

Beaufort County, North Carolina

FINANCIAL STATEMENTS

June 30, 1990



Beaufort County, North Carolina

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June 30, 1990

Board of Commissioners

Ledrué Buck, Jr. - Chairman

Frank T. Bonner - Vice-Chairman

L. Marion Dilday

Mrs. Arthur Lee Moore

Granville Lilley

County Manager

Don Davenport

Beaufort County, North Carolina
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LATNEY W. PITTARD (1932-1979)

Independent Auditor's Report

To the Board of County Commissioners
Beaufort County, North Carolina

We have audited the accompanying general purpose financial statements of Beaufort County, North Carolina, as of June 30, 1990, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of Beaufort County, North Carolina management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Beaufort County, North Carolina, as of June 30, 1990, and the results of its operations for the year ended in conformity with generally accepted accounting principles.

Board of County Commissioners
Beaufort County
Page 2

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, account group financial statements, as well as the schedule of federal and State financial assistance and other statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Beaufort County, North Carolina. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Pittard Perry & Crane, Inc.

Belhaven, North Carolina
August 31, 1990

GENERAL PURPOSE FINANCIAL STATEMENTS

Beaufort County, North Carolina
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1990
 With Comparative Totals for June 30, 1989

	Governmental Fund Types		
	General	Special Revenue	Capital Projects
ASSETS			
Current assets			
Cash and investments	\$6,264,388	\$2,634,956	\$ 487,237
Taxes receivable, (net)	702,778	61,301	-
Accounts receivable (net)	1,765,020	-	-
Due from other funds	-	100,879	227,843
Due from other governmental units	77,511	-	-
Noncurrent assets			
Fixed assets	-	-	-
Amounts to be provided for the retirement of general long-term debt	-	-	-
	<u>-\$8,809,697</u>	<u>\$2,797,136</u>	<u>\$ 715,080</u>
LIABILITIES AND FUND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	\$ 179,590	\$ -	\$ -
Miscellaneous liabilities	-	-	-
Current portion of long-term debt	-	-	-
Due to other governments	-	-	-
Due to other funds	31	227,843	100,879
Noncurrent liabilities			
Noncurrent portion of long-term debt	-	-	-
Accrued vacation pay	-	-	-
Deferred revenues	723,112	61,301	-
Total liabilities	<u>902,733</u>	<u>289,144</u>	<u>100,879</u>
Fund equity			
Investment in general fixed assets	-	-	-
Fund balances:			
Reserved by State Statute	1,842,531	100,879	227,843
Unreserved:			
Designated for subsequent years' expenditures	2,775,129	-	-
Undesignated	3,289,304	2,407,113	386,358
Total fund equity	<u>7,906,964</u>	<u>2,507,992</u>	<u>614,201</u>
	<u>\$8,809,697</u>	<u>\$2,797,136</u>	<u>\$ 715,080</u>

Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt	June 30, 1990	1989
Trust and Agency				
\$ 51,550	\$ -	\$ -	\$ 9,438,131	\$14,829,551
-	-	-	764,079	705,095
-	-	-	1,765,020	1,770,335
31	-	-	328,753	1,307,809
-	-	-	77,511	-
-	8,835,406	-	8,835,406	9,499,011
-	-	14,722,299	14,722,299	15,621,849
<u>\$ 51,581</u>	<u>\$8,835,406</u>	<u>\$14,722,299</u>	<u>\$35,931,199</u>	<u>\$43,733,650</u>
\$ -	\$ -	-	\$ 179,590	\$ 727,366
51,581	-	-	51,581	40,979
-	-	979,302	979,302	1,050,000
-	-	-	-	1,158
-	-	-	328,753	1,307,809
-	-	13,553,766	13,553,766	14,370,000
-	-	189,231	189,231	201,849
-	-	-	784,413	716,802
<u>51,581</u>	<u>-</u>	<u>14,722,299</u>	<u>16,066,636</u>	<u>18,415,963</u>
-	8,835,406	-	8,835,406	9,499,011
-	-	-	2,171,253	3,078,067
-	-	-	2,775,129	2,174,714
-	-	-	6,082,775	10,565,895
<u>-</u>	<u>8,835,406</u>	<u>-</u>	<u>19,864,563</u>	<u>25,317,687</u>
<u>\$ 51,581</u>	<u>\$8,835,406</u>	<u>\$14,722,299</u>	<u>\$35,931,199</u>	<u>\$43,733,650</u>

The accompanying notes are an integral part of the financial statements

Beaufort County, North Carolina
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES

For the Year Ended June 30, 1990
 With Comparative Totals for the Year Ended June 30, 1989

	<u>Governmental Fund Types</u>
	<u>General</u>
Revenues:	
Ad valorem taxes	\$ 7,226,822
Other taxes and licenses	4,697,360
Unrestricted intergovernmental revenues	999,697
Restricted intergovernmental revenues	4,053,380
Permits and fees	211,142
Sales and services	1,058,236
Investment earnings	776,750
Miscellaneous	603,967
Total revenues	19,627,354
Expenditures:	
General government	1,670,354
Public safety	1,962,390
Transportation	19,000
Environmental protection	787,467
Economic and physical development	435,583
Human services	5,400,097
Cultural and recreational	117,471
Education	7,835,924
Non-departmental	52,795
Capital projects	-
Debt service	
Principal retirement	1,054,684
Interest and fees	1,064,476
Total expenditures	20,400,241
Revenues over (under) expenditures	(772,887)
Other financing sources (uses):	
Operating transfers - in (out)	(96,000)
Loss on sale of investments	(11,702)
Proceeds of capitalized leases	167,752
Proceeds of long-term debt	-
Total other financing sources (uses)	60,050
Excess of revenues and other sources over (under) expenditures and other uses	(712,837)
Fund balances:	
Beginning of year, July 1	8,619,801
End of year, June 30	\$ 7,906,964

Governmental Fund Types		Totals (Memorandum Only)	
Special Revenue	Capital Projects	1990	June 30, 1989
\$ 589,607	\$ -	\$ 7,816,429	\$ 6,229,173
-	10,851	4,708,211	4,371,354
-	461,406	1,461,103	965,171
85,049	303,746	4,442,175	2,753,811
-	-	211,142	236,395
-	-	1,058,236	1,117,996
260,934	58,913	1,096,597	1,381,213
-	-	603,967	48,067
<u>935,590</u>	<u>834,916</u>	<u>21,397,860</u>	<u>17,103,180</u>
-	-	1,670,354	1,282,788
201,359	-	2,163,749	2,147,669
-	-	19,000	19,000
-	-	787,467	809,718
123,169	-	558,752	484,601
-	-	5,400,097	4,917,091
-	-	117,471	116,682
388,248	-	8,224,172	5,387,182
-	-	52,795	29,408
-	5,230,412	5,230,412	14,859,652
-	-	1,054,684	700,000
-	-	1,064,476	630,390
<u>712,776</u>	<u>5,230,412</u>	<u>26,343,429</u>	<u>31,384,181</u>
222,814	(4,395,496)	(4,945,569)	(14,281,001)
(3,123,903)	3,219,903	-	-
-	-	(11,702)	-
-	-	167,752	-
-	-	-	15,500,000
<u>(3,123,903)</u>	<u>3,219,903</u>	<u>156,050</u>	<u>15,500,000</u>
(2,901,089)	(1,175,593)	(4,789,519)	1,218,999
<u>5,409,081</u>	<u>1,789,794</u>	<u>15,818,676</u>	<u>14,599,677</u>
<u>\$2,507,992</u>	<u>\$ 614,201</u>	<u>\$ 11,029,157</u>	<u>\$ 15,818,676</u>

The accompanying notes are an integral part of the financial statements

Beaufort County, North Carolina
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ANNUAL BUDGET AND ACTUAL
GENERAL FUND AND SPECIAL REVENUE FUNDS
For the Year Ended June 30, 1990

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Ad valorem taxes	\$ 6,820,660	\$ 7,226,822	\$ 406,162
Other taxes and licenses	4,330,000	4,697,360	367,360
Unrestricted intergovernmental revenues	1,043,100	999,697	(43,403)
Restricted intergovernmental revenues	4,170,285	4,053,380	(116,905)
Permits and fees	240,000	211,142	(28,858)
Sales and services	944,554	1,058,236	113,682
Investment earnings	450,000	776,750	326,750
Miscellaneous	618,300	603,967	(14,333)
Total revenues	<u>18,616,899</u>	<u>19,627,354</u>	<u>1,010,455</u>
Expenditures:			
General government	1,596,072	1,670,354	(74,282)
Public safety	2,084,523	1,962,390	122,133
Transportation	19,000	19,000	-
Environmental protection	814,959	787,467	27,492
Economic and physical development	555,451	435,583	119,868
Human services	5,615,590	5,400,097	215,493
Cultural and recreational	121,548	117,471	4,077
Education	7,835,924	7,835,924	-
Non-departmental	58,100	52,795	5,305
Debt service			
Principal retirement	1,056,045	1,054,684	1,361
Interest and fees	1,102,555	1,064,476	38,079
Total expenditures	<u>20,859,767</u>	<u>20,400,241</u>	<u>459,526</u>
Revenues over (under) expenditures	<u>(2,242,868)</u>	<u>(772,887)</u>	<u>1,469,981</u>
Other financing sources (uses):			
Operating transfers - in (out)	(96,000)	(96,000)	-
Loss on sale of investments	-	(11,702)	(11,702)
Proceeds of capitalized leases	-	167,752	167,752
Appropriated fund balance	2,395,219	-	(2,395,219)
Contingency	(56,351)	-	56,351
Total other financing sources (uses)	<u>2,242,868</u>	<u>60,050</u>	<u>(2,182,818)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>(712,837)</u>	<u>\$(712,837)</u>
Fund balances:			
Beginning of year, July 1		<u>8,619,801</u>	
End of year, June 30		<u>\$ 7,906,964</u>	

Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 614,183	\$ 589,607	\$ (24,576)	\$ 7,434,843	\$ 7,816,429	\$ 381,586
-	-	-	4,330,000	4,697,360	367,360
-	-	-	1,043,100	999,697	(43,403)
807,200	85,049	(722,151)	4,977,485	4,138,429	(839,056)
-	-	-	240,000	211,142	(28,858)
-	-	-	944,554	1,058,236	113,682
13,600	260,934	247,334	463,600	1,037,684	574,084
-	-	-	618,300	603,967	(14,333)
<u>1,434,983</u>	<u>935,590</u>	<u>(499,393)</u>	<u>20,051,882</u>	<u>20,562,944</u>	<u>511,062</u>
-	-	-	1,596,072	1,670,354	(74,282)
202,765	201,359	1,406	2,287,288	2,163,749	123,539
-	-	-	19,000	19,000	-
-	-	-	814,959	787,467	27,492
807,200	123,169	684,031	1,362,651	558,752	803,899
-	-	-	5,615,590	5,400,097	215,493
-	-	-	121,548	117,471	4,077
411,418	388,248	23,170	8,247,342	8,224,172	23,170
-	-	-	58,100	52,795	5,305
-	-	-	1,056,045	1,054,684	1,361
-	-	-	1,102,555	1,064,476	38,079
<u>1,421,383</u>	<u>712,776</u>	<u>708,607</u>	<u>22,281,150</u>	<u>21,113,017</u>	<u>1,168,133</u>
13,600	222,814	209,214	(2,229,268)	(550,073)	1,679,195
(4,704,000)	(3,123,903)	1,580,097	(4,800,000)	(3,219,903)	1,580,097
-	-	-	-	(11,702)	(11,702)
-	-	-	-	167,752	167,752
4,690,400	-	(4,690,400)	7,085,619	-	(7,085,619)
-	-	-	(56,351)	-	56,351
<u>(13,600)</u>	<u>(3,123,903)</u>	<u>(3,110,303)</u>	<u>2,229,268</u>	<u>(3,063,853)</u>	<u>(5,293,121)</u>
<u>\$ -</u>	<u>(2,901,089)</u>	<u>\$(2,901,089)</u>	<u>\$ -</u>	<u>(3,613,926)</u>	<u>\$(3,613,926)</u>
	<u>5,409,081</u>			<u>14,028,882</u>	
	<u>\$2,507,992</u>			<u>\$ 10,414,956</u>	

The accompanying notes are an integral part of the financial statements

Beaufort County, North Carolina
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
For the Year Ended June 30, 1990

1. Summary of Significant Accounting Policies

The accounting policies of Beaufort County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

In accordance with the criteria in NCGA Statement 3, the accompanying general purpose financial statements include all funds, account groups, agencies, boards, commissions, and authorities which are controlled by or are financially dependent upon the County.

The following entities had positive responses to some of the Statement 3 Criteria, but are excluded from the accompanying general purpose financial statements because the County had insufficient oversight responsibility.

Beaufort County Board of Education

Since North Carolina school systems have no authority to issue long-term debt, capital assets of the Board are financed primarily by general obligation bonds issued by the County. The County also has budgetary approval over its annual allocation to the Board. However, this allocation represents only approximately 20% of the Board's total budget; and the Board is not accountable to the County for its fiscal matters beyond this allocation. Further, the County does not significantly influence the operations of the Board and has no authority to designate its management. The governing body of the Board is elected by the residents of Beaufort County.

Beaufort County Hospital

The County appoints the Hospital's governing board. Also, the County owns the property and buildings of the Hospital. However, the County does not maintain a significant continuing relationship with the Hospital board and does not designate the management or approve the budget of the Hospital. Further, the County does not control the collection or disbursement of Hospital funds, and is not responsible for the Hospital's debt. Although the Hospital is located within the County, its services are available to people residing outside its geographical boundaries.

