

TOWN OF JAMESTOWN, NORTH CAROLINA

**COMPREHENSIVE
ANNUAL
FINANCIAL REPORT**

For the Fiscal Year Ended June 30, 2007

Prepared By
Finance Department

Finance Officer
Judy Gallman



Town of Jamestown, North Carolina

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October 2, 2007

Honorable Mayor and
Members of the Town Council
Town of Jamestown, North Carolina

The general statutes of North Carolina require that every local government publish within four months after the close of the fiscal year a complete set of audited financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Jamestown for the fiscal year ended June 30, 2007.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The financial statements of the Town of Jamestown were audited by Dixon Hughes PLLC, a firm of licensed certified public accountants. Dixon Hughes PLLC has issued an unqualified opinion on the Town of Jamestown's financial statements for the year ended June 30, 2007. The independent auditors' report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

Profile of the Government

The Town of Jamestown, incorporated in 1947, is located in the Piedmont section of North Carolina. It currently occupies 2.8 square miles and serves a population of 3,285.

The Town of Jamestown is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation.

The Town of Jamestown operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and four other members, elected on a non-partisan basis. The Council appoints the government's manager, who in turn appoints the heads of the various departments. Council members serve two-year terms.

The Town of Jamestown provides a full range of services that includes public safety, sanitation, street maintenance, planning, recreation, general administration, and others. In addition to these general government activities, the Town provides and maintains water and sewer utilities and a golf course for the benefit of its citizens. The Town also extends financial support to a variety of agencies and associations to assist their efforts in serving citizens.

The Council is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the Town of Jamestown's financial planning and control. For the Town of Jamestown, annual budgets are adopted for the General Fund and Water and Sewer and Park Funds. Appropriations for annually budgeted funds are made at the departmental level. A department (such as sanitation) is a component of a function (such as public works). The Town Manager is authorized by the budget ordinance to transfer amounts between functional areas within a fund, however, any revisions that alter the total expenditures of any fund must be approved by the Council.

Local Economy

Almost 73% of the adult residents of the Town of Jamestown are in the labor force. Unemployment in the Town of Jamestown as of 2000 was 2.5%. Most residents, however, do not work in Jamestown. According to the 2000 census data, only 18% of residents worked in town with the balance of the workforce commuting to other areas in Guilford County and surrounding communities. The Jamestown commuters are, for the most part, evenly divided between those who work in Greensboro and those who work in High Point, with Greensboro having a slight edge simply due to more available jobs. Almost 50% of Jamestown residents work in management and professional occupations.

According to the 2002 Economic Census of the U.S., there are a total of 570 firms located in the Town of Jamestown. Of these, 183 firms have paid employees, with a total of 1,838 employees. The manufacturing sector accounts for 29% of the employment of these firms and the retail sector accounts for 13%; these are the two largest sectors of employment.

Population growth in the Jamestown area is highest in areas just north of the town limits up to Wendover Avenue. During the 2006-2007 fiscal year, the first phase of James Plantation, a new residential development inside the town limits of Jamestown began construction. Plans call for 167 townhomes and condominiums to be constructed. This development is the first construction in Jamestown on the newly opened section of Guilford College Road. The median value of all owner-occupied dwellings in Jamestown is \$171,700, substantially higher than the county median of \$116,900. The median family income in Jamestown is \$77,549, again higher than the county median family income of \$52,638. Jamestown remains a primarily residential community, but this year has added some new businesses including Advanced Auto, SMI Services, and Ace Hardware, in the Main Street area.

During the past ten years, the Town's expenses, related to recreation, have increased steadily in amount, but also as a percentage of total expenses (a ten-year increase of 17.4%). The growth in parks and recreation expenses reflects an increase in recreational facilities available for use, and this is likely an area that will continue to see growth in the coming years.

Long-Term Financial Planning

The unreserved, undesignated fund balance of the general fund at fiscal year end stood at 41.5% of the subsequent year's budget, which exceeds the minimum of 8% set as a policy guideline by the Local Government Commission. There is no expected change in the conservative (informal) fund balance policy practiced by the Town Council.

The Town of Jamestown contracted with the Piedmont Triad Council of Governments, a regional government agency, to provide professional services in producing a Land Development Plan to provide a vision for the Town's future growth. This year-long process provides a wide variety of information to facilitate the planning process for the Town as well as provide maps of existing conditions and community resources. Following this long range planning process, staff will begin to review and revise the Development Ordinance, again assisting with future plans as well as improving administration of current and future developments.

During this same time period, Town staff has conducted a recreational needs survey of citizens to evaluate the needs and priorities of the community. This information, along with the additional input provided in community meetings, will be used to complete a Parks and Recreation Master Plan for Jamestown. Additional planning efforts will follow these steps providing for a Pedestrian Master Plan, Tree Preservation Ordinance, and preparation for recreational grant applications for future sites and facilities.

Using a new GPS data collection system, the Town is locating infrastructure surface features for the existing utility systems. Again this planning process allows the Town to identify maintenance and connectivity issues for future utility system needs. Long range plans for utility maintenance and additions are based on the data collected and analyzed in conjunction with the results from the formal Land Development Plan.

As these planning components are completed over the next two years, Town officials will be developing a Capital Improvement Plan for projects and equipment necessary to implement these long range plans and growth objectives.

Acknowledgements

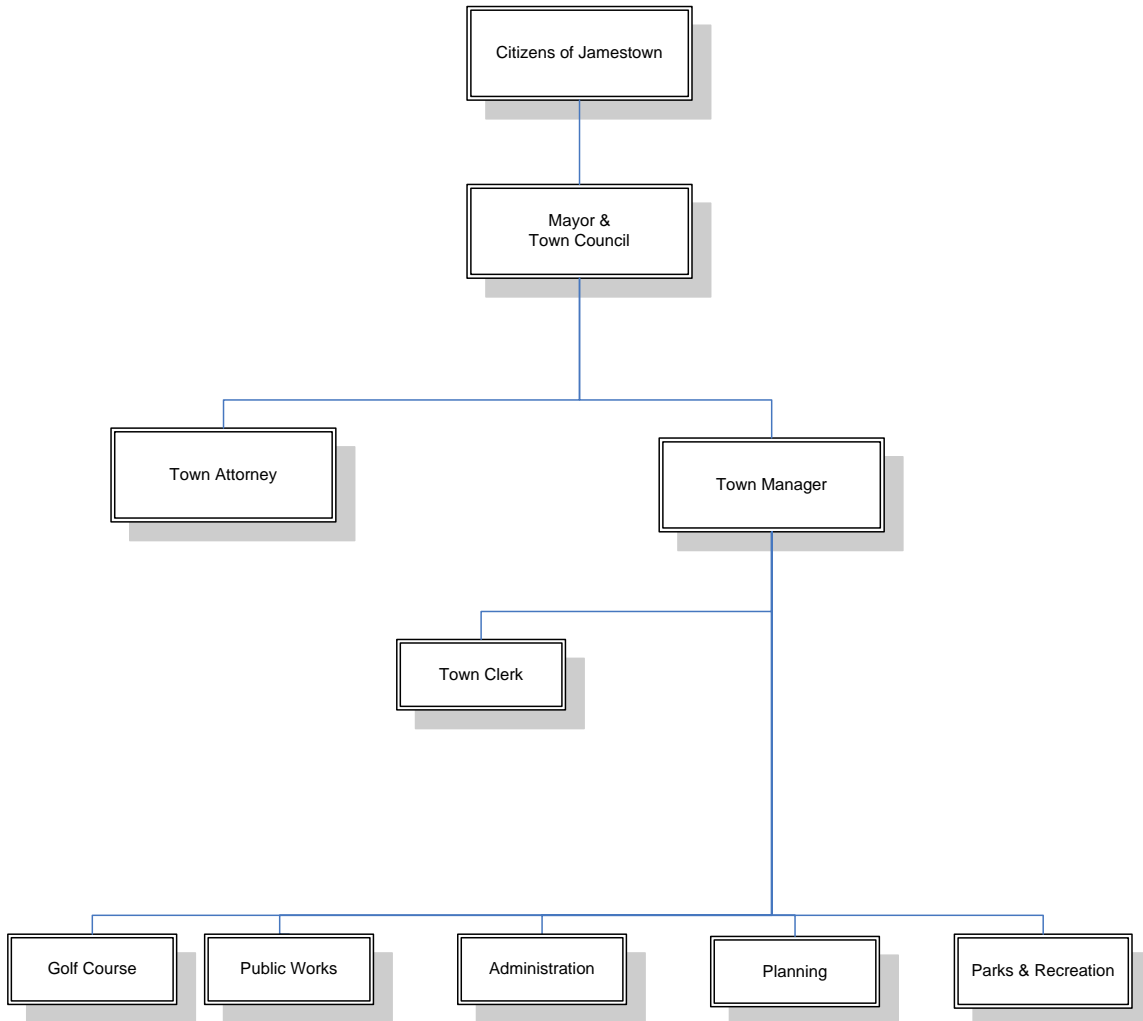
We wish to express our appreciation to all members of the finance and administration department who contributed to the preparation of this report. Credit also must be given to the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Jamestown's finances.

Respectfully submitted,

Kathryn Q. Billings
Town Manager

Judy B. Gallman, CPA
Finance Officer

Town of Jamestown, North Carolina
Organizational Chart
June 30, 2007



TOWN OF JAMESTOWN, NORTH CAROLINA
List of Principal Officials
June 30, 2007

MAYOR AND TOWN COUNCIL

William G. Ragsdale, III, Mayor
Keith L. Votz, Mayor Pro Tem
R. Brock Thomas, Councilman
Emily B. Ragsdale, Councilman
Charles W. Dowdy, Councilman

TOWN OFFICIALS

Kathryn Billings	Town Manager and Budget Officer
Elizabeth M. Koonce	Town Attorney
Martha Wolfe	Town Clerk
Jay Gardner	Park Superintendent
Charles Smith	Public Works Director
Matthew Johnson	Planning Director
Judy Gallman	Finance Officer

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the Town Council
Town of Jamestown
Jamestown, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Jamestown, North Carolina, as of and for the year ended June 30, 2007, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Jamestown's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Jamestown as of June 30, 2007, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2007 on our consideration of the Town of Jamestown's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis on pages 3 through 13 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Jamestown's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical information have not been subjected to the auditing procedures applied in the audit of basic financial statements, and accordingly, we express no opinion on them.

Dixon Hughes PLLC

October 2, 2007

Management's Discussion and Analysis

As management of the Town of Jamestown, we offer readers of the Town of Jamestown's financial statements this narrative overview and analysis of the financial activities of the Town of Jamestown for the fiscal year ended June 30, 2007. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the city's financial statements, which follow this narrative.

Financial Highlights

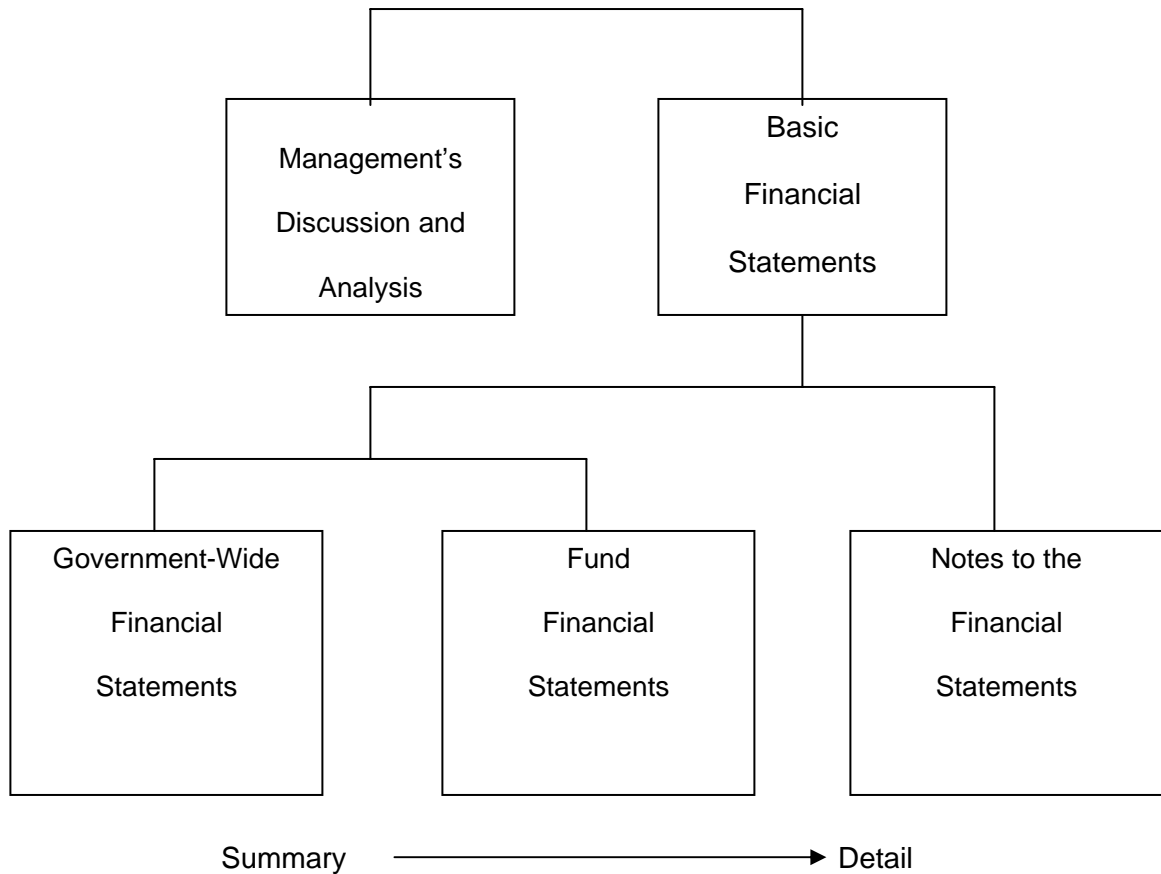
- The assets of the Town of Jamestown *exceeded* its liabilities at the close of the fiscal year by \$21,595,652 (*net assets*).
- The government's total net assets *increased* by \$631,738, due to *increases* in both the *governmental and business-type* activities net assets.
- As of the close of the current fiscal year, the Town of Jamestown's governmental fund reported an ending fund balance of \$1,664,742, an *increase* of \$58,574 in comparison with the prior year. Approximately 76% of this total amount, or \$1,274,885, is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$1,274,885, or 45% of total general fund expenditures for the fiscal year.
- The Town of Jamestown's total debt *decreased* by \$444,795 (18.5%) during the current fiscal year. The factors in this decrease include the payment of scheduled amounts on existing installment purchases and the proceeds of new debt incurred to purchase a sanitation truck.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Town of Jamestown's basic financial statements. The Town's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements: and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town of Jamestown.

