

**BEAUFORT COUNTY, NORTH CAROLINA**  
**FINANCIAL STATEMENTS**  
**June 30, 2011**

BEAUFORT COUNTY, NORTH CAROLINA  
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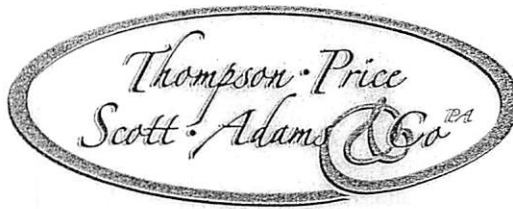
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**Financial Section**



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Independent Auditors Report

To the Board of County Commissioners  
Beaufort County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Beaufort County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Beaufort County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Beaufort County Hospital Association or Beaufort County ABC Board. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for Beaufort County Hospital Association and Beaufort County ABC Board is based solely on the reports of the other auditors.

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 financial statements are free of material misstatement. The financial statements of Beaufort County ABC Board were not audited in accordance with *Government Auditing Standards*. 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 and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Beaufort County, North Carolina as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, 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 January 31, 2012 on our consideration of Beaufort County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of the report is to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing. Not to provide an opinion on the internal control over financial reporting or on compliance. 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 and The Law Enforcement Officers' Special Separation Allowance, and the Other Postemployment Schedules of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We, and the other auditors, 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 the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of Beaufort County, North Carolina. The combining and individual fund statements, budgetary schedules, and other schedules as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, and the accompanying schedule of expenditures of federal and State awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Thompson, Price, Scott, Adams & Co., P.A.*

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*Thompson, Price, Scott, Adams & Co., P.A*  
*January 31, 2012*



## Management's Discussion and Analysis

As management of Beaufort County, we offer readers of Beaufort County's financial statements this narrative overview and analysis of the financial activities of Beaufort County for the fiscal year ended June 30, 2011. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

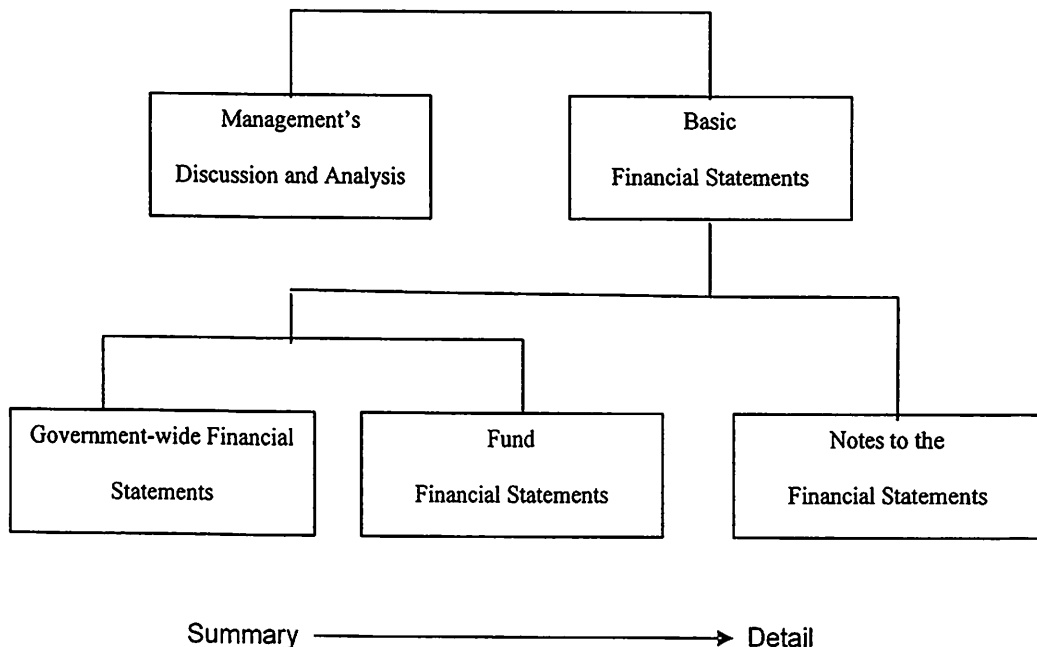
### Financial Highlights

- The assets of Beaufort County exceeded its liabilities at the close of the fiscal year by \$16,062,223. (*net assets*).
- The County's total net assets for Governmental activities and Business-type activities were \$(14,673,869) and \$30,736,092 respectively.
- At the close of the current fiscal year, Beaufort County's governmental funds reported combined ending fund balances of \$20,986,577, an increase of \$6,919,535. Approximately 53 percent of this total amount, or \$11,166,580 is available for spending at the government's discretion (*unassigned*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,166,580 or 19 percent of total general fund expenditures for the fiscal year.
- Beaufort County's total debt increased by \$6,770,191 during the current fiscal year. The key factors in this decrease was the retirement debt.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Beaufort County's basic financial statements. The County'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 County 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 Beaufort County. 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 County's financial status.

The next statements (Exhibits 3 through 10) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary 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 County's non-major governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements. Following the notes is the required supplemental information; this section contains funding information about the County's pension plan.

### **Government-wide Financial Statements**

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

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

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and landfill services offered by Beaufort County. The final category is the component units. Beaufort County Hospital is a public hospital operated by a not-for-profit corporation that has leased the hospital from the County for a period of 99 years. The County appoints the board of trustees for the hospital and has issued debt on its behalf. Although legally separate from the County, the ABC Board is important to the County because the County the Board by appointing its members. Also, the ABC Board is important to the County because the Board is required to distribute its profits to the County.

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 County'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. Beaufort County, 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 County's budget ordinance. All of the funds of Beaufort County can be divided into three categories: governmental funds, proprietary funds and fiduciary 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 County'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*. This method also has current financial resources 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 County'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.

Beaufort County 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 County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County 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.

**Proprietary Funds** – Beaufort County has one kind of proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Beaufort County uses enterprise funds to account for its water operations. These funds are the same as those shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Beaufort County has several agency funds.

**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 start on pages of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Beaufort County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on of this report.

Government-Wide Financial Analysis

Figure 2

	Governmental Activities		Business-type Activities		Total
	2011	2010	2011	2010	
Current and other assets	\$ 25,343,111	\$ 19,682,334	\$ 1,620,393	\$ 1,905,439	\$ 26,963,504
Capital assets	14,580,385	9,837,309	68,712,844	70,168,797	83,293,229
Total assets	39,923,496	29,519,643	70,333,237	72,074,236	110,256,733
Long-term liabilities outstanding	51,369,387	43,809,171	39,196,377	39,986,402	90,565,764
Other liabilities	3,227,978	4,382,070	561,442	703,239	3,789,420
Total liabilities	54,597,365	48,191,241	39,757,819	40,689,641	94,355,184
Net assets:					
Invested in capital assets, net of related debt	2,768,123	8,636,090	29,516,467	30,256,686	32,284,590
Restricted	3,877,020	64,033	-	-	3,877,020
Unrestricted	(21,319,012)	(27,369,721)	1,219,625	1,127,909	(20,099,387)
Total net assets	\$ (14,673,869)	\$ (18,669,598)	\$ 30,736,092	\$ 31,384,595	\$ 16,062,223

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of Beaufort County exceeded liabilities by \$16,062,223 as of June 30, 2011. The County's net assets increased by \$3,347,226 for the fiscal year ended June 30, 2011. One of the largest portions reflects the County'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. Beaufort County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Beaufort County'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. The remaining balance of \$(20,099,387) is unrestricted.

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

- Expenditure decreases within the Governmental Activities as well as a decrease reliance on State-shared revenues.
- Increased charges for services in Business-Type activities.

Figure 3

	BEAUFORT COUNTY'S CHANGES IN NET ASSETS				
	Governmental Activities		Business-type Activities		Total
	2011	2010	2011	2010	2011
<b>Revenues:</b>					
<b>Program revenues:</b>					
Charges for services	\$ 5,265,764	\$ 3,553,998	\$ 5,823,038	\$ 5,741,297	\$ 11,088,802
Operating grants and contributions	11,173,562	12,861,852	-	-	11,173,562
Capital grants and contributions	1,738,755	1,541,685	-	60,610	1,738,755
<b>General revenues:</b>					
Property taxes	31,113,270	27,708,936	-	-	31,113,270
Other taxes	7,809,789	7,667,078	-	-	7,809,789
Grants and contributions not restricted to specific programs	-	-	-	-	-
Other	102,501	48,262	-	543	102,501
<b>Total revenues</b>	<b>57,203,641</b>	<b>53,381,811</b>	<b>5,823,038</b>	<b>5,802,450</b>	<b>63,026,679</b>
<b>Expenses:</b>					
General government	4,840,940	4,434,879	-	-	4,840,940
Public safety	9,785,993	9,246,767	-	-	9,785,993
Economic and physical development	2,037,156	2,742,484	-	-	2,037,156
Human services	15,033,390	15,047,965	-	-	15,033,390
Cultural and recreation	378,180	514,412	-	-	378,180
Education	16,072,580	15,451,104	-	-	16,072,580
Interest on long-term debt	1,684,004	1,832,625	-	-	1,684,004
Environmental Protection	3,087,046	2,852,219	-	-	3,087,046
Water and sewer	-	-	6,304,802	5,272,733	6,304,802
<b>Total expenses</b>	<b>52,919,289</b>	<b>52,122,455</b>	<b>6,304,802</b>	<b>5,272,733</b>	<b>59,224,091</b>
<b>Increase in net assets before transfers and special items</b>					
		1,259,356		529,717	-
Transfers	-	-	-	-	-
<b>Increase in net assets</b>	<b>4,284,352</b>	<b>1,259,356</b>	<b>(481,764)</b>	<b>529,717</b>	<b>3,802,588</b>
Net assets, July 1	(18,699,598)	(19,928,954)	31,384,595	30,854,878	12,684,997
Prior Period Adjustment	(288,623)	-	(166,739)	-	(455,362)
<b>Net assets, June 30</b>	<b>\$ (14,703,869)</b>	<b>\$ (18,669,598)</b>	<b>\$ 30,736,092</b>	<b>\$ 31,384,595</b>	<b>\$ 16,032,223</b>

**Governmental activities:** Governmental activities increased the County's net assets by \$4,284,352. Key elements of this increase are as follows:

- Decrease in expenditures.

**Business-type activities:** Business-type activities decreased Beaufort County's net assets by \$481,764. Key elements of this decrease are as follows:

- Water and sewer fee collections did not cover the cost of providing the service.

#### Financial Analysis of the County's Funds

As noted earlier, Beaufort County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of Beaufort County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information

is useful in assessing Beaufort County's financing requirements. Specifically, unreserved fund balance available for appropriation 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 Beaufort County. At the end of the current fiscal year, fund balance available for appropriation of the General Fund was \$11,166,580, while total fund balance reached \$14,114,603. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19% of total General Fund expenditures, while total fund balance represents 25% of that same amount.

At June 30, 2011, the governmental funds of Beaufort County reported a combined fund balance of \$20,986,577, a \$6,919,535 increase from last year. The primary reason for this increase is the increase in fund balance in the BCCC Project Fund.

**General Fund Budgetary Highlights:** During the fiscal year, the County 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.

**Proprietary Funds:** Beaufort County'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 District equaled \$1,219,625. The total decrease in net assets was \$481,764. Other factors' concerning the finances of this fund have already been addressed in the discussion of Beaufort County's business-type activities.

#### Capital Asset and Debt Administration

**Capital assets:** Beaufort County's capital assets for its governmental and business -type activities as of June 30, 2011, totals \$83,293,229 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include:

- Server, Software & Copier
- Vehicles
- Generator

#### BEAUFORT COUNTY'S CAPITAL ASSETS (net of depreciation)

	Governmental Activities		Business-type Activities		Total	Total
	2010	2011	2010	2011	2010	2011
Land	\$ 3,855,275	\$ 5,331,059	\$ 75,961	\$ 75,961	\$ 3,931,236	\$ 5,407,020
Buildings and system Improvements other than buildings	5,258,925	8,323,462	9,628,057	68,566,119	14,886,982	76,889,581
Equipment and vehicles Infrastructure	723,109	546,189	80,357	70,764	803,466	616,953
Construction in progress	-	379,675	60,384,422	-	60,384,422	379,675
<b>Total</b>	<b>\$ 9,837,309</b>	<b>\$ 14,580,385</b>	<b>\$ 70,168,797</b>	<b>\$ 68,712,844</b>	<b>\$ 80,006,106</b>	<b>\$ 83,293,229</b>

Figure 4

Additional information on the County's capital assets can be found in the notes to the financial statements of this audited financial report.

**Long-term Debt.** As of June 30, 2011 Beaufort County had total bonded debt outstanding of \$65,599,300 all of which is debt backed by the full faith and credit of the County.

	<b>Beaufort County's Outstanding Debt General Obligation and Revenue Bonds</b>					
	Governmental Activities		Business-type Activities		Total	Total
	2010	2011	2010	2011	2010	2011
General obligation bonds	\$ 28,350,000	\$ 26,750,000	\$ 39,582,800	\$ 38,849,300	\$ 67,932,800	\$ 65,599,300

**Figure 5**

Beaufort County's total debt increased by \$6,770,191 during the past fiscal year, primarily due to the retirement of bonds.

As mentioned in the financial highlights section of this document, Beaufort County maintained its A bond rating from Moody's Investor Service. This bond rating is a clear indication of the sound financial condition of Beaufort County. This achievement is a primary factor in keeping interest costs low on the County's outstanding debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue up to 8% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Beaufort County is \$369,891,949. The County has no in bonds authorized but un-issued at June 30, 2011.

Additional information regarding Beaufort County's long-term debt can be found in the notes to the financial statements of this audited financial report.

#### **Economic Factors and Next Year's Budgets and Rates**

The following key economic indicators reflect the outlook of the County.

- Through the past 12 months of unsure market instability the County has chosen to be conservative in projecting revenues. A drop in retail sales and a spike in the unemployment rate reflect the current economic times, and closely match that of similar sized counties.

#### **Budget Highlights for the Fiscal Year Ending June 30, 2012**

**Governmental Activities:** Budgetary cuts across the board reflect the County's anticipation of the potential decrease in revenues as a result of market instability. Property tax growth predications have been more conservative than in prior years due to decreased activity in commercial and single family home real estate development.

Budgeted expenditures in the General Fund are expected to remain constant.

**Business – type Activities:** The water and sewer rates in the County will remain constant. Revenues should increase along with increased usage. General operating expenses will increase to cover increased personnel costs, costs of material, supplies, and other operating expenses.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to:

County Manager  
121 West 3<sup>rd</sup> Street  
Washington, NC 27889



**Basic Financial Statements**

Beaufort County, North Carolina  
Statement of Net Assets  
June 30, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Beaufort County Hospital Inc.	Beaufort County ABC Board
<b>ASSETS</b>					
Cash and cash equivalents	\$ 13,830,243	\$ 1,117,890	\$ 14,948,133	\$ 1,129,699	\$ 471,326
Receivables (net)	5,323,750	955,085	6,278,835	11,529,295	-
Other assets	158,293	-	158,293	1,380,125	133
Inventories	-	-	-	2,721,656	358,866
Prepaid items	-	-	-	300,028	-
Internal balances	452,582	(452,582)	-	-	-
Restricted cash and cash equivalents	5,578,243	-	5,578,243	774,037	-
Capital assets:					
Land, improvements, and construction in progress	5,710,734	75,961	5,786,695	1,610,089	-
Other capital assets, net of depreciation	8,869,651	68,636,883	77,506,534	26,615,866	749,213
Total capital assets	<u>14,580,385</u>	<u>68,712,844</u>	<u>83,293,229</u>	<u>28,225,955</u>	<u>749,213</u>
Total assets	<u>39,923,496</u>	<u>70,333,237</u>	<u>110,256,733</u>	<u>46,060,795</u>	<u>1,579,538</u>
<b>LIABILITIES</b>					
Accounts payable and accrued expenses	1,322,059	131,755	1,453,814	11,394,994	319,986
Accrued interest payable	275,519	160,674	436,193	145,667	-
Compensated absences payable	763,873	52,588	816,461	1,581,319	-
Post closure landfill costs payable	189,343	-	189,343	-	-
Net pension obligation	427,628	-	427,628	1,789,245	-
Other postemployment benefits payable	249,556	13,726	263,282	-	-
Deferred Revenue	-	-	-	276,829	-
Customer deposits	-	42,025	42,025	-	-
Liabilities to be paid from restricted assets	-	-	-	-	-
Long-term liabilities:					
Due within one year	3,576,974	829,025	4,405,999	2,324,076	-
Due in more than one year	47,792,413	38,367,352	86,159,765	17,691,952	-
Total liabilities	<u>54,597,365</u>	<u>39,597,145</u>	<u>94,194,510</u>	<u>35,204,082</u>	<u>319,986</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	1,137,723	29,516,467	30,654,190	8,209,927	749,213
Restricted for:					
Register of Deeds	77,655	-	77,655	-	-
Stabilization by state statute	2,866,045	-	2,866,045	-	-
Public Safety	928,997	-	928,997	-	-
Other purposes	4,323	-	4,323	774,037	510,339
Unrestricted (deficit)	(19,688,612)	1,219,625	(18,468,987)	1,872,749	-
Total net assets	<u>\$ (14,673,869)</u>	<u>\$ 30,736,092</u>	<u>\$ 16,062,223</u>	<u>\$ 10,856,713</u>	<u>\$ 1,259,552</u>

The notes to the financial statements are an integral part of this statement.

Beaufort County, North Carolina  
Statement of Activities  
For the Year Ended June 30, 2011

	Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 4,840,940	\$ 2,676,963	\$ 22,402	\$ -
Public safety	9,785,993	473,445	589,635	-
Cultural and recreation	378,180	-	-	-
Economic and physical development	2,037,156	-	-	1,738,755
Human services	15,033,390	206,477	10,031,037	-
Education	16,072,580	-	423,374	-
Environmental protection	3,087,046	1,908,879	107,114	-
Interest on long-term debt	1,684,004	-	-	-
Total governmental activities	52,919,289	5,265,764	11,173,562	1,738,755
<b>Business-type activities:</b>				
Water	6,304,802	5,823,038	-	-
Total business-type activities	6,304,802	5,823,038	-	-
Total primary government	\$ 59,224,091	\$ 11,088,802	\$ 11,173,562	\$ 1,738,755
<b>Component unit:</b>				
Hospital	80,412,033	68,909,873	-	-
ABC Board	3,242,946	3,286,792	-	-
Total component units	\$ 3,242,946	\$ 3,286,792	-	-

**General revenues:**

**Taxes:**

- Property taxes, levied for general purpose
- Local option sales tax
- Other taxes and licenses
- Grants and contributions not restricted to specific programs
- Investment earnings, unrestricted
- Miscellaneous, unrestricted
- Total general revenues
- Change in net assets

Previous reported Beginning Balance

Prior Period Adjustment

Restated Beginning Balance

Net assets-ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Beaufort County Hospital Inc.	Beaufort County ABC Board
\$ (2,141,575)	\$ -	\$ (2,141,575)		
(8,722,913)	-	(8,722,913)		
(378,180)	-	(378,180)		
(298,401)	-	(298,401)		
(4,795,876)	-	(4,795,876)		
(15,649,206)	-	(15,649,206)		
(1,071,053)	-	(1,071,053)		
(1,684,004)	-	(1,684,004)		
<u>(34,741,208)</u>	<u>-</u>	<u>(34,741,208)</u>		
-	(481,764)	(481,764)		
-	(481,764)	(481,764)		
\$ <u>(34,741,208)</u>	\$ <u>(481,764)</u>	\$ <u>(35,222,972)</u>		
			(11,502,160)	
				43,846
			<u>(11,502,160)</u>	<u>43,846</u>
31,113,270	-	31,113,270	-	-
6,538,586	-	6,538,586	-	-
1,271,203	-	1,271,203	-	-
-	-	-	171,589	-
12,546	-	12,546	42,071	2,615
89,955	-	89,955	87,976	-
<u>39,025,560</u>	<u>-</u>	<u>39,025,560</u>	<u>301,636</u>	<u>2,615</u>
4,284,352	(481,764)	3,802,588	(11,200,524)	46,461
<u>(18,669,598)</u>	<u>31,384,595</u>	<u>12,714,997</u>	<u>24,882,380</u>	<u>833,782</u>
(288,623)	(166,739)	(455,362)	(2,825,143)	379,309
(18,958,221)	31,217,856	12,259,635	22,057,237	1,213,091
\$ <u>(14,673,869)</u>	\$ <u>30,736,092</u>	\$ <u>16,062,223</u>	\$ <u>10,856,713</u>	\$ <u>1,259,552</u>

Beaufort County, North Carolina  
Balance Sheet  
Governmental Funds  
June 30, 2011

