

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

**NASH COUNTY TOURISM
DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF NASH COUNTY, NORTH CAROLINA)
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

NASH COUNTY TOURISM DEVELOPMENT AUTHORITY
(A Component Unit of Nash County, North Carolina)

BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2013

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**NASH COUNTY TOURISM DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF NASH COUNTY, NORTH CAROLINA)**

**BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

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Independent Auditor's Report

To the Board of Commissioners
Nash County Tourism Development Authority
Nash County, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Nash County Tourism Development Authority, (the "Authority"), a component unit of Nash County, North Carolina, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Authority as of June 30, 2013, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, NC
September 25, 2013

Management's Discussion and Analysis

This discussion and analysis is provided as an overview of the Nash County Tourism Development Authority's (the "Authority") financial activities for the fiscal year ended June 30, 2013. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Authority's financial statements, which follow this narrative.

Financial Highlights

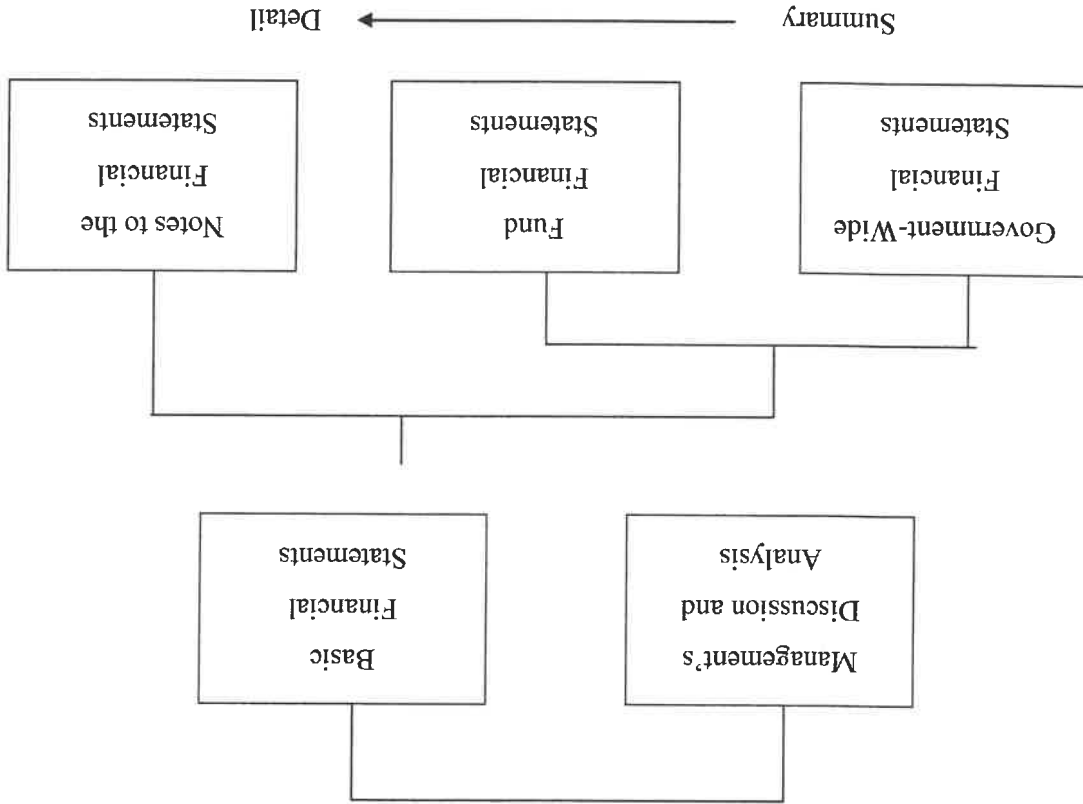
- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$534,264 (net position).
- The Authority's total net position increased by \$15,668, which is a result of revenues exceeding expenses for tourism promotions and general and administration.
- As of the close of the fiscal year, the Authority's governmental fund reported an ending fund balance of \$534,264, an increase of \$15,668 in comparison with prior year. The increase was a result of revenues exceeding expenses for tourism promotions and general and administration. Eighty-nine percent (89%) of fund balance, or \$477,006, is restricted for tourism promotion.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Authority through the use of government-wide statements and fund financial statements.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **government-wide financial statements**. They provide both short and long-term information about the Authority's financial status.