Management's Discussion and Analysis

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short and long-term information about the Town of Jamestown's financial status.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.

Management's Discussion and Analysis

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town'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 Town's financial status as a whole.

The two government-wide statements report the Town's net assets and how they have changed. Net assets are the difference between the Town's total assets and total liabilities. Measuring net assets is one way to gauge the Town's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Town's basic services such as public safety, parks and recreation, and general administration. Property taxes and state shared revenues finance most of these activities. The business-type activities are those that the Town charges customers to provide. These include the water and sewer services and park services offered by the Town of Jamestown.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Town'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 Town of Jamestown, 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 or the Town budget ordinance. All of the funds of the Town of Jamestown can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Town's basic services are accounted for in governmental funds. These funds focus 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* that 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 Town's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Management's Discussion and Analysis

The Town of Jamestown 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 citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services 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; 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. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds - *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town of Jamestown uses enterprise funds to account for its water and sewer activity and for its park operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

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 begin on page 25 of this report.

Management's Discussion and Analysis

Government-Wide Financial Analysis

Town of Jamestown's Net Assets Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 1,944,629	\$ 1,869,987	\$ 4,197,532	\$ 4,110,488	\$ 6,142,161	\$ 5,980,475
Capital assets	5,144,993	5,055,842	12,943,002	12,801,893	18,087,995	17,857,735
Total assets	<u>7,089,622</u>	<u>6,925,829</u>	<u>17,140,534</u>	<u>16,912,381</u>	<u>24,230,156</u>	<u>23,838,210</u>
Long-term liabilities outstanding	665,832	738,402	1,385,875	1,749,596	2,051,707	2,487,998
Other liabilities	209,388	247,626	373,409	138,672	582,797	386,298
Total liabilities	<u>875,220</u>	<u>986,028</u>	<u>1,759,284</u>	<u>1,888,268</u>	<u>2,634,504</u>	<u>2,874,296</u>
Net assets:						
Invested in capital assets, net of related debt	4,513,022	4,342,154	11,612,380	11,108,193	16,125,402	15,450,347
Restricted	191,056	376,968	-	-	191,056	376,968
Unrestricted	1,510,324	1,220,679	3,768,870	3,915,920	5,279,194	5,136,599
Total net assets	<u>\$ 6,214,402</u>	<u>\$ 5,939,801</u>	<u>\$ 15,381,250</u>	<u>\$ 15,024,113</u>	<u>\$ 21,595,652</u>	<u>\$ 20,963,914</u>

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of the Town of Jamestown exceeded liabilities by \$21,595,652 as of June 30, 2007. The Town's net assets *increased* by \$631,738 for the fiscal year ended June 30, 2007. However, a portion (74.7%) reflects the Town's investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt still outstanding that was issued to acquire those items. The Town of Jamestown uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Jamestown's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the Town of Jamestown's net assets (.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$5,279,194 is unrestricted.

Management's Discussion and Analysis

Several particular aspects of the Town's financial operations positively influenced the total unrestricted governmental net assets:

- Collection of property taxes with a tax collection percentage of 99.36%, which exceeds the statewide average of 97.51%.
- A 2.9% increase in sales tax revenues.
- A \$70,400 increase in state and local grant revenues from the previous year.

Town of Jamestown Changes in Net Assets
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 94,413	\$ 153,282	\$ 3,328,663	\$ 3,140,054	\$ 3,423,076	\$ 3,293,336
Operating grants and contributions	408,582	379,194	-	-	408,582	379,194
Capital grants and contributions	88,001	17,610	48,000	9,432	136,001	27,042
General revenues:						
Property taxes	1,318,538	1,305,279	-	-	1,318,538	1,305,279
Other taxes	733,955	648,821	-	-	733,955	648,821
Grants and contributions not restricted to specific programs	64,844	64,390	-	-	64,844	64,390
Other	131,367	79,961	116,627	108,360	247,994	188,321
Total revenues	<u>2,839,700</u>	<u>2,648,537</u>	<u>3,493,290</u>	<u>3,257,846</u>	<u>6,332,990</u>	<u>5,906,383</u>
Expenses:						
General government	549,072	552,836	-	-	549,072	552,836
Public works	699,128	350,331	-	-	699,128	350,331
Public safety	643,236	637,950	-	-	643,236	637,950
Recreation	639,139	590,152	-	-	639,139	590,152
Interest on long-term debt	34,524	42,612	-	-	34,524	42,612
Water and sewer	-	-	2,047,309	1,917,928	2,047,309	1,917,928
Park	-	-	1,088,844	1,004,459	1,088,844	1,004,459
Total expenses	<u>2,565,099</u>	<u>2,173,881</u>	<u>3,136,153</u>	<u>2,922,387</u>	<u>5,701,252</u>	<u>5,096,268</u>
Increase in net assets before transfers	274,601	474,656	357,137	335,459	631,738	810,115
Transfers	-	68,700	-	(68,700)	-	-
Increase in net assets	274,601	543,356	357,137	266,759	631,738	810,115
Net assets, July 1	<u>5,939,801</u>	<u>5,396,445</u>	<u>15,024,113</u>	<u>14,757,354</u>	<u>20,963,914</u>	<u>20,153,799</u>
Net assets, June 30	<u>\$ 6,214,402</u>	<u>\$ 5,939,801</u>	<u>\$ 15,381,250</u>	<u>\$ 15,024,113</u>	<u>\$ 21,595,652</u>	<u>\$ 20,963,914</u>

Management's Discussion and Analysis

Governmental Activities. Governmental activities increased the Town's net assets by \$274,601 hereby accounting for 43.5% of the total growth in the net assets of the Town of Jamestown. Key elements of this increase are as follows:

- Capital grants and contributions increased by \$70,000.
- Other tax revenues increased by \$85,000.
- Investment income increased by \$41,000.

Business-Type Activities: Business-type activities increased the Town of Jamestown's net assets by \$357,137, thereby accounting for 56.5% of the total growth in the net assets of the Town of Jamestown. Key elements of this increase (net) are as follows:

- Charges for services in the Water and Sewer Fund increased by \$201,000.
- Capital grants and contributions in the Water and Sewer Fund increased by \$38,500.
- Investment income increased by \$42,000 from the previous year.
- Golf course play was down from the previous year, and expenditures to maintain the course increased.

Financial Analysis of the Town Funds

As noted earlier, the Town of Jamestown uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town of Jamestown's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Town of Jamestown's financing requirements. Specifically, unreserved 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 chief operating fund of the Town of Jamestown. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$1,274,885, while total fund balance reached \$1,664,742. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 45% of total General Fund expenditures, while total fund balance represents 59% of total General Fund expenditures.

At June 30, 2007, the governmental fund of the Town of Jamestown reported a fund balance of \$1,664,742, a 3.6% increase over last year.

General Fund Budgetary Highlights: During the fiscal year, the Town revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and 3) increases in appropriations that become necessary to maintain services.

Management's Discussion and Analysis

Revenues were greater than the budgeted amounts for several reasons. Revenues in property tax and local sales tax increased from the previous year. Investment income was greater than anticipated. Expenditures were less than budgeted amounts. A sidewalk project that had been budgeted for did not occur during this fiscal year, and various other expenditures were less than anticipated.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. Unrestricted net assets of the Water and Sewer Fund at the end of the fiscal year amounted to \$3,691,493, and those for the Park Fund amounted to \$77,377. The Water Sewer Fund had growth of \$533,699 in net assets and the Park Fund net assets were reduced by \$176,562. Other factors concerning the finances of these two funds have already been addressed in the discussion of the Town of Jamestown's business-type activities.

Capital Asset and Debt Administration

Capital Assets. The Town of Jamestown's investment in capital assets for its governmental and business-type activities as of June 30, 2007, totals \$18,087,995 (net of accumulated depreciation). These assets include buildings, roads, sidewalks, land, water and sewer lines, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include the following additions:

- Purchase of sanitation truck for \$113,000.
- Purchase of computer hardware and new software in a total amount of \$56,000.
- Construction of sidewalks and new entrance sign for \$142,000.
- Construction of new water lines for \$366,000.
- Purchase of two new vehicles for the Water and Sewer Department for \$52,000.
- Purchase of various equipment for the Water and Sewer Department for \$79,000.
- Purchase of equipment for the Park for \$21,000.

Management's Discussion and Analysis

Town of Jamestown's Capital Assets Figure 4

Additional information on the Town's capital assets can be found in Note 2 of the Basic Financial Statements.

(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Water rights	\$ -	\$ -	\$ 2,168,830	\$ 2,168,830	\$ 2,168,830	\$ 2,168,830
Wastewater treatment rights	-	-	2,857,031	2,943,281	2,857,031	2,943,281
Land	1,680,879	1,680,879	297,898	297,898	1,978,777	1,978,777
Buildings and systems	2,148,413	2,208,475	317,128	339,576	2,465,541	2,548,051
Improvements other than buildings	937,503	840,199	152,838	166,304	1,090,341	1,006,503
Machinery, vehicles, and equipment	355,680	300,675	618,475	539,857	974,155	840,532
Infrastructure	-	-	6,528,837	6,340,125	6,528,837	6,340,125
Construction-in- progress	22,518	25,614	1,965	6,022	24,483	31,636
Total	\$ 5,144,993	\$ 5,055,842	\$ 12,943,002	\$ 12,801,893	\$ 18,087,995	\$ 17,857,735

Management's Discussion and Analysis

Town of Jamestown's Outstanding Debt Figure 5

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Installment purchases	\$ 631,971	\$ 713,688	\$ 1,330,622	\$ 1,693,700	\$ 1,962,593	\$ 2,407,388
Total	\$ 631,971	\$ 713,688	\$ 1,330,622	\$ 1,693,700	\$ 1,962,593	\$ 2,407,388

The Town of Jamestown's total debt decreased by \$444,795 (18.5 %) during the past fiscal year, primarily due to the payment of scheduled amounts to existing installment purchases.

Long-Term Debt. As of June 30, 2007, the Town of Jamestown had no bonded debt.

North Carolina general statutes limit the amount of general obligation debt that a unit of government can issue to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Town of Jamestown is \$30,746,409. The Town has no bonds authorized but un-issued at June 30, 2007.

Additional information regarding the Town of Jamestown's long-term debt can be found in Note 2 beginning on page 40 of this report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the Town:

- According to the Office of State Budget and Management, Jamestown's total population was 3,317.
- The median household income of Jamestown is \$57,331, the median family income is \$77,549, and the per capita income is \$29,689.
- Occupations listed as management and professional make up 45.6% of the work force, and unemployment in the 2000 Census was listed at 1.8%.
- Of the population over 25 years old, 48.5% have earned a bachelor's degree or higher.
- Sidewalk construction continues and the Town is a "walkable" community with approximately six miles of sidewalks connecting neighborhoods to Main Street.
- Jamestown financially supports the local historical society and related community efforts to preserve the local heritage and numerous historical sites within Jamestown.

Management's Discussion and Analysis

Budget Highlights for the Fiscal Year Ending June 30, 2008

Governmental Activities: The property tax rate (.35) remains the same and will bring in a projected \$1,318,000 in revenues. Powell Bill reserves of \$168,000 will be utilized for street resurfacing and sidewalk construction projects. Jamestown's share of sales tax revenue is projected to be \$400,000. County reimbursement for Gibson Park operating expenses of \$254,440 is budgeted to cover the expenses and provide a 10% indirect cost reimbursement. The budget establishes a new solid waste fee of \$5 per month per household that will bring in an estimated \$150,000 in revenues. Fee proposals remain the same with the exception of some increases in planning fees to help cover the costs of planning services provided at Town Hall.

Budgeted expenditures in the General Fund are expected to increase approximately 2% to \$3,142,000. The expenditures of the Planning, Buildings and Grounds, Powell Bill, and Sanitation departments are projected to decrease, while the Street and Recreation departments' expenditures are expected to increase. This is due to a commitment to purchase a new leaf truck and a projected interfund transfer to the Park Fund. The continued funding of several grants to local non-profit organizations accounts for 6.2% of the General Fund expenditures in the coming year. The Town budget includes funds to continue the operation agreement for fire protection services with Pinecroft Sedgefield Fire Department and a contract for law enforcement and animal control services with Guilford County.

Business - Type Activities: The water and sewer rates will increase 7-8%. New construction tap fees are estimated to generate \$160,000 in revenues. Net assets appropriated of \$334,000 are budgeted to supplement funding for the capital outlay expenses. The debt service payments are for the Eastside Treatment Plant, and the two largest contracted service expenditure lines are for payments to the City of High Point for the cost of treating sewage, and payments to Greensboro and High Point for the purchase of water. Capital projects planned include continued slip lining of existing sewer lines and replacing several sections of water lines.

