	<u>57,436,116</u>	<u>59,633,347</u>	<u>N/A</u>	<u>N/A</u>
	(104,269,519)	(84,506,997)	(74,111,863)	(79,416,632)	N/A	N/A
	<u>545,302</u>	<u>1,201,783</u>	<u>532,555</u>	<u>1,388,694</u>	<u>N/A</u>	<u>N/A</u>
	<u>(103,724,217)</u>	<u>(83,305,214)</u>	<u>(73,579,308)</u>	<u>(78,027,938)</u>	<u>N/A</u>	<u>N/A</u>
	64,264,969	63,381,711	59,644,241	57,696,921	N/A	N/A
	28,690,324	26,988,268	25,417,154	21,638,450	N/A	N/A
	1,807,700	1,456,338	1,343,759	1,388,474	N/A	N/A
	-	1,336,917	1,379,229	4,021,740	N/A	N/A
	2,876,185	642,647	2,107,354	2,720,791	N/A	N/A
	-	-	-	1,038,890	N/A	N/A
	(692)	-	-	41,301	N/A	N/A
	<u>97,638,486</u>	<u>93,805,881</u>	<u>89,891,737</u>	<u>88,546,567</u>	<u>N/A</u>	<u>N/A</u>
	243,796	165,754	180,656	194,554	N/A	N/A
	317,721	110,621	336,438	405,559	N/A	N/A
	692	-	-	(41,301)	N/A	N/A
	<u>562,209</u>	<u>276,375</u>	<u>517,094</u>	<u>558,812</u>	<u>N/A</u>	<u>N/A</u>
	<u>98,200,695</u>	<u>94,082,256</u>	<u>90,408,831</u>	<u>89,105,379</u>	<u>N/A</u>	<u>N/A</u>
	(6,631,033)	9,298,884	15,779,874	9,129,935	N/A	N/A
	<u>1,107,511</u>	<u>1,478,158</u>	<u>1,049,649</u>	<u>1,947,506</u>	<u>N/A</u>	<u>N/A</u>
\$	<u>(5,523,522)</u>	<u>10,777,042</u>	<u>16,829,523</u>	<u>11,077,441</u>	<u>N/A</u>	<u>N/A</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
General Fund				
Reserved	\$ 13,796,942	\$ 19,523,687	\$ 16,236,389	\$ 15,895,612
Unreserved	36,617,061	35,804,493	27,788,364	23,688,338
Total general fund	<u>50,414,003</u>	<u>55,328,180</u>	<u>44,024,753</u>	<u>39,583,950</u>
All other governmental funds				
Reserved	174,768	270,802	283,481	359,947
Unreserved, reported in:				
Special revenue funds	9,399,696	9,707,586	12,061,802	15,021,904
Capital projects funds	<u>46,160,443</u>	<u>78,048,289</u>	<u>49,513,929</u>	<u>60,905,823</u>
Total all other governmental funds	<u>55,734,907</u>	<u>88,026,677</u>	<u>61,859,212</u>	<u>76,287,674</u>
Total governmental funds	<u>\$ 106,148,910</u>	<u>\$ 143,354,857</u>	<u>\$ 105,883,965</u>	<u>\$ 115,871,624</u>



**Fiscal Year**

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 12,235,484	\$ 11,990,412	\$ 10,053,302	\$ 8,813,164	\$ 10,198,051	\$ 9,650,303
23,648,612	19,142,620	20,108,900	20,657,510	17,651,014	17,883,197
<u>35,884,096</u>	<u>31,133,032</u>	<u>30,162,202</u>	<u>29,470,674</u>	<u>27,849,065</u>	<u>27,533,500</u>
1,732,131	2,568,115	2,700,597	2,719,555	2,900,932	2,220,574
18,654,056	16,127,154	17,608,291	18,961,967	17,742,794	15,726,276
<u>78,006,562</u>	<u>44,752,247</u>	<u>33,587,313</u>	<u>28,385,726</u>	<u>29,427,246</u>	<u>35,732,425</u>
<u>98,392,749</u>	<u>63,447,516</u>	<u>53,896,201</u>	<u>50,067,248</u>	<u>50,070,972</u>	<u>53,679,275</u>
<u>\$ 134,276,845</u>	<u>\$ 94,580,548</u>	<u>\$ 84,058,403</u>	<u>\$ 79,537,922</u>	<u>\$ 77,920,037</u>	<u>\$ 81,212,775</u>