B. Basis of Presentation - Fund Accounting

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. In this report the various funds are grouped into two broad categories and four generic fund types. The two account groups are not funds but are used to establish accountability over the County's general fixed assets and general long-term debt.

GOVERNMENTAL FUNDS

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, other taxes and licenses, and federal and State grants. The primary expenditures are for public safety, environmental protection, economic and physical development, human services, cultural and recreation, education and general government services.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The County maintains ten Special Revenue Funds: the Capital Reserve Fund - Schools, Washington Administrative Unit Fund, the Richland Fire/Rescue District Fund, the Bunyan Fire District Fund, the Chocowinity Fire District Fund, the Broad Creek Dredging Capital Reserve Fund, the 1986 CDBG Fund, the 1987 CDBG Fund, the Arbitrage Reserve Fund, and the Revaluation Fund. These funds have been consolidated in the Combined Financial Statements.

Capital Project Funds - Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds, or trust funds). The County has four Capital Project Funds within the Governmental Fund Types: The Northside High School Capital Project Fund, the City High School Capital Project Fund, the Beaufort County Hospital Capital Project Fund, and the Bath and Aurora School Capital Project Fund.

FIDUCIARY FUNDS

Agency Funds - Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The County maintains two Agency Funds: the Social Services Fund which accounts for moneys deposited with the Social Services Department for the benefit of certain individuals and the County Home Fund which accounts for moneys deposited with the County Home for patient expenditures.

ACCOUNT GROUPS

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the County.

General Long-Term Debt Account Group - This group of accounts is established to account for all long-term obligations of the County.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All funds of the County are accounted for during the year on the modified accrual basis of accounting in accordance with North Carolina General Statutes. The governmental funds are presented in the financial statements on this same basis. Under the modified accrual basis, revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which a fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt which are recognized when due.

D. Budgetary Data

Budgets are adopted as required by State statute. An annual budget ordinance is adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year-end. Project ordinances are adopted for the capital project funds. All budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting system used to record transactions.

Expenditures may not legally exceed appropriations at the functional level for the general fund, at the departmental level for the special revenue funds, and at the object level for the capital projects funds. The balances in the capital reserve funds will be appropriated when transferred to their respective capital project funds. The County manager is authorized to transfer appropriations within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund must be approved by the governing board. During the year several amendments to the original budget were necessary.

As required by G.S. 159-26(d), the County maintains encumbrance accounts which are considered to be "budgetary accounts". Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. At June 30, 1990, the County did not have any open purchase orders or contracts outstanding.

E. Assets, Liabilities and Fund Equity

Deposits and Investments

Deposits

All deposits of the County are made in board-designated official depositories and are secured as required by G.S. 159-31. The County may designate as an

Deposits (continued)

official depository any bank or savings and loan association whose principal office is located in North Carolina. Also, the County may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All of the County's deposits are either insured or collateralized by using one of two options. Under Option 1, all deposits over the federal depository insurance coverage are collateralized with securities held by the County's agent in the County's name. Under Option 2, 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, these deposits are considered to be held by the County's agent in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using Option 2 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 or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under Option 2, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each option 2 depository.

At year-end, the County's deposits had a carrying amount of \$4,847,856 and a bank balance of \$4,976,276. Of the bank balance, \$200,000 was covered by federal depository insurance, and \$554,648 in non-interest bearing deposits and \$4,221,628 in interest bearing deposits were covered by collateral held under Option 2.

Investments

G.S. 159-30(c) authorizes the County 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 Cash Management Trust, an SEC registered mutual fund. Investments are stated at cost or amortized cost. The County pools moneys from several Funds to facilitate disbursement and investment and maximize investment income.

The County's investments are categorized to give an indication of the level of risk assumed by the entity at year-end. Column A includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Column B includes uninsured and unregistered investments for which the securities are held by the counter party's trust department or agent in the County's name. Investments in the North Carolina Cash Management Trust are exempt because the County does not own any identifiable securities, but is a shareholder of a percentage of the fund.

Investments (continued)

	<u>A</u>	<u>B</u>	<u>Cost Value</u>	<u>Market Value</u>
Commercial Paper	\$ -	\$4,351,540	\$4,351,540	\$4,351,540
Common stock	2,500	-	2,500	4,100
	<u>\$ 2,500</u>	<u>\$4,351,540</u>	4,354,040	<u>4,355,640</u>
 North Carolina Cash Management Trust			<u>235,371</u>	<u>235,371</u>
			<u>\$4,589,411</u>	<u>\$4,591,011</u>

Ad Valorem Taxes Receivable

In accordance with G.S. 105-347 and G.S. 159-13(a), ad valorem taxes are levied on July 1, the beginning of the fiscal year and are due on September 1; however, interest does not accrue until the following January 6. The taxes are based on the assessed values as of January 1, 1989.

Ad valorem taxes receivable are not accrued as a revenue because the amount is not considered "available". At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the subsequent year. The receivable amount is reduced by an allowance for doubtful accounts equal to the original levy which was written off in past years (Note 3). An amount equal to the net receivable is shown as a deferred revenue on the Combined Balance Sheet.

Allowances for Doubtful Accounts

Allowances for doubtful accounts are maintained on all types of receivables which historically experience uncollectible accounts (see Note 3).

Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forest land may be taxed at 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 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.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
1986	\$ 32,505	\$ 10,645	\$ 43,150
1987	25,450	6,044	31,494
1988	25,444	3,753	29,197
1989	34,575	1,988	36,563
Total	<u>\$117,974</u>	<u>\$ 22,430</u>	<u>\$140,404</u>

Inventory

Supplies are not inventoried at year end because the amounts are considered immaterial.

Fixed Assets

General fixed assets are recorded at original cost or appraised value at the time of donation. Certain items acquired before July 1, 1970, are recorded at an estimated original cost. The total of such estimates is not considered large enough that errors would be material when the fixed assets are considered as a whole.

Long-term Debt

Long-term debt is included in the General Long-Term Debt Account Group (e.g., general obligations bonds, lease purchase agreements). The debt service requirements for these obligations are appropriated annually in the General Fund.

Deferred Revenues

As discussed in the Summary of Significant Accounting Policies, (Note 1), ad valorem taxes receivable are not accrued as a revenue because they are not considered to be both "measurable and available". NCGA Statement 1 states that property taxes which are measurable but not available should be initially recorded as deferred revenues. In addition, property taxes collected in advance of the fiscal year to which they apply should also be recorded as deferred revenues.

The balance in deferred revenues at year-end is composed of the following elements:

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Prepaid taxes not yet earned	\$ 15,154	\$ -
Taxes receivable (net)	702,778	61,301
Prepaid revenue not yet earned	5,180	-
Total deferred revenues	<u>\$723,112</u>	<u>\$ 61,301</u>

Fund Equity

G.S. 159-13(b)(16) restricts appropriation of fund balance or fund equity to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as these amounts stand at the close of the fiscal year preceding the budget year.

The governmental fund types classify fund balances as follows:

Reserved

Reserved by State Statute - portion of fund balance not available for appropriation after remaining reserves not available for appropriation, such as reserved for encumbrances, have been segregated. This amount is usually comprised of receivables and due froms.

Reserved for Encumbrances - portion of fund balance available for appropriation to pay for commitments related to unperformed contracts.

Unreserved

Designated for subsequent year's expenditures - portion of total fund balance available for appropriation which has been designated for the adopted 1990-1991 budget ordinance.

Undesignated - portion of total fund balance available for appropriation which is uncommitted at year-end.

F. Revenues, Expenditures and Expenses

School Facilities Finance Act of 1987

The 1987 General Assembly passed the School Facilities Finance Act of 1987 (Act) to assist county governments in meeting their public school facility capital needs. The Act created two new State-funded programs for the construction and renewal of school facilities: the Public School Building Capital Fund administered by the Office of State Budget and Management and the Critical School Facilities Needs Fund administered by the State Board of Education.

Public School Building Capital Fund

This program is funded by a one percent increase (from 6% to 7%) in the corporate income tax rate, which the Department of Revenue collects and deposits into the Fund. The Department makes quarterly deposits into the Fund of 50 percent of the revenues it collected from the additional one percent tax less \$2.5 million which it deposits into the Critical School Facilities Needs Fund.

The corporate income taxes deposited into the Fund are allocated to Beaufort County on the basis of its average daily membership (ADM) as determined by the State Board of Education. The Office of State Budget and Management establishes and maintains an ADM allocation account for the County. At June 30, 1990, the balance of the County's ADM allocation account was \$996,745.

After approving a school capital project authorized by the Act, the Office of State Budget and Management will transfer funds from the County's ADM allocation account to its disbursing account maintained with the State Treasurer. At June 30, 1990, the County's disbursing account had a balance of \$547,435, which is the amount authorized for the various School capital projects. The County must match this balance on the basis of one dollar for every three dollars of State funds.

Funds in the allocation and disbursing accounts are considered State moneys until the County issues warrants to disburse them. At that time, they are recognized in the General Fund as a restricted intergovernmental revenue.

Critical School Facilities Needs Fund

This program is funded by increased collections of various taxes received by the Department of Revenue. In early 1988, a one time deposit was made by the Department to establish the Critical School Facilities Needs Fund. Each quarter thereafter, the Department deposits \$2.5 million as described above.

Grants are awarded by the Commission on School Facility Needs based on the County's critical needs. A joint application must be made by the Beaufort County Board of Commissioners and the Beaufort County Board of Education. At June 30, 1990, the Boards had not submitted a grant application to the Commission on School Facility Needs.

Other Resources

The General Fund provides the basis of local resources for other governmental funds. These transactions are recorded as "Operating transfers-out" in the General fund and "Operating transfers-in" in the receiving fund.

Additional Social Welfare Expenditures

The benefit payments listed below were issued directly from the State to recipients of the County on its behalf. These amounts represent additional federal and State financial assistance to the residents of the County but are not reflected in the financial statements because the County has no primary responsibilities beyond making eligibility determinations.

Food Stamp Program	\$ 1,956,894
WIC	574,896
Medicaid	11,273,912
Aid to Families with Dependent Children	2,202,700
Total	<u>\$16,008,402</u>

Vacation and Sick Pay

The vacation policy of the County provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. Accumulated earned vacation at June 30, 1990, amounted to approximately \$189,231 relating to the governmental funds. The liability of the governmental funds is recorded in the General Long-Term Debt Account Group. The current portion of the accumulated vacation pay is not considered to be material and, therefore, no provision for this has been made in the accompanying financial statements.

The County's sick leave policy provides for an unlimited accumulation of earned sick leave. Accumulated sick leave at June 30, 1990, amounted to approximately \$676,753 relating to the governmental funds. Sick leave does not vest but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

G. Other

Total (Memorandum Only) Columns

In each of the accompanying financial statements, the "Total (Memorandum Only)" columns are not the equivalent of consolidated totals and do not represent consolidated financial information. These columns are presented only to facilitate financial analysis.

Combining Statements

There is only one fund for the following fund types:

General Fund

Therefore, there are no combining statements for these fund types included in the financial statements.

Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the County's financial position and operations.

2. Stewardship, Compliance, and Accountability

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

Noncompliance with N. C. General Statutes

N. C. General Statute 159-28 states that "No obligation may be incurred in a program, function, or activity accounted for in a fund included in the budget ordinance unless the budget ordinance includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year the sums obligated by the transaction for the current fiscal year. As shown on Statement 1, General Government expenditures were incurred and paid without sufficient appropriation. The noncompliance occurred as a result of capital outlay expenditures of \$167,752 from capital lease proceeds that were not properly recorded.

N. C. General Statute 159-30(c) authorizes the County 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 banker's acceptances; and the North Carolina Cash Management Trust, an SEC registered mutual fund. In December of 1989, the County purchased a FNMA bond after receiving authorization from the North Carolina Local Government Commission that this was an approved investment. However, in May of 1990, the North Carolina Attorney Generals Office stated that the bond was not a full-faith and credit investment of the United States Government. The County immediately took steps to dispose of this investment, which was completed on June 18, 1990 resulting in a loss of \$11,702.

3. Detail Notes on All Funds and Account Groups

A. Assets

Receivables - Allowances for Doubtful Accounts

The amounts shown in Exhibit A for receivables are net of the following allowances for doubtful accounts:

<u>Funds</u>	<u>6/30/90</u>	<u>6/30/89</u>
General Fund		
Property Taxes	\$246,000	\$256,000
Special Revenue Fund	16,500	16,200
	<u>\$262,500</u>	<u>\$272,200</u>

Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>General Fixed Assets July 1, 1989</u>	<u>Additions</u>	<u>Retirements</u>	<u>General Fixed Assets June 30, 1990</u>
Land	\$ 576,493	\$ -	\$ -	\$ 576,493
Buildings & improvements	6,080,096	-	-	6,080,096
Vehicles & equipment	2,842,422	497,867	1,161,472	2,178,817
Total	<u>\$ 9,499,011</u>	<u>\$497,867</u>	<u>\$1,161,472</u>	<u>\$ 8,835,406</u>

By function

General Government	\$ 2,593,261	\$239,203	\$ -	\$ 2,832,464
Public Safety	817,080	132,686	32,559	917,207
Human Services	3,247,551	37,665	9,884	3,275,332
Environmental Protection	2,422,707	86,093	1,119,029	1,389,771
Economic & Physical Development	413,412	2,220	-	415,632
Revaluation	5,000	-	-	5,000
Total	<u>\$ 9,499,011</u>	<u>\$497,867</u>	<u>\$1,161,472</u>	<u>\$ 8,835,406</u>

NOTE: The County decreased general fixed assets by \$493,900 as of July 1, 1989, due to items not found during the current year when all vehicles and equipment were inventoried.

