
Supplementary Financial Data

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required legally or by sound financial management to be accounted for in another fund.

B-1

CITY OF SALISBURY, NORTH CAROLINA

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

For the Year Ended June 30, 2005

With Comparative Actual Amounts for Year Ended June 30, 2004

	2005		Variance with	2004
			Budget	
	Budget	Actual	Positive	Actual
			(Negative)	
REVENUES:				
Taxes:				
General property-current	\$ 13,308,713	\$ 13,173,937	\$ (134,776)	\$ 12,146,132
General property-prior	314,000	423,808	109,808	302,065
Auto tax	200,000	103,434	(96,566)	
Interest on delinquent tax	62,000	84,809	22,809	69,005
Local option sales tax	4,065,601	4,306,693	241,092	4,232,240
Other tax	500	420	(80)	508
	\$ 17,950,814	\$ 18,093,101	\$ 142,287	\$ 16,749,950
Intergovernmental:				
Federal	\$ 691,387	\$ 425,181	\$ (266,206)	\$ 559,958
State	4,877,368	3,899,544	(977,824)	4,234,161
Local	18,000	17,399	(601)	17,851
	\$ 5,586,755	\$ 4,342,124	\$ (1,244,631)	\$ 4,811,970
Charges for services:				
Environmental protection	\$ 857,200	\$ 830,504	\$ (26,696)	\$ 837,306
Culture and recreation	170,000	173,484	3,484	153,836
Public safety	392,401	416,920	24,519	414,782
Cemetery	135,000	135,545	545	117,200
Radio antenna and paging rentals	133,960	222,871	88,911	196,479
Rentals and sale of property	282,708	306,845	24,137	238,266
Licenses and permits	578,660	589,274	10,614	538,560
Administrative charges	1,901,732	1,711,559	(190,173)	1,743,053
Community services	114,400	130,145	15,745	122,619
	\$ 4,566,061	\$ 4,517,147	\$ (48,914)	\$ 4,362,101
Miscellaneous:				
Interest earned on investments	\$ 134,000	\$ 161,387	\$ 27,387	\$ 76,874
Donations	661,337	290,093	(371,244)	318,323
Other	134,177	156,582	22,405	109,847
	\$ 929,514	\$ 608,062	\$ (321,452)	\$ 505,044
Total revenues	\$ 29,033,144	\$ 27,560,434	\$ (1,472,710)	\$ 26,429,065
OTHER FINANCING SOURCES:				
Long-term debt issued	\$ 642,324	\$ 191,000	\$ (451,324)	\$ 1,990,500
Fund balance appropriated	385,656	-	(385,656)	-
Total other financing sources (uses)	\$ 1,027,980	\$ 191,000	\$ (836,980)	\$ 1,990,500
Total revenues and other financing sources	\$ 30,061,124	\$ 27,751,434	\$ (2,309,690)	\$ 28,419,565

