

Duplin County, North Carolina

FINANCIAL STATEMENTS

June 30, 2009

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FINANCIAL SECTION

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Independent Auditors' Report

To the Board of Commissioners
Duplin County
Kenansville, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Duplin County, North Carolina as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Duplin County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Duplin County, North Carolina as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 23, 2009, on our consideration of Duplin County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the Law Enforcement Officers Special Separation Allowance and Pension Health Benefit Obligation Schedules of Funding Progress and Employer Contributions on pages 12 through 17, and pages 57 through 59 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion thereon.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Duplin County, North Carolina. The combining and individual nonmajor fund financial statements and schedules, and the statistical tables, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the accompanying schedule of expenditures of federal and state awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The statistical tables have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Pittard Perry & Crane, Inc.

La Grange, North Carolina
November 23, 2009

Management's Discussion and Analysis

As management of Duplin County, we offer readers of Duplin County's financial statements this narrative overview and analysis of the financial activities of Duplin County for the fiscal year ended June 30, 2009. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- The assets of Duplin County exceeded its liabilities at the close of the fiscal year by \$75,020,122, a decrease of \$693,709 over the prior year. (*net assets*) (Exhibit 1)
- The governmental activities total net assets decreased by \$837,534, primarily due to the current year annual cost of the post-employment health care benefit.(Exhibit 2)
- As of the close of the current fiscal year, Duplin County's governmental funds reported combined ending fund balances of \$24,488,502, a decrease of \$2,005,812 in comparison with the prior year. (Exhibit 4). Approximately 86 percent of the total fund balance, or \$21,016,191, is available for spending at the government's discretion (*unreserved fund balance*). (Exhibit 3)
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$11,149,753, or 23.8 percent of total general fund expenditures for the fiscal year. (Exhibit 3 and 5)
- Duplin County's overall total debt increased by \$746,096 (1.69%) during the current fiscal year. The key factors of this increase was the OPEB obligation.
- Duplin County held the following bond ratings:

Moody's	A3
Standard & Poor's	A+

Overview of the Financial Statements

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

Basic Financial Statements

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

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary and agency fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

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

The government-wide statements are divided into two categories: governmental activities and business-type activities. The governmental activities include most of the County's basic services such as general government, public safety, human services, cultural and recreational, and economic and physical development. Property taxes, motor vehicle taxes and state grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water operations, solid waste operations, transportation services and airport operations.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Duplin County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Duplin County can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Duplin County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds – Duplin County has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Duplin County uses enterprise funds to account for its Water Funds' operations, Solid Waste operations, Transportation services, and Airport operations. These funds are the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Duplin County has one fiduciary fund - County Trust fund.

Agency Funds – Agency funds are used to account for assets the County holds on behalf of others. The County has three agency funds - County Agency fund, the Motor Vehicle Tax fund, and the Motor Vehicle 3% Interest Fund.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the Data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 36-55 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Duplin County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on Exhibit A-1 and A-2 of this report.

Duplin County's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current assets	\$ 32,901,196	\$ 32,932,418	\$ 7,125,220	\$ 6,381,282	\$ 40,026,416	\$ 39,313,700
Capital assets	21,999,644	22,482,624	54,318,933	55,504,969	76,318,577	77,987,593
Land and CIP	2,457,143	2,457,836	839,600	837,600	3,296,743	3,295,436
Total assets	\$ 57,357,983	\$ 57,872,878	\$ 62,283,753	\$ 62,723,851	\$ 119,641,736	\$ 120,596,729
Long-term liabilities	\$ 24,531,196	\$ 24,825,363	\$ 18,799,618	\$ 19,251,547	\$ 43,330,814	\$ 44,076,910
Other liabilities	1,041,576	424,770	249,224	381,226	1,290,800	805,996
Total liabilities	\$ 25,572,772	\$ 25,250,133	\$ 19,048,842	\$ 19,632,773	\$ 44,621,614	\$ 44,882,906
Net assets:						
Investment in capital assets, net of related debt	\$ 11,791,248	\$ 10,921,097	\$ 36,458,722	\$ 36,923,637	\$ 48,249,970	\$ 47,844,734
Restricted	-	-	1,301,841	263,339	1,301,841	263,339
Unrestricted	19,993,963	21,701,648	5,474,348	5,904,102	25,468,311	27,605,750
Total net assets	\$ 31,785,211	\$ 32,622,745	\$ 43,234,911	\$ 43,091,078	\$ 75,020,122	\$ 75,713,823

As noted earlier, net assets may serve as one useful indicator of a government's financial condition. The assets of Duplin County exceeded liabilities by \$75,020,122 as of June 30, 2009. The larger portion of Duplin County's net assets reflect the County's investment in capital assets (e.g. land, buildings, equipment, and water systems), less any related debt still outstanding that was issued to acquire those items. Duplin County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Duplin County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

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

Property taxes are a major source of revenue for the County. The overall collection rate for the current year taxes was 94.36 percent. The Fiscal Year 2009 tax rate was \$0.790 cents per \$100 valuation, which is well below the state legal limit of \$1.50.

Duplin County Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 5,031,062	\$ 5,805,201	\$ 7,596,480	\$ 7,870,145	\$ 12,627,541	\$ 13,675,346
Operating grants and contributions	11,576,726	11,246,185	-	-	11,576,726	11,246,185
Capital grants and contributions	371,005	227,218	1,297,484	2,418,568	1,668,489	227,218
General revenues:						
Property taxes	26,771,560	25,630,819	-	-	26,771,560	25,630,819
Other taxes	9,944,483	11,142,288	-	-	9,944,483	11,142,288
Other	1,106,581	2,329,385	115,360	333,569	1,221,941	2,662,954
Total revenues	54,801,417	56,381,096	9,009,324	10,622,282	63,810,740	67,003,378
Expenses:						
General government	6,130,831	6,120,389	-	-	6,130,831	6,120,389
Public safety	14,625,588	13,207,438	-	-	14,625,588	13,207,438
Economic development	2,358,124	2,882,505	-	-	2,358,124	2,882,505
Human services	17,332,594	17,298,237	-	-	17,332,594	17,298,237
Environmental protection	513,483	478,370	-	-	513,483	478,370
Cultural and recreation	872,582	1,017,310	-	-	872,582	1,017,310
Education	12,304,442	10,957,705	-	-	12,304,442	10,957,705
Non-departmental	255,663	257,326	-	-	255,663	257,326
Interest on long-term debt	895,065	954,607	-	-	895,065	954,607
Solid waste	-	-	3,111,559	3,256,153	3,111,559	3,256,153
Water & sewer	-	-	4,082,107	4,083,009	4,082,107	4,083,009
Transportation	-	-	1,037,242	1,026,490	1,037,242	1,026,490
Airport	-	-	985,170	1,078,481	985,170	1,078,481
Total expenses	55,288,372	53,173,886	9,216,077	9,444,133	64,504,449	62,618,019
Increase in net assets before transfers	(486,955)	3,207,210	(206,754)	1,178,149	(693,769)	4,385,359
Transfers	(350,579)	(284,472)	350,579	284,472	-	-
Increase in net assets	\$ (837,534)	2,922,738	\$ 143,825	\$ 1,462,621	\$ (693,709)	\$ 4,385,359
Net assets, beginning	32,622,745	29,700,007	43,091,086	41,628,465	75,713,831	71,328,472
Net assets, ending	\$ 31,785,211	\$ 32,622,745	\$ 43,234,911	\$ 43,091,086	\$ 75,020,122	\$ 75,713,831

Governmental activities. Governmental activities decreased the County's net assets by \$ 838,028 thereby accounting for 100% of the total reduction in the net assets of Duplin County.

Operating grants funded \$11.5 million of Duplin County's governmental activities. Only property and motor vehicle taxes provided a higher source of revenue at \$26.7 million, while sales tax provided \$ 9.9 million in revenues.

Business-type activities: Business-type activities increased Duplin County's net assets by \$ 143,825, representing the only growth area in the government's net assets.

Charges for services have remained constant for most of the business-type activities. The County also continues to invest in the expansion of the water system with the goal of becoming a countywide system.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Duplin County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Duplin County's ability to finance current activities or future projects. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of Duplin County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$11,149,753, while total fund balance was \$14,016,788. (Exhibit 3). As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 23.8 percent of total General Fund expenditures, while total fund balance represents 29.9 percent of that same amount.

At June 30, 2009, the governmental funds of Duplin County reported a combined fund balance of \$24,488,502, an 8 percent decrease over June 30, 2008. (Exhibit 3).

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increase budgeted revenues by \$3,630,181. The largest increases were restricted intergovernmental funds. The increases in restricted funds included such funding as additional state daycare monies and approved federal and state grant monies received.

The actual operating revenues for the General Fund were more than the budgeted amounts by \$275,911, most of which is attributed to tax revenues. (Exhibit 5)

Proprietary Funds. Duplin County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. At the end of the fiscal year, several funds had unrestricted net assets. The Airport Fund amounted to \$352,140, Solid Waste Fund \$3,016,792, and those for the major Water Funds equaled \$1,789,698. The non-major funds of the County Water Fund, Albertson Water Fund, and the Transportation Development Fund had a combined total of unrestricted net assets of \$1,381,097. (Exhibit 6)

The total growth (deficit) in net assets for the funds was Airport Fund - \$192,646, Solid Waste Fund - \$(24,769) and the major combined Water Funds of \$(105,755). (Exhibit 7). The non-major funds had a combined increase in net assets totaling \$81,703. The majority of the non-major fund's growth was in Albertson Water Fund with a total of \$70,126 (Exhibit F-2). Other factors concerning the finances of these funds have already been addressed in the discussion of Duplin County's business-type activities.

Capital Asset and Debt Administration

Capital assets. Duplin County's investment in capital assets for its governmental and business-type activities as of June 30, 2009, totals \$79,615,320 (net of accumulated depreciation) (Exhibit 1). Some of these assets include buildings, land, land improvements, machinery and equipment, park facilities, water systems, and vehicles.

Major capital asset transactions during the year include:

- Increase in construction in progress for several Water Districts, such as E and G
- Completion of some Airport improvements to the runway and taxiway
- Construction activity in the capital projects fund

Duplin County's Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 2,457,143	\$ 2,457,836	\$ 839,600	\$ 837,600	\$ 3,296,743	\$ 3,295,436
Buildings improvements	25,022,679	24,742,281	54,120,616	53,883,766	79,143,295	78,626,047
Airport	-	-	10,704,636	10,425,457	10,704,636	10,425,457
Equipment	6,214,424	5,829,624	4,287,350	4,097,749	10,501,744	9,927,373
Vehicles	4,052,953	4,047,905	1,840,233	1,811,960	5,893,186	5,859,865
Subtotal	\$ 37,747,199	\$ 37,077,646	71,792,435	71,056,532	\$ 109,539,604	\$ 108,134,178
Less accumulated depreciation	13,290,412	12,137,186	16,633,902	14,977,302	29,924,314	27,114,488
Total	\$ 24,456,787	\$ 24,940,460	\$ 55,158,533	\$ 56,079,230	\$ 79,615,320	\$ 81,019,690

Additional information on the County's capital assets can be found in note 3 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2009, Duplin County had total bonded debt outstanding of \$19,500,200, all of which is debt backed by the full faith, credit, and taxing power of the County.

**Duplin County's Outstanding Debt
General Obligation Bonds**

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
General Obligation Bonds	\$ 1,865,000	\$ 2,360,000	\$ 17,635,200	\$ 17,949,400	\$ 19,500,200	\$ 20,309,400

Duplin County's total bonded debt has decreased by \$809,200 (3.98 percent) during the past fiscal year. This decrease is due to scheduled principal payments of \$495,000 on hospital bonds and \$314,200 on water bonds.

As mentioned in the financial highlights section of this document, Duplin County maintains an A3 bond rating from Moody's Investor Service and maintains an A rating from Standard and Poor's Corporation. This bond rating is a clear indication of the sound financial condition of Duplin County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Duplin County is \$231,596,489.

Additional information regarding Duplin County's long-term debt can be found in Note 3 of this report.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the growth and prosperity of the County.

- The unemployment rate for the county is 4.9% which is above the state average of 4.5%
- The assessed value of real and personal property increased by \$105,218,826 or 4.1%
- The assessed value of registered motor vehicles increased by \$16,980,305 or 4.3%, based on registrations from March 2008 through February 2009. NC Division of Motor Vehicles has made a change in the motor vehicle system that will affect collections being available as compared to being deferred. The change is that some registered vehicles had an "annual" status for renewals that have been moved a standard "staggered" registration. Therefore, collections on these taxes will not be deferred revenues in the current fiscal year because most of the vehicles will not be registered as annual tags.
- Our population of 51,985 (July 2005) has grown over the past few years mainly due to the growth of the Hispanic population being permanently located in Duplin as compared to being a seasonal workforce.

Budget Highlights for the Fiscal Year Ending June 30, 2010

Governmental Activities: The County approved an original \$47.1 million general fund budget. This represents a 4% decrease from the amended budget for FY 2009. The property rate for tax year 2010 was reduced to \$0.69 per hundred dollar valuation.

Business – type Activities: The County has not budgeted any increase in its tipping fees in the solid waste fund. The water funds' rates were adjusted in the 2009-2010 budget year. The Transportation fund rate schedule for FY 2009-2010 remained at a flat rate fee per trip of \$8.00.

Economic Forecast

Duplin County's economy has historically been based on agriculture. According to the North Carolina Department of Agriculture's 2007 publication of agricultural statistics, Duplin County ranked number 2 in the state in cash receipts from the sale of agricultural products and number 1 in cash receipts from the sale of livestock. Approximately 30% of the county's workforce is employed in agricultural related processing and manufacturing.

Renewable energy production is an emerging agribusiness growth opportunity for the county. Coastal Carolina Clean Power, LLC is currently investing \$11.3 million to convert a coal fired cogeneration plant into a 32 mega watt biomass fired facility that will burn wood and wood waste that could otherwise be disposed of in landfills.

Investment in transportation infrastructure continues to benefit the county's economic position. A network of 6 regionally important routes intersects with I-40, the state's most significant east-west strategic corridor. I-40 extends from the State Port of Wilmington, NC to Bastow, California, giving it great national significance as well. Duplin County leveraged investment of just over \$1 million to fund capital improvements to the county airport in FY 2007-08.

Duplin County is poised to experience significant residential growth due to military expansions. Duplin County is located within an hour's drive of 4 major military installations: Camp Lejeune Marine Corps Base, Seymour Johnson Air Force Base, New River Air Station and Cherry Point Air Station. In 2007, the Department of Defense announced the planned expansion of military dependent personnel of approximately 60,000 within a seven county region over the next 5 years. The majority of the expansion will occur on board Camp Lejeune and the air stations at New River and Cherry Point. Due to the close proximity to these military installations, it is expected that Duplin County could experience a population increase of several thousand residents.

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Duplin County Finance Office, PO Box 950, Kenansville, N.C. 28349.

BASIC FINANCIAL STATEMENTS

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Duplin County, North Carolina
Statement of Net Assets
June 30, 2009

EXHIBIT 1

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 23,191,945	\$ 4,824,399	\$ 28,016,344
Receivables, net	9,170,502	1,031,910	10,202,412
Internal balances	95,257	(95,257)	-
Prepaid items	189,609	-	189,609
Inventory	253,883	62,327	316,210
Total current assets	32,901,196	5,823,379	38,724,575
Noncurrent assets:			
Restricted cash and cash equivalents	-	1,301,841	1,301,841
Capital assets:			
Land, improvements, and construction in progress	2,457,143	839,600	3,296,743
Other capital assets, net of depreciation	21,999,644	54,318,933	76,318,577
Total capital assets	24,456,787	55,158,533	79,615,320
Total noncurrent assets	24,456,787	56,460,374	80,917,161
Total assets	57,357,983	62,283,753	119,641,736
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	932,876	37,518	970,394
Customer deposits	-	211,706	211,706
Unearned revenues	108,700	-	108,700
Long-term liabilities:			
Due within one year	2,872,258	451,853	3,324,111
Due in more than one year	21,658,938	18,347,765	40,006,703
Total liabilities	25,572,772	19,048,842	44,621,614
NET ASSETS			
Investment in capital assets, net of related debt	11,791,248	36,458,722	48,249,970
Restricted	-	1,301,841	1,301,841
Unrestricted	19,993,963	5,474,348	25,468,311
Total net assets	\$ 31,785,211	\$ 43,234,911	\$ 75,020,122

The accompanying notes are an integral part of this statement

Duplin County, North Carolina
Statement of Activities
For the Fiscal Year Ended June 30, 2009

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
PRIMARY GOVERNMENT				
Governmental activities:				
General government	\$ 6,130,831	\$ 1,653,004	\$ 7,434	-
Public safety	14,625,588	2,351,226	1,009,158	11,607
Economic and physical development	2,358,124	37,231	392,803	359,398
Human services	17,332,594	665,457	9,914,726	-
Environmental protection	513,483	44,640	103,758	-
Cultural and recreational	872,582	279,504	148,848	-
Education	12,304,442	-	-	-
Non-departmental	255,663	-	-	-
Interest on debt	895,065	-	-	-
Total governmental activities	<u>55,288,372</u>	<u>5,031,062</u>	<u>11,576,726</u>	<u>371,005</u>
Business-type activities:				
Airport	985,170	387,988	-	507,476
Water and sewer	4,082,107	3,829,327	-	108,028
Transportation	1,037,242	508,027	-	542,751
Solid waste	3,111,559	2,871,138	-	139,229
Total business-type activities	<u>9,216,077</u>	<u>7,596,480</u>	<u>-</u>	<u>1,297,484</u>
Total primary government	<u>\$ 64,504,449</u>	<u>\$ 12,627,541</u>	<u>\$ 11,576,726</u>	<u>\$ 1,668,489</u>