Changes in General Fixed Assets (continued)

Reconciliation of additions

Capital outlay expenditures	\$ 330,115
Fair value of leased equipment acquired by capital leases - general government	<u>167,752</u>
Total	<u>\$ 497,867</u>

B. Liabilities

Pension Plan Obligations

1. Local Governmental Employees' Retirement System

All permanent full-time Beaufort County employees participate in the statewide Local Governmental Employees' Retirement System (System), a multiple-employer, cost-sharing, defined benefit pension plan. The County's payroll for employees covered by the System for the year ended June 30, 1990, was \$3,795,977; the County's total payroll was \$4,087,912.

Employees not engaged in law enforcement may retire with unreduced retirement benefits under the following conditions:

- 1) complete 30 years of creditable service, or
- 2) reach age 65 and complete 5 years of creditable service, or
- 3) reach age 60 and complete 25 years of creditable service.

Law enforcement officers may retire with unreduced retirement benefits after completing 30 years of creditable service or after reaching age 55 and completing 5 years of creditable service.

Employees retiring under any of these conditions are entitled to annual retirement benefits equal to 1.63% of their average final compensation times their years of creditable service. Average final compensation is the average of an employee's salary during the employee's four highest paid years in a row.

Employees may retire with reduced retirement benefits under the following conditions:

- 1) Employees not engaged in law enforcement who reach age 50 and complete 20 years of creditable service or reach age 60 and complete 5 years of creditable service, or
- 2) Law enforcement officers who reach age 50 and complete 15 years of creditable service, or
- 3) Firemen who reach age 55 and complete 5 years of creditable service.

Also, the System provides death and disability benefits to its participants. After five years of creditable service, employees qualify for a vested deferred benefit.

1. Local Governmental Employees' Retirement System (continued)

Covered employees are required by State statute to contribute 6 percent of their salary to the System. The County is required by the same statute to contribute the remaining amounts necessary to pay benefits when due. The contribution requirement for the year ended June 30, 1990, was \$412,689, which consisted of \$184,930 from the County and \$227,759 from employees; the County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 5.06% and 3.6% of covered payroll, respectively.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and employers. The System does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation for the System as a whole at December 31, 1989, the date of the latest available actuarial valuation was \$2,641,918,000. The System's net assets available for benefits on that date (at cost) were \$2,849,018,000 (market value of \$3,159,315,000), leaving net assets in excess of the pension benefit obligation of \$207,100,000. The County's 1990 contribution represented .19% of total contributions required of all participating entities.

Ten-year historical trend information showing the System's revenues by source and expenses by type will be presented in the State of North Carolina's June 30, 1990, Comprehensive Annual Financial Report (CAFR). The State's CAFR will also begin to present prospective trend information showing the System's progress in accumulating sufficient assets to pay benefits when due.

2. Law Enforcement Officers Special Separation Allowance

A. Description

Beaufort County is the administrator of a single-employer, defined benefit, public employee retirement system (System) established by the County to provide special separation benefits to its law enforcement officers. The County's payroll for employees covered by the System for the year ended June 30, 1990, was \$443,232; the County's total payroll was \$4,087,912. The System is reported in the County's financial statements as a pension trust fund.

All full-time County law enforcement officers are covered by the System. At June 30, 1990, the system's membership consisted of:

Retirees currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	1
Current employees:	
Nonvested	<u>29</u>
Total	<u><u>30</u></u>

2. Law Enforcement Officers Special Separation Allowance (continued)

The System provides separation benefits to all full-time County law enforcement officers who meet the following:

- 1) Have (i) completed 30 or more years of creditable service, or (ii) have attained 55 years of age and completed 5 or more years of creditable service, and
- 2) Have not attained 62 years of age, and
- 3) Have completed at least 5 years of continuous service as a law enforcement officer immediately preceding a service retirement.

The qualified law enforcement officers are entitled to an annual retirement benefit of .85% of the annual equivalent of the base rate of compensation most recently applicable to the covered employee for each year of creditable service. The retirement benefits are paid monthly in equal installments. Payments to retired officers cease at their death or on the last day of the month in which the officer attains 62 years of age or upon the first day of reemployment by any State department, agency, or institution.

The County is required by State statute to provide these special separation benefits and has chosen to fund the amount necessary to cover the benefits earned using the actuarial basis described in the following section.

Funding Status and Progress

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effect of project salary increases and step-rate benefits estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

The pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 1990. Significant actuarial assumptions used in the valuation include (a) an annual rate of return on the investment of present and future assets of 7 percent compounded annually, (b) projected annual salary increases of 5 percent compounded annually, attributable to inflation, (c) additional projected annual salary increases of 1 percent, attributable to seniority/merit, and (d) no post-retirement benefit increases.

Funding Status and Progress (continued)

At June 30, 1990, the unfunded pension benefit obligation was \$52,153 as follows:

Pension benefit obligation:	
Retirees currently receiving benefits and terminated employees not yet receiving benefits	\$ 13,571
Current employees - Employer financed noninvested	<u>38,582</u>
Total pension benefit obligation	52,153
Net assets available for benefits at cost	<u>-</u>
Unfunded pension benefit obligation	<u><u>\$ 52,153</u></u>

Contribution Requirements and Contributions Made

The System's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal cost is determined using the credited projected benefits actuarial funding method with proration based on service. The System uses the level percent of payroll method to amortize the unfunded liability over a closed 18-year period.

The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligation as described in B above.

There were no contributions made to the System for 1990.

3. Supplemental Retirement Income Plan for Law Enforcement Officers

All law enforcement officers employed by the County participate in the Supplemental Retirement Income Plan, a defined contribution pension plan. Participation begins at the date of employment. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. State statute requires that the County contribute each month an amount equal to 5 percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers make voluntary contributions to the plan.

The County's contributions were calculated using a covered payroll amount of \$489,461. Total contributions for the year ended June 30, 1990, were \$24,621 which consisted of \$24,621 from the County and \$ - 0 - from the law enforcement officers. The County's required contributions represented 5 percent of the covered payroll amount.

4. Registers of Deeds' Supplemental Pension Fund

The County also contributes to the Registers of Deeds' Supplemental Pension Fund (the Fund), which is a noncontributory defined contribution pension plan. As established by the North Carolina General Assembly (Article 3 of G.S. 161), effective October 1, 1987, this plan covers any county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan.

On a monthly basis the County remits to the Department of State Treasurer an amount equal to four and one-half percent (4.5%) 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 percent (90%) 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 ten percent (10%) of the Fund's assets may be used by the State Treasurer in administering the Fund.

Any county registered of deeds who has retired with at least 12 years eligible service as registered of deeds under the LGERS or an equivalent locally sponsored plan before June 30, 1988, and those who retire thereafter who have completed at least 12 years of eligible service as registered of deeds are entitled to receive a monthly pension payment under this plan.

An eligible retired register of deeds is entitled to receive an annual pension benefit, payable in equal monthly installments, equal to one share for each full year of eligible service as register of deeds multiplied by his/her total number of years of eligible service. The amount of each share shall be determined by dividing the total number of years of eligible service for all eligible retired registers of deeds on December 31 of each calendar year into the amount to be disbursed. Benefits received under this plan may not exceed the lessor of 1) \$1,000 per month, or 2) an amount which, when added to benefits received under the LGERS or an equivalent plan and any benefits received from employer contributions to the Supplemental Retirement Income Plan, would exceed 65% of the recipient's equivalent annual salary immediately preceding retirement computed on a monthly base rate.

Monthly pensions payable under this plan cease at the death of the pensioner and no payment is made to any beneficiaries or to the decedent's estate. Monthly pensions also cease if a pensioner becomes a full-time employee that participates in the LGERS.

For the year ended June 30, 1990, the County's required and actual contributions were \$4,780.

Post-Employment Health Care Benefits

At retirement, all employees have the option to purchase basic medical insurance at the County's group rate. The entire cost of this insurance is borne by the employees.

Commitments

The County had commitments of approximately \$1,050,708 for the renovation and construction of three school facilities. These projects are being funded mainly by State grants and general obligation bond proceeds.

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 is a participant in two insurance pools administered by the North Carolina Association of County Commissioners, which provide general liability and worker's compensation coverage. The general liability pool provides property insurance up to \$8,894,139 and liability coverage to to \$2 million. The workers' compensation pool provides coverage up to \$1,000,000. Both pools are self-sustaining through member premiums.

The County continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

Claims and Judgements

At June 30, 1990, the County was a defendant to various lawsuits. In the opinion of management and the County attorney, the ultimate outcome of these legal matters will not have a material adverse effect on the County's financial position.

Lease Obligations

The County has entered into an agreement to lease certain equipment. This agreement is in substance a lease-purchase (capital lease) and is included in the General Long-Term Debt Account Group.

The agreement was executed on June 6, 1990, for the lease of a computer system for the tax department and requires 60 monthly payments of \$3,332. Title passes to the County at the end of the lease term.

The following is an analysis of the assets recorded under the capital lease in the General Fixed Assets Group at June 30:

Class of Property	<u>1990</u>	<u>1989</u>
Equipment	<u>\$167,752</u>	<u>\$ -</u>

Long-Term Debt

The general obligation bonds financed by the governmental funds are accounted for in the General Long-Term Debt Account Group. All bonds are collateralized by the faith, credit, and taxing power of the County. Principal and interest requirements are appropriated when due.

Bonds payable at June 30, 1990, are comprised of the following individual issues:

General obligation bonds

\$600,000 1978 Technical Institute Serial bonds, due on May 1 in installments ranging from \$20,000 to \$50,000 through May 1, 1996; interest ranging from 5.2 to 5.4 percent	\$ 270,000
\$6,700,000 1988 School Facility Serial bonds, due on February 1 in installments ranging from \$300,000 to \$400,000 through February, 2006; interest ranging from 6.7 to 6.75 percent	6,300,000
\$5,300,000 1988 School Facility Serial bonds, due on June 1 in installments ranging from \$200,000 to \$300,000 through June, 2006; interest ranging from 7.0 to 7.1 percent	4,700,000
\$3,500,000 1988 Hospital Improvement Serial bonds, due on June 1 in installments ranging from \$100,000 to \$200,000 through June, 2006; interest ranging from 7.0 to 7.1 percent	<u>3,100,000</u>
	<u><u>\$14,370,000</u></u>

At June 30, 1990, Beaufort County had a legal debt margin of \$132,520,627.

The following is a summary of changes in general long-term debt for the year ended June 30, 1990.

	General Long-Term Debt July 1, 1989				General Long-Term Debt June 30, 1990	
	Additions	Retirements		Additions	Retirements	
General obligation bonds	\$15,420,000	\$ -	\$ 1,050,000	\$ 14,370,000		
Capitalized leases	-	167,752	4,684	163,068		
Vacation pay	201,849	-	12,618	189,231		
Total	<u>\$15,621,849</u>	<u>\$ 167,752</u>	<u>\$ 1,067,302</u>	<u>\$ 14,722,299</u>		

Beaufort County, North Carolina
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
 For the Year Ended June 30, 1990

	General Long- Term Debt			General Long- Term Debt	
	July 1, 1989	Additions	Retirements	June 30, 1990	
<u>By purpose</u>					
Schools	\$11,700,000	\$ -	\$ 700,000	\$ 11,000,000	
Technical institute	370,000	-	100,000	270,000	
Hospital	3,300,000	-	200,000	3,100,000	
General government buildings	50,000	-	50,000	-	
Equipment	-	167,752	4,684	163,068	
Vacation pay	201,849	-	12,618	189,231	
Total	<u>\$15,621,849</u>	<u>\$ 167,752</u>	<u>\$ 1,067,302</u>	<u>\$ 14,722,299</u>	

The following table summarizes the annual requirements to amortize all long-term debt outstanding (excluding vacation pay):

General Obligation		Capitalized Leases		Total Debt Due	
Bonds					
Principal	Interest	Principal	Interest	Principal	Interest

General Long-Term Debt:

1991	\$ 950,000	\$ 992,305	\$ 29,302	\$ 10,682	\$ 979,302	\$1,002,987
1992	950,000	927,905	31,461	8,523	981,461	936,428
1993	950,000	862,980	33,779	6,205	983,779	869,185
1994	950,000	798,030	36,269	3,715	986,269	801,745
1995	950,000	732,830	32,257	1,063	982,257	733,893
Next 5 years	4,520,000	2,708,830	-	-	4,520,000	2,708,830
To maturity	5,100,000	1,186,800	-	-	5,100,000	1,186,800
	<u>\$14,370,000</u>	<u>\$8,209,680</u>	<u>\$163,068</u>	<u>\$ 30,188</u>	<u>\$14,533,068</u>	<u>\$8,239,868</u>

C. Interfund Receivables and Payables

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ -	\$ 31
Special Revenue	100,879	227,843
Capital Projects	227,843	100,879
Trust and Agency	31	-
Total	<u>\$ 328,753</u>	<u>\$ 328,753</u>

4. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

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.