**CATAWBA COUNTY, NORTH CAROLINA**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
<b>Revenues</b>				
Ad valorem taxes	\$ 84,125,547	\$ 81,625,223	\$ 68,270,907	\$ 66,233,752
Other taxes	32,794,322	36,391,110	35,415,288	31,654,028
Unrestricted intergovernmental revenues	2,127,081	1,970,909	1,235,023	1,248,170
Restricted intergovernmental revenues	41,946,212	56,482,993	46,532,532	44,764,103
Licenses and permits	2,271,147	4,101,574	3,773,033	3,214,736
Sales and services	12,936,583	15,071,656	12,849,786	16,591,727
Investment earnings	3,837,081	5,600,327	5,883,078	3,912,728
Miscellaneous	3,624,321	4,309,242	3,998,845	3,725,976
<b>Total revenues</b>	<u>183,662,294</u>	<u>205,553,034</u>	<u>177,958,492</u>	<u>171,345,220</u>
<b>Expenditures</b>				
Current:				
General government	11,556,920	9,944,571	9,613,213	9,978,986
Public safety	28,513,201	26,916,838	23,021,049	21,209,400
Environmental protection	512,882	520,587	475,667	452,180
Economic and physical development	10,727,052	10,682,552	10,889,872	8,651,385
Human services	55,118,250	73,690,327	65,236,455	66,508,454
Culture and recreation	2,758,206	2,719,466	2,695,423	2,610,001
Education	39,948,749	38,014,454	34,222,295	32,544,711
Capital Outlay	39,869,050	19,683,740	28,338,920	42,549,957
Debt service:				
Principal	12,067,834	10,724,874	10,338,333	9,975,000
Interest	5,067,500	4,488,983	4,814,143	4,861,096
Lease purchase payments	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>206,139,644</u>	<u>197,386,392</u>	<u>189,645,370</u>	<u>199,341,170</u>
<b>Other Financing Sources (uses)</b>				
Transfers from other funds	12,262,330	9,515,201	11,547,146	9,763,224
Transfers to other funds	(48,646,927)	(9,517,951)	(11,547,146)	(9,764,495)
Installment purchase obligations issued	21,656,000	28,607,000	1,450,000	9,200,000
Qualified Zone Academy Bonds issued	-	700,000	-	-
Bond debt issued	-	-	-	-
Proceeds of capital lease	-	-	-	-
General obligation refunding bonds issued	-	-	-	-
Premium on general obligation refunding bonds	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Certificates of participation issued	-	-	-	-
Premium on certificates of participation	-	-	-	-
Sales of capital assets	-	-	249,219	392,000
<b>Total other financing sources (uses)</b>	<u>(14,728,597)</u>	<u>29,304,250</u>	<u>1,699,219</u>	<u>9,590,729</u>
<b>Net change in fund balances</b>	<u>\$ (37,205,947)</u>	<u>\$ 37,470,892</u>	<u>\$ (9,987,659)</u>	<u>\$ (18,405,221)</u>
Debt service as a percentage of noncapital expenditures	8.4%	8.1%	8.5%	7.9%