	Major Funds			Non-Major Other Governmental Funds	Total
	General	Administrative Building	BCCC Project Fund		
<b>ASSETS</b>					
Cash and cash equivalents	\$ 12,541,410	\$ -	\$ -	\$ 1,288,953	\$ 13,830,363
Restricted cash	-	2,155,798	3,422,445	-	5,578,243
Receivables, net	4,858,597	-	-	384,446	5,243,043
Due from other governments	-	-	-	-	-
Due from other funds	508,350	-	-	3,646	511,996
Total assets	<u>\$ 17,908,357</u>	<u>\$ 2,155,798</u>	<u>\$ 3,422,445</u>	<u>\$ 1,677,045</u>	<u>\$ 25,163,645</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable and accrued liabilities	1,014,939	-	-	29,207	1,044,146
Miscellaneous liabilities	119,620	-	-	-	119,620
Due to other funds	3,646	-	-	55,768	59,414
Other liability	158,293	-	-	-	158,293
Deferred revenue	2,497,256	-	-	298,339	2,795,595
Total liabilities	<u>3,793,754</u>	<u>-</u>	<u>-</u>	<u>383,314</u>	<u>4,177,068</u>
Fund balances:					
Restricted					
Stabilization by state statute	2,866,045	-	-	47,607	2,913,652
Register of Deeds	77,655	-	-	-	77,655
Public safety	-	-	-	928,997	928,997
Committed					
Capital reserve	4,323	-	-	-	4,323
Economic development	-	2,155,798	3,422,445	317,127	5,895,370
Unassigned	11,166,580	-	-	-	11,166,580
Total fund balances	<u>14,114,603</u>	<u>2,155,798</u>	<u>3,422,445</u>	<u>1,293,731</u>	<u>20,986,577</u>
Total liabilities and fund balances	<u>\$ 17,908,357</u>	<u>\$ 2,155,798</u>	<u>\$ 3,422,445</u>	<u>\$ 1,677,045</u>	

Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:

Accrued interest receivable less amount claimed as unearned.	239,000
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	14,580,385
Liabilities for earned but deferred revenues in fund statements.	2,795,595
Some liabilities, including bonds payable and other post employment benefits, are not due and payable in the current period and therefore are not reported in the funds (Note 4).	<u>(53,275,426)</u>
Net assets of governmental activities	<u>\$ (14,673,869)</u>

**Beaufort County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2011**

	Major			Non-Major	Total
	General Fund	Administrative Building	BCCC Project Fund	Other Governmental Funds	
<b>REVENUES</b>					
Ad valorem taxes	\$ 28,443,004	\$ -	\$ -	\$ 2,395,485	\$ 30,838,489
Local option sales taxes	6,538,586	-	-	-	6,538,586
Other taxes and licenses	235,185	-	-	249,749	484,934
Unrestricted intergovernmental	219,641	-	-	-	219,641
Restricted intergovernmental	13,158,577	-	-	2,286,251	15,444,828
Permits and fees	295,110	-	-	-	295,110
Sales and services	2,992,004	-	-	-	2,992,004
Investment earnings	11,618	798	120	130	12,666
Miscellaneous	56,314	-	-	46,409	102,723
Total revenues	51,950,039	798	120	4,978,024	56,928,981
<b>EXPENDITURES</b>					
Current:					
General government	9,357,783	-	-	-	9,357,783
Public safety	6,879,580	-	-	2,752,752	9,632,332
Economic and physical development	581,031	-	160,407	1,674,821	2,416,259
Human services	14,939,197	-	-	-	14,939,197
Cultural and recreational	378,180	-	-	-	378,180
Environmental protection	3,076,223	-	-	-	3,076,223
Intergovernmental:					
Education	16,072,461	-	-	119	16,072,580
Debt service:					
Principal	3,196,784	-	-	-	3,196,784
Interest	1,697,108	-	-	-	1,697,108
Total expenditures	56,178,347	-	160,407	4,427,692	60,766,446
Excess (deficiency) of revenues over expenditures	(4,228,308)	798	(160,287)	550,332	(3,837,465)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers from other funds	211,701	-	-	157,372	369,073
Transfers to other funds	(157,372)	-	-	(211,701)	(369,073)
Debt issued	-	-	-	-	-
Installment purchase obligations issued	4,800,000	2,155,000	3,802,000	-	10,757,000
Total other financing sources and uses	4,854,329	2,155,000	3,802,000	(54,329)	10,757,000
Net change in fund balance	626,021	2,155,798	3,641,713	496,003	6,919,535
Fund balances-beginning	13,488,582	-	(219,268)	797,728	14,067,042
Fund balances-ending	\$ 14,114,603	\$ 2,155,798	\$ 3,422,445	\$ 1,293,731	\$ 20,986,577

The notes to the financial statements are an integral part of this statement.

**Beaufort County, North Carolina**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds to the Statement of Net Assets**  
**For the Year Ended June 30, 2011**

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

Net changes in fund balances - total governmental funds	\$	6,919,535
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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.		4,743,076
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		274,781
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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. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(7,560,216)
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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.		(92,824)
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Total changes in net assets of governmental activities	\$	<u>4,284,352</u>
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The notes to the financial statements are an integral part of this statement.

**Beaufort County, North Carolina**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - General Fund**  
**For the Fiscal Year Ended June 30, 2011**

	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
<b>Revenues:</b>				
Ad valorem taxes	\$ 27,246,857	\$ 28,142,296	\$ 28,443,004	\$ 300,708
Local option sales tax	6,770,102	6,500,343	6,538,586	38,243
Other taxes and licenses	169,500	191,265	235,185	43,920
Unrestricted intergovernmental	202,200	217,929	219,641	1,712
Restricted intergovernmental	10,171,603	13,717,089	13,158,577	(558,512)
Permits and fees	264,500	280,212	295,110	14,898
Sales and services	2,614,955	3,029,642	2,992,004	(37,638)
Investment earnings	-	-	11,618	11,618
Miscellaneous	2,673,167	48,500	56,314	7,814
Total revenues	<u>50,112,884</u>	<u>52,127,276</u>	<u>51,950,039</u>	<u>(177,237)</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	4,825,681	9,662,014	9,357,783	304,231
Public safety	7,395,638	7,254,731	6,879,580	375,151
Economic and physical development	595,963	621,169	581,031	40,138
Human services	14,504,467	15,523,238	14,939,197	584,041
Environmental protection	3,118,781	3,103,410	3,076,223	27,187
Cultural and recreational	370,918	385,418	378,180	7,238
<b>Intergovernmental:</b>				
Education	16,072,461	16,072,461	16,072,461	-
<b>Debt service:</b>				
Principal retirement	3,937,088	3,199,774	3,196,784	2,990
Interest and other charges	1,695,288	1,698,121	1,697,108	1,013
Total expenditures	<u>52,516,285</u>	<u>57,520,336</u>	<u>56,178,347</u>	<u>1,341,989</u>
Revenues over (under) expenditures	(2,403,401)	(5,393,060)	(4,228,308)	1,164,752
<b>Other financing sources (uses):</b>				
Transfers to other funds	-	(153,920)	(157,372)	(3,452)
Transfers from other funds	-	208,249	211,701	3,452
Installment purchases issued	-	4,800,000	4,800,000	-
Fund Balance Appropriated	2,403,401	538,731	-	(538,731)
Total other financing sources (uses)	<u>2,403,401</u>	<u>5,393,060</u>	<u>4,854,329</u>	<u>(538,731)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	626,021	<u>\$ 626,021</u>
<b>Fund balances:</b>				
Beginning of year, July 1			13,488,582	
End of year, June 30			<u>\$ 14,114,603</u>	

The notes to the financial statements are an integral part of this statement.



Beaufort County, North Carolina  
Combining Statement of Net Assets  
Proprietary Funds  
June 30, 2011

Exhibit 6

	Water District I	Water District II	Water District III	Water District IV
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and Investments	\$ 57	\$ 382,509	\$ 82,687	\$ 57
Accounts Receivable (Net)	134,276	159,676	183,974	197,989
Due from other Water Districts	-	-	-	-
Due from General fund	-	-	-	-
<b>Total Current Assets</b>	<u>134,333</u>	<u>542,185</u>	<u>266,661</u>	<u>198,046</u>
<b>Restricted assets:</b>				
Cash	-	-	-	-
<b>Capital Assets (Net)</b>	<u>9,006,455</u>	<u>3,389,838</u>	<u>4,750,327</u>	<u>12,868,481</u>
<b>Total Assets</b>	<u>\$ 9,140,788</u>	<u>\$ 3,932,023</u>	<u>\$ 5,016,988</u>	<u>\$ 13,066,527</u>
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accounts Payable & Accrued Expenses	\$ 14,336	\$ 21,610	\$ 21,386	\$ 22,387
Accrued Interest Payable	20,029	18,517	22,077	28,601
Due to other Water Districts	3,331	-	-	38,121
Due to General Fund	12,361	18,830	183,409	19,292
Customer Deposits	6,900	6,375	5,325	5,725
Notes payable	-	-	24,300	-
Bond \Long-term Debt - Current Maturities	83,000	104,000	119,500	146,000
<b>Total Current Liabilities</b>	<u>139,957</u>	<u>169,332</u>	<u>375,997</u>	<u>260,126</u>
<b>Noncurrent liabilities:</b>				
Compensated Abscenses Payable	5,674	8,588	8,488	8,898
Other postemployment benefits	1,430	2,197	2,197	2,308
Notes payable	-	-	-	-
Bonds \Long-term Debt - Noncurrent	4,847,300	3,552,000	4,434,699	7,079,500
<b>Total Other Liabilities</b>	<u>4,854,404</u>	<u>3,562,785</u>	<u>4,445,384</u>	<u>7,090,706</u>
<b>Total Liabilities</b>	<u>4,994,361</u>	<u>3,732,117</u>	<u>4,821,381</u>	<u>7,350,832</u>
<b>Net Assets</b>				
Invested in Capital Assets, net of related debt	4,076,155	(266,162)	171,828	5,642,981
Unrestricted	70,272	466,068	23,779	72,714
<b>Total Net Assets</b>	<u>\$ 4,146,427</u>	<u>\$ 199,906</u>	<u>\$ 195,607</u>	<u>\$ 5,715,695</u>

The notes to the financial statements are an integral part of this statement.

Water District V	Water District VI	Water District VII	Total
\$ 57	\$ 634,562	\$ 17,961	\$ 1,117,890
93,130	117,973	68,067	955,085
-	258,302	-	258,302
-	-	-	-
<u>93,187</u>	<u>1,010,837</u>	<u>86,028</u>	<u>2,331,277</u>
-	-	-	-
<u>8,758,387</u>	<u>20,330,813</u>	<u>9,608,543</u>	<u>68,712,844</u>
<u>\$ 8,851,574</u>	<u>\$ 21,341,650</u>	<u>\$ 9,694,571</u>	<u>\$ 71,044,121</u>
\$ 9,816	\$ 26,454	\$ 15,766	\$ 131,755
13,452	37,751	20,247	160,674
216,850	-	-	258,302
8,458	23,052	187,180	452,582
2,400	11,625	3,675	42,025
32,225	-	-	56,525
70,000	145,000	105,000	772,500
<u>353,201</u>	<u>243,882</u>	<u>331,868</u>	<u>1,874,363</u>
3,886	10,586	6,468	52,588
965	2,956	1,673	13,726
193,353	-	-	193,353
<u>3,328,500</u>	<u>9,922,000</u>	<u>5,010,000</u>	<u>38,173,999</u>
<u>3,526,704</u>	<u>9,935,542</u>	<u>5,018,141</u>	<u>38,433,666</u>
<u>3,879,905</u>	<u>10,179,424</u>	<u>5,350,009</u>	<u>40,308,029</u>
5,134,309	10,263,813	4,493,543	29,516,467
(162,640)	898,413	(148,981)	1,219,625
<u>\$ 4,971,669</u>	<u>\$ 11,162,226</u>	<u>\$ 4,344,562</u>	<u>\$ 30,736,092</u>

The notes to the financial statements are an integral part of this statement.

Beaufort County, North Carolina  
Combining Statement of Revenues, Expenses, and  
Changes in Fund Net Assets  
Proprietary Funds  
For The Fiscal Year Ended June 30, 2011

Exhibit 7

	Water District I	Water District II	Water District III	Water District IV
<b>Operating revenues:</b>				
Charges for Services	\$ 647,717	\$ 746,767	\$ 884,540	\$ 956,727
Water Taps	21,150	13,950	19,550	24,850
Other Operating Revenues	31,805	38,097	34,665	37,647
<b>Total Operating Revenues</b>	<u>700,672</u>	<u>798,814</u>	<u>938,755</u>	<u>1,019,224</u>
<b>Operating expenses:</b>				
Salaries and benefits	121,373	183,154	180,730	189,414
Water purchase	92,294	143,466	140,816	147,189
Water operations and maintenance	111,386	176,943	191,295	199,704
Depreciation	190,025	96,934	129,230	270,586
<b>Total operating expenses</b>	<u>515,078</u>	<u>600,497</u>	<u>642,071</u>	<u>806,893</u>
<b>Total Operating Income (Loss)</b>	<u>185,594</u>	<u>198,317</u>	<u>296,684</u>	<u>212,331</u>
<b>Nonoperating Revenues(Expenses):</b>				
Sale of Assets	-	-	-	-
Loan reimbursement	-	-	-	-
Interest Earned on Investments	-	-	-	-
Interest on Long-term Debt	(243,553)	(227,199)	(278,023)	(348,737)
<b>Total Nonoperating Revenues (Expenses) before Transfers and Contributions</b>	<u>(243,553)</u>	<u>(227,199)</u>	<u>(278,023)</u>	<u>(348,737)</u>
Transfer In (out)	130,589	-	-	5,891
Capital Contributions	-	-	-	-
<b>Changes in net assets</b>	<u>72,630</u>	<u>(28,882)</u>	<u>18,661</u>	<u>(130,515)</u>
<b>Net Assets, beginning as previously reported</b>	<u>4,094,452</u>	<u>248,271</u>	<u>200,114</u>	<u>5,875,888</u>
<b>Prior Period Adjustment</b>	<u>(20,655)</u>	<u>(19,483)</u>	<u>(23,168)</u>	<u>(29,678)</u>
<b>Net Assets, ending</b>	<u>\$ 4,146,427</u>	<u>\$ 199,906</u>	<u>\$ 195,607</u>	<u>\$ 5,715,695</u>

The notes to the financial statements are an integral part of this statement.

Water District V	Water District VI	Water District VII	Total
\$ 467,026	\$ 1,059,157	\$ 698,096	\$ 5,460,030
10,928	27,088	11,852	129,368
18,735	46,515	26,176	233,640
<u>496,689</u>	<u>1,132,760</u>	<u>736,124</u>	<u>5,823,038</u>
82,866	224,758	136,805	1,119,100
64,219	34,121	10,529	632,634
55,894	268,787	72,426	1,076,435
188,191	429,696	196,927	1,501,589
<u>391,170</u>	<u>957,362</u>	<u>416,687</u>	<u>4,329,758</u>
<u>105,519</u>	<u>175,398</u>	<u>319,437</u>	<u>1,493,280</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>(172,359)</u>	<u>(458,208)</u>	<u>(246,965)</u>	<u>(1,975,044)</u>
<u>(172,359)</u>	<u>(458,208)</u>	<u>(246,965)</u>	<u>(1,975,044)</u>
(17,104)	(67,080)	(52,296)	-
-	-	-	-
(83,944)	(349,890)	20,176	(481,764)
<u>5,069,582</u>	<u>11,550,884</u>	<u>4,345,404</u>	<u>31,384,595</u>
(13,969)	(38,768)	(21,018)	(166,739)
<u>\$ 4,971,669</u>	<u>\$ 11,162,226</u>	<u>\$ 4,344,562</u>	<u>\$ 30,736,092</u>

The notes to the financial statements are an integral part of this statement.

Beaufort County, North Carolina  
Combining Statement of Cash Flows  
Proprietary Funds  
For The Fiscal Year Ended June 30, 2011

Exhibit 8

	Water District I	Water District II	Water District III	Water District IV
<b>Cash Flows From Operating Activities:</b>				
Cash Received from Customers/others	\$ 680,949	\$ 807,560	\$ 953,570	\$ 1,055,671
Cash Paid for Goods, Services, & Employees	(490,437)	(491,373)	(494,244)	(607,788)
Net Cash Provided by (Used for) Operating Activities	<u>190,512</u>	<u>316,187</u>	<u>459,326</u>	<u>447,883</u>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Short term advances	-	-	-	-
Transfers In/(Out)	135,568	3,338	2,229	46,260
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>135,568</u>	<u>3,338</u>	<u>2,229</u>	<u>46,260</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition and Construction of Capital Assets	(4,027)	(6,184)	(6,089)	(6,406)
Other financing activities	-	-	-	-
Principal Paid on Bond Maturities and Capital Leases	(78,500)	(98,000)	(137,300)	(139,000)
Interest Paid on Bond/Note Maturities and Capital Leases	(243,553)	(227,199)	(278,023)	(348,737)
Proceeds of Capital Leases, Bonds and Notes	-	-	-	-
Capital Contributions	-	-	-	-
Net Cash Provided (Used for) Capital and Related Financing Activities	<u>(326,080)</u>	<u>(331,383)</u>	<u>(421,412)</u>	<u>(494,143)</u>
<b>Cash Flows from Investing Activities:</b>				
Interest on investments	-	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	-	(11,858)	40,143	-
Cash and cash equivalents, July 1	57	394,367	42,544	57
Cash and cash equivalents, June 30	<u>\$ 57</u>	<u>\$ 382,509</u>	<u>\$ 82,687</u>	<u>\$ 57</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>				
Operating Activities: Operating Income (Loss)	\$ 185,594	\$ 198,317	\$ 296,684	\$ 212,331
Adjustments to Reconcile Operating Income to Net Cash Provided				
Operating Activities: Depreciation	190,025	96,934	129,230	270,586
Changes in Assets and Liabilities: (Increase) Decrease in Accounts Receivable	(19,723)	8,746	14,815	36,447
Increase (Decrease) in Accounts Payable & accrued liabilities	(169,816)	18,911	18,715	(72,166)
in Customer Deposits	4,050	(7,175)	(475)	325
in Accrued OPEB liability	-	-	-	-
in Compensated absences payable	382	454	357	360
Total Adjustments	<u>4,918</u>	<u>117,870</u>	<u>162,642</u>	<u>235,552</u>
Net Cash Provided by Operating Activities	<u>\$ 190,512</u>	<u>\$ 316,187</u>	<u>\$ 459,326</u>	<u>\$ 447,883</u>

The notes to the financial statements are an integral part of this statement.

Water District V	Water District VI	Water District VII	Totals
\$ 464,770 (416,912)	\$ 1,160,649 (540,705)	\$ 674,364 (255,920)	\$ 5,797,533 (3,297,379)
<u>47,858</u>	<u>619,944</u>	<u>418,444</u>	<u>2,500,154</u>
-	-	-	-
200,857	(323,094)	(48,572)	16,586
<u>200,857</u>	<u>(323,094)</u>	<u>(48,572)</u>	<u>16,586</u>
(2,761)	(15,666)	(4,503)	(45,636)
-	-	-	-
(98,725)	(138,000)	(100,500)	(790,025)
(172,359)	(458,208)	(246,965)	(1,975,044)
-	-	-	-
<u>(273,845)</u>	<u>(611,874)</u>	<u>(351,968)</u>	<u>(2,810,705)</u>
-	-	-	-
(25,130)	(315,024)	17,904	(293,965)
<u>25,187</u>	<u>949,586</u>	<u>57</u>	<u>1,411,855</u>
\$ <u>57</u>	\$ <u>634,562</u>	\$ <u>17,961</u>	\$ <u>1,117,890</u>
\$ 105,519	\$ 175,398	\$ 319,437	\$ 1,493,280
188,191	429,696	196,927	1,501,589
(31,919)	27,889	(61,760)	(25,505)
(216,648)	23,335	(38,462)	(436,131)
2,400	(36,025)	2,025	(34,875)
-	-	-	-
315	(349)	277	1,796
<u>(57,661)</u>	<u>444,546</u>	<u>99,007</u>	<u>1,006,874</u>
\$ <u>47,858</u>	\$ <u>619,944</u>	\$ <u>418,444</u>	\$ <u>2,500,154</u>

The notes to the financial statements are an integral part of this statement.

Beaufort County, North Carolina  
Statement of Changes in Fiduciary Net Assets  
Agency Funds  
June 30, 2011

Exhibit 9

	<u>Social Services</u>	<u>BC Home Foundation</u>	<u>Motor Vehicle Tax</u>	<u>Sheriff Accounts</u>	<u>Totals June 30, 2011</u>
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and Investments	\$ 38,551	\$ 62,401	\$ -	\$ 10,719	\$ 111,671
Due from other funds	-	-	-	-	-
<b>Total Assets</b>	<u>38,551</u>	<u>62,401</u>	<u>-</u>	<u>10,719</u>	<u>111,671</u>
<b>Liabilities and Net Assets</b>					
Miscellaneous liabilities	<u>38,551</u>	<u>62,401</u>	<u>-</u>	<u>10,719</u>	<u>111,671</u>
<b>Net Assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 38,551</u>	<u>\$ 62,401</u>	<u>\$ -</u>	<u>\$ 10,719</u>	<u>\$ 111,671</u>

The notes to the financial statements are an integral part of this statement.

