

ENTERPRISE FUNDS

Enterprise Funds account for operations financed and operated in a manner similar to private business enterprises – where the costs of providing services are financed primarily through user charges. Harnett County maintains one enterprise fund to account for the operations of the water and sewer districts. The County maintains ten additional funds to account for the debt service for each district. The County maintains a separate enterprise fund for the operations of the landfill.

INDIVIDUAL FUND DESCRIPTIONS:

Harnett County Public Utilities Fund – accounts for the operations of the ten water and sewer districts, which provide water and sewer to the residents of the County.

Individual Water and Sewer Funds – account for the debt service for each of the water and sewer districts. These funds are the Northeast Metro Water and Sewer District, the Buies Creek / Coats Sewer District, the South Central Water and Sewer District, the West Central Water and Sewer District, the Northwest Water and Sewer District, the Southwest Water and Sewer District, the Bunnlevel / Riverside Water and Sewer District, the Southeast Water and Sewer District, the East Central Water and Sewer District, and Riverside Water and Sewer District.

Solid Waste Management Fund – accounts for the operations of the Harnett County Landfill.

HARNETT COUNTY, NORTH CAROLINA

Enterprise Funds
 Schedule of Operating Expenses
 Year Ended June 30, 2005
 With Comparative Totals for the Year Ended June 30, 2004

	Harnett County Public Utilities Fund	Solid Waste Management Fund	Totals	
			2005	2004
Salaries and wages	\$ 2,340,905	\$ 400,641	\$ 2,741,546	\$ 2,588,183
Employee benefits	663,981	120,471	784,452	718,385
Telephone and postage	70,642	5,413	76,055	77,690
Utilities	903,668	11,222	914,890	828,220
Travel and meetings	22,597	2,560	25,157	19,265
Bulk water purchases	34,147	-	34,147	29,140
Treatment costs	1,136,536	-	1,136,536	1,038,213
Maintenance and repairs	560,355	195,732	756,087	698,427
Materials and supplies	336,569	68,943	405,512	311,980
Uniforms	27,575	3,637	31,212	28,812
Contracted services	876,840	1,736,469	2,613,309	2,629,851
Professional services	438,815	313,137	751,952	731,442
Dues and subscriptions	5,858	282	6,140	12,742
Insurance and bonds	87,226	4,875	92,101	122,009
Miscellaneous	(10,694)	188,715	178,021	(87,844)
Operating lease expense	36,780	6,167	42,947	8,863
Rent	19,239	39,355	58,594	24,914
Bad debt (recovery) expense	(686,898)	7,018	(679,880)	(73,484)
	<u>\$ 6,864,141</u>	<u>\$ 3,104,637</u>	<u>\$ 9,968,778</u>	<u>\$ 9,706,808</u>

HARNETT COUNTY, NORTH CAROLINA

Enterprise Funds
 Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 Year Ended June 30, 2005