**Fiscal Year**

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 64,037,632	\$ 63,153,315	\$ 59,388,468	\$ 57,268,329	\$ 55,112,257	\$ 53,313,472
30,151,572	28,444,404	25,207,828	23,023,315	23,470,898	23,136,615
1,095,733	1,336,917	1,379,229	4,021,740	4,466,558	4,455,262
42,141,280	36,297,819	32,683,132	36,382,864	39,579,663	33,650,901
3,457,883	2,959,092	2,383,424	2,211,753	2,104,748	2,063,027
17,420,439	17,742,167	16,664,263	15,121,137	13,122,659	12,042,526
2,773,588	642,651	2,107,354	2,720,791	5,300,521	4,255,233
3,803,472	4,614,575	2,997,207	2,544,061	2,612,919	2,302,141
<u>164,881,599</u>	<u>155,190,940</u>	<u>142,810,905</u>	<u>143,293,990</u>	<u>145,770,223</u>	<u>135,219,177</u>
9,449,992	8,506,393	8,543,435	7,569,288	7,466,659	8,728,954
20,032,107	19,088,555	17,156,936	16,313,961	15,025,312	15,094,171
428,549	384,942	321,413	388,926	505,205	430,994
7,886,973	7,594,145	7,409,045	7,518,580	6,735,065	4,871,841
65,701,149	59,078,864	56,659,920	55,721,269	53,307,727	48,907,143
2,465,676	2,331,664	2,186,614	2,234,409	2,292,733	2,274,479
30,410,166	30,048,641	27,437,466	28,202,411	27,566,111	25,871,097
33,473,868	18,690,079	7,859,145	13,181,244	25,702,494	30,993,580
9,230,000	7,160,000	7,065,000	6,800,000	6,835,000	6,380,000
4,214,250	3,045,610	3,280,589	3,756,560	4,087,385	3,916,052
70,760	221,803	433,113	430,757	558,770	558,770
89,146	-	-	-	-	-
<u>183,452,636</u>	<u>156,150,696</u>	<u>138,352,676</u>	<u>142,117,405</u>	<u>150,082,461</u>	<u>148,027,081</u>
12,301,254	14,239,408	7,945,528	4,144,646	9,007,001	12,754,973
(12,301,946)	(14,239,408)	(7,945,528)	(4,103,345)	(7,987,501)	(11,727,389)
-	9,900,000	-	-	-	-
-	-	-	-	-	-
-	-	58,252	-	-	8,955,000
-	-	-	400,000	-	350,000
16,035,000	-	-	-	-	-
429,179	-	-	-	-	-
(16,321,853)	-	-	-	-	-
55,255,000	-	-	-	-	-
2,868,950	-	-	-	-	-
1,750	24,500	4,000	-	-	-
<u>58,267,334</u>	<u>9,924,500</u>	<u>62,252</u>	<u>441,301</u>	<u>1,019,500</u>	<u>10,332,584</u>
<u>\$ 39,696,297</u>	<u>\$ 8,964,744</u>	<u>\$ 4,520,481</u>	<u>\$ 1,617,886</u>	<u>\$ (3,292,738)</u>	<u>\$ (2,475,320)</u>
7.7%	7.0%	8.2%	7.9%	7.9%	7.5%

**CATAWBA COUNTY, NORTH CAROLINA**  
**Assessed Valuation and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Public Utility Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate <sup>(1)</sup></b>	<b>Estimated Real Market Value</b>
2000 <sup>(2)</sup>	\$ 7,415,161,955	\$ 2,324,551,977	\$ 502,521,581	\$ 10,242,235,513	0.495	\$ 10,331,082,825
2001	7,676,297,260	2,614,445,636	484,704,904	10,775,447,800	0.495	11,493,810,987
2002	7,988,283,700	2,709,118,917	479,273,637	11,176,676,254	0.495	12,119,579,542
2003	8,265,105,733	2,796,143,745	507,720,148	11,568,969,626	0.495	12,965,336,351
2004 <sup>(2)</sup>	9,513,468,457	2,640,843,044	517,072,839	12,671,384,340	0.480	12,715,889,955
2005	9,722,396,729	2,680,617,427	539,742,782	12,942,756,938	0.480	13,033,994,902
2006	9,919,033,408	2,558,398,877	545,842,516	13,023,274,801	0.490	13,499,818,390
2007	10,174,785,855	2,614,088,394	570,452,150	13,359,326,399	0.490	14,124,895,749
2008 <sup>(2)</sup>	11,444,764,023	2,606,879,334	603,786,566	14,655,429,923	0.535	14,963,681,767
2009	11,778,146,940	2,560,844,568	794,924,639	15,133,916,147	0.535	N/A

<sup>(1)</sup> Tax rate expressed in dollars of tax per \$100 of assessed valuation.

