

---

**NOTES TO THE FINANCIAL STATEMENTS**


---



---

**NOTE 14: SEGMENT INFORMATION FOR ENTERPRISE FUNDS**


---

The Town of Butner water and sewer system is administered by the N.C. Department of Health and Human Services. The State issued revenue bonds to finance upgrades to the Town's water treatment plant, wastewater plant, sanitary sewer system, and water distribution system. This system provides water and sewer services to the State facilities in the Town of Butner as well as to other customers in southern Granville County. Summary financial information for the Town of Butner water and sewer system is presented below (dollars in thousands).

|   | <b>Town of<br/>Butner<br/>Water<br/>and<br/>Sewer</b> |
|---|---|
| <b>Condensed Statement of Net Assets</b>  |   |
| Assets:   |   |
| Current assets.....   | \$ 7,149  |
| Capital assets.....   | 20,206  |
| Other assets.....   | 8,116   |
| Total assets.....   | <u>35,471</u>   |
| Liabilities:  |   |
| Current liabilities.....  | 3,345   |
| Noncurrent liabilities.....   | 9,665   |
| Total liabilities.....  | <u>13,010</u>   |
| Net assets:   |   |
| Invested in capital assets, net of related debt.....                            | 16,115  |
| Restricted.....   | 1,069   |
| Unrestricted.....   | 5,277   |
| Total net assets.....   | <u>\$ 22,461</u>                                      |
| <b>Condensed Statement of Revenues, Expenses,<br/>and Changes in Net Assets</b> |   |
| Operating revenues (pledged against bonds).....                                 | \$ 3,602  |
| Depreciation expense.....   | (619)   |
| Other operating expenses.....   | (2,276)   |
| Operating income.....   | <u>707</u>  |
| Nonoperating revenues (expenses):   |   |
| Investment earnings.....  | 434   |
| Interest expense.....   | (240)   |
| Other nonoperating revenues (expenses).....                                     | (58)  |
| Capital contributions.....  | 1,068   |
| Transfers out.....  | (158)   |
| Change in net assets.....   | <u>1,753</u>  |
| Beginning net assets.....   | 20,708  |
| Ending net assets.....  | <u>\$ 22,461</u>                                      |
| <b>Condensed Statement of Cash Flows</b>  |   |
| Net cash provided (used) by:  |   |
| Operating activities.....   | \$ 1,329  |
| Noncapital financing activities.....  | (283)   |
| Capital and related financing activities.....                                   | (3,954)   |
| Investing activities.....   | 4,634   |
| Net increase (decrease).....  | <u>1,726</u>  |
| Beginning cash and cash equivalents.....  | 4,277   |
| Ending cash and cash equivalents.....   | <u>\$ 6,003</u>                                       |