

Beaufort County, North Carolina

FINANCIAL STATEMENTS

June 30, 1991





JAMES W. PERRY
JAMES C. CRONE
A. H. CRAWFORD
KENNETH B. HAWKINS
EDWARD C. MOORING
W. FRANKIE PAGE, JR.
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LATNEY W. PITTARD (1932-1979)

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

In planning our audit of the general purpose financial statements of the County of Beaufort, North Carolina, for the year ended June 30, 1991, 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. However, 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 judgement, could adversely affect County of Beaufort, North Carolina's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements. The functioning of the internal control structure was assessed at a point in time, and no assurance can be drawn that the internal control structure is functioning or will continue to function beyond the point in time at which it was assessed. No opinion is being expressed regarding the internal control structure taken as whole.

General

An accounting manual should be utilized which includes job/responsibility description along with an organization chart that clearly delineates responsibilities of each individual and all lines of departmental authority.

Cash

All supporting documents should accompany the check when presented for signature.

Completed bank reconciliations should be reviewed by the finance officer.

Property Tax Receivables

Subsidiary ledgers kept by the tax department should be balanced monthly to the general ledger control accounts regarding income reported and account receivable balances.

Accounts Payable

A-87 and the North Carolina Budget and Fiscal Control Act requires all State and Federal monies to be preaudited before an item is ordered. During our testing, we found items that were purchased by departments before the purchase order was approved.

Prior to issuing purchase orders, accounts should be verified that the remaining budget is sufficient to cover the appropriation. Budget amendments should be made prior to purchases rather than amending the budget after the fact.

Payroll

Paychecks should be distributed periodically by someone independent of time keeping and preparation.

Unclaimed paychecks should be returned to an employee who is not associated with payroll functions.

Capital Expenditures

Detail fixed asset records, especially current year expenditures, should be balanced to the general ledger control accounts periodically.

Financial Statement Presentation

Detailed revenue reports are received monthly from the Department of Social Services showing current and year-to-date revenues received. This report should be reconciled to the financial statements monthly.

This report is intended solely for the information and use of the County of Beaufort, North Carolina's Board of Commissioners, management, and others within the administration. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Pittard Perry & Crane, Inc.

Belhaven, North Carolina
August 28, 1991

Beaufort County, North Carolina

FINANCIAL STATEMENTS

June 30, 1991

Board of Commissioners

Frank Bonner - Chairman

Mrs. Arthur Lee Moore

Ledrué Buck, Jr.

Danny Slade

Granville Lilley

County Manager

Don Davenport

Beaufort County, North Carolina
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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, 1991, 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, 1991, 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 & Crone, Inc.

Belhaven, North Carolina
August 28, 1991

GENERAL PURPOSE FINANCIAL STATEMENTS

Beaufort County, North Carolina
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1991
With Comparative Totals for June 30, 1990

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
ASSETS			
Current assets			
Cash and investments	\$4,781,323	\$3,035,128	\$2,068,150
Taxes receivable, (net)	812,231	67,736	-
Accounts receivable (net)	1,690,862	-	-
Due from other funds	-	121,875	-
Due from other governmental units	77,511	-	-
Noncurrent assets			
Fixed assets	-	-	-
Amounts to be provided for the retirement of general long-term debt	-	-	-
TOTAL ASSETS	<u><u>\$7,361,927</u></u>	<u><u>\$3,224,739</u></u>	<u><u>\$2,068,150</u></u>
LIABILITIES AND FUND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	\$ 380,339	\$ -	\$ -
Miscellaneous liabilities	-	-	-
Current portion of long-term debt	-	-	-
Due to other funds	73	-	121,875
Noncurrent liabilities			
Noncurrent portion of long-term debt	-	-	-
Accrued vacation pay	-	-	-
Deferred revenues	825,981	67,736	-
Total liabilities	<u>1,206,393</u>	<u>67,736</u>	<u>121,875</u>
Fund equity			
Investment in general fixed assets	-	-	-
Fund balances:			
Reserved by State Statute	1,768,373	121,875	-
Unreserved:			
Designated for subsequent years' expenditures	800,000	435,200	-
Undesignated	3,587,161	2,599,928	1,946,275
Total fund equity	<u>6,155,534</u>	<u>3,157,003</u>	<u>1,946,275</u>
TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$7,361,927</u></u>	<u><u>\$3,224,739</u></u>	<u><u>\$2,068,150</u></u>

Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)		
	Trust and Agency	General Fixed Assets	General Long-Term Debt	June 30,	
			1991	1990	
\$ 34,364	\$ -	\$ -	\$ 9,918,965	\$ 9,438,131	
-	-	-	879,967	764,079	
-	-	-	1,690,862	1,765,020	
73	-	-	121,948	328,753	
-	-	-	77,511	77,511	
-	9,117,639	-	9,117,639	8,835,406	
-	-	15,763,934	15,763,934	14,722,299	
<u>\$ 34,437</u>	<u>\$9,117,639</u>	<u>\$15,763,934</u>	<u>\$37,570,826</u>	<u>\$35,931,199</u>	
\$ -	\$ -	\$ -	\$ 380,339	\$ 179,590	
34,437	-	-	34,437	51,581	
-	-	1,031,461	1,031,461	979,302	
-	-	-	121,948	328,753	
-	-	14,522,305	14,522,305	13,553,766	
-	-	210,168	210,168	189,231	
-	-	-	893,717	784,413	
<u>34,437</u>	<u>-</u>	<u>15,763,934</u>	<u>17,194,375</u>	<u>16,066,636</u>	
-	9,117,639	-	9,117,639	8,835,406	
-	-	-	1,890,248	2,171,253	
-	-	-	1,235,200	2,775,129	
-	-	-	8,133,364	6,082,775	
<u>-</u>	<u>9,117,639</u>	<u>-</u>	<u>20,376,451</u>	<u>19,864,563</u>	
<u>\$ 34,437</u>	<u>\$9,117,639</u>	<u>\$15,763,934</u>	<u>\$37,570,826</u>	<u>\$35,931,199</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, 1991
 With Comparative Totals for the Year Ended June 30, 1990

	Governmental Fund Types
	General
Revenues:	
Ad valorem taxes	\$ 8,204,566
Other taxes and licenses	4,615,393
Unrestricted intergovernmental revenues	997,610
Restricted intergovernmental revenues	3,159,549
Permits and fees	191,794
Sales and services	1,087,663
Investment earnings	391,754
Miscellaneous	217,860
Total revenues	18,866,189
Expenditures:	
General government	1,881,386
Public safety	2,251,718
Transportation	26,700
Environmental protection	948,755
Economic and physical development	248,814
Human services	6,117,185
Cultural and recreational	135,589
Education	6,852,072
Non-departmental	40,339
Capital projects	-
Debt service	
Principal retirement	979,302
Interest and fees	1,003,209
Total expenditures	20,485,069
Revenues over (under) expenditures	(1,618,880)
Other financing sources (uses):	
Operating transfers - in (out)	(132,550)
Loss on sale of investments	-
Proceeds of capitalized leases	-
Proceeds of long-term debt	-
Total other financing sources (uses)	(132,550)
Excess of revenues and other sources over (under) expenditures and other uses	(1,751,430)
Fund balances:	
Beginning of year, July 1	7,906,964
End of year, June 30	\$ 6,155,534

Governmental Fund Types		Totals (Memorandum Only)	
Special Revenue	Capital Projects	1991	June 30, 1990
\$ 616,539	\$ -	\$ 8,821,105	\$ 7,816,429
-	-	4,615,393	4,708,211
-	-	997,610	1,461,103
6,792	1,158,299	4,324,640	4,442,175
-	-	191,794	211,142
-	-	1,087,663	1,058,236
139,521	26,040	557,315	1,096,597
-	-	217,860	603,967
<u>762,852</u>	<u>1,184,339</u>	<u>20,813,380</u>	<u>21,397,860</u>
-	-	1,881,386	1,670,354
208,621	-	2,460,339	2,163,749
-	-	26,700	19,000
-	-	948,755	787,467
18,852	-	267,666	558,752
-	-	6,117,185	5,400,097
-	-	135,589	117,471
407,918	-	7,259,990	8,224,172
-	-	40,339	52,795
-	1,463,265	1,463,265	5,230,412
-	-	979,302	1,054,684
-	-	1,003,209	1,064,476
<u>635,391</u>	<u>1,463,265</u>	<u>22,583,725</u>	<u>26,343,429</u>
<u>127,461</u>	<u>(278,926)</u>	<u>(1,770,345)</u>	<u>(4,945,569)</u>
521,550	(389,000)	-	-
-	-	-	(11,702)
-	-	-	167,752
-	2,000,000	2,000,000	-
<u>521,550</u>	<u>1,611,000</u>	<u>2,000,000</u>	<u>156,050</u>
649,011	1,332,074	229,655	(4,789,519)
<u>2,507,992</u>	<u>614,201</u>	<u>11,029,157</u>	<u>15,818,676</u>
<u>\$3,157,003</u>	<u>\$ 1,946,275</u>	<u>\$ 11,258,812</u>	<u>\$ 11,029,157</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, 1991

	General Fund		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues:			
Ad valorem taxes	\$ 7,816,924	\$ 8,204,566	\$ 387,642
Other taxes and licenses	4,760,000	4,615,393	(144,607)
Unrestricted intergovernmental revenues	1,002,000	997,610	(4,390)
Restricted intergovernmental revenues	3,124,624	3,159,549	34,925
Permits and fees	195,000	191,794	(3,206)
Sales and services	960,489	1,087,663	127,174
Investment earnings	600,000	391,754	(208,246)
Miscellaneous	74,288	217,860	143,572
Total revenues	<u>18,533,325</u>	<u>18,866,189</u>	<u>332,864</u>
Expenditures:			
General government	2,012,421	1,881,386	131,035
Public safety	2,376,443	2,251,718	124,725
Transportation	26,700	26,700	-
Environmental protection	972,474	948,755	23,719
Economic and physical development	267,766	248,814	18,952
Human services	6,242,122	6,117,185	124,937
Cultural and recreational	146,117	135,589	10,528
Education	6,852,072	6,852,072	-
Non-departmental	50,000	40,339	9,661
Debt service			
Principal retirement	979,302	979,302	-
Interest and fees	1,010,984	1,003,209	7,775
Total expenditures	<u>20,936,401</u>	<u>20,485,069</u>	<u>451,332</u>
Revenues over (under) expenditures	<u>(2,403,076)</u>	<u>(1,618,880)</u>	<u>784,196</u>
Other financing sources (uses):			
Operating transfers - in (out)	(132,550)	(132,550)	-
Appropriated fund balance	2,775,129	-	(2,775,129)
Contingency	(239,503)	-	239,503
Total other financing sources (uses)	<u>2,403,076</u>	<u>(132,550)</u>	<u>(2,535,626)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>(1,751,430)</u>	<u>\$(1,751,430)</u>
Fund balances:			
Beginning of year, July 1		<u>7,906,964</u>	
End of year, June 30		<u>\$ 6,155,534</u>	

Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 620,270	\$ 616,539	\$ (3,731)	\$ 8,437,194	\$ 8,821,105	\$ 383,911
-	-	-	4,760,000	4,615,393	(144,607)
-	-	-	1,002,000	997,610	(4,390)
807,200	6,792	(800,408)	3,931,824	3,166,341	(765,483)
-	-	-	195,000	191,794	(3,206)
-	-	-	960,489	1,087,663	127,174
37,600	139,521	101,921	637,600	531,275	(106,325)
-	-	-	74,288	217,860	143,572
<u>1,465,070</u>	<u>762,852</u>	<u>(702,218)</u>	<u>19,998,395</u>	<u>19,629,041</u>	<u>(369,354)</u>
-	-	-	2,012,421	1,881,386	131,035
212,270	208,621	3,649	2,588,713	2,460,339	128,374
-	-	-	26,700	26,700	-
-	-	-	972,474	948,755	23,719
807,200	18,852	788,348	1,074,966	267,666	807,300
-	-	-	6,242,122	6,117,185	124,937
-	-	-	146,117	135,589	10,528
408,000	407,918	82	7,260,072	7,259,990	82
-	-	-	50,000	40,339	9,661
-	-	-	979,302	979,302	-
-	-	-	1,010,984	1,003,209	7,775
<u>1,427,470</u>	<u>635,391</u>	<u>792,079</u>	<u>22,363,871</u>	<u>21,120,460</u>	<u>1,243,411</u>
37,600	127,461	89,861	(2,365,476)	(1,491,419)	874,057
(793,265)	521,550	1,314,815	(925,815)	389,000	1,314,815
755,665	-	(755,665)	3,530,794	-	(3,530,794)
-	-	-	(239,503)	-	239,503
<u>(37,600)</u>	<u>521,550</u>	<u>559,150</u>	<u>2,365,476</u>	<u>389,000</u>	<u>(1,976,476)</u>
<u>\$ -</u>	649,011	<u>\$ 649,011</u>	<u>\$ -</u>	(1,102,419)	<u>\$(1,102,419)</u>
	<u>2,507,992</u>			<u>10,414,956</u>	
	<u>\$3,157,003</u>			<u>\$ 9,312,537</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, 1991

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 six 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, the Bath and Aurora School Capital Project Fund, the Washington City Schools Repair Capital Project Fund, and the Community College 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, 1991, 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 \$1,691,553 and a bank balance of \$1,919,561. Of the bank balance, \$400,000 was covered by federal depository insurance, and \$168,918 in non-interest bearing deposits and \$1,350,643 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>
U.S. Government Agencies	\$974,475	\$ -	\$ 974,475	\$ 978,638
Commercial Paper	-	3,153,902	3,153,902	3,153,902
Common stock	2,500	-	2,500	4,340
	<u>\$976,975</u>	<u>\$3,153,902</u>	4,130,877	4,136,880
 North Carolina Cash Management Trust			<u>4,095,647</u>	<u>4,095,647</u>
			<u>\$8,226,524</u>	<u>\$8,232,527</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, 1990.

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 2). 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 2).

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>
1987	\$ 25,390	\$ 8,315	\$ 33,705
1988	25,384	6,029	31,413
1989	34,501	5,089	39,590
1990	37,564	2,160	39,724
Total	<u>\$122,839</u>	<u>\$ 21,593</u>	<u>\$144,432</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	\$ 13,750	\$ -
Taxes receivable (net)	812,231	67,736
Total deferred revenues	<u>\$825,981</u>	<u>\$ 67,736</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 1991-1992 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, 1991, the balance of the County's ADM allocation account was \$261,872.

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, 1991, the County's disbursing account had a balance of \$ - 0 -. The County must match any disbursement 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, 1991, 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	\$ 2,867,650
WIC	274,194
Medicaid	14,344,668
Aid to Families with Dependent Children	1,989,411
Special Assistance - Aged and Disabled	334,794
Total	<u>\$19,810,717</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, 1991, amounted to approximately \$210,168 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, 1991, amounted to approximately \$748,198 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. 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>6/30/91</u>	<u>6/30/90</u>
General Fund		
Property Taxes	\$268,300	\$246,000
Special Revenue Fund	18,850	16,500
	<u>\$287,150</u>	<u>\$262,500</u>

Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	General Fixed Assets July 1, 1990	Additions	Retirements	Transfers	General Fixed Assets June 30, 1991
Land	\$ 576,493	\$ -	\$ -	\$ -	\$ 576,493
Buildings & improvements	6,080,096	-	-	-	6,080,096
Vehicles & equipment	2,178,817	339,999	57,766	-	2,461,050
Total	\$ 8,835,406	\$339,999	\$ 57,766	\$ -	\$ 9,117,639

By function

General Government	\$ 2,832,464	\$111,738	\$ 19,696	\$ -	\$ 2,924,506
Public Safety	917,207	133,481	36,162	(29,389)	985,137
Human Services	3,275,332	34,444	-	29,389	3,339,165
Environmental Protection	1,389,771	47,212	-	-	1,436,983
Economic & Physical Development	415,632	13,124	1,908	-	426,848
Revaluation	5,000	-	-	-	5,000
Total	\$ 8,835,406	\$339,999	\$ 57,766	\$ -	\$ 9,117,639

Reconciliation of additions

Capital outlay expenditures	\$ 335,699
Donated ambulance	4,300
Total	\$ 339,999

B. Liabilities

Pension Plan Obligations

1. Local Governmental Employees' Retirement System

All permanent full-time Beaufort County employees participate in the statewide 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, 1991, was \$4,218,877; the County's total payroll was \$4,533,709.

1. Local Governmental Employees' Retirement System (continued)

The System provides retirement and disability benefits. After five years of creditable service, employees qualify for a vested deferred benefit. 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 1.64% 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.

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 actuarially determined contribution requirement for the year ended June 30, 1991, was \$460,613, which consisted of \$207,480 from the County and \$253,133 from employees; the County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 5.07% and 3.86% 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, 1990, the date of the latest available actuarial valuation was \$2,927,177,000. The System's net assets available for benefits on that date (at cost) were \$3,185,753,000, leaving net assets in excess of the pension benefit obligation of \$258,576,000. The County's 1991 contribution represented .21% of total contributions required of all participating entities.

1. Local Governmental Employees' Retirement System (continued)

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, 1991, Comprehensive Annual Financial Report (CAFR). The State's CAFR will also 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, 1991, was \$491,141; the County's total payroll was \$4,533,709. The System is not currently 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, 1991, 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>31</u>
Total	<u><u>32</u></u>

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.

2. Law Enforcement Officers Special Separation Allowance (continued)

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.

B. 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, 1991. Significant actuarial assumptions used in the valuation include (a) an annual rate of return on the investment of present and future assets of 7.5 percent compounded annually, (b) projected annual salary increases of 5 percent compounded annually, attributable to inflation, (c) additional projected annual salary increases of 1.5 percent, attributable to seniority/merit, and (d) no post-retirement benefit increases.

At June 30, 1991, the unfunded pension benefit obligation was \$57,722 as follows:

Pension benefit obligation:	
Retirees currently receiving benefits and terminated employees not yet receiving benefits	\$ 12,086
Current employees:	
Employer - financed nonvested	45,636
Total pension benefit obligation	<u>57,722</u>
Net assets available for benefits at cost	<u>-</u>
Unfunded pension benefit obligation	<u><u>\$ 57,722</u></u>

C. 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 projected unit credit cost method and thirty-year level dollar amortization of the unfunded accrued liability. The System uses the level percent of payroll method to amortize the unfunded liability over a closed 18-year period.

C. Contribution Requirements and Contributions Made (continued)

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 1991.

D. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information is being developed on Schedule 24 of this report and is presented for as many years as the standardized measure of pension benefit obligation is available. For the two years ended June 30, 1989 and 1990, available assets were sufficient to fund 0.0 percent of the pension benefit obligation. Unfunded pension benefit obligation represented 11.77 and 11.75 percent of the annual payroll for employees covered by the System for 1989 and 1990, respectively. Showing unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes. In addition, for the two years ended 1989 and 1990, the County made no contributions to the System, but funded it as needed with \$2,613 and \$1,743 being paid in 1991 and 1990, respectively.

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 \$531,141. Total contributions for the year ended June 30, 1991, were \$26,557 which consisted of \$26,557 from the County and \$ - 0 - from the law enforcement officers. The County's required contributions represented 5 percent of the covered payroll amount.

4. Register 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.

4. Registers of Deeds' Supplemental Pension Fund (continued)

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, 1991, the County's required and actual contributions were \$4,592.

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 \$509,143 for the renovation and construction of several schools and the Community College 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 participates in two self-funded risk financing pools administered by the North Carolina Association of County Commissioners. Through these pools the County obtains property insurance coverage of \$125.5 million per occurrence, general liability coverage of \$2 million per occurrence, and worker's compensation coverage up to statutory limits. The pools are reinsured through commercial companies for single occurrence losses in excess of \$500,000 for property coverage, \$500,000 for general liability, and \$350,000 for worker's compensation.

The County carries commercial insurance for all other risks of loss. Claims have not exceeded coverage in any of the last three fiscal years.

Claims and Judgements

At June 30, 1991, 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>1991</u>	<u>1990</u>
Equipment	<u>\$167,752</u>	<u>\$167,752</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.

Long-Term Debt (continued)

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 5.25 to 5.4 percent	\$ 220,000
\$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	5,900,000
\$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 at 7.1 percent	4,400,000
\$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 at 7.1 percent	2,900,000
\$2,000,000 1991 Community College Serial bonds, due on May 1 in installments ranging from \$50,000 to \$200,000 through May, 2009; interest ranging from 6.2 to 6.5 percent	<u>2,000,000</u>
	<u>\$15,420,000</u>

At June 30, 1991, Beaufort County had a legal debt margin of \$160,135,059.

The following is a summary of changes in general long-term debt for the year ended June 30, 1991.