General revenues:

- Property taxes, levied for general purposes
- Local option sales taxes
- Other taxes and licenses
- Investment earnings, unrestricted
- Miscellaneous, unrestricted

Transfers

Total general revenues, special items, and transfers

Change in net assets

Net assets - beginning

Net assets - ending

EXHIBIT 2

Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (4,470,393)	\$ -	\$ (4,470,393)
(11,253,598)	-	(11,253,598)
(1,568,692)	-	(1,568,692)
(6,752,411)	-	(6,752,411)
(365,085)	-	(365,085)
(444,231)	-	(444,231)
(12,304,442)	-	(12,304,442)
(255,663)	-	(255,663)
<u>(895,065)</u>	<u>-</u>	<u>(895,065)</u>
<u>(38,309,579)</u>	<u>-</u>	<u>(38,309,579)</u>
-	(89,706)	(89,706)
-	(144,753)	(144,753)
-	13,536	13,536
-	<u>(101,192)</u>	<u>(101,192)</u>
-	<u>(322,114)</u>	<u>(322,115)</u>
<u>(38,309,579)</u>	<u>(322,114)</u>	<u>(38,631,694)</u>
26,771,560	-	26,771,560
9,273,969	-	9,273,969
670,514	-	670,514
531,081	115,269	646,350
575,500	91	575,591
<u>(350,579)</u>	<u>350,579</u>	<u>-</u>
<u>37,472,045</u>	<u>465,939</u>	<u>37,937,984</u>
(837,534)	143,825	(693,709)
<u>32,622,745</u>	<u>43,091,086</u>	<u>75,713,831</u>
<u>\$ 31,785,211</u>	<u>\$ 43,234,911</u>	<u>\$ 75,020,122</u>

The accompanying notes are an integral part of this statement

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Duplin County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2009

EXHIBIT 3

	General	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 11,752,314	\$ 446,928	\$ 10,134,335	\$ 22,333,578
Receivables (net)				
Property taxes	2,166,835	-	55,971	2,222,806
Accounts	5,588,830	-	587,426	6,176,256
Intergovernmental	120,000	-	-	120,000
Notes	-	-	766,889	766,889
Due from other funds	3,399	-	-	3,399
Inventory	253,883	-	-	253,883
Total assets	<u>\$ 19,885,262</u>	<u>\$ 446,928</u>	<u>\$ 11,544,621</u>	<u>\$ 31,876,811</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 120,673	-	\$ 696,045	\$ 816,718
Deferred revenues	5,722,809	-	823,758	6,546,567
Due to other funds	24,992	-	32	25,024
Total liabilities	5,868,474	-	1,519,835	7,388,309
Fund balances:				
Reserved for register of deeds	-	-	17,850	17,850
Reserved for encumbrances	348,197	-	-	348,197
Reserved by state statute	2,518,838	-	587,426	3,106,264
Unreserved	6,886,643	-	-	6,886,643
Designated for subsequent years' expenditures	4,263,110	446,928	304,127	5,014,165
Designated for capital projects	-	-	90,452	90,452
Undesignated, reported in nonmajor:				
Special revenue funds	-	-	9,024,931	9,024,931
Total fund balances	<u>14,016,788</u>	<u>446,928</u>	<u>10,024,786</u>	<u>24,488,502</u>
Total liabilities and fund balances	<u>\$ 19,885,262</u>	<u>\$ 446,928</u>	<u>\$ 11,544,621</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	24,456,787
Bond issuance cost capitalized when bonds originally issued	189,609
Internal service fund activities to benefit governmental operations	743,642
Liabilities for earned but deferred revenues in fund statements.	6,437,867
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	<u>(24,531,196)</u>
Net assets of governmental activities	<u>\$ 31,785,211</u>

The accompanying notes are an integral part of this statement

Duplin County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 24,900,681	\$ -	\$ 586,534	\$ 25,487,215
Local option sales taxes	5,953,557	-	3,320,412	9,273,969
Other taxes and licenses	4,170	-	666,838	671,008
Unrestricted intergovernmental	34,720	-	-	34,720
Restricted intergovernmental	10,394,186	-	391,005	10,785,191
Permits and fees	665,357	-	-	665,357
Sales and services	5,724,280	-	-	5,724,280
Investment earnings	251,436	8,563	261,736	521,735
Donations	-	-	33,791	33,791
Miscellaneous	179,979	-	88,559	268,538
Total revenues	48,108,366	8,563	5,348,875	53,465,803
EXPENDITURES				
Current:				
General government	5,361,703	-	470,366	5,832,069
Public safety	12,705,433	-	901,190	13,606,623
Economic and physical development	1,306,176	-	611,297	1,917,473
Human services	16,542,424	-	-	16,542,424
Cultural and recreational	804,946	-	-	804,946
Environmental protection	490,848	-	-	490,848
Capital projects	-	-	400,068	400,068
Non-departmental	255,663	-	-	255,663
Intergovernmental:				
Education	9,340,926	-	2,963,516	12,304,442
Debt service				
Principal retirement	-	2,366,847	-	2,366,847
Interest and fees	-	863,468	-	863,468
Total expenditures	46,808,119	3,230,315	5,346,437	55,384,871
Excess (deficiency) of revenues over expenditures	1,300,247	(3,221,752)	2,437	(1,919,067)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	42,615	-	-	42,615
Transfers from other funds	12,424	3,229,243	373,435	3,615,102
Transfers to other funds	(2,639,071)	-	(1,426,610)	(4,065,681)
Total other financing sources (uses)	(2,584,032)	3,229,243	(1,053,175)	(407,964)
Net change in fund balance	(1,283,785)	7,491	(1,050,738)	(2,327,031)
FUND BALANCES, beginning of year				
Prior period adjustment	291,222	-	-	291,222
Increase (decrease) in inventory	29,997	-	-	29,997
FUND BALANCES, end of year	\$ 14,016,788	\$ 446,928	\$ 10,024,786	\$ 24,488,502

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

Net changes in fund balances - total governmental funds	\$ (2,035,809)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(482,980)
Basis in retired capital assets	(693)
Increase in inventory	29,997
Internal service fund activities to benefit governmental operations	396,259
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Change in deferred revenues	993,123
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	(68,275)
OPEB obligation	(1,994,461)
Net pension obligation	(9,944)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>2,335,248</u>
Total changes in net assets of governmental activities	<u>\$ (837,534)</u>

Duplin County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance-
Budget and Actual - Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Ad valorem taxes	\$ 24,136,428	\$ 24,724,063	\$ 24,900,681	\$ 176,617
Local option sales taxes	5,925,000	5,805,000	5,953,557	148,557
Other taxes and licenses	5,000	5,000	4,170	(830)
Unrestricted intergovernmental	30,000	30,000	34,720	4,720
Restricted intergovernmental	8,924,513	10,578,191	10,394,186	(184,005)
Permits and fees	557,500	649,500	665,357	15,857
Sales and services	3,918,561	5,633,439	5,724,280	90,841
Investment earnings	422,397	248,647	251,436	2,789
Miscellaneous	282,876	158,616	179,979	(21,363)
Total revenues	44,202,275	47,832,456	48,108,366	275,911
EXPENDITURES				
Current:				
General government	4,502,131	5,791,896	5,361,703	430,193
Public safety	12,563,559	13,161,683	12,705,433	456,250
Environmental protection	656,191	782,005	490,848	291,157
Economic and physical development	1,631,839	1,393,463	1,306,176	87,287
Human services	17,205,597	17,490,268	16,542,424	947,844
Cultural and recreational	897,942	842,216	804,946	37,270
Intergovernmental:				
Education	8,540,926	9,340,926	9,340,926	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fees	-	-	-	-
Non-departmental	620,025	354,338	255,663	98,675
Total expenditures	46,618,210	49,156,795	46,808,119	2,348,676
Revenues over (under) expenditures	(2,415,935)	(1,324,339)	1,300,247	2,624,586
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	40,735	42,615	1,880
Transfers to other funds	(926,793)	(2,721,005)	(2,626,647)	94,358
Total other financing uses	(926,793)	(2,680,269)	(2,584,032)	96,238
Revenues over (under) expenditures and other financing uses	(3,342,728)	(4,004,608)	(1,283,785)	2,720,823
Appropriated fund balance	3,342,728	4,004,608	-	4,004,608
Revenues, other financing sources and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ -	(1,283,785)	\$ (1,283,785)
FUND BALANCES, beginning of year			14,979,354	
Prior period adjustment	-	-	291,222	291,222
Increase in inventory			29,997	
FUND BALANCES, end of year			\$ 14,016,788	

The accompanying notes are an integral part of this statement

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Duplin County, North Carolina
Statement of Net Assets
Proprietary Fund
June 30, 2009

	MAJOR FUNDS			
	Airport Commission Fund	Solid Waste Fund	Water Fund- District B	Water Fund- District D
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 253,538	\$ 1,246,230	\$ 580,352	\$ 24,262
Accounts receivable (net)	65,961	739,048	18,397	34,549
Inventory	38,091	-	-	-
Due from other funds	-	24,992	2,281	295
Intergovernmental receivable	-	-	-	-
Total current assets	<u>357,590</u>	<u>2,010,270</u>	<u>601,030</u>	<u>59,106</u>
Noncurrent assets:				
Restricted cash and cash equivalents	37,445	1,065,384	-	-
Capital assets:				
Land, improvements, and construction in progress	272,682	216,348	56,500	51,500
Other capital assets, net of depreciation	<u>9,531,096</u>	<u>3,185,193</u>	<u>5,884,211</u>	<u>8,224,283</u>
Total capital assets	<u>9,803,778</u>	<u>3,401,541</u>	<u>5,940,711</u>	<u>8,275,783</u>
Total noncurrent assets	<u>9,841,223</u>	<u>4,466,925</u>	<u>5,940,711</u>	<u>8,275,783</u>
Total assets	<u>10,198,813</u>	<u>6,477,195</u>	<u>6,541,741</u>	<u>8,334,889</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	2,316	13,154	890	3,411
Customer deposits	-	-	33,575	33,825
Due to other funds	-	229	10,123	9,531
Intergovernmental payable	-	-	-	352,000
Capital lease obligation	14,466	-	-	-
Current portion of noncurrent liabilities	<u>57,772</u>	<u>-</u>	<u>48,000</u>	<u>76,500</u>
Total current liabilities	<u>74,554</u>	<u>13,384</u>	<u>92,588</u>	<u>475,267</u>
Noncurrent liabilities:				
Compensated absences payable	3,133	45,478	-	-
Notes payable - noncurrent	<u>397,585</u>	<u>-</u>	<u>2,030,500</u>	<u>3,977,000</u>
Total noncurrent liabilities	<u>400,718</u>	<u>45,478</u>	<u>2,030,500</u>	<u>3,977,000</u>
Total liabilities	<u>475,272</u>	<u>58,862</u>	<u>2,123,088</u>	<u>4,452,267</u>
NET ASSETS				
Invested in capital assets, net of related debt	9,333,956	3,401,541	3,862,211	4,222,283
Restricted	37,445	1,065,384	-	-
Unrestricted	<u>352,140</u>	<u>1,951,408</u>	<u>556,442</u>	<u>(339,661)</u>
Total net assets	<u>\$ 9,723,541</u>	<u>\$ 6,418,333</u>	<u>\$ 4,418,653</u>	<u>\$ 3,882,622</u>

EXHIBIT 6

	MAJOR FUNDS			NONMAJOR	Total Proprietary Funds	Internal Service Fund
	Water Fund- District E	Water Fund- District F	Water Fund- District G	Other Proprietary Funds		
\$	767,880	\$ 401,073	\$ 466,334	\$ 1,084,730	\$ 4,824,399	\$ 858,367
	31,145	30,864	29,627	82,318	1,031,910	1,958
	-	-	-	24,236	62,327	-
	-	-	1,317	59,383	88,268	-
	-	-	-	232,000	232,000	-
	<u>799,025</u>	<u>431,937</u>	<u>497,278</u>	<u>1,482,667</u>	<u>6,238,904</u>	<u>860,325</u>
	-	-	199,012	-	1,301,841	-
	2,412	139,440	54,068	44,650	837,600	-
	<u>5,630,543</u>	<u>8,641,770</u>	<u>6,290,972</u>	<u>6,932,862</u>	<u>54,320,933</u>	<u>-</u>
	<u>5,632,955</u>	<u>8,781,210</u>	<u>6,345,040</u>	<u>6,977,512</u>	<u>55,158,533</u>	<u>-</u>
	<u>5,632,955</u>	<u>8,781,210</u>	<u>6,544,052</u>	<u>6,977,512</u>	<u>56,460,374</u>	<u>-</u>
	<u>6,431,980</u>	<u>9,213,147</u>	<u>7,041,330</u>	<u>8,460,179</u>	<u>62,699,278</u>	<u>860,325</u>
	435	539	539	16,234	37,518	116,125
	36,586	43,800	35,840	28,080	211,706	-
	11,909	16,439	9,235	6,058	63,525	558
	-	-	-	-	352,000	-
	-	-	-	-	14,466	-
	<u>61,000</u>	<u>118,710</u>	<u>57,000</u>	<u>18,405</u>	<u>437,387</u>	<u>-</u>
	<u>109,930</u>	<u>179,488</u>	<u>102,614</u>	<u>68,777</u>	<u>1,116,602</u>	<u>116,683</u>
	-	-	-	51,198	99,809	-
	<u>3,781,500</u>	<u>4,824,599</u>	<u>2,997,500</u>	<u>239,272</u>	<u>18,247,956</u>	<u>-</u>
	<u>3,781,500</u>	<u>4,824,599</u>	<u>2,997,500</u>	<u>290,470</u>	<u>18,347,765</u>	<u>-</u>
	<u>3,891,430</u>	<u>5,004,087</u>	<u>3,100,114</u>	<u>359,247</u>	<u>19,464,367</u>	<u>116,683</u>
	1,790,455	3,837,901	3,290,540	6,719,835	36,458,722	-
	-	-	199,012	-	1,301,841	-
	<u>750,095</u>	<u>371,158</u>	<u>451,664</u>	<u>1,381,097</u>	<u>5,474,348</u>	<u>743,642</u>
\$	<u>2,540,550</u>	<u>\$ 4,209,059</u>	<u>\$ 3,941,216</u>	<u>\$ 8,100,932</u>	<u>\$ 43,234,911</u>	<u>\$ 743,642</u>

The accompanying notes are an integral part of this financial statement

Duplin County, North Carolina
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2009

	MAJOR FUNDS			
	Airport Commission Fund	Solid Waste Fund	Water Fund- District B	Water Fund- District D
OPERATING REVENUES:				
Water sales	\$ -	\$ -	\$ 468,150	\$ 467,543
Administration fees	-	-	-	-
Sales and rentals	387,988	87,573	-	-
Landfill fees	-	2,783,565	-	-
Miscellaneous	-	-	-	-
Charges for Services	-	-	-	-
Total operating revenues	<u>387,988</u>	<u>2,871,138</u>	<u>468,150</u>	<u>467,543</u>
OPERATING EXPENSES:				
Operating expenses	488,337	2,860,017	219,449	201,293
Depreciation	479,005	251,542	144,201	196,928
Total operating expenses	<u>967,342</u>	<u>3,111,559</u>	<u>363,650</u>	<u>398,221</u>
Operating income (loss)	(579,354)	(240,421)	104,500	69,322
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings	3,869	41,725	9,845	1,895
Interest expense	(17,828)	-	(111,510)	(201,167)
Gain (loss) on disposal of assets	-	9,879	-	-
Miscellaneous	2,274	449	-	889
Total non-operating revenue (expense)	<u>(11,685)</u>	<u>52,053</u>	<u>(101,665)</u>	<u>(198,383)</u>
Income (loss) before transfers and capital contributions	(591,039)	(188,368)	2,835	(129,061)
Transfers in (out)	276,209	24,370	-	-
Capital contributions	507,476	139,229	-	-
Change in net assets	192,646	(24,769)	2,835	(129,061)
TOTAL NET ASSETS, beginning of year	<u>9,530,895</u>	<u>6,443,102</u>	<u>4,415,818</u>	<u>4,011,683</u>
TOTAL NET ASSETS, end of year	<u>\$ 9,723,541</u>	<u>\$ 6,418,333</u>	<u>\$ 4,418,653</u>	<u>\$ 3,882,622</u>

EXHIBIT 7

MAJOR FUNDS			NONMAJOR		Internal Service Fund
Water Fund- District E	Water Fund- District F	Water Fund- District G	Other Proprietary Funds	Total	
\$ 563,014	\$ 807,278	\$ 455,191	\$ 338,312	\$ 3,099,488	
-	-	-	685,853	685,853	-
-	-	-	-	475,561	-
-	-	-	-	2,783,565	-
-	-	-	43,986	43,986	-
-	-	-	508,027	508,027	3,417,221
563,014	807,278	455,191	1,576,178	7,596,480	3,417,221
292,633	348,973	218,748	1,783,316	6,412,766	3,130,308
146,297	211,267	147,818	299,262	1,876,320	-
438,930	560,240	366,566	2,082,578	8,289,086	3,130,308
124,084	247,039	88,625	(506,400)	(692,606)	286,913
13,891	7,728	9,219	27,097	115,269	9,346
(193,636)	(241,278)	(153,649)	(7,924)	(926,992)	-
-	-	-	(35,063)	(25,184)	-
243	12,178	-	9,242	25,275	-
(179,502)	(221,372)	(144,430)	(6,648)	(811,632)	9,346
(55,418)	25,666	(55,805)	(513,048)	(1,504,238)	296,259
-	-	-	50,000	350,579	100,000
49,600	18,429	37,999	544,751	1,297,484	-
(5,818)	44,095	(17,806)	81,703	143,825	396,259
2,546,368	4,164,964	3,959,022	8,019,229	43,091,086	347,383
\$ 2,540,550	\$ 4,209,059	\$ 3,941,216	\$ 8,100,932	\$ 43,234,911	\$ 743,642