SUPPLEMENTARY INFORMATION:
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS SECTION

Beaufort County, North Carolina

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 1990

With Comparative Actual Amounts for the Year Ended June 30, 1989

STATEMENT 1

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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Revenues				
Ad valorem taxes:				
Current year	\$ 6,519,660	\$ 6,822,406	\$ 302,746	\$ 5,399,425
Prior years	190,000	243,964	53,964	167,296
Animal taxes	11,000	10,976	(24)	9,880
Penalties and interest	100,000	149,476	49,476	112,470
Total	<u>6,820,660</u>	<u>7,226,822</u>	<u>406,162</u>	<u>5,689,071</u>
Other taxes and licenses:				
Intangible taxes	400,000	485,190	85,190	452,524
Local option sales tax	3,920,000	4,205,890	285,890	3,907,088
Schedule "B"	10,000	6,280	(3,720)	11,742
Total	<u>4,330,000</u>	<u>4,697,360</u>	<u>367,360</u>	<u>4,371,354</u>
Unrestricted intergovernmental revenues:				
N. C. 1% tire fee	10,100	2,097	(8,003)	-
Beer and wine	125,000	115,280	(9,720)	119,867
Tax refunds - sales and gasoline	92,000	62,930	(29,070)	44,328
Food Stamp reimbursement	40,000	38,645	(1,355)	37,907
Inventories tax reimbursement	755,000	756,535	1,535	743,428
Homestead exemption reimbursement	21,000	24,210	3,210	19,641
Total	<u>1,043,100</u>	<u>999,697</u>	<u>(43,403)</u>	<u>965,171</u>
Restricted intergovernmental revenues:				
State grants	1,055,427	1,068,270	12,843	545,087
Federal grants	1,726,356	1,558,755	(167,601)	1,676,304
Court facility fees	131,595	133,444	1,849	148,821
Fines and forfeitures	240,000	275,023	35,023	283,508
Texas Gulf settlement	1,001,907	1,001,907	-	-
5 cent bottle tax	15,000	15,981	981	14,544
Total	<u>4,170,285</u>	<u>4,053,380</u>	<u>(116,905)</u>	<u>2,668,264</u>
Permits and fees:				
Building inspection fees	50,000	50,962	962	52,086
Register of Deeds	190,000	160,180	(29,820)	184,309
Total	<u>240,000</u>	<u>211,142</u>	<u>(28,858)</u>	<u>236,395</u>
Sales and services:				
Patient fees - Nursing Home	710,000	734,106	24,106	686,788
Patient fees - other	60,154	49,382	(10,772)	31,099
Gas sales	6,500	14,845	8,345	7,332
Rescue squad	12,000	4,647	(7,353)	7,777
Prisoners' reimbursement	22,000	120,545	98,545	29,839
Vending concessions	2,400	2,577	177	1,658

Beaufort County, North Carolina

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

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With Comparative Actual Amounts for the Year Ended June 30, 1989

STATEMENT 1

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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Sales and services (continued):				
Cable TV franchise fees	8,000	15,460	7,460	6,099
Refuse collection fees	20,000	4,673	(15,327)	245,998
Collection fees - town taxes	35,000	36,547	1,547	31,183
Sheriff's fees	10,000	16,915	6,915	11,011
Animal control fees	3,500	3,539	39	4,212
Communication center	55,000	55,000	-	55,000
Total	944,554	1,058,236	113,682	1,117,996
Investment earnings	450,000	776,750	326,750	622,381
Miscellaneous:				
Sale of fixed assets	565,000	561,450	(3,550)	4,419
Rent of public building	26,000	22,840	(3,160)	24,192
Donations	7,100	1,985	(5,115)	6,724
Other	2,700	7,848	5,148	1,996
Primary reimbursements	-	8,028	8,028	-
Insurance claim	17,500	1,816	(15,684)	10,736
Total	618,300	603,967	(14,333)	48,067
TOTAL REVENUES	18,616,899	19,627,354	1,010,455	15,718,699
Expenditures:				
General government				
Governing body				
Salaries and employee benefits	27,800	26,997	803	27,019
Travel	12,600	12,600	-	9,498
Operating expenses	8,100	7,333	767	7,343
Total	48,500	46,930	1,570	43,860
Administration				
Salaries and employee benefits	75,988	75,154	834	71,059
Contracted services	13,500	13,434	66	10,664
Travel	5,900	5,738	162	4,524
Insurance and bonds	159,920	150,285	9,635	130,628
Operating expenses	9,250	6,938	2,312	7,337
Capital outlay	9,646	8,205	1,441	138,300
Total	274,204	259,754	14,450	362,512

Beaufort County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
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With Comparative Actual Amounts for the Year Ended June 30, 1989

STATEMENT 1
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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Elections				
Salaries and employee benefits	59,042	45,532	13,510	42,808
Contracted services	500	-	500	1,212
Travel	3,000	2,360	640	2,368
Operating expenses	12,842	9,945	2,897	11,206
Capital outlay	2,500	2,000	500	11,919
Total	<u>77,884</u>	<u>59,837</u>	<u>18,047</u>	<u>69,513</u>
Finance				
Salaries and employee benefits	40,554	36,720	3,834	37,519
Operating expenses	12,100	11,122	978	7,235
Contracted services	23,000	20,798	2,202	22,404
Capital outlay	3,000	1,079	1,921	150
Total	<u>78,654</u>	<u>69,719</u>	<u>8,935</u>	<u>67,308</u>
Taxes				
Salaries and employee benefits	338,978	332,439	6,539	281,767
Travel	7,100	6,346	754	2,676
Operating expenses	87,092	84,645	2,447	72,043
Contracted services	50,108	40,491	9,617	13,071
Refunds	1,400	1,287	113	630
Capital outlay	24,570	198,904	(174,334)	28,404
Total	<u>509,248</u>	<u>664,112</u>	<u>(154,864)</u>	<u>398,591</u>
Legal				
Salaries and employee benefits	16,588	16,480	108	15,391
Professional services	39,400	19,353	20,047	13,158
Total	<u>55,988</u>	<u>35,833</u>	<u>20,155</u>	<u>28,549</u>
Register of Deeds				
Salaries and employee benefits	90,918	90,851	67	87,318
Travel	1,000	637	363	374
Operating expenses	13,050	9,630	3,420	8,973
Contracted services	24,740	24,678	62	9,344
Capital outlay	28,854	28,615	239	1,369
Total	<u>158,562</u>	<u>154,411</u>	<u>4,151</u>	<u>107,378</u>
Public buildings				
Salaries and employee benefits	76,236	74,927	1,309	65,605
Insurance and bonds	-	-	-	448
Repairs and maintenance - buildings	178,800	169,110	9,690	33,188
Operating expenses	105,150	104,478	672	82,483
Contracted services	31,346	30,843	503	20,874
Capital outlay	1,500	400	1,100	2,479
Total	<u>393,032</u>	<u>379,758</u>	<u>13,274</u>	<u>205,077</u>

Beaufort County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
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With Comparative Actual Amounts for the Year Ended June 30, 1989

STATEMENT 1
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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
<u>Total general government</u>	<u>1,596,072</u>	<u>1,670,354</u>	<u>(74,282)</u>	<u>1,282,788</u>
Public safety				
Sheriff				
Salaries and employee benefits	592,146	590,202	1,944	516,126
Travel	51,000	50,433	567	42,777
Insurance and bonds	-	-	-	50
Operating expenses	89,467	85,515	3,952	91,175
Capital outlay	132,800	128,658	4,142	95,404
Total	<u>865,413</u>	<u>854,808</u>	<u>10,605</u>	<u>745,532</u>
Narcotics Task Force				
Salaries and employee benefits	37,000	33,435	3,565	-
Contract services	104,500	95,155	9,345	-
Beaufort County - Grant	15,605	15,605	-	-
Beaufort County - Non-grant	14,395	14,395	-	-
Total	<u>171,500</u>	<u>158,590</u>	<u>12,910</u>	<u>-</u>
Jail				
Salaries and employee benefits	163,659	162,576	1,083	156,035
Operating expenses	207,295	204,920	2,375	136,096
Capital outlay	-	-	-	366,244
Total	<u>370,954</u>	<u>367,496</u>	<u>3,458</u>	<u>658,375</u>
Emergency management				
Salaries and employee benefits	31,612	31,602	10	30,222
Travel	600	477	123	292
Operating expenses	2,220	1,166	1,054	1,138
Capital outlay	3,750	855	2,895	-
Total	<u>38,182</u>	<u>34,100</u>	<u>4,082</u>	<u>31,652</u>
Fire				
Assistance to local fire departments	123,440	110,407	13,033	120,267
Forestry	72,853	76,407	(3,554)	61,461
Total	<u>196,293</u>	<u>186,814</u>	<u>9,479</u>	<u>181,728</u>
Communications				
Salaries and employee benefits	134,089	129,898	4,191	119,012
Operating expenses	36,650	25,405	11,245	31,186
Capital outlay	5,000	2,834	2,166	-
Total	<u>175,739</u>	<u>158,137</u>	<u>17,602</u>	<u>150,198</u>

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Rescue squads				
Assistance to local rescue squads	74,500	72,175	2,325	77,492
Defibrillators	18,000	-	18,000	-
Total	92,500	72,175	20,325	77,492
Inspectors				
Salaries and employee benefits	89,706	71,221	18,485	52,955
Travel	3,800	1,522	2,278	1,081
Operating expenses	5,150	3,776	1,374	3,268
Capital outlay	9,000	-	9,000	1,506
Total	107,656	76,519	31,137	58,810
Animal control				
Salaries and employee benefits	39,201	37,484	1,717	36,373
Travel	1,900	1,241	659	1,020
Operating expenses	4,370	2,937	1,433	2,547
Capital outlay	7,815	339	7,476	-
Total	53,286	42,001	11,285	39,940
Medical examiner				
Professional services	13,000	11,750	1,250	9,550
<u>Total public safety</u>	2,084,523	1,962,390	122,133	1,953,277
Transportation				
Airports and highways				
Assistance to local airport	18,500	18,500	-	18,500
Assistance to local highway association	500	500	-	500
<u>Total transportation</u>	19,000	19,000	-	19,000
Environmental protection				
Solid waste				
Salaries and employee benefits	108,909	94,806	14,103	357,262
Travel	30,000	29,597	403	71,080
Repairs and maintenance	81,000	75,453	5,547	137,058
Operating expenses	32,650	28,648	4,002	8,680
Contract services	383,100	382,754	346	1,761
Scrap tire disposal	38,000	35,815	2,185	-
Use of landfill	54,400	54,301	99	51,817
Capital outlay	86,900	86,093	807	182,060
<u>Total Environmental Protection</u>	814,959	787,467	27,492	809,718

Beaufort County, North Carolina

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

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With Comparative Actual Amounts for the Year Ended June 30, 1989

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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Economic and physical development				
Planning				
Professional services	1,000	-	1,000	-
Industrial development				
Special CAMA grant	32,000	-	32,000	27,800
Aurora	1,200	1,200	-	1,200
Belhaven	3,000	3,000	-	3,000
Washington	17,718	17,718	-	17,718
Mid-East Commission	13,302	13,302	-	13,302
Belhaven Water Sewer line	77,511	-	77,511	-
City of Washington-Bonney Products	250,000	250,000	-	-
Total	394,731	285,220	109,511	63,020
Agricultural extension				
Salaries and employee benefits	86,694	86,216	478	79,264
Travel	2,400	1,878	522	1,258
Operating expenses	43,812	42,279	1,533	41,413
Capital outlay	2,230	2,220	10	3,156
Total	135,136	132,593	2,543	125,091
Soil and resource conservation				
Salaries and employee benefits	15,684	15,670	14	15,001
National Association of Conservation Districts	390	390	-	393
Mid-East RC & D	600	600	-	400
Operating expenses	310	310	-	307
Total	16,984	16,970	14	16,101
Special appropriations				
Community Development Block Grant	6,800	-	6,800	-
Southern Albemarle Association	800	800	-	800
Total	7,600	800	6,800	800
<u>Total economic and physical development</u>	555,451	435,583	119,868	205,012

Beaufort County, North Carolina
GENERAL FUND
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With Comparative Actual Amounts for the Year Ended June 30, 1989 STATEMENT 1
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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Human services				
Health				
Administration				
Board members	1,000	435	565	495
Salaries and employee benefits	405,217	397,369	7,848	364,950
Medical consultant	4,662	4,662	-	4,440
Travel	7,800	7,637	163	5,996
Operating expenses	52,904	51,529	1,375	38,489
Mosquito control	6,000	2,500	3,500	2,617
Insurance and bonds	1,700	1,556	144	1,343
Capital outlay	11,275	8,614	2,661	614
Total	<u>490,558</u>	<u>474,302</u>	<u>16,256</u>	<u>418,944</u>
Family planning				
Salaries and employee benefits	87,130	85,814	1,316	79,598
Travel	1,000	997	3	966
Operating expenses	7,573	7,510	63	13,216
Capital outlay	3,000	3,000	-	340
Total	<u>98,703</u>	<u>97,321</u>	<u>1,382</u>	<u>94,120</u>
Maternal and child health				
Salaries and employee benefits	102,802	97,950	4,852	87,603
Professional services	5,210	4,800	410	8,633
Travel	1,000	1,000	-	1,074
Insurance and bonds	-	-	-	700
Operating expenses	30,119	28,235	1,884	27,444
Capital outlay	2,401	2,401	-	1,429
Total	<u>141,532</u>	<u>134,386</u>	<u>7,146</u>	<u>126,883</u>
TB program				
Salaries and employee benefits	14,537	14,535	2	13,920
Travel	1,000	1,000	-	1,000
Contracted services	1,000	676	324	320
Operating expenses	7,532	7,375	157	6,309
Total	<u>24,069</u>	<u>23,586</u>	<u>483</u>	<u>21,549</u>
Risk reduction				
Salaries and employee benefits	12,416	12,408	8	12,701
Operating expenses	887	850	37	433
Total	<u>13,303</u>	<u>13,258</u>	<u>45</u>	<u>13,134</u>