	Harnett County Public Utilities Fund		Solid Waste Management Fund		Totals		Variance Positive (Negative)
	Budget	Actual	Budget	Actual	Budget	Actual	
OPERATING REVENUES:							
Charges for services	\$ 10,264,462	\$ 11,271,717	\$ -	\$ -	\$ 10,264,462	\$ 11,271,717	\$ 1,007,255
Water and sewer taps	420,279	459,465	-	-	420,279	459,465	39,186
Solid waste user fees	-	-	2,992,500	3,216,160	2,992,500	3,216,160	223,660
Other operating revenues	1,924,169	1,986,401	21,501	21,420	1,945,670	2,007,821	62,151
Johnston County	34,890	34,890	-	-	34,890	34,890	---
Total operating revenues	<u>12,643,800</u>	<u>13,752,473</u>	<u>3,014,001</u>	<u>3,237,580</u>	<u>15,657,801</u>	<u>16,990,053</u>	<u>1,332,252</u>
NONOPERATING REVENUE:							
Investment earnings	35,000	29,456	27,700	36,830	62,700	66,286	3,586
Solid waste state taxes	-	-	115,000	133,689	115,000	133,689	18,689
Federal and state grants	-	24,934	-	-	-	24,934	24,934
Capital contributions	-	3,010,914	-	-	-	3,010,914	3,010,914
Total revenues	<u>12,678,800</u>	<u>16,817,777</u>	<u>3,156,701</u>	<u>3,408,099</u>	<u>15,835,501</u>	<u>20,225,876</u>	<u>4,390,375</u>
EXPENDITURES:							
Operating expense	8,702,876	6,864,141	3,459,147	3,104,637	12,162,023	9,968,778	2,193,245
Interest paid	-	1,502,781	-	-	-	1,502,781	(1,502,781)
Total expenditures	<u>8,702,876</u>	<u>8,366,922</u>	<u>3,459,147</u>	<u>3,104,637</u>	<u>12,162,023</u>	<u>11,471,559</u>	<u>690,464</u>
Revenues over (under) expenditures	<u>3,975,924</u>	<u>8,450,855</u>	<u>(302,446)</u>	<u>303,462</u>	<u>3,673,478</u>	<u>8,754,317</u>	<u>5,080,839</u>
OTHER FINANCING SOURCES (USES):							
Transfers out	(5,794,055)	(1,833,518)	(61,667)	(50,667)	(5,855,722)	(1,884,185)	3,971,537
Fund balance appropriated	1,818,131	-	364,113	-	2,182,244	-	(2,182,244)
Other	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(3,975,924)</u>	<u>(1,833,518)</u>	<u>302,446</u>	<u>(50,667)</u>	<u>(3,673,478)</u>	<u>(1,884,185)</u>	<u>1,789,293</u>
Excess of revenues and other financing sources (uses) over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>6,617,337</u>	<u>\$ -</u>	<u>252,795</u>	<u>\$ -</u>	<u>6,870,132</u>	<u>\$ 6,870,132</u>
RECONCILIATION OF MODIFIED ACCRUAL BASIS TO FULL ACCRUAL							
Budgetary appropriations (above):							
Depreciation		(3,024,189)		(163,013)		(3,187,202)	
Amortization		(24,804)		-		(24,804)	
Change in Net Assets		<u>\$ 3,568,344</u>		<u>\$ 89,782</u>		<u>\$ 3,658,126</u>	

HARNETT COUNTY, NORTH CAROLINA
Enterprise Funds
Schedule of Revenues and Expenditures
Budget and Actual (Non-GAAP) - Non-Operating Enterprise Funds
For the Year Ended June 30, 2005