The accompanying notes are an integral part of this statement

Duplin County, North Carolina
Statement of Cash Flows
Proprietary Fund
For The Fiscal Year Ended June 30, 2009

	MAJOR FUNDS			
	Airport Commission Fund	Solid Waste Fund	Water Fund- District B	Water Fund- District D
	CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 376,137	\$ 2,840,873	\$ 465,889	\$ 462,770
Cash paid for goods and services	(329,734)	(1,993,890)	(218,574)	(205,128)
Cash paid to employees for services	(140,507)	(971,187)	-	-
Customer deposits - net	-	-	2,100	1,072
Net cash provided (used) by operating activities	(94,104)	(124,204)	249,415	258,714
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in (out)	276,209	24,370	-	-
Miscellaneous	2,274	449	-	889
Net cash provided (used) by non-capital financing activities	278,483	24,819	-	889
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	507,476	139,229	-	-
Due to (from) other funds	(10,500)	(24,744)	(1,794)	17,773
Proceeds from sale of fixed assets	-	32,570	-	-
Acquisition and construction of capital assets	(606,594)	(65,533)	-	(3,692)
Principal paid on bond maturities and equipment contracts	(91,167)	-	(45,500)	(73,000)
Interest paid on bond maturities and equipment contracts	(17,828)	-	(111,510)	(201,167)
Net cash provided (used) by capital and related financing activities	(218,613)	81,522	(158,804)	(260,086)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	3,869	41,725	9,845	1,895
Net increase (decrease) in cash and cash equivalents	(30,365)	23,862	100,456	1,412
Cash and cash equivalents at beginning of year	321,348	2,287,752	479,896	22,850
Cash and cash equivalents at end of year	\$ 290,983	\$ 2,311,614	\$ 580,352	\$ 24,262

MAJOR FUNDS			NONMAJOR		Total Proprietary Funds	Internal Service Fund
Water Fund- District E	Water Fund- District F	Water Fund- District G	Other Proprietary Funds			
\$ 560,722 (287,685)	\$ 814,923 (360,373)	\$ 471,292 (259,119)	\$ 1,553,524 (761,488)	\$ 7,546,130 (4,415,991)	3,415,532 (3,016,504)	
-	-	-	(1,003,893)	(2,115,587)	-	
2,575	2,550	1,825	920	11,042	-	
275,612	457,100	213,998	(210,937)	1,025,594	399,028	
-	-	-	50,000	350,579	100,000	
243	12,178	-	9,242	25,275	-	
243	12,178	-	59,242	375,854	100,000	
49,600 (1,147)	18,429 3,936	37,999 1,634	544,751 7,342	1,297,484 (7,500)	- 558	
-	-	-	(9,880)	22,690	-	
-	(18,045)	(77,640)	(254,113)	(1,025,617)	-	
(58,000)	(115,210)	(54,500)	(18,406)	(455,783)	-	
(193,636)	(241,278)	(153,649)	(7,924)	(926,992)	-	
(203,183)	(352,168)	(246,156)	261,770	(1,095,718)	558	
13,891	7,728	9,219	27,097	115,269	9,346	
86,563	124,838	(22,939)	137,172	420,999	508,932	
681,317	276,235	688,285	947,558	5,705,241	349,435	
\$ 767,880	\$ 401,073	\$ 665,346	\$ 1,084,730	\$ 6,126,240	\$ 858,367	

The accompanying notes are an integral part of this statement

Duplin County, North Carolina
Statement of Cash Flows
Proprietary Fund
For The Fiscal Year Ended June 30, 2009

	MAJOR FUNDS			
	Airport Commission Fund	Solid Waste Fund	Water Fund- District B	Water Fund- District D
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (579,354)	\$ (240,421)	\$ 104,500	\$ 69,322
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	479,005	251,542	144,201	196,928
Changes in assets and liabilities				
(Increase) decrease in accounts receivable	(11,851)	(30,265)	(2,261)	(4,773)
(Increase) decrease in inventory	15,558	-	-	-
Increase (decrease) in accounts payable	1,921	(105,578)	875	(3,835)
Increase (decrease) in customer deposits	-	-	2,100	1,072
Increase (decrease) in accrued vacation pay	617	518	-	-
Total adjustments	<u>485,250</u>	<u>116,217</u>	<u>144,915</u>	<u>189,392</u>
Net cash provided (used) by operating activities	<u>\$ (94,104)</u>	<u>\$ (124,204)</u>	<u>\$ 249,415</u>	<u>\$ 258,714</u>

MAJOR FUNDS			NONMAJOR		Total	Internal Service Fund
Water Fund- District E	Water Fund- District F	Water Fund- District G	Other Proprietary Funds			
\$ 124,084	\$ 247,039	\$ 88,625	\$ (506,400)	(692,605)	286,913	
146,297	211,267	147,818	299,262	1,876,320	-	
(2,292)	7,645	16,101	(22,654)	(50,350)	(1,689)	
-	-	-	(81)	15,477	-	
4,948	(11,401)	(40,371)	15,298	(138,143)	113,804	
2,575	2,550	1,825	920	11,042	-	
-	-	-	2,718	3,853	-	
<u>151,528</u>	<u>210,061</u>	<u>125,373</u>	<u>295,463</u>	<u>1,718,199</u>	<u>112,115</u>	
<u>\$ 275,612</u>	<u>\$ 457,100</u>	<u>\$ 213,998</u>	<u>\$ (210,937)</u>	<u>1,025,594</u>	<u>\$ 399,028</u>	

The accompanying notes are an integral part of this statement

Duplin County, North Carolina
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

EXHIBIT 9

	<u>Agency Funds</u>
Assets	
Cash and investments	\$ 166,291
Intergovernmental receivable	<u>411</u>
Total assets	<u>166,702</u>
Liabilities	
Miscellaneous	164,142
Intergovernmental payable	<u>2,560</u>
	<u>166,702</u>
Net assets	<u>\$ -</u>

The accompanying notes are an intergral part of this statement

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

NOTE 1. Summary of Significant Accounting Policies

The accounting policies of Duplin County, North Carolina and its discretely presented component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies.

A. Reporting Entity

The County, which is governed by a six-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally-separate entities for which the County is financially accountable. The Duplin County Water Districts (the "Districts"), which have a June 30 year-end, are presented as if they were a separate proprietary fund of the County (blended presentation). The Districts do not issue separate financial statements. Duplin County Industrial Facility and Pollution Control Financing Authority (the Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Duplin County Water Districts	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the Districts.	None issued
Duplin County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a six-member board of commissioners that is appointed by the County commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

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

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

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

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

The County reports the following major governmental funds:

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

Debt Service Fund This fund is used to account for the accumulation of resources for and the payment of debt principal, interest, and related costs of governmental activities.

Internal Service Fund: This fund is used to account for the County's participation in the self insured hospital insurance plan.

The County reports the following major enterprise funds:

Airport Commission Fund This fund is used to account for the operations of the County airport.

Solid Waste Fund This fund is used to account for the operations of County solid waste.

Water Fund – District B This fund is used to account for the operations of the County water for District B.

Water Fund – District D This fund is used to account for the operations of the County water for District D.

Water Fund – District E This fund is used to account for the operations of the County water for District E.

Water Fund – District F This fund is used to account for the operations of the County water for District F.

Water Fund – District G This fund is used to account for the operations of the County water for District G.

The County reports the following fund types:

Agency Funds Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains three agency funds: the County Agency Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals, as well as monies deposited for various cooperative extension programs and sheriff execution monies collected from individuals and businesses; and the Motor Vehicle 3% Interest Fund, which accounts for the three percent interest on the first month of delinquent motor vehicle taxes that the Counties required to remit to the North Carolina Department of Motor Vehicles, and the Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed and collected by the County for various municipalities within the County.

Measurement Focus, Basis of Accounting

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

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Duplin County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2008 through February 2009 apply to the fiscal year ended June 30, 2009. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

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

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

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

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the general, special revenue (excluding the Capital Reserve and Grant projects), and the enterprise funds. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the Capital Projects, Capital Reserve, and Grant projects. 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 all annually budgeted funds and at the object level for the multi-year funds. Amendments by the board are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$10,000. The County manager may move up to \$10,000 between line items appropriations and must provide a list of such changes to the Board at the next meeting. The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget to cover that time until the annual ordinance can be adopted.

A budget calendar is included in the North Carolina General Statutes, which prescribes the last day on which certain steps of the budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

- | | |
|----------|---|
| April 30 | Each department head will transmit to the budget officer the departmental budget requests and revenue estimates for the budget year. |
| June 1 | The budget and the budget message shall be submitted to the governing board. The public hearing on the budget should be scheduled at this time. |
| July 1 | The budget ordinance shall be adopted by the governing board. |

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

As required by State law [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 progress at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Any encumbrances outstanding are reported as "reserved for encumbrances" in the fund balance section of the balance sheet and will be charged against the subsequent year's budget, or will be re-budgeted from fund balance in the subsequent year.

D. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

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 official depository any bank or savings 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.

State law [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 Capital Management Trust (NCCMT).

The County's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Non-participating interest earnings and investment contracts are reported at cost.

2. Cash and Cash Equivalents

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

3. Restricted Assets

The unexpended bond proceeds are classified as restricted assets within the enterprise fund because their use is completely restricted to the purpose for which the bonds were originally issued. Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected.

4. Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2008.

5. Allowance for Doubtful Accounts

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

6. Inventory and Prepaid Items

The inventories of the County are valued at average cost, which approximates market. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when purchased. The inventory of the County's enterprise funds consists of materials and supplies held for consumption or resale. The cost of the inventory carried in the County's enterprise funds is recorded as an expense as it is consumed or sold. Occasionally, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

7. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Certain items acquired before July 1, 1970, are recorded at an estimated historical 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. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

	<u>Useful Life</u>
Water systems	50 years
Airport runways, navigation equipment, fuel pumps	20 years
Furniture and office equipment	10 years
Maintenance and construction equipment	5-10 years
Building and improvements	10-50 years
Automobiles and trucks	5 years

8. Long-term Obligations

In the government-wide financial statements (Exhibit 1 and 2) and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

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

9. Compensated Absences

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

The sick leave policies of the County provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither entity has any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

10. Net Assets/Fund Balances

Net Assets

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

Fund Balances

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

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

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

The governmental fund types classify fund balances as follows:

Reserved

Reserved by State statute - portion of fund balance, in addition to reserve for encumbrances which is not available for appropriation, under state law. This amount is usually comprised of receivables balances not offset by deferred revenue.

Reserved for Encumbrances – portion of fund balance available to pay for any commitments related to purchase orders and contracts that remain unperformed at year-end.

Reserved for Register of Deeds – portion of fund balance constituting the Automation Enhancement and Preservation Fund, funded by 10% of the fees collected and maintained by the Register of Deeds' office. The funds are available for appropriation but are legally restricted for computer and imaging technology in the Register of Deeds' office.

Unreserved

Designated for subsequent year's expenditures - portion of total fund balance available for appropriations that has been designated for the adopted 2009-2010 budget ordinance or designated for future capital outlay.

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

E. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$7,296,709 consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	\$ 24,456,787
Prepaid bond issuance costs	189,609
Net assets in internal service funds used to benefit government activities	743,642
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	6,437,867
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing	(1,994,461)
Law enforcement special separation allowance	(284,529)
Net OPEB obligation	(21,337,516)
Compensated absences	(914,690)
Total adjustment	\$ 7,296,709

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$1,198,275 as follows:

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 883,568
Depreciation expense, the allocation of those assets over their useful lives, that is Recorded on the statement of activities but not in the fund statements.	(1,366,548)
	<u>(482,980)</u>
Basis in retired assets	(693)
Change in inventory	29,997
Internal service activities to benefit governmental operations	396,259
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net assets in the government-wide statements (including issuance costs)	2,366,847
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Differences in compensated absences accrued in the government-wide statements but not in the fund statements because they do not use current resources	(68,275)
Differences in net pension obligation accrued in the government-wide statements but not in the fund statements because they do not use current resources	(9,944)
OPEB obligation	(1,994,461)
Amortization of bond issuance costs	(31,598)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the funds statements.	993,123
Total adjustment	<u>\$ 1,198,275</u>

Note 2. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage are collateralized with securities held by the County. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, 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 depository that collateralizes public deposits under the Pooling Method. The County has no policy regarding custodial credit risk for deposits.

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

At June 30, 2009 the carrying amount of the County's deposits was \$1,931,722 and the bank balance was \$2,541,492. Of the bank balance, \$500,000 was covered by federal depository insurance and \$2,341,492 was covered by collateral held under the Pooling Method.

At June 30, 2009 the County had \$5,875 in petty cash funds.

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

2. Investments

The County's investments in the North Carolina Capital Management Trust are exempt from risk categorization because the County does not own any identifiable securities in these mutual funds. At June 30, 2009, the County's investment balances consisted of \$27,546,879 held in the North Carolina Capital Management Cash Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The county has no policy regarding credit risk.

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

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

Year Levied	Total
2005-2007	\$ 4,662,508
2008	1,774,254
	\$ 6,436,762

3. Receivables

Receivables at the government-wide level at June 30, 2009, were as follows:

	Accounts	Taxes	Due From Other Governments	Other	Total
Governmental Activities:				\$	
General	\$ 4,932,679	\$ 3,137,124	\$ 1,255,671	180,050	\$ 9,505,524
Other Governmental	52,011	55,972	535,415	766,889	1,410,287
Total receivables	4,984,690	3,193,096	1,791,086	946,939	10,915,811
Allowance for doubtful accounts	775,020	970,289	-	-	1,745,309
Total governmental activities	\$ 4,209,670	\$ 2,222,807	\$ 1,791,086	\$ 946,939	\$ 9,170,502

	Accounts	Taxes	Due From Other Governments	Other	Total
Business-type Activities:					
Airport Commission Fund	\$ 25,536	\$ -	\$ -	\$ -	\$ 25,536
Airport Capital Project Fund	40,425	-	-	-	40,425
Solid Waste Fund	739,048	-	-	-	739,048
County Water Fund	341	-	-	-	341
Albertson Water-Sewer Fund	12,454	-	-	-	12,454
Water Fund – District B	18,397	-	-	-	18,397
Water Fund – District D	34,549	-	-	-	34,549
Water Fund – District E	31,146	-	-	-	31,146
Water Fund – District F	30,864	-	-	-	30,864
Water Fund – District G	29,627	-	-	-	29,627
Transportation Development Plan Fund	69,523	-	-	-	69,523
Allowance for doubtful accounts	-	-	-	-	-
Total business-type activities	\$ 1,031,910	\$ -	\$ -	\$ -	\$ 1,031,910

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

4. Capital Assets

Capital asset activity for the year ended June 30, 2009, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land and construction in process	\$ 2,457,836	\$ -	\$ 693	\$ 2,457,143
Capital assets being depreciated:				
Buildings	24,742,281	280,398	-	25,022,679
Equipment	5,829,624	384,800	-	6,214,424
Vehicles and motor equipment	4,047,905	218,370	213,322	4,052,953
Total capital assets being depreciated:	34,619,810	883,568	213,322	35,290,056
Less accumulated depreciation for:				
Buildings	5,558,708	513,428	-	6,072,136
Equipment	3,990,568	312,713	-	4,303,281
Vehicles and motor equipment	2,587,910	540,407	213,322	2,914,995
Total accumulated depreciation	12,137,186	\$ 1,366,548	\$ 213,322	13,290,412
Total capital assets being depreciated, net	22,482,624			21,999,644
Governmental activity capital assets, net	\$ 24,940,460			\$ 24,456,787

5. Primary Government Depreciation Expense

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

General government	\$ 127,941
Human services	142,246
Economic and physical development	301,423
Environmental protection	13,696
Cultural and recreational	53,384
Public safety	727,858
Total depreciation expense	\$ 1,366,548

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 837,600	\$ 2,000	\$ -	\$ 839,600
Capital assets being depreciated:				
Buildings	5,950,502	151,553	-	6,102,055
Plant and distribution systems	47,933,264	90,298	5,000	48,018,562
Terminal and runways	10,425,457	279,179	-	10,704,636
Furniture & maintenance equip.	4,097,749	189,601	-	4,287,350
Vehicles	1,811,960	312,989	284,716	1,840,233
Total capital assets being depreciated:	70,218,932	1,023,620	289,716	70,952,836
Less accumulated depreciation for:				
Buildings	933,238	121,934	-	1,055,172
Plant and distribution systems	7,889,221	975,938	-	8,865,159
Terminal and runways	2,701,086	402,277	-	3,103,363
Furniture & maintenance equip.	2,296,449	140,383	-	2,436,832
Vehicles	1,157,308	235,788	219,720	1,173,376
Total accumulated depreciation	14,977,302	\$ 1,876,320	\$ 219,720	16,633,902
Total capital assets being depreciated, net	55,241,630			54,318,933
Business-type capital assets, net	\$ 56,079,230			\$ 55,158,533

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

6. Construction Commitments

The County has active construction projects at June 30, 2009. These projects include airport runway projects, water line expansion, and other capital improvements.