Beaufort County, North Carolina

GENERAL FUND

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STATEMENT 1

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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Health (continued)				
Environmental				
Operating expenses	1,000	1,000	-	940
Capital outlay	5,000	4,928	72	2,000
Total	6,000	5,928	72	2,940
Adult health - hypertension				
Salaries and employee benefits	6,214	6,209	5	4,986
Travel	800	526	274	794
Operating expenses	2,314	2,218	96	2,108
Total	9,328	8,953	375	7,888
Women, infants, and children				
Salaries and employee benefits	94,064	87,361	6,703	80,654
Travel	1,500	1,250	250	1,079
Operating expenses	14,511	13,118	1,393	8,308
Capital outlay	735	497	238	1,113
Total	110,810	102,226	8,584	91,154
Aids control				
Salaries and employee benefits	8,645	8,131	514	-
Travel	500	392	108	-
Operating expenses	2,330	2,229	101	479
Capital outlay	4,400	2,863	1,537	-
Total	15,875	13,615	2,260	479
Other health				
Cancer fund	250	221	29	-
Total health	910,428	873,796	36,632	777,091
Mental health				
Tideland Mental Health Center				
General appropriations	99,885	99,885	-	75,095
Alcoholism and rehabilitation	15,000	15,000	-	25,070
Maintenance and repairs - building	29,240	25,021	4,219	-
N. C. Elderly-Handicapped Trans.	18,094	18,094	-	-
Options State Grant	26,502	26,502	-	19,546
Options Shelter Grant	2,188	2,188	-	-
Developmental center	59,628	59,628	-	56,789
Total mental health	250,537	246,318	4,219	176,500

Beaufort County, North Carolina

GENERAL FUND

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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Social services				
Administration				
Board members	1,500	1,397	103	1,469
Salaries and employee benefits	1,518,106	1,495,545	22,561	1,337,418
Contracted services	2,100	1,850	250	-
Professional services	38,000	35,950	2,050	33,755
Travel	27,000	25,367	1,633	25,747
Operating expenses	150,750	132,680	18,070	125,441
Capital outlay	9,000	8,991	9	12,747
Total	<u>1,746,456</u>	<u>1,701,780</u>	<u>44,676</u>	<u>1,536,577</u>
AFDC program				
County participation only	305,434	304,788	646	319,305
Initial checks	15,000	13,877	1,123	20,725
Total	<u>320,434</u>	<u>318,665</u>	<u>1,769</u>	<u>340,030</u>
Medicaid program				
County participation only	<u>594,534</u>	<u>557,072</u>	<u>37,462</u>	<u>463,926</u>
SSA program				
County participation only	<u>299,920</u>	<u>298,086</u>	<u>1,834</u>	<u>272,280</u>
Aid to blind program				
County participation only	<u>10,035</u>	<u>9,643</u>	<u>392</u>	<u>5,632</u>
Foster Care	<u>31,297</u>	<u>31,256</u>	<u>41</u>	<u>-</u>
Adoption assistance	<u>2,000</u>	<u>1,128</u>	<u>872</u>	<u>-</u>
Purchased services				
Salaries - chore program	174,000	148,924	25,076	156,921
Employee benefits	14,908	11,335	3,573	11,769
Title XIX transportation	5,600	5,532	68	2,492
Unemployment insurance - chore program	3,000	-	3,000	477
Travel - Title XX	1,000	997	3	379
State foster home	32,741	24,332	8,409	22,820
Family planning	300	21	279	275
Day care services	209,441	209,358	83	223,477
AFDC emergency assistance	19,000	10,733	8,267	7,682
Purchased services - CWEP	3,000	1,941	1,059	3,517
Food stamp employment	7,000	3,175	3,825	3,475
CPL - Energy assistance	4,000	2,763	1,237	967
Crisis intervention	40,000	19,258	20,742	43,979
Psychological services	500	-	500	-
Total	<u>514,490</u>	<u>438,369</u>	<u>76,121</u>	<u>478,230</u>

Beaufort County, North Carolina

GENERAL FUND

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	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
County services				
General relief	6,000	4,020	1,980	4,052
Hospital and clinical fees	2,000	273	1,727	117
Donations	400	-	400	-
Special matching	500	-	500	-
Travel	400	344	56	227
Miscellaneous	300	247	53	172
Total	<u>9,600</u>	<u>4,884</u>	<u>4,716</u>	<u>4,568</u>
Total social services	<u>3,528,766</u>	<u>3,360,883</u>	<u>167,883</u>	<u>3,101,243</u>
Veterans service officer				
Salaries and employee benefits	8,923	8,917	6	8,534
Travel	50	12	38	25
Operating expenses	490	258	232	288
Capital outlay	-	-	-	63
Total	<u>9,463</u>	<u>9,187</u>	<u>276</u>	<u>8,910</u>
Nursing home				
Board members	1,440	1,200	240	1,360
Salaries and employee benefits	615,205	613,271	1,934	565,024
Professional services	8,868	8,625	243	7,299
Travel	500	289	211	96
Repairs and maintenance	32,900	32,735	165	33,308
Operating expenses	132,300	131,078	1,222	130,976
Miscellaneous refunds	1,500	1,000	500	1,881
Capital outlay	6,400	6,371	29	10,204
Total	<u>799,113</u>	<u>794,569</u>	<u>4,544</u>	<u>750,148</u>
Special appropriations				
Association for the Blind	2,500	2,500	-	2,500
CBA Program - 4-H Program	4,345	4,316	29	3,716
Appropriation to Council on Aging	22,500	22,500	-	19,905
Pamlico Pals	2,000	2,000	-	1,600
Restitution program	3,960	2,325	1,635	5,073
CBA program - Youth Task Force	80,978	80,703	275	69,405
National Guard	1,000	1,000	-	1,000
Total	<u>117,283</u>	<u>115,344</u>	<u>1,939</u>	<u>103,199</u>
Total human services	<u>5,615,590</u>	<u>5,400,097</u>	<u>215,493</u>	<u>4,917,091</u>

Beaufort County, North Carolina

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 1990

With Comparative Actual Amounts for the Year Ended June 30, 1989

STATEMENT 1
Page 11 of 12

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Cultural and recreational				
Recreation				
Aurora	2,908	2,771	137	2,908
Bath	3,405	3,405	-	3,405
Belhaven	3,542	3,542	-	3,542
Chocowinity	3,948	3,274	674	3,150
Pantego	1,988	-	1,988	1,988
Pinetown	1,988	710	1,278	1,940
Washington	7,151	7,151	-	7,151
Washington Park	1,718	1,718	-	1,718
Total	<u>26,648</u>	<u>22,571</u>	<u>4,077</u>	<u>25,802</u>
Libraries				
BHM Regional Library	72,000	72,000	-	69,380
Fannie Ralph Library	1,000	1,000	-	1,000
Brown Library	6,400	6,400	-	6,000
Total	<u>79,400</u>	<u>79,400</u>	<u>-</u>	<u>76,380</u>
Special appropriations				
Aurora Museum	1,000	1,000	-	1,000
Arts Council	11,500	11,500	-	10,500
Belhaven Museum	1,000	1,000	-	1,000
Historic Albemarle Tour	1,500	1,500	-	1,500
Tulip Festival	500	500	-	500
Total	<u>15,500</u>	<u>15,500</u>	<u>-</u>	<u>14,500</u>
<u>Total cultural and recreational</u>	<u>121,548</u>	<u>117,471</u>	<u>4,077</u>	<u>116,682</u>
Education				
Public schools - current expense				
County administrative unit	1,975,032	1,975,032	-	1,789,644
City administrative unit	1,818,000	1,818,000	-	1,608,199
Fines and forfeitures	240,000	240,000	-	222,418
Public schools - capital outlay				
County administrative unit	1,000,500	1,000,500	-	421,360
City administrative unit	1,184,518	1,184,518	-	378,640
Texas Gulf fine	1,001,907	1,001,907	-	-
Community college - current expense	574,267	574,267	-	528,639
Community college - capital outlay	41,700	41,700	-	82,200
<u>Total education</u>	<u>7,835,924</u>	<u>7,835,924</u>	<u>-</u>	<u>5,031,100</u>

Beaufort County, North Carolina

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 1990

With Comparative Actual Amounts for the Year Ended June 30, 1989 STATEMENT 1
Page 12 of 12

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Non-departmental				
State sales tax	35,000	33,176	1,824	17,794
County sales tax	23,000	19,611	3,389	11,614
Tire fee	100	8	92	-
<u>Total non-departmental</u>	<u>58,100</u>	<u>52,795</u>	<u>5,305</u>	<u>29,408</u>
Debt service				
Principal retirement	1,056,045	1,054,684	1,361	700,000
Interest and fees	1,102,555	1,064,476	38,079	630,390
	<u>2,158,600</u>	<u>2,119,160</u>	<u>39,440</u>	<u>1,330,390</u>
 TOTAL EXPENDITURES	 <u>20,859,767</u>	 <u>20,400,241</u>	 <u>459,526</u>	 <u>15,694,466</u>
Revenues over (under) expenditures	<u>(2,242,868)</u>	<u>(772,887)</u>	<u>1,469,981</u>	<u>24,233</u>
Other financing sources (uses)				
Appropriated fund balance	2,395,219	-	(2,395,219)	-
Proceeds of capitalized leases	-	167,752	167,752	-
Loss on sale of investments	-	(11,702)	(11,702)	-
Operating transfers - (out)				
To Special Revenue Fund	(96,000)	(96,000)	-	(343,600)
Contingency	(56,351)	-	56,351	-
 Total other financing sources (uses)	 <u>2,242,868</u>	 <u>60,050</u>	 <u>(2,182,818)</u>	 <u>(343,600)</u>
Excess of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>(712,837)</u>	<u>\$(712,837)</u>	<u>(319,367)</u>
Fund balance:				
Beginning of year, July 1		<u>8,619,801</u>		<u>8,939,168</u>
End of year, June 30		<u>\$ 7,906,964</u>		<u>\$ 8,619,801</u>

Beaufort County, North Carolina
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
 June 30, 1990
 With Comparative Data for June 30, 1989

	Revaluation Fund	Washington Administrative Unit Fund	Richland Fire/Rescue District Fund	Bunyan Fire District Fund
ASSETS				
Current assets				
Cash and investments	\$ 306,160	\$ -	\$ -	\$ -
Taxes receivable (net)	-	44,167	2,524	6,566
Due from other funds	-	-	-	-
TOTAL ASSETS	\$ 306,160	\$ 44,167	\$ 2,524	\$ 6,566
 LIABILITIES AND FUND BALANCE				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	44,167	2,524	6,566
TOTAL LIABILITIES	-	44,167	2,524	6,566
Fund balance:				
Reserved by State Statute	-	-	-	-
Unreserved	306,160	-	-	-
Total fund balance	306,160	-	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 306,160	\$ 44,167	\$ 2,524	\$ 6,566

Chocowinity Fire District Fund	Capital Reserve Fund - Schools	Arbitrage Reserve Fund	Capital Reserve Fund - Broad Creek Dredging	CDBG 1986	CDBG 1987	Combining Totals	
						June 30, 1990	1989
\$ -	\$ 2,278,282	\$ -	\$ 29,982	\$ 4,785	\$15,747	\$2,634,956	\$4,101,349
8,044	-	-	-	-	-	61,301	54,969
-	1,783	99,096	-	-	-	100,879	1,307,732
<u>\$ 8,044</u>	<u>\$ 2,280,065</u>	<u>\$ 99,096</u>	<u>\$ 29,982</u>	<u>\$ 4,785</u>	<u>\$15,747</u>	<u>\$2,797,136</u>	<u>\$5,464,050</u>
\$ -	\$ 227,843	\$ -	\$ -	\$ -	\$ -	\$ 227,843	\$ -
8,044	-	-	-	-	-	61,301	54,969
<u>8,044</u>	<u>227,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>289,144</u>	<u>54,969</u>
-	1,783	99,096	-	-	-	100,879	1,307,732
-	2,050,439	-	29,982	4,785	15,747	2,407,113	4,101,349
-	2,052,222	99,096	29,982	4,785	15,747	2,507,992	5,409,081
<u>\$ -</u>	<u>\$ 2,280,065</u>	<u>\$ 99,096</u>	<u>\$ 29,982</u>	<u>\$ 4,785</u>	<u>\$15,747</u>	<u>\$2,797,136</u>	<u>\$5,464,050</u>

Beaufort County, North Carolina
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 1990
With Comparative Data for the Year Ended June 30, 1989