Park Fund revenues declined five years ago. Unusual extremes in weather as well as a slow economy have contributed to this decline in play. Receipt projections in the coming year are slightly less than in the previous year. Fees will remain the same. Capital items budgeted for include a new trim mower.

Requests for Information

This report is designed to provide an overview of the Town 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 Finance Officer, Judy Gallman, P. O. Box 848, Jamestown, NC 27282, 336-454-1138, website, www.jamestown-nc.us.



TOWN OF JAMESTOWN, NORTH CAROLINA
STATEMENT OF NET ASSETS
June 30, 2007

Exhibit 1

ASSETS	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Current assets:			
Cash and cash equivalents	\$ 1,671,626	\$ 3,694,742	\$ 5,366,368
Receivables:			
Taxes receivable, net	10,359	-	10,359
Accrued interest receivable	56,238	13,869	70,107
Accounts receivable, net	2,846	192,177	195,023
Due from other governments	203,332	242,833	446,165
Inventories	-	48,926	48,926
Prepaid items	228	4,985	5,213
	1,944,629	4,197,532	6,142,161
Capital assets:			
Water rights	-	2,168,830	2,168,830
Wastewater treatment rights, net	-	2,857,031	2,857,031
Land and other nondepreciable assets	1,703,397	299,863	2,003,260
Other capital assets, net of depreciation	3,441,596	7,617,278	11,058,874
	5,144,993	12,943,002	18,087,995
	\$ 7,089,622	\$ 17,140,534	\$ 24,230,156
	\$ 7,089,622	\$ 17,140,534	\$ 24,230,156
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 199,305	\$ 329,277	\$ 528,582
Accrued interest payable	3,703	11,754	15,457
Customer deposits	200	17,956	18,156
Gift cards outstanding	-	8,370	8,370
Loyalty rewards to be redeemed	-	6,052	6,052
Unearned revenues	6,180	-	6,180
Long-term liabilities:			
Due within one year	203,451	402,576	606,027
Due in more than one year	462,381	983,299	1,445,680
	875,220	1,759,284	2,634,504
Net assets:			
Invested in capital assets, net of related debt	4,513,022	11,612,380	16,125,402
Restricted for:			
Public works	191,056	-	191,056
Unrestricted	1,510,324	3,768,870	5,279,194
	\$ 6,214,402	\$ 15,381,250	\$ 21,595,652
	\$ 6,214,402	\$ 15,381,250	\$ 21,595,652

The accompanying notes are an integral part of this statement.

**TOWN OF JAMESTOWN, NORTH CAROLINA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2007**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 549,072	\$ 58,225	\$ -	\$ -
Public works	699,128	6,774	122,510	88,001
Public safety	643,236	-	-	-
Recreation	639,139	29,414	286,072	-
Debt service:				
Interest and fiscal charges	34,524	-	-	-
Total governmental activities	<u>2,565,099</u>	<u>94,413</u>	<u>408,582</u>	<u>88,001</u>
Business-type activities:				
Water and sewer	2,047,309	2,419,648	-	48,000
Park	1,088,844	909,015	-	-
Total business-type activities	<u>3,136,153</u>	<u>3,328,663</u>	<u>-</u>	<u>48,000</u>
Total primary government	<u>\$ 5,701,252</u>	<u>\$ 3,423,076</u>	<u>\$ 408,582</u>	<u>\$ 136,001</u>

General revenues:

Taxes:

Property taxes, levied for general purposes

Other taxes

Grants and contributions not restricted to specific programs

Investment earnings, unrestricted

Payment to Piedmont Triad Regional Water Authority

Gain on sale of capital assets

Transfers and special items:

Change in reserve for prepaid expenses

Total general revenues and transfers

Change in net assets

Net assets - beginning

Net assets - ending

The accompanying notes are an integral part of this statement.

Net Revenue (Expense) and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (490,847)	\$ -	\$ (490,847)
(481,843)	-	(481,843)
(643,236)	-	(643,236)
(323,653)	-	(323,653)
<u>(34,524)</u>	<u>-</u>	<u>(34,524)</u>
<u>(1,974,103)</u>	<u>-</u>	<u>(1,974,103)</u>
-	420,339	420,339
<u>-</u>	<u>(179,829)</u>	<u>(179,829)</u>
-	240,510	240,510
<u>(1,974,103)</u>	<u>240,510</u>	<u>(1,733,593)</u>
1,318,538	-	1,318,538
733,955	-	733,955
64,844	-	64,844
131,470	154,193	285,663
-	(45,479)	(45,479)
-	7,913	7,913
<u>(103)</u>	<u>-</u>	<u>(103)</u>
<u>2,248,704</u>	<u>116,627</u>	<u>2,365,331</u>
274,601	357,137	631,738
<u>5,939,801</u>	<u>15,024,113</u>	<u>20,963,914</u>
<u>\$ 6,214,402</u>	<u>\$ 15,381,250</u>	<u>\$ 21,595,652</u>

The accompanying notes are an integral part of this statement.

**TOWN OF JAMESTOWN, NORTH CAROLINA
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2007**

Exhibit 3

ASSETS	General Fund	Total Governmental Funds
Cash and cash equivalents	\$ 1,671,626	\$ 1,671,626
Taxes receivable, net	10,359	10,359
Accounts receivable	2,846	2,846
Due from other governments	203,332	203,332
Prepaid items	228	228
	\$ 1,888,391	\$ 1,888,391
 LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable and accrued liabilities	\$ 192,168	\$ 192,168
Retainage payable	7,137	7,137
Customer deposits	200	200
Deferred revenues	24,144	24,144
	223,649	223,649
 Fund balances:		
Reserved for:		
Prepaid items	228	228
State statute	198,573	198,573
Streets - Powell Bill	191,056	191,056
Unreserved, General Fund	1,274,885	1,274,885
	1,664,742	1,664,742
	\$ 1,888,391	\$ 1,888,391

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

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	5,144,993
Other long-term assets are not available to pay for current expenditures and therefore are deferred in the funds.	56,238
Liabilities for earned but deferred revenues in fund statements.	17,964
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(669,535)
	\$ 6,214,402

The accompanying notes are an integral part of this statement.

TOWN OF JAMESTOWN, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2007

Exhibit 4

	General Fund	Total Governmental Funds
Revenues:		
Ad valorem taxes	\$ 1,315,724	\$ 1,315,724
Other taxes and licenses	733,955	733,955
Unrestricted intergovernmental	313,483	313,483
Restricted intergovernmental	239,535	239,535
Permits and fees	81,182	81,182
Investment earnings	96,321	96,321
Miscellaneous	2,338	2,338
Total revenues	2,782,538	2,782,538
Expenditures:		
Current:		
General government	552,120	552,120
Public works	869,681	869,681
Public safety	593,419	593,419
Recreation	595,462	595,462
Debt service:		
Principal	191,479	191,479
Interest and other charges	34,853	34,853
Total expenditures	2,837,014	2,837,014
Excess of revenues under expenditures	(54,476)	(54,476)
Other financing sources:		
Proceeds of installment purchase agreement	109,762	109,762
Sale of capital assets	3,288	3,288
Total other financing sources	113,050	113,050
Net change in fund balances	58,574	58,574
Fund balances at beginning of year	1,606,168	1,606,168
Fund balances at end of year	\$ 1,664,742	\$ 1,664,742

The accompanying notes are an integral part of this statement.

**TOWN OF JAMESTOWN, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2007**

Exhibit 4
Continued

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities:

Total net change in fund balances - governmental funds	\$ 58,574
Amounts reported for governmental activities in the statement of activities are different because:	
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.	89,151
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in deferred revenue for tax revenues	2,804
Change in other deferred revenues	(4,962)
Change in accrued investment interest	56,135
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. This amount is the net effect of these differences in the treatment of long-term debt and related items.	81,717
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in accrued interest expense	329
Compensated absences	(9,147)
Changes in net assets of governmental activities	<u>\$ 274,601</u>

The accompanying notes are an integral part of this statement.

TOWN OF JAMESTOWN, NORTH CAROLINA
GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2007

Exhibit 5

	Budgeted Amounts		Actual Amounts	Variance With Final
	Original	Final		Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 1,300,000	\$ 1,300,000	\$ 1,315,724	\$ 15,724
Other taxes and licenses	580,000	580,000	733,955	153,955
Unrestricted intergovernmental	308,362	308,362	313,483	5,121
Restricted intergovernmental	104,000	310,500	239,535	(70,965)
Permits and fees	117,100	117,100	81,182	(35,918)
Investment earnings	60,000	60,000	96,321	36,321
Miscellaneous	1,000	19,500	2,338	(17,162)
Total revenues	<u>2,470,462</u>	<u>2,695,462</u>	<u>2,782,538</u>	<u>87,076</u>
Expenditures:				
Current:				
General government	578,555	604,355	552,120	52,235
Public works	634,405	998,155	869,681	128,474
Public safety	624,483	624,483	593,419	31,064
Recreation	551,679	606,679	595,462	11,217
Debt service:				
Principal	191,500	191,500	191,479	21
Interest and fiscal charges	49,090	49,090	34,853	14,237
Total expenditures	<u>2,629,712</u>	<u>3,074,262</u>	<u>2,837,014</u>	<u>237,248</u>
Deficiency of revenues over expenditures	<u>(159,250)</u>	<u>(378,800)</u>	<u>(54,476)</u>	<u>324,324</u>
Other financing sources:				
Proceeds of installment purchase agreement	-	109,000	109,762	762
Sale of capital assets	500	500	3,288	2,788
Total other financing sources	<u>500</u>	<u>109,500</u>	<u>113,050</u>	<u>3,550</u>
Excess (deficiency) of revenues and other sources over expenditures	<u>(158,750)</u>	<u>(269,300)</u>	<u>58,574</u>	<u>327,874</u>
Fund balance appropriated	<u>158,750</u>	<u>269,300</u>	<u>-</u>	<u>(269,300)</u>
Revenues, other sources and fund balance appropriated over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>58,574</u>	<u>\$ 58,574</u>
Fund balance at beginning of year			<u>1,606,168</u>	
Fund balance at end of year			<u>\$ 1,664,742</u>	

The accompanying notes are an integral part of this statement.

TOWN OF JAMESTOWN, NORTH CAROLINA
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
June 30, 2007

Exhibit 6

ASSETS	Enterprise Funds		Total Enterprise Funds
	Major		
	Water and Sewer	Park	
Current assets:			
Cash and investments	\$ 3,602,821	\$ 91,921	\$ 3,694,742
Accrued interest receivable	13,869	-	13,869
Accounts receivable, net	129,814	-	129,814
Accounts receivable, net - unbilled	62,363	-	62,363
Due from other governments	234,554	8,279	242,833
Inventories	-	48,926	48,926
Prepaid items	2,784	2,201	4,985
Total current assets	4,046,205	151,327	4,197,532
Capital assets:			
Water rights	2,168,830	-	2,168,830
Wastewater treatment rights, net	2,857,031	-	2,857,031
Land and other nondepreciable assets	1,965	297,898	299,863
Other capital assets, net of depreciation	7,010,851	606,427	7,617,278
Total capital assets	12,038,677	904,325	12,943,002
Total assets	\$ 16,084,882	\$ 1,055,652	\$ 17,140,534
 LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 287,281	\$ 27,183	\$ 314,464
Retainage payable	14,813	-	14,813
Accrued interest	11,754	-	11,754
Customer deposits	17,956	-	17,956
Gift cards outstanding	-	8,370	8,370
Loyalty rewards to be redeemed	-	6,052	6,052
Compensated absences, current	9,000	11,000	20,000
Current portion of long-term debt	382,576	-	382,576
Total current liabilities	723,380	52,605	775,985
Noncurrent liabilities:			
Compensated absences	13,908	21,345	35,253
Noncurrent portion of long-term debt	948,046	-	948,046
Total noncurrent liabilities	961,954	21,345	983,299
Total liabilities	1,685,334	73,950	1,759,284
Net assets:			
Invested in capital assets, net of related debt	10,708,055	904,325	11,612,380
Unrestricted	3,691,493	77,377	3,768,870
Total net assets	\$ 14,399,548	\$ 981,702	\$ 15,381,250

The accompanying notes are an integral part of this statement.

TOWN OF JAMESTOWN, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - PROPRIETARY FUNDS
Year Ended June 30, 2007

Exhibit 7

	<u>Enterprise Funds</u>		<u>Total Enterprise Funds</u>
	<u>Major</u>		
	<u>Water and Sewer</u>	<u>Park</u>	
Operating revenues:			
Charges for sales and services	\$ 2,401,873	\$ 808,296	\$ 3,210,169
Other operating revenues	17,775	100,719	118,494
Total operating revenues	<u>2,419,648</u>	<u>909,015</u>	<u>3,328,663</u>
Operating expenses:			
Salaries and employee benefits	428,422	562,173	990,595
Professional and technical services	37,832	62,311	100,143
Contractual payment for wastewater treatment	529,940	-	529,940
Supplies and materials	64,458	206,189	270,647
Purchase of water	375,845	-	375,845
Other operating expenditures	178,290	189,703	367,993
Depreciation and amortization	352,421	68,468	420,889
Total operating expenses	<u>1,967,208</u>	<u>1,088,844</u>	<u>3,056,052</u>
Operating income (loss)	<u>452,440</u>	<u>(179,829)</u>	<u>272,611</u>
Nonoperating revenues (expenses):			
Gain on disposition of capital assets	7,913	-	7,913
State grant	48,000	-	48,000
Payment to Piedmont Triad Regional Water Authority	(45,479)	-	(45,479)
Investment earnings	150,926	3,267	154,193
Interest and other charges	(80,101)	-	(80,101)
Total nonoperating revenues	<u>81,259</u>	<u>3,267</u>	<u>84,526</u>
Change in net assets	533,699	(176,562)	357,137
Total net assets, beginning	<u>13,865,849</u>	<u>1,158,264</u>	<u>15,024,113</u>
Total net assets, ending	<u>\$ 14,399,548</u>	<u>\$ 981,702</u>	<u>\$ 15,381,250</u>

The accompanying notes are an integral part of this statement.