<sup>(2)</sup> Increase a result of the County 4-year real property revaluation cycle.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Property Tax Rates - Direct and Overlapping Governments <sup>(1)</sup>**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Catawba County</b>	0.5350	0.5350	0.4900	0.4900	0.4800	0.4800	0.4950	0.4950	0.4950	0.4950
<b>Fire Districts:</b>										
Bandys	0.0600	0.0600	0.0600	0.0500	0.0390	0.0390	0.0390	0.0390	0.0390	0.0390
Catawba	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Claremont	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Conover Rural	0.0700	0.0700	0.0700	0.0500	0.0500	0.0350	0.0350	0.0350	0.0350	0.0350
Cooksville	0.0517	0.0517	0.0550	0.0550	0.0550	0.0550	0.0600	0.0600	0.0600	0.0600
Denver	-	0.0389	0.0500	0.0500	0.0450	0.0293	0.0320	0.0320	0.0320	0.0320
Fairbrook	-	-	0.0325	0.0325	0.0257	0.0257	0.0280	0.0280	0.0280	0.0280
Icard-Long View	-	-	-	-	-	-	0.0440	0.0440	0.0440	0.0440
Icard-Mountain View	-	-	-	-	-	-	0.0400	0.0400	0.0400	0.0400
Long View	0.0546	0.0546	0.0568	0.0568	0.0568	0.0568	0.0620	0.0620	0.0620	0.0620
Maiden	0.0500	0.0500	0.0500	0.0312	0.0312	0.0312	0.0340	0.0340	0.0340	0.0340
Mountain View	0.0493	0.0493	0.0525	0.0425	0.0425	0.0425	0.0450	0.0450	0.0450	0.0410
Newton	0.0700	0.0700	0.0700	0.0700	0.0513	0.0513	0.0560	0.0560	0.0600	0.0500
Oxford	0.0558	0.0558	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Propst	0.0615	0.0615	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650
Sherrills Ford	0.0500	0.0500	0.0500	0.0500	0.0400	0.0400	0.0400	0.0400	0.0400	0.0320
Startown	-	-	-	-	-	-	-	-	0.0500	0.0500
St. Stephens	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Viewmont	-	-	0.0325	0.0325	0.0248	0.0248	0.0270	0.0270	0.0270	0.0270
<b>Municipalities:</b>										
Town of Brookford	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200
Town of Catawba	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800
City of Claremont	0.4600	0.4600	0.4600	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500
City of Conover	0.4000	0.4000	0.4000	0.3800	0.3800	0.3600	0.3800	0.3600	0.3600	0.3600
City of Hickory	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5500	0.5500	0.5500	0.5500
Town of Long View	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Town of Maiden	0.4000	0.4000	0.4000	0.4000	0.3800	0.3800	0.4000	0.4000	0.3700	0.3700
City of Newton	0.4800	0.4600	0.4600	0.4400	0.4400	0.4400	0.4700	0.4700	0.4700	0.4700
Total Maximum Rate - Fire District	0.6050	0.6050	0.5600	0.5600	0.5500	0.5500	0.5650	0.5650	0.5650	0.5650
Total Maximum Rate - Municipalities	1.0550	1.0550	1.0100	1.0100	1.0000	1.0000	1.0450	1.0450	1.0450	1.0450

<sup>(1)</sup> All tax rates are expressed in dollars of tax per \$100 of assessed valuation. For the above years, the tax levies were assessed at one hundred percent (100%) of the actual value.

