

BUNCOMBE COUNTY, NORTH CAROLINA

Exhibit 4

Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds

FOR THE YEAR ENDED JUNE 30, 2008

	General	County Capital Projects	School Capital Commission	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Ad valorem taxes	\$ 143,650,901	\$ -	\$ -	\$ 13,599,629	\$ 157,250,530
Local option sales taxes	40,446,673	-	-	5,128,662	45,575,335
Other taxes and licenses	5,974,706	-	-	7,539,474	13,514,180
Unrestricted intergovernmental	634,260	-	-	-	634,260
Restricted intergovernmental	40,264,027	88,941	15,782,920	7,324,375	63,460,263
Permits and fees	1,685,014	-	-	-	1,685,014
Sales and services	18,794,523	-	-	-	18,794,523
Investment earnings	3,988,340	484,578	470,832	580,482	5,524,232
Miscellaneous	1,112,329	-	-	30,300	1,142,629
<b>Total revenues</b>	<b>256,550,773</b>	<b>573,519</b>	<b>16,253,752</b>	<b>34,202,922</b>	<b>307,580,966</b>
<b>EXPENDITURES:</b>					
Current:					
General government	21,047,852	-	-	259,037	21,306,889
Public safety	45,520,526	-	-	19,257,716	64,778,242
Economic and physical development	7,538,876	-	-	9,198,781	16,737,657
Human services	84,888,420	-	-	2,316,776	87,205,196
Cultural and recreational	7,304,597	-	-	-	7,304,597
Intergovernmental:					
Education	66,171,518	-	-	-	66,171,518
Capital outlay	-	13,932,928	1,969,438	11,737,684	27,640,050
Debt service:					
Principal retirement	8,675,686	-	8,602,723	-	17,278,409
Interest and fees	3,132,216	80,049	4,391,033	341	7,603,639
<b>Total expenditures</b>	<b>244,279,691</b>	<b>14,012,977</b>	<b>14,963,194</b>	<b>42,770,335</b>	<b>316,026,197</b>
Revenues over (under) expenditures	12,271,082	(13,439,458)	1,290,558	(8,567,413)	(8,445,231)
<b>OTHER FINANCING SOURCES /(USES)</b>					
Proceeds from installment obligations	-	13,455,000	-	-	13,455,000
Discount on installment obligations	-	(9,565)	-	-	(9,565)
Transfers from other funds	5,510,564	9,904,284	1,605,182	4,316,163	21,336,193
Transfers to other funds	(17,628,950)	(5,492,930)	-	(3,573,635)	(26,695,515)
Sales of capital assets	20,107	-	-	-	20,107
<b>Total other financing sources (uses)</b>	<b>(12,098,279)</b>	<b>17,856,789</b>	<b>1,605,182</b>	<b>742,528</b>	<b>8,106,220</b>
Net changes in fund balances	172,803	4,417,331	2,895,740	(7,824,885)	(339,011)
Fund balances, beginning of year	67,215,405	24,433,588	12,787,700	17,040,369	121,477,062
Prior period adjustments	608,762	-	-	(11,066)	597,696
Fund balances, beginning as restated	67,824,167	24,433,588	12,787,700	17,029,303	122,074,758
Fund balances, end of year	\$ 67,996,970	\$ 28,850,919	\$ 15,683,440	\$ 9,204,418	\$ 121,735,747

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

BUNCOMBE COUNTY, NORTH CAROLINA  
*Statement of Revenues, Expenditures, and Changes in Fund Balances*  
*Governmental Funds*

Exhibit 4

FOR THE YEAR ENDED JUNE 30, 2008

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

Net changes in fund balances - total governmental funds	\$ (339,011)
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.	14,107,436
In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	(399,973)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	211,618
Payments to fund OPEB obligation in excess of required contributions	666,818
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.	2,016,305
Net revenue, including transfers, of internal service funds determined to be governmental-type.	<u>526,689</u>
Total changes in net assets of governmental activities	<u>\$ 16,789,882</u>

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