	Northeast Metro Water & Sewer Fund		Buires Creek/Coats Water & Sewer Fund		South Central Water & Sewer Fund		West Central Water & Sewer Fund		Northwest Water and Sewer Fund	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Expenditures:										
Budgetary appropriations:										
Interest paid	\$ 238,062	\$ 233,550	\$ 46,220	\$ 45,730	\$ 191,341	\$ 170,851	\$ 110,373	\$ 109,218	\$ 106,130	\$ 105,202
Debt principal	780,650	780,650	105,000	105,000	222,100	218,148	60,000	60,000	85,000	85,000
Total expenditures	<u>1,018,712</u>	<u>1,014,200</u>	<u>151,220</u>	<u>150,730</u>	<u>413,441</u>	<u>388,999</u>	<u>170,373</u>	<u>169,218</u>	<u>191,130</u>	<u>190,202</u>
Revenues under expenditures	(1,018,712)	(1,014,200)	(151,220)	(150,730)	(413,441)	(388,999)	(170,373)	(169,218)	(191,130)	(190,202)
Other Financing Sources:										
Capital lease transfers in	1,018,712	356,300	151,220	150,730	413,441	308,999	170,373	169,218	191,130	190,202
Transfer out	-	657,900	-	-	-	-	-	-	-	-
Debt Proceeds	-	-	-	-	-	80,000	-	-	-	-
Total other financing sources	<u>1,018,712</u>	<u>1,014,200</u>	<u>151,220</u>	<u>150,730</u>	<u>413,441</u>	<u>388,999</u>	<u>170,373</u>	<u>169,218</u>	<u>191,130</u>	<u>190,202</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of modified accrual basis to full accrual basis:										
Payment of bond principal		780,650		105,000		218,148		60,000		85,000
Proceeds		(657,900)		-		(80,000)		-		-
Decrease in interest expense accrual		4,508		490		1,915		1,147		853
Reduction of investment in direct financing lease receivable		<u>(127,258)</u>		<u>(105,490)</u>		<u>(140,063)</u>		<u>(61,147)</u>		<u>(85,853)</u>
Change in Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Southwest Water & Sewer Fund		Bunlevel/Riverside Water & Sewer Fund		Southeast Water & Sewer Fund		East Central Water & Sewer Fund		Riverside Water & Sewer Fund		Totals		Variance Positive (Negative)
Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	
\$ 293,480	\$ 290,935	\$ 7,660	\$ 7,582	\$ 67,445	\$ 67,343	\$ 178,110	\$ 177,860	\$ 56,365	\$ 56,306	\$ 1,295,186	\$ 1,264,577	\$ 30,609
375,743	375,743	3,950	3,952	24,000	24,000	53,000	53,000	14,500	14,500	1,723,943	1,719,993	3,950
669,223	666,678	11,610	11,534	91,445	91,343	231,110	230,860	70,865	70,806	3,019,129	2,984,570	34,559
(669,223)	(666,678)	(11,610)	(11,534)	(91,445)	(91,343)	(231,110)	(230,860)	(70,865)	(70,806)	(3,019,129)	(2,984,570)	34,559
669,223	(67,722)	11,610	11,534	91,445	91,343	231,110	230,860	70,865	70,806	3,019,129	1,512,270	(1,506,859)
-	734,400	-	-	-	-	-	-	-	-	-	1,392,300	1,392,300
-	-	-	-	-	-	-	-	-	-	-	80,000	80,000
669,223	666,678	11,610	11,534	91,445	91,343	231,110	230,860	70,865	70,806	3,019,129	2,984,570	(34,559)

\$ - - \$ - - \$ - - \$ - - \$ - - \$ - - \$ -

375,743	3,952	24,000	53,000	14,500	1,719,993
(734,400)	-	-	-	-	(1,472,300)
3,571	76	102	227	58	12,947
<u>355,086</u>	<u>(4,028)</u>	<u>(24,102)</u>	<u>(53,227)</u>	<u>(14,558)</u>	<u>(260,640)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
Harnett Fuquay Wastewater Capital Project
From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Sales tax refund	\$ 26,321	\$ 26,320	\$ -	\$ 1	\$ 26,321
Investment earnings	71,493	65,602	-	3,961	69,563
Restricted intergovernmental	1,983,500	1,861,259	-	69,242	1,930,501
Total revenues	2,081,314	1,953,181	-	73,204	2,026,385
Expenditures:					
Construction	2,342,009	2,342,008	-	1	2,342,009
Legal and administration	214,608	133,170	-	72,517	205,687
Engineering	2,180,980	1,988,632	-	164,075	2,152,707
Capital outlay	40,000	39,450	-	-	39,450
Interest	274,598	186,035	-	67,660	253,695
Contingency	98,534	-	-	-	-
Total expenditures	5,150,729	4,689,295	-	304,253	4,993,548
Revenues over (under) expenditures	(3,069,415)	(2,736,114)	-	(231,049)	(2,967,163)
Other financing sources (uses):					
Bond issuance	1,900,000	1,900,000	-	-	1,900,000
Bond premium	25,915	25,914	-	1	25,915
Transfers in:					
Harnett County Public Utilities Fund	1,143,500	1,143,500	-	-	1,143,500
Total other financing sources (uses)	3,069,415	3,069,414	-	1	3,069,415
Unexpended (overexpended) revenues and receipts	\$ -	\$ 333,300	\$ -	\$ (231,048)	\$ 102,252