**CATAWBA COUNTY, NORTH CAROLINA**  
**Principal Property Taxpayers**  
**December 31, 2008 and December 31, 1999**

Taxpayer	Type of Business	December 31, 2008			December 31, 1999		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Corporation	Electric utility	\$ 633,234,896	1	4.20	\$ 327,660,621	1	3.20
CommScope, Inc.	Cable mfg.	132,048,432	2	0.88	127,206,021	3	1.24
Getrag Gears of North America, Inc.	Gears mfg.	122,577,912	3	0.81	-	-	-
Frye Regional Medical Center	Medical care	82,412,460	4	0.55	-	-	-
Corning Cable Systems	Cable mfg.	75,125,833	5	0.50	152,528,205	2	1.49
Hickory Springs Mfg. Co., Inc.	Furniture supplies	65,248,487	6	0.43	38,919,072	8	0.38
Draka Comteq Americas, Inc.	Cable mfg.	63,150,113	7	0.42	-	-	-
Central Telephone Company	Telephone	55,427,978	8	0.37	53,236,078	5	0.52
Valley Hills Mall, LLC	Retail	49,740,830	9	0.33	-	-	-
Shuford Mills, Inc./Shuford Development	Textiles/Tape mfg.	43,736,518	10	0.29	50,804,077	6	0.50
Alcatel N. A., Inc.	Cable mfg.	-	-	-	101,817,882	4	0.99
Carolina Mills, Inc.	Textiles mfg.	-	-	-	43,650,378	7	0.43
Crescent Resources/Carolina Centers	Timber	-	-	-	30,452,620	9	0.30
The Lane Company	Furniture mtg.	-	-	-	30,276,430	10	0.29
		<u>\$ 1,322,703,459</u>		<u>8.78</u>	<u>\$ 956,551,384</u>		<u>9.34</u>
Total Assessed Valuation		<u>\$ 15,068,712,596</u>			<u>\$ 10,242,235,513</u>		

Source: Catawba County Tax Collector

**CATAWBA COUNTY, NORTH CAROLINA**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

Fiscal Year	Tax Year	Total Tax Levy for Fiscal Year <sup>(1)</sup>	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2000	1999	\$ 51,194,773	\$ 50,278,025	98.21	\$ 203,937	\$ 50,481,962	98.61
2001	2000	53,320,741	51,850,467	97.24	1,239,009	53,089,476	99.57
2002	2001	55,392,904	53,815,634	97.15	1,314,067	55,129,701	99.52
2003	2002	57,297,988	55,635,097	97.10	1,377,477	57,012,574	99.22
2004	2003	60,740,470	58,923,696	97.01	1,502,855	60,426,551	99.48
2005	2004	61,566,332	59,726,141	97.01	1,513,839	61,239,980	99.47
2006	2005	63,409,234	61,416,711	96.86	1,619,475	63,036,186	99.41
2007	2006	65,195,396	63,106,163	96.80	1,602,805	64,708,968	99.25
2008	2007	78,217,306	75,692,582	96.77	1,624,287	77,316,869	98.85
2009	2008	80,966,452	77,974,463	96.30	-	77,974,463	96.30

<sup>(1)</sup> Includes discoveries, releases and abatements

Source: Catawba County Tax Collector

**CATAWBA COUNTY, NORTH CAROLINA**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					Business Type Activities		Percentage of Personal Income <sup>(1)</sup>	Per Capita <sup>(2)</sup>
	General Obligation Bonds	Certificates of Participation	Installment Purchases	Qualified Zone Academy Bonds	Capitalized Leases	Installment Purchases	Total Primary Government		
2000	\$ 83,285,000	\$ -	\$ 944,026	\$ -	\$ 413,405	\$ -	\$ 84,642,431	2.26	631
2001	76,450,000	-	563,775	-	306,897	-	77,320,672	1.99	546
2002	69,650,000	-	163,180	-	522,908	-	70,336,088	1.80	485
2003	63,040,000	-	-	-	282,134	-	63,322,134	1.63	432
2004	55,880,000	-	9,900,000	-	69,778	-	65,849,778	1.61	448
2005	49,340,000	53,805,000	9,240,000	-	-	-	112,385,000	2.64	755
2006	42,815,000	51,015,000	17,780,000	-	-	-	111,610,000	2.48	747
2007	36,540,000	48,225,000	17,956,667	-	-	-	102,721,667	2.15	668
2008	30,160,000	45,435,000	45,008,793	700,000	-	-	121,303,793	N/A	780
2009	23,765,000	42,645,000	56,831,959	650,000	-	6,771,353	130,663,312	N/A	832