	General Long- Term Debt <u>July 1, 1990</u>	<u>Additions</u>	<u>Retirements</u>	General Long- Term Debt <u>June 30, 1991</u>
General obligation bonds	\$14,370,000	\$ 2,000,000	\$ 950,000	\$ 15,420,000
Capitalized leases	163,068	-	29,302	133,766
Vacation pay	189,231	20,937	-	210,168
Total	<u>\$14,722,299</u>	<u>\$ 2,020,937</u>	<u>\$ 979,302</u>	<u>\$ 15,763,934</u>

Beaufort County, North Carolina
NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS
For the Year Ended June 30, 1991

	General Long-Term Debt			General Long-Term Debt	
	<u>July 1, 1990</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 1991</u>	
<u>By purpose</u>					
Schools	\$11,000,000	\$ -	\$ 700,000	\$ 10,300,000	
Technical institute	270,000	-	50,000	220,000	
Hospital	3,100,000	-	200,000	2,900,000	
Community College	-	2,000,000	-	2,000,000	
Equipment	163,068	-	29,302	133,766	
Vacation pay	189,231	20,937	-	210,168	
Total	<u>\$14,722,299</u>	<u>\$ 2,020,937</u>	<u>\$ 979,302</u>	<u>\$ 15,763,934</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					
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
1992	\$ 1,000,000	\$1,057,605	\$ 31,461	\$ 8,524	\$ 1,031,461	\$1,066,129
1993	1,000,000	989,580	33,779	6,206	1,033,779	995,786
1994	1,000,000	921,430	36,269	3,717	1,036,269	925,147
1995	1,000,000	853,030	32,257	1,064	1,032,257	854,094
1996	1,020,000	784,630	-	-	1,020,000	784,630
Next 5 years	5,000,000	2,882,750	-	-	5,000,000	2,882,750
To maturity	5,400,000	1,235,750	-	-	5,400,000	1,235,750
	<u>\$15,420,000</u>	<u>\$8,724,775</u>	<u>\$133,766</u>	<u>\$ 19,511</u>	<u>\$15,553,766</u>	<u>\$8,744,286</u>

General Long-Term Debt:

C. Interfund Receivables and Payables

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ -	\$ 73
Special Revenue	121,875	-
Capital Projects	-	121,875
Trust and Agency	73	-
Total	<u>\$ 121,948</u>	<u>\$ 121,948</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, 1991

STATEMENT 1

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

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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Revenues				
Ad valorem taxes:				
Current year	\$ 7,495,924	\$ 7,794,760	\$ 298,836	\$ 6,822,406
Prior years	200,000	249,170	49,170	243,964
Animal taxes	11,000	9,916	(1,084)	10,976
Penalties and interest	110,000	150,720	40,720	149,476
Total	<u>7,816,924</u>	<u>8,204,566</u>	<u>387,642</u>	<u>7,226,822</u>
Other taxes and licenses:				
Intangible taxes	450,000	500,206	50,206	485,190
Local option sales tax	4,300,000	4,104,063	(195,937)	4,205,890
Schedule "B"	10,000	11,124	1,124	6,280
Total	<u>4,760,000</u>	<u>4,615,393</u>	<u>(144,607)</u>	<u>4,697,360</u>
Unrestricted intergovernmental revenues:				
N. C. 1% tire fee	-	24,944	24,944	2,097
Beer and wine	120,000	116,701	(3,299)	115,280
Tax refunds - sales and gasoline	62,000	54,882	(7,118)	62,930
Food Stamp reimbursement	40,000	43,433	3,433	38,645
Inventories tax reimbursement	755,000	731,734	(23,266)	756,535
Homestead exemption reimbursement	25,000	25,916	916	24,210
Total	<u>1,002,000</u>	<u>997,610</u>	<u>(4,390)</u>	<u>999,697</u>
Restricted intergovernmental revenues:				
State grants	611,123	690,898	79,775	1,068,270
Federal grants	2,108,501	2,038,899	(69,602)	1,558,755
Court facility fees	130,000	150,042	20,042	133,444
Fines and forfeitures	260,000	262,708	2,708	275,023
Texas Gulf settlement	-	-	-	1,001,907
5 cent bottle tax	15,000	17,002	2,002	15,981
Total	<u>3,124,624</u>	<u>3,159,549</u>	<u>34,925</u>	<u>4,053,380</u>
Permits and fees:				
Building inspection fees	45,000	50,883	5,883	50,962
Register of Deeds	150,000	140,911	(9,089)	160,180
Total	<u>195,000</u>	<u>191,794</u>	<u>(3,206)</u>	<u>211,142</u>
Sales and services:				
Patient fees - Nursing Home	710,000	759,151	49,151	734,106
Patient fees - other	53,989	48,099	(5,890)	49,382
Gas sales	6,500	6,931	431	14,845
Rescue squad	10,000	7,260	(2,740)	4,647
Prisoners' reimbursement	60,000	125,715	65,715	120,545
Vending concessions	2,000	2,314	314	2,577

Beaufort County, North Carolina

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IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended June 30, 1991

STATEMENT 1

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

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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Sales and services (continued):				
Landfill fees	-	11,515	11,515	-
Cable TV franchise fees	15,000	18,719	3,719	15,460
Refuse collection fees	-	-	-	4,673
Collection fees - town taxes	35,000	40,481	5,481	36,547
Sheriff's fees	15,000	12,853	(2,147)	16,915
Animal control fees	3,000	4,625	1,625	3,539
Communication center	50,000	50,000	-	55,000
Total	960,489	1,087,663	127,174	1,058,236
Investment earnings	600,000	391,754	(208,246)	776,750
Miscellaneous:				
Z. Smith Reynolds Grant	20,000	20,000	-	-
Washington/Bonny utilities reimbursement	-	125,000	125,000	-
Sale of fixed assets	5,050	2,985	(2,065)	561,450
Rent of public building	20,000	23,540	3,540	22,840
Donations	3,870	2,493	(1,377)	1,985
Other	13,368	13,473	105	7,848
Primary reimbursements	-	-	-	8,028
Insurance claim	12,000	30,369	18,369	1,816
Total	74,288	217,860	143,572	603,967
TOTAL REVENUES	18,533,325	18,866,189	332,864	19,627,354
Expenditures:				
General government				
Governing body				
Salaries and employee benefits	27,499	27,400	99	26,997
Travel	13,436	13,381	55	12,600
Operating expenses	7,650	7,508	142	7,333
Total	48,585	48,289	296	46,930
Administration				
Salaries and employee benefits	76,803	76,674	129	75,154
Contracted services	10,000	8,470	1,530	13,434
Travel	5,120	5,070	50	5,738
Insurance and bonds	179,000	138,773	40,227	150,285
Operating expenses	9,250	6,430	2,820	6,938
Capital outlay	9,885	9,705	180	8,205
Total	290,058	245,122	44,936	259,754

Beaufort County, North Carolina

GENERAL FUND

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STATEMENT 1

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

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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Elections				
Salaries and employee benefits	56,337	42,533	13,804	45,532
Contracted services	1,500	1,500	-	-
Travel	3,000	2,506	494	2,360
Operating expenses	17,142	13,969	3,173	9,945
Capital outlay	40,000	39,865	135	2,000
Total	117,979	100,373	17,606	59,837
Finance				
Salaries and employee benefits	59,168	40,965	18,203	36,720
Operating expenses	12,800	10,591	2,209	11,122
Contracted services	24,500	23,490	1,010	20,798
Capital outlay	3,000	1,915	1,085	1,079
Total	99,468	76,961	22,507	69,719
Taxes				
Salaries and employee benefits	373,859	369,453	4,406	332,439
Travel	5,600	5,331	269	6,346
Operating expenses	67,132	62,366	4,766	84,645
Contracted services	87,991	87,802	189	40,491
Refunds	2,200	1,964	236	1,287
Mapping	345,003	344,890	113	-
Capital outlay	59,600	59,491	109	198,904
Total	941,385	931,297	10,088	664,112
Legal				
Salaries and employee benefits	17,474	17,453	21	16,480
Professional services	40,000	21,922	18,078	19,353
Lawsuit settlement	25,000	25,000	-	-
Total	82,474	64,375	18,099	35,833
Register of Deeds				
Salaries and employee benefits	96,171	96,032	139	90,851
Travel	1,000	786	214	637
Operating expenses	9,720	6,551	3,169	9,630
Contracted services	9,000	8,443	557	24,678
Capital outlay	-	-	-	28,615
Total	115,891	111,812	4,079	154,411
Public buildings				
Salaries and employee benefits	82,744	79,836	2,908	74,927
Repairs and maintenance - buildings	82,888	76,726	6,162	169,110
Operating expenses	115,868	113,804	2,064	104,478
Contracted services	32,181	32,029	152	30,843
Capital outlay	2,900	762	2,138	400
Total	316,581	303,157	13,424	379,758

Beaufort County, North Carolina

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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Total general government	2,012,421	1,881,386	131,035	1,670,354
Public safety				
Sheriff				
Salaries and employee benefits	659,108	655,369	3,739	590,202
Travel	70,000	68,081	1,919	50,433
Insurance and bonds	10,500	10,050	450	-
Operating expenses	111,760	99,465	12,295	85,515
Capital outlay	125,040	116,035	9,005	128,658
Total	976,408	949,000	27,408	854,808
Narcotics Task Force				
Salaries and employee benefits	34,000	27,603	6,397	33,435
Contract services	100,000	94,991	5,009	95,155
Beaufort County - Grant	30,000	30,000	-	15,605
Beaufort County - Non-grant	-	-	-	14,395
Total	164,000	152,594	11,406	158,590
Jail				
Salaries and employee benefits	184,392	180,715	3,677	162,576
Operating expenses	243,100	241,320	1,780	204,920
Capital outlay	1,400	1,161	239	-
Total	428,892	423,196	5,696	367,496
Emergency management				
Salaries and employee benefits	34,736	33,501	1,235	31,602
Travel	650	332	318	477
Operating expenses	2,475	1,502	973	1,166
Capital outlay	3,000	-	3,000	855
Total	40,861	35,335	5,526	34,100
Fire				
Assistance to local fire departments	125,000	112,132	12,868	110,407
Forestry	68,708	67,083	1,625	76,407
Total	193,708	179,215	14,493	186,814
Communications				
Salaries and employee benefits	144,024	138,020	6,004	129,898
Operating expenses	33,500	27,681	5,819	25,405
Capital outlay	1,000	45	955	2,834
Total	178,524	165,746	12,778	158,137

Beaufort County, North Carolina

GENERAL FUND

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With Comparative Actual Amounts for the Year Ended June 30, 1990 STATEMENT 1
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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Rescue squads				
Assistance to local rescue squads	100,000	83,802	16,198	72,175
Defibrillators	10,000	-	10,000	-
Beaufort County Hospital-Ambulance	100,000	98,067	1,933	-
Total	<u>210,000</u>	<u>181,869</u>	<u>28,131</u>	<u>72,175</u>
Inspectors				
Salaries and employee benefits	98,981	87,516	11,465	71,221
Travel	3,400	3,098	302	1,522
Operating expenses	8,147	5,572	2,575	3,776
Capital outlay	11,940	11,940	-	-
Total	<u>122,468</u>	<u>108,126</u>	<u>14,342</u>	<u>76,519</u>
Animal control				
Salaries and employee benefits	41,297	41,267	30	37,484
Travel	2,100	2,095	5	1,241
Operating expenses	4,185	3,025	1,160	2,937
Capital outlay	-	-	-	339
Total	<u>47,582</u>	<u>46,387</u>	<u>1,195</u>	<u>42,001</u>
Medical examiner				
Professional services	14,000	10,250	3,750	11,750
Total public safety	<u>2,376,443</u>	<u>2,251,718</u>	<u>124,725</u>	<u>1,962,390</u>
Transportation				
Airports and highways				
Assistance to local airport	26,200	26,200	-	18,500
Assistance to local highway association	500	500	-	500
Total transportation	<u>26,700</u>	<u>26,700</u>	<u>-</u>	<u>19,000</u>
Environmental protection				
Solid waste				
Salaries and employee benefits	110,024	108,495	1,529	94,806
Travel	37,400	37,066	334	29,597
Repairs and maintenance	98,000	86,736	11,264	75,453
Operating expenses	53,300	49,694	3,606	28,648
Contract services	517,750	515,403	2,347	382,754
Scrap tire disposal	48,000	47,988	12	35,815
Use of landfill	60,000	56,161	3,839	54,301
Capital outlay	48,000	47,212	788	86,093
Total environmental protection	<u>972,474</u>	<u>948,755</u>	<u>23,719</u>	<u>787,467</u>