**Notes to the Financial Statements**



BEAUFORT COUNTY, NORTH CAROLINA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2011

I. Summary of Significant Accounting Policies

The accounting policies of Beaufort County and its component units 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 County, which is governed by a seven-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. Beaufort County Water District (*the District*) exists to provide and maintain a water system for the county residents within the district. The District is reported an enterprise fund in the County's financial statements. Beaufort County ABC Board (*the Board*), which has a June 30 year-end, are presented as if they are separate proprietary funds of the County (discrete presentation).

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statement
Beaufort County Water Districts I-VII	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District	None issued
Beaufort County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County	Beaufort County ABC Board P.O. Box 552 Washington, NC 27889

B. Basis of Presentation - Basis of Accounting

**Basis of Presentation, Measurement Focus - Basis of Accounting**

*Government-wide Statements:* The statement of net assets and the statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. 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 County and for each function of the County'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 County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - 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, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

*General Fund* - This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Capital Project Fund- BCCC Project Fund:* This is the County's capital project fund. It accounts for all financial resources of the BCCC project fund.

*Capital Project Fund- Administrative Building:* This is the County's capital project fund. It accounts for all financial resources of the Administrative Building.

The County reports the following major enterprise fund:

*Beaufort County Water Districts I-VII Funds:* These funds are used to account for the operations of the water districts within the County. All are major funds. The individual district statements are shown as supplementary statements.

The County reports the following fund types:

*Agency Funds.* Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following Agency Funds: the Social Services Fund, which accounts for monies deposited with the Department of Social Services for the benefit of certain individuals; the Inmate Fund which accounts for monies deposited with the Sheriff's Office, and the Motor Vehicle Tax Fund which collects three percent interest on the first month of delinquent motor vehicle taxes that the county is required to remit to the North Carolina Department of Motor Vehicles.

*Nonmajor Funds.* The County maintains fifteen legally budgeted funds. The Revaluation Fund was closed to the General Fund in accordance with GASB 34.

C. Measurement Focus, Basis of Accounting

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

*Government-wide, Proprietary, and Fiduciary Fund Financial Statements* - The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for agency funds which have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, 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, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

*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 capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes 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 current 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, Beaufort County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, 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 became due. Therefore, taxes for vehicles registered from March 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

Sales taxes and certain intergovernmental revenues, such as utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

#### D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the general, the special revenue, (excluding grant and capital projects funds), and the enterprise funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the grant Capital Projects Fund. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for multi-year funds. Amendments are required for revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000. The governing board must approve all amendments. During the year, several immaterial amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

#### E. Assets, Liabilities, and Fund Equity

##### 1. Deposits and Investments

All deposits of the County and Beaufort County ABC Board are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the ABC Board 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 County, the Hospital and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The County, the Hospital and the ABC Board's investments with a maturity of more than one year at acquisition and non-money market investments are reported at fair values as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value.

2. Cash and Cash Equivalents

The County pools moneys 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. The ABC Board consider demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

The unexpended note proceeds of the Administrative Building and BCCC Project funds are classified as restricted assets because their use is completely restricted to the purpose for which the debts were originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2010. The County offers no discounts.

5. Allowance 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 that were written off in prior years.

6. Inventories and Prepaid Items

Beaufort County accounts for inventories using the "purchases method". Under the purchases method, purchases are recorded as expenditures when purchased. The County did not have significant amounts of inventory on hand at year-end.

The inventories of the ABC Board are valued at the lower of cost or market, and consist of products held for resale. The cost of this inventory is charged to cost of sales as the inventory is sold.

The inventories of the Hospital are valued at the lower of cost or market and consist of materials and supplies held for consumption. The cost of this inventory is recorded as an expense as it is consumed.

7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Minimum capitalization costs are as follows: land, \$10,000; buildings, improvements, substations, lines, and other plant distribution systems, \$5,000; infrastructure, \$20,000; furniture and equipment, \$5,000; and vehicles, \$10,000. 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.

The County holds title to certain Beaufort County Board of Education properties that have not been included in the County's capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Beaufort

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	50
Improvements	25
Furniture and equipment	5-10
Vehicles	10
Computer equipment	5

Property, plant, and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	<u>Years</u>
Buildings	25
Furniture & Equipment	5-10
Motor Vehicles	4

For the Hospital, depreciation is computed by the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings	20
Equipment	10
Leasehold Improvements	10-20
Computers	3

#### 8. 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.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

#### 9. Compensated Absences

The vacation policies of the County and the ABC Board, generally provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, the Hospital and the ABC Board, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policy of the County and the ABC Board provide 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 none of the entities have any obligation for the accumulated sick leave until it is taken, no accrual for sick leave have been made by the County or its component units.

#### 10. Net Assets/Fund Balances

##### Net Assets

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 a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through state statute.

##### Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

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

**Restricted Fund Balance** - This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

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

Committed Fund Balance – portion of fund balance that can only be used for specific purposes imposed by majority vote by quorum of Beaufort County's governing body (highest level of decision-making authority). Any changes or removal of specific purpose requires majority action by the governing body.

Assigned Fund Balance – portion of fund balance that Beaufort County intends to use for specific purposes.

Unassigned Fund Balance – the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Beaufort County has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to or greater than 20% of budgeted expenditures. Any portion of the general fund balance in excess of 20% of budgeted expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the County in a future budget.

The County of Beaufort has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-county funds, county funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

#### F. Reconciliation of Government-wide and Fund Financial Statements

##### 1. Explanation of certain differences between the government fund balance sheet and the government-wide statement of net assets.

The government fund balance sheet includes a reconciliation between fund balance total governmental funds and net assets governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$(35,660,446) consists of several elements as follows:

<u>Description</u>	<u>Amount</u>
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 28,332,748
Less accumulated depreciation	<u>(13,752,363)</u>
Net capital assets	14,580,385
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements	239,000
Liabilities for revenue deferred but earned and therefore reported in the fund financial statements but not the government-wide	2,795,595
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Bonds, leases, and installment	(51,369,387)
Compensated absences	(763,873)
Other post employment benefits	(249,556)
Net pension obligation	(427,628)
Accrued interest	(275,639)
Accrued landfill charges payable	<u>(189,343)</u>
Total adjustment	<u>\$ (35,660,446)</u>

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$(2,635,183) as follows:

<u>Description</u>	<u>Amount</u>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities	\$ 5,319,651
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the Statement of Activities but not in the fund statements	(576,575)
Cost of asset disposed of during the year	-
Principal payments on debt owed are recorded as a use of funds on the fund financial statements, but again affect only the statement of net assets in the government-wide financial statement	3,196,784
Compensated absences, other post employment benefits, pension expense are accrued in the government-wide statements but not in the fund statements because they do not use current resources	
Expenses reported in the Statement of Activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements. This includes accrued interest payable, compensated absences and OPEB.	(92,824)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it effects only the government-wide statement of net assets	(10,757,000)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Reversal of deferred tax revenue recorded 06/30/10	(2,759,814)
Recording of tax receipts deferred in the fund statement as of 06/30/11	3,034,595
Total adjustment	<u>\$ (2,635,183)</u>

II. Stewardship, Compliance, and Accountability

A. Material Violations of Finance-Related Legal and Contractual Provisions

Noncompliance with North Carolina General Statutes

None.

B. Deficit Fund Balance or Net Assets of Individual Funds

The Hurricane Fund had a deficit fund balance of \$29, 043 which is the result of timing differences with funding agencies. This will be corrected in the upcoming year.

C. Excess of Expenditures over Appropriations

None.

### III. Detail Notes on All Funds

#### A. Assets

##### 1. Deposits

All of the County's, the Hospital's, and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's, the Hospital's, or the ABC Board's agents in these units' names. 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 County, the Hospital, and the ABC Board, these deposits are considered to be held by their agent in the entities' 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 County, the Hospital, or the ABC Board, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, the Hospital, or the ABC Board under the Pooling Method, the potential exists for the under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The County, the Hospital, and the ABC Board do not have formal policies regarding custodial credit risk for deposits.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County and the Hospital rely on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2011, the County's deposits had a carrying amount of \$19,014,111 and a bank balance of \$19,752,489. Of the bank balance, \$1,035,952 was covered by federal depository insurance, the remainder was covered by collateral and held under the Pooling Method.

At June 30, 2011, the County's deposits in the agency funds had a carrying amount of \$111,671.

At June 30, 2011, the carrying amount of deposits for Beaufort County ABC Board was \$471,326 and the bank balance was \$574,565. Of the bank balance, \$274,974 was covered by federal depository insurance and \$299,901 was collateralized under the pooling method.

##### 2. Investments

As of June 30, 2011, the County's investments consisted of \$1,512,265 in the North Carolina Capital Management Trust's Cash Portfolio which carried a credit rating of AAAM by Standard and Poor's. The County has no formal policy regarding credit risk.

At June 30, 2011, the ABC Board had no money in the above type investments.

##### 3. Property Tax - Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present-use value eligibility is lost. These amounts have not been recorded in the financial statements.

Year Levied	Tax	Interest	Total
2008	1,497,474	355,648	1,853,122
2009	1,497,474	220,875	1,718,349
2010	1,247,903	71,753	1,319,656
Total	\$ 4,242,851	\$ 648,276	\$ 4,891,127



4. Receivables

Receivables at the government-wide level at June 30, 2011 were as follows:

	Accounts	Taxes & Related Accrued Interest	Due From Other Governments	Total
<b>Governmental Activities:</b>				
General	\$ 2,203,048	\$ 4,056,256	\$ 158,293	\$ 6,417,597
Other Governmental	86,107	298,339	-	384,446
<b>Total Receivables</b>	<b>2,289,155</b>	<b>4,354,595</b>	<b>158,293</b>	<b>6,802,043</b>
Allowance for Doubtful Accounts	-	(1,320,000)	-	(1,320,000)
<b>Total Governmental Activities</b>	<b>\$ 2,289,155</b>	<b>\$ 3,034,595</b>	<b>\$ 158,293</b>	<b>\$ 5,482,043</b>
<b>Business-Type Activities:</b>				
Water Districts	\$ 1,360,071	\$ -	\$ -	\$ 1,360,071
Allowance for Doubtful Accounts	(404,986)	-	-	(404,986)
<b>Total Business-Type Activities</b>	<b>\$ 955,085</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 955,085</b>

5. Capital Assets

**Primary Government**

Capital asset activity for the year ended June 30, 2011, was as follows:

	Beginning Balances July 1, 2010	Increases	Decreases	Ending Balances June 30, 2011
<b>Governmental Activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land	\$ 3,855,275	\$ 1,475,784	\$ -	\$ 5,331,059
Construction in Progress	-	379,675	-	379,675
<b>Total capital assets not being depreciated</b>	<b>3,855,275</b>	<b>1,855,459</b>	<b>-</b>	<b>5,710,734</b>
<b>Capital assets being depreciated:</b>				
Buildings	13,576,301	3,324,218	-	16,900,519
Equipment and Vehicles	5,581,521	139,974	-	5,721,495
<b>Total capital assets being depreciated</b>	<b>19,157,822</b>	<b>3,464,192</b>	<b>-</b>	<b>22,622,014</b>
<b>Less accumulated depreciation for:</b>				
Buildings	8,317,376	259,681	-	8,577,057
Equipment and Vehicles	4,858,412	316,894	-	5,175,306
<b>Total accumulated depreciation</b>	<b>13,175,788</b>	<b>576,575</b>	<b>-</b>	<b>13,752,363</b>
<b>Total capital assets being depreciated, net</b>	<b>5,982,034</b>			<b>8,869,651</b>
<b>Governmental activity capital assets, net</b>	<b>\$ 9,837,309</b>			<b>\$ 14,580,385</b>

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

General government	\$ 280,101
Public Safety	243,011
Environmental Protection	9,660
Economic and Physical Development	-
Human Services	43,803
Cultural and Recreational	-
<b>Total Depreciation Expense</b>	<b>\$ 576,575</b>

	Beginning Balances	Increases	Decreases	Adjustment	Ending Balances
<b>Business-type Activities</b>					
<b>Beaufort County Water District I-VII</b>					
Capital assets not being depreciated:					
Land	\$ 75,961	\$ -	\$ -	\$ -	\$ 75,961
Construction in progress	60,384,422	7,862	(60,392,284)	-	-
Total capital assets not being depreciated	60,460,383	7,862	(60,392,284)	-	75,961
Capital assets being depreciated:					
Plant and distribution systems	12,939,235	60,392,284	-	-	73,331,519
Furniture and equipment	328,504	-	-	-	328,504
Vehicles and motor equipment	261,316	37,774	-	-	299,090
Total capital assets being depreciated	13,529,055	60,430,058	-	-	73,959,113
Less accumulated depreciation for:					
Plant and distribution systems	3,298,759	1,466,641	-	-	4,765,400
Furniture and equipment	324,470	3,820	-	-	328,290
Vehicles and motor equipment	197,411	31,129	-	-	228,540
Total accumulated depreciation	3,820,640	1,501,590	-	-	5,322,230
Total capital assets being depreciated, net	9,708,415				68,636,883
Total Water and Sewer Fund District, Net	<u>\$ 70,168,798</u>				<u>\$ 68,712,844</u>

**Construction Commitments**

The government has active construction projects as of June 30, 2011. The projects include the water district projects. At June 30, 2011, the government had several commitments with contractors.

**Discretely presented component unit**

Activity for the ABC Board for the year ended June 30, 2011, was as follows:

	Useful Life (In Years)	Accumulated		Net
		Cost	Depreciation	
Land and Improvements	-	\$ 332,619	\$ -	\$ 332,619
Buildings	25	824,646	475,881	348,765
Furniture and Equipment	5-10	431,052	363,223	67,829
Motor Vehicles	4	15,277	15,277	-
Total		<u>\$ 1,603,594</u>	<u>\$ 854,381</u>	<u>\$ 749,213</u>

**B. Liabilities****1. Payables**

Payables at the government-wide level at June 30, 2011, were as follows:

	Vendors	Salaries & Benefits		Others	Total
<b>Governmental Activities:</b>					
General	\$ 1,124,420	\$ 7,989	\$ 160,443		1,292,852
Other Governmental	29,207	-	-		29,207
Total governmental activities	<u>\$ 1,153,627</u>	<u>\$ 7,989</u>	<u>\$ 160,443</u>		<u>\$ 1,322,059</u>
<b>Business-type Activities:</b>					
Water and Sewer Districts	\$ 131,755	\$ -	\$ -		131,755
Total business-type activities	<u>\$ 131,755</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 131,755</u>

## 2. Pension Plan and Other Post Employment Obligations

### a. Local Governmental Employees' Retirement System

**Plan Description** - Beaufort County and the ABC Board contribute to the statewide Local Government Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined pension plan administered by the State of North Carolina. LGERS's 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 Police** - Plan members are required to contribute six percent of their annual covered salary to the System. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.46% and 6.41%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 5.05% of annual covered payroll. The contribution requirements of members and of Beaufort County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$732,561, \$558,718, and \$523,501, respectively. The ABC Board's contribution to LGERS for the years ended June 30, 2011 was \$20,822. The contributions made by the County and the ABC Board equaled the required contributions for each year.

### b. Law Enforcement Officers Special Separation Allowance

(1) **Plan Description** - Beaufort County administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At the December 31, 2010, the Separation Allowance's membership consisted of:

Retirees Receiving Benefits	2
Terminated Plan Members Entitled to, But Not Yet Receiving Benefits	-
Active Plan Members	51
Total	<u>53</u>

A separate report was not issued for the plan.

### (2) Summary of Significant Accounting Policies

**Basis of Accounting** - The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

**Method Used to Value Investments** - No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

### (3) Contributions

The County is required by article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The annual required contribution for the current year was determined as part of the December 31, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administration expenses) and (b) projected salary increases of 4.25% to 7.85% per year. Item (a) and (b) included an inflation component of 3.00%. The assumptions did not include postretirement benefit increases.

Annual pension cost and Net Pension Obligation. The counts annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 78,246
Interest on net pension obligation	18,686
Adjustment to annual required contribution	<u>(20,008)</u>
Annual pension cost	76,924
Contributions made	<u>23,022</u>
Increase (Decrease) in net pension obligation	53,902
net pension obligation beginning of year	<u>373,726</u>
Net pension obligation end of year	<u>\$ 427,628</u>

#### 3 Year Trend Information

For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	\$ 52,036	33.25%	\$ 326,936
2010	\$ 64,092	26.99%	\$ 373,726
2011	\$ 76,924	29.93%	\$ 427,628

#### (4) Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$591,027. The covered payroll (annual payroll of active employees covered by the plan) was \$2,057,815, and the ration of UAAL to the covered payroll was 28.72 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

#### c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description - The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of the State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. 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 - Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2011 were \$394,551, which consisted of \$223,843 from the County and \$170,708 from the law enforcement officers.

d. Register of Deeds' Supplemental Pension Fund

Plan Description - Beaufort County also contributes to the Register of Deeds' Supplemental Pension Fund (Fund), a noncontributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds that is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Register of Deeds' Supplemental Pension Fund 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 the Register of Deeds' Supplemental Pension Fund. 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 - On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2011, the County's required and actual contributions were \$3,999.

e. Other Post Employment Benefits

Healthcare Benefits

Plan Description - Under the terms of the County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). This plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least twenty years of creditable service with the County and age 60 or thirty years of service with the County. The County pays the full cost of coverage for these benefits through private insurers until eligible retirees reach age 65. The County Board may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at December 31, 2010, the date of latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	8	2
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	273	51
Total	<u>281</u>	<u>53</u>

Funding Policy - The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Board. The County has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is .87% of annual covered payroll. For the current year, the County contributed \$50,707. The County obtains healthcare coverage through private insurers. There were no contributions made by employees. The County's obligation to contribute to HCB Plan is established and may be amended by the County Board of Commissioners.

Summary of Significant Accounting Policies. Postemployment expenditures are made from the General Fund and Water Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes on the County's net OPEB obligation for the healthcare benefits:

Annual required contribution	\$ 101,689
Interest on net OPEB obligation	8,446
Adjustment to annual required contribution	7,286
Annual OPEB cost (expense)	<u>102,849</u>
Contributions made	50,707
Increase (decrease) in net OPEB obligation	52,142
Net OPEB obligation, beginning of year	211,140
Net OPEB obligation, end of year	<u>\$ 263,282</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 were as follows:

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 105,281	0.00%	\$ 105,281
2010	\$ 105,859	0.00%	\$ 211,140
2011	\$ 102,849	49.30%	\$ 263,282

*Funded Status and Funding Progress.* As of December 31, 2010, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial liability (UAAL) was \$1,011,362. The covered payroll (annual payroll of active employees covered by the plan) was \$11,436,462, and the ratio of UAAL to the covered payroll was 8.8 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

In the December 31, 2010, actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 5.00 and 10.50 percent annually. The investment rate included a 3.00 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, was 27 years.

f. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's twelve highest months salary in a row during the twenty-four months prior to the employee's death, but the benefit may not be less than \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

g. Beaufort County Hospital Pension Plan

Please see eparately issued financial report of Beaufort County Hospital for a complete description of the Hospital pension plan.

3. Closure and Post closure Care Cost - Beaufort County Landfill Facility

State and federal laws regulations require the County to place a final cover on its Landfill Facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care cost will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet, The \$189,343 reported as landfill post closure care liability at June 30, 2011 represents a cumulative amount reported to date. These amount are based on what it would cost to perform all post closure care in 1994. Beaufort County closed the facility in the year 1994. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

4. Deferred/Unearned Revenues

The balance in deferred or unearned revenue on the fund statements and unearned revenues on the government-wide statements at year-end is composed of the following elements:

	Unearned or Deferred Revenue	Full Accrual Unearned Revenue
Taxes receivable - General Fund	\$ 2,497,256	\$ -
Taxes receivable - Special Revenue Fund	-	-
Total	\$ 2,497,256	\$ -

5. Risk Management

The County 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 County participates in three self-funded risk financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general, auto, professional and employment practices liability coverage of \$2 million per occurrence, and workers' compensation coverage up to the statutory limits and health and dental insurance for County employees. The pools are audited annually by Certified Public Accountants, and the audited financial statements are available to the County upon request. The pools are reinsures through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for general liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage and single occurrence losses of \$350,000 for workers' compensation. The County does not carry any flood insurance. In accordance with G.S. 159-29, the Counties employees that have access to \$100 or more at any given time of the Counties funds are performance bonded through a commercial surety bond. The finance officer and tax collector are individually bonded for \$50,000 and \$50,000, respectively. The remaining employees that access to funds are bonded under a blanket bond for \$250,000.