The next statements (Exhibits C through E) are **fund financial statements**. These statements focus on the activities of the individual parts of the Authority's government. These statements provide more detail than the government-wide statements. There are two parts to the fund financial statements: 1) the governmental funds statements, and 2) the budgetary comparison statement.

The next section of the basic financial statements is the **notes to the financial statements**. The notes explain in detail some of the data contained in those statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Authority's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the financial status as a whole.

The two government-wide statements report the Authority's net position and how it has changed. Net position is the difference between total assets and total liabilities. Measuring net position is one way to gauge the Authority's financial condition.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Authority'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. The Authority, 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 of North Carolina or the Authority's budget ordinance. Currently, the Authority only maintains a General Fund.

Governmental Funds.

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Currently, the Authority's activities are accounted for in one governmental fund, the General Fund. This fund focuses on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which provides a 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 Authority's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are required to be described in a reconciliation that is a part of the fund financial statements.

Nash County Tourism Development Authority adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the Board members about which tourism promotions to undertake. The budgetary statement provided for the General Fund demonstrates how well the Authority complied with the budget ordinance and whether or not the Authority succeeded in promoting tourism 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 members, 2) the final budget as amended by the Board, 3) the actual resources, charges to appropriations, and ending balances in the General Fund, and 4) the difference or variance between the final budget and the actual resources and charges. There were no differences between the budgetary basis of accounting and the modified accrual basis; thus, a reconciliation showing the differences in the reported activities is not shown at the end of the budgetary statement.

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 directly follow the basic financial statements of this report.

Government-Wide Financial Analysis

Nash County Tourism Development Authority's Net Position

Figure 2

Governmental Activities		2012	2013
Current Assets:			
Cash and investments	\$ 519,496	\$ 479,899	
Taxes receivable	-	57,258	
Total assets	519,496	537,157	
Current Liabilities:			
Accounts payable	900	2,893	
Total liabilities	900	2,893	
Net Position:			
Restricted for tourism	518,596	477,006	
Stabilization by State statute	-	57,258	
Total net position	\$ 518,596	\$ 534,264	

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial condition. In the case of the Authority, assets exceeded liabilities by \$534,264 at the close of June 30, 2013. One hundred percent (100%) of the Authority's net position represents resources that are restricted in how they may be used for tourism promotion and related activities.

Nash County Tourism Development Authority's Changes in Net Position

Figure 3

Governmental Activities		2012	2013
Revenues:			
General revenues:		\$ 751,880	\$ 736,481
Occupancy taxes		198	228
Investment income		752,078	736,709
Total revenues		<u>752,078</u>	<u>736,709</u>
Expenditures:			
Current:			
Tourism promotion		587,201	715,938
General and administrative		5,073	5,103
Total expenditures		<u>592,274</u>	<u>721,041</u>
Increase (decrease) in net position		159,804	15,668
Net Position:			
Beginning of year - July 1		358,792	518,596
End of year - June 30		<u>\$ 518,596</u>	<u>\$ 534,264</u>

Governmental Activities. Total net position increased by \$15,668, primarily due to decreased expenditures.

Governmental Funds. The focus of the Authority's governmental fund is to promote travel and tourism. Certain information is useful in assessing the Authority's funding requirements. Specifically, fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the only operating fund of the Authority. At the end of the June 30, 2013, restricted fund balance available for tourism promotion activities of the General Fund was \$477,006. As a measure of the General Fund's liquidity, it may be useful to compare restricted fund balance available for tourism promotion to total fund expenditures. Restricted fund balance available for tourism promotion represents 66% of total General Fund expenditures.

General Fund Budgetary Highlights. During the year the revenues exceeded the budget. Revenues exceeded expenditures resulting in an increase to fund balance at June 30, 2013.

This report is designed to provide an overview of the Nash County Tourism Development Authority'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, Nash County Tourism Development Authority, 120 West Washington Street, Suite 3072, Nashville, North Carolina 27856.

Requests for Information

The Authority's management considered several factors when setting the fiscal year 2014 budget including the economy. Occupancy tax receipts, which form the backbone of the revenues that support the Authority's programs, are projected to increase slightly in 2014. The 2013 fiscal year budget was \$728,241 increasing to \$732,526 for the 2014 fiscal year. Occupancy taxes have begun to show improvement in recent years. The Authority will continue to enhance efforts to promote tourism and travel within Nash County by seeking new opportunities to draw individuals to the community.