Beaufort County, North Carolina

GENERAL FUND

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

STATEMENT 1

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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Economic and physical development				
Planning				
Professional services	1,000	-	1,000	-
Industrial development				
Special CAMA grant	34,850	34,850	-	-
Aurora	1,620	1,620	-	1,200
Belhaven	4,050	4,050	-	3,000
Washington	24,000	24,000	-	17,718
Mid-East Commission	13,302	13,302	-	13,302
City of Washington-Bonney Products	-	-	-	250,000
Total	77,822	77,822	-	285,220
Agricultural extension				
Salaries and employee benefits	94,252	93,526	726	86,216
Travel	2,718	2,414	304	1,878
Operating expenses	47,196	37,672	9,524	42,279
Capital outlay	13,200	13,124	76	2,220
Total	157,366	146,736	10,630	132,593
Soil and resource conservation				
Salaries and employee benefits	18,983	18,968	15	15,670
National Association of Conservation				
Districts	825	803	22	390
Mid-East RC & D	750	750	-	600
Operating expenses	3,420	2,935	485	310
Total	23,978	23,456	522	16,970
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>	267,766	248,814	18,952	435,583
Human services				
Health				
Administration				
Board members	700	585	115	435
Salaries and employee benefits	475,623	464,277	11,346	397,369
Medical consultant	4,874	4,860	14	4,662
Travel	6,900	4,331	2,569	7,637
Operating expenses	60,600	57,990	2,610	51,529

Beaufort County, North Carolina

GENERAL FUND

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STATEMENT 1
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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Health (continued)				
Administration (continued)				
Mosquito control	6,000	2,645	3,355	2,500
Insurance and bonds	2,587	2,551	36	1,556
Capital outlay	12,725	12,230	495	8,614
Total	<u>570,009</u>	<u>549,469</u>	<u>20,540</u>	<u>474,302</u>
Family planning				
Salaries and employee benefits	92,465	92,165	300	85,814
Travel	-	-	-	997
Operating expenses	2,499	2,369	130	7,510
Capital outlay	-	-	-	3,000
Total	<u>94,964</u>	<u>94,534</u>	<u>430</u>	<u>97,321</u>
Maternal and child health				
Salaries and employee benefits	109,879	108,953	926	97,950
Professional services	17,422	15,553	1,869	4,800
Travel	1,500	1,495	5	1,000
Operating expenses	21,603	21,555	48	28,235
Capital outlay	3,095	3,095	-	2,401
Total	<u>153,499</u>	<u>150,651</u>	<u>2,848</u>	<u>134,386</u>
TB program				
Salaries and employee benefits	16,059	15,455	604	14,535
Travel	1,200	952	248	1,000
Contracted services	573	509	64	676
Operating expenses	6,625	6,392	233	7,375
Total	<u>24,457</u>	<u>23,308</u>	<u>1,149</u>	<u>23,586</u>
Risk reduction				
Salaries and employee benefits	11,801	11,617	184	12,408
Operating expenses	439	428	11	850
Capital outlay	1,224	1,009	215	-
Total	<u>13,464</u>	<u>13,054</u>	<u>410</u>	<u>13,258</u>
Environmental				
Operating expenses	4,150	4,148	2	1,000
Capital outlay	1,612	1,612	-	4,928
Total	<u>5,762</u>	<u>5,760</u>	<u>2</u>	<u>5,928</u>
Adult health - hypertension				
Salaries and employee benefits	6,591	6,494	97	6,209
Travel	692	690	2	526
Operating expenses	1,750	1,747	3	2,218
Total	<u>9,033</u>	<u>8,931</u>	<u>102</u>	<u>8,953</u>

Beaufort County, North Carolina

GENERAL FUND

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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Health (continued)				
Women, infants, and children				
Salaries and employee benefits	99,350	94,261	5,089	87,361
Travel	2,750	2,601	149	1,250
Operating expenses	15,608	15,352	256	13,118
Capital outlay	2,550	2,523	27	497
Total	120,258	114,737	5,521	102,226
Aids control				
Salaries and employee benefits	21,431	19,035	2,396	8,131
Travel	1,371	1,257	114	392
Operating expenses	2,028	1,926	102	2,229
Capital outlay	170	170	-	2,863
Total	25,000	22,388	2,612	13,615
Other health				
Cancer fund	-	-	-	221
Z. Smith Reynolds Grant	20,000	10,403	9,597	-
Total health	1,036,446	993,235	43,211	873,796
Mental health				
Tideland Mental Health Center				
General appropriations	113,500	113,500	-	99,885
Alcoholism and rehabilitation	16,875	16,500	375	15,000
Maintenance and repairs - building	3,935	3,935	-	25,021
N. C. Elderly-Handicapped Trans.	21,486	21,486	-	18,094
Options State Grant	-	-	-	26,502
Options Shelter Grant	9,617	9,617	-	2,188
Developmental center	70,000	70,000	-	59,628
Total mental health	235,413	235,038	375	246,318
Social services				
Administration				
Board members	1,500	1,203	297	1,397
Salaries and employee benefits	1,689,474	1,684,446	5,028	1,495,545
Contracted services	8,800	7,785	1,015	1,850
Professional services	17,700	16,690	1,010	35,950
Travel	29,700	29,327	373	25,367
Operating expenses	133,480	124,920	8,560	132,680
Capital outlay	8,700	8,181	519	8,991
Total	1,889,354	1,872,552	16,802	1,701,780

Beaufort County, North Carolina

GENERAL FUND

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	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Social services (continued)				
Jobs program				
Client travel	7,500	5,758	1,742	-
Staff travel	3,500	3,500	-	-
Day care	29,871	29,241	630	-
Job preparation	1,500	1,468	32	-
Testing	1,000	402	598	-
Education and training	3,000	2,707	293	-
Miscellaneous - other	6,500	2,687	3,813	-
Special initiatives	10,000	6,902	3,098	-
Total	<u>62,871</u>	<u>52,665</u>	<u>10,206</u>	<u>-</u>
AFDC program				
County participation only	391,573	388,596	2,977	304,788
Initial checks	15,500	15,316	184	13,877
Total	<u>407,073</u>	<u>403,912</u>	<u>3,161</u>	<u>318,665</u>
Medicaid program				
County participation only	<u>736,135</u>	<u>735,848</u>	<u>287</u>	<u>557,072</u>
SSA program				
County participation only	<u>335,340</u>	<u>335,280</u>	<u>60</u>	<u>298,086</u>
Aid to blind program				
County participation only	<u>10,372</u>	<u>10,368</u>	<u>4</u>	<u>9,643</u>
Foster Care	<u>28,500</u>	<u>27,346</u>	<u>1,154</u>	<u>31,256</u>
Adoption assistance	<u>5,000</u>	<u>1,345</u>	<u>3,655</u>	<u>1,128</u>
Purchased services				
Salaries - chore program	163,900	163,890	10	148,924
Employee benefits	16,005	12,767	3,238	11,335
Title XIX transportation	9,500	7,917	1,583	5,532
Independent living	941	859	82	-
Travel - Title XX	1,400	1,255	145	997
State foster home	38,500	41,486	(2,986)	24,332
Family planning	400	398	2	21
Day care services	160,519	186,584	(26,065)	209,358
AFDC emergency assistance	19,060	19,018	42	10,733
Purchased services - CWEP	-	-	-	1,941
Food stamp employment	5,300	3,950	1,350	3,175
CPL - Energy assistance	4,000	2,276	1,724	2,763
Crisis intervention	38,000	37,846	154	19,258
Psychological services	300	-	300	-
Total	<u>457,825</u>	<u>478,246</u>	<u>(20,421)</u>	<u>438,369</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, 1991

With Comparative Actual Amounts for the Year Ended June 30, 1990 STATEMENT 1
Page 10 of 12

	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
County services				
General relief	6,000	3,345	2,655	4,020
Hospital and clinical fees	2,000	1,097	903	273
Donations	200	-	200	-
Special matching	100	-	100	-
Travel	400	369	31	344
Miscellaneous	400	329	71	247
Total	<u>9,100</u>	<u>5,140</u>	<u>3,960</u>	<u>4,884</u>
Total social services	<u>3,941,570</u>	<u>3,922,702</u>	<u>18,868</u>	<u>3,360,883</u>
Veterans service officer				
Salaries and employee benefits	9,341	9,331	10	8,917
Travel	50	16	34	12
Operating expenses	470	211	259	258
Total	<u>9,861</u>	<u>9,558</u>	<u>303</u>	<u>9,187</u>
Nursing home				
Board members	1,440	1,340	100	1,200
Salaries and employee benefits	681,119	649,077	32,042	613,271
Professional services	22,500	16,888	5,612	8,625
Travel	500	182	318	289
Repairs and maintenance	36,000	29,039	6,961	32,735
Operating expenses	143,300	130,903	12,397	131,078
Miscellaneous refunds	3,000	2,742	258	1,000
Capital outlay	5,870	5,624	246	6,371
Total	<u>893,729</u>	<u>835,795</u>	<u>57,934</u>	<u>794,569</u>
Special appropriations				
Association for the Blind	2,500	2,500	-	2,500
CBA Program - 4-H Program	-	-	-	4,316
Council on Aging	35,800	35,800	-	22,500
Pamlico Pals	2,000	2,000	-	2,000
Restitution program	3,168	1,560	1,608	2,325
CBA program - Youth Task Force	80,635	78,997	1,638	80,703
National Guard	1,000	-	1,000	1,000
Total	<u>125,103</u>	<u>120,857</u>	<u>4,246</u>	<u>115,344</u>
Total human services	<u>6,242,122</u>	<u>6,117,185</u>	<u>124,937</u>	<u>5,400,097</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, 1991