TOWN OF JAMESTOWN, NORTH CAROLINA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
Year Ended June 30, 2007

Exhibit 8

	Enterprise Funds		Total Enterprise Funds
	Water and Sewer	Major Park	
Cash flows from operating activities:			
Cash received from customers	\$ 2,347,049	\$ 887,992	\$ 3,235,041
Cash paid for goods and services	(980,436)	(429,647)	(1,410,083)
Cash paid to employees for services	(427,795)	(561,333)	(989,128)
Customer deposits refunded	(7,520)	-	(7,520)
Customer deposits received	8,100	-	8,100
Other operating revenues	17,775	19,390	37,165
Net cash provided (used) by operating activities	<u>957,173</u>	<u>(83,598)</u>	<u>873,575</u>
Cash flows from noncapital financing activities:			
Proceeds from state grant	48,000	-	48,000
Payment to Piedmont Triad Regional Water Authority	(45,479)	-	(45,479)
Net cash provided by noncapital financing activities	<u>2,521</u>	<u>-</u>	<u>2,521</u>
Cash flows from capital and related financing activities:			
Proceeds from sale of capital assets	19,804	-	19,804
Acquisition and construction of capital assets	(542,133)	(31,756)	(573,889)
Principal and interest payments on long-term debt	(446,692)	-	(446,692)
Net cash used by capital and related financing activities	<u>(969,021)</u>	<u>(31,756)</u>	<u>(1,000,777)</u>
Cash flows from investing activities:			
Interest and dividends	137,057	3,267	140,324
Net cash provided by investing activities	<u>137,057</u>	<u>3,267</u>	<u>140,324</u>
Net increase (decrease) in cash and cash equivalents	127,730	(112,087)	15,643
Cash and cash equivalents at beginning of year	<u>3,475,091</u>	<u>204,008</u>	<u>3,679,099</u>
Cash and cash equivalents at end of year	<u>\$ 3,602,821</u>	<u>\$ 91,921</u>	<u>\$ 3,694,742</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 452,440	\$ (179,829)	\$ 272,611
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	352,421	68,468	420,889
Change in assets and liabilities:			
Increase in accounts receivable	(54,824)	(1,633)	(56,457)
Increase in prepaid items	(1,806)	(2,055)	(3,861)
Decrease in inventories	-	2,786	2,786
Increase in accounts payable and accrued liabilities	212,507	14,644	227,151
Increase in gift cards outstanding	-	4,467	4,467
Increase in loyalty rewards to be redeemed	-	6,052	6,052
Increase in customer deposits	580	-	580
Increase (decrease) in compensated absences	(4,145)	3,502	(643)
Net cash provided (used) by operating activities	<u>\$ 957,173</u>	<u>\$ (83,598)</u>	<u>\$ 873,575</u>

The accompanying notes are an integral part of this statement.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies

The accounting policies of the Town of Jamestown (the "Town") 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 Town of Jamestown is a municipal corporation which is governed by an elected mayor and a four-member council.

B. Basis of Presentation

Government-Wide Statements: The statement of net assets and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs 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 Town's funds. Separate statements for each fund category - governmental and proprietary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

The Town reports the following major governmental fund:

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state and federal grants, and various other taxes and licenses. The primary expenditures are for public safety, streets and maintenance, sanitation, recreation, and general government services.

The Town reports the following major enterprise funds:

Water and Sewer Fund - This fund is used to account for the Town's water and sewer operations.

Jamestown Park Operating Fund - This fund is used to account for Jamestown Park operations.

C. Measurement Focus and Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting.

Government-Wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and 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. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in 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, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under installment purchase agreements are reported as other financing sources.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

The Town considers all revenues available if they are collected within 90 days after year end, except for property taxes. Ad valorem taxes receivable are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the subsequent year. Also, as of January 1, 1993, state law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Guilford County is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts in the County, including the Town of Jamestown. For motor vehicles registered under the staggered system, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, the Town's vehicle taxes for vehicles registered in Guilford County from March 2006 through February 2007 apply to the fiscal year ended June 30, 2007. Uncollected taxes which were billed during this period are shown as a receivable in these financial statements and are offset by deferred revenues. In addition, as of January 1, 2006, State law implemented a staggered expiration date system for annually registered vehicles as part of the conversion into the staggered registration. Originally, annually registration expired December 31st each year with taxes due by May 1st of the following year. To transition from the staggered into the annual registration, the initial 2006 registration renewals will vary from seven to 18 months after December 31, 2005. Once these initial renewals have expired, all vehicles that were previously annually registered will be in the staggered system.

Sales taxes collected and held by the state at year end on behalf of the Town are recognized as revenue. Generally, intergovernmental revenues and sales and services are not susceptible to accrual because they are not measurable until received in cash. Grant revenues which are unearned at year end are recorded as deferred revenues.

As permitted by generally accepted accounting principles, the Town has elected to apply only applicable FASB Statements and Interpretations issued on or before November 30, 1989 that do not contradict GASB pronouncements in its accounting and reporting practices for its proprietary operations.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Data

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund and the Enterprise Funds. 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 departmental level for all annually budgeted funds and at the object level for multi-year funds. The Town Manager is authorized to transfer appropriations between functional areas within a fund; however, any revisions that alter the total expenditures of any fund or that change functional appropriations must be approved by the governing board. During the year, several amendments to the original budget were necessary, the effects of which were not material. 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.

E. Assets, Liabilities and Fund Equity

1. Deposits and Investments

All deposits of the Town are made in Board-designated official depositories and are secured as required by state law [G. S. 159-31]. The Town may designate as an official depository any bank or savings and loan association whose principal office is located in North Carolina. Also, the Town 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 Town 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 nonguaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The Town's investments with a maturity of more than one year at acquisition and non-money market investments are reported 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. 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 earnings and investment contracts are reported at cost.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities and Fund Equity (Continued)

2. Cash and Cash Equivalents

The Town pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

3. Ad Valorem Taxes Receivable

In accordance with state law [G. S. 105-347 and G. S. 159-13(a)], the Town levies ad valorem taxes on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, interest does not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2006. As allowed by state law, the Town has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the Town's General Fund, ad valorem tax revenues are reported net of such discounts.

4. Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables written off in prior years.

5. Inventory

The inventories of the Park Fund are valued at the lower of cost (first-in, first-out) or market and consist of goods held for resale. The cost of these inventories is recorded as an expense as the inventories are consumed.

6. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain amount and an estimated useful life in excess of two years.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities and Fund Equity (Continued)

Minimum capitalization costs are as follows:

	Cost
Land	\$ 100
Land improvements	5,000
Buildings and improvements	20,000
Vehicles, furniture and equipment	5,000
Infrastructure	50,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at time of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

As a part of the implementation of GASB Statement 34, the Town is permitted to forgo the retroactive reporting of governmental infrastructure networks. The Town has chosen to do so.

Capital assets are depreciated using the straight-line method over their estimated useful lives:

	Useful Life
Land improvements, buildings and infrastructure	20 to 50 years
Furniture, fixtures, equipment, heavy equipment and vehicles	5 to 10 years
Computer equipment and software	3 to 5 years

7. Long-Term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities and Fund Equity (Continued)

8. Compensated Absences

The vacation policy of the Town provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the Town's government-wide and proprietary funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The Town has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The Town's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Town has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

9. Net Assets/Fund Balances

Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

In the governmental fund financial statements, reservations of fund balance represent amounts that cannot be appropriated or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

State law [G. S. 159-13(b)(16)] restricts appropriation of fund balance for the subsequent year's budget to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities and Fund Equity (Continued)

9. Net Assets/Fund Balances

The governmental fund types classify fund balances as follows:

RESERVED:

Reserved for prepaid items - portion of fund balance that is not available for appropriation because it represents the year end fund balance of ending prepaid items, which are not expendable, available resources.

Reserved by state statute - portion of fund balance, in addition to reserves for encumbrances, which is not available for appropriation under state law [G. S. 159-8(a)]. This amount is usually comprised of accounts receivable and interfund receivables which have not been offset by deferred revenues.

Reserved for streets - Powell Bill - portion of fund balance that is available for appropriation but legally segregated for street construction and maintenance expenditures. This amount represents the balance of the total unexpended Powell Bill funds.

UNRESERVED:

Portion of total fund balance available for appropriation that is uncommitted at year end.

Note 2. Detail Notes on All Funds

A. Assets

1. Deposits

All the deposits of the Town 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 Town's agent in the Town'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 Town, these deposits are considered to be held by the Town's agent in the Town's 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 Town or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Town under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

1. Deposits (Continued)

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 Town has no formal 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 Town complies with the provisions of G.S 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2007, the Town's deposits had a carrying amount of \$4,149,017, and a bank balance of \$4,228,137. Of the bank balance, \$300,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method. The Town had \$935 of petty cash on hand at June 30, 2007.

2. Investments

At June 30, 2007, the Town of Jamestown had \$1,216,416 invested with the North Carolina Capital Management Trust's Cash Portfolio which carried a credit rating of AAA by Standard and Poor's. The Town has no policy regarding credit risk.

Receivables

Receivables at the government-wide level at June 30, 2007 were as follows:

	<u>Accounts</u>	<u>Taxes</u>	<u>Due from Other Governments</u>	<u>Total</u>	<u>Accrued Interest Receivable</u>
Governmental activities:					
General	\$ 2,846	\$ 22,503	\$ 203,332	\$ 228,681	\$ 56,238
Allowance for doubtful accounts	-	(12,144)	-	(12,144)	-
Total governmental activities	<u>\$ 2,846</u>	<u>\$ 10,359</u>	<u>\$ 203,332</u>	<u>\$ 216,537</u>	<u>\$ 56,238</u>
Business-type activities:					
Water and Sewer	\$ 202,782	-	\$ 234,554	\$ 437,336	\$ 13,869
Park	-	-	8,279	8,279	-
Total receivables	202,782	-	242,833	445,615	13,869
Allowance for doubtful accounts	(10,605)	-	-	(10,605)	-
Total business-type activities	<u>\$ 192,177</u>	<u>\$ -</u>	<u>\$ 242,833</u>	<u>\$ 435,010</u>	<u>\$ 13,869</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

Due from Governmental Agencies

Amounts due from governmental agencies consist of the following:

	<u>County</u>	<u>State</u>	<u>Total</u>
General Fund			
Sales and use tax distribution	\$ -	\$ 110,520	\$ 110,520
Grants	-	20,240	20,240
Gibson Park reimbursement	57,214	-	57,214
Sales tax refunds	-	7,606	7,606
Other	<u>7,752</u>	<u>-</u>	<u>7,752</u>
	<u>\$ 64,966</u>	<u>\$ 138,366</u>	<u>\$ 203,332</u>
Water and Sewer Fund			
Adams Farm sewer	\$ 172,569	\$ -	\$ 172,569
Grants	-	48,000	48,000
Sales tax refunds	<u>-</u>	<u>13,985</u>	<u>13,985</u>
	<u>\$ 172,569</u>	<u>\$ 61,985</u>	<u>\$ 234,554</u>
Jamestown Park Fund			
Sales tax refunds	<u>\$ -</u>	<u>\$ 8,279</u>	<u>\$ 8,279</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

Capital Assets

Capital asset activity for the year ended June 30, 2007 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,680,879	\$ -	\$ -	\$ 1,680,879
Construction-in-progress	<u>25,614</u>	<u>505</u>	<u>(3,601)</u>	<u>22,518</u>
Total capital assets not being depreciated	<u>1,706,493</u>	<u>\$ 505</u>	<u>\$ (3,601)</u>	<u>1,703,397</u>
Capital assets being depreciated:				
Land improvements	935,635	\$ 142,654	\$ -	1,078,289
Buildings	2,709,563	-	-	2,709,563
Equipment and vehicles	<u>936,789</u>	<u>130,505</u>	<u>-</u>	<u>1,067,294</u>
Total capital assets being depreciated	<u>4,581,987</u>	<u>\$ 273,159</u>	<u>\$ -</u>	<u>4,855,146</u>
Less accumulated depreciation for:				
Land improvements	95,436	\$ 45,350	\$ -	140,786
Buildings	501,088	60,062	-	561,150
Equipment and vehicles	<u>636,114</u>	<u>75,500</u>	<u>-</u>	<u>711,614</u>
Total accumulated depreciation	<u>1,232,638</u>	<u>\$ 180,912</u>	<u>\$ -</u>	<u>1,413,550</u>
Total capital assets being depreciated, net	<u>3,349,349</u>			<u>3,441,596</u>
Governmental activity capital assets, net	<u>\$ 5,055,842</u>			<u>\$ 5,144,993</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	\$ 30,896
Public works	59,732
Public safety	49,817
Recreation	<u>40,467</u>
	<u>\$ 180,912</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

Capital Assets (Continued)