At year-end, the County's commitments with contractors are as follows:

Project	Contract Amount	Remaining Commitment
Water Districts		
Water E		
ELJ, Inc	\$ 391,919	\$ 391,919
Albertson		
Skippers Well Drilling & Pump Service	574,034	574,034
Herring-Rivenbark	144,318	144,318
Rosemary Community Sanitary Sewer		
State Utility Contractors, Inc.	210,434	210,434

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2009, were as follows:

	Vendors	Salaries and Benefits	Other	Total
Governmental activities:				
General	\$ 103,741	\$ 12,957	\$ 3,975	\$ 120,673
Other Governmental	117,625	-	694,578	812,203
Total governmental activities	<u>\$ 221,366</u>	<u>\$ 12,957</u>	<u>\$ 698,553</u>	<u>\$ 932,876</u>
Business-type activities:				
Airport Commission Fund	\$ 2,316	-	-	\$ 395
Solid Waste Fund	13,154	-	-	13,154
County Water & Sewer Fund	1,220	-	-	1,220
Transportation Development	15,014	-	-	15,013
Water Fund – District B	890	-	-	890
Water Fund – District E	435	-	-	435
Water Fund – District D	3,411	-	-	3,411
Water Fund – District F	539	-	-	539
Water Fund – District G	539	-	-	539
Total business-type activities	<u>\$ 37,518</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,518</u>

2. Pension Plan Obligations

a. Local Governmental Employee's Retirement System

Plan Description. Duplin County contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multi-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Government Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27669-1410, or by calling (919) 981-5454.

Duplin County, North Carolina
Notes to the Financial Statements
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Funding Policy. Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 4.92% and 4.86%, respectively, of annual covered payroll. The contribution requirements of members and of Duplin County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2009, 2008 and 2007 were \$834,466, \$813,188, and \$764,378, respectively. The contributions made by the County equaled the required contributions for each year.

b. Law Enforcement Officers' Special Separation Allowance

1. Plan Description

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

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2009, the Separation Allowance's membership consisted of:

Retirees receiving benefits and terminated plan members	9
Members entitled to but not yet receiving benefits	69
Active plan members	<u>78</u>

2. Summary of Significant Accounting Policies:

Basis of Accounting. Financial statements for the Separation Allowance are prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and when the County has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value. Short-term money market debt instruments, deposits, and repurchase agreements, are reported at cost or amortized cost, which approximates fair value. Certain longer term United States Government and United States Agency securities are valued at the last reported sales price.

3. Contributions

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund benefit payments when due with appropriations from the General Fund. For the current year, the County contributed \$63,090 or 2.54% of annual covered payroll. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are not charged to the proceeds but are covered through normal operations.

The annual required contribution for the current year was determined as part of the December 31, 2007 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses) and (b) projected salary increase ranging from 4.5% to 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2008 was 22 years. The County has chosen to fund this benefit on a pay-as-you go basis.

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

Employer annual required contribution	\$ 70,481
Interest on net pension obligation	19,907
Adjustment to annual required contribution	<u>(17,354)</u>
Annual pension cost	73,034
Contributions made	<u>63,090</u>
Increase in net pension obligation	9,944
Net pension obligation beginning of year	<u>274,585</u>
Net pension obligation end of year	<u>\$ 284,529</u>

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

3 Year Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/07	\$65,090	87.20%	\$268,452
6/30/08	\$72,900	91.59%	\$274,585
6/30/09	\$73,034	86.38%	\$284,529

4. Funded Status and Funding Progress

As of December 31, 2008, the most recent valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$671,035, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$671,035.

The covered payroll (annual payroll of active employees covered by the plan) was \$2,457,408, and the ratio of the UAAL to the covered payroll was 27.31%.

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

c. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2009 were \$167,225, which consisted of \$123,914 from the County and \$43,311 from the law enforcement officers. In addition, \$119,280 was contributed to the plan by employees who were not law enforcement officers and were ineligible for the County's five percent contribution.

d. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

e. Registers of Deeds' Supplemental Pension Fund

Plan Description. Duplin County also contributes to the Registers of Deeds' Supplemental Pension Fund (Fund), a noncontributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Registers of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Duplin County, North Carolina
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For The Fiscal Year Ended June 30, 2009

Funding Policy. On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2009, the County's required and actual contributions were \$3,133.

f. Other Post-employment Benefits (OPEB)

Healthcare benefits

Plan Description. Under County policy, Duplin County provides post-employment healthcare benefits through a single-employer defined benefit Healthcare Benefits Plan (HCB Plan) to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and participated in the health insurance plan for twelve months and have at least twenty-five years (or ten years if hired before August 18, 2008) of non-continuous full-time employment with Duplin County Government immediately preceding retirement, twelve months of which may be represented by accumulated sick leave as calculated by the System. Also, the County retirees can purchase coverage for their dependents at the County's group rates. The Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at December 31, 2007, the date of the latest actuarial valuation:

	General Employees:	Law Enforcement Officers
Retirees and dependents receiving benefits	65	8
Active plan members	494	43
Total	559	51

Funding Policy. The Board of Commissioners established and may amend the contribution requirements of plan members. The County members pay an average of \$365 per month for dependent coverage. The County has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is 12.22% of annual covered payroll. For the current year, the County contributed \$0 or 0% of annual covered payroll. The County is self-insured for healthcare coverage with stop loss claims over \$100,000 through private insurers. Contributions by retirees include dependent coverage in the amount of \$16,130. The County's obligation to contribute to HCB Plan is established and may be amended by the Board of Commissioners.

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

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, and amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Annual required contribution	\$	1,994,461
Interest on net OPEB obligation		-
Adjustment to annual required contribution		-
Annual OPEB cost (expense)		1,994,461
Contributions made		-
Increase in net OPEB obligation		1,994,461
Net OPEB obligation, beginning of year		-
Net OPEB obligation, end of year	\$	1,994,461

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 as follows:

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$1,994,461	0%	\$1,994,461

Duplin County, North Carolina
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Funded Status and Funding Progress. As of December 31, 2007, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$17,816,843. The covered payroll (annual payroll of active employees covered by the plan) was \$16,326,767, and the ratio of the UAAL to the covered payroll was 109.1%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about the actuarial value of plan assets and the actuarial accrued liabilities for benefits.

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

In the December 31, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.00% investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 11.00% and 5.00% annually. Both rates included a 3.75% inflation assumption. The actuarial value of assets, of any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a 5 year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2007, was 30 years.

g. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. All death benefit payments are made from the Death Benefit Plan. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contribution to be immaterial.

4. Deferred / Unearned Revenues

The balance in deferred / unearned revenue at year-end is comprised of the following:

	<u>Unearned or Deferred Revenue</u>	<u>Full Accrual Unearned Revenue</u>
Taxes receivable, net (General)	\$ 2,166,835	\$ -
Taxes receivable, net (Special Revenue)	56,869	-
Accounts receivable, net (General)	3,447,274	-
Accounts receivable, net (Special Revenue)	766,889	-
Prepaid taxes not yet earned (General)	108,700	108,700
Total	\$ 6,546,567	\$ 108,700

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

5. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The County obtains property insurance coverage and general liability coverage for these risks through commercial carriers. The County also obtains health insurance for County employees through a self insured plan. Based on past experience, management believes that the County's coverage's are sufficient.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance and tax collector are each individually bonded for \$100,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

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

6. Contingent Liabilities

At June 30, 2009, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. One of these lawsuits was brought against the County by the Duplin County Board of Education, which was awarded a jury settlement in excess of \$4.5 million dollars. This matter is currently in the appeals process.

7. Long-Term Obligations

a. Refunding Certificates of Participation

During fiscal year 2003, the County issued refunding certificates of participation indebtedness to retire certificates of participation issued in 1991 and 1993 to finance various major projects. The transactions require annual principal payments and semi-annual interest payments by the County at rates between 2.5% and 5.0% maturing in 2015.

For Duplin County, annual debt service requirements to maturity for these certificates of participation including interest of \$1,142,550 for governmental activities are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 1,195,000	\$ 338,675
2011	1,235,000	289,875
2012	1,300,000	226,500
2013	1,360,000	160,000
2014	1,230,000	95,250
2015	1,290,000	32,250
Principal payments	8,775,000	
Total interest payments		\$ 1,142,550
Unamortized premium on refunding	406,977	
Total carrying value of debt	<u>\$ 8,016,977</u>	

b. General Obligation Indebtedness

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

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

The County's general obligation bonds payable at June 30, 2009 are comprised of the following individual issues:

Serviced by the County's General Fund:

\$5,160,000 2002 Hospital Refunding Bonds due in annual principle installments with semi-annual interest payments through April, 2013 at 2.5% to 3.4%	\$	1,865,000
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General obligation bonds serviced by the Districts:

\$2,524,000 1994 Water Fund – District B Bonds due in annual installments of \$25,500 to \$102,000 through June 1, 2034, with interest at 5.25%		2,078,500
\$5,284,100 1997 Water Fund – District F Bonds due in annual installments of \$54,500 to \$218,000 through 2037, with interest at 4.875% to 5.000%		4,606,200
\$3,501,000 1997 Water Fund – District G Bonds due in annual installments of \$36,500 to \$145,000 through 2037, with interest at 4.875% to 5.000%		3,054,500
\$4,650,000 1998 Water Fund – District D Bonds due in annual installments of \$49,000 to \$196,000 through 2037 with interest at 4.875%		4,053,500
\$4,198,000 Water Fund – District E Bonds due in annual installments of \$44,500 to \$192,000 through 2040 with interest at rates of 4.75% to 5.125%		3,842,500
Total	\$	<u>19,500,200</u>

Annual debt service requirements to maturity for the County's general obligation bonds are as follows:

<u>Year Ending June 30,</u>	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010	\$ 485,000	\$ 59,140	\$ 329,200	\$ 875,807
2011	470,000	44,590	347,500	859,433
2012	460,000	30,020	365,200	842,149
2013	450,000	15,300	382,200	823,983
2014	-	-	401,200	804,971
2015-2019	-	-	2,313,400	3,705,707
2020-2024	-	-	2,939,600	3,071,023
2025-2029	-	-	3,677,400	2,260,431
2030-2034	-	-	4,131,500	1,294,839
2035-2039	-	-	2,570,000	347,814
2040-2041	-	-	178,000	12,236
Total	\$ <u>1,865,000</u>	\$ <u>149,050</u>	\$ <u>17,635,200</u>	\$ <u>14,898,393</u>

As June 30, 2009, Duplin County had a legal debt margin of \$231,596,489.

c. Notes Payable

The County has incurred various notes payable to assist in industrial expansion and economic development. The County has one outstanding revolving loan that was obtained from the Global Transpark Development Commission requiring principal and interest payments through 2019. Interest is payable at 3.5% per annum. One loan was obtained from an area electric cooperative requiring principal payments through 2010 at zero percent interest. Two loans were obtained from Wachovia Bank for construction efforts on the agricultural office complex and arena, and one loan was obtained from Wachovia Bank for courthouse renovations. The loans were at interest rates of 1.88% and 2.19% for the agricultural complex and 2.85% for the court house renovations. The agricultural complex loan was to be retired in fiscal year 2006. In September 2005, this loan was retired through permanent financing obtained from the USDA. Terms of the USDA loan require annual payments for 40 years, including interest at 4.125%. The County has also incurred North Carolina clean water revolving loans to assist in county-wide water system improvements. These loans require principal and interest payments through 2019. Interest is computed at rates varying from 2.6% to 2.88%.

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

For Duplin County, the following summarizes the annual requirements for notes payable, including interest of \$10,531,313 for governmental activities and \$188,679 for business-type activities:

Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010	\$ 551,975	\$ 462,065	\$ 108,187	\$ 30,969
2011	269,781	446,932	88,710	28,273
2012	163,539	437,805	90,072	25,529
2013	146,372	431,898	91,483	22,737
2014	152,410	425,860	92,944	19,895
2015-2019	861,705	2,029,645	480,614	55,356
2020-2024	1,054,711	1,836,639	98,133	5,920
2025-2029	1,290,947	1,600,403	-	-
2030-2034	1,576,098	1,311,252	-	-
2035-2039	1,934,011	957,339	-	-
2040-2044	2,367,195	524,155	-	-
2045-2046	1,086,795	67,320	-	-
Total	\$ 11,455,539	\$ 10,531,313	\$ 1,050,143	\$ 188,679

d. Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2009:

	Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009	Current Portion of Balance
Governmental activities:					
General obligation debt	\$ 2,360,000	\$ -	\$ 495,000	\$ 1,865,000	\$ 485,000
Certificates of Participation	9,249,807	-	1,232,830	8,016,977	1,195,000
Notes Payable	12,094,556	-	639,017	11,455,539	551,975
OPEB obligations	-	1,994,461	-	1,994,461	-
Compensated absences	846,415	68,275	-	914,690	640,283
Net pension obligation	274,585	9,944	-	284,529	-
Total governmental activities	\$ 24,825,363	\$ 2,072,680	\$ 2,366,847	\$ 24,531,196	2,872,258
Business-type activities:					
General obligation debt	\$ 17,949,400	\$ -	\$ 314,200	\$ 17,635,200	\$ 329,200
Notes Payable	1,157,060	-	106,917	1,050,143	108,188
Capital leases	49,131	-	34,666	14,465	14,465
Compensated absences	95,956	3,854	-	99,810	-
Total business-type activities	\$ 19,251,547	\$ 3,854	\$ 455,783	\$ 18,799,618	\$ 451,853

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

e. Capital Leases

The Airport Commission Fund has entered into an agreement to lease certain equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception.

The agreement was originally executed in February, 1995, and modified during fiscal year 2003 for the lease of airport hangars which now requires 87 monthly payments of \$3,050, including interest at 5.94%. Title passes to the Airport Commission Fund at the end of the lease term. The assets held under these capital leasing arrangements are included in the total property, plant, and equipment reported by the Airport Commission Fund. At June 30, 2009 those assets were recorded at \$234,051. The related accumulated depreciation for the leased airport hangars at June 30, 2009 was \$56,191.

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

At June 30, 2009, the future minimum payments under the Airport Commission Fund's capital lease consisted of the following:

Year Ending June 30		
2010	\$	18,300
Less: amount representing interest		3,835
Present value of minimum lease payments	\$	14,465

f. Conduit Debt Obligations

Duplin County Industrial Facility and Pollution Control Financing Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2009, there were no industrial revenue bonds outstanding.

8. Interfund Balances and Activity

Transfers to/from other funds at June 30, 2009, consist of the following:

From the General Fund to the Automation Enhancement and Preservation Fund to aid in the automation and preservation of County records	\$	17,009
From the General Fund to the Hospital Insurance Fund to assist in employee health coverage		100,000
From the General Fund to Property Revaluation Fund to accumulate resources for the revaluation of real property		135,000
From the Emergency Telephone System Project Fund to the Capital Reserve Fund to assist in the building of reserve funds		499
From the General Fund to the Debt Service Fund for the payment of debt		1,988,983
From the General Fund to the Community Development Fund to assist in developmental activities		47,500
Department of Justice Grant Fund to the General Fund for repayment of expenditures		12,424
From the Capital Reserve Fund to the Emergency Telephone System Fund to assist in E911 service expansion		45,094
From the School Planning Allocation Fund to the Debt Service Fund for the payment of debt		311,000
From the School Capital Reserve Fund to the Debt Service Fund for the payment of debt		929,260
From the Capital Reserve Fund to the Capital Project Fund for project cost		115,352
From the General Fund to the Transportation Development Plan Fund to assist in county transportation services		50,000
From the General Fund to the Solid Waste Fund to aid solid waste operations		24,370
From the General Fund to Airport Commission Fund to aid in the operations of the airport		276,209
	\$	4,052,700

Duplin County, North Carolina
Notes to the Financial Statements
For The Fiscal Year Ended June 30, 2009

Interfund loans outstanding at June 30, 2009 consists of the following:

Due to County Water Fund from Water District D for assistance with capital improvements	\$	232,000
Due to General Fund from Water District D for assistance with capital improvements		120,000
	<u>\$</u>	<u>352,000</u>

NOTE 4. Related Organization

The County's governing board is responsible for appointing the members of the board of the Industrial Revenue Bond Authority, but the County's accountability for this organization does not extend beyond making these appointments. The Authority exists to issue and service revenue bond debt for private business for economic development purposes. Its primary revenues are the payments to service the issued debt that are received from the businesses involved. The County is not responsible for the debt issued by the Authority and the Authority's debt is not included in determining the County's legal debt limit.

NOTE 5. Joint Ventures

The County in conjunction with Sampson, Lenoir, and Wayne Counties, participate in a joint venture to operate Eastpointe, an area human services organization. Each participating government appoints three board members to the twelve member board. The County has an ongoing financial responsibility for the joint venture because Eastpointe's continued existence depends on the participating governments' continued funding. The County contributed \$155,724 to the joint venture during the fiscal year ended June 30, 2009. None of the participating governments have any equity interest in the joint venture, so no equity interest has been reflected in the County's financial statements at June 30, 2009. Complete financial statements for Eastpointe can be obtained from their office in Beulaville, N. C.

The County in conjunction with the State of North Carolina and the Duplin County Board of Education, participates in a joint venture to operate James Sprunt Community College. Each of the three participants appoints four members of the thirteen member board of trustees of the community college. The president of the community college's student government serves as an ex officio non-voting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operations. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$1,368,132 and \$245,265 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2009. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2009. Complete financial statements for the community college may be obtained from the community college's administrative offices at Highway 11 South, Kenansville, N. C.

NOTE 6. Benefit Payments Issued by the State

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

	Federal	State
Medicaid	\$ 48,997,806	\$ 19,953,700
Food stamps	8,025,909	-
WIC	1,750,631	-
TANF	529,673	-
SC/SA Domiciliary Care payments	-	687,062
Energy assistance payments	290,197	-
IV-E Adopt subsidy and vendor	115,598	21,993
Foster care	172,440	80,604
State Foster Care HIV	-	14,095
State Foster Home	-	51,736
Adoption Assistance	-	82,238
	<u>\$ 49,779,441</u>	<u>\$ 22,691,040</u>

NOTE 7 Summary Disclosure of Significant Commitments and 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 moneys 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 moneys.