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

STATEMENT 1
Page 11 of 12

	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Cultural and recreational				
Recreation				
Aurora	2,908	2,278	630	2,771
Bath	3,405	3,194	211	3,405
Belhaven	8,400	3,500	4,900	3,542
Chocowinity	3,948	3,900	48	3,274
Pantego	1,988	1,988	-	-
Pinetown	1,988	468	1,520	710
Washington	14,302	14,302	-	7,151
Washington Park	1,718	-	1,718	1,718
<u>Total</u>	<u>38,657</u>	<u>29,630</u>	<u>9,027</u>	<u>22,571</u>
Libraries				
BHM Regional Library	75,555	75,555	-	72,000
Fannie Ralph Library	1,000	1,000	-	1,000
Brown Library	7,800	7,800	-	6,400
<u>Total</u>	<u>84,355</u>	<u>84,355</u>	<u>-</u>	<u>79,400</u>
Special appropriations				
Aurora Museum	1,000	-	1,000	1,000
Arts Council	18,000	18,000	-	11,500
Belhaven Museum	1,200	1,200	-	1,000
Historic Albemarle Tour	1,500	1,500	-	1,500
Tulip Festival	500	-	500	500
Durham Creek	905	904	1	-
<u>Total</u>	<u>23,105</u>	<u>21,604</u>	<u>1,501</u>	<u>15,500</u>
<u>Total cultural and recreational</u>	<u>146,117</u>	<u>135,589</u>	<u>10,528</u>	<u>117,471</u>
Education				
Public schools - current expense				
County administrative unit	2,130,090	2,130,090	-	1,975,032
City administrative unit	2,117,348	2,117,348	-	1,818,000
Fines and forfeitures	260,000	260,000	-	240,000
Public schools - capital outlay				
County administrative unit	1,041,752	1,041,752	-	1,000,500
City administrative unit	606,651	606,651	-	1,184,518
Texas Gulf fine	-	-	-	1,001,907
Community college - current expense	597,784	597,784	-	574,267
Community college - capital outlay	98,447	98,447	-	41,700
<u>Total education</u>	<u>6,852,072</u>	<u>6,852,072</u>	<u>-</u>	<u>7,835,924</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, 1991

With Comparative Actual Amounts for the Year Ended June 30, 1990 STATEMENT 1
Page 12 of 12

	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Non-departmental				
State sales tax	24,900	24,253	647	33,176
County sales tax	16,600	16,011	589	19,611
Tire fee	8,500	75	8,425	8
<u>Total non-departmental</u>	50,000	40,339	9,661	52,795
Debt service				
Principal retirement	979,302	979,302	-	1,054,684
Interest and fees	1,010,984	1,003,209	7,775	1,064,476
<u>Total debt service</u>	1,990,286	1,982,511	7,775	2,119,160
 TOTAL EXPENDITURES	 20,936,401	 20,485,069	 451,332	 20,400,241
Revenues over (under) expenditures	(2,403,076)	(1,618,880)	784,196	(772,887)
Other financing sources (uses)				
Appropriated fund balance	2,775,129	-	(2,775,129)	-
Proceeds of capitalized leases	-	-	-	167,752
Loss on sale of investments	-	-	-	(11,702)
Operating transfers - in (out)				
From (to) Special Revenue Fund:				
Capital Reserve - Schools	431,450	431,450	-	-
Revaluation	(564,000)	(564,000)	-	(96,000)
Contingency	(239,503)	-	239,503	-
<u>Total other financing sources (uses)</u>	2,403,076	(132,550)	(2,535,626)	60,050
Excess of revenues and other sources (under) expenditures and other uses	<u>\$ -</u>	<u>(1,751,430)</u>	<u>\$(1,751,430)</u>	<u>(712,837)</u>
Fund balance:				
Beginning of year, July 1		7,906,964		8,619,801
End of year, June 30		\$ 6,155,534		\$ 7,906,964

Beaufort County, North Carolina
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
 June 30, 1991
 With Comparative Data for June 30, 1990

	Revaluation Fund	Washington Administrative Unit Fund	Richland Fire/Rescue District Fund	Bunyan Fire District Fund
ASSETS				
Current assets				
Cash and investments	\$ 908,903	\$ -	\$ -	\$ -
Taxes receivable (net)	-	47,364	3,044	8,277
Due from other funds	-	-	-	-
TOTAL ASSETS	\$ 908,903	\$ 47,364	\$ 3,044	\$ 8,277
 LIABILITIES AND FUND BALANCE				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	47,364	3,044	8,277
TOTAL LIABILITIES	-	47,364	3,044	8,277
Fund balance:				
Reserved by State Statute	-	-	-	-
Unreserved	908,903	-	-	-
Total fund balance	908,903	-	-	-
 TOTAL LIABILITIES AND FUND BALANCE	 \$ 908,903	 \$ 47,364	 \$ 3,044	 \$ 8,277

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, 1991	1990
\$ -	\$ 2,086,139	\$ -	\$ 31,614	\$ 4,876	\$ 3,596	\$3,035,128	\$2,634,956
9,051	-	-	-	-	-	67,736	61,301
-	15,643	106,232	-	-	-	121,875	100,879
<u>\$ 9,051</u>	<u>\$ 2,101,782</u>	<u>\$106,232</u>	<u>\$ 31,614</u>	<u>\$ 4,876</u>	<u>\$ 3,596</u>	<u>\$3,224,739</u>	<u>\$2,797,136</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,843
9,051	-	-	-	-	-	67,736	61,301
9,051	-	-	-	-	-	67,736	289,144
-	15,643	106,232	-	-	-	121,875	100,879
-	2,086,139	-	31,614	4,876	3,596	3,035,128	2,407,113
-	2,101,782	106,232	31,614	4,876	3,596	3,157,003	2,507,992
<u>\$ 9,051</u>	<u>\$ 2,101,782</u>	<u>\$106,232</u>	<u>\$ 31,614</u>	<u>\$ 4,876</u>	<u>\$ 3,596</u>	<u>\$3,224,739</u>	<u>\$2,797,136</u>

Beaufort County, North Carolina
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 1991
With Comparative Data for the Year Ended June 30, 1990

	Revaluation Fund	Washington Administrative Unit Fund	Richland Fire/Rescue District Fund	Bunyan Fire District Fund
Revenues:				
Ad valorem taxes	\$ -	\$ 407,918	\$106,745	\$ 57,263
Investment earnings	38,743	-	-	-
Restricted intergovernmental revenues	-	-	-	-
Total revenues	<u>38,743</u>	<u>407,918</u>	<u>106,745</u>	<u>57,263</u>
Expenditures:				
Public Safety	-	-	106,745	57,263
Education	-	407,918	-	-
Economic and Physical Development	-	-	-	-
Total expenditures	<u>-</u>	<u>407,918</u>	<u>106,745</u>	<u>57,263</u>
Revenues over (under) expenditures	<u>38,743</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers - in (out)				
General fund	564,000	-	-	-
Hospital capital project fund	-	-	-	-
Capital projects	-	-	-	-
Total other financing sources (uses)	<u>564,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	602,743	-	-	-
Fund balance:				
Beginning of year, July 1	<u>306,160</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year, June 30	<u>\$ 908,903</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Chocowinity Fire District Fund	Capital Reserve Fund Schools	Arbitrage Reserve Fund	Capital Reserve Fund		CDBG 1986	CDBG 1987	Totals	
			Broad Creek Dredging				June 30, 1991	1990
\$ 44,613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 616,539	\$ 589,607
-	99,146	-	1,632	-	-	-	139,521	260,934
-	-	-	-	201	6,591	-	6,792	85,049
<u>44,613</u>	<u>99,146</u>	<u>-</u>	<u>1,632</u>	<u>201</u>	<u>6,591</u>	<u>-</u>	<u>762,852</u>	<u>935,590</u>
44,613	-	-	-	-	-	-	208,621	201,359
-	-	-	-	-	-	-	407,918	388,248
-	-	-	-	110	18,742	-	18,852	123,169
<u>44,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110</u>	<u>18,742</u>	<u>-</u>	<u>635,391</u>	<u>712,776</u>
-	99,146	-	1,632	91	(12,151)	-	127,461	222,814
-	(431,450)	-	-	-	-	-	132,550	96,000
-	-	7,136	-	-	-	-	7,136	99,096
-	381,864	-	-	-	-	-	381,864	(3,318,999)
-	(49,586)	7,136	-	-	-	-	521,550	(3,123,903)
-	49,560	7,136	1,632	91	(12,151)	-	649,011	(2,901,089)
-	2,052,222	99,096	29,982	4,785	15,747	-	2,507,992	5,409,081
<u>\$ -</u>	<u>\$ 2,101,782</u>	<u>\$106,232</u>	<u>\$ 31,614</u>	<u>\$ 4,876</u>	<u>\$ 3,596</u>	<u>\$3,157,003</u>	<u>\$2,507,992</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, 1991
With Comparative Actual Amounts for the Year Ended June 30, 1990 STATEMENT 4

	1991		Variance Favorable (Unfavorable)	1990
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Investment earnings	\$ 36,000	\$ 38,743	\$ 2,743	\$ 21,022
Other financing sources (uses):				
Operating transfers - in				
From General Fund	564,000	564,000	-	96,000
Appropriated fund balance	(600,000)	-	600,000	-
Total other financing sources (uses)	<u>(36,000)</u>	<u>564,000</u>	<u>600,000</u>	<u>96,000</u>
Excess of revenues and other sources over uses	<u>\$ -</u>	602,743	<u>\$ 602,743</u>	117,022
Fund balance:				
Beginning of year, July 1		<u>306,160</u>		<u>189,138</u>
End of year, June 30		<u>\$ 908,903</u>		<u>\$ 306,160</u>

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, 1991
 With Comparative Actual Amounts for Year Ended June 30, 1990 STATEMENT 5

	1991		Variance Favorable (Unfavorable)	1990
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:				
Ad valorem taxes:				
Current year	\$ 408,000	\$ 391,170	\$(16,830)	\$ 370,889
Prior year	-	16,748	16,748	17,359
Total revenues	<u>408,000</u>	<u>407,918</u>	<u>(82)</u>	<u>388,248</u>
Expenditures:				
Education:				
School current expense	<u>408,000</u>	<u>407,918</u>	<u>82</u>	<u>388,248</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, 1991
 With Comparative Actual Amounts for Year Ended June 30, 1990 STATEMENT 6

	1991		Variance	1990
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes:				
Current year	\$ 109,000	\$ 106,060	\$(2,940)	\$ 99,006
Prior year	-	685	685	1,232
Total revenues	109,000	106,745	(2,255)	100,238
Expenditures:				
Public safety:				
Contracted services	109,000	106,745	2,255	100,238
Excess of revenues over expenditures	\$ -	-	\$ -	-
Fund balance:				
Beginning of year, July 1		-		-
End of year, June 30		\$ -		\$ -

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, 1991
 With Comparative Actual Amounts for Year Ended June 30, 1990 STATEMENT 7