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 South Central Wastewater Capital Project
 From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Investment earnings	\$ 12,655	\$ 2,626	\$ -	\$ 2,936	\$ 5,562
Total revenues	12,655	2,626	-	2,936	5,562
Expenditures:					
Legal and administration	45,000	709	-	24,561	25,270
Engineering	189,000	60,000	-	111,197	171,197
Land	253,000	15,000	-	169,206	184,206
Contingency	17,655	-	-	-	-
Total expenditures	504,655	75,709	-	304,964	380,673
Revenues over (under) expenditures	(492,000)	(73,083)	-	(302,028)	(375,111)
Other financing sources (uses):					
Transfers in:					
Harnett County Public Utilities Fund	492,000	67,000	-	425,000	492,000
Total other financing sources (uses)	492,000	67,000	-	425,000	492,000
Unexpended (overexpended) revenues and receipts	\$ -	\$ (6,083)	\$ -	\$ 122,972	\$ 116,889

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 Titan Wastewater Extension Capital Project
 From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Sales tax refund	\$ 9,447	\$ 8,961	\$ -	\$ 485	\$ 9,446
Investment earnings	15,486	12,142	-	3,012	15,154
Restricted intergovernmental	200,000	100,434	-	-	100,434
Total revenues	224,933	121,537	-	3,497	125,034
Expenditures:					
Construction	1,317,510	680,510	-	-	680,510
Legal and administration	62,000	31,625	-	12,964	44,589
Engineering	88,500	83,350	-	-	83,350
Contingency	27,961	-	-	-	-
Total expenditures	1,495,971	795,485	-	12,964	808,449
Revenues over (under) expenditures	(1,271,038)	(673,948)	-	(9,467)	(683,415)
Other financing sources (uses):					
Transfers in:					
Harnett County Public Utilities Fund	1,271,038	709,038	-	562,000	1,271,038
Total other financing sources (uses)	1,271,038	709,038	-	562,000	1,271,038
Unexpended (overexpended) revenues and receipts	\$ -	\$ 35,090	\$ -	\$ 552,533	\$ 587,623

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 Highway 87 Sewer Improvement Capital Project
 From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Sales tax refund	\$ 21,998	\$ 7,495	\$ -	\$ 13,871	\$ 21,366
Investment earnings	25,506	7,477	-	15,533	23,010
Restricted intergovernmental	400,000	-	-	-	-
Total revenues	447,504	14,972	-	29,404	44,376
Expenditures:					
Construction	1,485,084	292,855	-	1,019,550	1,312,405
Legal and administration	15,000	5,467	-	5,205	10,672
Engineering	558,860	228,558	-	318,902	547,460
Materials and supplies	73,305	-	-	73,305	73,305
Interest	100,610	7,893	-	92,342	100,235
Contingency	413,828	-	-	-	-
Cost of issuance	817	-	-	1,634	1,634
Total expenditures	2,647,504	534,773	-	1,510,938	2,045,711
Revenues over (under) expenditures	(2,200,000)	(519,801)	-	(1,481,534)	(2,001,335)
Other financing sources (uses):					
Loan proceeds	2,100,000	2,100,000	-	-	2,100,000
Transfers in:					
Harnett County Public Utilities Fund	1,201,080	1,101,080	-	100,000	1,201,080
Transfers out:					
Harnett County Public Utilities Fund	(1,101,080)	(1,101,080)	-	-	(1,101,080)
Total other financing sources (uses)	2,200,000	2,100,000	-	100,000	2,200,000
Unexpended (overexpended) revenues and receipts	\$ -	\$ 1,580,199	\$ -	\$ (1,381,534)	\$ 198,665