The County carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

Beaufort County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Board has commercial property, general liability, auto liability, workers' compensation, and employee health coverage. The Board also has liquor legal liability coverage. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

Beaufort County Hospital is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, insuries to employees, natural disasters, and medical malpractice. The Hospital carries commercial insurance for these risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

## 6. Contingent Liabilities

At June 30, 2011, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

## 7. Long-Term Obligations

### a. Installment Purchases

Beaufort County has entered into a loan agreement with Southern bank for building expansions for Tideland Mental Health Center. The principal borrowed was \$1,700,000. The terms call for 25 annual payments of \$166,003 bearing interest at 5.20%. At June 30, 2011 the balance on the note was \$152,000.

Beaufort County has entered into a loan agreement with the North Carolina Department of Commerce for building an industry ready building. The principal borrowed will be \$1,382,000. The interest rate will be 2.00% for a period of five years. At June 30, 2011 the balance on the note was \$903,262.

On January 12, 2000, the County of Beaufort secured financing for the Hospital's Expansion and Renovation Project, in the amount of \$5,000,000. On June 29, 2001, the County of Beaufort entered into an additional loan for \$1,500,000, also for the Hospital's Expansion and Renovation Project. The Hospital will repay the County for the debt incurred on the Hospital's behalf in 60 quarterly installments of \$120,393 including interest at 5.18% annually. The first payment was made in July 2000. The Hospital will also repay the County for the second loan in 60 quarterly installments of \$36,001 including interest at 5.13% annually. At June 30, 2011 the balance on the notes was \$2,265,451.

On February 6, 2007 the County of Beaufort secured financing for the Hospital's Expansion Renovation Project, in the amount of \$10,000,000. The Hospital will repay the County for the debt incurred on the Hospital's behalf. The first payment was made in November 2007. The payments will be made semi-annually ranging from \$371,085 to \$560,333 for 30 payments including interest at 3.80% annually. At June 30, 2011 the balance on the note was \$8,011,674.

On January 31, 2009 the County of Beaufort secured financing for the Hospital's Expansion and Renovation Project, in the amount of \$3,000,000. The Hospital will repay the County for the debt incurred on the Hospital's behalf. The first payment was made in November 2009. The payments will be made semi-annually ranging from \$113,580 to \$156,044 for 28 payments including interest at 3.80% annually. At June 30, 2011 the balance on the note was \$2,530,000.

On June 15, 2011 the County of Beaufort secured financing for the a Allied Health Building at Beaufort County Community College, in the amount of \$3,802,000. The payments will be made of interest only until completion of the project which is scheduled for September 2013. At that time permanent funding will be placed with the USDA. Interest is at 1.35% annually. At June 30, 2011 the balance on the note was \$3,802,000.

On March 18, 2011 the County of Beaufort secured financing for the purchase of energy and HVAC upgrades, in the amount of \$2,155,000. The payments will be made in monthly payments of \$18,063 for 185 payments including interest at 4.25% annually. At June 30, 2011 the balance on the note was \$2,155,000.

On September 27, 2010 the County of Beaufort secured financing for the all of the Hospital's land and buildings, in the amount of \$4,800,000. The payments will be made annually of \$320,000 for 15 payments plus interest at 4.65% annually. At June 30, 2011 the balance on the note was \$4,800,000.

Beaufort County Water District III has entered into a loan agreement with the North Carolina Department of Environment, Health, and Natural Resources for the construction of a water distribution system. The total amount financed is \$485,995. The agreement requires equal annual installments of \$24,300 plus interest at 5.85% for 20 years. This debt is included in the enterprise fund. At June 30, 2011 the balance on the note was \$121,498.



Beaufort County Water District V has entered into a loan agreement with the North Carolina Department of Environmental, Health, and Natural Resources for construction for a water distribution system. The total to be borrowed is \$644,506. Terms call for a 20 year repayment at 3.215% interest. The entire amount of this loan is treated as a construction loan until the project is completed. This debt is included in the enterprise fund. At June 30, 2011 the balance on the note was \$225,579.

For Beaufort County, the minimum payments as of June 30, 2011 in the Governmental Activities and for the Business Type Activities are as follows:

Year Ending June 30	Business-Type Activities		Governmental Activities	
	Principal	Interest	Principal	Interest
2012	\$ 56,525	\$ 12,282	\$ 1,976,974	\$ 910,620
2013	56,525	9,764	2,100,891	799,646
2014	56,525	7,318	5,947,309	673,574
2015	56,525	4,882	2,368,284	572,039
2016	56,523	2,406	1,525,634	490,905
2017-2021	64,454	1,560	7,069,666	1,530,269
2022-2026	-	-	3,590,908	425,965
2027-2031	-	-	39,721	211
<b>Total</b>	<b>\$ 347,077</b>	<b>\$ 38,212</b>	<b>\$ 24,619,387</b>	<b>\$ 5,403,229</b>

**b. General Obligations Indebtedness**

All general obligation bonds serviced by the County's general fund are collateralized by the full faith, credit, and taxing power of the County. Beaufort County Water Districts issue general obligation bonds to provide funds for acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Water District Funds, are collateralized by the full faith, credit, and taxing power of the District. Principal and interest payments are appropriated when due.

The County's general obligation bonds payable at June 30, 2011 are comprised of the following individual issues:

\$9,000,000 2006 School bonds, dated November 1, 2006 and maturing annually on November 1, \$450,000 to 2026, inclusive; bearing interest payable on November 1 and May 1, ranging from 3.65% to 4.00%	\$ 7,200,000
\$17,000,000 2005 School bonds, dated April 1, 2005 and maturing annually April 1, \$600,000 2007 to 2009, inclusive, and \$800,000 2010 to 2028, inclusive; bearing interest payable on October 1 and April 1, ranging from 4.00% to 6.00%	\$ 13,600,000
\$10,000,000 2008 School bonds, dated Jan 1, 2008 and maturing semi-annually Aug 1 and Feb 1, \$350,000, inclusive; bearing interest payable on Aug 1 and Feb 1, ranging from 3.00% to 3.700%	<u>\$ 5,950,000</u>
<b>Total</b>	<b><u>\$ 26,750,000</u></b>

**Serviced by Water District I:**

\$3,138,000 2001A Water Serial Bond due in annual installments; beginning in 2004; from \$33,000 to \$118,000 through June 1, 2041; interest at 4.875%	\$ 2,828,000
\$2,329,300 2001B Water Serial Bond due in annual installments; beginning in 2004; from \$24,500 to \$98,000 through June 1, 2041; interest at 4.875%	\$ 2,102,300

**Serviced by Water District II Long Acre West:**

\$4,226,000 1998 Water Serial Bond due in annual installments; beginning in 1998; from \$39,500 to \$158,000 through June 1, 2013; interest at 6.125%	\$ 3,311,000
\$434,000 1998 Water Serial Bond due in annual installments, beginning in 1998; from \$4,500 to \$18,000 through June 1, 2034; interest at 6.125%	\$ 345,000

Serviced by Water District III Long Acre East:

\$3,728,000 1998 Serial Bonds due in annual installments; beginning in 1998; from \$35,000 to \$140,000 through June 1, 2034; interest at 6.125%	\$ 2,924,000
\$381,000 1991 Serial Bonds due in annual installments; beginning in 1998; from \$4,000 to \$16,000 through June 1, 2034; interest at 5.625%	\$ 303,000
\$1,304,000 1998 Water Serial Bonds due in annual installments; beginning in 1999; from \$13,500 to \$54,000 through June 1, 2036; interest only for 1998 & 1999; interest at 5.625%	\$ 1,068,000
\$197,000 1998 Water Serial bonds due in annual installments; beginning in 1999; from \$2,500 to \$10,000 through June 1, 2036; with interest only at for 1998 & 1999; interest at 5.375%	\$ 162,000

Serviced by Water District IV Bath:

\$3,042,000 1999 Water Serial Bonds due in annual installment; beginning in 1999; from \$33,000 to \$132,000 through June 1, 2038; with interest only for 1999 & 2000; interest at 4.75%	\$ 2,633,500
\$4,491,000 1998A Water Serial Bond due in annual installments; beginning in 1999; from \$48,500 to \$194,000 through June 1, 2038; with interest only for 1999 & 2000	\$ 3,825,000
\$909,000 1998B Water Serial bond due in annual installments; beginning in 1999; from \$11,000 to \$40,000 through June 1, 2038; with interest only for 1999 & 2000	\$ 767,000

Serviced by Water District V Pantego:

\$3,223,000 1998A Water Serial bond due in annual installments; beginning in 1999; from \$35,000 to \$140,000 through June 1, 2038; with interest only for 1999 & 2000	\$ 2,734,500
\$777,000 1998B Water Serial Bond due in annual installments; beginning in 1999; from \$9,000 to \$36,000 through June 1, 2038; with interest only for 1999 & 2000	\$ 664,000

Serviced by Water District VII Richland

\$2,692,000 Series A 1999 Water Bonds due in annual installments; beginning in 1999; from \$28,500 to \$114,000 through June 1, 2038; with interest only for 1999 & 2000	\$ 2,295,500
\$3,308,000 Series B 1999 Water Bonds due in annual installments; beginning in 1999; from \$35,000 to \$140,000 through June 1, 2038; with interest only for 1999 & 2000	\$ 2,819,500

Serviced by Water District VI Chowinity/Richland

\$2,804,000 2005A Water Serial Bonds in annual installments; beginning in 2007; from \$30,000 to \$120,000 through June 1, 2044; with interest only for 2005 & 2006; interest at 4.50%	\$ 2,638,000
\$3,535,000 2005B Water Serial Bonds in annual installments; beginning in 2007; from \$38,000 to \$150,000 through June 1, 2044; with interest only for 2005 & 2006; interest at 4.50%	\$ 3,325,000
\$4,361,000 2005C Water Serial Bonds in annual installments; beginning in 2007; from \$47,000 to \$188,000 through June 1, 2044; with interest only for 2005 & 2006; interest at 4.50%	\$ 4,104,000

Total

\$ 38,849,300

Annual debt service requirements to maturity for the County's and District's general obligation bonds and bond anticipation notes are as follows:

Year Ending June 30,	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2012	1,600,000	1,061,476	772,500	1,928,098
2013	1,600,000	1,013,226	808,500	1,888,822
2014	1,600,000	950,976	847,500	1,845,683
2015	1,600,000	897,726	890,500	1,804,512
2016	1,600,000	836,350	938,500	1,759,124
2017-2021	8,000,000	3,198,603	5,441,500	8,026,322
2022-2026	8,000,000	1,483,506	6,639,000	6,512,728
2027-2031	2,750,000	252,294	7,760,000	4,720,744
2032-2036	-	-	8,243,000	2,674,439
2037-2041	-	-	5,130,300	915,544
2042-2046	-	-	1,378,000	123,930
Total	\$ 26,750,000	\$ 9,694,157	\$ 38,849,300	\$ 32,199,946

At June 30, 2011 Beaufort County had a legal debt margin of \$369,891,949.

c. Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2011:

	Balance 6/30/2010	Increases	Decreases	Balance 6/30/2011	Current Portion
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 28,350,000	\$ -	\$ (1,600,000)	\$ 26,750,000	\$ 1,600,000
Installment Purchases	15,459,171	10,757,000	(1,596,784)	24,619,387	1,976,974
Compensated Absences	764,109	536,289	(536,525)	763,873	-
Net Pension Obligation	373,726	53,902	-	427,628	-
Other Postemployment benefits	197,414	52,142	-	249,556	-
Landfill Postclosure Care	189,343	-	-	189,343	-
<b>Total governmental activities</b>	<b>\$ 45,333,763</b>	<b>\$ 11,399,333</b>	<b>\$ (3,733,309)</b>	<b>\$ 52,999,787</b>	<b>\$ 3,576,974</b>
<b>Business Type Activities:</b>					
General Obligation Bonds	\$ 39,582,800	\$ -	\$ (733,500)	\$ 38,849,300	\$ 772,500
Installment Purchases	403,602	-	(56,525)	347,077	56,525
Other post employment benefits	13,726	-	-	13,726	-
Compensated Absences	50,789	1,799	-	52,588	-
<b>Total business type activities</b>	<b>\$ 40,050,917</b>	<b>\$ 1,799</b>	<b>\$ (790,025)</b>	<b>\$ 39,262,691</b>	<b>\$ 829,025</b>

Compensated absences for governmental activities typically have been liquidated in the general fund and are accounted for on a LIFO basis, assuming that employees are taking leave time as it is earned.

Inter-fund Balances and Activity

Water Districts I, II, III, IV, V, VI, & VII owe General Fund (net)	\$ 452,582
Interfund balances	\$ 452,582

This was created to supplement the districts cash flow.

### C. Fund Balance

Beaufort County has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-county funds, county funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County.

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

<b>Total fund balance - General Fund</b>	<b>\$ 14,114,603</b>
<b>Less:</b>	
Stabilization by State Statute	2,866,045
Register of Deeds	77,655
Capital Reserve	4,323
<b>Remaining Fund Balance</b>	<b>\$ 11,166,580</b>

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts

Encumbrances	General Fund	Non-Major Funds
\$	-	\$ -

### IV. Joint Ventures

The County participated in a joint venture to operate BHM Regional Library with three other local governments. Beaufort County appoints three members of the nine-member board of the Library. The County has an on-going financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding.

None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$188,308 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the Library offices, at 158 N. Market Street, Washington, NC 27889.

The County, in conjunction with the State of North Carolina and the Beaufort County Board of Education participates in a joint venture to operate the Beaufort County Community College. Each of the three participants appoints five members of the fifteen member board of trustees of the community college. The president of the community college's student government serves as an ex officio nonvoting member on the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds to provide financing for new and restructured facilities.

The County has an ongoing responsibility for the community college because of the statutory responsibility to provide funding for the community college's facilities. The County contributed \$1,944,245 and \$190,000 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2011. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2011. Complete financial statements for the community college may be obtained from the community college's administrative offices at Highway 264 East, Washington, NC 27889.

The County, in conjunction with four other counties, participated in the Tideland Mental Health Center. The County Commissioners appoint four members to the twenty member board of the Center. In addition, one County Commissioner also serves on the Center's board. The Center, a multi-county public mental health authority, is a separate and distinct subdivision charged by the State law with the responsibility of providing services for drug and mental health prevention, treatment and rehabilitation services. The County contributed \$156,599 to the Center during the fiscal year ended June 30, 2011. Complete financial statements for the Center can be obtained from the Center's administrative offices at 1308 Highland Drive, Washington, NC 27889.

### V. Jointly Governed Organization

The County, in conjunction with four other counties and thirty-nine municipalities, established the Mid-East Commission. The participating governments established the Commission to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$12,050 to the Council during the fiscal year ended June 30, 2011.

VI. Benefit Payments Issued by the State

The amounts listed below were paid directly to the individual recipients by the State from Federal and State moneys. County personnel are involved with certain functions, primarily eligibility determinations, which cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients that do not appear in the basic financial statement because that are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Medical Assistance Program	49,836,358	20,766,874
Special Supplemental Food Program for WIC	1,301,230	-
Energy Assistance Payment	35,989	-
CWS Adopt Subsidy & Vendor	333,712	63,453
IV-E Adopt Subsidy & Vendor	36,204	-

VII. Summary Disclosure of Significant Commitments and Contingencies

## 1. Federal and State Assisted Programs

The County 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.

VIII. Major Taxpayer

Beaufort County had property tax revenue from one taxpayer in 2011 of approximately \$4,453,185, which accounted for approximately 21% of net property tax levied.

IX. Prior Period Adjustment

A prior period adjustment was made in 2011 to reclassify distributions retained for the purpose of capital acquisitions for the ABC Board. In the governmental and business-type activities a prior period adjustment was made to accrue interest.

X. DMV Collections

The County maintains the 3% DMV interest collections in the General Fund. During the year, the County's activity is shown below.

	<u>30-Jun-11</u>
Begin Balance	\$ 464
Collected	24,000
Remitted	<u>(24,464)</u>
End Balance	<u>\$ -</u>

**Required  
Supplementary Financial Data**

This section contains additional information required by generally accepted accounting principles.

**Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance.**

**Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance.**

**Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.**

**Schedule of Funding Progress for the Other Postemployment Benefits.**

**Schedule of Employer Contributions for the Other Postemployment Benefits.**

**Notes to the Required Schedules for the Other Postemployment Benefits.**

Beaufort County, North Carolina  
 Law Enforcement Officers' Special Separation Allowance  
 Required Supplementary Information  
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
31-Dec-02	-	197,573	197,573	0.0%	1,319,836	14.97%
31-Dec-03	-	231,208	231,208	0.0%	1,322,765	17.48%
31-Dec-04	-	264,787	264,787	0.0%	1,403,511	18.87%
31-Dec-05	-	284,787	284,787	0.0%	1,546,967	18.61%
31-Dec-06	-	324,408	324,408	0.0%	1,703,157	19.05%
31-Dec-07	-	354,536	354,536	0.0%	1,880,073	18.86%
31-Dec-08	-	465,780	465,780	0.0%	2,134,858	21.82%
31-Dec-09	-	625,403	625,403	0.0%	2,050,330	30.50%
31-Dec-10	-	591,027	591,027	0.0%	2,057,815	28.72%

**Beaufort County, North Carolina**  
**Law Enforcement Officers' Special Separation Allowance**  
**Required Supplementary Information**  
**Schedule of Employer Contributions**

Year Ended June 30,	Annual Required Contribution	Percentage Contributed	Net Pension Obligation End of Year
2003	33,541	0.00%	116,734
2004	33,926	0.00%	150,660
2005	37,642	0.00%	187,171
2006	42,426	16.76%	222,488
2007	44,866	26.23%	255,586
2008	48,213	24.05%	292,202
2009	52,036	33.25%	326,936
2010	64,092	26.99%	373,726
2011	76,924	29.93%	427,628

**Notes to the Required Schedules:**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation Date	December 31, 2010
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Closed
Remaining Amortization Period	20 Years
Asset Valuation Method	Market Value
<b>Actuarial Assumptions:</b>	
Investment Rate of Return	5.00%
Projected Salary Increases	4.25%-7.85%
Includes Inflation at	3.00%
Cost of Living Adjustments	N/A



**Beaufort County, North Carolina**  
**Other Post Employment Benefits**  
**Required Supplementary Information**  
**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
31-Dec-08	-	\$ 920,907	\$ 920,907	0.0%	\$ 10,955,905	8.40%
31-Dec-09	-	\$ 917,575	\$ 917,575	0.0%	\$ 11,754,362	7.80%
31-Dec-10	-	\$ 1,011,362	\$ 1,011,362	0.0%	\$ 11,436,462	8.80%

**Beaufort County, North Carolina  
Other Post Employment Benefits  
Required Supplementary Information  
Schedule of Employer Contributions**

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Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2009	105,281	0.00%
2010	105,859	0.00%
2011	101,869	0.00%

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**Notes to the Required Schedules:**

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation Date	December 31, 2010
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Open
Remaining Amortization Period	27 Years
Asset Valuation Method	Market Value
<b>Actuarial Assumptions:</b>	
Investment Rate of Return	4.00%
Year of ultimate trend rate	2018
Medical Cost Trend	10.5% - 5.00%
Includes Inflation at	3.00%

**Supplementary Statements**

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**The section contains additional statements required by the Local Government Commission  
in North Carolina.**

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Beaufort County, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues:</b>			
<b>Ad Valorem Taxes:</b>			
Taxes	\$	\$ 28,042,133	\$
Penalties and Interest		400,871	
Total	<u>28,142,296</u>	<u>28,443,004</u>	<u>300,708</u>
<b>Local Option Sales Taxes:</b>			
Article 39 One Percent		2,827,979	
Article 40 One - Half of One Percent		2,047,755	
Article 42 One - Half of One Percent		1,662,852	
Article 44 One - Half of One Percent		-	
Total	<u>6,500,343</u>	<u>6,538,586</u>	<u>38,243</u>
<b>Other Taxes and Licenses:</b>			
Documentary stamps		110,765	
Scrap tire disposal tax/grant		85,965	
White goods disposal tax		14,080	
Privilege tax		8,180	
Rental vehicles receipt tax		16,195	
Total	<u>191,265</u>	<u>235,185</u>	<u>43,920</u>
<b>Unrestricted Intergovernmental:</b>			
Beer and wine tax		145,929	
Other		73,712	
Total	<u>217,929</u>	<u>219,641</u>	<u>1,712</u>
<b>Restricted Intergovernmental:</b>			
State and Federal Grants		10,866,219	
Loan reimbursements		2,118,831	
ABC distributions/tax		173,527	
Total	<u>13,717,089</u>	<u>13,158,577</u>	<u>(558,512)</u>
<b>Permits and Fees:</b>			
Building Permits and Inspection Fees		94,848	
Register of Deeds		200,224	
Other		38	
Total	<u>280,212</u>	<u>295,110</u>	<u>14,898</u>