	1991		Variance	1990
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes:				
Current year	\$ 57,270	\$ 55,575	\$(1,695)	\$ 53,628
Prior year	-	1,688	1,688	2,380
Total revenues	57,270	57,263	(7)	56,008
Expenditures:				
Public safety:				
Contracted services	57,270	57,263	7	56,008
Excess of revenues over expenditures	\$ -	-	\$ -	-
Fund balance:				
Beginning of year, July 1		-		-
End of year, June 30		\$ -		\$ -

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, 1991
 With Comparative Actual Amounts for Year Ended June 30, 1990 STATEMENT 8

	1991		Variance	1990
	Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:				
Ad valorem taxes:				
Current year	\$ 46,000	\$ 42,124	\$(3,876)	\$ 41,542
Prior year	-	2,489	2,489	3,571
Total revenues	46,000	44,613	(1,387)	45,113
Expenditures:				
Public safety:				
Contracted services	46,000	44,613	1,387	45,113
Excess of revenues over expenditures	\$ -	-	\$ -	-
Fund balance:				
Beginning of year, July 1		-		-
End of year, June 30		\$ -		\$ -

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, 1991
 With Comparative Actual Amounts for Year Ended June 30, 1990 STATEMENT 9

	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Revenue:				
Investment earnings	\$ -	\$ 99,146	\$ 99,146	\$ 238,312
Other financing sources (uses):				
Appropriated fund balance	1,357,265	-	(1,357,265)	-
Operating transfers - in (out)				
General Fund	(431,450)	(431,450)	-	-
Northside High School Capital Project	(281,154)	934,739	1,215,893	(580,020)
City High School Capital Project	(100,599)	(100,599)	-	(2,297,597)
Bath and Aurora Capital Project	(423,892)	(432,276)	(8,384)	(441,382)
City Schools Repairs Capital Project	(120,170)	(20,000)	100,170	-
Total other financing sources (uses)	-	(49,586)	(49,586)	(3,318,999)
Excess of revenues over (under) other uses	\$ -	49,560	\$ 49,560	(3,080,687)
Fund balance:				
Beginning of year, July 1		2,052,222		5,132,909
End of year, June 30		\$2,101,782		\$2,052,222

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, 1991
 With Comparative Actual Amounts for Year Ended June 30, 1990 STATEMENT 10

	1991		Variance Favorable (Unfavorable)	1990
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Other financing sources:				
Operating transfers - in Beaufort County Hospital Capital Project Fund	\$ -	\$ 7,136	\$ 7,136	\$ 99,096
Fund balance:				
Beginning of year, July 1		<u>99,096</u>		<u>-</u>
End of year, June 30		<u>\$ 106,232</u>		<u>\$ 99,096</u>

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, 1991
 With Comparative Actual Amounts for Year Ended June 30, 1990 STATEMENT 11

	1991		Variance Favorable (Unfavorable)	1990
	Budget	Actual		Actual
Revenue:				
Investment earnings	\$ 1,600	\$ 1,632	\$ 32	\$ 1,600
Other financing sources:				
Appropriated fund balance	(1,600)	-	1,600	-
Revenues and other financing sources	<u>\$ -</u>	1,632	<u>\$ 1,632</u>	1,600
Fund balance:				
Beginning of year, July 1		<u>29,982</u>		<u>28,382</u>
End of year, June 30		<u>\$ 31,614</u>		<u>\$ 29,982</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, 1991

STATEMENT 12

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Revenues:				
Restricted intergovernmental revenues:				
Community development block grant	\$ 201,200	\$109,439	\$ 201	\$109,640
Expenditures:				
Economic and physical development	<u>201,200</u>	<u>104,654</u>	<u>110</u>	<u>104,764</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 4,785</u>	91	<u>\$ 4,876</u>
Fund balance:				
Beginning of year, July 1			<u>4,785</u>	
End of year, June 30			<u>\$ 4,876</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, 1991

STATEMENT 13

	<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	\$ 606,000	\$340,150	\$ 6,591	\$346,741
Expenditures:				
Economic and physical development	<u>606,000</u>	<u>324,403</u>	<u>18,742</u>	<u>343,145</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 15,747</u>	(12,151)	<u>\$ 3,596</u>
Fund balance:				
Beginning of year, July 1			<u>15,747</u>	
End of year, June 30			<u>\$ 3,596</u>	

Beaufort County, North Carolina
CAPITAL PROJECT FUND
COMBINING BALANCE SHEET
 June 30, 1991
 With Comparative Data for June 30, 1990

	<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	\$ 108,015	\$ -	\$ 13,860
Due from other funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 108,015</u>	<u>\$ -</u>	<u>\$ 13,860</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Due to other funds	\$ 108,015	\$ -	\$ 13,860
	<u> </u>	<u> </u>	<u> </u>
Fund balance:			
Reserved by State Statute	-	-	-
Unreserved	-	-	-
Total Fund Balance	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 108,015</u>	<u>\$ -</u>	<u>\$ 13,860</u>

Bath and Aurora School Capital Project Fund	Washington City Schools Repair Capital Project Fund	Community College Capital Project Fund	Combining Totals	
			June 30, 1991	1990
\$ 44,928	\$ 1,283	\$ 1,900,064	\$2,068,150	\$ 487,237
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>227,843</u>
<u>\$ 44,928</u>	<u>\$ 1,283</u>	<u>\$ 1,900,064</u>	<u>\$2,068,150</u>	<u>\$ 715,080</u>
\$ -	\$ -	\$ -	\$ 121,875	\$ 100,879
-	-	-	-	227,843
44,928	1,283	1,900,064	1,946,275	386,358
<u>44,928</u>	<u>1,283</u>	<u>1,900,064</u>	<u>1,946,275</u>	<u>614,201</u>
<u>\$ -</u>	<u>\$ 1,283</u>	<u>\$ 1,900,064</u>	<u>\$2,068,150</u>	<u>\$ 715,080</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, 1991
With Comparative Actual Data for June 30, 1990

	Beaufort County Hospital Capital <u>Project Fund</u>	City High School Capital <u>Project Fund</u>	Northside High School Capital <u>Project Fund</u>
Revenues:			
Investment earnings	\$ 7,136	\$ -	\$ -
Sales tax refund	-	-	-
Restricted intergovernmental revenues	-	-	942,776
City School appropriations	-	-	-
Total revenues	<u>7,136</u>	<u>-</u>	<u>942,776</u>
Expenditures:			
Capital projects	<u>-</u>	<u>674,399</u>	<u>48,438</u>
Revenues over (under) expenditures	<u>7,136</u>	<u>(674,399)</u>	<u>894,338</u>
Other financing sources (uses):			
Proceeds of long-term debt	-	-	-
Operating transfers - in	-	100,599	-
Operating transfers - out	<u>(7,136)</u>	<u>-</u>	<u>(934,739)</u>
Total other financing sources (uses)	<u>(7,136)</u>	<u>100,599</u>	<u>(934,739)</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	(573,800)	(40,401)
Fund balance:			
Beginning of year, July 1	<u>-</u>	<u>573,800</u>	<u>40,401</u>
End of year, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Bath and Aurora School Capital Project Fund	Washington City Schools Repair Capital Project Fund	Community College Capital Project Fund	Combining Totals	
			June 30, 1991	1990
\$ -	\$ -	\$ 18,904	\$ 26,040	\$ 58,913
-	-	-	-	10,851
-	215,523	-	1,158,299	303,746
-	-	-	-	461,406
<u>-</u>	<u>215,523</u>	<u>18,904</u>	<u>1,184,339</u>	<u>834,916</u>
 387,348	 234,240	 118,840	 1,463,265	 5,230,412
<u>(387,348)</u>	<u>(18,717)</u>	<u>(99,936)</u>	<u>(278,926)</u>	<u>(4,395,496)</u>
-	-	2,000,000	2,000,000	-
432,276	20,000	-	552,875	3,318,999
-	-	-	(941,875)	(99,096)
<u>432,276</u>	<u>20,000</u>	<u>2,000,000</u>	<u>1,611,000</u>	<u>3,219,903</u>
44,928	1,283	1,900,064	1,332,074	(1,175,593)
-	-	-	614,201	1,789,794
<u>\$ 44,928</u>	<u>\$ 1,283</u>	<u>\$ 1,900,064</u>	<u>\$ 1,946,275</u>	<u>\$ 614,201</u>

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, 1991

STATEMENT 16

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Revenues:				
Investment earnings	\$ -	\$ 102,663	\$ 7,136	\$ 109,799
Sales tax refund	<u>10,851</u>	<u>10,851</u>	<u>-</u>	<u>10,851</u>
Total revenues	<u>10,851</u>	<u>113,514</u>	<u>7,136</u>	<u>120,650</u>
Expenditures:				
Capital outlay				
Buildings and improvements	2,743,693	2,747,260	-	2,747,260
Lease payoffs	760,000	760,000	-	760,000
Bond issuance expenses	<u>7,158</u>	<u>7,158</u>	<u>-</u>	<u>7,158</u>
Total expenditures	<u>3,510,851</u>	<u>3,514,418</u>	<u>-</u>	<u>3,514,418</u>
Revenues over (under) expenditures	<u>(3,500,000)</u>	<u>(3,400,904)</u>	<u>7,136</u>	<u>(3,393,768)</u>
Other financing sources (uses):				
Proceeds of long-term debt	3,500,000	3,500,000	-	3,500,000
Operating transfers - (out) to Arbitrage Fund	<u>-</u>	<u>(99,096)</u>	<u>(7,136)</u>	<u>(106,232)</u>
Total other financing sources	<u>3,500,000</u>	<u>3,400,904</u>	<u>(7,136)</u>	<u>3,393,768</u>
Increase (decrease) in fund balance	<u>\$ -</u>	<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
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, 1991

STATEMENT 17

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Revenues:				
Investment earnings	\$ 143,675	\$ 143,675	\$ -	\$ 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	<u>908,827</u>	<u>908,827</u>	<u>-</u>	<u>908,827</u>
Expenditures:				
Capital outlay				
Buildings	<u>10,136,727</u>	<u>9,462,328</u>	<u>674,399</u>	<u>10,136,727</u>
Revenues (under) expenditures	<u>(9,227,900)</u>	<u>(8,553,501)</u>	<u>(674,399)</u>	<u>(9,227,900)</u>
Other financing sources:				
Proceeds of long-term debt	5,612,400	5,612,400	-	5,612,400
Operating transfer-in from Capital Reserve Fund	<u>3,615,500</u>	<u>3,514,901</u>	<u>100,599</u>	<u>3,615,500</u>
Total other financing sources	<u>9,227,900</u>	<u>9,127,301</u>	<u>100,599</u>	<u>9,227,900</u>
Increase in fund balance	<u>\$ -</u>	<u>\$ 573,800</u>	<u>(573,800)</u>	<u>\$ -</u>
Fund Balance:				
Beginning of year, July 1			<u>573,800</u>	
End of year, June 30			<u>\$ -</u>	