N/A = Not available

Sources:

<sup>1</sup> U.S. Department of Commerce Bureau of Economic Analysis

<sup>2</sup> Population based on estimates issued by the Bureau of the Census

**CATAWBA COUNTY, NORTH CAROLINA**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds	Total Taxable Assessed Value	Percentage of Actual Taxable Value of Property	Per Capita <sup>(1)</sup>
2000	\$ 83,285,000	\$ 10,242,235,513	0.81	\$ 621
2001	76,450,000	10,775,447,800	0.71	540
2002	69,650,000	11,176,676,254	0.62	480
2003	63,040,000	11,568,969,626	0.54	430
2004	55,880,000	12,671,384,340	0.44	380
2005	49,340,000	12,942,756,938	0.38	332
2006	42,815,000	13,023,274,801	0.33	287
2007	36,540,000	13,359,326,399	0.27	238
2008	30,160,000	14,655,429,923	0.21	194
2009	23,765,000	15,068,712,596	0.16	151

Sources:

<sup>(1)</sup> Population based on estimates issued by the Bureau of the Census

**CATAWBA COUNTY, NORTH CAROLINA**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Assessed value (after exemption)	15,068,712,596	14,655,429,923	13,359,326,399	\$ 13,023,274,801
Debt limit rate	8%	8%	8%	8%
Debt limit	1,205,497,008	1,172,434,394	1,068,746,112	1,041,861,984
Less: Total net debt applicable to limit	130,663,312	121,303,793	102,721,667	111,610,000
Legal debt margin	<u>1,074,833,696</u>	<u>1,051,130,601</u>	<u>966,024,445</u>	<u>930,251,984</u>
 Total net debt applicable to the limit as a percentage of debt limit	 11%	 10%	 10%	 11%

**Legal Debt Margin Calculation for Fiscal Year 2009**

Assessed value (after exemptions)	\$ 15,068,712,596
Debt limit (8% of assessed value)	1,205,497,008
Debt applicable to limit:	
Outstanding general obligation debt	23,765,000
Authorized and unissued general obligation debt	6,970,000
Certificates of participation	42,645,000
Installment purchase	63,603,312
Qualified Zone Academy Bonds	650,000
Less: Statutory deductions	
Unissued refunding bonds	<u>(6,970,000)</u>
Total net debt applicable to limit	<u>130,663,312</u>
Legal debt margin	<u>\$ 1,074,833,696</u>

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 12,942,756,938	\$ 12,671,384,340	\$ 11,568,969,626	\$ 11,176,676,254	\$ 10,775,447,800	\$ 10,242,235,513
8%	8%	8%	8%	8%	8%
1,035,420,555	1,013,710,747	925,517,570	894,134,100	862,035,824	819,378,841
112,385,000	69,575,814	66,859,085	73,775,188	80,653,877	87,648,423
<u>923,035,555</u>	<u>944,134,933</u>	<u>858,658,485</u>	<u>820,358,912</u>	<u>781,381,947</u>	<u>731,730,418</u>
11%	7%	7%	8%	9%	11%

**CATAWBA COUNTY, NORTH CAROLINA**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population Estimate <sup>(1)</sup></b>	<b>Personal Income</b>	<b>Per Capita Income <sup>(2)</sup></b>	<b>Median Age <sup>(3)</sup></b>	<b>School Enrollment <sup>(4)</sup></b>	<b>Unemployment Rate <sup>(5)</sup></b>
2000	134,128	\$ 3,747,133,936	\$ 27,937	37.0	23,600	1.80
2001	141,686	3,879,504,366	27,381	36.1	23,875	6.40
2002	145,071	3,906,036,675	26,925	36.2	23,688	9.40
2003	146,690	3,884,791,270	26,483	36.3	23,825	9.30
2004	146,971	4,090,055,959	27,829	36.4	23,942	7.20
2005	148,797	4,255,296,606	28,598	36.6	24,243	6.60
2006	149,416	4,493,536,784	30,074	36.7	24,455	5.40
2007	153,784	4,775,146,984	31,051	37.0	24,766	5.90
2008	155,452	N/A	N/A	36.9	25,305	7.20
2009	157,073	N/A	N/A	38.1	24,688	15.50