Beaufort County, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Sales and Services:</b>			
Attorney fees/tax admin		89,443	
Animal control fees		51,310	
Tax collection fees		105,150	
Sheriff fees		60,933	
Electronic House arrest		6,230	
IV-D Deputy travel		66,340	
Gun storage fees		1,561	
State prisoner's reimbursement		50,483	
Environmental Health		46,485	
Vending & phones		22,127	
Health & Immunizations		137,467	
Solid Waste		1,908,879	
Rescue fees		141,740	
Share of service fee		18,420	
Rent		122,730	
Cable franchise fee		140,181	
DSS Aging		9,367	
NC Health Choice		13,158	
Total	<u>3,029,642</u>	<u>2,992,004</u>	<u>(37,638)</u>
Investment Earnings	<u>-</u>	<u>11,618</u>	<u>11,618</u>
<b>Miscellaneous:</b>			
Sale of Assets/Insurance Claims		25,543	
Miscellaneous		30,771	
Total	<u>48,500</u>	<u>56,314</u>	<u>7,814</u>
<b>TOTAL REVENUES</b>	<u>52,127,276</u>	<u>51,950,039</u>	<u>(177,237)</u>
<b>Expenditures:</b>			
<b>General Government:</b>			
Governing body		184,741	
County manager		725,921	
Finance		432,638	
Tax administration		1,262,854	
Legal		202,124	
Register of deeds		275,219	
Elections		197,530	
Public buildings		5,853,005	
Court facilities		223,751	
Total general government	<u>9,662,014</u>	<u>9,357,783</u>	<u>304,231</u>

Beaufort County, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Public Safety:</b>			
Sheriff		3,729,943	
Jail		1,570,214	
Criminal justice partnership		65,256	
Emergency communications		526,176	
Emergency management		155,466	
Fire protection		119,142	
Inspections		161,549	
Ambulance/Rescue service		195,233	
Animal control		326,701	
Medical examiner		29,900	
Total	<u>7,254,731</u>	<u>6,879,580</u>	<u>375,151</u>
<b>Economic and physical development:</b>			
Economic development		326,594	
Agricultural extension		187,979	
Soil/water conservation		66,458	
Total	<u>621,169</u>	<u>581,031</u>	<u>40,138</u>
<b>Human services:</b>			
Administration - general		240,146	
Aids control/STD		142,533	
TB program		56,507	
Immunization		209,045	
Health promotion		38,776	
Child health		226,713	
Maternal health		511,710	
WIC - Administration		368,513	
Environmental health		544,230	
Family planning		394,724	
Other health programs		216,054	
Total human services	<u>3,068,244</u>	<u>2,948,951</u>	<u>119,293</u>
<b>Mental Health:</b>			
General appropriation		156,599	
Other		-	
Alcohol rehab		17,000	
Total	<u>173,599</u>	<u>173,599</u>	<u>-</u>
Beaufort County Develop Center	<u>55,000</u>	<u>55,000</u>	<u>-</u>
NC Elderly handicapped transportation/other	<u>43,257</u>	<u>42,603</u>	<u>654</u>

Beaufort County, North Carolina  
General Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Social services:</b>			
Administration		5,543,886	
State In-Home Aging Services		555,174	
Day care		2,441,425	
Medical assistance		530,341	
Energy assistance		327,332	
County provided assistance		575,246	
Transportation		134,397	
Child support enforcement		736,608	
Aid to the blind program		11,427	
Foster care		492,549	
Work first program		97,032	
<b>Total</b>	<u>11,896,978</u>	<u>11,445,417</u>	<u>451,561</u>
<b>Other human services:</b>			
County home			
Veterans services		50,393	
Youth services		223,234	
<b>Total</b>	<u>286,160</u>	<u>273,627</u>	<u>12,533</u>
<b>Total Social Services</b>	<u>12,183,138</u>	<u>11,719,044</u>	<u>464,094</u>
<b>Total Human Services</b>	<u>15,523,238</u>	<u>14,939,197</u>	<u>584,041</u>
<b>Cultural and Recreational:</b>			
Recreation		47,326	
Library and museum		201,108	
Special Appropriations		129,746	
<b>Total Cultural and Recreational</b>	<u>385,418</u>	<u>378,180</u>	<u>7,238</u>
<b>Environmental protection:</b>			
Solid waste	<u>3,103,410</u>	<u>3,076,223</u>	<u>27,187</u>
<b>Education:</b>			
<b>Public Schools:</b>			
Current Expense		12,435,150	
Capital Outlay		1,503,066	
Public school capital building fund		-	
<b>Community Colleges:</b>			
Current Expense		1,944,245	
Capital Outlay		190,000	
<b>Total Education</b>	<u>16,072,461</u>	<u>16,072,461</u>	<u>-</u>
<b>Debt Service:</b>			
Principal Retirement		3,196,784	
Interest and Fees		1,697,108	
<b>Total Debt Service</b>	<u>4,897,895</u>	<u>4,893,892</u>	<u>4,003</u>
<b>TOTAL EXPENDITURES</b>	<u>57,520,336</u>	<u>56,178,347</u>	<u>1,341,989</u>
Revenues over Expenditures	<u>(5,393,060)</u>	<u>(4,228,308)</u>	<u>1,164,752</u>

Beaufort County, North Carolina  
 General Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended June 30, 2011

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other financing sources (uses):			
Proceeds From Installment Purchases	4,800,000	4,800,000	
Fund Balance Appropriated	538,731	-	
Transfers (to)/from Other Funds:			
Capital Project - CDBG fund	(131,307)	(131,307)	
Special revenue fund - capital reserve	-	-	
Special revenue - revaluation fund	211,701	211,701	
Special revenue - CDBG fund	(1,446)	(1,446)	
Special revenue - industrial recruitment	(3,452)	(3,452)	
Capital Project - Hurricane fund	(21,167)	(21,167)	
Special revenue fund - e 911	-	-	
Total Other Financing Sources (Uses)	<u>5,393,060</u>	<u>4,854,329</u>	<u>(538,731)</u>
 Net change in fund balance	 <u>\$ -</u>	 626,021	 <u>\$ 626,021</u>
Fund balances:			
Beginning of year, July 1		<u>13,488,582</u>	
End of year, June 30		<u>\$ 14,114,603</u>	



**Beaufort County, North Carolina**  
**Capital Project Fund - BCCC Project**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and for the Fiscal Year Ended June 30, 2011**

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Grants	\$ 3,200,000	\$ -	\$ -	\$ -	\$ (3,200,000)
Investment Income	-	-	120	120	-
Total Revenues	<u>3,200,000</u>	<u>-</u>	<u>120</u>	<u>120</u>	<u>(3,200,000)</u>
<b>Expenditures</b>					
Economic & Physical Development:					
Construction	7,600,000	219,268	160,407	379,675	7,220,325
Total Expenditures	<u>7,600,000</u>	<u>219,268</u>	<u>160,407</u>	<u>379,675</u>	<u>7,220,325</u>
Revenues Over (Under) Expenditures	<u>(4,400,000)</u>	<u>(219,268)</u>	<u>(160,287)</u>	<u>(379,555)</u>	<u>4,020,325</u>
Other financing sources:					
USDA Loan	4,400,000	-	3,802,000	3,802,000	(598,000)
Transfer in from other fund	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>4,400,000</u>	<u>-</u>	<u>3,802,000</u>	<u>3,802,000</u>	<u>(598,000)</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ (219,268)</u>	3,641,713	<u>\$ 3,422,445</u>	<u>\$ 3,422,325</u>
Fund balances:					
Beginning of year, July 1			<u>(219,268)</u>		
End of year, June 30			<u>\$ 3,422,445</u>		

Beaufort County, North Carolina  
 Capital Project Fund - Administrative Building  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues:</b>					
Restricted intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	798	798	798
Total Revenues	<u>-</u>	<u>-</u>	<u>798</u>	<u>798</u>	<u>798</u>
<b>Expenditures:</b>					
Current:					
Economic and physical development:	<u>2,155,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,155,000</u>
Revenues over expenditures	(2,155,000)	-	798	798	2,155,798
<b>Other Financing Sources (Uses):</b>					
Installment financing	2,155,000	-	2,155,000	2,155,000	-
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>2,155,000</u>	<u>-</u>	<u>2,155,000</u>	<u>2,155,000</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	2,155,798	\$ <u>2,155,798</u>	\$ <u>2,155,798</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>-</u>		
End of year, June 30			\$ <u>2,155,798</u>		

Beaufort County, North Carolina  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2011

Special Revenue Funds

	<u>Revaluation</u>	<u>Economic Development</u>	<u>Washington Admin Unit</u>	<u>Fire Tax Districts</u>	<u>E911 Service</u>	<u>Capital Reserve</u>	<u>Industrial Recruitment</u>
<b>Assets:</b>							
Cash and Cash Equivalents	\$ -	\$ 89,041	\$ -	\$ -	\$ 828,429	\$ 57,369	\$ -
Accounts Receivable	-	955	-	-	43,108	-	-
Taxes Receivable (Net)	-	-	298,294	45	-	-	-
Due from other funds	-	3,646	-	-	-	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 93,642</u>	<u>\$ 298,294</u>	<u>\$ 45</u>	<u>\$ 871,537</u>	<u>\$ 57,369</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances:</b>							
<b>Liabilities:</b>							
Accounts Payable and Accrued Liabilities	\$ -	\$ 4	\$ -	\$ -	\$ 15,076	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Deferred Revenue	-	-	298,294	45	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>4</u>	<u>298,294</u>	<u>45</u>	<u>15,076</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>							
Restricted							
Stabilization by State Statute	-	955	-	-	43,108	-	-
Public Safety	-	-	-	-	813,353	-	-
Committed	-	-	-	-	-	-	-
Economic development	-	92,683	-	-	-	57,369	-
<b>Total Fund Balances</b>	<u>-</u>	<u>93,638</u>	<u>-</u>	<u>-</u>	<u>856,461</u>	<u>57,369</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ 93,642</u>	<u>\$ 298,294</u>	<u>\$ 45</u>	<u>\$ 871,537</u>	<u>\$ 57,369</u>	<u>\$ -</u>

State & Federal Seizures	CDBG Fund	Total Nonmajor Special Revenue Funds	Hurricane	Pantego Sewer	Economic Development	Hospital Renovations	Public Schools	CDBG 05 Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 116,706	\$ -	\$ 1,091,545	\$ -	\$ 13,753	\$ 32,235	\$ 148,942	\$ -	\$ 2,478	\$ 197,408	\$ 1,288,953
3,544	-	47,607	38,500	-	-	-	-	-	38,500	86,107
-	-	298,339	-	-	-	-	-	-	-	298,339
-	-	3,646	-	-	-	-	-	-	-	3,646
<u>\$ 120,250</u>	<u>\$ -</u>	<u>\$ 1,441,137</u>	<u>\$ 38,500</u>	<u>\$ 13,753</u>	<u>\$ 32,235</u>	<u>\$ 148,942</u>	<u>\$ -</u>	<u>\$ 2,478</u>	<u>\$ 235,908</u>	<u>\$ 1,677,045</u>
\$ 1,062	\$ -	\$ 16,142	\$ 11,775	\$ -	\$ 1,290	\$ -	\$ -	\$ -	\$ 13,065	\$ 29,207
-	-	-	55,768	-	-	-	-	-	55,768	55,768
-	-	298,339	-	-	-	-	-	-	-	298,339
<u>1,062</u>	<u>-</u>	<u>314,481</u>	<u>67,543</u>	<u>-</u>	<u>1,290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,833</u>	<u>383,314</u>
3,544	-	47,607	-	-	-	-	-	-	-	47,607
115,644	-	928,997	-	-	-	-	-	-	-	928,997
-	-	150,052	(29,043)	13,753	30,945	148,942	-	2,478	167,075	317,127
<u>119,188</u>	<u>-</u>	<u>1,126,656</u>	<u>(29,043)</u>	<u>13,753</u>	<u>30,945</u>	<u>148,942</u>	<u>-</u>	<u>2,478</u>	<u>167,075</u>	<u>1,293,731</u>
<u>\$ 120,250</u>	<u>\$ -</u>	<u>\$ 1,441,137</u>	<u>\$ 38,500</u>	<u>\$ 13,753</u>	<u>\$ 32,235</u>	<u>\$ 148,942</u>	<u>\$ -</u>	<u>\$ 2,478</u>	<u>\$ 235,908</u>	<u>\$ 1,677,045</u>

Beaufort County, North Carolina  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures, and  
 Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2011

	Special Revenue Funds										Total Nonmajor Special Revenue Funds					Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds	
	Revaluation	Economic Development	Washington Admin Unit	Fire Tax Districts	E911 Service	Capital Reserve	Industrial Recruitment	State & Federal Seizures	CDBG Fund		Hurricane	Pantego Sewer	Economic Development	Hospital Renovations	Public Schools	CDBG 05 Fund		
<b>Revenues:</b>																		
Ad Valorem Taxes	\$ -	\$ -	\$ 119	\$ 2,395,366	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,395,485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,395,485
Investment Earnings	-	-	-	-	-	10	-	-	10	-	-	-	120	-	-	-	120	130
Sales Tax Revenue	-	-	-	-	-	-	-	-	-	-	13,753	-	-	235,996	-	-	249,749	249,749
Restricted Intergovernmental	-	296,831	-	-	478,815	-	-	72,681	35,910	884,237	934,579	-	-	-	467,435	1,402,014	2,286,251	2,286,251
Other	-	-	-	-	-	-	-	9,541	-	9,541	-	-	24,100	-	-	12,768	36,868	46,409
<b>Total revenues</b>	<u>-</u>	<u>296,831</u>	<u>119</u>	<u>2,395,366</u>	<u>478,815</u>	<u>10</u>	<u>-</u>	<u>82,222</u>	<u>35,910</u>	<u>3,289,273</u>	<u>934,579</u>	<u>13,753</u>	<u>24,100</u>	<u>120</u>	<u>235,996</u>	<u>480,203</u>	<u>1,688,751</u>	<u>4,978,024</u>
<b>Expenditures:</b>																		
<b>Current:</b>																		
Public Safety	-	-	-	2,395,366	292,859	-	64,527	-	2,752,752	-	-	-	-	-	-	-	-	2,752,752
Education	-	-	119	-	-	-	-	-	119	-	-	-	-	-	-	-	-	119
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and Physical Development	-	317,155	-	-	-	-	3,452	-	35,910	356,517	940,838	16,410	9,640	-	-	351,416	1,318,304	1,674,821
<b>Total Expenditures</b>	<u>-</u>	<u>317,155</u>	<u>119</u>	<u>2,395,366</u>	<u>292,859</u>	<u>-</u>	<u>3,452</u>	<u>64,527</u>	<u>35,910</u>	<u>3,109,388</u>	<u>940,838</u>	<u>16,410</u>	<u>9,640</u>	<u>-</u>	<u>351,416</u>	<u>1,318,304</u>	<u>4,427,692</u>	<u>4,427,692</u>
Revenues Over (Under) Expenditures	-	(20,324)	-	-	185,956	10	(3,452)	17,695	-	179,885	(6,259)	(2,657)	14,460	120	235,996	128,787	370,447	550,332
<b>Other Financing Sources (Uses):</b>																		
Transfers In	-	-	-	-	-	-	3,452	-	1,446	4,898	21,167	-	-	-	-	131,307	152,474	157,372
Transfers (Out)	(211,701)	-	-	-	-	-	-	-	-	(211,701)	-	-	-	-	-	-	-	(211,701)
Debt payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Debt Issuance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(211,701)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,452</u>	<u>-</u>	<u>1,446</u>	<u>(206,803)</u>	<u>21,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,307</u>	<u>152,474</u>	<u>(54,329)</u>	<u>(54,329)</u>
<b>Net change in fund balance</b>	<u>(211,701)</u>	<u>(20,324)</u>	<u>-</u>	<u>-</u>	<u>185,956</u>	<u>10</u>	<u>-</u>	<u>17,695</u>	<u>1,446</u>	<u>(26,918)</u>	<u>14,908</u>	<u>(2,657)</u>	<u>14,460</u>	<u>120</u>	<u>235,996</u>	<u>260,094</u>	<u>522,921</u>	<u>496,003</u>
<b>Fund balances:</b>																		
Beginning of Year, July 1	211,701	113,962	-	-	670,505	57,359	-	101,493	(1,446)	1,153,574	(43,951)	16,410	16,485	148,822	(235,996)	(257,616)	(355,846)	797,728
End of year, June 30	\$ -	\$ 93,638	\$ -	\$ -	\$ 856,461	\$ 57,369	\$ -	\$ 119,188	\$ -	\$ 1,126,656	\$ (29,043)	\$ 13,753	\$ 30,945	\$ 148,942	\$ -	\$ 2,478	\$ 167,075	\$ 1,293,731

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Schedule of Revenues, Expenditures, and  
Revaluation Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Postive (Negative)
	Budget	Actual	
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Investment Earnings	-	-	-
Total Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Total Economic & Physical Development	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):			
Transfers to General Fund	(211,701)	(211,701)	-
Proceeds from Lease Purchase	-	-	-
Total Other Financing Sources (Uses)	<u>(211,701)</u>	<u>(211,701)</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(211,701)	(211,701)	-
Fund Balance Appropriated	<u>211,701</u>	<u>-</u>	<u>(211,701)</u>
Net change in fund balance	<u>\$ -</u>	(211,701)	<u>\$ (211,701)</u>
Fund Balance:			
Beginning of Year, July 1		<u>211,701</u>	
End of Year, June 30		<u>\$ -</u>	

Beaufort County, North Carolina  
Economic Development  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Postive (Negative)
	Budget	Actual	
Revenues			
Restricted Intergovernmental	\$ 317,525	\$ 296,831	
Investment Earnings	-	-	
Other income	-	-	
Total revenues	<u>317,525</u>	<u>296,831</u>	<u>(20,694)</u>
Expenditures:			
Economic and Physical development	<u>317,525</u>	<u>317,155</u>	
Total Expenditures	<u>317,525</u>	<u>317,155</u>	<u>370</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(20,324)</u>	<u>(20,324)</u>
Other Financing Sources (Uses):			
Transfers from Other Funds		-	-
Transfers to Other Funds		-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Uses	<u>-</u>	<u>(20,324)</u>	<u>(20,324)</u>
Fund Balance Appropriated		<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(20,324)</u>	<u>\$ (20,324)</u>
Fund Balance:			
Beginning of Year, July 1		<u>113,962</u>	
End of Year, June 30		<u>\$ 93,638</u>	

**Beaufort County, North Carolina**  
**Washington Administrative Unit**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2011**

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Ad valorem taxes	\$ -	\$ 119	\$ 119
Expenditures:			
Education - School current expense	-	119	
Total Expenditures	-	119	(119)
Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources (Uses):			
Transfers from General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net change in fund balance	-	-	-
Fund Balance Appropriated	-	-	-
Net change in fund balance	\$ -	-	\$ -
Fund Balance:			
Beginning of Year, July 1		-	
End of Year, June 30		\$ -	



**Beaufort County, North Carolina**  
**Fire District Funds (All Fire Districts)**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2011**

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Ad valorem taxes:			
Total Revenues	\$ 2,427,658	2,395,366	\$ (32,292)
Expenditures:			
Public safety:			
Total Expenditures	2,427,658	2,395,366	32,292
Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources (Uses):			
Proceeds from Installment Loan	-	-	-
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	-	-
Fund Balance Appropriated	-	-	-
Net change in fund balance	\$ -	-	\$ -
Fund Balance:			
Beginning of Year, July 1		-	
End of Year, June 30		\$ -	

Beaufort County, North Carolina  
E911 Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Emergency Telephone System Charges	439,326	\$ 478,815	
Total Revenues	\$ 439,326	478,815	\$ 39,489
<b>Expenditures:</b>			
Public safety:			
E 911 Service	512,498	292,859	
Capital Outlay	-	-	
Total Expenditures	512,498	292,859	219,639
Revenues Over (Under) Expenditures	(73,172)	185,956	259,128
<b>Other Financing Sources (Uses):</b>			
Proceeds from Lease Purchase	-	-	-
Transfer to General Fund	-	-	-
Transfer from General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(73,172)	185,956	259,128
Fund Balance Appropriated	73,172	-	(73,172)
Net change in fund balance	\$ -	185,956	\$ 185,956
<b>Fund Balance:</b>			
Beginning of Year, July 1		670,505	
End of Year, June 30		\$ 856,461	