B-1

CITY OF SALISBURY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

For the Year Ended June 30, 2005

With Comparative Actual Amounts for Year Ended June 30, 2004

	2005		Variance with Budget Positive (Negative)	2004
	Budget	Actual		Actual
EXPENDITURES:				
Current:				
General government:				
City council	\$ 124,353	\$ 111,443	\$ 12,910	\$ 97,255
City administration	729,068	682,250	46,818	672,331
Purchasing	132,259	123,011	9,248	128,894
Human resources	575,538	561,791	13,747	525,423
Finance	1,185,422	1,140,030	45,392	1,042,162
Fleet management	783,788	778,791	4,997	758,839
Public services administration	251,417	250,245	1,172	229,458
Facilities Maintenance	653,954	642,855	11,099	377,759
Telecommunication	510,076	469,803	40,273	2,664,920
Information technologies	1,415,204	1,283,029	132,175	1,286,998
	<u>\$ 6,361,079</u>	<u>\$ 6,043,248</u>	<u>\$ 317,831</u>	<u>\$ 7,784,039</u>
Public safety:				
Police:				
Administration	\$ 610,264	\$ 519,296	\$ 90,968	\$ 494,573
Services	1,265,893	1,218,369	47,524	1,409,098
Operations	4,720,788	4,536,319	184,469	4,251,326
Fire	4,784,926	4,117,102	667,824	3,601,933
	<u>\$ 11,381,871</u>	<u>\$ 10,391,086</u>	<u>\$ 990,785</u>	<u>\$ 9,756,930</u>
Transportation:				
Traffic operations	\$ 565,257	\$ 542,813	\$ 22,444	\$ 450,871
Engineering	2,074,298	683,546	1,390,752	720,033
Streets	2,251,436	2,100,369	151,067	2,123,163
Street lighting	309,705	309,286	419	306,408
	<u>\$ 5,200,696</u>	<u>\$ 3,636,014</u>	<u>\$ 1,564,682</u>	<u>\$ 3,600,475</u>
Environmental protection:				
Solid waste management	\$ 1,697,578	\$ 1,688,729	\$ 8,849	\$ 1,449,351
Cemetery	236,709	213,841	22,868	222,557
	<u>\$ 1,934,287</u>	<u>\$ 1,902,570</u>	<u>\$ 31,717</u>	<u>\$ 1,671,908</u>
Culture and recreation:				
Landscaping	\$ 595,262	\$ 587,259	\$ 8,003	\$ 571,601
Recreation	1,962,743	1,908,629	54,114	1,987,618
	<u>\$ 2,558,005</u>	<u>\$ 2,495,888</u>	<u>\$ 62,117</u>	<u>\$ 2,559,219</u>
Community and economic development:				
Community development	\$ 947,182	\$ 730,605	\$ 216,577	\$ 754,858
The Plaza	151,522	145,927	5,595	274,225
Developmental services	360,789	333,707	27,082	362,503
	<u>\$ 1,459,493</u>	<u>\$ 1,210,239</u>	<u>\$ 249,254</u>	<u>\$ 1,391,586</u>

B-1

CITY OF SALISBURY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -

For the Year Ended June 30, 2005

With Comparative Actual Amounts for Year Ended June 30, 2004

	2005		Variance with	2004
			Budget	
	Budget	Actual	Positive	Actual
			(Negative)	
EXPENDITURES :				
Current (continued):				
Education	\$ 42,342	\$ 42,342	\$ -	\$ 42,342
Debt service:				
Principal	\$ 619,848	\$ 598,890	\$ 20,958	\$ 646,750
Interest	329,933	283,100	46,833	250,437
	\$ 949,781	\$ 881,990	\$ 67,791	\$ 897,187
Total expenditures	\$ 29,887,554	\$ 26,603,377	\$ 3,284,177	\$ 27,703,686
OTHER FINANCING USES:				
Transfers to other funds	\$ 173,570	\$ 173,570	\$ -	\$ 160,282
Total expenditures and other financing uses	\$ 30,061,124	\$ 26,776,947	\$ 3,284,177	\$ 27,863,968
Excess of revenues and other sources over expenditures and other uses	\$ -	\$ 974,487	\$ 974,487	\$ 555,597
FUND BALANCES, BEGINNING		5,809,933		5,254,336
FUND BALANCES, ENDING		\$ 6,784,420		\$ 5,809,933



Non Major Governmental Funds

Special revenue funds are used to account for the proceeds of specific revenues that are legally restricted to expenditures for particular purposes. The City has one special revenue fund, the Community Development Fund. This fund is used to account for the operations of the City's community development programs. Financing is provided by the U.S. Department of Housing and Urban Development.

The Capital Projects Fund is used to account for the acquisition or construction of capital projects, other than those financed by enterprise funds, internal service funds, or trust funds.