N/A = Not available

Sources:

<sup>1</sup> Based upon estimates issued by the U.S. Census Bureau

<sup>2</sup> Bureau of Economic Analysis

<sup>3</sup> Office of State Planning

<sup>4</sup> North Carolina Department of Public Instruction

<sup>5</sup> Department of Commerce - Employment Security Commission

**CATAWBA COUNTY, NORTH CAROLINA**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	2009			2000		
	Employees <sup>(1)</sup>	Rank	Percentage of Total County Employment <sup>(2)</sup>	Employees <sup>(1)</sup>	Rank	Percentage of Total County Employment <sup>(2)</sup>
Catawba County School Systems	1,900	1	2.94%	2,265	3	2.88%
Frye Regional Medical Center	1,600	2	2.48%	1,750	5	2.23%
Catawba Valley Medical Center	1,579	3	2.45%	1,348	8	1.72%
CommScope, Inc.	1,525	4	2.36%	3,150	2	4.01%
Catawba County Government	1,180	5	1.83%	1,168	9	1.49%
Hickory Springs Manufacturing Company, Inc.	1,000	6	1.55%	1,500	7	1.91%
Corning Cable Systems <sup>(3)</sup>	1,000	7	1.55%	3,157	1	4.02%
Sherrill Furniture Company	824	8	1.28%	-	-	0.00%
CV Industries, Inc.	678	9	1.05%	1,697	6	2.16%
City of Hickory	661	10	1.02%	-	-	0.00%
Thomasville Furniture Industries	-	-	-	1,850	4	2.36%
Alcatel N.A., Inc.	-	-	-	1,108	10	1.41%
	<u>11,947</u>		<u>18.51%</u>	<u>18,993</u>		<u>24.19%</u>

## Sources:

<sup>1</sup> Survey of Employers<sup>2</sup> Labor estimates provided by the Employment Security Commission of North Carolina<sup>3</sup> Catawba County Chamber of Commerce

**CATAWBA COUNTY, NORTH CAROLINA**  
**Full Time Equivalent County Employees by Function**  
**Last Ten Fiscal Years**

	<b>Full-time Equivalent Employees as of June 30</b>									
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Function</b>										
Governmental activities:										
General government	92	89	90	87	86	85	84	86	89	104
Public safety	334	321	307	248	245	240	235	225	226	203
Environmental protection	11	11	11	11	9	10	10	11	12	12
Economic and physical development	100	93	91	94	89	87	78	83	82	64
Human services	578	614	583	583	655	641	639	616	628	641
Culture and recreation	37	37	37	38	38	38	36	38	38	39
Total governmental activities	<u>1,151</u>	<u>1,164</u>	<u>1,119</u>	<u>1,061</u>	<u>1,123</u>	<u>1,100</u>	<u>1,081</u>	<u>1,058</u>	<u>1,075</u>	<u>1,064</u>
Business-type activities:										
Water sewer	1	-	-	-	-	-	-	-	-	-
Solid waste management	28	28	28	28	29	28	28	26	24	23
Total business-type activities	<u>29</u>	<u>28</u>	<u>28</u>	<u>28</u>	<u>29</u>	<u>28</u>	<u>28</u>	<u>26</u>	<u>24</u>	<u>23</u>
Total primary government	<u><u>1,180</u></u>	<u><u>1,193</u></u>	<u><u>1,147</u></u>	<u><u>1,089</u></u>	<u><u>1,152</u></u>	<u><u>1,128</u></u>	<u><u>1,109</u></u>	<u><u>1,084</u></u>	<u><u>1,099</u></u>	<u><u>1,086</u></u>