**Beaufort County, North Carolina**  
**Capital Reserve Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2011**

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Investment Earnings	\$ -	\$ 10	\$ 10
Expenditures	-	-	-
Revenues Over (Under) Expenditures	-	10	10
Other Financing Sources (Uses):			
Transfers in (out)	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	-	10	10
Fund Balance Appropriated	-	-	-
Net change in fund balance	\$ -	10	\$ 10
Fund Balance:			
Beginning of Year, July 1		57,359	
End of Year, June 30		\$ 57,369	

**Beaufort County, North Carolina**  
**Industrial Recruitment Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2011**

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Investment Earnings	\$ -	\$ -	\$ -
Expenditures	3,452	3,452	-
Revenues Over (Under) Expenditures	(3,452)	(3,452)	-
Other Financing Sources (Uses):			
Transfers in (out)	3,452	3,452	-
Total Other Financing Sources (Uses)	3,452	3,452	-
Revenues and Other Financing Sources Over (Under) Uses	-	-	-
Fund Balance Appropriated		-	-
Net change in fund balance	\$ -	-	\$ -
Fund Balance:			
Beginning of Year, July 1		-	
End of Year, June 30		\$ -	

Beaufort County, North Carolina  
State and Federal Seizures Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Restricted Intergovernmental	\$ 41,500	\$ 72,681	\$
Miscellaneous	8,300	9,541	
Investment Earnings		-	
<b>Total Revenue</b>	<u>49,800</u>	<u>82,222</u>	<u>32,422</u>
<b>Expenditures</b>			
Total Public Safety	<u>80,210</u>	<u>64,527</u>	<u>15,683</u>
<b>Total Expenditures</b>	<u>80,210</u>	<u>64,527</u>	<u>15,683</u>
Revenues Over (Under) Expenditures	<u>(30,410)</u>	<u>17,695</u>	<u>48,105</u>
<b>Other Financing Sources (Uses):</b>			
Transfers from General Fund		-	-
Proceeds from Lease Purchase	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(30,410)	17,695	48,105
Fund Balance Appropriated	<u>30,410</u>	<u>-</u>	<u>(30,410)</u>
Net change in fund balance	<u>\$ -</u>	<u>17,695</u>	<u>\$ 17,695</u>
<b>Fund Balance:</b>			
Beginning of Year, July 1		<u>101,493</u>	
End of Year, June 30		<u>\$ 119,188</u>	

Beaufort County, North Carolina  
CDBG Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues:</b>					
Restricted intergovernmental	\$ 443,311	\$ 476,395	\$ 11,500	\$ 487,895	\$ 44,584
Restricted intergovernmental CDBG 08-C-1810	75,000	-	24,410	24,410	(50,590)
Interest Income	-	-	-	-	-
<b>Total Revenues</b>	<u>518,311</u>	<u>476,395</u>	<u>35,910</u>	<u>512,305</u>	<u>(6,006)</u>
<b>Expenditures:</b>					
<b>Current:</b>					
Economic and physical development:	<u>534,249</u>	<u>493,779</u>	<u>35,910</u>	<u>529,689</u>	<u>4,560</u>
Revenues over expenditures	(15,938)	(17,384)	-	(17,384)	(1,446)
<b>Other Financing Sources (Uses):</b>					
Transfers in (out)	<u>15,938</u>	<u>15,938</u>	<u>1,446</u>	<u>17,384</u>	<u>(1,446)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>15,938</u>	<u>15,938</u>	<u>1,446</u>	<u>17,384</u>	<u>(1,446)</u>
<b>Net change in fund balance</b>	\$ <u>-</u>	\$ <u>(1,446)</u>	1,446	\$ <u>-</u>	\$ <u>-</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>(1,446)</u>		
End of year, June 30			\$ <u>-</u>		

**Beaufort County, North Carolina**  
**Hurricane Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual**  
**From Inception and For the Fiscal Year Ended June 30, 2011**

	Project Author - ization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
<b>Revenues:</b>					
Restricted intergovernmental - HMGP	\$ 1,345,813	\$ 1,154,121	\$ -	\$ 1,154,121	\$ (191,692)
Restricted intergovernmental	600,000	1,501,344	1,031	1,502,375	902,375
Restricted intergovernmental - CDBG 08-C-1870	850,000	-	689,059	689,059	(160,941)
Restricted intergovernmental - SRL-PJ-NC-2008-002	333,212	-	131,166	131,166	(202,046)
Restricted intergovernmental - CDBG - 08-T-1906	75,000	-	74,823	74,823	(177)
Restricted intergovernmental - CDBG -10-C-2115	400,000	-	16,900	16,900	(383,100)
Restricted intergovernmental - CDBG 10-C-2136	500,000	-	21,600	21,600	(478,400)
Restricted intergovernmental	-	-	-	-	-
Other	3,744	3,744	-	3,744	-
Interest Income	-	-	-	-	-
<b>Total Revenues</b>	<u>4,107,769</u>	<u>2,659,209</u>	<u>934,579</u>	<u>3,593,788</u>	<u>(513,981)</u>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Economic and physical development:</b>					
	<u>4,202,769</u>	<u>2,798,160</u>	<u>940,838</u>	<u>3,738,998</u>	<u>463,771</u>
Revenues over expenditures	(95,000)	(138,951)	(6,259)	(145,210)	(50,210)
<b>Other Financing Sources (Uses):</b>					
Transfer in	<u>95,000</u>	<u>95,000</u>	<u>21,167</u>	<u>116,167</u>	<u>(21,167)</u>
<b>Total Other Financing Sources (Uses)</b>	<u>95,000</u>	<u>95,000</u>	<u>21,167</u>	<u>116,167</u>	<u>(21,167)</u>
<b>Revenues, Other Sources Over (Under) Expenditures and Other Uses</b>	<u>\$ -</u>	<u>\$ (43,951)</u>	14,908	<u>\$ (29,043)</u>	<u>\$ (29,043)</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>(43,951)</u>		
End of year, June 30			<u>\$ (29,043)</u>		

Beaufort County, North Carolina  
 Capital Project Fund - Pantego Sewer  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Grants	\$ 3,399,910	\$ 747,271	\$ -	\$ 747,271	\$ (2,652,639)
Other Income	-	-	13,753	13,753	13,753
Total Revenues	<u>3,399,910</u>	<u>747,271</u>	<u>13,753</u>	<u>761,024</u>	<u>(2,638,886)</u>
<b>Expenditures</b>					
Economic & Physical Development:					
Construction	3,399,910	753,361	16,410	769,771	2,630,139
Total Expenditures	<u>3,399,910</u>	<u>753,361</u>	<u>16,410</u>	<u>769,771</u>	<u>2,630,139</u>
Revenues Over (Under) Expenditures	-	(6,090)	(2,657)	(8,747)	(8,747)
Other financing sources:					
Transfer in from other fund	-	22,500	-	22,500	22,500
Total Other Financing Sources (Uses)	-	<u>22,500</u>	-	<u>22,500</u>	<u>22,500</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 16,410</u>	(2,657)	<u>\$ 13,753</u>	<u>\$ 13,753</u>
Fund balances:					
Beginning of year, July 1			<u>16,410</u>		
End of year, June 30			<u>\$ 13,753</u>		



Beaufort County, North Carolina  
 Capital Project Fund - Economic Development Industrial Ready Building  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
CDBG Grant	\$ 18,000	\$ 3,673	\$ -	\$ 3,673	\$ (14,327)
Sale of industrial ready building	-	1,387,466	-	1,387,466	1,387,466
Other	-	-	24,100	24,100	24,100
Investment Income	-	13,517	-	13,517	13,517
Total Revenues	<u>18,000</u>	<u>1,404,656</u>	<u>24,100</u>	<u>1,428,756</u>	<u>1,410,756</u>
<b>Expenditures</b>					
Economic & Physical Development:					
Construction	6,560,587	2,757,397	9,640	2,767,037	3,793,550
Total Expenditures	<u>6,560,587</u>	<u>2,757,397</u>	<u>9,640</u>	<u>2,767,037</u>	<u>3,793,550</u>
Revenues Over (Under) Expenditures	<u>(6,542,587)</u>	<u>(1,352,741)</u>	<u>14,460</u>	<u>(1,338,281)</u>	<u>5,204,306</u>
Other financing sources(uses):					
Transfer in from other funds	960,587	-	-	-	(960,587)
Principal payoff on IRB I	(1,200,000)	(1,098,980)	-	(1,098,980)	101,020
Loan Proceeds - IRB II	6,782,000	2,468,206	-	2,468,206	(4,313,794)
Total Other Financing Sources (Uses)	<u>6,542,587</u>	<u>2,468,206</u>	<u>-</u>	<u>1,369,226</u>	<u>(5,173,361)</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 16,485</u>	<u>14,460</u>	<u>\$ 30,945</u>	<u>\$ 30,945</u>
Fund balances:					
Beginning of year, July 1			<u>16,485</u>		
End of year, June 30			<u>\$ 30,945</u>		

Beaufort County, North Carolina  
 Capital Project Fund - Hospital Renovations  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues</b>					
Grant funds	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	410,483	387,833	-	387,833	(22,650)
Investment Income	390,000	279,153	120	279,273	(110,727)
Total Revenues	<u>800,483</u>	<u>666,986</u>	<u>120</u>	<u>667,106</u>	<u>(133,377)</u>
<b>Expenditures</b>					
Economic & Physical Development:					
Construction	20,130,483	17,222,525	-	17,222,525	2,907,958
Contingency	170,000	-	-	-	170,000
Total Expenditures	<u>20,300,483</u>	<u>17,222,525</u>	<u>-</u>	<u>17,222,525</u>	<u>3,077,958</u>
Revenues Over (Under) Expenditures	<u>(19,500,000)</u>	<u>(16,555,539)</u>	<u>120</u>	<u>(16,555,419)</u>	<u>2,944,581</u>
Other financing sources:					
Transfer in	1,500,000	165,859	-	165,859	(1,334,141)
Proceeds from long term debt	18,000,000	16,538,502	-	16,538,502	(1,461,498)
Total Other Financing Sources (Uses)	<u>19,500,000</u>	<u>16,704,361</u>	<u>-</u>	<u>16,704,361</u>	<u>(2,795,639)</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 148,822</u>	<u>120</u>	<u>\$ 148,942</u>	<u>\$ 148,942</u>
Fund balances:					
Beginning of year, July 1			<u>148,822</u>		
End of year, June 30			<u>\$ 148,942</u>		

Beaufort County, North Carolina  
CDBG Fund  
05-E-1411  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental	\$ 3,742,315	\$ 1,408,568	\$ 467,435	\$ 1,876,003	\$ (1,866,312)
Other income	-	-	12,768	12,768	12,768
Interest Income	-	-	-	-	-
Total Revenues	<u>3,742,315</u>	<u>1,408,568</u>	<u>480,203</u>	<u>1,888,771</u>	<u>(1,853,544)</u>
<b>Expenditures:</b>					
<b>Current:</b>					
Economic and physical development:	<u>3,742,315</u>	<u>1,916,184</u>	<u>351,416</u>	<u>2,267,600</u>	<u>1,474,715</u>
Revenues over expenditures	-	(507,616)	128,787	(378,829)	(378,829)
<b>Other Financing Sources (Uses):</b>					
Transfer in	-	<u>250,000</u>	<u>131,307</u>	<u>381,307</u>	<u>(381,307)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>250,000</u>	<u>131,307</u>	<u>381,307</u>	<u>(381,307)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (257,616)</u>	260,094	<u>\$ 2,478</u>	<u>\$ 2,478</u>
<b>Fund balances:</b>					
Beginning of year, July 1			<u>(257,616)</u>		
End of year, June 30			<u>\$ 2,478</u>		

Beaufort County, North Carolina  
 Capital Project Fund - Public Schools  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Varinace Positive (Negative)
<b>Revenues</b>					
Sale of Bonds	\$ 33,000,000	\$ 26,000,000	\$ -	\$ 26,000,000	\$ (7,000,000)
Restricted intergovernmental	5,169,800	3,430,190	-	3,430,190	(1,739,610)
Other income	195,671	-	235,996	235,996	40,325
Investment Income	559,716	582,297	-	582,297	22,581
<b>Total Revenues</b>	<u>38,925,187</u>	<u>30,012,487</u>	<u>235,996</u>	<u>30,248,483</u>	<u>(8,676,704)</u>
<b>Expenditures</b>					
Economic & Physical Development:					
Construction	38,925,187	30,470,243	-	30,470,243	8,454,944
<b>Total Expenditures</b>	<u>38,925,187</u>	<u>30,470,243</u>	<u>-</u>	<u>30,470,243</u>	<u>8,454,944</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(457,756)</u>	<u>235,996</u>	<u>(221,760)</u>	<u>(221,760)</u>
Other financing sources:					
Transfer to General Fund	-	221,760	-	221,760	221,760
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>221,760</u>	<u>-</u>	<u>221,760</u>	<u>221,760</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ (235,996)</u>	<u>235,996</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:					
Beginning of year, July 1			<u>(235,996)</u>		
End of year, June 30			<u>\$ -</u>		

Beaufort County, North Carolina  
 Enterprise Fund - Water District I  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
<b>Operating Revenues</b>			
Water sales	\$	\$ 647,717	\$
Tap on Fees		21,150	
Miscellaneous		31,805	
<b>Total Operating Revenues</b>	<u>725,027</u>	<u>700,672</u>	<u>(24,355)</u>
<b>Nonoperating Revenues</b>			
Interest on Investments	-	-	-
<b>Total Revenues</b>	<u>725,027</u>	<u>700,672</u>	<u>(24,355)</u>
<b>Expenditures:</b>			
<b>Administration:</b>			
Supplies		594	
Travel		1,214	
Utilities		14,485	
Other administration expenses		2,641	
<b>Total</b>	<u>22,200</u>	<u>18,934</u>	<u>3,266</u>
<b>Water treatment &amp; distribution:</b>			
Salaries and employee benefits		119,800	
Water purchase		92,294	
Supplies		877	
Maintenance		58,448	
Other expenses		34,317	
<b>Total</b>	<u>370,300</u>	<u>305,736</u>	<u>64,564</u>
<b>Budgetary Appropriations:</b>			
Capital Outlay		4,027	
Interest Paid		243,553	
Debt Principal		78,500	
<b>Total</b>	<u>327,680</u>	<u>326,080</u>	<u>1,600</u>
<b>Total Expenditures</b>	<u>720,180</u>	<u>650,750</u>	<u>69,430</u>
<b>Revenues Over (Under) Expenditures</b>	<u>4,847</u>	<u>49,922</u>	<u>45,075</u>

Beaufort County, North Carolina  
 Enterprise Fund - Water District I  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources and (Uses):			
Grants		-	
Transfer to other funds		(4,847)	
Transfer from other funds		-	
Total Other Financing Sources (Uses)	<u>(4,847)</u>	<u>(4,847)</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	45,075	45,075
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 45,075</u>	<u>\$ 45,075</u>

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ <u>45,075</u>
Budgetary Appropriations:	
Capital Outlay	4,027
Transfer to capital project	135,435
Change in OPEB and compensated absences	(382)
Principal Payments	78,500
Adjustments:	
Depreciation	<u>(190,025)</u>
Total reconciling items	27,555
Change in net assets	<u>\$ 72,630</u>

Beaufort County, North Carolina  
Enterprise Fund - Water District II  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
<b>Operating Revenues</b>			
Water sales		\$ 746,767	
Tap on Fees		13,950	
Miscellaneous		38,097	
Total Operating Revenues	\$ 880,308	798,814	\$ (81,494)
<b>Nonoperating Revenues</b>			
Interest on Investments	-	-	-
<b>Total Revenues</b>	<b>880,308</b>	<b>798,814</b>	<b>(81,494)</b>
<b>Expenditures:</b>			
<b>Administration:</b>			
Supplies		900	
Telephone		4,805	
Travel		14,237	
Utilities		17,048	
Other administration expenses		1,706	
Total	39,500	38,696	804
<b>Water treatment &amp; distribution:</b>			
Salaries and employee benefits		180,868	
Water purchase		143,466	
Supplies		737	
Maintenance		89,064	
Other expenses		50,275	
Total	508,442	464,410	44,032
<b>Budgetary Appropriations:</b>			
Capital Outlay		6,184	
Interest Paid		227,199	
Debt Principal		98,000	
Total	332,366	331,383	983
<b>Total Expenditures</b>	<b>880,308</b>	<b>834,489</b>	<b>45,819</b>
<b>Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>(35,675)</b>	<b>(35,675)</b>

Beaufort County, North Carolina  
 Enterprise Fund - Water District II  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources and (Uses):			
Bond Proceeds		-	
Transfer to other funds	-	-	
Transfer from other funds		-	
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	(35,675)	(35,675)
Appropriated Fund Balance		-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ (35,675)	\$ (35,675)

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ (35,675)
Budgetary Appropriations:	
Capital Outlay	6,184
Change in OPEB and compensated absences	(457)
Principal Payments	98,000
Adjustments:	
Loss on disposal of asset	-
Depreciation	(96,934)
Total reconciling items	6,793
Change in net assets	\$ (28,882)



Beaufort County, North Carolina  
 Enterprise Fund - Water District III  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
<b>Operating Revenues</b>			
Water sales	\$	\$ 884,540	\$
Tap on Fees		19,550	
Miscellaneous		34,665	
<b>Total Operating Revenues</b>	<u>972,451</u>	<u>938,755</u>	<u>(33,696)</u>
<b>Nonoperating Revenues</b>			
Interest on Investments	-	-	-
<b>Total Revenues</b>	<u>972,451</u>	<u>938,755</u>	<u>(33,696)</u>
<b>Expenditures:</b>			
<b>Administration:</b>			
Supplies		3,154	
Telephone		4,752	
Travel		14,084	
Utilities		16,871	
Other administration expenses		1,312	
<b>Total</b>	<u>41,000</u>	<u>40,173</u>	<u>827</u>
<b>Water treatment &amp; distribution:</b>			
Salaries and employee benefits		178,544	
Water purchase		140,816	
Supplies		43,549	
Maintenance		44,336	
Other expenses		65,066	
<b>Total</b>	<u>475,000</u>	<u>472,311</u>	<u>2,689</u>
<b>Budgetary Appropriations:</b>			
Capital Outlay		6,089	
Interest Paid		278,023	
Debt Principal		137,300	
<b>Total</b>	<u>477,148</u>	<u>421,412</u>	<u>55,736</u>
<b>Total Expenditures</b>	<u>993,148</u>	<u>933,896</u>	<u>59,252</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(20,697)</u>	<u>4,859</u>	<u>25,556</u>

Beaufort County, North Carolina  
 Enterprise Fund - Water District III  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources and (Uses):			
Bond Proceeds		-	
Transfer to other funds		-	
Transfer from other funds		-	
Total Other Financing Sources (Uses)		-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	(20,697)	4,859	25,556
Appropriated Fund Balance	20,697	-	(20,697)
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 4,859	\$ 4,859

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 4,859
Budgetary Appropriations:	
Capital Outlay	6,089
Principal Payments	137,300
Change in OPEB and compensated absences	(357)
Adjustments:	
Depreciation	(129,230)
Total reconciling items	13,802
Change in net assets	\$ 18,661

Beaufort County, North Carolina  
Enterprise Fund - Water District IV  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues			
Water sales	\$	\$ 956,727	\$
Tap on Fees		24,850	
Miscellaneous		37,647	
Total Operating Revenues	<u>1,066,012</u>	<u>1,019,224</u>	<u>(46,788)</u>
Nonoperating Revenues			
Interest on Investments	-	-	-
Total Revenues	<u>1,066,012</u>	<u>1,019,224</u>	<u>(46,788)</u>
<b>Expenditures:</b>			
Administration:			
Supplies		3,438	
Telephone		4,978	
Travel		14,745	
Utilities		17,656	
Other administration expenses		762	
Total	<u>41,649</u>	<u>41,579</u>	<u>70</u>
Water treatment & distribution:			
Salaries and employee benefits		186,951	
Water purchase		147,189	
Supplies		45,814	
Maintenance		16,786	
Other expenses		97,448	
Total	<u>528,414</u>	<u>494,188</u>	<u>34,226</u>
Budgetary Appropriations:			
Capital Outlay		6,406	
Interest Paid		348,737	
Debt Principal		139,000	
Total	<u>495,949</u>	<u>494,143</u>	<u>1,806</u>
Total Expenditures	<u>1,066,012</u>	<u>1,029,910</u>	<u>36,102</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(10,686)</u>	<u>(10,686)</u>

Beaufort County, North Carolina  
 Enterprise Fund - Water District IV  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources and (Uses):			
Capital Contributions		-	
Transfer to other funds		-	
Transfer from other funds		-	
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	(10,686)	(10,686)
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ (10,686)	\$ (10,686)

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ (10,686)
Budgetary Appropriations:	
Capital Outlay	6,406
Change in OPEB and compensated absences	(540)
Principal Payments	139,000
Adjustments:	
Capital project - transfer	5,891
Depreciation	(270,586)
Total reconciling items	(119,829)
Change in net assets	\$ (130,515)