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 Coats Wastewater Expansion Capital Project
 From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Sales tax refund	\$ 9,148	\$ 9,147	\$ 9,147	\$ -	\$ -
Investment earnings	4,434	4,432	4,433	1	-
Total revenues	13,582	13,579	13,580	1	-
Expenditures:					
Construction	384,958	384,957	384,957	-	-
Legal and administration	1,895	1,894	1,895	1	-
Engineering	75,000	75,000	75,000	-	-
Interest	16,545	16,545	16,545	-	-
Total expenditures	478,398	478,396	478,397	1	-
Revenues over (under) expenditures	(464,816)	(464,817)	(464,817)	-	-
Other financing sources (uses):					
Transfers in:					
Harnett County Public Utilities Fund	464,816	511,217	511,217	-	-
Solid Waste Management Fund	-	-	(46,400)	(46,400)	-
Total other financing sources (uses)	464,816	511,217	464,817	(46,400)	-
Unexpended (overexpended) revenues and receipts	\$ -	\$ 46,400	\$ -	\$ (46,400)	\$ -

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 Chlorine Dioxide Pilot Capital Project
 From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Investment earnings	\$ 700	\$ 698	\$ 698	\$ -	\$ -
Total revenues	700	698	698	-	-
Expenditures:					
Engineering	125,636	125,634	125,634	-	-
Total expenditures	125,636	125,634	125,634	-	-
Revenues over (under) expenditures	(124,936)	(124,936)	(124,936)	-	-
Other financing sources (uses):					
Transfers in:					
Harnett County Public Utilities Fund	130,000	130,000	130,000	-	-
Transfers out:					
Harnett County Public Utilities Fund	(5,064)	-	(5,064)	(5,064)	-
Total other financing sources (uses)	124,936	130,000	124,936	(5,064)	-
Unexpended (overexpended) revenues and receipts	\$ -	\$ 5,064	\$ -	\$ (5,064)	\$ -

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 Raw Water Intake Upgrade Capital Project
 From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Sales tax refund	\$ 10,500	\$ -	\$ -	\$ 10,800	\$ 10,800
Investment earnings	13,650	2,091	-	8,483	10,574
Total revenues	24,150	2,091	-	19,283	21,374
Expenditures:					
Construction	787,000	-	-	735,600	735,600
Legal and administration	7,000	-	-	4,830	4,830
Engineering	112,615	64,330	-	45,670	110,000
Contingency	22,150	-	-	-	-
Total expenditures	928,765	64,330	-	786,100	850,430
Revenues over (under) expenditures	(904,615)	(62,239)	-	(766,817)	(829,056)
Other financing sources (uses):					
Transfers in:					
Harnett County Public Utilities Fund	904,615	850,000	-	54,615	904,615
Total other financing sources (uses)	904,615	850,000	-	54,615	904,615
Unexpended (overexpended) revenues and receipts	\$ -	\$ 787,761	\$ -	\$ (712,202)	\$ 75,559

HARNETT COUNTY, NORTH CAROLINA

Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)
 Carolina Lakes Sprayfield Capital Project
 From Inception and for Year Ended June 30, 2005

	Project Authorization	Actual			Total To Date
		Prior Years	Closed Project	Current Year	
Revenues:					
Investment earnings	\$ 1,000	\$ -	\$ -	\$ 790	\$ 790
Total revenues	1,000	-	-	790	790
Expenditures:					
Construction	35,000	-	-	-	-
Legal and administration	2,000	-	-	1,090	1,090
Engineering	28,000	-	-	25,500	25,500
Interest	50,000	-	-	-	-
Contingency	8,000	-	-	-	-
Total expenditures	123,000	-	-	26,590	26,590
Revenues over (under) expenditures	(122,000)	-	-	(25,800)	(25,800)
Other financing sources (uses):					
Transfers in:					
Harnett County Public Utilities Fund	122,000	-	-	122,000	122,000
Total other financing sources (uses)	122,000	-	-	122,000	122,000
Unexpended (overexpended) revenues and receipts	\$ -	\$ -	\$ -	\$ 96,200	\$ 96,200

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