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, 1991 STATEMENT 18

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Revenues:				
Investment earnings	\$ 166,900	\$ 179,337	\$ -	\$ 179,337
Restricted intergovernmental revenues	942,776	-	942,776	942,776
Total revenues	<u>1,109,676</u>	<u>179,337</u>	<u>942,776</u>	<u>1,122,113</u>
Expenditures:				
Capital outlay				
Buildings	<u>9,079,206</u>	<u>8,996,908</u>	<u>48,438</u>	<u>9,045,346</u>
Revenues over (under) expenditures	<u>(7,969,530)</u>	<u>(8,817,571)</u>	<u>894,338</u>	<u>(7,923,233)</u>
Other financing sources (uses)				
Proceeds of long-term debt	6,387,600	6,387,600	-	6,387,600
Operating transfers - net				
Capital reserve fund	<u>1,581,903</u>	<u>2,470,372</u>	<u>(934,739)</u>	<u>1,535,633</u>
Total other financing sources (uses)	<u>7,969,530</u>	<u>8,857,972</u>	<u>(934,739)</u>	<u>7,923,233</u>
Increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 40,401</u>	<u>(40,401)</u>	<u>\$ -</u>
Fund balance:				
Beginning of year, July 1			<u>40,401</u>	
End of year, June 30			<u>\$ -</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, 1991 STATEMENT 19

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Expenditures:				
Capital outlay				
Buildings	\$ 865,274	\$ 441,382	\$ 387,348	\$ 828,730
Other financing sources:				
Operating transfers - in				
From capital reserve fund	<u>865,274</u>	<u>441,382</u>	<u>432,276</u>	<u>873,658</u>
Increase in fund balance	<u>\$ -</u>	<u>\$ -</u>	44,928	<u>\$ 44,928</u>
Fund balance:				
Beginning of year, July 1			<u>-</u>	
End of year, June 30			<u>\$ 44,928</u>	

Beaufort County, North Carolina
WASHINGTON CITY SCHOOLS REPAIR 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, 1991

STATEMENT 20

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Revenues:				
Restricted intergovernmental revenues	\$ 309,296	\$ -	\$ 215,523	\$ 215,523
Expenditures:				
John Small	44,896	-	37,024	37,024
Eastern Elementary	68,970	-	43,679	43,679
P. S. Jones	256,575	-	121,055	121,055
John C. Tayloe	59,025	-	32,482	32,482
Total expenditures	<u>429,466</u>	<u>-</u>	<u>234,240</u>	<u>234,240</u>
Revenues (under) expenditures	(120,170)	-	(18,717)	(18,717)
Other financing sources:				
Operating transfers - in From capital reserve fund	<u>120,170</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Increase in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,283	<u>\$ 1,283</u>
Fund balance:				
Beginning of year, July 1			<u>-</u>	
End of year, June 30			<u>\$ 1,283</u>	

Beaufort County, North Carolina
COMMUNITY COLLEGE 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, 1991

STATEMENT 21

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total to Date</u>
Revenues:				
Investment earnings	\$ -	\$ -	\$ 18,904	\$ 18,904
Expenditures:				
General contract	902,393	-	77,829	77,829
Heating, plumbing and electric contract	300,022	-	23,012	23,012
Equipment	92,600	-	-	-
Architect and engineering fees	30,000	-	2,438	2,438
Bond expenses	20,000	-	15,561	15,561
Contingency	87,742	-	-	-
Total expenditures	<u>1,432,757</u>	<u>-</u>	<u>118,840</u>	<u>118,840</u>
Revenues (under) expenditures	(1,432,757)	-	(99,936)	(99,936)
Other financing sources:				
Proceeds of long-term debt	<u>1,432,757</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>
Increase in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,900,064	<u>\$ 1,900,064</u>
Fund balance:				
Beginning of year, July 1			<u>-</u>	
End of year, June 30			<u>\$ 1,900,064</u>	

Beaufort County, North Carolina
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
 June 30, 1991
 With Comparative Totals for June 30, 1990

STATEMENT 22

	Agency		Totals	
	Social Services Fund	County Home Fund	1991	1990
ASSETS				
Cash and investments	\$ 33,010	\$ 1,354	\$ 34,364	\$ 51,550
Due from other funds	-	73	73	31
Total Assets	\$ 33,010	\$ 1,427	\$ 34,437	\$ 51,581
 LIABILITIES				
Miscellaneous liabilities	\$ 33,010	\$ 1,427	\$ 34,437	\$ 51,581
Total Liabilities	\$ 33,010	\$ 1,427	\$ 34,437	\$ 51,581

Beaufort County, North Carolina
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
 June 30, 1991 STATEMENT 23

	<u>Balance</u> <u>7-1-90</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>6-30-91</u>
<u>Social Services</u>				
ASSETS				
Cash and investments	\$ 50,361	\$ 219,510	\$ 236,861	\$ 33,010
LIABILITIES				
Miscellaneous liabilities	\$ 50,361	\$ 219,510	\$ 236,861	\$ 33,010
 <u>County Home</u>				
ASSETS				
Cash and investments	\$ 1,189	\$ 6,869	\$ 6,704	\$ 1,354
Due from other funds	31	42	-	73
Total Assets	<u>\$ 1,220</u>	<u>\$ 6,911</u>	<u>\$ 6,704</u>	<u>\$ 1,427</u>
LIABILITIES				
Miscellaneous liabilities	<u>\$ 1,220</u>	<u>\$ 6,911</u>	<u>\$ 6,704</u>	<u>\$ 1,427</u>
 <u>Totals - All Agency Funds</u>				
ASSETS				
Cash and investments	\$ 51,550	\$ 226,379	\$ 243,565	\$ 34,364
Due from other funds	31	42	-	73
Total Assets	<u>\$ 51,581</u>	<u>\$ 226,421</u>	<u>\$ 243,565</u>	<u>\$ 34,437</u>
LIABILITIES				
Miscellaneous liabilities	<u>\$ 51,581</u>	<u>\$ 226,421</u>	<u>\$ 243,565</u>	<u>\$ 34,437</u>

SUPPLEMENTARY INFORMATION:

STATISTICAL SECTION

Beaufort County
Law Enforcement Officers' Special Separation Allowance
REQUIRED SUPPLEMENTARY INFORMATION
ANALYSIS OF FUNDING PROGRESS
 June 30, 1991

SCHEDULE 24

Fiscal Year	(1) Net Assets Available for Benefits	(2) Pension Benefit Obligation	(3) Percentage Funded (1) ÷ (2)	(4) Unfunded Pension Budget Obligation (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll (4) ÷ (5)
1989	\$ -	\$ 52,153	0 %	\$ 52,153	\$ 443,232	11.77 %
1990	\$ -	\$ 57,722	0 %	\$ 57,722	\$ 491,141	11.75 %

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, 1991

SCHEDULE 25

	Amounts Presented On Statements	Cost Value	Market Value
Cash:			
On Hand	\$ 888	\$ 888	\$ 888
In demand deposits	254,915	254,915	254,915
NOW, SuperNOW, and money market	496,121	496,121	496,121
Certificates of deposit	940,517	940,517	940,517
Total cash	1,692,441	1,692,441	1,692,441
Other investments:			
North Carolina Cash Management Trust	4,095,647	4,095,647	4,095,647
U.S. Treasury Bills (held by dealer banks's trust department in the County's name)	974,475	974,475	978,638
Commercial Paper (Uninsured, unregistered, and held by the County's agent in the County's name)	3,153,902	3,153,902	3,153,902
Common Stock	2,500	2,500	4,340
Total other investments	8,226,524	8,226,524	8,232,527
Total cash and investments	\$ 9,918,965	\$ 9,918,965	\$ 9,924,968
Distribution by Funds			
General Fund			\$ 4,781,323
Special Revenue Funds			
Revaluation Fund		\$ 908,903	
Capital Reserve Fund - Schools		2,086,139	
Capital Reserve Fund - Broad Creek Dredging		31,614	
Community Development Block Grant - 1986		4,876	
Community Development Block Grant - 1987		3,596	3,035,128
Capital Project Funds			
Beaufort County Hospital Fund		108,015	
Northside High School Fund		13,860	
Bath and Aurora School Fund		44,928	
Washington City Schools Repair Fund		1,283	
Community College Fund		1,900,064	2,068,150
Agency Funds			
Social Services		33,010	
County Home		1,354	34,364
Total			\$ 9,918,965

Beaufort County, North Carolina
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
 June 30, 1991

SCHEDULE 26

<u>Fiscal year</u>	Uncollected Balance June 30, 1990	Additions	Collections and Credits	Uncollected Balance June 30, 1991
1990-1991	\$ -	\$8,875,745	\$ 8,444,849	\$ 430,896
1989-1990	380,261	-	154,406	225,855
1988-1989	153,300	-	38,267	115,033
1987-1988	104,299	-	24,643	79,656
1986-1987	89,010	-	20,354	68,656
1985-1986	87,707	-	9,269	78,438
1984-1985	56,299	-	7,659	48,640
1983-1984	49,457	-	5,108	44,349
1982-1983	49,782	-	3,114	46,668
1981-1982	31,119	-	2,193	28,926
1980-1981	25,345	-	25,345	-
Prior years	-	4,290	4,290	-
	<u>\$ 1,026,579</u>	<u>\$8,880,035</u>	<u>\$ 8,739,497</u>	<u>1,167,117</u>

Less allowance for uncollectible
ad valorem taxes receivable:

General Fund	\$ 268,300	
Fire District Funds	<u>18,850</u>	<u>287,150</u>

Ad valorem taxes receivable - net \$ 879,967

Reconciliation with revenues:

Taxes - Ad valorem - General Fund		
Taxes collected	\$ 8,053,846	
Penalties and interest	<u>150,720</u>	\$ 8,204,566
Taxes - Ad valorem - Special District Fund		
Taxes collected		616,539
Abatements		588
Amounts written off for tax year 1980 - 1981 per statute of limitations		<u>23,280</u>
Subtotal		8,844,973
Less interest collected		<u>(105,476)</u>
Total collections and credits		<u>\$ 8,739,497</u>

Beaufort County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
 For the Year Ended June 30, 1991

SCHEDULE 27

	<u>Total Property Valuation</u>	<u>Rate</u>	<u>Amount of Levy</u>
Original levy			
County-wide	\$ 1,737,583,135	.47	\$8,166,641
Washington Administrative Unit			413,492
Richland Fire/Rescue District			107,411
Bunyan Fire District			59,439
Chocowinity Fire District			46,006
County Dog taxes			11,263
Penalties			<u>52,145</u>
			\$ 8,856,397
Discoveries			
County-wide			
Current year taxes	292,367,660		13,741
Penalties			6,033
Washington Administrative Unit			1,269
Richland Fire/Rescue District			84
Bunyan Fire District			170
Chocowinity Fire District			94
County Dog Taxes			<u>20</u>
			21,411
Abatements			
County-wide	(28,262,553)		(1,328)
Washington Administrative Unit			(353)
Richland Fire/Rescue District			(80)
Bunyan Fire District			(52)
Chocowinity Fire District			(16)
County Dog Taxes			(10)
Penalties			<u>(224)</u>
			(2,063)
Total for year	<u>\$ 2,001,688,242</u>		8,875,745
Less uncollected tax at June 30, 1991 (Schedule 26)			<u>430,896</u>
Current year's taxes collected			<u>\$ 8,444,849</u>
Percent current year collected			<u>95.15%</u>