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-type activities:				
Water and Sewer Fund:				
Capital assets not being depreciated:				
Construction-in-progress	\$ <u>6,022</u>	\$ -	\$ (4,057)	\$ <u>1,965</u>
Capital assets being amortized or depreciated:				
Water rights	2,168,830	-	-	2,168,830
Wastewater treatment rights	3,450,000	-	-	3,450,000
Plant and distribution systems	9,626,642	386,157	-	10,012,799
Buildings	109,493	-	-	109,493
Equipment	<u>761,510</u>	<u>160,033</u>	<u>(61,888)</u>	<u>859,655</u>
Total capital assets being amortized or depreciated	<u>16,116,475</u>	<u>\$ 546,190</u>	<u>\$ (61,888)</u>	<u>16,600,777</u>
Less accumulated amortization or depreciation for:				
Water rights	-	\$ -	\$ -	-
Wastewater treatment rights	506,719	86,250	-	592,969
Plant and distribution systems	3,286,517	197,445	-	3,483,962
Buildings	83,996	1,740	-	85,736
Equipment	<u>384,409</u>	<u>66,986</u>	<u>(49,997)</u>	<u>401,398</u>
Total accumulated amortization and depreciation	<u>4,261,641</u>	<u>\$ 352,421</u>	<u>\$ (49,997)</u>	<u>4,564,065</u>
Total capital assets being amortized or depreciated, net	<u>11,854,834</u>			<u>12,036,712</u>
Water and Sewer Fund capital assets, net	<u>11,860,856</u>			<u>12,038,677</u>
Park Fund:				
Capital assets not being depreciated:				
Land	<u>297,898</u>	\$ -	\$ -	<u>297,898</u>
Capital assets being depreciated				
Buildings	828,332	\$ -	\$ -	828,332
Improvements	1,718,844	-	-	1,718,844
Furniture, equipment and vehicles	<u>447,908</u>	<u>31,756</u>	-	<u>479,664</u>
Total capital assets being depreciated	<u>2,995,084</u>	<u>\$ 31,756</u>	<u>\$ -</u>	<u>3,026,840</u>
Less accumulated depreciation for:				
Buildings	514,253	\$ 20,708	\$ -	534,961
Improvements	1,552,540	13,466	-	1,566,006
Furniture, equipment and vehicles	<u>285,152</u>	<u>34,294</u>	-	<u>319,446</u>
Total accumulated depreciation	<u>2,351,945</u>	<u>\$ 68,468</u>	<u>\$ -</u>	<u>2,420,413</u>
Total capital assets being depreciated, net	<u>643,139</u>			<u>606,427</u>
Park Fund capital assets, net	<u>941,037</u>			<u>904,325</u>
Business-type activities capital assets, net	<u>\$ 12,801,893</u>			<u>\$ 12,943,002</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

Wastewater Treatment Rights

The Town entered into a joint-use facility agreement with the City of High Point on May 31, 2000. The agreement required the Town to pay \$3,450,000 for its share of the capacity use allocation to upgrade and expand the Eastside Wastewater Treatment Plant. This cost is being amortized over 40 years using the straight-line method.

Rights purchased	\$ 3,450,000
Accumulated amortization	<u>(592,969)</u>
Unamortized balance	<u>\$ 2,857,031</u>

Future amortization is as follows:

Year Ending June 30,	
2008	\$ 86,250
2009	86,250
2010	86,250
2011	86,250
2012	86,250
Thereafter	<u>2,425,781</u>
	<u>\$ 2,857,031</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2007, were as follows:

	<u>Vendors</u>	<u>Salaries and Benefits</u>	<u>Total</u>	<u>Accrued Interest</u>
Governmental activities:				
General	\$ 190,128	\$ 9,177	\$ 199,305	\$ 3,703
Business-type activities:				
Water and Sewer	\$ 297,289	\$ 4,805	\$ 302,094	\$ 11,754
Park	19,335	7,848	27,183	-
Total business-type activities	<u>\$ 316,624</u>	<u>\$ 12,653</u>	<u>\$ 329,277</u>	<u>\$ 11,754</u>

2. Pension Plan Obligations

Local Governmental Employees' Retirement System

Plan Description. The Town of Jamestown contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing, multiple-employer defined benefit pension plan administered by the state of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G. S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the state of North Carolina. The state's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute 6% of their annual covered salary. The Town is required to contribute at an actuarially determined rate. For the Town, the current rate for employees not engaged in law enforcement is 4.99% of annual covered payroll. The contribution requirements of members and of the Town of Jamestown are established and may be amended by the North Carolina General Assembly. The Town's contributions to LGERS for the years ended June 30, 2007, 2006 and 2005 were \$55,219, \$54,546, and \$52,634, respectively. The contributions made by the Town equaled the required contributions for each year.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

2. Pension Plan Obligations (Continued)

State 401(k) Supplemental Retirement Income Plan

The Town has elected to include all permanent, full-time employees under the State 401(k) Supplemental Retirement Income Plan (Plan), a defined contribution pension plan. Participation begins 90 days after the date of employment. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Town is required to contribute each month an amount equal to 3% of each participant's salary, and all amounts contributed are vested immediately. Also, participants may make voluntary contributions to the plan.

The Town's contributions were calculated using a covered payroll amount of \$1,047,389. Total contributions for the year ended June 30, 2007 were \$88,833, which consisted of \$31,487 from the Town and \$57,346 from employees. The Town's required contributions and the employees' voluntary contributions represent 3.0% and 5.5%, respectively, of the covered payroll amount.

3. Other Post-Employment Benefits

According to a Town resolution, the Town provides post-retirement health care benefits to retirees of the Town, provided they have at least twenty years of service specifically with the Town. The Town pays the full cost of coverage for these benefits, subject to the availability of funds appropriated in the annual budget. In addition, the Town's retirees can purchase coverage for their dependents at the Town's group rates. Currently, five retirees are eligible for post-retirement health benefits. For the fiscal year ended June 30, 2007, the Town made payments for post-retirement health premiums of \$37,381. The Town obtains health care coverage through the League of Municipalities.

4. Deferred/Unearned Revenues

The balance in deferred/unearned revenues in the General Fund at year end is comprised of the following elements:

	Deferred Revenues	Unearned Revenues	Total
Property taxes	\$ 10,359	\$ -	\$ 10,359
Sales tax refund	7,605	-	7,605
Other	-	6,180	6,180
	\$ 17,964	\$ 6,180	\$ 24,144

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

5. Risk Management

The Town 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 Town carries commercial insurance coverage which provides for the following types of major coverage for the amounts of retained risk noted: general liability (\$5,000,000), worker's compensation (\$1,000,000) and public officials' liability (\$2,000,000). There have been no significant reductions in insurance coverage in the prior year, and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

Because the Town has structures in one location that has been mapped and designated an "A" area (an area close to a river, lake or stream) by the Federal Emergency Management Agency, the Town is eligible to purchase coverage through the National Flood Insurance Plan (NFIP) for these structures. The Town has opted not to purchase this insurance. The contents of the buildings are covered under other insurance.

In accordance with G.S 159-29, the Town's employees that have access to \$100 or more at any given time of the Town's funds are performance bonded through a commercial surety bond. The finance officer is individually bonded for \$50,000. The remaining employees that have access to funds are bonded under a blanket bond for \$20,000.

6. Commitments

The Town entered into a commitment in May 2007 to purchase a leaf truck for approximately \$130,000.

7. Long-Term Obligations

a. Operating Leases

The Town leases golf carts and other equipment under noncancelable operating leases terminating in fiscal years 2009 and 2010. Total expenditures on operating leases amounted to \$90,275 during fiscal year 2007.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

a. Operating Leases (Continued)

Future minimum commitments for operating leases are as follows:

Year Ending June 30,	
2008	\$ 89,249
2009	73,346
2010	<u>14,325</u>
Total future minimum lease payments	<u>\$ 176,920</u>

b. Notes Payable

The Town has entered into notes payable with High Point Bank & Trust Company, N.A. as follows for the purchase of two tracts of land, a sanitation truck, land improvements, for the construction of a fire station, and improvements to the Eastside Wastewater Treatment Plant.

Governmental Activities:

Note payable to High Point Bank, executed May 1998, interest and principal payable in 180 monthly installments of \$3,599 each with interest payable at 5.1%, unsecured.	\$ 219,800
--	------------

Note payable to High Point Bank, executed November 2006, interest and principal payable in 20 quarterly installments of \$6,088 each with interest payable at 3.99%, secured by a sanitation truck.	99,702
---	--------

Note payable to High Point Bank, executed August 2000, interest and principal payable in 40 quarterly installments of \$33,333 each with interest payable at 5.3%, secured by lots 1 - 7 (Section 1) of Ragsdale Acres.	<u>312,469</u>
---	----------------

	631,971
Less current portion	<u>186,501</u>
	<u>\$ 445,470</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

b. Notes Payable (Continued)

The future minimum payments on the notes payable as of June 30, 2007 are as follows:

Governmental Activities:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 186,501	\$ 27,976	\$ 214,477
2009	189,109	18,443	207,552
2010	104,278	9,813	114,091
2011	61,305	6,229	67,534
2012	52,031	3,327	55,358
Thereafter	<u>38,746</u>	<u>1,015</u>	<u>39,761</u>
	<u>\$ 631,971</u>	<u>\$ 66,804</u>	<u>\$ 698,775</u>

Business-Type Activities:

Enterprise Fund - Water/Sewer Fund

Note payable to High Point Bank, executed August 2000, interest and principal payable in 40 quarterly installments of \$111,673 each with interest payable at 5.3%, secured by lots 1 - 7 (Section 1) of Ragsdale Acres.

\$ 1,330,622

Less current portion

382,576

\$ 948,046

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

7. Long-Term Obligations (Continued)

b. Notes Payable (Continued)

The long-term debt requirements to maturity for the Enterprise Funds are as follows:

Enterprise Fund - Water/Sewer Fund

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 382,576	\$ 64,116	\$ 446,692
2009	403,706	42,986	446,692
2010	425,840	20,852	446,692
2011	<u>118,500</u>	<u>1,608</u>	<u>120,108</u>
	<u>\$ 1,330,622</u>	<u>\$ 129,562</u>	<u>\$ 1,460,184</u>

At June 30, 2007, the Town had a legal debt margin of \$30,746,409.

c. Changes in Long-Term Liabilities

During the year ended June 30, 2007, the following changes occurred in long-term obligations:

	<u>Balance</u> <u>July 1, 2006</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2007</u>	<u>Current</u> <u>Portion of</u> <u>Balance</u>
Governmental activities:					
Installment purchases	\$ 713,688	\$ 109,762	\$ 191,479	\$ 631,971	\$ 186,501
Compensated absences	<u>24,714</u>	<u>25,791</u>	<u>16,644</u>	<u>33,861</u>	<u>16,950</u>
Total governmental activities	<u>\$ 738,402</u>	<u>\$ 135,553</u>	<u>\$ 208,123</u>	<u>\$ 665,832</u>	<u>\$ 203,451</u>
Business-type activities:					
Installment purchases	\$ 1,693,700	\$ -	\$ 363,078	\$ 1,330,622	\$ 382,576
Compensated absences	<u>55,896</u>	<u>27,476</u>	<u>28,119</u>	<u>55,253</u>	<u>20,000</u>
Total business-type activities	<u>\$ 1,749,596</u>	<u>\$ 27,476</u>	<u>\$ 391,197</u>	<u>\$ 1,385,875</u>	<u>\$ 402,576</u>

Compensated absences have typically been liquidated in the General Fund. Total interest expense incurred during the year amounted to \$114,625.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 3. Joint Ventures

The Town, in conjunction with five other governments, participates in the Piedmont Triad Regional Water Authority. The Authority was established to construct a dam facility, water treatment plant and related distribution lines. The Authority began construction of the dam in 2001, and the participating governments are legally obligated under the intergovernmental agreement that created the Authority to contribute a pre-determined share of the construction costs. During the year ended June 30, 2007, the Town made a \$45,479 contribution to the Authority. According to the joint governmental agreement, the participating governments do not have an equity interest in the joint venture, but rather rights to water in the reservoir. After a water treatment plant is constructed, the participating governments have the right to purchase future treated water based upon their pre-determined share, according to a uniform rate structure to be set by the Authority. Accordingly, an intangible asset in the amount of \$2,168,830 has been recorded at cost in the government-wide financial statements at June 30, 2007. Complete financial statements for the Authority can be obtained from the Authority's administrative offices at 2216 West Meadowview Road, Greensboro, North Carolina.

The Town and the members of the Town's fire department each appoint two members to the five-member local board of trustees for the Firemen's Relief Fund. The State Insurance Commissioner appoints one additional member to the local board of trustees. The Firemen's Relief Fund is funded by a portion of the fire and lightning insurance premiums which insurers remit to the state. The state passes these monies to the local board of the Firemen's Relief Fund. The funds are used to assist firefighters in various ways. The Town obtains an ongoing financial benefit from the Fund for the on-behalf of payments for salaries and fringe benefits made to members of the Town's fire department by the board of trustees. There were no payments made through the Firemen's Relief Fund during the year ended June 30, 2007. The participating governments do not have any equity interest in the joint venture, so no equity has been reflected in the financial statements at June 30, 2007. The Firemen's Relief Fund does not issue separate audited financial statements. Instead, the local board of trustees files an annual financial report with the State Firemen's Association. This report can be obtained from the Association at Post Office Box 188, Farmville, North Carolina 27828.

Note 4. Jointly Governed Organization

The Town, in conjunction with six counties and 25 other municipalities, established the Piedmont Triad Regional Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The Town paid membership fees of \$684 to the Council during the fiscal year ended June 30, 2007.

TOWN OF JAMESTOWN, NORTH CAROLINA
NOTES TO COMBINED FINANCIAL STATEMENTS
June 30, 2007

Note 5. Summary Disclosure of Significant Contingencies

Federal- and State-Assisted Programs

The Town has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Note 6. Reclassification

Certain amounts for 2006 have been reclassified to conform with the 2007 presentation.