	<u>Revaluation Fund</u>	<u>Washington Administrative Unit Fund</u>	<u>Richland Fire/Rescue District Fund</u>	<u>Bunyan Fire District Fund</u>
Revenues:				
Ad valorem taxes	\$ -	\$ 388,248	\$100,238	\$ 56,008
Investment earnings	21,022	-	-	-
Restricted intergovernmental revenues	-	-	-	-
Total revenues	<u>21,022</u>	<u>388,248</u>	<u>100,238</u>	<u>56,008</u>
Expenditures:				
Public Safety	-	-	100,238	56,008
Education	-	388,248	-	-
Economic and Physical Development	-	-	-	-
Total expenditures	<u>-</u>	<u>388,248</u>	<u>100,238</u>	<u>56,008</u>
Revenues over expenditures	<u>21,022</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers - in				
From general fund	96,000	-	-	-
From Hospital capital project fund	-	-	-	-
Operating transfers - out				
To capital projects	-	-	-	-
Total other financing sources (uses)	<u>96,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources (uses) over (under) expenditures	117,022	-	-	-
Fund balance:				
Beginning of year, July 1	<u>189,138</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year, June 30	<u>\$ 306,160</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Chocowinity Fire District Fund	Capital Reserve Fund Schools	Arbitrage Reserve Fund	Capital Reserve Fund Broad Creek Dredging	CDBG 1986	CDBG 1987	Totals	
						June 30, 1990	1989
\$ 45,113	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 589,607	\$ 540,102
-	238,312	-	1,600	-	-	260,934	393,854
-	-	-	-	7,316	77,733	85,049	85,547
<u>45,113</u>	<u>238,312</u>	<u>-</u>	<u>1,600</u>	<u>7,316</u>	<u>77,733</u>	<u>935,590</u>	<u>1,019,503</u>
45,113	-	-	-	-	-	201,359	194,392
-	-	-	-	-	-	388,248	356,082
-	-	-	-	5,775	117,394	123,169	279,589
<u>45,113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,775</u>	<u>117,394</u>	<u>712,776</u>	<u>830,063</u>
-	238,312	-	1,600	1,541	(39,661)	222,814	189,440
-	-	-	-	-	-	96,000	343,600
-	-	99,096	-	-	-	99,096	-
-	(3,318,999)	-	-	-	-	(3,318,999)	(3,107,656)
-	(3,318,999)	99,096	-	-	-	(3,123,903)	(2,764,056)
-	(3,080,687)	99,096	1,600	1,541	(39,661)	(2,901,089)	(2,574,616)
-	5,132,909	-	28,382	3,244	55,408	5,409,081	7,983,697
<u>\$ -</u>	<u>\$ 2,052,222</u>	<u>\$ 99,096</u>	<u>\$ 29,982</u>	<u>\$ 4,785</u>	<u>\$ 15,747</u>	<u>\$2,507,992</u>	<u>\$5,409,081</u>

Beaufort County, North Carolina
REVALUATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990

With Comparative Actual Amounts for the Year Ended June 30, 1989 STATEMENT 4

	1990		1989
	Budget	Actual	Actual
		Variance Favorable (Unfavorable)	
Revenues:			
Investment earnings	\$ 12,000	\$ 21,022	\$ 12,227
Other financing sources (uses):			
Operating transfers - in			
From General Fund	96,000	96,000	63,600
Appropriated fund balance	(108,000)	-	-
Total other financing sources (uses)	(12,000)	96,000	63,600
Excess of revenues and other sources over uses	\$ -	117,022	75,827
Fund balance:			
Beginning of year, July 1		189,138	113,311
End of year, June 30		\$ 306,160	\$ 189,138

Beaufort County, North Carolina
WASHINGTON ADMINISTRATIVE UNIT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990
 With Comparative Actual Amounts for Year Ended June 30, 1989

STATEMENT 5

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Revenues:				
Ad valorem taxes:				
Current year	\$ 411,418	\$ 370,889	\$(40,529)	\$ 334,794
Prior year	-	17,359	17,359	10,916
Total revenues	<u>411,418</u>	<u>388,248</u>	<u>(23,170)</u>	<u>345,710</u>
Expenditures:				
Education:				
School current expense	<u>411,418</u>	<u>388,248</u>	<u>23,170</u>	<u>345,710</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund balance:				
Beginning of year, July 1		<u>-</u>		<u>-</u>
End of year, June 30		<u>\$ -</u>		<u>\$ -</u>

Beaufort County, North Carolina
RICHLAND FIRE/RESCUE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990
 With Comparative Actual Amounts for Year Ended June 30, 1989

STATEMENT 6

	1990		Variance Favorable (Unfavorable)	1989
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Ad valorem taxes:				
Current year	\$ 100,465	\$ 99,006	\$(1,459)	\$ 96,791
Prior year	-	1,232	1,232	633
Total revenues	<u>100,465</u>	<u>100,238</u>	<u>(227)</u>	<u>97,424</u>
Expenditures:				
Public safety:				
Contracted services	<u>100,465</u>	<u>100,238</u>	<u>227</u>	<u>97,424</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund balance:				
Beginning of year, July 1		<u>-</u>		<u>-</u>
End of year, June 30		<u>\$ -</u>		<u>\$ -</u>

Beaufort County, North Carolina
BUNYAN FIRE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990
 With Comparative Actual Amounts for Year Ended June 30, 1989 STATEMENT 7

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Revenues:				
Ad valorem taxes:				
Current year	\$ 56,400	\$ 53,628	\$(2,772)	\$ 50,698
Prior year	-	2,380	2,380	1,780
Total revenues	<u>56,400</u>	<u>56,008</u>	<u>(392)</u>	<u>52,478</u>
Expenditures:				
Public safety:				
Contracted services	<u>56,400</u>	<u>56,008</u>	<u>392</u>	<u>52,478</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund balance:				
Beginning of year, July 1		<u>-</u>		<u>-</u>
End of year, June 30		<u>\$ -</u>		<u>\$ -</u>

Beaufort County, North Carolina
CHOCOWINITY FIRE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990
 With Comparative Actual Amounts for Year Ended June 30, 1989 STATEMENT 8

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Revenues:				
Ad valorem taxes:				
Current year	\$ 45,900	\$ 41,542	\$(4,358)	\$ 40,812
Prior year	-	3,571	3,571	3,678
Total revenues	<u>45,900</u>	<u>45,113</u>	<u>(787)</u>	<u>44,490</u>
Expenditures:				
Public safety:				
Contracted services	<u>45,900</u>	<u>45,113</u>	<u>787</u>	<u>44,490</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund balance:				
Beginning of year, July 1		<u>-</u>		<u>-</u>
End of year, June 30		<u>\$ -</u>		<u>\$ -</u>

Beaufort County, North Carolina
CAPITAL RESERVE FUND - SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990

With Comparative Actual Amounts for Year Ended June 30, 1989

STATEMENT 9

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Revenue:				
Investment earnings	\$ -	\$ 238,312	\$ 238,312	\$ 380,027
Expenditures:				
Education:				
School capital outlay	-	-	-	10,372
Excess of revenues over expenditures	-	238,312	238,312	369,655
Other financing sources (uses):				
Appropriated fund balance	4,800,000	-	(4,800,000)	-
Operating transfers - in from General Fund	-	-	-	280,000
Operating transfers - (out)				
Northside High School				
Capital Project	(2,288,864)	(580,020)	1,708,844	(1,890,352)
City High School Capital Project	(2,297,597)	(2,297,597)	-	(1,217,304)
Bath and Aurora Capital Project	(213,539)	(441,382)	(227,843)	-
Total other financing sources (uses)	-	(3,318,999)	(3,318,999)	(2,827,656)
Excess of revenues (under) expenditures and other uses	\$ -	(3,080,687)	\$(3,080,687)	(2,458,001)
Fund balance:				
Beginning of year, July 1		5,132,909		7,590,910
End of year, June 30		\$2,052,222		\$ 5,132,909

Beaufort County, North Carolina
ARBITRAGE RESERVE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990
 With Comparative Actual Amounts for Year Ended June 30, 1989 STATEMENT 10

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Other financing sources:				
Operating transfers - in from Beaufort County Hospital				
Capital Project Fund	\$ -	\$ 99,096	\$ 99,096	\$ -
Fund balance:				
Beginning of year, July 1		-		-
End of year, June 30		\$ 99,096		\$ -

Beaufort County, North Carolina
CAPITAL RESERVE FUND - BROAD CREEK DREDGING
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

For the Year Ended June 30, 1990

With Comparative Actual Amounts for Year Ended June 30, 1989

STATEMENT 11

	1990		Variance Favorable (Unfavorable)	1989
	Budget	Actual		Actual
Revenue:				
Investment earnings	\$ 1,600	\$ 1,600	\$ -	\$ 1,600
Other financing sources:				
Appropriated fund balance	(1,600)	-	1,600	-
Revenues and other financing sources	<u>\$ -</u>	1,600	<u>\$ 1,600</u>	1,600
Fund balance:				
Beginning of year, July 1		<u>28,382</u>		<u>26,782</u>
End of year, June 30		<u>\$ 29,982</u>		<u>\$ 28,382</u>

Beaufort County, North Carolina
COMMUNITY DEVELOPMENT BLOCK GRANT - 1986
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

From Inception and For the Year Ended June 30, 1990

STATEMENT 12

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Revenues:				
Restricted intergovernmental revenues:				
Community development block grant	\$ 201,200	\$102,123	\$ 7,316	\$109,439
Expenditures:				
Economic and physical development	<u>201,200</u>	<u>98,879</u>	<u>5,775</u>	<u>104,654</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 3,244</u>	1,541	<u>\$ 4,785</u>
Fund balance:				
Beginning of year, July 1			<u>3,244</u>	
End of year, June 30			<u>\$ 4,785</u>	

Beaufort County, North Carolina
COMMUNITY DEVELOPMENT BLOCK GRANT - 1987
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

From Inception and For the Year Ended June 30, 1990

STATEMENT 13

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Restricted intergovernmental revenues:				
Community development block grant	\$ 606,000	\$262,417	\$ 77,733	\$340,150
Expenditures:				
Economic and physical development	606,000	207,009	117,394	324,403
Excess of revenues over (under) expenditures	\$ -	\$ 55,408	(39,661)	\$ 15,747
Fund balance:				
Beginning of year, July 1			55,408	
End of year, June 30			\$ 15,747	

Beaufort County, North Carolina
CAPITAL PROJECT FUND
COMBINING BALANCE SHEET
 June 30, 1990
 With Comparative Data for June 30, 1989

	<u>Beaufort County Hospital Capital Project Fund</u>	<u>City High School Capital Project Fund</u>	<u>Northside High School Capital Project Fund</u>
ASSETS			
Current assets:			
Cash and investments	\$ 100,879	\$ 573,800	\$ 40,401
Due from other funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 100,879</u>	<u>\$ 573,800</u>	<u>\$ 40,401</u>
 LIABILITIES AND FUND BALANCE			
Current liabilities	\$ -	\$ -	\$ -
Due to other funds	100,879	-	-
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	100,879	-	-
Fund balance:			
Reserved by State Statute		227,843	
Unreserved:			
Undesignated	-	345,957	40,401
Total Fund Balance	<u> </u>	<u>573,800</u>	<u>40,401</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 100,879</u>	<u>\$ 573,800</u>	<u>\$ 40,401</u>

Bath and Aurora School Capital Project Fund	Combining Totals	
	June 30,	
	1990	1989
\$ (227,843)	\$ 487,237	\$ 3,783,167
<u>227,843</u>	<u>227,843</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 715,080</u>	<u>\$ 3,783,167</u>
\$ -	\$ -	\$ 685,641
<u>-</u>	<u>100,879</u>	<u>1,307,732</u>
-	100,879	1,993,373
-	227,843	-
-	386,358	1,789,794
<u>-</u>	<u>614,201</u>	<u>1,789,794</u>
<u>\$ -</u>	<u>\$ 715,080</u>	<u>\$ 3,783,167</u>

Beaufort County, North Carolina
ALL CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 1990
With Comparative Actual Data for June 30, 1989

	Beaufort County Hospital Capital Project Fund	City High School Capital Project Fund	Northside High School Capital Project Fund
Revenues:			
Investment earnings	\$ 12,388	\$ 14,967	\$ 31,558
Sales tax refund	10,851	-	-
Restricted intergovernmental revenues	-	303,746	-
City School appropriations	-	461,406	-
Total	<u>23,239</u>	<u>780,119</u>	<u>31,558</u>
Expenditures:			
Capital projects	<u>193,376</u>	<u>3,071,693</u>	<u>1,523,961</u>
Revenues (under) expenditures	<u>(170,137)</u>	<u>(2,291,574)</u>	<u>(1,492,403)</u>
Other financing sources (uses):			
Proceeds of long-term debt	-	-	-
Operating transfers - in	-	2,297,597	580,020
Operating transfers - out	<u>(99,096)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(99,096)</u>	<u>2,297,597</u>	<u>580,020</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(269,233)</u>	<u>6,023</u>	<u>(912,383)</u>
Fund balance:			
Beginning of year, July 1	<u>269,233</u>	<u>567,777</u>	<u>952,784</u>
End of year, June 30	<u>\$ -</u>	<u>\$ 573,800</u>	<u>\$ 40,401</u>

Bath and Aurora School Capital Project Fund	Combining Totals	
	June 30,	
	1990	1989
\$ -	\$ 58,913	\$ 364,978
-	10,851	-
-	303,746	-
-	461,406	-
<u>-</u>	<u>834,916</u>	<u>364,978</u>
 441,382	 5,230,412	 14,859,652
 (441,382)	 (4,395,496)	 (14,494,674)
 -	 -	15,500,000
441,382	3,318,999	3,107,656
<u>-</u>	<u>(99,096)</u>	<u>-</u>
 441,382	 3,219,903	 18,607,656
 -	(1,175,593)	4,112,982
 -	1,789,794	(2,323,188)
 \$ -	 \$ 614,201	 \$ 1,789,794

Beaufort County, North Carolina
BEAUFORT COUNTY HOSPITAL CAPITAL PROJECT FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