CITY OF SALISBURY, NORTH CAROLINA
ALL NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

June 30, 2005

<u>ASSETS</u>	<u>Special Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects Fund</u>	<u>Total</u>
Cash and investments	\$ 118,966	\$ -	\$ 118,966
Accounts receivable	22,689	1,032	23,721
Due from other governments	<u>14,130</u>	<u>-</u>	<u>14,130</u>
Total assets	<u>\$ 155,785</u>	<u>\$ 1,032</u>	<u>\$ 156,817</u>
 <u>LIABILITIES AND FUND EQUITY</u>			
LIABILITIES			
Accounts payable and accrued liabilities	\$ 58,841	\$ -	\$ 58,841
Due to other funds	<u>-</u>	<u>754,777</u>	<u>754,777</u>
Total liabilities	<u>\$ 58,841</u>	<u>\$ 754,777</u>	<u>\$ 813,618</u>
 FUND EQUITY			
Fund balances:			
Reserved by State statute	\$ 36,819	\$ -	\$ 36,819
Unreserved:			
Undesignated	<u>60,125</u>	<u>(753,745)</u>	<u>(693,620)</u>
Total fund equity (deficit)	<u>\$ 96,944</u>	<u>\$ (753,745)</u>	<u>\$ (656,801)</u>
Total liabilities and fund equity	<u>\$ 155,785</u>	<u>\$ 1,032</u>	<u>\$ 156,817</u>

CITY OF SALISBURY, NORTH CAROLINA

ALL NON-MAJOR GOVERNMENTAL FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2005

	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
REVENUES:			
Intergovernmental	\$ 618,046	\$ -	\$ 618,046
Miscellaneous:	<u>310,430</u>	<u>-</u>	<u>310,430</u>
Total revenues	<u>\$ 928,476</u>	<u>\$ -</u>	<u>\$ 928,476</u>
EXPENDITURES:			
General government	\$ 104,188	\$ 54,500	\$ 158,688
Public safety	-	326,196	326,196
Community and economic development	864,194	-	864,194
Debt Service:	32,000	-	32,000
Principal	<u>25,305</u>	<u>-</u>	<u>25,305</u>
Interest			
Total expenditures	<u>\$ 1,025,687</u>	<u>\$ 380,696</u>	<u>\$ 1,406,383</u>
NET INCREASE (DECREASE) IN FUND BALANCE	\$ (97,211)	\$ (380,696)	\$ (477,907)
FUND BALANCE (DEFICIT), BEGINNING	<u>194,155</u>	<u>(373,049)</u>	<u>(178,894)</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ 96,944</u>	<u>\$ (753,745)</u>	<u>\$ (656,801)</u>

CITY OF SALISBURY, NORTH CAROLINA

SPECIAL REVENUE FUND - COMMUNITY DEVELOPMENT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 2005

With Comparative Actual Amounts for the Year Ended June 30, 2004

	2005		Variance with Budget Positive (Negative)	2004
	Budget	Actual		Actual
REVENUES:				
Intergovernmental:				
Federal	\$ 862,256	\$ 618,046	\$ (244,210)	\$ 407,340
Miscellaneous:				
Other	330,000	310,430	(19,570)	389,325
Total revenues	<u>\$ 1,192,256</u>	<u>\$ 928,476</u>	<u>\$ (263,780)</u>	<u>\$ 796,665</u>
EXPENDITURES:				
Current:				
General government	\$ 119,080	\$ 104,188	\$ 14,892	\$ 124,236
Community and economic development	1,204,134	864,194	339,940	983,076
Debt Service:				
Principal	32,000	32,000	-	-
Interest	25,306	25,305	1	-
Total expenditures	<u>\$ 1,380,520</u>	<u>\$ 1,025,687</u>	<u>\$ 354,833</u>	<u>\$ 1,107,312</u>
OTHER FINANCING SOURCES				
Proceeds from Section 108 loan	\$ -	\$ -	\$ -	\$ 375,000
Fund balance appropriated	188,264	-	(188,264)	-
Total other financing sources	<u>\$ 188,264</u>	<u>\$ -</u>	<u>\$ (188,264)</u>	<u>\$ 375,000</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>\$ -</u>	<u>\$ (97,211)</u>	<u>\$ (97,211)</u>	<u>\$ 64,353</u>
FUND BALANCE, BEGINNING		<u>194,155</u>		<u>129,802</u>
FUND BALANCE, ENDING		<u>\$ 96,944</u>		<u>\$ 194,155</u>