SUPPLEMENTARY INFORMATION

**TOWN OF JAMESTOWN, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2007**

Schedule 1
Page 1 of 3

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad valorem taxes:			
Current year - property	\$ 1,300,000	\$ 1,315,724	\$ 15,724
Other taxes and licenses:			
Local option sales tax	-	435,578	-
Franchise tax	-	298,377	-
Total	<u>580,000</u>	<u>733,955</u>	<u>153,955</u>
Unrestricted intergovernmental:			
ABC distribution	-	50,000	-
Beer and wine tax	-	14,844	-
Reimbursement from Guilford County - Gibson Park	-	236,072	-
Tax refunds	-	12,567	-
Total	<u>308,362</u>	<u>313,483</u>	<u>5,121</u>
Restricted intergovernmental:			
Powell Bill allocation	-	101,534	-
Other state, federal and local grants	-	138,001	-
Total	<u>310,500</u>	<u>239,535</u>	<u>(70,965)</u>
Permits and fees:			
Franchise fees	-	45,213	-
Planning and development fees	-	8,141	-
Rentals	-	26,899	-
Other fees	-	929	-
Total	<u>117,100</u>	<u>81,182</u>	<u>(35,918)</u>
Investment earnings	<u>60,000</u>	<u>96,321</u>	<u>36,321</u>
Miscellaneous:			
Other	<u>19,500</u>	<u>2,338</u>	<u>(17,162)</u>
Total revenues	<u>2,695,462</u>	<u>2,782,538</u>	<u>87,076</u>
Expenditures:			
General government:			
Division of Governing Body:			
Current charges	<u>25,210</u>	<u>22,276</u>	<u>2,934</u>
Division of Administration:			
Salaries and employee benefits	-	263,318	-
Professional services	-	14,841	-
Current charges	-	29,658	-
Capital outlay	-	10,354	-
Total	<u>321,980</u>	<u>318,171</u>	<u>3,809</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2007

Schedule 1
Page 2 of 3

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Division of Planning:			
Salaries and employee benefits	\$ -	\$ 51,246	\$ -
Professional services	-	27,564	-
Current charges	-	10,559	-
Capital outlay	-	7,090	-
Total	<u>112,295</u>	<u>96,459</u>	<u>15,836</u>
Division of Public Buildings:			
Employee benefits - retiree	-	8,373	-
Current charges	-	85,438	-
Capital outlay	-	21,403	-
Total	<u>144,870</u>	<u>115,214</u>	<u>29,656</u>
Total general government	<u>604,355</u>	<u>552,120</u>	<u>52,235</u>
Public works:			
Division of Streets and Highways:			
Professional services	-	13,484	-
Current charges	-	89,367	-
Capital outlay	-	111,709	-
Total	<u>310,835</u>	<u>214,560</u>	<u>96,275</u>
Division of Streets - Powell Bill and other grants:			
Professional services	-	301,928	-
Current charges	-	47	-
Capital outlay	-	6,446	-
Total	<u>308,750</u>	<u>308,421</u>	<u>329</u>
Division of Sanitation:			
Salaries and employee benefits	-	58,601	-
Current charges	-	175,038	-
Capital outlay	-	113,061	-
Total	<u>378,570</u>	<u>346,700</u>	<u>31,870</u>
Total public works	<u>998,155</u>	<u>869,681</u>	<u>128,474</u>
Public safety:			
Division of Fire:			
Employee benefits - retiree	-	8,373	-
Contractual services	-	249,973	-
Current charges	-	1,558	-
Total	<u>260,483</u>	<u>259,904</u>	<u>579</u>
Division of Police:			
Contractual services	-	314,797	-
Current charges	-	18,718	-
Total	<u>364,000</u>	<u>333,515</u>	<u>30,485</u>
Total public safety	<u>624,483</u>	<u>593,419</u>	<u>31,064</u>
Recreation:			

**TOWN OF JAMESTOWN, NORTH CAROLINA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2007**

Schedule 1
Page 3 of 3

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Division of Recreation:			
Salaries and employee benefits	\$ -	\$ 89,609	\$ -
Current charges	-	41,755	-
Library contribution	-	105,000	-
Historic Jamestown contribution	-	24,800	-
YMCA contribution	-	107,200	-
Jamestown Business Association contribution	-	3,500	-
Total	<u>382,259</u>	<u>371,864</u>	<u>10,395</u>
Gibson Park:			
Salaries and employee benefits	-	183,960	-
Current charges	-	39,638	-
Total	<u>224,420</u>	<u>223,598</u>	<u>822</u>
Total recreation	<u>606,679</u>	<u>595,462</u>	<u>11,217</u>
Debt Service:			
Principal retirement	191,500	191,479	21
Interest and fiscal charges	49,090	34,853	14,237
	<u>240,590</u>	<u>226,332</u>	<u>14,258</u>
Total expenditures	<u>3,074,262</u>	<u>2,837,014</u>	<u>237,248</u>
Revenues under expenditures	<u>(378,800)</u>	<u>(54,476)</u>	<u>324,324</u>
Other financing sources:			
Proceeds of installment purchase agreement	109,000	109,762	762
Sale of capital assets	500	3,288	2,788
Fund balance appropriated	269,300	-	(269,300)
Total other financing sources	<u>378,800</u>	<u>113,050</u>	<u>(265,750)</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>58,574</u>	<u>\$ 58,574</u>
Fund balance:			
Beginning of year, July 1		<u>1,606,168</u>	
End of year, June 30		<u>\$ 1,664,742</u>	

**TOWN OF JAMESTOWN, NORTH CAROLINA
WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
Year Ended June 30, 2007**

Schedule 2
Page 1 of 2

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Charges for services:			
Water sales	\$ 696,000	\$ 709,765	\$ 13,765
Sewer service charges	1,460,000	1,692,108	232,108
Total	2,156,000	2,401,873	245,873
Other operating revenues	8,500	37,580	29,080
Total operating revenues	2,164,500	2,439,453	274,953
Nonoperating revenues:			
State grant	-	48,000	48,000
Interest earned on investments	84,000	81,358	(2,642)
Total nonoperating revenues	84,000	129,358	45,358
Total revenues	2,248,500	2,568,811	320,311
Expenditures:			
Salaries and employee benefits	-	428,422	-
Professional and technical services	-	37,832	-
Contractual payment for wastewater treatment	-	529,940	-
Supplies and materials	-	64,458	-
Purchase of water	-	375,845	-
Other operating expenditures	-	178,290	-
Payments on notes payable	-	446,692	-
Capital properties	-	542,133	-
Total expenditures	2,725,225	2,603,612	121,613
Revenues under expenditures	(476,725)	(34,801)	441,924
Other financing sources:			
Net assets appropriated	476,725	-	(476,725)
Revenues and other sources under expenditures and other uses	\$ -	(34,801)	\$ (34,801)

**TOWN OF JAMESTOWN, NORTH CAROLINA
WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
Year Ended June 30, 2007**

Schedule 2
Page 2 of 2

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:			
Reconciling items:			
Principal retirement		\$ 363,078	
Capital outlay		542,133	
Change in accrued interest on debt		3,513	
Net book value of disposed assets		(11,892)	
Depreciation		(266,171)	
Amortization		(86,250)	
Items related to subfund - Randleman Dam Capital Reserve Fund:			
Investment earnings		69,568	
Payment to Piedmont Triad Regional Water Authority		(45,479)	
		568,500	
Change in net assets		\$ 533,699	

**TOWN OF JAMESTOWN, NORTH CAROLINA
RANDLEMAN DAM CAPITAL RESERVE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
Year Ended June 30, 2007**

Schedule 3

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Nonoperating revenues:			
Interest on investments	<u>\$ 25,000</u>	<u>\$ 69,568</u>	<u>\$ 44,568</u>
Other financing sources (uses):			
Payment to Piedmont Triad Regional Water Authority	(50,000)	(45,479)	4,521
Net assets appropriated	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
Total other financing uses	<u>(25,000)</u>	<u>(45,479)</u>	<u>(20,479)</u>
Revenues and other sources under other uses	<u>\$ -</u>	<u>\$ 24,089</u>	<u>\$ 24,089</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
JAMESTOWN PARK OPERATING FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
Year Ended June 30, 2007

Schedule 4

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Charges for services			
Green fees	\$ 566,000	\$ 481,999	\$ (84,001)
Cart rentals	291,000	279,803	(11,197)
Driving range fees	55,000	46,494	(8,506)
Total	912,000	808,296	(103,704)
Other operating revenues:			
Sales tax refunds	6,000	8,279	2,279
Rents and concessions	12,000	9,465	(2,535)
Sale of merchandise - pro shop	115,000	79,696	(35,304)
Miscellaneous	1,000	3,279	2,279
Total	134,000	100,719	(33,281)
Investment income	3,000	3,267	267
Total revenues	1,049,000	912,282	(136,718)
Expenditures:			
Salaries and employee benefits	-	562,173	-
Golf cart rental	-	62,311	-
Supplies and materials	-	206,189	-
Other operating expenditures	-	189,703	-
Capital outlay	-	31,756	-
Total expenditures	1,066,052	1,052,132	13,920
Revenues under expenditures	(17,052)	(139,850)	(122,798)
Other financing sources:			
Net assets appropriated	17,052	-	(17,052)
Total other financing sources	17,052	-	(17,052)
Revenues and other sources under expenditures	\$ -	(139,850)	\$ (139,850)
Reconciliation from budgetary basis (modified accrual)			
to full accrual basis:			
Reconciling items:			
Capital outlay		31,756	
Depreciation		(68,468)	
		(36,712)	
Change in net assets		\$ (176,562)	



ADDITIONAL FINANCIAL DATA

This section contains additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

TOWN OF JAMESTOWN, NORTH CAROLINA
SCHEDULE OF AD VALOREM TAXES RECEIVABLE -
GENERAL FUND
Year Ended June 30, 2007

Schedule 5

Fiscal Year	Uncollected Balance July 1, 2006	Additions	Collections and Credits	Uncollected Balance June 30, 2007
2006-07	\$ -	\$ 1,345,155	\$ 1,336,592	\$ 8,563
2005-06	5,880	-	3,572	2,308
2004-05	2,153	-	182	1,971
2003-04	4,606	-	110	4,496
2002-03	1,437	-	706	731
2001-02	801	-	-	801
2000-01	1,628	-	5	1,623
1999-00	1,063	-	33	1,030
1998-99	594	-	-	594
1997-98	386	-	-	386
1996-97	357	-	357	-
	\$ 18,905	\$ 1,345,155	\$ 1,341,557	22,503
Less allowance for uncollectible taxes				(12,144)
				\$ 10,359
Reconciliation with revenues:				
Taxes - Ad Valorem - General Fund				\$ 1,315,724
Reconciling items:				
Discounts and releases allowed and other charges				25,476
Amounts written off for tax year 1996-97 - per statute of limitations				357
Subtotal				25,833
Total collections and credits				\$ 1,341,557

**TOWN OF JAMESTOWN, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY -
GENERAL FUND
Year Ended June 30, 2007**

Schedule 6

	City-Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxes at current year's rate	\$ 381,181,429	\$ 0.35	\$ 1,334,135	\$ 1,202,946	\$ 131,189
Discoveries:					
Current year taxes	<u>3,148,680</u>	0.35	<u>11,020</u>	<u>11,020</u>	<u>-</u>
Total property valuation	<u>\$ 384,330,109</u>				
Net levy			1,345,155	1,213,966	131,189
Uncollected taxes at June 30, 2007			<u>8,563</u>	<u>2,837</u>	<u>5,726</u>
Current year's taxes collected			<u>\$ 1,336,592</u>	<u>\$ 1,211,129</u>	<u>\$ 125,463</u>
Current levy collection percentage			<u>99.36%</u>	<u>99.77%</u>	<u>95.64%</u>

STATISTICAL SECTION

This part of the Town of Jamestown's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents	Page
<i>Financial Trends</i> <i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i>	59
<i>Revenue Capacity</i> <i>These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.</i>	65
<i>Debt Capacity</i> <i>These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.</i>	70
<i>Demographic and Economic Information</i> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	72
<i>Operating Information</i> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the government provides and the activities it performs.</i>	74

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

TOWN OF JAMESTOWN, NORTH CAROLINA
Net Assets by Component
Last Four Fiscal Years
(Accrual Basis of Accounting)

Table 1

Net Assets	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities:				
Invested in capital assets, net of related debt	\$ 3,468,241	\$ 4,155,997	\$ 4,342,154	\$ 4,513,022
Restricted	273,076	278,974	376,968	191,056
Unrestricted	<u>1,322,974</u>	<u>961,474</u>	<u>1,220,679</u>	<u>1,510,324</u>
Total governmental activities net assets	<u>\$ 5,064,291</u>	<u>\$ 5,396,445</u>	<u>\$ 5,939,801</u>	<u>\$ 6,214,402</u>
Business-type activities:				
Invested in capital assets, net of related debt	\$ 10,266,664	\$ 10,782,928	\$ 11,108,193	\$ 11,612,380
Unrestricted	<u>4,417,245</u>	<u>3,974,426</u>	<u>3,915,920</u>	<u>3,768,870</u>
Total business-type activities net assets	<u>\$ 14,683,909</u>	<u>\$ 14,757,354</u>	<u>\$ 15,024,113</u>	<u>\$ 15,381,250</u>
Primary government				
Invested in capital assets, net of related debt	\$ 13,734,905	\$ 14,938,925	\$ 15,450,347	\$ 16,125,402
Restricted	273,076	278,974	376,968	191,056
Unrestricted	<u>5,740,219</u>	<u>4,935,900</u>	<u>5,136,599</u>	<u>5,279,194</u>
Total primary government net assets	<u>\$ 19,748,200</u>	<u>\$ 20,153,799</u>	<u>\$ 20,963,914</u>	<u>\$ 21,595,652</u>

Data is presented since implementation of Government Accounting Standards Board Statement No. 34.

SOURCE: THE SOURCES FOR THE DATA PROVIDED IN THE FINANCIAL TRENDS PORTION OF THE STATISTICAL SECTION ARE THE CURRENT AND PRIOR YEARS' AUDITED FINANCIAL STATEMENTS FOR THE TOWN.