From Inception and for the Year Ended June 30, 1990

STATEMENT 16

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Investment earnings	\$ -	\$ 90,275	\$ 12,388	\$ 102,663
Sales tax refund	10,851	-	10,851	10,851
Total revenues	10,851	90,275	23,239	113,514
Expenditures:				
Capital outlay				
Buildings and improvements	2,743,693	2,553,884	193,376	2,747,260
Lease payoffs	760,000	760,000	-	760,000
Bond issuance expenses	7,158	7,158	-	7,158
Total expenditures	3,510,851	3,321,042	193,376	3,514,418
Revenues (under) expenditures	(3,500,000)	(3,230,767)	(170,137)	(3,400,904)
Other financing sources (uses):				
Proceeds of long-term debt	3,500,000	3,500,000	-	3,500,000
Operating transfers - (out) to Arbitrage Fund	-	-	(99,096)	(99,096)
Total	3,500,000	3,500,000	(99,096)	3,400,904
Increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 269,233</u>	(269,233)	<u>\$ -</u>
Fund balance:				
Beginning of year, July 1			<u>269,233</u>	
End of year, June 30			<u>\$ -</u>	

Beaufort County, North Carolina
CITY HIGH SCHOOL CAPITAL PROJECT FUND
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

From Inception and for the Year Ended June 30, 1990

STATEMENT 17

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Investment earnings	\$ 143,675	\$ 128,708	\$ 14,967	\$ 143,675
Restricted intergovernmental revenues	303,746	-	303,746	303,746
City School Appropriations:				
Capital outlay fund balance	441,406	-	441,406	441,406
Food service fund balance	20,000	-	20,000	20,000
Total revenues	908,827	128,708	780,119	908,827
Expenditures:				
Capital outlay				
Buildings	10,036,128	6,390,635	3,071,693	9,462,328
Revenues (under) expenditures	(9,127,301)	(6,261,927)	(2,291,574)	(8,553,501)
Other financing sources:				
Proceeds of long-term debt	5,612,400	5,612,400	-	5,612,400
Operating transfer-in from Capital Reserve Fund	3,514,901	1,217,304	2,297,597	3,514,901
Total other financing sources	9,127,301	6,829,704	2,297,597	9,127,301
Increase in fund balance	\$ -	\$ 567,777	6,023	\$ 573,800
Fund Balance:				
Beginning of year, July 1			567,777	
End of year, June 30			\$ 573,800	

Beaufort County, North Carolina
NORTHSIDE HIGH SCHOOL CAPITAL PROJECT FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

From Inception and for the Year Ended June 30, 1990

STATEMENT 18

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Revenues:				
Investment earnings	\$ 166,901	\$ 147,779	\$ 31,558	\$ 179,337
Expenditures:				
Capital outlay				
Buildings	<u>9,079,206</u>	<u>7,472,947</u>	<u>1,523,961</u>	<u>8,996,908</u>
Revenues (under) expenditures	<u>(8,912,305)</u>	<u>(7,325,168)</u>	<u>(1,492,403)</u>	<u>(8,817,571)</u>
Other financing sources:				
Proceeds of long-term debt	6,387,600	6,387,600	-	6,387,600
Operating transfers - in				
From capital reserve fund	<u>2,524,705</u>	<u>1,890,352</u>	<u>580,020</u>	<u>2,470,372</u>
Total other financing sources	<u>8,912,305</u>	<u>8,277,952</u>	<u>580,020</u>	<u>8,857,972</u>
Increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 952,784</u>	(912,383)	<u>\$ 40,401</u>
Fund balance:				
Beginning of year, July 1			<u>952,784</u>	
End of year, June 30			<u>\$ 40,401</u>	

Beaufort County, North Carolina
BATH AND AURORA SCHOOL CAPITAL PROJECT FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

From Inception and for the Year Ended June 30, 1990

STATEMENT 19

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Expenditures:				
Capital outlay				
Buildings	\$ 835,992	\$ -	\$ 441,382	\$ 441,382
Other financing sources:				
Operating transfers - in				
From capital reserve fund	<u>835,992</u>	<u>-</u>	<u>441,382</u>	<u>441,382</u>
Increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance:				
Beginning of year, July 1			<u>-</u>	
End of year, June 30			<u>\$ -</u>	

Beaufort County, North Carolina
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
 June 30, 1990
 With Comparative Totals for June 30, 1989

STATEMENT 20

	Agency		Totals	
	Social Services Fund	County Home Fund	1990	1989
ASSETS				
Cash and investments	\$ 50,361	\$ 1,189	\$ 51,550	\$ 40,520
Due from other funds	-	31	31	77
Total Assets	\$ 50,361	\$ 1,220	\$ 51,581	\$ 40,597
 LIABILITIES				
Miscellaneous liabilities	\$ 50,361	\$ 1,220	\$ 51,581	\$ 40,597
Total Liabilities	\$ 50,361	\$ 1,220	\$ 51,581	\$ 40,597

Beaufort County, North Carolina
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
 June 30, 1990

STATEMENT 21

	<u>Balance</u> 7-1-89	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 6-30-90
<u>Social Services</u>				
ASSETS				
Cash and investments	\$ 39,533	\$ 241,551	\$ 230,723	\$ 50,361
LIABILITIES				
Miscellaneous liabilities	\$ 39,533	\$ 241,551	\$ 230,723	\$ 50,361
 <u>County Home</u>				
ASSETS				
Cash and investments	\$ 987	\$ 12,284	\$ 12,082	\$ 1,189
Due from other funds	77	-	46	31
Total Assets	<u>\$ 1,064</u>	<u>\$ 12,284</u>	<u>\$ 12,128</u>	<u>\$ 1,220</u>
LIABILITIES				
Miscellaneous liabilities	<u>\$ 1,064</u>	<u>\$ 12,284</u>	<u>\$ 12,128</u>	<u>\$ 1,220</u>
 <u>Totals - All Agency Funds</u>				
ASSETS				
Cash and investments	\$ 40,520	\$ 253,835	\$ 242,805	\$ 51,550
Due from other funds	77	-	46	31
Total Assets	<u>\$ 40,597</u>	<u>\$ 253,835</u>	<u>\$ 242,851</u>	<u>\$ 51,581</u>
LIABILITIES				
Miscellaneous liabilities	<u>\$ 40,597</u>	<u>\$ 253,835</u>	<u>\$ 242,851</u>	<u>\$ 51,581</u>

SUPPLEMENTARY INFORMATION:

STATISTICAL SECTION

Beaufort County
Law Enforcement Officers' Special Separation Allowance
REQUIRED SUPPLEMENTARY INFORMATION
ANALYSIS OF FUNDING PROGRESS
 June 30, 1990

SCHEDULE 22

Fiscal Year	(1) Net Assets Available for Benefits	(2) Pension Benefit Obligation	(3) Percentage Funded $(1) \div (2)$	(4) Unfunded Pension Obligation $(2) - (1)$	(5) Annual Covered Payroll	(6) Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll $(4) \div (5)$
1989	\$ -	\$ 52,153	0 %	\$ 52,153	\$ 443,232	11.77%

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

Beaufort County, North Carolina
SCHEDULE OF CASH AND INVESTMENT BALANCES
 June 30, 1990

SCHEDULE 23

	<u>Amounts Presented On Statements</u>	<u>Cost Value</u>	<u>Market Value</u>
Cash:			
On Hand	\$ 864	\$ 864	\$ 864
In demand deposits	774,071	774,071	774,071
NOW, SuperNOW, and money market	1,533,795	1,533,795	1,533,795
Certificates of deposit	<u>2,539,990</u>	<u>2,539,990</u>	<u>2,539,990</u>
Total cash	4,848,720	4,848,720	4,848,720
Other investments:			
North Carolina Cash Management Trust Commercial Paper (Uninsured, unregistered, and held by the County's agent in the County's name)	235,371	235,371	235,371
Common Stock	<u>4,351,540</u>	<u>4,351,540</u>	<u>4,351,540</u>
Total other investments	2,500	2,500	4,100
	<u>4,589,411</u>	<u>4,589,411</u>	<u>4,591,011</u>
Total cash and investments	<u>\$ 9,438,131</u>	<u>\$ 9,438,131</u>	<u>\$ 9,439,731</u>
Distribution by Funds			
General Fund			\$ 6,264,388
Special Revenue Funds			
Revaluation Fund		\$ 306,160	
Capital Reserve Fund - Schools		2,278,282	
Capital Reserve Fund - Broad Creek Dredging		29,982	
Community Development Block Grant - 1986		4,785	
Community Development Block Grant - 1987		<u>15,747</u>	2,634,956
Capital Project Funds			
Beaufort County Hospital Fund		100,879	
City High School Fund		573,800	
Northside High School Fund		40,401	
Bath and Aurora School Fund		<u>(227,843)</u>	487,237
Agency Funds			
Social Services		50,361	
County Home		<u>1,189</u>	<u>51,550</u>
Total			<u>\$ 9,438,131</u>

Beaufort County, North Carolina
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
 June 30, 1990

SCHEDULE 24

<u>Fiscal year</u>	Uncollected Balance June 30, 1989	Additions	Collections and Credits	Uncollected Balance June 30, 1990
1989-1990	\$ -	\$7,767,732	\$ 7,387,471	\$ 380,261
1988-1989	303,926	-	150,626	153,300
1987-1988	169,345	-	65,046	104,299
1986-1987	128,020	-	39,010	89,010
1985-1986	111,670	-	23,963	87,707
1984-1985	65,437	-	9,138	56,299
1983-1984	55,943	-	6,486	49,457
1982-1983	55,055	-	5,273	49,782
1981-1982	36,139	-	5,020	31,119
1980-1981	28,321	-	2,976	25,345
1979-1980	23,439	-	23,439	-
Prior years	-	5,064	5,064	-
	<u>\$ 977,295</u>	<u>\$7,772,796</u>	<u>\$ 7,723,512</u>	<u>1,026,579</u>

Less allowance for uncollectible
ad valorem taxes receivable:

General Fund	\$ 246,000	
Fire District Funds	16,500	<u>262,500</u>

Ad valorem taxes receivable - net \$ 764,079

Reconcilement with revenues:

Taxes - Ad valorem - General Fund		
Taxes collected	\$ 7,077,346	
Penalties and interest	149,476	\$ 7,226,822
Taxes - Ad valorem - Fire District Fund		
Taxes collected		589,607
Abatements		545
Amounts written off for tax year 1979 - 1980 per statute of limitations		<u>20,953</u>
Subtotal		7,837,927
Less interest collected		<u>(114,415)</u>
Total collections and credits		<u>\$ 7,723,512</u>

Beaufort County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
 For the Year Ended June 30, 1990

SCHEDULE 25

	<u>Total Property Valuation</u>	<u>Rate</u>	<u>Amount of Levy</u>
Original levy			
County-wide	\$ 1,650,041,326	.43	\$7,095,191
Washington Administrative Unit			392,053
Richland Fire/Rescue District			99,960
Bunyan Fire District			56,781
Chocowinity Fire District			45,328
County Dog taxes			11,690
Penalties			<u>34,979</u>
			\$ 7,735,982
Discoveries			
County-wide			
Current year taxes	8,744,651		37,601
Penalties			752
Washington Administrative Unit			2,870
Richland Fire/Rescue District			115
Bunyan Fire District			349
Chocowinity Fire District			<u>185</u>
			41,872
Abatements			
County-wide	(2,278,139)		(9,796)
Washington Administrative Unit			(231)
Richland Fire/Rescue District			(30)
Bunyan Fire District			(27)
Chocowinity Fire District			<u>(38)</u>
			(10,122)
Total for year	<u>\$ 1,656,507,838</u>		7,767,732
Less uncollected tax at June 30, 1990 (Schedule 24)			<u>380,261</u>
Current year's taxes collected			<u>\$ 7,387,471</u>
Percent current year collected			95.10%

Beaufort County, North Carolina
SCHEDULE OF INTERFUND TRANSFERS
 For the Year Ended June 30, 1990

SCHEDULE 26

	Transfers	
	From	To
<u>General</u>		
Revaluation	\$ -	\$ 96,000
 <u>Capital Project</u>		
City High School Capital Project Capital reserve - school	2,297,597	-
Northside High School Capital Project Capital reserve - school	580,020	-
Beaufort County Hospital Capital Project Arbitrage Reserve	-	99,096
Bath and Aurora School Capital Project Capital Reserve - School	441,382	-
 <u>Special Revenue</u>		
Revaluation General	96,000	-
Arbitrage Reserve Beaufort County Hospital Capital Project	99,096	-
Capital Reserve Schools Capital projects	-	3,318,999
	\$ 3,514,095	\$ 3,514,095

COMPLIANCE SECTION



JAMES W. PERRY
JAMES C. CRONE
A. H. CRAWFORD
KENNETH B. HAWKINS
EDWARD C. MOORING
W. FRANKIE PAGE, JR.
MICHAEL J. GLEASON
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BILLY M. THOMPSON

LATNEY W. PITTARD (1932-1979)

**Compliance Report Based on an Audit of General Purpose
Financial Statements Performed in Accordance With
Government Auditing Standards**

To the Board of County Commissioners
Beaufort County, North Carolina

We have audited the general purpose financial statements of Beaufort County, North Carolina, as of and for the year ended June 30, 1990, and have issued our report thereon dated August 31, 1990.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to Beaufort County, North Carolina, is the responsibility of Beaufort County, North Carolina, management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the County's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicate that, with respect to the items tested, Beaufort County, North Carolina, complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the County had not complied, in all material respects, with those provisions.

This report is intended for the information of management, the cognizant audit agency, and other federal and state agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Pittard Perry & Crone, Inc.