CITY OF SALISBURY, NORTH CAROLINA

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

From Inception and for the Year Ended June 30, 2005

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
EXPENDITURES:				
General government	\$ 100,000	\$ 34,324	\$ 54,500	\$ 88,824
Public safety	<u>3,465,680</u>	<u>338,725</u>	<u>326,196</u>	<u>664,921</u>
Total expenditures	\$ <u>3,565,680</u>	\$ <u>373,049</u>	\$ <u>380,696</u>	\$ <u>753,745</u>
Total revenues under expenditures	\$ (3,565,680)	\$ (373,049)	\$ (380,696)	\$ (753,745)
OTHER FUNDING SOURCES				
Proceeds from issuance of debt	<u>3,565,680</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>\$ -</u>	<u>\$ (373,049)</u>	<u>\$ (380,696)</u>	<u>\$ (753,745)</u>
FUND BALANCE (DEFICIT), BEGINNING			<u>(373,049)</u>	✓
FUND BALANCE (DEFICIT), ENDING			<u>\$ (753,745)</u>	

Proprietary Fund Types

Proprietary Funds Types - Enterprise funds are used 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 cost of providing goods or 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 revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Water and Sewer Fund - to account for the provision of water and sewer services to the residents of the City and immediate area around the City.

Mass Transit Fund - to account for the provision of public bus services to the residents of the City.

All activities necessary to provide such services are accounted for in these funds, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

D-1
CITY OF SALISBURY, NORTH CAROLINA
WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2005
With Comparative Actual Amounts for Year Ended June 30, 2004

	2005		Variance with Budget Positive (Negative)	2004
	Budget	Actual		Actual
OPERATING REVENUES:				
Charges for services	\$ 16,124,217	\$ 15,342,078	\$ (782,139)	\$ 14,484,161
Water and sewer taps	510,000	474,771	(35,229)	648,609
Other operating revenues	<u>681,260</u>	<u>793,586</u>	<u>112,326</u>	<u>902,563</u>
Total operating revenues	<u>17,315,477</u>	<u>16,610,435</u>	<u>(705,042)</u>	<u>16,035,333</u>
OPERATING EXPENDITURES OTHER THAN DEPRECIATION:				
Management and administration	\$ 3,744,586	\$ 3,473,429	\$ 271,157	\$ 3,581,201
Water resources	1,732,231	1,577,930	154,301	1,354,247
Maintenance and construction	3,942,238	3,286,305	655,933	3,416,701
Wastewater collection and treatment	2,120,722	1,980,016	140,706	1,886,360
Environmental services	<u>563,258</u>	<u>562,222</u>	<u>1,036</u>	<u>487,988</u>
Total operating expenses other than depreciation	<u>\$ 12,103,035</u>	<u>\$ 10,879,902</u>	<u>\$ 1,223,133</u>	<u>\$ 10,726,497</u>
NONOPERATING REVENUES (EXPENDITURES):				
Investment earnings	\$ 40,990	\$ 62,639	\$ 21,649	\$ 30,411
Developers' contributions	570,000	570,000	-	352,208
Capital outlay	(1,130,180)	(1,120,369)	9,811	(1,015,339)
Interest expense	<u>(2,002,684)</u>	<u>(2,002,463)</u>	<u>221</u>	<u>(2,038,017)</u>
Net nonoperating revenues	<u>\$ (2,521,874)</u>	<u>\$ (2,490,193)</u>	<u>\$ 31,681</u>	<u>\$ (2,670,737)</u>
Revenues over expenditures	<u>\$ 2,690,568</u>	<u>\$ 3,240,340</u>	<u>\$ 549,772</u>	<u>\$ 2,638,099</u>
OTHER FINANCING SOURCES (USES):				
Payment of debt principal	\$ (3,213,615)	\$ (3,213,615)	\$ -	\$ (3,439,954)
Payment to refunded bond escrow agent	-	-	-	(12,094,519)
Refunding bonds issued	-	-	-	12,100,000
Fund balance appropriated	<u>523,047</u>	<u>-</u>	<u>(523,047)</u>	<u>-</u>
Total other financing sources (uses)	<u>\$ (2,690,568)</u>	<u>\$ (3,213,615)</u>	<u>\$ (523,047)</u>	<u>\$ (3,434,473)</u>
REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)				
	<u>\$ -</u>	<u>\$ 26,725</u>	<u>\$ 26,725</u>	<u>\$ (796,374)</u>
RECONCILIATION OF MODIFIED ACCRUAL BASIS WITH FULL ACCRUAL:				
Revenues over expenditures and other financing sources (uses)		\$ 26,725		
Capital outlay		1,120,369		
Depreciation		(4,011,955)		
Bond amortization		(119,576)		
Payment of debt principal		3,213,615		
Interest income from Capital Projects Fund		168,283		
Non-cash capital contributions		3,249,000		
Capital contributions in Capital Project Fund		200,000		
Interest expense adjustment		23,333		
Inventories		(30,999)		
Vacation pay		<u>(41,456)</u>		
Change in net assets		<u>\$ 3,797,339</u>		