TOWN OF JAMESTOWN, NORTH CAROLINA
Changes in Net Assets
Last Four Fiscal Years
(Accrual Basis of Accounting)

Table 2

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Expenses				
Governmental activities:				
General government	\$ 619,556	\$ 505,885	\$ 552,836	\$ 549,072
Public works	352,964	359,048	350,331	699,128
Public safety	635,974	605,865	637,950	643,236
Recreation	335,324	448,080	590,152	639,139
Interest on long-term debt	64,852	53,146	42,612	34,524
Total governmental activities expenses	<u>2,008,670</u>	<u>1,972,024</u>	<u>2,173,881</u>	<u>2,565,099</u>
Business-type activities:				
Water and sewer	1,722,773	1,832,215	1,917,928	2,047,309
Park	1,026,247	1,037,525	1,004,459	1,088,844
Total business-type activities expenses	<u>2,749,020</u>	<u>2,869,740</u>	<u>2,922,387</u>	<u>3,136,153</u>
Total primary government expenses	<u>4,757,690</u>	<u>4,841,764</u>	<u>5,096,268</u>	<u>5,701,252</u>
Program revenues				
Governmental activities:				
Charges for services:				
General government	87,900	68,512	107,566	58,225
Public works	1,667	3,358	4,039	6,774
Public safety	-	4	-	-
Recreation	81,598	40,427	41,677	29,414
Operating grants and contributions:				
Public works	96,423	106,436	114,027	122,510
Public safety	80,959	-	90	-
Recreation	50,000	135,823	265,077	286,072
Capital grants and contributions:				
Public works	27,879	5,241	17,610	88,001
Cultural and recreation	-	-	-	-
Total governmental activities program revenues	<u>426,426</u>	<u>359,801</u>	<u>550,086</u>	<u>590,996</u>
Business-type activities:				
Charges for services:				
Water and sewer	1,843,925	1,964,797	2,219,015	2,419,648
Park	906,771	876,128	921,039	909,015
Capital grants and contributions:				
Water and sewer	-	-	9,432	48,000
Total business-type activities program revenues	<u>2,750,696</u>	<u>2,840,925</u>	<u>3,149,486</u>	<u>3,376,663</u>
Total primary government program revenues	<u>\$ 3,177,122</u>	<u>\$ 3,200,726</u>	<u>\$ 3,699,572</u>	<u>\$ 3,967,659</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
Changes in Net Assets
Last Four Fiscal Years
(Accrual Basis of Accounting)

Table 2,
Continued

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Net (expense) revenue				
Governmental activities	\$ (1,582,244)	\$ (1,612,223)	\$ (1,623,795)	\$ (1,974,103)
Business-type activities	1,676	(28,815)	227,099	240,510
Total primary government net expense	<u>\$ (1,580,568)</u>	<u>\$ (1,641,038)</u>	<u>\$ (1,396,696)</u>	<u>\$ (1,733,593)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes:				
Property taxes, levied for general purposes	\$ 1,036,661	\$ 1,274,622	\$ 1,305,279	\$ 1,318,538
Other taxes	557,988	588,820	648,821	733,955
Grants and contributions not restricted to specific programs	154,172	63,686	64,390	64,844
Investment earnings, unrestricted	27,644	37,151	90,451	131,470
Miscellaneous	7,777	-	1,280	-
Gain (loss) on sale of capital assets	436,975	31,498	(11,645)	-
Transfers	(51,400)	(51,400)	68,700	-
Change in reserve for prepaid items	-	-	(125)	(103)
Total governmental activities	<u>2,169,817</u>	<u>1,944,377</u>	<u>2,167,151</u>	<u>2,248,704</u>
Business-type activities:				
Grants and contributions not restricted to specific programs	57,931	3,755	-	-
Investment earnings, unrestricted	59,896	76,130	112,274	154,193
Miscellaneous	12,552	13,705	-	-
Payments to Piedmont Triad Regional Water Authority	-	-	-	(45,479)
Gain (loss) on sale of capital assets	(2,687)	(11,892)	(3,914)	7,913
Transfers	51,400	51,400	(68,700)	-
Total business-type activities	<u>179,092</u>	<u>133,098</u>	<u>39,660</u>	<u>116,627</u>
Total primary government	<u>2,348,909</u>	<u>2,077,475</u>	<u>2,206,811</u>	<u>2,365,331</u>
Change in net assets				
Governmental activities	587,573	332,154	543,356	274,601
Business-type activities	<u>180,768</u>	<u>104,283</u>	<u>266,759</u>	<u>357,137</u>
Total primary government	<u>\$ 768,341</u>	<u>\$ 436,437</u>	<u>\$ 810,115</u>	<u>\$ 631,738</u>

TOWN OF JAMESTOWN, NORTH CAROLINA
Program Revenues by Function
Last Four Fiscal Years
(Modified Accrual Basis of Accounting)

Table 3

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities:				
General government	\$ 87,900	\$ 68,512	\$ 107,566	\$ 58,225
Public works	125,969	115,035	135,676	217,285
Public safety	80,959	4	90	-
Recreation	131,598	176,250	306,754	315,486
Subtotal for governmental activities	<u>426,426</u>	<u>359,801</u>	<u>550,086</u>	<u>590,996</u>
Business-type activities:				
Water and sewer	1,843,925	1,964,797	2,228,447	2,467,648
Park	906,771	876,128	921,039	909,015
Subtotal for business-type activities	<u>2,750,696</u>	<u>2,840,925</u>	<u>3,149,486</u>	<u>3,376,663</u>
Total primary government	<u><u>\$ 3,177,122</u></u>	<u><u>\$ 3,200,726</u></u>	<u><u>\$ 3,699,572</u></u>	<u><u>\$ 3,967,659</u></u>

TOWN OF JAMESTOWN, NORTH CAROLINA
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 4

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Fund Balance										
General Fund										
Reserved:										
Reserved for prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125	\$ 228
Reserved by state statute	114,097	9,038	5,994	29,428	57,458	94,445	190,373	162,408	189,178	198,573
Reserved for streets - Powell Bill	292,619	327,517	327,027	229,722	300,047	324,109	273,076	278,974	376,968	191,056
Unreserved:										
Designated for subsequent year's expenditures	218,073	159,925	34,300	169,344	1,061,640 (1)	1,037,547 (1)	-	-	-	-
Undesignated	<u>776,277</u>	<u>1,113,263</u>	<u>1,665,231</u>	<u>1,892,299</u>	<u>843,251</u>	<u>511,335 (2)</u>	<u>1,130,838 (2)</u>	<u>802,257 (3)</u>	<u>1,039,897</u>	<u>1,274,885</u>
Total general fund	<u>\$ 1,401,066</u>	<u>\$ 1,609,743</u>	<u>\$ 2,032,552</u>	<u>\$ 2,320,793</u>	<u>\$ 2,262,396</u>	<u>\$ 1,967,436</u>	<u>\$ 1,594,287</u>	<u>\$ 1,243,639</u>	<u>\$ 1,606,168</u>	<u>\$ 1,664,742</u>

(1) - Town Hall renovation budgeted

(2) - Town Hall renovation expenditures

(3) - Construction of new recreational fields and facilities

TOWN OF JAMESTOWN, NORTH CAROLINA
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 5

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Revenues										
Ad Valorem Taxes	\$ 665,345	\$ 741,762	\$ 845,948	\$ 845,701	\$ 871,839	\$ 961,392	\$ 1,035,919	\$ 1,269,626	(1) \$ 1,311,700	\$ 1,315,724
Other Taxes and Licenses	557,855	591,508	651,789	745,122	553,249	626,732	557,988	588,820	648,821	733,955
Unrestricted Intergovernmental	23,988	24,595	22,855	20,774	13,774	263,830	74,172	226,550	292,952	313,483
Restricted Intergovernmental	731,071	(2) 100,635	102,146	132,667	132,092	179,445	249,589	105,403	170,757	239,535
Permits and fees	62,238	44,845	22,654	22,387	25,977	19,132	155,021	98,816	140,805	81,182
Investment earnings	88,929	78,215	75,165	180,084	79,365	53,065	38,716	43,425	101,331	96,321
Miscellaneous	38,491	146,062	83,962	62,378	77,359	49,210	7,777	-	1,280	2,338
Total revenues	<u>2,167,917</u>	<u>1,727,622</u>	<u>1,804,519</u>	<u>2,009,113</u>	<u>1,753,655</u>	(3) <u>2,152,806</u>	<u>2,119,182</u>	<u>2,332,640</u>	<u>2,667,646</u>	<u>2,782,538</u>
Expenditures										
General government	605,902	639,948	396,313	415,981	485,969	408,255	540,949	461,856	506,646	513,273
Public works	1,147,932	(4) 326,968	430,312	607,065	414,180	394,905	312,056	308,194	314,252	644,911
Public safety	307,367	321,542	307,862	391,478	457,771	245,574	585,545	567,188	588,133	593,419
Recreation	80,680	110,517	131,695	249,662	271,188	258,242	332,819	442,591	557,972	595,462
Capital Outlay	47,620	119,704	104,931	702,942	356,416	911,941	882,596	603,065	174,453	263,617
Debt service										
Principal	18,145	37,778	50,366	87,841	182,293	230,519	234,261	226,236	188,772	191,479
Interest and other charges	6,675	26,628	27,671	39,645	74,991	77,030	66,030	54,256	43,589	34,853
Total expenditures	<u>2,214,321</u>	<u>1,583,085</u>	<u>1,449,150</u>	<u>2,494,614</u>	<u>2,242,808</u>	<u>2,526,466</u>	<u>2,954,256</u>	<u>2,663,386</u>	<u>2,373,817</u>	<u>2,837,014</u>
Excess of revenues over (under) expenditures	(46,404)	144,537	355,369	(485,501)	(489,153)	(373,660)	(835,074)	(330,746)	293,829	(54,476)
Other financing sources (uses)										
Proceeds from issuance of debt	-	-	-	634,088	425,270	-	19,775	-	-	109,762
Proceeds from sale of fixed assets	-	-	-	-	-	-	436,975	31,498	-	3,288
Transfers from other funds	61,089	64,140	67,440	70,800	74,340	78,700	78,600	78,600	78,700	-
Transfers to other funds	-	-	-	-	-	-	(130,000)	(130,000)	(10,000)	-
Total other financing sources (uses)	<u>61,089</u>	<u>64,140</u>	<u>67,440</u>	<u>704,888</u>	<u>499,610</u>	<u>78,700</u>	<u>405,350</u>	<u>(19,902)</u>	<u>68,700</u>	<u>113,050</u>
Net change in fund balances	<u>\$ 14,685</u>	<u>\$ 208,677</u>	<u>\$ 422,809</u>	<u>\$ 219,387</u>	<u>\$ 10,457</u>	<u>\$ (294,960)</u>	<u>\$ (429,724)</u>	<u>\$ (350,648)</u>	<u>\$ 362,529</u>	<u>\$ 58,574</u>
Debt services as a percentage of noncapital expenditures	1.2%	4.6%	6.2%	7.7%	15.8%	23.5%	17.0%	15.8%	11.8%	9.6%

(1) Tax revaluation

(2) Received NC Dept of Transportation grant

(3) State withheld revenues

(4) Grant money received was expended on public works project

TOWN OF JAMESTOWN, NORTH CAROLINA
General Governmental Tax Revenues By Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Table 6

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Tax</u>	<u>Alcoholic Beverage Tax</u>	<u>Other Taxes</u>	<u>Total</u>
1998	\$ 665,345	\$ 368,809	\$ 162,859	\$ 11,819	\$ 26,187	\$ 1,235,019
1999	741,762	406,736	158,450	12,851	26,322	1,346,121
2000	845,948	428,538	194,442	13,341	28,809	1,511,078
2001	845,701	496,550	218,927	15,439	29,645	1,606,262
2002	871,839	419,044	104,165	-	30,040	1,425,088
2003	961,392	403,282	223,450	13,153	-	1,601,277
2004	1,035,919	335,377	222,611	13,275	-	1,607,182
2005	1,269,626	360,492	228,328	13,686	-	1,872,132
2006	1,311,700	423,461	225,360	14,390	-	1,974,911
2007	1,315,724	435,578	298,377	14,844	-	2,064,523

* Franchise Tax includes Cable TV and Utilities Franchise taxes

TOWN OF JAMESTOWN, NORTH CAROLINA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 7

Fiscal Year Ended June 30	(1) Real Property Residential and Commercial Property	(1) Personal Property Motor Vehicle and Other Personal Property	Total Taxable Assessed Value	(2) Total Direct Tax Rate	(3) Estimated Actual Taxable/Market Value	Assessed Value as a Percentage of Market Value
1998	NA	NA	\$ 218,067,973	0.0031	NA	NA
1999	\$ 184,314,609	\$ 59,118,758	243,433,367	0.0031	NA	NA
2000	204,791,805	72,451,165	277,242,970	0.0031	NA	NA
2001	213,746,615	64,566,449	278,313,064	0.0031	\$ 314,478,038	88.50%
2002	224,974,694	62,967,128	287,941,822	0.0031	339,674,203	84.77%
2003	230,387,117	55,905,531	286,292,648	0.0034	344,143,104	83.19%
2004	244,873,397	56,901,519	301,774,916	0.0035	374,410,566	80.60%
2005	315,764,975	59,003,582	374,768,557	0.0035	377,220,490	99.35%
2006	321,729,742	59,361,312	381,091,054	0.0035	386,149,614	98.69%
2007	325,449,677	58,880,432	384,330,109	0.0035	NA	NA

(1) Source Guilford County Tax Department

(2) Per \$100 value

(3) Estimated actual taxable value of real property is calculated by dividing taxable assessed value by a real estate assessment sales ratio percentage obtained from the North Carolina Department of Revenue Tax Research Division

NA Data not available

TOWN OF JAMESTOWN, NORTH CAROLINA
Property Tax Rates - Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

Table 8

Guilford County			
Fiscal Year	Town of Jamestown	Guilford County	Combined Tax Rate
1998	0.31	0.6572	0.9672
1999	0.31	0.6372	0.9472
2000	0.31	0.6372	0.9472
2001	0.31	0.6372	0.9472
2002	0.31	0.6742	0.9842
2003	0.34	0.6742	1.0142
2004	0.35	0.7135	1.0635
2005	0.35	0.6184	0.9684
2006	0.35	0.6428	0.9928
2007	0.35	0.6615	1.0115

Source: Guilford County Finance Department.