Beaufort County, North Carolina  
 Enterprise Fund - Water District V  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues			
Water sales	\$	\$ 467,026	\$
Tap on Fees		10,928	
Miscellaneous		18,735	
Total Operating Revenues	<u>519,946</u>	<u>496,689</u>	<u>(23,257)</u>
Nonoperating Revenues			
Interest on Investments	-	-	-
Total Revenues	<u>519,946</u>	<u>496,689</u>	<u>(23,257)</u>
<b>Expenditures:</b>			
Administration:			
Supplies		661	
Telephone		2,177	
Travel		6,454	
Utilities		7,739	
Other administration expenses		4,632	
Total	<u>21,860</u>	<u>21,663</u>	<u>197</u>
Water distribution			
Salaries and employee benefits		81,746	
Water purchase		64,219	
Supplies		19,753	
Maintenance		14,680	
Other expenses		603	
Total	<u>223,355</u>	<u>181,001</u>	<u>42,354</u>
Budgetary Appropriations:			
Capital Outlay		2,761	
Interest Paid		172,359	
Debt Principal		98,725	
Total	<u>274,731</u>	<u>273,845</u>	<u>886</u>
Total Expenditures	<u>519,946</u>	<u>476,509</u>	<u>43,437</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>20,180</u>	<u>20,180</u>

Beaufort County, North Carolina  
 Enterprise Fund - Water District V  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources and (Uses):			
Transfer to other funds		-	
Transfer from other funds		-	
Total Other Financing Sources (Uses)		-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	20,180	20,180
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 20,180	\$ 20,180

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 20,180
Budgetary Appropriations:	
Capital Outlay	2,761
Principal Payments	98,725
Change in OPEB and compensated absences	(315)
Adjustments:	
Capital project net transfers	(17,104)
Depreciation	(188,191)
Total reconciling items	(104,124)
Change in net assets	\$ (83,944)

Beaufort County, North Carolina  
Enterprise Fund - Water District VI  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
<b>Operating Revenues</b>			
Water sales	\$	\$ 1,059,157	\$
Tap on Fees		27,088	
Miscellaneous		46,515	
<b>Total Operating Revenues</b>	<u>1,127,152</u>	<u>1,132,760</u>	<u>5,608</u>
<b>Nonoperating Revenues</b>			
Interest on Investments	-	-	-
<b>Total Revenues</b>	<u>1,127,152</u>	<u>1,132,760</u>	<u>5,608</u>
<b>Expenditures:</b>			
<b>Administration:</b>			
Supplies		1,793	
Telephone		5,910	
Travel		18,129	
Utilities		73,565	
Other administration expenses		2,314	
<b>Total</b>	<u>102,677</u>	<u>101,711</u>	<u>966</u>
<b>Water distribution:</b>			
Salaries and employee benefits		222,645	
Water Purchase		34,121	
Supplies		55,775	
Maintenance		56,796	
Other expenses		56,967	
<b>Total</b>	<u>445,197</u>	<u>426,304</u>	<u>18,893</u>
<b>Budgetary Appropriations:</b>			
Capital Outlay		7,804	
Interest Paid		458,208	
Debt Principal		138,000	
<b>Total</b>	<u>605,660</u>	<u>604,012</u>	<u>1,648</u>
<b>Total Expenditures</b>	<u>1,153,534</u>	<u>1,132,027</u>	<u>21,507</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(26,382)</u>	<u>733</u>	<u>27,115</u>

**Beaufort County, North Carolina**  
**Enterprise Fund - Water District VI**  
**Schedule of Revenues and Expenditures**  
**Budget and Actual - (Non-GAAP)**  
**For the Fiscal Year Ended June 30, 2011**

	2011		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources and (Uses):			
Capital Contributions		-	
Repayment of advance		-	
Transfer to other funds		-	
Transfer from other funds		-	
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	(26,382)	733	27,115
Appropriated Fund Balance	26,382	-	(26,382)
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 733	\$ 733

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 733
Budgetary Appropriations:	
Capital Outlay	7,804
Principal Payments	138,000
Adjustments:	
Capital project transfer	(67,080)
Change in OPEB and compensated absences	349
Depreciation	(429,696)
Total reconciling items	(350,623)
Change in net assets	\$ (349,890)



Beaufort County, North Carolina  
 Enterprise Fund - Water District VII  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating Revenues			
Water sales	\$	\$ 698,096	\$
Tap on Fees		11,852	
Miscellaneous		26,176	
Total Operating Revenues	<u>730,317</u>	<u>736,124</u>	<u>5,807</u>
Nonoperating Revenues			
Interest on Investments	-	-	-
Total Revenues	<u>730,317</u>	<u>736,124</u>	<u>5,807</u>
<b>Expenditures:</b>			
Administration:			
Supplies		1,088	
Telephone		3,505	
Travel		9,742	
Utilities		15,875	
Other administration expenses		1,560	
Total	<u>55,944</u>	<u>31,770</u>	<u>24,174</u>
Water distribution:			
Salaries and employee benefits		135,136	
Water purchase		10,529	
Supplies		32,206	
Maintenance		9,842	
Other expenses		-	
Total	<u>321,041</u>	<u>187,713</u>	<u>133,328</u>
Budgetary Appropriations:			
Capital Outlay		4,503	
Interest Paid		246,965	
Debt Principal		100,500	
Total	<u>353,332</u>	<u>351,968</u>	<u>1,364</u>
Total Expenditures	<u>730,317</u>	<u>571,451</u>	<u>158,866</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>164,673</u>	<u>164,673</u>

Beaufort County, North Carolina  
 Enterprise Fund - Water District VII  
 Schedule of Revenues and Expenditures  
 Budget and Actual - (Non-GAAP)  
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources and (Uses):			
Bond Proceeds		-	
Transfer to other funds		-	
Transfer from other funds	-	-	
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	164,673	164,673
Appropriated Fund Balance		-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 164,673	\$ 164,673

**Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:**

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 164,673
Budgetary Appropriations:	
Capital Outlay	4,503
Principal Payments	100,500
Adjustments:	
Change in OPEB and compensated absences	(277)
Capital project transfer	(52,296)
Depreciation	(196,927)
Total reconciling items	(144,497)
Change in net assets	\$ 20,176

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District I  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Varinace Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant - Clean water grant	\$ 4,301,417	\$ 3,207,011	\$ -	\$ 3,207,011	\$ (1,094,406)
Developer contribution	13,747	105,625	-	105,625	91,878
Investment Income	-	-	-	-	-
Total Revenues	<u>4,315,164</u>	<u>3,312,636</u>	<u>-</u>	<u>3,312,636</u>	<u>(1,002,528)</u>
<b>Expenditures:</b>					
Administration	46,738	45,065	-	45,065	1,673
Engineering	465,205	467,238	-	467,238	(2,033)
Inspection	178,750	174,496	-	174,496	4,254
Construction	9,820,828	8,487,150	-	8,487,150	1,333,678
Total Expenditures	<u>10,511,521</u>	<u>9,173,949</u>	<u>-</u>	<u>9,173,949</u>	<u>1,337,572</u>
Revenues Over (Under) Expenditures	<u>(6,196,357)</u>	<u>(5,861,313)</u>	<u>-</u>	<u>(5,861,313)</u>	<u>335,044</u>
<b>Other financing sources:</b>					
Bond anticipation notes	5,467,300	5,467,300	-	5,467,300	-
Transfer from/to other funds	729,057	258,578	135,435	394,013	(335,044)
Total Other Financing Sources (Uses)	<u>6,196,357</u>	<u>5,725,878</u>	<u>135,435</u>	<u>5,861,313</u>	<u>(335,044)</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ (135,435)</u>	<u>\$ 135,435</u>	<u>\$ -</u>	<u>\$ -</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District II  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 1,800,620	\$ 233,451	\$ -	\$ 233,451	\$ (1,567,169)
Other	-	1,962	-	1,962	1,962
Investment Income	-	-	-	-	-
Total Revenues	<u>1,800,620</u>	<u>235,413</u>	<u>-</u>	<u>235,413</u>	<u>(1,565,207)</u>
<b>Expenditures:</b>					
Engineering	148,325	22,163	-	22,163	126,162
Construction	1,442,644	197,623	-	197,623	1,245,021
Interest	136,879	-	-	-	136,879
Contingency	72,772	15,627	-	15,627	57,145
Total Expenditures	<u>1,800,620</u>	<u>235,413</u>	<u>-</u>	<u>235,413</u>	<u>1,565,207</u>
Revenues Over (Under) Expenditures	-	-	-	-	-
<b>Other financing sources:</b>					
Transfer from other funds	-	-	-	-	-
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District III  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual		Varinace Positive (Negative)
			Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 1,123,795	\$ 493,419	\$ -	\$ 493,419	\$ (630,376)
Other	-	12,589	-	12,589	12,589
Investment Income	-	335	-	335	335
Total Revenues	<u>1,123,795</u>	<u>506,343</u>	<u>-</u>	<u>506,343</u>	<u>(617,452)</u>
<b>Expenditures:</b>					
Engineering	92,464	64,220	-	64,220	28,244
Construction	975,258	408,145	-	408,145	567,113
Interest	1,219	-	-	-	1,219
Contingency	54,854	33,978	-	33,978	20,876
Total Expenditures	<u>1,123,795</u>	<u>506,343</u>	<u>-</u>	<u>506,343</u>	<u>617,452</u>
Revenues Over (Under) Expenditures	-	-	-	-	-
Other financing sources:					
Transfer from other funds	-	-	-	-	-
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District IV  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 4,269,300	\$ 3,331,140	\$ -	\$ 3,331,140	\$ (938,160)
Tap fees	47,700	-	-	-	(47,700)
Other	70,000	14,782	-	14,782	(55,218)
Investment Income	-	74,514	-	74,514	74,514
<b>Total Revenues</b>	<u>4,387,000</u>	<u>3,420,436</u>	<u>-</u>	<u>3,420,436</u>	<u>(966,564)</u>
<b>Expenditures:</b>					
Engineering	610,057	560,943	-	560,943	49,114
Construction	7,330,020	6,659,378	-	6,659,378	670,642
Interest	604,252	525,168	-	525,168	79,084
Administrative services	700	919	-	919	(219)
Legal and accounting	51,354	58,833	-	58,833	(7,479)
Land purchase	35,000	35,000	-	35,000	-
Water district I expenses	442,536	441,159	-	441,159	1,377
Water district V expenses	362,612	362,612	-	362,612	-
Contingency	168,154	-	-	-	168,154
<b>Total Expenditures</b>	<u>9,604,685</u>	<u>8,644,012</u>	<u>-</u>	<u>8,644,012</u>	<u>960,673</u>
Revenues Over (Under) Expenditures	<u>(5,217,685)</u>	<u>(5,223,576)</u>	<u>-</u>	<u>(5,223,576)</u>	<u>(5,891)</u>
<b>Other financing sources:</b>					
From District IV Phase II	53,543	53,543	5,891	59,434	5,891
To Water District I	(283,742)	(283,742)	-	(283,742)	-
From District V	47,884	47,884	-	47,884	-
Proceeds from long term debt	5,400,000	5,400,000	-	5,400,000	-
<b>Total other financing sources</b>	<u>5,217,685</u>	<u>5,217,685</u>	<u>5,891</u>	<u>5,223,576</u>	<u>5,891</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ (5,891)</u>	<u>\$ 5,891</u>	<u>\$ -</u>	<u>\$ -</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District IV - Phase II  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 5,236,000	\$ 2,194,000	\$ -	\$ 2,194,000	\$ (3,042,000)
Tap fees	-	18,924	-	18,924	18,924
Investment Income	-	18,924	-	18,924	18,924
<b>Total Revenues</b>	<u>5,236,000</u>	<u>2,231,848</u>	<u>-</u>	<u>2,231,848</u>	<u>(3,004,152)</u>
<b>Expenditures:</b>					
Engineering	358,500	353,713	-	353,713	4,787
Construction	7,309,530	4,247,097	-	4,247,097	3,062,433
Interest	263,769	114,822	-	114,822	148,947
Legal and accounting	41,982	216,150	-	216,150	(174,168)
Land purchase	1,000	1,000	-	1,000	-
Water district V expenses	249,676	249,676	-	249,676	-
Contingency	-	-	-	-	-
<b>Total Expenditures</b>	<u>8,224,457</u>	<u>5,182,458</u>	<u>-</u>	<u>5,182,458</u>	<u>3,041,999</u>
<b>Revenues Over (Under) Expenditures</b>	<u>(2,988,457)</u>	<u>(2,950,610)</u>	<u>-</u>	<u>(2,950,610)</u>	<u>37,847</u>
<b>Other financing sources (uses):</b>					
To other Districts	(53,543)	53,543	-	53,543	107,086
Proceeds from long term debt	3,042,000	3,042,000	-	3,042,000	-
<b>Total other financing sources &amp; uses</b>	<u>2,988,457</u>	<u>3,095,543</u>	<u>-</u>	<u>3,095,543</u>	<u>107,086</u>
<b>Revenues and other sources over expenditures</b>	<u>\$ -</u>	<u>\$ 144,933</u>	<u>\$ -</u>	<u>\$ 144,933</u>	<u>\$ 144,933</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District V - Clean Water  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 1,819,900	\$ 1,338,344	\$ -	\$ 1,338,344	\$ (481,556)
Tap fees	-	-	-	-	-
Investment Income	-	-	-	-	-
<b>Total Revenues</b>	<u>1,819,900</u>	<u>1,338,344</u>	<u>-</u>	<u>1,338,344</u>	<u>(481,556)</u>
<b>Expenditures:</b>					
Engineering	101,218	89,292	-	89,292	11,926
Construction	1,575,454	1,153,194	-	1,153,194	422,260
Inspections	90,151	68,717	-	68,717	21,434
Legal and accounting	7,500	5,167	-	5,167	2,333
Land purchase	30,000	30,000	-	30,000	-
Contingency	15,577	-	-	-	15,577
<b>Total Expenditures</b>	<u>1,819,900</u>	<u>1,346,370</u>	<u>-</u>	<u>1,346,370</u>	<u>473,530</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(8,026)</u>	<u>-</u>	<u>(8,026)</u>	<u>(8,026)</u>
<b>Other financing sources:</b>					
Transfers	-	-	8,026	8,026	8,026
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ (8,026)</u>	<u>\$ 8,026</u>	<u>\$ -</u>	<u>\$ -</u>



Beaufort County, North Carolina  
Water District Capital Project Fund - Water District V Pantego Capital Project  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual		Varinace Positive (Negative)
			Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 1,895,100	\$ 1,895,100	\$ -	\$ 1,895,100	\$ -
Tap fees	645,388	612,652	-	612,652	(32,736)
Other	-	25,130	-	25,130	25,130
Investment Income	-	32,736	-	32,736	32,736
Total Revenues	<u>2,540,488</u>	<u>2,565,618</u>	<u>-</u>	<u>2,565,618</u>	<u>25,130</u>
<b>Expenditures:</b>					
Engineering	475,435	466,608	-	466,608	8,827
Construction	5,246,933	5,247,302	-	5,247,302	(369)
Interest	380,000	388,457	-	388,457	(8,457)
Administrative services	905	906	-	906	(1)
Legal and accounting	45,015	45,015	-	45,015	-
Land purchase	37,810	37,810	-	37,810	-
Water district I expenses	306,506	306,506	-	306,506	-
Contingency	-	-	-	-	-
Total Expenditures	<u>6,492,604</u>	<u>6,492,604</u>	<u>-</u>	<u>6,492,604</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>(3,952,116)</u>	<u>(3,926,986)</u>	<u>-</u>	<u>(3,926,986)</u>	<u>25,130</u>
<b>Other financing sources (uses):</b>					
Transfer to Water District IV	(47,884)	(47,884)	(25,130)	(73,014)	(25,130)
Proceeds from long term debt	4,000,000	4,000,000	-	4,000,000	-
	<u>3,952,116</u>	<u>3,952,116</u>	<u>(25,130)</u>	<u>3,926,986</u>	<u>(25,130)</u>
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 25,130</u>	<u>\$ (25,130)</u>	<u>\$ -</u>	<u>\$ -</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District VI Southside HS  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual		Variance Positive (Negative)
			Current Year	Total to Date	
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ -
Investment Income	-	4,492	-	4,492	4,492
Total Revenues	<u>100,000</u>	<u>104,492</u>	<u>-</u>	<u>104,492</u>	<u>4,492</u>
<b>Expenditures:</b>					
Engineering	57,500	57,394	-	57,394	106
Construction	471,859	459,121	-	459,121	12,738
Legal	2,500	-	-	-	2,500
Contingency	118,141	-	-	-	118,141
Total Expenditures	<u>650,000</u>	<u>516,515</u>	<u>-</u>	<u>516,515</u>	<u>133,485</u>
Revenues Over (Under) Expenditures	<u>(550,000)</u>	<u>(412,023)</u>	<u>-</u>	<u>(412,023)</u>	<u>137,977</u>
<b>Other financing sources:</b>					
Transfer from/to other funds	550,000	550,000	-	550,000	-
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 137,977</u>	<u>\$ -</u>	<u>\$ 137,977</u>	<u>\$ 137,977</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District VI Chocowinity  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 3,000,000	\$ 3,133,918	\$ -	\$ 3,133,918	\$ 133,918
State grant	1,364,000	1,364,000	-	1,364,000	-
Other restricted grants	6,283,079	4,883,659	-	4,883,659	(1,399,420)
Other	-	139,077	-	139,077	139,077
Investment Income	-	-	-	-	-
<b>Total Revenues</b>	<u>10,647,079</u>	<u>9,520,654</u>	<u>-</u>	<u>9,520,654</u>	<u>(1,126,425)</u>
<b>Expenditures:</b>					
Engineering	1,029,723	1,027,260	2,355	1,029,615	108
Construction	17,240,974	16,546,932	5,507	16,552,439	688,535
Land purchase	197,832	193,600	-	193,600	4,232
Inspection	723,506	717,756	-	717,756	5,750
Interest	1,895,100	1,787,899	-	1,787,899	107,201
Contingency	359,944	1,165	-	1,165	358,779
<b>Total Expenditures</b>	<u>21,447,079</u>	<u>20,274,612</u>	<u>7,862</u>	<u>20,282,474</u>	<u>1,164,605</u>
Revenues Over (Under) Expenditures	<u>(10,800,000)</u>	<u>(10,753,958)</u>	<u>(7,862)</u>	<u>(10,761,820)</u>	<u>38,180</u>
<b>Other financing sources:</b>					
Loans	10,700,000	10,700,000	-	10,700,000	-
Transfer from/to other funds	100,000	128,900	(67,080)	61,820	(38,180)
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 74,942</u>	<u>\$ (74,942)</u>	<u>\$ -</u>	<u>\$ -</u>

Beaufort County, North Carolina  
Water District Capital Project Fund - Water District VII  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non-GAAP)  
From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<b>Revenues:</b>					
Restricted intergovernmental:					
State grant	\$ 9,814,140	\$ 3,636,769	\$ -	\$ 3,636,769	\$ (6,177,371)
Tap fees	31,000	210,608	-	210,608	179,608
Other	61,193	54,481	-	54,481	(6,712)
Investment Income	8,261	-	-	-	(8,261)
Total Revenues	<u>9,914,594</u>	<u>3,901,858</u>	<u>-</u>	<u>3,901,858</u>	<u>(6,012,736)</u>
<b>Expenditures:</b>					
Engineering	607,042	603,808	-	603,808	3,234
Construction	14,657,351	8,754,693	-	8,754,693	5,902,658
Interest	526,506	525,566	-	525,566	940
Legal and accounting	123,695	65,495	-	65,495	58,200
Contingency	-	-	-	-	-
Total Expenditures	<u>15,914,594</u>	<u>9,949,562</u>	<u>-</u>	<u>9,949,562</u>	<u>5,965,032</u>
Revenues Over (Under) Expenditures	<u>(6,000,000)</u>	<u>(6,047,704)</u>	<u>-</u>	<u>(6,047,704)</u>	<u>(47,704)</u>
<b>Other financing sources:</b>					
Transfer in/(out)	-	-	(52,296)	(52,296)	(52,296)
Proceeds from long term debt	6,000,000	6,100,000	-	6,100,000	100,000
Revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ 52,296</u>	<u>\$ (52,296)</u>	<u>\$ -</u>	<u>\$ -</u>

Beaufort County, North Carolina  
 Agency Funds  
 Combining Statement of Changes in Assets and Liabilities  
 For the Fiscal Year Ended June 30, 2011

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>Social Services Fund:</b>				
Cash and Investments	\$ <u>32,755</u>	\$ <u>5,796</u>	\$ <u>-</u>	\$ <u>38,551</u>
Liabilities	\$ <u>32,755</u>	\$ <u>5,796</u>	\$ <u>-</u>	\$ <u>38,551</u>
<b>Sheriff Accounts:</b>				
Cash and Investments	\$ <u>12,696</u>	\$ <u>-</u>	\$ <u>(1,977)</u>	\$ <u>10,719</u>
Liabilities	\$ <u>12,696</u>	\$ <u>-</u>	\$ <u>(1,977)</u>	\$ <u>10,719</u>
<b>Motor Vehicle Tax:</b>				
Cash and Investments	\$ <u>464</u>	\$ <u>24,000</u>	\$ <u>(24,464)</u>	\$ <u>-</u>
Liabilities	\$ <u>464</u>	\$ <u>24,000</u>	\$ <u>(24,464)</u>	\$ <u>-</u>
<b>Beaufort County Home Foundation:</b>				
Cash and Investments	\$ <u>-</u>	\$ <u>62,401</u>	\$ <u>-</u>	\$ <u>62,401</u>
Liabilities	\$ <u>-</u>	\$ <u>62,401</u>	\$ <u>-</u>	\$ <u>62,401</u>
<b>Total - All Agency Funds:</b>				
Cash and Investments	\$ <u>45,915</u>	\$ <u>92,197</u>	\$ <u>(26,441)</u>	\$ <u>111,671</u>
Liabilities	\$ <u>45,915</u>	\$ <u>92,197</u>	\$ <u>(26,441)</u>	\$ <u>111,671</u>

## OTHER SCHEDULES

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This section includes additional information on property taxes, transfers, and cash and investments.