CITY OF SALISBURY, NORTH CAROLINA

WATER AND SEWER CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)

From Inception and for the Year Ended June 30, 2005

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
REVENUES				
Miscellaneous				
Interest on investments	\$ -	\$ 2,360,623	\$ 168,283	\$ 2,528,906
EXPENDITURES-SEWER PROJECT				
Construction	\$ 2,318,953	\$ 186,630	\$ 1,991,078	\$ 2,177,708
Engineering	450,518	141,226	56,033	197,259
Total expenditures-Sewer project	\$ 2,769,471	\$ 327,856	\$ 2,047,111	\$ 2,374,967
EXPENDITURES-WATER PROJECT				
Construction	\$ 10,118,789	\$ 8,399,303	\$ 849,254	\$ 9,248,557
Engineering	2,241,400	1,911,476	201,600	2,113,076
Total expenditures-Water project	\$ 12,360,189	\$ 10,310,779	\$ 1,050,854	\$ 11,361,633
Total expenditures	\$ 15,129,660	\$ 10,638,635	\$ 3,097,965	\$ 13,736,600
Total revenues under expenditures	\$ (15,129,660)	\$ (8,278,012)	\$ (2,929,682)	\$ (11,207,694)
OTHER FINANCING SOURCES				
Proceeds from sale of bonds	\$ 5,590,415	\$ 5,590,415	\$ -	\$ 5,590,415
Developer contributions	3,573,500	3,449,276	200,000	3,649,276
Appropriated fund balance	5,965,745	-	-	-
Total other financing sources	\$ 15,129,660	\$ 9,039,691	\$ 200,000	\$ 9,239,691
Unexpended revenues and receipts	\$ -	\$ 761,679	\$ (2,729,682)	\$ (1,968,003)

CITY OF SALISBURY, NORTH CAROLINA

MASS TRANSIT FUND

SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)For the Year Ended June 30, 2005
With Comparative Actual Amounts for Year Ended June 30, 2004