Budget Highlights for the Fiscal Year Ending June 30, 2014

- Unemployment in the State of North Carolina declined from 9.9% to 8.8% at June 30, 2013, however, the Nash County unemployment rate remained at the 12.6% rate in the prior year.
- The Nash County areas hotel/lodging accommodation gross rental revenues were \$25,883,449, \$26,303,165 and \$23,722,582 for the 2013, 2012 and 2011 fiscal years, respectively.
- Nash County maintained its current 5% occupancy tax rate of which 3% is distributed to the Authority and 2% to the City of Rocky Mount.

Economic Factors

**NASH COUNTY TOURISM DEVELOPMENT AUTHORITY
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**STATEMENT OF NET POSITION
JUNE 30, 2013**

Governmental	
Activities	
\$ 479,899	Assets:
57,258	Cash and investments
537,157	Taxes receivable
2,893	Total assets
	Liabilities:
	Accounts payable
	Net Position:
	Restricted for:
57,258	Stabilization by State statute
477,006	Tourism
534,264	Total net position
\$	

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

**NASH COUNTY TOURISM DEVELOPMENT AUTHORITY
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BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2013

Assets:	
Cash and cash equivalents	Total liabilities and fund balance
Taxes receivable	Total fund balance
Total assets	Tourism
	Stabilization by State statute
	Restricted for:
	Fund Balance:
Liabilities:	
Accounts payable	
	57,258
	477,006
	534,264
	<u>\$ 537,157</u>
	<u>\$ 2,893</u>
	<u>\$ 479,899</u>
	<u>\$ 537,157</u>
General Fund	

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

**NASH COUNTY TOURISM DEVELOPMENT AUTHORITY
 (A COMPONENT UNIT OF NASH COUNTY, NORTH CAROLINA)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2013**

Revenues:	
Room occupancy taxes	736,481
Investment earnings	228
Total revenues	<u>736,709</u>
Expenditures:	
General and administrative	5,103
Tourism promotion	715,938
Total expenditures	<u>721,041</u>
Net change in fund balance	15,668
Fund Balance:	
Beginning of year - July 1	<u>518,596</u>
End of year - June 30	<u>\$ 534,264</u>

General Fund

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

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(A COMPONENT UNIT OF NASH COUNTY, NORTH CAROLINA)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013**

1. Summary of Significant Accounting Policies

The accounting policies of the Nash County Tourism Development Authority (the "Authority") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Authority is a governmental entity established effective July 1, 1987 under a State Senate Bill of the State of North Carolina. Operations of the Authority are to promote travel, tourism, and conventions in the County, sponsor tourist-related events and activities in the County, and to finance tourist-related capital projects in the County.

The Board of Commissioners of Nash County, North Carolina, selects the governing board of the Authority and, in accordance with the State Senate Bill, the Finance Officer for Nash County also serves as Finance Officer for the Authority. The Authority designates its own management, and approves its own budget. In addition, the County provides no financial support to the Authority, is not obligated for the Authority's debts, or entitled to any surpluses of the Authority. Nash County, North Carolina, is accountable for the Authority because it appoints the Authority's governing board; however, Nash County, North Carolina, is not financially accountable for the Authority. Therefore, the Authority is reported as a component unit to Nash County, North Carolina's, financial statements.

B. Basis of Presentation

Government-Wide Statements. The Statement of Net Position and the Statement of Activities of the overall government. Government activities generally are financed through taxes and other non-exchange transactions. The Statement of Activities presents direct expenses and program revenue for the function of the Authority's government activity. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to goods and services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the Authority's funds. The Authority has only one governmental fund: the General Fund.

The General Fund is the Authority's only major fund for the period ended June 30, 2013.

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**NOTES TO THE FINANCIAL STATEMENTS
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General Fund

The General Fund is the operating fund of the Authority. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are occupancy taxes and investment earnings. The primary expenditures are for tourism promotion.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, the fund of the Authority is maintained during the year using the modified accrual basis of accounting.

Government-Wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include taxes, grants, and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year for which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred. The Authority considers all revenues available if they are collected within 60 days after year-end.