NOTE 8. Prior Period Adjustment

The County considers all revenues available for accrued in a fiscal year if they are collected within 90 days after year-end. During the current fiscal year, the County discovered \$291,222 of revenue that were subject to accrual in the fiscal year ended June 30, 2008. In order to enhance comparisons with future years, the County has elected to report these revenues as a prior period adjustment.

REQUIRED SUPPLEMENTARY FINANCIAL DATA

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

- Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Employer Contribution for the Law Enforcement Officers' Special Separation Allowance.
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance.
- Schedule of Funding Progress for the Post-Employment Health Benefit Obligation
- Schedule of Employer Contribution for the Post-Employment Health Benefit Obligation
- Notes to the Required Schedules for the Post-Employment Health Benefit Obligation

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Duplin County, North Carolina
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

EXHIBIT A-1

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/1999	-	\$ 199,724	\$ 199,724	0%	\$ 1,259,256	15.86%
12/31/2000	-	298,806	298,806	0%	1,210,673	24.68%
12/31/2001	-	341,711	341,711	0%	1,475,552	23.16%
12/31/2002	-	374,811	374,811	0%	1,600,004	23.43%
12/31/2003	-	389,820	389,820	0%	1,629,259	23.93%
12/31/2004	-	509,105	509,105	0%	1,894,047	26.88%
12/31/2005	-	571,196	571,196	0%	1,960,407	29.14%
12/31/2006	-	647,268	647,268	0%	2,166,292	29.88%
12/31/2007	-	645,188	645,188	0%	2,270,503	28.42%
12/31/2008	-	671,035	671,035	0%	2,457,408	27.31%

Duplin County, North Carolina
**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

EXHIBIT A-2

Year Ended June 30,	Annual Required Contribution*	Percentage Contributed*
2000	\$ 28,232	28.71%
2001	32,200	50.23%
2002	35,151	35.73%
2003	42,090	31.99%
2004	46,944	32.19%
2005	49,960	29.05%
2006	63,482	58.88%
2007	61,798	91.86%
2008	69,933	95.47%
2009	70,481	89.51%

* Presented for all years for which data is available.

Notes to the Required Schedules:

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

Valuation date	12/31/2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	22 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	4.5% - 12.3%
*Includes inflation at	3.75%
Cost of living adjustments	N/A

Duplin County, North Carolina
Post-Employment Health Benefit Obligation
Required Supplementary Information

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/2007	\$ -	\$ 17,816,843	\$ 17,816,843	0.00%	\$ 16,326,767	109.10%

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution *	Percentage Contributed *
2009	1,994,461	0.00%

Notes to the Required Schedules:

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

Valuation date	12/31/07
Actuarial cost method	Projected unit credit
Amortization method	Level percent of projected pay open
Remaining amortization period	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	4.00%
Annual medical cost trend increase*	11% and 5%
* Includes inflation at	3.75%

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**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS SECTION**

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GENERAL FUND

The General Fund accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

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Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
Page 1 of 15

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Ad Valorem Taxes			
Taxes		\$ 24,512,864	
Penalties and interest		387,817	
Total	\$ 24,724,063	24,900,681 \$	176,618
Local Option Sales Taxes			
Article 39 one percent	2,490,000	2,509,727	19,727
Article 40 one-half of one percent	1,625,000	1,690,400	65,400
Article 42 one-half of one percent	915,000	960,137	45,137
Article 44 one-half of one percent	775,000	793,293	18,293
Total	5,805,000	5,953,557	148,557
Other Taxes and Licenses			
Privilege licenses	5,000	4,170	(830)
Unrestricted Intergovernmental:			
ABC profits (35%)	30,000	34,720	4,720
Restricted Intergovernmental			
Federal and state grants	10,182,999	10,006,484	(176,515)
Grants-Other	215,793	203,720	(12,073)
Court facility fees	169,399	174,062	4,663
ABC profits (10%)	10,000	9,920	(80)
Total	10,578,191	10,394,186	(184,005)
Permits and Fees			
Inspection fees	265,000	272,960	7,960
Fire inspection fees	32,500	41,375	8,875
Register of deeds	352,000	351,022	(978)
Total	649,500	665,357	15,857
Sales and Services			
Sheriff/Jail fees	206,800	234,288	27,488
Police protection/School resource officers	625,790	651,180	25,390
Ambulance and rescue squad fees	1,696,000	1,791,987	95,987
Other fees and services	3,028,567	2,965,818	(62,749)
Rents	76,282	81,007	4,725
Total	5,633,439	5,724,280	90,841

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
Page 2 of 15

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues (continued)			
Investment Earnings	\$ 248,647	\$ 251,436	2,789
Miscellaneous:			
In-kind	21,215	21,215	-
Contributions	19,310	19,310	-
Other revenues	118,091	139,456	21,365
Total	<u>158,616</u>	<u>179,980</u>	<u>21,365</u>
Total revenues	<u>47,832,456</u>	<u>48,108,367</u>	<u>275,911</u>
Expenditures			
<u>General Government</u>			
Governing Body			
Salaries and employee benefits		76,350	
Other operating expenditures		<u>350,454</u>	
Total		426,804	
County Manager			
Salaries and employee benefits		162,162	
Other operating expenditures		<u>7,474</u>	
Total		169,636	
Personnel			
Salaries and employee benefits		95,639	
Other operating expenditures		<u>28,403</u>	
Total		124,042	
Finance			
Salaries and employee benefits		366,346	
Other operating expenditures		<u>62,478</u>	
Total		428,824	
Information Services			
Salaries and employee benefits		220,233	
Other operating expenditures		<u>38,122</u>	
Total		258,355	
Elections			
Salaries and employee benefits		211,700	
Other operating expenditures		<u>48,110</u>	
Total		259,810	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		
	Budget	Actual	Variance Positive (Negative)
Taxes			
Salaries and employee benefits		\$ 688,020	
Other operating expenditures		<u>207,388</u>	
Total		895,408	
Central Supply			
Department charges over purchases		1,125,396	
Register of Deeds			
Salaries and employee benefits		284,106	
Other operating expenditures		<u>134,715</u>	
Total		418,821	
Housekeeping			
Salaries and employee benefits		234,865	
Other operating expenditures		<u>11,656</u>	
Total		246,521	
Public Buildings			
Salaries and employee benefits		329,542	
Other operating expenditures		91,353	
Capital outlay		<u>43,285</u>	
Total		464,180	
Garage			
Salaries and employee benefits		170,849	
Other operating expenditures		18,630	
Capital outlay		<u>7,503</u>	
Total		196,982	
Legal			
Salaries and employee benefits		139,074	
Other operating expenditures		<u>19,823</u>	
Total		158,897	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Court Facilities			
Salaries and employee benefits		\$ 57,697	
Other operating expenditures		130,197	
Total		187,894	
Jury commission			
Other operating expenditures		133	
<u>Total General Government</u>	5,791,896	5,361,703	430,194
Public Safety			
Sheriff			
Salaries and employee benefits		2,527,154	
Other operating expenditures		559,261	
Capital outlay		166,806	
Total		3,253,221	
Sheriff - JAG Grant			
Capital outlay		4,039	
Mental Health Transport			
Salaries and employee benefits		22,081	
Special Sep. Allowance			
Salaries and employee benefits		67,917	
Fingerprinting			
Other operating expenditures		2,931	
Communications			
Salaries and employee benefits		876,388	
Other operating expenditures		95,748	
Total		972,136	
Special Response Team			
Other operating expenditures		33,230	
School Resource Officer			
Salaries and employee benefits		385,339	
Other operating expenditures		31,538	
Total		416,877	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Calypso Substation			
Salaries and employee benefits		\$ 45,689	
Other operating expenditures		<u>2,920</u>	
Total		48,609	
Federally Seized Assets			
Salaries and employee benefits		52,216	
Other operating expenditures		40,353	
Capital outlay		<u>83,019</u>	
Total		175,588	
Jail			
Salaries and employee benefits		1,225,192	
Other operating expenditures		<u>959,408</u>	
Total		2,184,600	
CJP Grant			
Other operating expenditures		76,583	
Emergency Management			
Salaries and employee benefits		144,247	
Other operating expenditures		<u>44,931</u>	
Total		189,178	
Emergency Medical Services			
Salaries and employee benefits		3,416,508	
Other operating expenditures		490,820	
Contribution rescue squad		33,600	
Capital outlay		<u>56,896</u>	
Total		3,997,824	
Fire			
Salaries and employee benefits		97,077	
Contracted services		556,008	
Operating expenditures		<u>23,637</u>	
Total		676,722	
Sheriff-Faison Substation			
Salaries and employee benefits		114,525	
Operating expenditures		<u>7,297</u>	
Total		121,822	
Adult Probation			
Other operating expenditures		2,709	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Inspections			
Salaries and employee benefits		\$ 178,387	
Other operating expenditures		18,439	
Total		196,826	
Medical Examiner			
Contracted services		34,400	
Renovation-EOC			
Other operating expenditures		23,523	
JSCC Resource Officers			
Salaries and employee benefits		57,569	
Other operating expenditures		3,389	
Capital outlay		7,125	
Total		68,083	
Dept. of Justice Alien Grant-2008			
Other operating expenditures		4,645	
Animal Control			
Salaries and employee benefits		102,999	
Other operating expenditures		28,892	
Total		131,891	
<u>Total public safety</u>	13,161,683	12,705,433	456,250
<u>Environmental Protection</u>			
Soil Conservation			
Salaries and employee benefits		263,193	
Operating expenditures		214,786	
Capital outlay		12,869	
Total		490,848	
<u>Total Environmental Protection</u>	782,005	490,848	291,157
<u>Economic and Physical Development</u>			
Planning			
Salaries and employee benefits		64,217	
Other operating expenditures		3,795	
Total		68,012	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Central Plant - Duplin Commons			
Other operating expenditures		\$ 31,244	
Westpark Business Technology Center			
Other operating expenditures		17,917	
Event Center			
Other operating expenditures		525,959	
Economic Development Commission			
Salaries and employee benefits		54,244	
Other operating expenditures		<u>75,129</u>	
Total		129,373	
Art Council grant			
Other operating expenditures		12,980	
N.C. Cooperative Extension Service			
Salaries and employee benefits		425	
Other operating expenditures		<u>347,988</u>	
Total		348,413	
N.C. Cooperative Extension - 4H Preventive Grant			
Salaries and employee benefits		30,306	
Other operating expenditures		<u>9,228</u>	
Total		39,534	
N.C. Cooperative Extension - 4H All-Stars Grant			
Salaries and employee benefits		6,508	
Other operating expenditures		<u>8,681</u>	
Total		15,189	
Industrial Park			
Other operating expenditures		7,470	
JCPC Parenting Grant			
Salaries and employee benefits		38,850	
Other operating expenditures		<u>6,761</u>	
Total		45,611	
JCPC Outreach Grant			
Salaries and employee benefits		45,970	
Other operating expenditures		<u>7,956</u>	
Total		53,926	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		
	Budget	Actual	Variance Positive (Negative)
Farm Service Agency			
Other operating expenditures		\$ 10,548	
<u>Total Economic and Physical Development</u>	1,393,463	1,306,176	87,287
<u>Human Services</u>			
Health			
Salaries and employee benefits		5,920	
Other operating expenditures		107,945	
Total		113,865	
Health & Wellness Grant			
Salaries and employee benefits		77,534	
Other operating expenditures		12,446	
Total		89,980	
Environmental Health			
Salaries and employee benefits		364,145	
Other operating expenditures		28,889	
Total		393,034	
Food & Lodging			
Other operating expenditures		8,145	
Communicable Diseases			
Salaries and employee benefits		96,454	
Other operating expenditures		24,756	
Total		121,210	
Immunization Action Plan			
Salaries and employee benefits		93,353	
Other operating expenditures		42,725	
Capital outlay		3,300	
Total		139,378	
Healthy Carolinians			
Salaries and employee benefits		5,860	
Other operating expenditures		379	
Total		6,239	
Smart Start Child Health			
Salaries and employee benefits		68,051	
Other operating expenditures		6,417	
Total		74,468	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
March of Dimes-Taking Care			
Other operating expenditures		\$ 2,737	
Dental Program			
Other operating expenditures		2,656	
Targeted Infant Mortality			
Salaries and employee benefits		44,907	
Other operating expenditures		<u>5,173</u>	
Total		50,080	
Lead Screening			
Operating expenditures		3,500	
Bio-Terrorism			
Salaries and employee benefits		12,937	
Other operating expenditures		<u>36,275</u>	
Total		49,212	
TB			
Salaries and employee benefits		27,846	
Other operating expenditures		<u>15,264</u>	
Total		43,110	
CDCCTB			
Salaries and employee benefits		32,440	
March of Dimes-Centering Pregnancy			
Other operating expenditures		228	
Adult Health			
Salaries and employee benefits		389,335	
Other operating expenditures		<u>161,110</u>	
Total		550,445	
Community Health Promotion			
Salaries and employee benefits		50,091	
Other operating expenditures		<u>520</u>	
Total		50,611	
NCC Non-Medicaid			
Salaries and employee benefits		109,404	
Other operating expenditures		<u>3,127</u>	
Total		112,531	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
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For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Maternal Health			
Salaries and employee benefits		\$ 311,281	
Other operating expenditures		<u>49,133</u>	
Total		360,414	
Family Planning			
Salaries and employee benefits		198,515	
Other operating expenditures		<u>74,672</u>	
Total		273,187	
Child Health			
Salaries and employee benefits		289,125	
Other operating expenditures		<u>32,585</u>	
Total		321,710	
Interpreter Grant			
Salaries and employee benefits		22,871	
Child Service Co-ord.			
Salaries and employee benefits		105,054	
Other operating expenditures		<u>10,243</u>	
Total		115,297	
Social Services			
Salaries and employee benefits		4,886,444	
Other operating expenditures		<u>405,070</u>	
Total		5,291,514	
Social Services Bldg Expense			
Salaries and employee benefits		72,783	
Other operating expenditures		<u>124,807</u>	
Total		197,590	
In-home Chore			
Operating expenditures		9,000	
Adult Day Care			
Operating expenditures		17,498	
Social Services Security			
Salaries and employee benefits		42,013	
Other operating expenditures		<u>5</u>	
Total		42,018	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Work First			
Other operating expenditures		\$ 3,390	
Title IV-D-Child Support			
Salaries and benefits		87,682	
Other operating expenditures		<u>22,715</u>	
Total		110,397	
TANF Program			
Assistance payments		57,823	
Special Assistance for Adults			
Assistance payments		687,938	
Foster Children			
Assistance payments		408,576	
Medicaid Program			
Assistance payments		1,659,673	
Aid to the Blind			
Assistance payments		7,993	
Adoption Assistance			
Assistance payments		16,780	
Crisis Intervention			
Assistance payments		296,656	
Progress Energy Assistance			
Assistance payments		1,650	
General Assistance			
Assistance payments		19,651	
Daycare			
Assistance payments		3,035,905	
Public Health Foundation Grant			
Other operating expenditures		434	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Aging Program			
Salaries and employee benefits		\$ 279,778	
Other operating expenditures		108,360	
Other operating expenditures		<u>11,506</u>	
Total		399,644	
Aging SHIIP Program			
Other operating expenditures		7,329	
Aging Legal Services			
Other operating expenditures		3,593	
Aging Fan Program			
Other operating expenditures		466	
In-Home Aide			
Salaries and employee benefits		81,223	
Other operating expenditures		<u>16,023</u>	
Total		97,246	
Title III Medical Transportation			
Other operating expenditures		121	
Title III Transportation			
Salaries and employee benefits		4,565	
Other operating expenditures		<u>68,102</u>	
Total		72,667	
Title III Health Promotions			
Other operating expenditures		5,732	
In-Home Aide II			
Salaries and employee benefits		5,998	
Other operating expenditures		<u>1,774</u>	
Total		7,772	
Adult Care Services			
Other operating expenditures		13,550	
Housing Improvements			
Other operating expenditures		4,616	
Adult Health Care Assistance			
Other operating expenditures		6,798	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Senior Center			
Salaries and employee benefits		\$ 11,462	
Other operating expenditures		<u>2,530</u>	
Total		13,992	
Family Care Giver			
Salaries and employee benefits		9,387	
Other operating expenditures		<u>2,698</u>	
Total		12,085	
Nutrition Home Bound Meals			
Salaries and employee benefits		21,958	
Other operating expenditures		<u>63,647</u>	
Total		85,605	
Nutrition			
Salaries and employee benefits		149,264	
Other operating expenditures		<u>189,999</u>	
Total		339,263	
Juvenile Programs			
JCPC Restitution		27,520	
JCPC Teen Court		25,000	
JCPC Court Psychology		8,626	
JCPC Task Force		343	
JCPC Gang Awareness		10,392	
Gov. Crime Comm. Teen Court		<u>35,807</u>	
Total		107,688	
Veterans Service Officer			
Salaries and employee benefits		37,219	
Other operating expenditures		<u>4,838</u>	
Total		42,057	
LICC Mini Grant			
Other operating expenditures		108	
Health and Wellness Grant			
Salaries and employee benefits		90,390	
Other operating expenditures		79,418	
Capital outlay		<u>8,775</u>	
Total		178,583	