	2005			2004
	Budget	Actual	Variance with Budget Positive (Negative)	Actual
OPERATING REVENUES:				
Charges for services	\$ 70,000	\$ 64,225	\$ (5,775)	\$ 64,571
Other operating revenues	<u>5,000</u>	<u>1,860</u>	<u>(3,140)</u>	<u>3,811</u>
Total operating revenues	<u>\$ 75,000</u>	<u>\$ 66,085</u>	<u>\$ (8,915)</u>	<u>\$ 68,382</u>
OPERATING EXPENDITURES OTHER THAN DEPRECIATION:				
Management and administration	\$ 139,656	\$ 133,688	\$ 5,968	\$ 138,362
Mass transit operations	<u>540,485</u>	<u>541,617</u>	<u>(1,132)</u>	<u>507,490</u>
Total operating expenditures other than depreciation	<u>\$ 680,141</u>	<u>\$ 675,305</u>	<u>\$ 4,836</u>	<u>\$ 645,852</u>
NONOPERATING REVENUES (EXPENDITURES):				
Intergovernmental	\$ 1,453,234	\$ 1,427,045	\$ (26,189)	\$ 372,506
Interest on investments	1,000	366	(634)	1,670
Capital outlay	<u>(1,148,262)</u>	<u>(1,138,845)</u>	<u>9,417</u>	<u>-</u>
Total nonoperating revenues	<u>\$ 305,972</u>	<u>\$ 288,566</u>	<u>\$ (17,406)</u>	<u>\$ 374,176</u>
Revenues over (under) expenditures	<u>\$ (299,169)</u>	<u>\$ (320,654)</u>	<u>\$ (21,485)</u>	<u>\$ (203,294)</u>
OTHER FINANCING SOURCES (USES):				
Appropriated fund balance	\$ 125,599	\$ -	\$ (125,599)	\$ -
Operating transfers in:				
General fund	<u>173,570</u>	<u>173,570</u>	<u>-</u>	<u>160,282</u>
Total other financing sources (uses)	<u>\$ 299,169</u>	<u>\$ 173,570</u>	<u>\$ (125,599)</u>	<u>\$ 160,282</u>
REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)				
	<u>\$ -</u>	<u>\$ (147,084)</u>	<u>\$ (147,084)</u>	<u>\$ (43,012)</u>
RECONCILIATION OF MODIFIED ACCRUAL BASIS WITH FULL ACCRUAL:				
Excess of expenses over revenues, above		\$ (147,084)		
Depreciation		(140,473)		
Capital outlay		1,138,845		
Vacation pay		<u>(2,121)</u>		
Change in net assets		<u>\$ 849,167</u>		



Internal Service Funds

Internal Service Funds are used for allocating the cost of providing certain central services among the different funds.

Workers' Compensation Fund - to account for monies provided by the City and interest earnings to provide the City's reserve for Workers' Compensation.

Employee Health Care Fund - to account for monies withheld from employees' wages and charges to the City to fund the City's health insurance plan.

CITY OF SALISBURY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

June 30, 2005

With Comparative Totals at June 30, 2004

<u>ASSETS</u>	<u>Workers'</u> <u>Compensation</u>	<u>Employee</u> <u>Health Care</u>	<u>Totals</u>	
			<u>2005</u>	<u>2004</u>
CURRENT ASSETS				
Cash and investments	\$ 205,617	\$ 757,279	\$ 962,896	\$ 548,627
Interest receivable	<u>1,507</u>	<u>5,754</u>	<u>7,261</u>	<u>1,977</u>
Total assets	<u>\$ 207,124</u>	<u>\$ 763,033</u>	<u>\$ 970,157</u>	<u>\$ 550,604</u>
<u>LIABILITIES AND FUND EQUITY</u>				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	\$ 5,858	\$ 515,222	\$ 521,080	\$ 471,063
NET ASSETS	<u>201,266</u>	<u>247,811</u>	<u>449,077</u>	<u>79,541</u>
Total liabilities and net assets	<u>\$ 207,124</u>	<u>\$ 763,033</u>	<u>\$ 970,157</u>	<u>\$ 550,604</u>

CITY OF SALISBURY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND BALANCESFor the Year Ended June 30, 2005
With Comparative Totals For The Year Ended June 30, 2004