TOWN OF JAMESTOWN, NORTH CAROLINA
Principal Taxpayers For the Year
Fiscal Years Ended June 30, 2007 and 1998

Table 9

<u>Taxpayer</u>	<u>Type of Enterprise</u>	<u>Fiscal Year 2007</u>	
		<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Flowers Baking Company of Jamestown	Manufacturing	\$ 6,645,220	1.73%
Inland Southeast Forestdale LLC	Shopping Center	4,090,800	1.06%
Flowers Baking Company of High Point	Manufacturing	4,077,100	1.06%
Kres LLC	Owner of Manufacturing Facility	2,792,700	0.73%
Northpoint Family Limited Partnership	Owner of Manufacturing Facility	2,662,700	0.69%
Viking Polymers LLC	Manufacturing	2,658,284	0.69%
Jamestown Bob LLC	Shopping Center	2,342,700	0.61%
Jamestown Village Association	Apartments	2,052,400	0.53%
Highland Containers, Inc	Manufacturing	1,962,300	0.51%
Chemcentral Atlantic Corp	Distributor	1,862,200	0.48%
Total		\$ 31,146,404	8.10%

<u>Taxpayer</u>	<u>Type of Enterprise</u>	<u>Fiscal Year 1998</u>	
		<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Flowers Baking Company of High Point	Manufacturing	\$ 7,585,471	3.48%
Highland Containers, Inc.	Manufacturing	7,531,108	3.45%
Wachovia Leasing Corporation	Financial Institution	6,336,101	2.91%
Oakdale Cotton Mills	Manufacturing	5,278,954	2.42%
Bellsouth Carolina	Communications	3,049,172	1.40%
K Partnership	Commercial real estate	1,861,300	0.85%
Jamestown Village Association	Apartments	1,752,000	0.80%
Yorkleigh Associates	Apartments	1,579,714	0.72%
Triad Holding Co., LLC	Commercial real estate	1,429,700	0.66%
High Point Bank & Trust Co	Financial Institution	1,390,285	0.64%
Total		\$ 37,793,805	9.06%

Source: Guilford County Tax Department.

TOWN OF JAMESTOWN, NORTH CAROLINA
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 10

Fiscal Year	Net Tax Levy	Collection on Current Year Levy		Collection on Prior Years' Levies	Total Tax Collections	Total Tax Collections to Net Tax Levy	Outstanding Delinquent Taxes
		Amount	Percent				
1998	\$ 676,121	\$ 673,340	99.59%	\$ 2,082	\$ 675,422	99.90%	\$ 8,029
1999	754,643	750,809	99.49%	2,169	752,978	99.78%	8,706
2000	859,453	855,387	99.53%	3,086	858,473	99.89%	8,506
2001	862,770	856,927	99.32%	2,943	859,870	99.66%	11,370
2002	892,620	888,317	99.52%	4,126	892,443	99.98%	11,361
2003	973,395	965,942	99.23%	3,682	969,624	99.61%	14,721
2004	1,056,212	1,048,009	99.22%	5,422	1,053,431	99.74%	16,997
2005	1,311,690	1,302,489	99.30%	4,816	1,307,305	99.67%	20,886
2006	1,333,819	1,327,939	99.56%	7,344	1,335,283	100.11%	18,905
2007	1,345,155	1,336,592	99.36%	4,608	1,341,200	99.71%	22,503

Source: Town of Jamestown audited financial statements.
Town of Jamestown property taxes are collected by the Guilford County Tax Department.

TOWN OF JAMESTOWN, NORTH CAROLINA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 11

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government Debt	Total Outstanding Debt per Capita
	Installment Financing	Outstanding Debt per Capita	Ratio of Outstanding Debt to Estimated Actual Value of Taxable Property	Installment Financing	Outstanding Debt per Capita		
1997	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	\$ -
1998	-	-	0.00%	-	-	-	-
1999	-	-	0.00%	-	-	-	-
2000	-	-	0.00%	-	-	-	-
2001	-	-	0.00%	-	-	-	-
2002	-	-	0.00%	-	-	-	-
2003	1,343,182	434	0.39%	2,753,553	891	4,096,735	1,325
2004	1,128,696	346	0.30%	2,401,409	737	3,530,105	1,084
2005	902,460	275	0.24%	2,037,748	620	2,940,208	895
2006	713,688	215	0.18%	1,693,700	511	2,407,388	726
2007	631,971	NA	NA	1,330,622	NA	1,962,593	NA

(a) June 30, 2007 population is available in September 2008.

NA - Not available.

Population data is shown on the Demographic Statistics schedule.

See the schedule of Assessed and Estimated Actual Value of Taxable Property in the Revenue Capacity section.

Total personal income is not available for the Town of Jamestown.

TOWN OF JAMESTOWN, NORTH CAROLINA
Computation of Legal Debt Margin and Actual Debt
Last Ten Fiscal Years

Table 12

Fiscal Year	Assessed Valuation	Legal Debt Limit	Installment Debt
1998	\$ 218,067,973	\$ 17,445,438	\$ 533,257
1999	243,433,367	19,474,669	495,477
2000	277,242,970	22,179,438	685,051
2001	278,313,064	22,265,045	1,231,299
2002	287,941,822	23,035,346	1,573,706
2003	286,292,648	22,903,412	1,343,187
2004	301,774,916	24,141,993	1,128,696
2005	374,768,557	29,981,485	902,460
2006	381,091,054	30,487,284	713,688
2007	384,330,109	30,746,409	631,971

Under North Carolina General Statutes, the net debt of the Town is not to exceed eight percent (8%) of the assessed value of property subject of taxation by the City. All debt issued for Jamestown's governmental activities has been installment financing.

Excludes business-type activities.

TOWN OF JAMESTOWN, NORTH CAROLINA
Demographic Statistics
Last Ten Fiscal Years

Table 13

Fiscal Year	Jamestown Population (1)	Greensboro - High Point MSA Population (2)	Total Personal Income (2) (Thousands of Dollars)	Per Capita Income (2)	Unemployment Rate (3)	Guilford County Public School Enrollment (4)
1998	3,109	626,891	\$ 16,525,690	\$ 26,361	2.6	59,120
1999	3,542	637,026	17,175,351	26,962	2.3	60,322
2000	3,103	645,440	18,138,041	28,102	2.9	61,190
2001	3,107	651,908	18,463,499	28,322	4.6	61,894
2002	3,091	656,444	18,599,507	28,334	6.5	62,767
2003	3,092	661,224	19,001,250	28,736	6.7	63,873
2004	3,258	665,317	20,159,781	30,301	6.0	65,199
2005	3,285	674,219	21,213,653	31,464	5.6	66,367
2006	3,317	NA	22,469,000	32,784	5.1	68,118
2007	NA	NA	NA	NA	5.3	69,677

- Source: (1) Office of Budget and Management for the State of North Carolina.
(2) Bureau of Economic Analysis Information for Greensboro-High Point Metropolitan Statistical Area.
(3) Bureau of Labor Statistics; years 1998-2003 for Greensboro-High Point-Winston-Salem MSA; years 2004-2007 for Greensboro-High Point MSA.
(4) Average daily membership of Guilford County Schools as compiled by North Carolina Department of Public Instruction. NA Data is not available.

TOWN OF JAMESTOWN, NORTH CAROLINA
Principal Employers For the Year
Fiscal Year Ended June 30, 2007

Table 14

Employer	Type of Enterprise	Number of Employees
Guilford County Schools	Public School	> 100
Flowers Bakery	Manufacturing	> 100
Highland Containers	Manufacturing	< 100
Viking Polymer	Manufacturing	< 100
Food Lion	Retail Store	< 100
Precision Fabrication	Manufacturing	< 100
Greensboro Metal Parts	Manufacturing	< 100
Dominos	Food Service	< 100
Mrs. Winners	Food Service	< 100
Town of Jamestown	Municipal Government	< 100

Total employment within the Town of Jamestown is not available.
Employment data for nine years ago is not available.

Information was provided by Jamestown Business Association,
through direct contact with employers and through Town records.

TOWN OF JAMESTOWN, NORTH CAROLINA
Full-Time City Government Employees by Function
Last Ten Fiscal Years

Table 15

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund:										
General Government	3	3	3	3	3	3	3	3	3	4
Public Works	5	5	5	5	5	3	2	2	2	1
Public Safety	1	1	1	1	2	2	0	0	0	0
Recreation	1	1	2	2	2	2	2	2	2	2
General Fund	<u>10</u>	<u>10</u>	<u>11</u>	<u>11</u>	<u>12</u>	<u>10</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Enterprise Fund:										
Water Sewer	6	6	7	7	9	10	9	9	9	8
Park	12	12	12	11	12	12	11	14	15	15
Enterprise Funds	<u>18</u>	<u>18</u>	<u>19</u>	<u>18</u>	<u>21</u>	<u>22</u>	<u>20</u>	<u>23</u>	<u>24</u>	<u>23</u>
City Total	<u><u>28</u></u>	<u><u>28</u></u>	<u><u>30</u></u>	<u><u>29</u></u>	<u><u>33</u></u>	<u><u>32</u></u>	<u><u>27</u></u>	<u><u>30</u></u>	<u><u>31</u></u>	<u><u>30</u></u>

Source: Town of Jamestown records.

This schedule includes only regular full-time employees.

TOWN OF JAMESTOWN, NORTH CAROLINA
Operating Indicators by Function
Last Ten Fiscal Years

Table 16

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Planning & Zoning:										
Development Clearance Certificates Issued	105	69	57	94	98	92	85	59	92	41
Zoning Code Violation Investigated	-	-	-	-	-	-	-	-	71	33
Zoning Cases Prepared	1	5	1	-	2	5	3	3	3	5
Site Plans Approved	-	-	-	-	-	-	-	-	-	7
Sign Permits Issued	2	6	8	6	8	10	9	21	16	22
Public Works:										
Brush, Grass & Leaf Pick-Up (tons)	491	277	499	602	631	1,399	814	810	770	818 (4)
Residential & Commercial Garbage Pick-up (tons)	1,173	1,209	1,322	1,237	1,345	1,384	1,391	1,451	1,475	1,460
Recycling (tons)	190	193	218	185	176	185	183	220	230	189 (3)
Recreation:										
Baseball Field Usage (# games)	NA	NA	NA	NA	NA	NA	NA	NA	NA	273 (1)
Soccer Field Usage (# games)	NA	NA	NA	NA	NA	NA	NA	NA	NA	286 (1)
Utility System:										
Water Connections	1,748	1,873	1,900	2,205	2,270	2,309	2,355	2,378	2,415	2,503 (5)
Sewer Connections	NA	NA	NA	NA	NA	NA	NA	NA	NA	4,354
Sewer Treatment (gallons)	NA	NA	NA	NA	NA	NA	NA	NA	451,788,250	499,481,500 (2)
Park:										
Rounds of golf played - 18 holes	NA	NA	NA	NA	NA	NA	NA	NA	15,989	21,679
Rounds of golf played - 9 holes	NA	NA	NA	NA	NA	NA	NA	NA	15,181	8,506
Carts rented	NA	NA	NA	NA	NA	NA	NA	NA	26,542	25,800

Sources: Various Town Departments.

NA - Data Not Available

- (1) Includes Gibson Park, which is owned by Guilford County, and operated by Jamestown
- (2) Sewer is sent to City of High Point for treatment
- (3) Net of contaminated loads taken to landfill
- (4) Ice Storm in year 2003
- (5) Years 1998 - 2006 as of December; 2007 as of June

TOWN OF JAMESTOWN, NORTH CAROLINA
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 17

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>Function/Program</u>										
Administration:										
Municipal Buildings	1	1	1	1	1	1	1	1	1	1
Refuse Collection:										
Sanitation Trucks	2	2	2	2	3	3	3	3	3	3
Other Public Works:										
Streets (Miles-Paved)	14.93	14.93	15.23	15.54	15.95	16.04	16.13	16.13	16.13	16.38
Sidewalks (Linear Feet)	NA	NA	NA	NA	NA	NA	NA	NA	30,279	32,024
Public Safety:										
Fire Stations	1	1	1	1	1	1	1	1	1	1
Culture and Recreation:										
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Baseball Fields	2	2	2	2	2	2	2	2	2	2
Soccer Fields (1)	2	2	2	2	2	2	2	4	4	4
Playgrounds (1)	1	1	1	1	1	1	1	2	2	2
Picnic Shelters (1)	3	3	3	3	3	3	3	3	3	3
Utility System:										
Pump Stations	4	4	4	4	4	4	3	3	3	3
Water Mains (Miles)	NA	NA	NA	NA	NA	NA	NA	NA	40	40
Sewer Mains (Miles)	NA	NA	NA	NA	NA	NA	NA	NA	55	55
Park:										
Acerage of Golf Course	100	100	100	100	100	100	100	100	100	100

Sources: Various Town Departments.
Miles of Streets from Powell Bill Reports.
(1) Excludes Gibson Park, owned by
Guilford County, operated by Jamestown
NA: Data not available.

COMPLIANCE SECTION



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor, Members of the Town Council
and the Town Manager
Town of Jamestown
Jamestown, North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Jamestown, North Carolina as of and for the year ended June 30, 2007, which collectively comprise the Town of Jamestown's basic financial statements, and have issued our report thereon dated October 2, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Jamestown's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Jamestown's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town's financial statements that is more than inconsequential will not be prevented or detected by the Town's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Town's internal control.

Our consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Jamestown's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, members of the Town Council, and federal and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Dixon Hughes PLLC

October 2, 2007