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
Cape Fear Grant			
Salaries and employee benefits		\$ 8,931	
Duplin General Hospital Chronic Disease Grant			
Operating expenditures		9,208	
H1N1 Flu			
Salaries and employee benefits		7,810	
Vital Records			
Salaries and employee benefits		1,447	
Governor Crime Commission RAP Grant			
Operating expenditures		17,878	
Contributions			
Vocational Rehabilitation		25,361	
Mental Health		155,724	
Carolina East-Adult Day Care		11,705	
Carolina East-RPO		5,860	
Carolina East-B-MAP		<u>97,750</u>	
Total		296,400	
Total Human Services	<u>17,490,268</u>	<u>16,542,424</u>	<u>947,843</u>
<u>Cultural and Recreational</u>			
Museum			
Salaries and employee benefits		21,391	
Operating expenditures		<u>14,029</u>	
Total		35,420	
Library			
Salaries and employee benefits		341,371	
Operating expenditures		87,684	
Capital outlay-Books		<u>156,238</u>	
Total		585,292	
Gates Staying Connected Grant			
Operating expenditures		10,462	
Parks and Recreation			
Salaries and employee benefits		110,962	
Operating expenditures		<u>62,811</u>	
Total		<u>173,773</u>	
Total Cultural and Recreational	<u>842,216</u>	<u>804,946</u>	<u>37,269</u>

Duplin County, North Carolina
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit B-1
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	2009		Variance Positive (Negative)
	Budget	Actual	
<u>Education</u>			
Public schools - current expenditures		\$ 7,727,529	
Community colleges - current expenditures		1,368,132	
Community colleges - capital outlay		<u>245,265</u>	
<u>Total Education</u>	<u>9,340,926</u>	<u>9,340,926</u>	-
<u>Non-Departmental</u>			
Contribution to Forest Services	125,699	114,448	11,251
Other	170,867	133,065	37,802
Contingency	41,535	-	41,535
Capital outlay	8,086	-	8,086
Vietnam Memorial	1,900	1,900	-
Military Task Force	<u>6,250</u>	<u>6,250</u>	-
<u>Total Non-Departmental</u>	<u>354,337</u>	<u>255,663</u>	<u>98,673</u>
<u>Total Expenditures</u>	<u>49,156,795</u>	<u>46,808,119</u>	<u>2,348,676</u>
Revenues over (under) expenditures	(1,324,339)	1,300,247	2,624,586
<u>Other financing sources (uses)</u>			
<u>Transfers from (to) other funds</u>			
From DOJ Grant Fund		12,424	
To Revaluation Fund		(135,000)	
To Airport Commission Fund		(276,209)	
To Solid Waste Fund		(24,370)	
To Community Development Fund		(47,500)	
To Debt Service Fund		(1,988,983)	
To Automation Enhancement Fund		(17,009)	
To Transportation Fund		(50,000)	
To Hospital Insurance Fund		<u>(100,000)</u>	
<u>Total transfers</u>	<u>(2,721,005)</u>	<u>(2,626,647)</u>	<u>94,358</u>
Proceeds from sale of capital assets	<u>40,735</u>	<u>42,615</u>	<u>1,880</u>
<u>Total other financing sources (uses)</u>	<u>(2,680,269)</u>	<u>(2,584,032)</u>	<u>96,238</u>
Revenues and other financing sources over (under) expenditures and other financing uses	4,004,608	(1,283,785)	2,720,823
Prior period adjustment	-	291,222	291,222
Appropriated fund balance	<u>4,004,608</u>	<u>-</u>	<u>(4,004,608)</u>
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(992,563)</u>	<u>\$ (992,563)</u>
Fund balance at beginning of year		14,979,354	
Increase in inventory		<u>29,997</u>	
Fund balance at end of year		<u>\$ 14,016,788</u>	

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NON-MAJOR GOVERNMENTAL FUNDS

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Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2009

Exhibit C-1

	Special Revenue Funds	Capital Project Funds	Total
ASSETS			
Cash and investments	\$ 10,043,884	\$ 90,452	\$ 10,134,335
Accounts receivable	587,426	-	587,426
Taxes receivable	55,970	-	55,970
Due from other funds	766,889	-	766,889
Total assets	\$ 11,454,169	\$ 90,452	\$ 11,544,621
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 696,045	-	\$ 696,045
Deferred revenues	823,758	-	823,758
Due to other funds	32	-	32
Total liabilities	1,519,835	-	1,519,835
FUND BALANCES			
Reserved by state statute	587,426	-	587,426
Unreserved			
Designated for subsequent years' expenditures	304,127	-	304,127
Designated for capital expenditures	-	90,452	90,452
Undesignated	9,042,781	-	9,042,781
Total equity	9,934,334	90,452	10,024,786
Total liabilities and fund balances	\$ 11,454,169	\$ 90,452	\$ 11,544,621

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
For The Fiscal Year Ended June 30, 2009

Exhibit C-2

	Special Revenue Funds	Capital Project Funds	Total
Revenues:			
Federal and state grants	\$ 371,005	\$ 20,000	\$ 391,005
Ad Valorem taxes	586,534	-	586,534
Investment earnings	258,345	3,391	261,736
Other taxes and licenses	666,838	-	666,838
Sales tax revenues	3,320,412	-	3,320,412
Donations	33,791	-	33,791
Principal receipts	88,559	-	88,559
Total revenues	5,325,484	23,391	5,348,875
Expenditures			
General government	470,366	-	470,366
Public safety	901,190	-	901,190
Education capital outlay schools	2,963,516	-	2,963,516
Economic and Physical Development	611,297	-	611,297
Capital projects	-	400,068	400,068
Total expenditures	4,946,369	400,068	5,346,437
Revenues over (under) expenditures	379,114	(376,677)	2,437
Other financing sources (uses)			
Transfers in (out)			
From other funds	245,102	128,333	373,435
To other funds	(1,413,629)	(12,981)	(1,426,610)
Total other financing sources (uses)	(1,168,527)	115,352	(1,053,175)
Revenues and other financing sources over (under) expenditures and other financing uses	(789,413)	(261,325)	(1,050,738)
Fund balance at beginning of year	10,723,747	351,777	11,075,524
Fund balance at end of year	\$ 9,934,335	\$ 90,452	\$ 10,024,787

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Fire District Fund - This fund accounts for the ad valorem tax levies of the seven fire districts in Duplin County.

Revaluation Fund - This fund accounts for the accumulation of resources to be used for the octennial revaluation of real property.

Community Development Revolving Loan Fund – This fund accounts for developmental loans to local private businesses.

Grant Repayments - This fund accounts for State grants that provided loans to local private businesses.

Emergency Telephone System Fund - This fund was established in accordance with North Carolina law to account for the accumulation of telephone surcharges to be used for emergency telephone systems.

Capital Reserve Funds - These funds were established in accordance with North Carolina law to account for the accumulation of resources to be used for various construction projects. When construction begins, the fund balance will be transferred to a Capital Projects Fund.

Grant Project Funds - These funds account for sundry projects funded by federal grants, State grants, or a combination of both federal and State grants. Separate funds account for the revenues and expenditures associated with each grant's intended purpose.

School Planning Allocation Fund – This fund accounts for sales tax revenues designated for public school debt service.

Tourism Fund – This fund accounts for occupancy tax revenues designated to promote tourism within the County.

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2009

	Fire District Fund	Revaluation Fund	Community Development Revolving Loan Fund	School Planning Allocation Fund
ASSETS				
Cash and investments	\$ -	\$ 362,305	\$ 717,880	\$ 2,873,757
Accounts receivable	-	-	-	-
Taxes receivable	55,970	-	-	-
Notes receivable	-	-	766,889	-
Total assets	<u>\$ 55,970</u>	<u>\$ 362,305</u>	<u>\$ 1,484,769</u>	<u>\$ 2,873,757</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deferred revenues	56,869	-	766,889	-
Due to other funds	-	-	-	-
Total liabilities	<u>56,869</u>	<u>-</u>	<u>766,889</u>	<u>-</u>
FUND BALANCES				
Reserved by state statute	-	-	-	-
Unreserved				
Designated for subsequent years' expenditures	-	-	-	-
Undesignated	(899)	362,305	717,880	2,873,757
Total equity	<u>(899)</u>	<u>362,305</u>	<u>717,880</u>	<u>2,873,757</u>
Total liabilities and fund balances	<u>\$ 55,970</u>	<u>\$ 362,305</u>	<u>\$ 1,484,769</u>	<u>\$ 2,873,757</u>

Duplin County, North Carolina
 NON-MAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 June 30, 2009

Exhibit D-1

Emergency Telephone System Fund	Capital Reserve Funds	Grant Project Funds	County Trust Fund	Tourism Fund	Automated Enhancement & Preservation Fund	Total
\$ 1,088,660	4,721,420	\$ 2,950	\$ 98,504	\$ 171,012	\$ 7,395	10,043,884
35,250	535,415	-	-	16,762	-	587,427
-	-	-	-	-	-	55,970
-	-	-	-	-	-	766,889
<hr/>						
<u>\$ 1,123,910</u>	<u>\$ 5,256,835</u>	<u>\$ 2,950</u>	<u>\$ 98,504</u>	<u>\$ 187,774</u>	<u>\$ 7,395</u>	<u>11,454,170</u>
<hr/>						
\$ -	\$ 690,166	-	\$ -	\$ 5,878	-	\$ 696,045
-	-	-	-	-	-	823,758
-	-	-	32	-	-	32
-	690,166	-	32	5,878	-	1,519,835
<hr/>						
35,250	535,415	-	-	16,761	-	587,426
15,955	288,172	-	-	-	-	304,127
<u>1,072,705</u>	<u>3,743,082</u>	<u>2,950</u>	<u>98,472</u>	<u>165,135</u>	<u>7,395</u>	<u>9,042,782</u>
<u>1,123,910</u>	<u>4,566,669</u>	<u>2,950</u>	<u>98,472</u>	<u>181,896</u>	<u>7,395</u>	<u>9,934,334</u>
<hr/>						
<u>\$ 1,123,910</u>	<u>\$ 5,256,835</u>	<u>\$ 2,950</u>	<u>\$ 98,504</u>	<u>\$ 187,774</u>	<u>\$ 7,395</u>	<u>11,454,169</u>

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
For The Fiscal Year Ended June 30, 2009

	Fire District Fund	Revaluation Fund	Community Development Revolving Loan Fund	School Planning Allocation Fund	Emergency Telephone System Fund
Revenues:					
Federal and state grants	\$ -	\$ -	\$ -	\$ -	\$ -
Ad Valorem taxes	586,534	-	-	-	-
Investment earnings	-	6,279	43,291	96,036	16,846
Other taxes and licenses	-	-	-	-	468,669
Sales tax revenues	-	-	-	1,155,750	-
Donations	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-
Loan payments	-	-	88,559	-	-
Total revenues	<u>586,534</u>	<u>6,279</u>	<u>131,850</u>	<u>1,251,786</u>	<u>485,515</u>
Expenditures					
General government	16,546	-	-	-	-
Public safety	569,496	-	-	-	316,217
Education capital outlay schools	-	-	-	-	-
Economic and Physical Development	-	260,974	200,000	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>586,042</u>	<u>260,974</u>	<u>200,000</u>	<u>-</u>	<u>316,217</u>
Revenues over (under) expenditures	492	(254,695)	(68,150)	1,251,786	169,298
Other financing sources (uses)					
Transfers in (out)					
From other funds	-	135,000	-	-	45,094
To other funds	-	-	-	(311,000)	(499)
Total other financing sources (uses)	<u>-</u>	<u>135,000</u>	<u>-</u>	<u>(311,000)</u>	<u>44,595</u>
Revenues and other financing sources over (under) expenditures and other financing uses	492	(119,695)	(68,150)	940,786	213,893
Fund balance at beginning of year	<u>(1,391)</u>	<u>482,000</u>	<u>786,030</u>	<u>1,932,971</u>	<u>910,017</u>
Fund balance at end of year	<u>\$ (899)</u>	<u>\$ 362,305</u>	<u>\$ 717,880</u>	<u>\$ 2,873,757</u>	<u>\$ 1,123,911</u>

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
For The Fiscal Year Ended June 30, 2009

Exhibit D-2

Capital Reserve Funds	Grant Project Funds	County Trust Fund	Tourism Fund	Automation Enhancement & Preservation Fund	Total
\$ -	\$ 371,005	\$ -	\$ -	\$ -	\$ 371,005
-	-	-	-	-	586,534
91,621	-	1,493	2,532	247	258,345
-	-	-	198,169	-	666,838
2,164,662	-	-	-	-	3,320,412
-	-	33,791	-	-	33,791
-	-	-	-	-	-
-	-	-	-	-	88,559
2,256,283	371,005	35,284	200,701	247	5,325,484
-	247,275	17,264	161,570	27,711	470,366
-	15,477	-	-	-	901,190
2,957,166	6,350	-	-	-	2,963,516
-	150,323	-	-	-	611,297
-	-	-	-	-	-
2,957,166	419,425	17,264	161,570	27,711	4,946,369
(700,883)	(48,420)	18,020	39,131	(27,464)	379,114
499	47,500	-	-	17,009	245,102
(1,089,706)	(12,424)	-	-	-	(1,413,629)
(1,089,207)	35,076	-	-	17,009	(1,168,527)
(1,790,090)	(13,344)	18,020	39,131	(10,455)	(789,413)
6,356,759	16,294	80,452	142,765	17,850	10,723,747
\$ 4,566,669	\$ 2,950	\$ 98,472	\$ 181,896	\$ 7,395	\$ 9,934,334

Duplin County, North Carolina
FIRE DISTRICT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit D-3

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Ad valorem taxes	\$ 605,575	\$ 586,534	\$ (19,041)
Expenditures			
General government:			
Commission to General Fund	17,007	16,546	461
Public Safety			
Oak Wolfe Fire District	42,780	39,631	3,149
Glisson Fire District	83,270	81,004	2,266
Sarecta Fire District	71,173	69,531	1,642
East Duplin Fire District	73,611	71,725	1,886
Albertson Fire District	53,635	50,618	3,017
Stacy Britt Fire District	120,590	119,106	1,483
Franklin Fire District	16,307	15,289	1,018
Northeast Fire District	127,203	122,592	4,611
Total Public Safety	<u>588,568</u>	<u>569,496</u>	<u>19,072</u>
Total expenditures	<u>605,575</u>	<u>586,042</u>	<u>19,533</u>
Revenues over expenditures	<u>\$ -</u>	492	<u>\$ 492</u>
Fund balance, beginning of year		<u>(1,391)</u>	
Fund balance, end of year		<u>\$ (899)</u>	

Duplin County, North Carolina
REVALUATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit D-4

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment earnings	\$ -	\$ 6,279	\$ 6,279
Expenditures			
Revaluation			
Operating expenditures	416,481	260,974	155,507
Revenues over (under) expenditures	(416,481)	(254,695)	161,786
Other financing sources:			
Transfers - in			
From General Fund	135,000	135,000	-
Revenues and other financing sources over (under) expenditures	(281,481)	(119,695)	161,786
Appropriated fund balance	281,481	-	(281,481)
Revenues, other financing sources and appropriated fund balance over (under) expenditures	<u>\$ -</u>	(119,695)	<u>\$ (119,695)</u>
Fund balance, beginning of year		482,000	
Fund balance, end of year		<u>\$ 362,305</u>	

Duplin County, North Carolina
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit D-5

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment earnings	\$ -	\$ 43,291	\$ 43,291
Loan payments	-	88,559	88,559
Total revenues	-	131,850	131,850
Expenditures:			
Economic and physical development			
Community development loans	240,000	200,000	40,000
Revenues over (under) expenditures	(240,000)	(68,150)	171,850
Appropriated fund balance	240,000	-	(240,000)
Revenues and appropriated fund balance over (under) expenditures	\$ -	(68,150)	\$ (68,150)
Fund balance at beginning of year		786,030	
Fund balance at end of year		\$ 717,880	

Duplin County, North Carolina
 SCHOOL PLANNING ALLOCATION FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2009

Exhibit D-6

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Tax revenues	\$ 302,801	\$ 302,801	\$ -
Lottery revenues	281,304	852,949	571,645
Investment earnings	4,912	96,036	91,124
Total revenues	<u>589,017</u>	<u>1,251,786</u>	<u>662,769</u>
Expenditures:			
Lottery expenditures	<u>281,304</u>	-	<u>281,304</u>
Revenues over (under) expenditures	307,713	1,251,786	944,073
Other financing uses			
Transfers to Debt Service Fund	<u>(311,000)</u>	<u>(311,000)</u>	-
Revenues over (under) expenditures and other financing uses	(3,287)	940,786	944,073
Appropriated fund balance	<u>3,287</u>	-	<u>(3,287)</u>
Revenues and appropriated fund balance over (under) expenditures and other financing uses	<u>\$ -</u>	940,786	<u>\$ 940,786</u>
Fund balance at beginning of year		<u>1,932,971</u>	
Fund balance at end of year		<u>\$ 2,873,757</u>	

Duplin County, North Carolina
EMERGENCY TELEPHONE SYSTEM FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit D-7

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Emergency Telephone Services			
Other taxes and licenses	\$ 393,228	\$ 467,085	\$ 73,857
Investment earnings	-	14,730	14,730
Wireline Services			
Other taxes and licenses	499	1,584	1,085
Investment earnings	2,116	2,116	-
Total revenues	395,843	485,515	89,673
Expenditures:			
Emergency Telephone Services			
Operating Expenditures	174,347	124,177	50,170
Capital outlay	218,881	-	218,881
Wireline Project			
Operating Expenditures	45,505	33,146	12,358
Capital outlay	528,773	158,894	369,879
Total expenditures	967,506	316,217	651,289
Revenues over (under) expenditures	(571,663)	169,298	740,962
Other financing sources:			
Transfers to Capital Reserve-E 911 Equipment	(499)	(499)	-
Transfers from Capital Reserve-Backup PSAP	427,331	45,094	(382,237)
Total other financing sources	426,832	44,595	(382,237)
Revenues and other financing sources over (under) expenditures	(144,831)	213,893	358,724
Appropriated fund balance	144,831	-	(144,831)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures	\$ -	213,893	\$ 213,893
Fund balances:			
Beginning of year, July 1		910,017	
End of year, June 30		\$ 1,123,910	