	Workers' Compensation	Employee Health Care	Totals	
			2005	2004
OPERATING REVENUES:				
Charges for services	\$ 345,100	\$ 3,246,706	\$ 3,591,806	\$ 3,498,244
OPERATING EXPENSES:				
Employee benefits	<u>154,272</u>	<u>3,082,898</u>	<u>3,237,170</u>	<u>3,205,108</u>
OPERATING INCOME	\$ 190,828	\$ 163,808	\$ 354,636	\$ 293,136
NONOPERATING REVENUES				
Interest earned on investments	<u>2,289</u>	<u>12,611</u>	<u>14,900</u>	<u>4,554</u>
NET INCOME	\$ 193,117	\$ 176,419	\$ 369,536	\$ 297,690
NET ASSETS (DEFICIT), BEGINNING	<u>8,149</u>	<u>71,392</u>	<u>79,541</u>	<u>(218,149)</u>
NET ASSETS (DEFICIT), ENDING	<u>\$ 201,266</u>	<u>\$ 247,811</u>	<u>\$ 449,077</u>	<u>\$ 79,541</u>

CITY OF SALISBURY, NORTH CAROLINA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2005
 With Comparative Totals For The Year Ended June 30, 2004

	Workers' Compensation	Employee Health Care	Totals	
			2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from interfund services provided	\$ 345,100	\$ 3,246,706	\$ 3,591,806	\$ 3,498,244
Cash paid for goods and services	<u>(160,347)</u>	<u>(3,026,806)</u>	<u>(3,187,153)</u>	<u>(3,136,822)</u>
Net cash provided by operating activities	<u>\$ 184,753</u>	<u>\$ 219,900</u>	<u>\$ 404,653</u>	<u>\$ 361,422</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	<u>\$ 922</u>	<u>\$ 8,694</u>	<u>\$ 9,616</u>	<u>\$ 3,040</u>
Net increase in cash and cash equivalents	\$ 185,675	\$ 228,594	\$ 414,269	\$ 364,462
Balances-beginning of the year	<u>19,942</u>	<u>528,685</u>	<u>548,627</u>	<u>184,165</u>
Balances-end of the year	<u>\$ 205,617</u>	<u>\$ 757,279</u>	<u>\$ 962,896</u>	<u>\$ 548,627</u>



Agency Funds

Agency funds are used to account for assets held by government as an agent for individuals, private organizations, other governments, and/or other funds.

AGENCY FUNDS

Boards and Commissions – to account for monies raised by the boards and commissions of the City from private sources to fund their projects.

Municipal Service District Fund – to account for tax receipts of the Municipal Service District that the City receives from the County and then remits to Downtown Salisbury, Inc.

East Spencer Utilities Fund – to account for billings and receipts of the Town of East Spencer’s utilities operations, which the City manages on a contract basis.

CITY OF SALISBURY, NORTH CAROLINA

AGENCY FUNDS

COMBINING BALANCE SHEET

June 30, 2005

With Comparative Totals at June 30, 2004

	Agency			Totals	
	Boards and Commissions	Municipal	East Spencer Utility Fund	2005	2004
		Service District			
<u>ASSETS</u>					
Cash and investments	\$ 2,692	\$ 1,815	\$ 73,918	\$ 78,425	\$ 59,255
Accounts receivable	39	4,854	89,711	94,604	156,985
Interest receivable	-	-	-	-	13
Total assets	<u>\$ 2,731</u>	<u>\$ 6,669</u>	<u>\$ 163,629</u>	<u>\$ 173,029</u>	<u>\$ 216,253</u>
<u>LIABILITIES</u>					
LIABILITIES					
Accounts payable and accrued liabilities	<u>\$ 2,731</u>	<u>\$ 6,669</u>	<u>\$ 163,629</u>	<u>\$ 173,029</u>	<u>\$ 216,253</u>