Beaufort County, North Carolina
SCHEDULE OF INTERFUND TRANSFERS
For the Year Ended June 30, 1991

SCHEDULE 28

	Transfers	
	From	To
<u>General</u>		
Revaluation	\$ -	\$ 564,000
Capital Reserve - Schools	431,450	-
<u>Capital Project</u>		
City High School Capital Project		
Capital reserve - school	100,599	-
Northside High School Capital Project		
Capital reserve - school	-	934,739
Beaufort County Hospital Capital Project		
Arbitrage Reserve	-	7,136
Bath and Aurora School Capital Project		
Capital Reserve - School	432,276	-
Washington City Schools Repair Capital Project		
Capital Reserve - Schools	20,000	-
<u>Special Revenue</u>		
Revaluation		
General	564,000	-
Arbitrage Reserve		
Beaufort County Hospital Capital Project	7,136	-
Capital Reserve Schools		
Capital projects	934,739	552,875
General	-	431,450
	<u>\$ 2,490,200</u>	<u>\$ 2,490,200</u>

SUPPLEMENTARY INFORMATION:

COMPLIANCE SECTION



JAMES W. PERRY
JAMES C. CRONE
A. H. CRAWFORD
KENNETH B. HAWKINS
EDWARD C. MOORING
W. FRANKIE PAGE, JR.
MICHAEL J. GLEASON
LARRY D. KEECH
WILLIS M. MANNING, JR.
ALTON G. BUCK
A. M. EDWARDS
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, 1991, and have issued our report thereon dated August 28, 1991.

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 the governing board, 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 28, 1991



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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 listed in the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission; 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, 1991. 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, OMB Circular A-128, and the State Single Audit Implementation Act 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 no instances of noncompliance with the requirements referred to above.

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 listed in the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission; 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, 1991.

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

In connection with our audit of the 1991 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, 1991.

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 listed in the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, 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 the governing board, 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 & Crone, Inc.

Belhaven, North Carolina
August 28, 1991



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LATNEY W. PITTARD (1932-1979)

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

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, 1991, and have issued our report thereon dated August 28, 1991.

We have applied procedures to test Beaufort County, North Carolina's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the schedule of federal and State financial assistance, for the year ended June 30, 1991: political activity, civil rights, cash management, federal financial reports, allowable costs/cost principles, drug free workplace and administrative requirements.

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's 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 second 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 the governing board, 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 28, 1991

MEMBER: NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC
ACCOUNTANTS AND AMERICAN INSTITUTE OF CERTIFIED PUBLIC
ACCOUNTANTS

Beaufort County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1991

SCHEDULE 29
Page 1

<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
AFDC CFDA #93.020	<p>In accordance with 45 CFR 233, the requirement applicable in this case, requires the case-workers signature on the completed application for AFDC Assistance. Of the 24 case files examined, 1 application was not signed by the case-worker. The turnover and restructuring of this department was the cause of this omission.</p> <p><u>Recommendation</u></p> <p>Management of Beaufort County, North Carolina should take action to ensure that all files are reviewed for adequate procedures.</p> <p><u>Management's Response</u></p> <p>We concur. In the future files will be reviewed with more care. The County has already established the recommended review procedures.</p>	\$ 349

Beaufort County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1991

SCHEDULE 29
Page 2

<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
WIC CFDA #10.557	<p>In accordance with 7 CFR 246, the requirement applicable in this case, an annual monitoring visit should be made for all vendors. Of the 5 vendors tested, 3 vendors had not had an annual monitoring visit. The recent restructuring of the department was the cause of the failure to monitor the vendors.</p> <p><u>Recommendation</u></p> <p>Management of Beaufort County, North Carolina should take action to ensure that all vendors are monitored annually.</p> <p><u>Management's Response</u></p> <p>We concur. In the future, all vendors will be monitored annually.</p>	Cannot be determined

Beaufort County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1991

SCHEDULE 29
Page 3

<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
WIC CFDA # 10.557	<p>In accordance with 7 CFR 246, the requirement applicable in this case, computer lists of participant food vouchers should be signed for, voided or marked unclaimed. Of the 100 vouchers reviewed 14 had not been accounted for. The restructuring of the department was the cause of these omissions.</p> <p><u>Recommendation</u></p> <p>Management of Beaufort County, North Carolina should take action to ensure that all food vouchers are accounted for.</p> <p><u>Management's Response</u></p> <p>We concur. In the future extra care will be taken to ensure all vouchers are accounted for correctly. The County's has already established procedures to correct this finding.</p>	Cannot be determined

Beaufort County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 1991

SCHEDULE 29
Page 4

<u>Program</u>	<u>Finding/Noncompliance</u>	<u>Questioned Cost</u>
All major Federal Financial Assistance Programs	<p>In accordance with the OMB "Compliance Supplement", all grantees receiving monies from federal agencies must verify that they will provide a drug-free workplace. At June 30, 1991 a drug-free workplace had not been developed.</p> <p><u>Recommendation</u></p> <p>Management of Beaufort County, North Carolina should develop a drug-free workplace policy promptly.</p> <p><u>Management's Response</u></p> <p>We concur. The County has already taken action to provide this certification of a drug-free workplace.</p>	Cannot be determined

Status of Prior Year's Findings - As of June 30, 1991 Beaufort County, North Carolina management had resolved all findings from prior years.



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LATNEY W. PITTARD (1932-1979)

Single Audit Combined Report on Internal Control Structure

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, 1991, and have issued our report thereon dated August 28, 1991. We have also audited Beaufort County, North Carolina's compliance with requirements applicable to major federal and State financial assistance programs and have issued our report thereon dated August 29, 1991.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments; and the State Single Audit Implementation Act. Those standards, OMB Circular A-128, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether Beaufort County, North Carolina, complied with laws and regulations, noncompliance with which would be material to a major federal or State financial assistance program.

In planning and performing our audits for the year ended June 30, 1991, we considered the County's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the County's general purpose financial statements and on its compliance with requirements applicable to major federal and State financial assistance programs and not to provide assurance on the internal control structure.

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

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 County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements or to administer federal and State financial assistance programs in accordance with applicable laws and regulations.

Segregation of Duties

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

A material weakness is a reportable condition in which the design or operation of one or more of the 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 or that noncompliance with laws and regulations that would be material to a federal or State financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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 noted the following matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audits of Beaufort County, North Carolina's general purpose financial statements and of its compliance with requirements applicable to its major federal and State financial assistance programs for the year ended June 30, 1991, and this report does not affect our reports thereon dated August 28, 1991.

We believe the item listed above, concerning the insufficient segregation of duties, results in a material weakness in accounting and administrative controls.

Recommendation

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

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

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.

We also noted other matters involving the internal control structure and its operation that we have reported to the management of Beaufort County, North Carolina, in a separate letter dated August 28, 1991.

This report is intended for the information of the governing board, 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 & Croone, Inc.

Belhaven, North Carolina
August 28, 1991

Beaufort County, North Carolina
SCHEDULE OF FEDERAL AND STATE FINANCIAL ASSISTANCE
 For the Year Ended June 30, 1991

SCHEDULE 30
 Page 1 of 2

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Number</u>	<u>Federal (Direct and CFDA Pass-Through) Expenditures</u>	<u>State Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through N. C. Dept. of Human Resources			
Social Services			
AFDC	93.020	\$ 152,211	\$ 38,163
Medical Assistance	93.778	413,839	22,686
Low Income Energy	93.028	61,158	-
Independent Living	93.674	3,171	-
Permancy Planning	93.645	22,463	5,315
SSBG	93.667	310,861	45,582
Jobs Program	93.021	69,674	38,763
IV-D	93.023	128,568	97,432
Health Service			
MCH Block Grant	93.994	178,130	-
Preventive Health	93.991	22,210	-
Aids	93.118	26,830	-
TB	93.116	23,545	-
Foster Care benefits	93.658	30,970	-
Adoption Assistance	93.659	1,220	-
Total U. S. Health and Human Services		<u>1,444,850</u>	<u>247,941</u>
<u>U.S. Department of Agriculture</u>			
Passed through N. C. Dept. of Agriculture			
Food Stamps	10.561	193,142	1,152
WIC	10.557	133,634	-
Food Distribution Program	10.550	2,349	-
Total U.S. Department of Agriculture		<u>329,125</u>	<u>1,152</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	<u>18,852</u>	<u>-</u>
<u>U.S. Department of Justice</u>			
Passed Through State Dept. of Crime Control and Public Safety			
Victims of Crime Act	16.575	9,617	-
Drug Control and Systems Improvement	16.579	131,628	-
Total U. S. Department of Justice		<u>141,245</u>	<u>-</u>
<u>Federal Emergency Management Agency</u>			
Passed Through State Dept. of Crime Control and Public Safety			
Federal Emergency Management Assistance	83.503	<u>9,336</u>	<u>-</u>
Total Federal Assistance		<u>\$1,943,408</u>	

Beaufort County, North Carolina
SCHEDULE OF FEDERAL AND STATE FINANCIAL ASSISTANCE
 For the Year Ended June 30, 1991

SCHEDULE 30
 Page 2 of 2

<u>Grantor/Pass-Through Grantor/program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
<u>State Grants</u>			
State Dept. of Human Resources			
Sanitation	N/A	-	\$ 9,190
Homemaker	N/A	-	21,856
CP&L	N/A	-	2,250
Equalization Program	N/A	-	47,889
Aid to Counties	N/A	-	71,767
All County travel	N/A	-	415
Day Care Services	N/A	-	204,993
Youth Task Force	N/A	-	73,475
NC Elderly	N/A	-	21,486
State Foster Home	N/A	-	16,058
Land Records Management	N/A	-	3,000
Soil and Water	N/A	-	2,000
Permit enforcement	N/A	-	3,100
Mosquito control	N/A	-	2,645
Child Protective Services	N/A	-	46,523
Chore services	N/A	-	27,620
N.C. Department of Administrative Instruction			
Veterans	N/A	-	2,000
Office of State Budget:			
Public School Building Capital Fund	N/A	-	<u>1,158,298</u>
Total State Assistance			<u><u>\$1,963,658</u></u>

Notes to Preceding Schedule

1. Benefit payments issued by the State

	<u>Federal</u>	<u>State</u>
Food stamp program	\$ 2,867,650	\$ -
WIC	274,194	-
Medicaid	10,110,166	4,234,502
Aid to Families with Dependent Children	1,582,598	406,813
Special Assistance	-	334,794
	<u>\$14,834,608</u>	<u>\$ 4,976,109</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.