There were no modifications to be made between the accrual basis of accounting in the government-wide financial statements and the modified accrual basis of accounting in the governmental fund financial statements.

D. Budgetary Data

The Authority's budget is adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund. All annual appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the functional level for the General Fund. All budget amendments must be approved by the governing board. During the year, no amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

NASH COUNTY TOURISM DEVELOPMENT AUTHORITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013

E. Assets, Liabilities, and Fund Balance

Deposits and Investments

All deposits of the Authority are made in Board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Authority may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina.

Also, the Authority may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State Law [G.S. 159-30(c)] authorizes the Authority to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The Authority's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earning investment contracts are reported at cost.

Cash and Cash Equivalents

All cash and investments are essentially demand deposits and are considered cash and cash equivalents. The Board considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

Allowance for Doubtful Accounts

Allowances for doubtful accounts are not maintained on any types of receivables as they are not material in amount to the financial statements.

Net Position/Fund Balances

Net Position

Net position in government-wide financial statements is classified as net investment in capital assets, restricted, and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through State statute.

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**NOTES TO THE FINANCIAL STATEMENTS
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Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The government fund types classify fund balances as follows:

Non-Spendable Fund Balance

This classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance

This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Tourism – portion of fund balance restricted by revenue source for use for tourism promotion and related activities.

Restricted for Stabilization by State Statute – portion of fund balance that is restricted by State Statute [G.S. 159-8(a)].

Committed Fund Balance

This classification represents the portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of the Authority's governing body (highest level of decision making authority, the Board). Any changes or removal of specific purpose restrictions require majority action by the governing body.

Assigned Fund Balance

Assigned fund balance is the portion of fund balance that the Authority intends to use for specific purposes. The Authority's governing body has the authority to assign fund balance. The Manager and Finance Officer, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance.

Unassigned Fund Balance

Unassigned fund balance represents the portion of fund balance that has not been assigned to another fund or is not restricted, committed, or assigned to specific purposes within the General Fund.

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**NOTES TO THE FINANCIAL STATEMENTS
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The Authority has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following order: federal funds, State funds, local funds, and Authority funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Authority or when required by grant or other contractual agreements.

The Authority has not officially adopted a fund balance policy.

Fund Balance Available for Appropriation

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriation:

Total fund balance - General Fund	\$ 534,264
Less:	
Stabilization by State statute	(57,258)
Fund balance available for appropriation	\$ 477,006

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Detail Notes On All Funds

A. Assets

Deposits

All the deposits of the Authority are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Authority's agent in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Authority, these deposits are considered to be held by the Authority's agent in their name. 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 Authority or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for

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the Authority under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Authority has no policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Authority complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2013, the Authority's deposits had a carrying amount of \$292,927 and a bank balance of \$294,087. All of the bank balance was covered by federal depository insurance or collateralized under the Pooling Method.

Investments

The investments in the North Carolina Capital Management Trust are exempt from risk categorization because the Authority does not own any identifiable securities, but is a shareholder of a percentage of the fund.

At June 30, 2013, the Authority had \$186,972 invested with the North Carolina Capital Management Trust's Cash Portfolio, which carried a credit rating of AAAm by Standard and Poor's. The Authority has no policy regarding credit risk.

B. Liabilities

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority's Board is covered under Nash County's public officials' liability policy. The County participates in a financing pool through the risk management agency of the North Carolina Association of County Commissioners. Through this pool, the County obtains general liability coverage of \$2 million per occurrence.

In accordance with G.S. 159-29, Authority employees that have access to \$100 or more at any given time of Authority funds are performance bonded through a commercial surety bond. The Finance Officer is bonded under a surety bond for \$50,000.

There have been no significant reductions in insurance coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

C. Change in Accounting Principles

The Authority implemented Governmental Accounting Standards Board (GASB) Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement 65, *Items Previously Reported as Assets and Liabilities*, in the fiscal year ended June 30, 2013. In accordance with GASB Statement 63, the Statement of Net

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Assets has been replaced with the Statement of Net Position. Items on the Statement of Net Position are now classified into Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position. Additionally, GASB Statement 65 requires that deferred costs from the refunding of debt, which were previously deferred and amortized, be presented as deferred outflows of resources.

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