CITY OF SALISBURY, NORTH CAROLINA

AGENCY FUNDS

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

For the Year Ended June 30, 2005

	<u>Balance</u> <u>July 1, 2004</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2005</u>
<u>BOARDS AND COMMISSIONS FUND:</u>				
ASSETS				
Cash and investments	\$ 2,219	\$ 473	\$ -	\$ 2,692
Accounts receivable	<u>-</u>	<u>39</u>	<u>-</u>	<u>39</u>
Total assets	<u>\$ 2,219</u>	<u>\$ 512</u>	<u>\$ -</u>	<u>\$ 2,731</u>
LIABILITIES				
Accounts payable and accrued liabilities	<u>\$ 2,219</u>	<u>\$ 512</u>	<u>\$ -</u>	<u>\$ 2,731</u>
 <u>MUNICIPAL SERVICE DISTRICT FUND:</u>				
ASSETS				
Cash and investments	\$ 550	\$ 1,265	\$ -	\$ 1,815
Accounts receivable	4,589	265	-	4,854
Interest receivable	<u>13</u>	<u>-</u>	<u>13</u>	<u>-</u>
Total assets	<u>\$ 5,152</u>	<u>\$ 1,530</u>	<u>\$ 13</u>	<u>\$ 6,669</u>
LIABILITIES				
Accounts payable and accrued liabilities	<u>\$ 5,152</u>	<u>\$ 1,517</u>	<u>\$ -</u>	<u>\$ 6,669</u>
 <u>EAST SPENCER UTILITY FUND:</u>				
ASSETS				
Cash and investments	\$ 56,486	\$ 17,432	\$ -	\$ 73,918
Accounts receivable	<u>152,396</u>	<u>-</u>	<u>62,685</u>	<u>89,711</u>
Total Assets	<u>\$ 208,882</u>	<u>\$ 17,432</u>	<u>\$ 62,685</u>	<u>\$ 163,629</u>
LIABILITIES				
Accounts payable and accrued liabilities	<u>\$ 208,882</u>	<u>\$ -</u>	<u>\$ 45,253</u>	<u>\$ 163,629</u>
 <u>TOTAL AGENCY FUNDS:</u>				
ASSETS				
Cash and investments	\$ 59,255	\$ 19,170	\$ -	\$ 78,425
Accounts receivable	156,985	265	62,685	94,565
Interest receivable	<u>13</u>	<u>-</u>	<u>13</u>	<u>-</u>
Total assets	<u>\$ 216,253</u>	<u>\$ 19,435</u>	<u>\$ 62,698</u>	<u>\$ 172,990</u>
LIABILITIES				
Accounts payable and accrued liabilities	<u>\$ 216,253</u>	<u>\$ 2,029</u>	<u>\$ 45,253</u>	<u>\$ 173,029</u>

Other Schedules



CITY OF SALISBURY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY

For the Year Ended June 30, 2005

	City Wide			Total Levy	
	Property	Rate	Total Levy	Property	Registered
	Valuation			Excluding	Registered
			Motor	Motor	
			Vehicles	Vehicles	
ORIGINAL LEVY					
Property taxed at current year's rates	\$ 2,155,503,723	\$ 0.615	\$ 13,256,342	\$ 12,641,461	\$ 614,881
Registered motor vehicles taxed at prior year's rates	70,903,169	0.580	411,232		411,232
Auto registration fee			131,510		131,510
Penalties			6,445	11,486	
TOTAL	\$ 2,226,406,892		\$ 13,805,529	\$ 12,647,906	\$ 1,157,623
DISCOVERY					
Current year rates	1,983,622		12,199	11,412	787
Prior years rates			77,268	77,268	
Penalties			5,741	5,741	
TOTAL			\$ 95,208	\$ 94,421	\$ 787
ABATEMENTS	(23,232,609)		\$ (142,747)	\$ (120,136)	\$ (22,611)
TOTAL PROPERTY VALUATION	<u>\$ 2,205,157,905</u>				
NET LEVY			\$ 13,757,990	\$ 12,622,191	\$ 1,135,799
Less uncollected tax at June 30, 2004			337,835	195,295	142,580
CURRENT YEAR'S TAXES COLLECTED			<u>\$ 13,420,155</u>	<u>\$ 12,426,896</u>	<u>\$ 993,219</u>
PERCENT OF CURRENT YEAR COLLECTED			<u>97.54%</u>	<u>98.45%</u>	<u>87.45%</u>