Belhaven, North Carolina
August 31, 1990



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LATNEY W. PITTARD (1932-1979)

**Single Audit Report on Compliance With Specific Requirements
Applicable to Major and Certain Nonmajor Federal and State
Financial Assistance Programs**

To the Board of County Commissioners
Beaufort County, North Carolina

We have audited Beaufort County, North Carolina, compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special tests and provisions as identified in the attachment; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal and State financial assistance programs, which are identified in the accompanying schedule of federal and State financial assistance, for the year ended June 30, 1990. The management of Beaufort County, North Carolina, is responsible for Beaufort County, North Carolina, compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, office of Management and Budget Circular A-128, "Audits of State and Local Governments," and the State Single Audit Implementation Act. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about Beaufort County, North Carolina, compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings and questioned costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

To the Board of County Commissioners
Beaufort County, North Carolina
Page 2

In our opinion, Beaufort County, North Carolina, complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special tests and provisions as identified in the attachment; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal and State financial assistance programs for the year ended June 30, 1990.

In connection with our audit of the 1990 general purpose financial statements of Beaufort County, North Carolina, and with our study and evaluation of Beaufort County, North Carolina, internal control systems used to administer federal and State financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," and the State Single Audit Implementation Act, we selected certain transactions applicable to certain nonmajor federal and State financial assistance programs for the year ended June 30, 1990.

As required by OMB Circular A-128 and the State Single Audit Implementation Act, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; and special tests and provisions as identified in the attachment that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Beaufort County, North Carolina, compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Beaufort County, North Carolina, had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying schedule of findings and questioned costs.

This report is intended for the information of management, the cognizant audit agency, and other financial and state agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Pittard Perry & Chere, Inc.

Belhaven, North Carolina
August 31, 1990



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LATNEY W. PITTARD (1932-1979)

**Single Audit Report on Compliance With the General
Requirements Applicable to Major Federal Financial
Assistance Programs**

To the Board of County Commissioners
Beaufort County, North Carolina

We have applied procedures to test Beaufort County, North Carolina, compliance with the following requirements applicable to its major federal assistance program, which is identified in the schedule of federal and State financial assistance, for the year ended June 30, 1990: political activity, civil rights, cash management, and federal financial reports.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Beaufort County, North Carolina, compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the first paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that Beaufort County, North Carolina, had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying schedule of findings and questioned costs.

This report is intended for the information of management, the cognizant audit agency, and other federal and State agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Pittard Perry & Crone, Inc.

Belhaven, North Carolina
August 31, 1990

Beaufort County, North Carolina
SPECIAL TESTS AND PROVISIONS
For the Year Ended June 30, 1989

SCHEDULE 27

Program

Compliance Requirements

Food Stamps

The County is required to maintain adequate security over the "Authorization to Purchases" cards and food stamps.

Medical Assistance Program

The County is required to pay for a portion of the medicaid expenditures in accordance with the approved State plan.

The County is required to take reasonable measures to identify medical services which are the legal obligation of liable third parties.

The County is responsible for the detection, investigation, prosecution, collection and reporting of overpayments due to recipient aberrant practices.

Beaufort County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1990

SCHEDULE 28
Page 3

<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
AFDC CFDA No. 13.780	<p>In accordance with 45 CFR 233, the requirement applicable in this case only recipients who are not in a public institution are eligible for AFDC assistance. Of the 14 case files examined, 2 participants received support services without stating whether they were in a public institution.</p> <p><u>Recommendation</u></p> <p>Management of Beaufort County, North Carolina should take action to insure that all AFCD applications are complete.</p> <p><u>Management's Response</u></p> <p>We concur. In the future special attention will be given to ensure all AFDC applications are maintained accurately.</p>	Cannot be determined

Status Prior Year's Findings

As of June 30, 1990, Beaufort County, North Carolina management had resolved all findings from prior years.



JAMES W. PERRY
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LATNEY W. PITTARD (1932-1979)

**Report on Internal Control Structure in Accordance With
Government Auditing Standards**

To the Board of County Commissioners
Beaufort County, North Carolina

We have audited the general purpose financial statements of Beaufort County, North Carolina, as of and for the year ended June 30, 1990, and have issued our report thereon dated August 31, 1990.

We conducted our audit in accordance with generally accepted auditing standards and 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 general purpose financial statements are free of material misstatement.

In planning and performing our audit of the general purpose financial statements of Beaufort County, North Carolina, for the year ended June 30, 1990, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of Beaufort County, North Carolina, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

To the Board of County Commissioners
Beaufort County, North Carolina
Page 2

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

Financial Statement Captions
Cash and cash receipts
Receivables
Property and equipment
Payables and accrued liabilities
Fund balance

Solely to assist us in planning and performing our audit, we made a study and evaluation of the internal control structure of Beaufort County, North Carolina. That study and evaluation was limited to a preliminary review of the structure to obtain an understanding of the control environment and the flow of transactions through the accounting system. Due to the lack of segregation of duties among County personnel, our study and evaluation did not extend beyond this preliminary review phase.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

In an organization such as Beaufort County, North Carolina, with a limited number of personnel for certain functions, there are inherent limitations on the effectiveness of certain controls due to the lack of segregation of duties among County personnel.

Recommendation

We recommend as Beaufort County, North Carolina hires additional employees that their responsibilities be structured to achieve greater segregation of duties.

Management Response

Management believes that corrective action is not practical at this time. As additional employees are hired, steps will be taken to implement this recommendation.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

To the Board of County Commissioners
Beaufort County, North Carolina
Page 3

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable condition described above concerning segregation of duties is a material weakness.

We also noted other matters involving the internal control structure and its operation that we have reported to management of Beaufort County, North Carolina, in a separate letter dated August 31, 1990.

This report is intended for the information of management, the cognizant audit agency, and other federal and state agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Pittard Perry & Coone, Inc.

Belhaven, North Carolina
August 31, 1990



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LATNEY W. PITTARD (1932-1979)

Report on Internal Controls (Accounting and Administrative) -- Based on a Study and Evaluation Made as a Part of an Audit of the General Purpose Financial Statements and the Additional Tests Required by the Single Audit Act

To the Board of County Commissioners
Beaufort County, North Carolina

We have audited the general purpose financial statements of Beaufort County, North Carolina, for the year ended June 30, 1990, and have issued our report thereon dated August 31, 1990. As part of our audit, we made a study and evaluation of the internal control systems, including applicable internal administrative controls, used in administering federal and State financial assistance programs to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, the Single Audit Act of 1984, the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments," and the State Single Audit Implementation Act. For the purpose of this report, we have classified the significant internal accounting and administrative controls used in administering federal and State financial assistance programs in the following categories:

Accounting Controls

Financial Statement Captions
Cash and cash equivalents
Receivables
Property and equipment
Payables and accrued liabilities
Debt
Fund Balance

Administrative Controls

General Requirements
Political activity
Civil rights
Cash management
Federal financial reports

To the Board of Commissioners
Beaufort County, North Carolina
Page 4

This report is intended solely for the use of management, the cognizant audit agency, and other federal and State agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the Commissioners of Beaufort County, North Carolina, is a matter of public record.

Pittard Perry & Crone, Inc.

Belhaven, North Carolina
August 31, 1990

Beaufort County, North Carolina
SCHEDULE OF FEDERAL AND STATE FINANCIAL ASSISTANCE
 For the Year Ended June 30, 1990

SCHEDULE 29
 Page 1 of 2

<u>Grantor/Pass-Through Grantor/program Title</u>	<u>Federal Federal (Direct and CFDA Pass-Through) Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>	<u>Total</u>
<u>U.S. Department of Health and Human Services</u>				
Passed through State Dept. of Human Resources:				
Assistance Payments/Maintenance				
Assistance (AFDC)	13.780	\$ 287,952	\$ 69,194	\$ 357,146
Title XIX - Medicaid	13.714	194,167	-	194,167
Low Income Home Energy Assistance	13.789	38,459	-	38,459
Social Services Block Grant	13.667	242,518	19,890	262,408
Child Support Enforcement	13.783	143,700	67,782	211,482
Work Incentive Program	13.790	29,776	-	29,776
Permanency Planning (Child Welfare)	13.645	22,718	4,796	27,514
Independent Living Grant	13.658	739	-	739
Aids - Preventive and Surveillance	13.118	12,398	-	12,398
Tuberculosis	13.116	24,363	-	24,363
MCH Block Grant	13.994	186,330	-	186,330
Family Planning	13.217	63,431	-	63,431
Foster Care Assistance	13.658	28,785	-	28,785
Adoption Assistance	13.659	3,059	-	3,059
Total U.S. Department of Health and Human Services		<u>1,278,395</u>	161,662	<u>1,440,057</u>
<u>U.S. Department of Agriculture</u>				
Passed through State Dept. of Agriculture:				
Food Stamps	10.561	206,003	-	206,003
WIC	10.577	93,923	-	93,923
Total U.S. Department of Agriculture		<u>299,926</u>	-	<u>299,926</u>
<u>U.S. Department of Housing and Urban Development</u>				
Pass through N.C. Dept. of Economic and Community Development				
Small Cities Program	14.219	123,169	-	123,169
<u>U.S. Department of Justice</u>				
Passed Through State Dept. of Crime Control and Public Safety				
Federal Emergency Assistance	83.503	9,488	-	9,488
Victims of Crime Act	16.575	25,142	-	25,142
Drug Law Enforcement	16,579	91,685	-	91,685
Total U. S. Department of Justice		<u>126,315</u>	-	<u>126,315</u>
Total Federal Assistance		<u>\$1,827,805</u>		

Beaufort County, North Carolina
SCHEDULE OF FEDERAL AND STATE FINANCIAL ASSISTANCE
 For the Year Ended June 30, 1990

SCHEDULE 29
 Page 2 of 2

Grantor/Pass-Through Grantor/program Title	Federal CFDA Number	Federal Expenditures	State Expenditures	Total
<u>State Grants</u>				
State Dept. of Human Resources				
CP&L	N/A		3,031	3,031
State Child Protection Services	N/A	-	31,097	31,097
State Aid to Counties	N/A	-	42,499	42,499
State Aid to DC Coordinators	N/A	-	166,609	166,609
State Foster Home	N/A	-	6,408	6,408
State Equalization Program	N/A	-	40,040	40,040
Youth Task Force	N/A	-	73,325	73,325
NC Elderly	N/A	-	18,094	18,094
Division of Veterans Affairs:				
Veterans	N/A	-	2,000	2,000
Office of State Budget:				
Public School Building Capital Fund	N/A	-	547,435	547,435
Total State Assistance			<u>\$1,092,200</u>	<u>930,538</u>
Total Assistance				<u>\$2,920,005</u>

Notes to Preceding Schedule

1. <u>Benefit payments issued by the State</u>	<u>Federal</u>	<u>State</u>
Food stamp program	\$ 1,956,894	\$ -
WIC	574,896	-
Medicaid	7,999,751	3,274,161
Aid to Families with Dependent Children	1,775,946	426,754
	<u>\$12,307,487</u>	<u>\$ 3,700,915</u>

The above amounts were paid directly to recipients by the State from federal and State moneys on behalf of the County. County personnel are involved with certain functions, primarily eligibility determinations, that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients which do not appear in the general purpose financial statements because they are not revenues and expenditures of the County.



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LATNEY W. PITTARD (1932-1979)

Board of Commissioners
Beaufort County, North Carolina

We have audited the financial statements of the various funds and account groups of Beaufort County, North Carolina, for the year ended June 30, 1990, and have issued a report thereon dated August 31, 1990. As a part of our audit, we made a study and evaluation of the County's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluation are to establish a basis for reliance on the system of internal accounting control in determining the nature, extent, and timing of other auditing procedures that are necessary for expressing an opinion on the financial statements and to assist the auditor in planning and performing his audit of the financial statements.

A study and evaluation of internal accounting control for the purposes of an audit of financial statements would not necessarily disclose all weaknesses in the system because it was based on selective tests of accounting records and related data. However, there are internal control problems inherent to all situations in which the staff assigned financial duties is one or two persons. With one or two persons, it is technically impossible to distribute duties and responsibilities in such a manner to achieve a working set of checks and balances on each employee. The purpose behind the need for checks and balances is the prevention of inadvertent human error from entering into the recording of transactions with its subsequent incorrect reporting of transactions. It is incumbent on the Board of Commissioners in this situation, to realize the inherent weakness of the internal control system and to exercise such additional watchfulness over its affairs as it deems warranted by the circumstances.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to risk that procedures may become inadequate because of changes in conditions that the degree of compliance with the procedures may deteriorate.

Financial Statements

We suggest that a detailed general ledger be printed and reviewed each month. We feel this will facilitate finding proofing and posting errors.

Fixed Assets

Additions to fixed assets should be reconciled to the capital outlay expenditures monthly. The implementation of the new fixed assets computer program will facilitate this suggestion. We also suggest that land and buildings be implemented into the fixed asset program.

Bank Reconciliations

Currently the reconciliations are being prepared by the employee having the function of posting the receipts and disbursements. We suggest that someone who has no function dealing with the recording of transactions complete the reconciliations and that the Finance Officer maintain final review responsibilities.

Payroll

During our observation we discovered that payroll records are easily accessible. Payroll records and employee files contain confidential records of every employee. These records should be safeguarded against abuse as conveniently as possible.

Account Manual

We suggest that the County develop an accounting manual.

The foregoing conditions were considered in determining the nature, timing, and extent of audit tests to be applied in our audit of the financial statements, and this report of such conditions does not modify our report dated August 31, 1990.

Pittard Perry & Cozart, Inc.

Belhaven, North Carolina
August 31, 1990