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- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy
- Secondary Market Disclosures
- Schedule of Ten Largest Taxpayers



Beaufort County, North Carolina  
Analysis of Current Tax Levy  
County - wide Levy  
For the Fiscal Year Ended June 30, 2011

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**Secondary Market Disclosures:**

Assessed Valuation:

Assessment Ratio <sup>1</sup>	100 %
Real Property	\$ 3,985,031,890
Personal Property	1,534,972,456
Public Service Companies <sup>2</sup>	<u>83,262,354</u>
Total Assessed Valuation	<u>5,603,266,700</u>
Tax Rate per \$100	0.5
Levy (includes discoveries, releases and abatements) <sup>3</sup>	<u><u>\$ 28,218,135</u></u>

<sup>1</sup> Percentage of appraised value has been established by statute.

<sup>2</sup> Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

<sup>3</sup> The levy includes penalties and multi-rate for motor vehicles.



Beaufort County, North Carolina  
 Analysis of Current Tax Levy  
 County - Wide Levy  
 For the Fiscal Year Ended June 30, 2011

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property Taxes at Current Year Rate	\$ 5,435,391,200	0.5000%	\$ 27,176,956	\$ 26,311,905	\$ 865,051
Property Taxes at Prior Year Rate	176,032,500	0.6000%	1,056,195	-	1,056,195
Penalties			25,906	25,906	-
<b>Total Original Levy</b>	<u>5,611,423,700</u>		<u>28,259,057</u>	<u>26,337,811</u>	<u>1,921,246</u>
Discoveries:					
Current year taxes	8,198,000	0.5000%	40,990	40,990	-
Penalties			-	-	-
<b>Total Discoveries</b>	<u>8,198,000</u>		<u>40,990</u>	<u>40,990</u>	<u>-</u>
Abatements					
Current Year Taxes	(16,355,000)	0.5000%	(81,775)	(61,280)	(20,495)
Penalties			(137)	(137)	-
<b>Total Abatements</b>	<u>(16,355,000)</u>		<u>(81,912)</u>	<u>(61,417)</u>	<u>(20,495)</u>
<b>Total for Year</b>	<u>\$ 5,603,266,700</u>		28,218,135	26,317,384	1,900,751
Uncollected taxes at June 30, 2011			1,417,754	1,105,902	311,852
Current year's taxes collected			<u>\$ 26,800,381</u>	<u>\$ 25,211,482</u>	<u>\$ 1,588,899</u>
Current levy collection percentage			<u>94.98%</u>	<u>95.80%</u>	<u>83.59%</u>

Beaufort County, North Carolina  
 Schedule of Ten Largest Taxpayers  
 For the Fiscal Year Ended June 30, 2011

Taxpayer	Type of Business	2010 Assessed Valuation	Percentage of Total Assessed Valuation
PCS Phosphate Company, Inc.	Phosphate Mining/Acid Production	\$ 891,461,417	21.00 %
Purified Acid Partnership	Acid Production	129,620,971	3.05
Weyerhaeuser Co.	Tree Farm Operation	111,615,282	2.63
Tideland Electric Membership	Utilities	25,925,228	0.61
Stanadyne Automotive Corp.	Automotive Diesel Components	17,176,687	0.40
Carolina Telephone & Telegraph	Communications	17,571,444	0.41
Fountain Powerboats Inc.	Powerboats	14,181,523	0.33
Flanders Filters, Inc.	Manufacturing	14,388,509	0.34
Progress Energy	Utilities	14,633,168	0.34
Agri-East Group Inc.	Agricultural	12,669,376	0.30
Total		<u>\$ 1,249,243,605</u>	<u>29.43 %</u>

**Compliance Section**



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**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 Board of Commissioners  
Beaufort County, North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregated remaining fund information of Beaufort County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprises Beaufort County's basic financial statements and have issued our report thereon dated January 31, 2012. Our report includes a reference to other auditors. 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. Other auditors audited the financial statements of Beaufort County's ABC Board, as described in our report on Beaufort County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of Beaufort County's ABC Board and Beaufort County Hospital Association were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of Beaufort County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Beaufort County'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 Beaufort County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

In planning and performing our audit, we considered Beaufort County'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 Beaufort County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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 Beaufort County'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 the audit committee, management, others within the entity, members of Board, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Thompson, Price, Scott, Adams & Co., P.A.*

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*Thompson, Price, Scott, Adams & Co., P.A.*  
*January 31, 2012*



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**Report On Compliance With Requirements Applicable To Each Major Federal Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act**

To the Board of Directors  
Washington, North Carolina

Compliance

We have audited Beaufort County, North Carolina, with the types of compliance requirements described in the (OMB) Circular A-133 Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of Beaufort County's major federal programs for the year ended June 30, 2011. Beaufort County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Beaufort County's management. Our responsibility is to express an opinion on the Beaufort County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the State Single Audit Implementation Act. Those standards, OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Beaufort County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Beaufort County's compliance with those requirements.

In our opinion, Beaufort County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Beaufort County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Beaufort County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

This report is intended solely for the information and use of the audit committee, management, others within the entity, members of Board of County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Thompson, Price, Scott, Adams & Co., P.A.*

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*Thompson, Price, Scott, Adams & Co., P.A.*  
*January 31, 2012*



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**Report On Compliance With Requirements Applicable To Each Major State Program And Internal Control Over Compliance In Accordance With OMB Circular A-133 and the State Single Audit Implementation Act**

To the Board of County Commissioners  
Beaufort County, North Carolina

Compliance

We have audited Beaufort County, North Carolina, with the types of compliance requirements described in the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on compliance that are applicable to each of its major State programs for the year ended June 30, 2011. Beaufort County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Beaufort County's management. Our responsibility is to express an opinion on Beaufort County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, as described in the Audit Manual for Governmental Auditors in North Carolina, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about the Beaufort County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Beaufort County's compliance with those requirements.

In our opinion, Beaufort County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on to each of its major State programs for the year ended June 30, 2011.

Internal Control Over Compliance

The Management of Beaufort County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Beaufort County's internal control over compliance with the requirements that could have a direct and material effect on a major State program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.



A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the audit committee, management, others within the entity, members of the Board of County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Thompson, Price, Scott, Adams & Co., P.A.*

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*Thompson, Price, Scott, Adams & Co., P.A.*  
*January 31, 2012*

Beaufort County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2011

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**Section I. Summary of Auditor's Results**

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Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?            \_\_\_yes            X\_no
- Significant Deficiency(s) identified  
that are not considered to be  
material weaknesses                            \_\_\_yes            X\_none reported

Noncompliance material to financial  
statements noted                                \_\_\_yes            X\_no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?            \_\_\_yes            X\_no
- Significant Deficiency(s) identified  
that are not considered to be  
material weaknesses                            \_\_\_yes            X\_none reported

Type of auditor's report issued on compliance for major federal programs: Unqualified.

Any audit findings disclosed that are  
required to be reported in accordance  
with Section 510(a) of Circular A-133            \_\_\_yes            X\_no

Identification of major federal programs:

CFDA Numbers	Names of Federal Program or Cluster
93.778	Title XIX - Medicaid
93.659	Adoption Assistance Program*
93.575, 93.596	ARRA - Subsidized Child Care Cluster
93.713, 93.667	
93.558	

Federal programs that did not meet the criteria for a major program using the criteria discussed in OMB Circular No. A-133 Section .520 but were tested as a major program because the State awards met the threshold for a major State program are included in the list of major federal programs (Subsidized Childcare Cluster).

\*State selected program.

Beaufort County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2011

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Dollar threshold used to distinguish  
between Type A and Type B Programs      \$ 1,823,631

Auditee qualified as low-risk auditee?      \_\_\_yes      Xno

State Awards

Internal control over major state programs:

- Material weakness(es) identified?      \_\_\_yes      Xno
- Significant Deficiency(s) identified  
that are not considered to be  
material weaknesses      \_\_\_yes      Xnone reported

Type of auditor's report issued on compliance for major state programs: Unqualified.

Any audit findings disclosed that are  
required to be reported in accordance  
with State Single Audit Implementation  
Act      \_\_\_yes      Xno

Identification of major state programs:

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Name of State Program or Cluster

State/County Special Assistance for Adults  
Public School Building Capital Fund

The Medical Assistance Program which is a State match on a federal program also meets the criteria for a major state program, but this program has been included in the list of major federal programs above.

Beaufort County, North Carolina  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2011

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**Section II – Financial Statement Findings**

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None reported.

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**Section III – Federal Award Findings and Questioned Costs**

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None reported.

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**Section IV – State Award Findings and Questioned Costs**

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None reported.

Beaufort County, North Carolina  
Corrective Action Plan  
For the Fiscal Year Ended June 30, 2011

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**Section II – Financial Statement Findings**

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None reported.

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**Section III – Federal Award Findings and Questioned Costs**

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None reported.

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**Section IV – State Award Findings and Questioned Costs**

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None reported.

Beaufort County, North Carolina  
Summary Schedule of Prior Audit Findings  
For the Fiscal Year Ended June 30, 2011

Status: N/A

Beaufort County, North Carolina  
 Schedule of Expenditures of Federal and State Awards  
 For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<b>Federal Awards:</b>				
<u>U.S. Dept. of Agriculture</u>				
<u>Food and Nutrition Service</u>				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Administration:				
Supplemental Nutrition Assist. Program Cluster				
State Administrative Matching Grants for				
the Supplemental Nutrition Assistance Program	10.561	531,292	-	472,572
Total Food Stamp Cluster		<u>531,292</u>	<u>-</u>	<u>472,572</u>
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Administration:				
Special Supplemental Nutrition Program for				
Women, Infants, & Children	10.557	351,338	-	-
AGRI-SPF Food Program Meal	10.559	780	-	-
Direct Benefit Payments:				
Special Supplemental Nutrition Program for				
Women, Infants, & Children	10.557	1,301,230	-	-
Passed-through Mid East Commission Council of Governments:				
USDA Supplement	10.550	1,292	-	-
Total U.S. Dept. of Agriculture				
		<u>2,185,932</u>	<u>-</u>	<u>472,572</u>
<u>U.S. Dept. of Justice</u>				
<u>Bureau of Justice Assistance</u>				
ARRA - Public Safety Partnerships and Community				
Policing Grants	16.710	15,374	-	-
Local Law Enforcement Block Grants	16.572	53,089	-	-
<u>U. S. Department of Homeland Security</u>				
Passed-through N.C. Dept. of Crime Control and Public Safety:				
Division of Emergency Management				
Emergency Management Performance Grant	97.042	24,718	-	-
Pre-Disaster Mitigation	97.047	18,868	-	-
Disaster Grant	97.036	8,230	2,743	-
Severe Repetitive Loss Program	97.110	131,166	-	-
Hazardous Mitigation Grant	97.039	1,031	-	-
		<u>184,013</u>	<u>2,743</u>	<u>-</u>

Beaufort County, North Carolina  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Dept. of Health &amp; Human Services</u>				
<u>Administration on Aging:</u>				
<u>Division of Aging and Adult Services</u>				
Passed-through Mid East Commission Council of Governments:				
Aging Cluster:				
Congregate Nutrition and Home Del. Meal	93.044	77,403	32,199	12,178
Access Services	93.044	21,180	44,776	7,328
In-Home Support and Services	93.045	142,369	120,145	29,168
<b>Total Aging Cluster</b>		<b>240,952</b>	<b>197,120</b>	<b>48,674</b>
Social Service Block Grant (SSBG) - In Home Services	93.667	38,738	-	5,534
<u>Administration for Children and Families</u>				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Work First Administration	93.558	171,003	-	87,238
TANF Domestic Violence	93.558	7,934	-	326
Work First Service	93.558	751,638	-	486,269
Family Preservation	93.556	5,012	-	-
TANF Payment and Penalties	93.558	364,896	(226)	-
<b>Total TANF Cluster</b>		<b>1,300,483</b>	<b>(226)</b>	<b>573,833</b>
AFDC Payments and Penalties	93.560	(2,234)	(612)	(612)
CSE Incentive Recovery	93.563	-	2,709	-
IV-D Offset Fees Federal	93.563	2,215	-	1,141
IV-D Offset Fees ESC	93.563	261	(81)	216
Child Support Enforcement	93.563	8,989	-	4,631
Low-Income Home Energy Assistance Block Grant:				
Administration	93.568	426,787	-	-
Crisis Intervention	93.568	308,955	8,498	-
Energy Assistance-Direct Benefit Payments	93.568	35,989	-	-
Child Welfare Services-State Grants	93.645	14,213	(923)	5,974
Family Violence Prevention & Svcs	93.671	791	-	-
Social Services Block Grant - Other Services	93.667	191,802	22,776	71,526
Independent Living Grant	93.674	16,751	4,188	-
Foster Care and Adoption Cluster:(Note 2)				
Title IV-E Foster Care-Administration	93.658	420,933	238	216,844
Foster Care-Direct Benefit Payments	93.658	333,712	63,453	270,258
Title IV-E Adoption Subsidy & Vendor	93.658	447,961	120,170	102,170
Title IV-E Family Foster Care Max	93.658	15	-	6
Title IV-E Foster Care-Administration	93.658	523,584	23,799	240,411
Adoption Assistance-Direct Benefit Payments	93.659	36,204	-	3,946
<b>Total Foster Care and Adoption Cluster</b>		<b>1,762,409</b>	<b>207,660</b>	<b>833,635</b>



Beaufort County, North Carolina  
Schedule of Expenditures of Federal and State Awards  
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>Division of Child Development:</u>				
<u>Subsidized Child Care (Note 2)</u>				
<u>Child Care Development Fund Cluster</u>				
<u>Division of Social Services:</u>				
Child Care Development Fund-Administration	93.596	105,789	-	-
<u>Division of Child Development:</u>				
Child Care and Development Block Grant	93.575	644,656	-	-
Child Care and Development Fund - Mandatory	93.596	298,069	-	-
Child Care and Development Fund - Match	93.596	233,929	126,595	-
ARRA - Child Care and Development Fund	93.713	8,431	-	-
Total Child Care Development Fund Cluster		1,290,874	126,595	-
Social Services Block Grant	93.667	27,770	-	-
Temporary Assistance for Needy Families	93.558	227,622	-	-
ARRA - Emergency Contingency Fund for				
TANF State programs	93.714	113,375	-	-
Smart Start		-	47,593	-
State Appropriations		-	505,678	-
TANF - MOE		-	327,227	-
Total Subsidized Child Care Cluster		1,659,641	1,007,093	-
<u>Centers for Medicare and Medicaid Services</u>				
<u>Passed-through the N.C. Dept. of Health and Human Services:</u>				
<u>Division of Medical Assistance:</u>				
<u>Direct Benefit Payments:</u>				
Medical Assistance Program	93.778	49,836,358	20,766,874	68,223
<u>Division of Social Services:</u>				
<u>Administration:</u>				
Medical Assistance Program	93.778	736,725	6,379	719,272
MA Expansion	93.778	13,967	13,967	-
Adult Care Home Case Management	93.778	27,642	13,588	14,053
Medical Assistance Transportation Admin Program	93.778	69,764	-	69,764
State Children's Insurance Program - N.C. Health Choice	93.767	33,988	3,240	7,875
<u>Health Resources and Services Administration</u>				
<u>Passed-through the N.C. Dept. of Health and Human Services:</u>				
<u>Division of Public Health:</u>				
<u>Immunization Cluster:</u>				
Immunization Action Plan	93.268	15,725	-	-
Total Immunization Cluster		15,725	-	-
Public Health Emergency Preparedness	93.069	17,058	-	-
Family Planning Services	93.217	57,225	-	-
Prevention Investigations & Tech. Assistance	93.283	137,585	30	-
Preventive Health and Health Services Block Grant	93.991	18,505	-	-
Temporary Assistance for Needy Families	93.558	6,989	-	-
Maternal and Child Health Services Block Grant	93.994	76,807	57,612	-
Total U.S. Dept. of Health and Human Services		57,055,080	22,309,892	2,423,739
<u>Dept. of Housing and Urban Development(HUD)</u>				
CDBG Grant-08C-1810	14.228	24,410	-	-
CDBG Grant-08C-1870	14.228	689,059	-	-
CDBG Grant-08-T-1906	14.228	74,823	-	-
CDBG Grant-10-C-2115	14.228	16,900	-	-
CDBG Grant-10-C-2136	14.228	21,600	-	-
CDBG Grant-07-E-1641	14.228	467,435	-	-
Total Dept. of Housing and Urban Development(HUD)		1,294,227	-	-
Total Federal Awards		60,787,715	22,309,892	2,896,311

Beaufort County, North Carolina  
 Schedule of Expenditures of Federal and State Awards  
 For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title State Awards:	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>N.C. Dept. of Health and Human Services</u>				
Division of Social Services:				
Foster Care at Risk Max		-	8,007	3,430
Adoption Subsidy		-	136,517	40,434
SFHF Max		-	4,409	4,409
County Funded Programs/Non Allocating costs		-	-	972,734
State/County Special Assistance for Adults		-	567,041	596,657
State Foster Care Benefits Program		-	38,255	38,255
Division of Public Health:				
Communicable disease		-	2,684	-
General Health		-	130,541	-
Minority Health		-	-	-
Health Promotion		-	9,670	-
Women's Preventative Health		-	3,604	-
Breast & Cervical Cancer Control		-	7,541	-
Tuberculosis		-	25,721	-
Aids		-	41,358	-
Direct Grant: State appropriation - soil & water		-	152,352	-
Division of Aging:				
90 % State Funds		-	187,253	20,806
Total N. C. Department of Health and Human Services		-	1,314,953	1,676,725
<u>N.C. Dept. of Juvenile Justice</u>				
Juvenile Crime Prevention		-	71,289	-
Total Office of Governor		-	71,289	-
<u>N.C. Dept. of Transportation</u>				
Rural Operating Assistance Program (ROAP)				
Elderly and Disabled Transportation Assistance Program (E&DTAP)		-	79,614	-
ROAP Work First Transitional - Employment Transportation Assistance Program		-	13,316	-
ROAP Rural General Public Program		-	84,397	-
Total N. C. Dept. Of Transportation		-	177,327	-
<u>N.C. Dept. of Public Instruction</u>				
Public School Building Capital Fund		-	423,374	-
<u>N.C. Department of Environment and Natural Resources</u>				
White Goods Management Program		-	3,960	-
Scap Tire Program		-	3,584	-
CAMA - PARTF Grant		-	1,309	-
Soil and Water Conservation Funds		-	7,069	-
Pest Management		-	4,787	-
Total N.C. Dept. of ENR		-	20,709	-
<u>N.C. Dept. of Corrections</u>				
Criminal Justice Partnership Program		-	98,132	-
Total State Awards		-	2,105,784	1,676,725
Total Federal and State Awards		\$ 60,787,715	\$ 24,415,676	\$ 4,573,036

Beaufort County, North Carolina  
 Schedule of Expenditures of Federal and State Awards  
 For the Year Ended June 30, 2011

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Fed. (Direct &amp; Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
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Notes to the Schedule of Expenditures of Federal and State Financial Awards:

1. Basis of Presentation  
 The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Beaufort County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Therefore some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the county's basic financial statements. However, due to the county's involvement in determining eligibility, they are considered federal awards to the county and are included on this schedule.
  
2. The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care and Foster Care and Adoption.
  
3. Subrecipients  
 Of the federal and State expenditures presented in the schedule, Beaufort County provided federal and State awards to subrecipients as follows:

<u>Program Title</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
Public School Building Capital Fund	XXXX	\$ -	\$ 423,374