Sources: Catawba County Human Resources Department

**CATAWBA COUNTY, NORTH CAROLINA**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Governmental activities:										
General government										
Number of registered voters	101,142	99,117	95,855	95,470	93,633	95,480	93,299	93,035	90,175	91,232
Number of marriage licenses issued	1,062	1,181	1,073	1,040	1,135	1,071	1,071	1,142	1,121	1,184
Number of vouchers processed	41,567	49,648	45,713	47,038	51,598	44,794	44,173	45,505	47,172	45,153
Public safety										
Number of 911 dispatch/calls	83,367	115,000	108,658	106,093	86,941	106,262	92,094	111,880	78,070	75,566
Sheriff Department offenses reported	5,479	5,312	5,477	5,163	5,284	5,846	5,535	5,526	2,303	4,163
Environmental protection										
Cooperative extension agent contacts	71,001	66,324	67,385	37,194	33,163	24,819	24,743	27,912	24,542	N/A
Economic and physical development										
Number of commercial permits issued	534	721	622	663	760	733	387	491	523	550
Number of residential permits issued	1,056	1,497	1,692	1,799	1,681	1,762	1,429	1,973	2,121	1,961
Number of patrons visiting parks	121,370	75,797	67,029	43,022	50,337	45,293	36,989	21,505	N/A	N/A
Human services										
Households that received assistance with energy bills	3,042	2,004	1,429	1,261	1,111	944	1,140	1,230	1,998	1,502
Medicaid clients receiving transportation assistance	17,689	15,551	17,200	16,305	14,124	13,690	12,544	9,577	10,242	7,312
Children benefiting from child support services	7,500	7,337	7,360	7,696	6,795	7,580	7,590	7,459	7,855	8,000
Public health clients served	21,534	21,634	24,965	17,183	26,123	22,113	20,803	27,337	N/A	N/A
Restaurant inspections	1,226	1,443	1,463	1,432	1,406	1,398	1,305	1,364	1,328	1,291
Culture and recreation										
Total circulation for library system	744,652	681,796	666,069	657,271	681,001	667,246	590,730	557,407	546,949	462,868
Education										
Public school student enrollment K-12	24,688	25,305	24,766	24,455	24,243	23,942	23,825	23,688	23,875	23,600
Business-type activities:										
Solid waste management										
Tons buried - MSW	165,811	151,007	165,384	167,988	168,140	164,590	164,142	164,469	174,900	173,722
Tons buried - C&D	32,911	38,745	49,733	40,246	30,294	31,920	25,490	35,884	30,103	26,076
Tons recycled	29,416	28,932	29,836	29,477	25,820	28,634	32,081	32,187	30,895	31,506

N/A = Not available

Sources: Catawba County Departments, NC Department of Public Instruction

**CATAWBA COUNTY, NORTH CAROLINA**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

Function	Fiscal Year									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Governmental activities:										
General government										
Buildings	5	5	5	5	5	5	5	5	5	5
Vehicles	8	9	8	8	7	7	7	N/A	N/A	N/A
Public safety										
Buildings	8	8	8	8	8	7	7	7	7	7
Vehicles	156	166	153	148	143	144	144	N/A	N/A	N/A
Environmental protection										
Buildings	2	2	2	2	2	2	2	2	2	2
Vehicles	2	2	2	2	2	2	2	N/A	N/A	N/A
Economic and physical development										
Buildings	2	2	2	2	2	2	2	2	2	2
Vehicles	57	60	47	51	59 <sup>(1)</sup>	37	37	N/A	N/A	N/A
Human services										
Buildings	39	39	40	40	40	40	40	38	38	38
Vehicles	27	47	46	39	40 <sup>(2)</sup>	62	62	N/A	N/A	N/A
Culture and recreation										
Buildings	5	5	5	5	5	5	5	5	5	5
Vehicles	2	2	2	2	2	2	2	N/A	N/A	N/A
Business-type activities:										
Solid waste management										
Buildings	6	7	7	7	4	4	4	5	5	4
Vehicles	26	25	26	25	26	25	25	N/A	N/A	N/A
Water and sewer										
Buildings	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vehicles	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A = Not available

<sup>1</sup> City of Hickory Permit Center merged with County Permit Center. The County acquired vehicles from City of Hickory.

<sup>2</sup> Divestiture of Mental Health services.

Sources: Catawba County Departments