Duplin County, North Carolina
CAPITAL RESERVE FUNDS
COMBINING BALANCE SHEET
 June 30, 2009

Exhibit D-8

	Capital Reserve Fund	Capital Reserve School Fund	Capital Reserve JSCC Fund	June 30, 2009
ASSETS				
Cash and investments	\$ 1,734,484	\$ 2,776,650	\$ 210,286	\$ 4,721,420
Accounts receivable	-	535,415	-	535,415
Total assets	\$ 1,734,484	\$ 3,312,065	\$ 210,286	\$ 5,256,835
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ -	\$ 690,166	\$ -	\$ 690,166
FUND BALANCE				
Reserved by state statute	-	535,415	-	535,415
Undesignated	1,734,484	2,086,484	210,286	4,031,254
Total equity	1,734,484	2,621,899	210,286	4,566,669
Total liabilities and fund balance	\$ 1,734,484	\$ 3,312,065	\$ 210,286	\$ 5,256,835

Duplin County, North Carolina
CAPITAL RESERVE FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2009

Exhibit D-9

	Capital Reserve Fund	Capital Reserve School Fund	Capital Reserve JSCC Fund	June 30, 2009
Revenues:				
Investment earnings	\$ 32,267	\$ 55,778	\$ 3,576	\$ 91,621
Sales tax 1/2 (30%)	-	724,457	-	724,457
Sales tax 1/2 (60%)	-	1,440,205	-	1,440,205
Total revenues	<u>32,267</u>	<u>2,220,440</u>	<u>3,576</u>	<u>2,256,283</u>
Expenditures				
Education - capital outlay schools	-	2,957,166	-	2,957,166
Revenues over (under) expenditures	32,267	(736,726)	3,576	(700,883)
Other financing sources (uses):				
Transfers - in (out)				
From other funds	499	-	-	499
To Other Funds	(160,446)	(929,260)	-	(1,089,706)
Total other financing sources (uses)	<u>(159,947)</u>	<u>(929,260)</u>	<u>-</u>	<u>(1,089,207)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	(127,680)	(1,665,986)	3,576	(1,790,090)
Fund balance at beginning of year	<u>1,862,164</u>	<u>4,287,885</u>	<u>206,710</u>	<u>6,356,759</u>
Fund balance at end of year	<u>\$ 1,734,484</u>	<u>\$ 2,621,899</u>	<u>\$ 210,286</u>	<u>\$ 4,566,669</u>

Duplin County, North Carolina
CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit D-10

	Actual				Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings	\$ 208,057	\$ 353,707	\$ 32,267	\$ 385,974	\$ 177,917
Expenditures					
Capital reserve	1,089,224	-	-	-	1,089,224
Revenues over (under) expenditures	(881,167)	353,707	32,267	385,974	1,267,143
Other financing sources (uses):					
Transfers - in (out)					
From General Fund	1,753,828	1,753,828	-	1,753,828	-
From Emergency Telephone Fund	610,488	609,989	499	610,488	-
To Backup PSAP Project	(429,377)	(2,045)	(45,094)	(47,139)	382,237
To Capital Project - Communications	(18,294)	-	(18,294)	(18,294)	-
To Capital Project - Fire Equipment	(17,670)	-	(17,670)	(17,670)	-
To Capital Project - E911	(8,518)	-	(8,518)	(8,518)	-
To County Wide Sewer Project	(2,500)	-	-	-	2,500
To Duplin Commons Project	(851,615)	(780,745)	(70,870)	(851,615)	-
To Senior Center Project	(94,725)	(72,120)	-	(72,120)	22,605
To Industrial Expansion - Access Project	(60,000)	-	-	-	60,000
To Rockfish Project	(450)	(450)	-	(450)	-
Total other financing sources (uses)	881,168	1,508,457	(159,947)	1,348,510	467,343
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 1,862,164	(127,680)	\$ 1,734,484	\$ 1,734,484
Fund balance at beginning of year			1,862,164		
Fund balance at end of year			\$ 1,734,484		

Duplin County, North Carolina
CAPITAL RESERVE FUND - SCHOOL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

Exhibit D-11

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment earnings	\$ 56,166	\$ 55,778	\$ (389)
Sales tax 1/2 (30%)	691,300	724,457	33,157
Sales tax 1/2 (60%)	1,382,500	1,440,205	57,705
Total revenues	2,129,966	2,220,440	90,473
Expenditures			
Education			
School capital outlay	3,580,203	2,957,166	623,037
Revenues over (under) expenditures	(1,450,237)	(736,726)	713,511
Other financing sources (uses):			
Transfers - in (out)			
To Debt Service Fund	(930,159)	(929,260)	900
Revenues and other financing sources over (under) expenditures and other financing uses	(2,380,396)	(1,665,986)	714,410
Appropriated fund balance	2,380,396	-	(2,380,396)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ -	(1,665,986)	\$ (1,665,986)
Fund balance at beginning of year		4,287,885	
Fund balance at end of year		\$ 2,621,899	

Duplin County, North Carolina
CAPITAL RESERVE FUND - JSCC
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

Exhibit D-12

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment earnings	\$ -	\$ 3,576	\$ 3,576
Expenditures			
Capital reserve	-	-	-
Revenues over (under) expenditures	-	3,576	3,576
Fund balance appropriated	-	-	-
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>3,576</u>	<u>\$ 3,576</u>
Fund balance at beginning of year		<u>206,710</u>	
Fund balance at end of year		<u>\$ 210,286</u>	

Duplin County, North Carolina
NON-MAJOR GRANT PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2009

Exhibit D-13

	Department Of Justice Grant Fund	CDBG SSH06C1524	HMPG	Community Development Block Grant (05-C)	Farmland Preservation Grant	Total
Revenues:						
Restricted intergovernmental revenues						
Federal and State grants	\$ 11,607	\$ 172,141	\$ 150,323	\$ 27,634	\$ 9,300	\$ 371,005
Investment earnings	-	-	-	-	-	-
Total revenues	<u>11,607</u>	<u>172,141</u>	<u>150,323</u>	<u>27,634</u>	<u>9,300</u>	<u>371,005</u>
Expenditures						
Economic and physical development						
Long-term recovery	-	172,141	-	-	-	172,141
Public safety	15,477	-	-	-	-	15,477
Economic and physical development	-	-	150,323	-	6,350	156,673
General government	-	-	-	75,134	-	75,134
Total expenditures	<u>15,477</u>	<u>172,141</u>	<u>150,323</u>	<u>75,134</u>	<u>6,350</u>	<u>419,425</u>
Revenues over (under) expenditures	(3,870)	-	-	(47,500)	2,950	(48,420)
Other financing sources (uses):						
Transfers in (out)						
To other funds	(12,424)	-	-	-	-	(12,424)
From other funds	-	-	-	47,500	-	47,500
Total other financing sources (uses):	<u>(12,424)</u>	<u>-</u>	<u>-</u>	<u>47,500</u>	<u>-</u>	<u>35,076</u>
Revenues and other financing sources over (under) expenditures	(16,294)	-	-	-	2,950	(13,344)
Fund balance at beginning of year	<u>16,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,294</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,950</u>	<u>\$ 2,950</u>

Duplin County, North Carolina
COMMUNITY DEVELOPMENT BLOCK GRANT (05-C)
-SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit D-14

	Actual				Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental revenues					
Federal and state grants	\$ 599,194	\$ 571,560	\$ 27,634	\$ 599,194	\$ -
Expenditures:					
Economic and physical development	646,694	571,560	75,134	646,694	-
Revenues over (under) expenditures	(47,500)	-	(47,500)	(47,500)	-
Other financing sources:					
Transfer from other funds					
General fund	47,500	-	47,500	47,500	-
Revenues and other financing sources over (under) expenditures	\$ -	\$ -	-	\$ -	\$ -
Fund balance at beginning of year			-		
Fund balance at end of year			\$ -		

Duplin County, North Carolina
 CDBG-SSH 06C1524
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL**
 From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit D-15

	Actual			Total to Date	Variance Postive (Negative)
	Project Authorization	Prior Years	Current Year		
Revenues:					
Restricted intergovernmental revenues					
State grants	\$ 400,000	\$ 119,597	\$ 172,141	\$ 291,738	\$ (108,262)
Expenditures:					
FEMA Long-term recovery	400,000	119,597	172,141	291,738	\$ (108,262)
Revenues over (under) expenditures	\$ -	\$ -	-	\$ -	\$ -
Fund balance at beginning of year			-		
Fund balance at end of year			\$ -		

Duplin County, North Carolina
DEPARTMENT OF JUSTICE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit D-16

	Actual				Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental revenues					
State grants	\$ 37,692	\$ 26,085	\$ 11,607	\$ 37,692	\$ -
Expenditures:					
Economic and physical development					
Salaries	48,056	34,779	13,277	48,056	-
Operating expenses	2,200	-	2,200	2,200	-
Total expenditures	50,256	34,779	15,477	50,256	-
Revenues over (under) expenditures	(12,564)	(8,694)	(3,870)	(12,564)	-
Other financing sources (uses):					
Transfers - in					
From (to) General Fund	12,564	24,988	(12,424)	12,564	-
Revenues and other financing sources over expenditures	\$ -	\$ 16,294	(16,294)	\$ -	\$ -
Fund balance at beginning of year			16,294		
Fund balance at end of year			\$ -		

Duplin County, North Carolina
FARMLAND PRESERVATION GRANT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit D-17

	Actual			Total to Date	Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year		
Revenues:					
Restricted intergovernmental revenues					
State grants	\$ 242,000	\$ -	\$ 9,300	\$ 9,300	\$ 232,700
In-kind	<u>59,600</u>	-	-	-	<u>59,600</u>
Total	301,600	-	9,300	9,300	292,300
Expenditures:					
Economic and physical development					
Agricultural development	<u>301,600</u>	-	<u>6,350</u>	<u>6,350</u>	<u>295,250</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	2,950	<u>\$ 2,950</u>	<u>\$ 2,950</u>
Fund balance at beginning of year			-		
Fund balance at end of year			<u>\$ 2,950</u>		

Duplin County, North Carolina
HMPG
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit D-18

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted intergovernmental revenues					
State grants	\$ 150,323	\$ 123,909	\$ 150,323	\$ 150,323	\$ -
Expenditures					
Economic and physical development	150,323	123,909	150,323	150,323	-
Revenues over (under) expenditures	\$ -	\$ -	-	\$ -	\$ -
Fund balance at beginning of year			-		
Fund balance at end of year			\$ -		

Duplin County, North Carolina
TOURISM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

Exhibit D-19

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental revenues			
Occupancy tax	\$ 197,771	\$ 198,169	\$ 398
Investment earnings	<u>1,870</u>	<u>2,532</u>	<u>662</u>
Total revenues	199,641	200,701	1,060
Expenditures:			
Economic and physical development			
Salaries	107,296	107,014	283
Operating expenses	<u>92,345</u>	<u>54,556</u>	<u>37,788</u>
Total expenditures	<u>199,641</u>	<u>161,570</u>	<u>38,071</u>
Revenues over (under) expenditures	<u>\$ -</u>	39,131	<u>\$ 39,131</u>
Fund balance at beginning of year		<u>142,765</u>	
Fund balance at end of year		<u>\$ 181,896</u>	

Duplin County, North Carolina
AUTOMATION ENHANCEMENT AND PRESERVATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

Exhibit D-20

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	\$ -	\$ 247	\$ 247
Expenditures			
Register of deeds Expenditures	37,816	27,711	10,105
Revenues over (under) expenditures	(37,816)	(27,464)	10,352
Other financing sources			
Transfers in:			
From general fund	20,000	17,009	(2,991)
Revenues and other financing sources over (under) expenditures	(17,816)	(10,455)	7,361
Appropriated fund balance	17,816	-	(17,816)
Revenues, other financing sources and appropriated fund balance over (under) expenditures	\$ -	(10,455)	(10,455)
Fund balance at beginning of year		17,850	
Fund balance at end of year		\$ 7,395	

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CAPITAL PROJECTS FUNDS

Capital Projects 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 and Trust Funds.

Individual Fund Description:

Industrial Expansion Capital Project Fund - Accounts for industrial expansion. The project will be financed primarily by federal grants, tap fees, loans from Global Transpark Authority and transfers from other funds.

County Projects Fund - Accounts for the construction of the new agricultural office complex and arena, for courthouse renovations, and for the new senior center. The projects will be financed primarily through USDA funding.

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Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
For the Fiscal Year Ended June 30, 2009

Exhibit E-1

	Industrial Expansion Capital Project	Capital Project Fund	<u>Totals</u> June 30, 2009
Assets			
Current assets			
Cash and investments	\$ 82,251	\$ 8,201	\$ 90,452
Total assets	<u>\$ 82,251</u>	<u>\$ 8,201</u>	<u>\$ 90,452</u>
Liabilities and Fund Balance			
Liabilities			
None	\$ -	\$ -	\$ -
Equity			
Unreserved			
Designated for capital expenditures	82,251	8,201	90,452
Total fund equity	<u>82,251</u>	<u>8,201</u>	<u>90,452</u>
Total liabilities and fund balance	<u>\$ 82,251</u>	<u>\$ 8,201</u>	<u>\$ 90,452</u>

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
For The Fiscal Year Ended June 30, 2009

Exhibit E-2

	Industrial Expansion Capital Project Fund	Capital Project Fund	Total
Revenues:			
State revenues	\$ 20,000	\$ -	\$ 20,000
Investment earnings	566	2,825	3,391
Total revenues	20,566	2,825	23,391
Expenditures			
Capital projects	24,000	376,068	400,068
Revenues over (under) expenditures	(3,434)	(373,243)	(376,677)
Other financing sources (uses):			
Transfers in (out)			
From other funds	12,981	115,352	128,333
To other funds	(12,981)	-	(12,981)
Total other financing sources (uses)	-	115,352	115,352
Revenues & other financing sources over (under) expenditures & other financing uses	(3,434)	(257,891)	(261,325)
FUND BALANCES, beginning of year	85,685	266,092	351,777
FUND BALANCES, end of year	\$ 82,251	\$ 8,201	\$ 90,452

Duplin County, North Carolina
INDUSTRIAL EXPANSION CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit E-3

	Actual				Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
Revenues					
State grants	\$ 30,000	\$ -	\$ -	\$ -	\$ (30,000)
Global Transpark grant	185,798	165,798	20,000	185,798	-
Investment earnings	10,024	10,092	566	10,658	634
Contributions	11,250	11,250	-	11,250	-
Total revenues	237,072	187,140	20,566	207,706	(29,366)
Expenditures					
US Cold Storage	50,000	25,000	-	25,000	25,000
Air Park	733,532	733,532	-	733,532	-
Menlo logistics	30,000	-	-	-	30,000
Chase packing	20,000	-	20,000	20,000	-
Southpark industrial site	35,867	30,218	-	30,218	5,649
Westpark floor	36,250	25,000	-	25,000	11,250
Swinson electric	4,000	-	4,000	4,000	-
Economic development reserve	44,717	-	-	-	44,717
Westpark access road	60,000	-	-	-	60,000
Total expenditures	1,014,366	813,750	24,000	837,750	176,616
Revenues over (under) expenditures	(777,294)	(626,610)	(3,434)	(630,044)	147,250
Other financing sources (uses)					
Global Transpark loan - (Airport)	250,000	250,000	-	250,000	-
Tri County EMC Loan - (Airport)	440,000	440,000	-	440,000	-
Transfers - in (out)					
From other funds	108,717	35,736	12,981	48,717	(60,000)
From General Fund	30,000	25,000	-	25,000	(5,000)
To Capital Project	(51,423)	(38,441)	(12,981)	(51,422)	(1)
Total other financing sources (uses)	777,294	712,295	-	712,295	(65,000)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 85,685	(3,434)	\$ 82,251	\$ 82,251
Fund balance at beginning of year			85,685		
Fund balance at end of year			\$ 82,251		

Duplin County, North Carolina
 CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit E-4

	Actual				Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
Revenues					
Sales tax	\$ 405,471	\$ 405,471	\$ -	\$ 405,471	\$ -
Federal grants	200,000	200,000	-	200,000	-
State grants	2,542,550	2,502,550	-	2,502,550	(40,000)
Proceeds from federal loan	11,000,000	11,000,000	-	11,000,000	-
Donations	1,000	1,000	-	1,000	-
Investment earnings	467,465	465,782	2,825	468,607	1,142
Total revenues	14,616,486	14,574,803	2,825	14,577,628	(38,858)
Expenditures					
County-wide sewer	50,000	-	-	-	50,000
Clean Water	230,000	230,000	-	230,000	-
Duplin Commons	15,164,965	14,788,897	376,068	15,164,965	-
Senior Center	189,415	167,251	-	167,251	22,164
Total expenditures	15,634,380	15,186,148	376,068	15,562,216	72,164
Revenues over (under) expenditures	(1,017,894)	(611,345)	(373,243)	(984,588)	33,306
Other financing sources					
Transfers in (out)					
From other funds	1,017,894	877,436	115,352	992,788	(25,106)
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 266,092</u>	<u>(257,891)</u>	<u>\$ 8,201</u>	<u>\$ 8,201</u>
Fund balance at beginning of year			<u>266,092</u>		
Fund balance at end of year			<u>\$ 8,201</u>		

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Airport Commission Fund – Operate and maintain public airport facility and provide hangar rental and fueling services for the flying public

Solid Waste Fund – To collect, recycle, and dispose of solid waste for the County

Transportation Development Plan Fund – To transport citizens for human service and community service needs

Duplin County Water District Funds – These funds are used to account for the County's water operations.

Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2009

Exhibit F-1

	Transportation Development Plan Fund	County Water Fund	Albertson Water and Sewer Fund	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 43,296	\$ 223,121	\$ 818,313	\$ 1,084,730
Accounts receivables (net)	69,523	341	12,454	82,318
Due from other funds	-	59,251	132	59,383
Inventory	-	24,236	-	24,236
Intergovernmental receivable	-	232,000	-	232,000
Total current assets	<u>112,819</u>	<u>538,949</u>	<u>830,899</u>	<u>1,482,667</u>
Fixed assets (net of accumulated depreciation)	<u>465,776</u>	<u>3,581,676</u>	<u>2,930,060</u>	<u>6,977,512</u>
Total assets	<u>578,595</u>	<u>4,120,625</u>	<u>3,760,959</u>	<u>8,460,179</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liability	15,014	1,220	-	16,234
Due to other funds	6	14	6,038	6,058
Customer deposits	-	1,325	26,755	28,080
Current portion of noncurrent liabilities	-	-	18,405	18,405
Total current liabilities	<u>15,020</u>	<u>2,559</u>	<u>51,198</u>	<u>68,777</u>
Non-current liabilities:				
Compensated absences payable	23,500	27,698	-	51,198
Note payable - noncurrent	-	-	239,272	239,272
Total noncurrent liabilities	<u>23,500</u>	<u>27,698</u>	<u>239,272</u>	<u>290,470</u>
Total liabilities	<u>38,520</u>	<u>30,257</u>	<u>290,470</u>	<u>359,247</u>
NET ASSETS				
Invested in capital assets, net of related debt	465,776	3,581,676	2,672,383	6,719,835
Unrestricted	<u>74,299</u>	<u>508,692</u>	<u>798,106</u>	<u>1,381,097</u>
Total net assets	<u>\$ 540,075</u>	<u>\$ 4,090,368</u>	<u>\$ 3,470,489</u>	<u>\$ 8,100,932</u>

Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN RETAINED EARNINGS
For The Fiscal Year Ended June 30, 2009

Exhibit F-2

	Transportation Development Plan Fund	County Water Fund	Albertson Water and Sewer Fund	Total
OPERATING REVENUES:				
Water sales	\$ -	\$ 33,968	\$ 304,344	\$ 338,312
Administration fees	-	685,853	-	685,853
Miscellaneous	-	43,986	-	43,986
Charges for Services	508,027	-	-	508,027
Total operating revenues	508,027	763,807	304,344	1,576,178
OPERATING EXPENSES:				
Operating expenses	891,809	725,554	165,953	1,783,316
Depreciation	109,260	114,519	75,483	299,262
Total operating expenses	1,001,069	840,073	241,436	2,082,578
Operating income (loss)	(493,042)	(76,266)	62,908	(506,400)
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings	766	13,324	13,007	27,097
Interest expense	-	-	(7,924)	(7,924)
Gain (loss) on sale of assets	(36,174)	1,111	-	(35,063)
Miscellaneous	25	9,082	135	9,242
Total non-operating revenue (expense)	(35,383)	23,517	5,218	(6,648)
Net income (loss) before contributions and transfers	(528,425)	(52,749)	68,126	(513,048)
Capital contributions	542,751	-	2,000	544,751
Transfers from other funds	50,000	-	-	50,000
Change in net assets	64,326	(52,749)	70,126	81,703
TOTAL NET ASSETS, beginning of year	475,749	4,143,117	3,400,363	8,019,229
TOTAL NET ASSETS, end of year	\$ 540,075	\$ 4,090,368	\$ 3,470,489	\$ 8,100,932

Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For The Fiscal Year Ended June 30, 2009

Exhibit F-3

Page 1 of 2

	Transportation Development Plan Fund	County Water Fund	Albertson Water and Sewer Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 487,314	\$ 763,700	\$ 302,510	\$ 1,553,524
Cash paid for goods and services	(394,928)	(200,607)	(165,953)	(761,488)
Cash paid to employees for services	(481,209)	(522,684)	-	(1,003,893)
Customer deposits received	-	200	720	920
Net cash provided by operating activities	(388,823)	40,609	137,277	(210,937)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in (out)	50,000	-	-	50,000
Miscellaneous	25	9,082	135	9,242
Net cash provided by non-capital financing activities	50,025	9,082	135	59,242
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	542,751	-	2,000	544,751
Proceeds from sale of fixed assets	6,231	1,111	-	7,342
Advances from (to) other funds	10,747	(20,145)	(482)	(9,880)
Acquisition and construction of capital assets	(225,613)	(24,480)	(4,020)	(254,113)
Principal paid on bond maturities and equipment contracts	-	-	(18,406)	(18,406)
Interest paid on bond maturities and equipment contracts	-	-	(7,924)	(7,924)
Net cash provided by (used in) capital and related financing activities	334,116	(43,514)	(28,832)	261,770
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	766	13,324	13,007	27,097
Net increase (decrease) in cash and cash equivalents	(3,916)	19,501	121,587	137,172
Cash and cash equivalents at beginning of year	47,212	203,620	696,726	947,558
Cash and cash equivalents at end of year	\$ 43,296	\$ 223,121	\$ 818,313	\$ 1,084,730

Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For The Fiscal Year Ended June 30, 2009

Exhibit F-3
Page 2 of 2

	Transportation Development Plan Fund	County Water Fund	Albertson Water and Sewer Fund	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (493,042)	\$ (76,266)	\$ 62,908	\$ (506,400)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	109,260	114,519	75,483	299,262
Changes in assets and liabilities				
(Increase) decrease in accounts receivable	(20,713)	(107)	(1,834)	(22,654)
(Increase) decrease in inventory	-	(81)	-	(81)
Increase (decrease) in accounts payable	15,014	284	-	15,298
Increase (decrease) in customer deposits	-	200	720	920
Increase (decrease) in accrued vacation pay	658	2,060	-	2,718
 Total adjustments	 104,219	 116,875	 74,369	 295,463
 Net cash provided (used) by operating activities	 \$ (388,823)	 \$ 40,609	 \$ 137,277	 \$ (210,937)

Duplin County, North Carolina
AIRPORT COMMISSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES-
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2009

Exhibit F-4
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating Revenues			
Sales and rentals	\$ 567,400	\$ 387,988	\$ (179,412)
Non-operating revenues			
Investments earnings	8,000	2,763	(5,237)
Miscellaneous	400	2,274	1,874
Total non-operating revenues	8,400	5,037	(3,363)
Total revenues	575,800	393,025	(182,775)
Expenditures			
Operating expenditures			
Salaries and employee benefits		141,124	
Purchases		257,432	
Other operating expenditures		106,240	
Total operating expenditures	652,890	504,796	148,094
Revenues over (under) expenditures	(77,090)	(111,771)	(34,681)
Transfer from other funds			
General fund	276,209	276,209	-
Transfer to:			
Debt Service Fund	(108,997)	(108,994)	3
Airport Commission Capital Project Fund	(104,027)	(103,405)	622
Total other financing sources (uses)	63,185	63,810	625
Revenues and other financing sources (uses) over (under) expenditures and other financing uses	(13,905)	(47,961)	(34,056)
Appropriated fund balance	13,905	-	(13,905)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ (47,961)	\$ (47,961)

Duplin County, North Carolina
 AIRPORT COMMISSION FUND
 SCHEDULE OF REVENUES AND EXPENDITURES-
 BUDGET AND ACTUAL (NON-GAAP)
 For the Fiscal Year Ended June 30, 2009

Exhibit F-4
 Page 2 of 2

		<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:		
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$	(47,961)
Reconciling items		
Capital contributions		507,476
Earnings from Capital Project		1,106
Depreciation		(479,005)
Transfers to Debt Service		108,994
Transfers to Capital Project		103,405
Interest and fees		(17,828)
Capital Outlay		<u>16,459</u>
Total reconciling items		<u>240,607</u>
Net income (loss)	\$	<u>192,646</u>

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Duplin County, North Carolina
 AIRPORT COMMISSION CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-5

	Actual				Variance Positive (Negative)
	Project Authorization	Prior Years	Current Year	Total to Date	
Revenues					
Restricted intergovernmental					
State grant	\$ 3,585,837	\$ 2,256,438	\$ 500,481	\$ 2,756,919	\$ (828,918)
Sales Tax Refunds	7,340	29,543	6,995	36,538	29,198
Investment earnings	18,122	18,189	1,106	19,295	1,173
Total revenues	<u>3,611,299</u>	<u>2,304,170</u>	<u>508,582</u>	<u>2,812,752</u>	<u>(798,547)</u>
Expenditures					
Vision 100	532,714	167,011	298,867	465,879	66,835
Wetlands	47,778	39,925	7,853	47,778	-
2005 Airport improvements	166,667	162,429	4,238	166,667	-
Taxi/ Stormway/ Runway	910,360	-	124,077	124,077	786,283
South Parallel Taxiway #1	1,111,111	1,078,204	15,869	1,094,073	17,038
South Parallel Taxiway #2	166,667	83,106	83,561	166,667	-
South Parallel Taxiway #3	900,000	839,350	55,670	895,020	4,980
Cont. South Parallel	166,667	165,387	-	165,387	1,280
Total expenditures	<u>4,001,964</u>	<u>2,535,412</u>	<u>590,135</u>	<u>3,125,548</u>	<u>876,416</u>
Revenues over (under) expenditures	(390,665)	(231,242)	(81,553)	(312,796)	77,869
Other financing sources (uses)					
Transfer from Airport					
Commission Fund	390,665	287,260	103,405	390,666	-
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 56,018</u>	<u>\$ 21,852</u>	<u>\$ 77,870</u>	<u>\$ 77,869</u>

Duplin County, North Carolina
SOLID WASTE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-6
Page 1 of 2

	2009		
	Budget	Actual	Variance - Positive (Negative)
Operating Revenues			
Rural Availability Disposal Fees	\$ 1,332,159	\$ 1,350,317	\$ 18,158
User Fees	1,314,000	1,270,414	(43,586)
Other revenues	215,000	162,834	(52,166)
Sales and rentals	133,913	87,573	(46,340)
Total operating revenues	2,995,072	2,871,138	(123,934)
Non-operating revenues			
Investments earnings	22,936	41,725	18,789
State grant	105,931	139,229	33,298
Miscellaneous	-	449	449
Total non-operating revenues	128,867	181,403	52,536
Total revenues	3,123,939	3,052,541	(71,398)
Expenditures			
Collections			
Salaries and benefits		596,419	
Operating expenditures		603,656	
Disposals			
Salaries and benefits		239,873	
Operating expenditures		1,060,915	
Recycling			
Salaries and benefits		130,750	
Operating expenditures		58,491	
Tire Collection			
Salaries and benefits		1,541	
Operating expenditures		89,497	
White Goods			
Salaries and benefits		3,122	
Operating expenditures		59,294	
Total operating expenditures	3,107,846	2,843,558	264,288
Capital outlay	93,494	81,992	11,502
Total expenditures	3,201,341	2,925,550	275,790
Revenues over (under) expenditures	(77,401)	126,991	204,392
Other financing sources:			
Transfer from General Fund	18,670	24,370	5,700
Sales of fixed assets	-	32,570	32,570
Total other financing sources	18,670	56,940	38,270
Revenues and other sources over (under) expenditures	(58,731)	183,931	242,662
Appropriated fund balance	58,731	-	58,731
Revenues, other financing sources, and appropriated fund balance over (under) expenditures	\$ -	\$ 183,931	\$ 183,931

Duplin County, North Carolina
SOLID WASTE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-6
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues and appropriated fund balance over (under) expenditures	\$ 183,931
Reconciling items	
Depreciation	(251,542)
Basis in assets sold	(22,691)
Capital outlay	<u>65,533</u>
Total reconciling items	<u>(208,700)</u>
Net income (loss)	<u>\$ (24,769)</u>

Duplin County, North Carolina
TRANSPORTATION DEVELOPMENT PLAN FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-7
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating Revenues			
Charges for services	\$ 483,351	\$ 508,027	\$ 24,676
Total operating revenues	483,351	508,027	24,676
Non-operating revenues			
Investments earnings	4,000	766	(3,234)
State grant	567,705	542,751	(24,954)
Miscellaneous	-	25	25
Total non-operating revenues	571,705	543,542	(28,163)
Total revenues	1,055,056	1,051,569	(3,486)
Expenditures			
Salaries and benefits		481,867	
Operating expenditures		409,942	
Capital outlay		225,613	
Total expenditures	1,151,746	1,117,422	34,324
Revenues over (under) expenditures	(96,690)	(65,853)	30,837
Other financing sources (uses)			
Transfer from general fund	88,690	50,000	38,690
Proceeds from sale of assets	8,000	6,231	(1,769)
Total other financing sources (uses)	96,690	56,231	(40,459)
Revenues and other financing sources over (under) expenditures and other financing uses	-	(9,622)	(9,622)
Appropriated fund balance	-	-	-
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ (9,622)	\$ (9,622)

Duplin County, North Carolina
TRANSPORTATION DEVELOPMENT PLAN FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-7
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues and appropriated fund balance over (under) expenditures	\$ (9,622)
Reconciling items	
Depreciation	(109,260)
Basis in assets sold	(42,405)
Capital outlay	<u>225,613</u>
Total reconciling items	<u>73,948</u>
Net income (loss)	<u>\$ 64,326</u>

Duplin County, North Carolina
COUNTY WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-8
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating revenues			
Charges for services	\$ 21,975	\$ 22,046	\$ 71
Sales to Districts	16,000	10,062	(5,938)
Water taps	1,000	1,860	860
Administration fees	768,694	685,853	(82,841)
Other operating revenues	55,500	43,986	(11,514)
Total operating revenues	863,169	763,807	(99,362)
Non-operating revenues			
Investment earnings	4,885	13,324	8,439
Miscellaneous	-	9,082	9,082
Total operating revenues	4,885	22,406	17,522
Total revenues	868,054	786,213	(81,840)
Expenditures			
Administration expenditures			
Salaries and benefits		524,744	
Other administration expenditures		140,894	
Operating expenditures			
Administration expenditures		6,859	
Other operating expenditures		53,058	
Capital outlays		24,480	
Total expenditures	868,054	750,034	118,020
Revenues over (under) expenditures	-	36,179	36,179
Other financing sources (uses)			
Transfer to Water District D	(100,000)	(20,000)	80,000
Proceeds from sale of assets	-	1,111	1,111
Total other financing sources (uses)	(100,000)	(18,889)	81,111
Revenues and other financing sources over (under) expenditures and other financing uses	(100,000)	17,290	117,290
Appropriated fund balance	100,000	-	(100,000)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ 17,290	\$ 17,290

Duplin County, North Carolina
COUNTY WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-8
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues over (under) expenditures	\$ 17,290
Reconciling items	
Depreciation	(114,519)
Loan to Water District D	20,000
Capital outlay	<u>24,480</u>
Total reconciling items	<u>(70,039)</u>
Net income (loss)	<u>\$ (52,749)</u>

Duplin County, North Carolina
ALBERTSON WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-9
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating Revenues			
Charges for services	\$ 160,651	\$ 265,164	\$ 104,513
Sales to Districts	20,000	22,840	2,840
Water taps	16,500	16,340	(160)
Total operating revenues	197,151	304,344	107,193
Non-operating revenues			
Investments earnings	14,000	13,007	(993)
Miscellaneous	-	135	135
Total non-operating revenues	14,000	13,142	(858)
Total revenues	211,151	317,486	106,335
Expenditures			
Operating expenditures			
Administration expenditures		70,050	
Other operating expenditures		95,903	
Total	184,821	165,953	18,868
Debt service			
Interest		7,924	
Principal retirements		18,406	
Total	26,330	26,330	-
Total expenditures	211,151	192,283	18,868
Revenues over (under) expenditures	-	125,203	125,203
Other financing sources (uses)			
Transfer to project	(500,000)	(2,020)	497,980
Revenues and other financing sources over (under) expenditures and other financing uses	(500,000)	123,183	623,183
Appropriated fund balance	500,000	-	(500,000)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ -	\$ 123,183	\$ 123,183

Duplin County, North Carolina
ALBERTSON WATER AND SEWER FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-9
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues, other financing sources and appropriated fund balance over (under) expenditures	\$ 123,183
Reconciling items	
Debt principal retirement	18,406
Contribution from project	4,020
Depreciation	<u>(75,483)</u>
Total reconciling items	<u>(53,057)</u>
Net income (loss)	<u>\$ 70,126</u>

Duplin County, North Carolina
WATER FUND -DISTRICT B
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-10
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating revenues			
Charges for services	\$ 350,541	\$ 376,417	\$ 25,876
Sales to districts	57,000	58,493	1,493
Water taps	15,000	33,240	18,240
Total operating revenues	422,541	468,150	45,609
Non-operating revenues			
Penalties and investment earnings	-	9,845	9,845
Total revenues	422,541	477,995	55,454
Expenditures			
Operating expenditures			
Administration expenditures		117,200	
Other operating expenditures		102,249	
Total operating expenditures	265,531	219,449	46,082
Debt Service			
Interest		111,510	
Principal retirements		45,500	
Total debt service	157,010	157,010	-
Total expenditures	422,541	376,459	46,082
Revenues over (under) expenditures	\$ -	\$ 101,536	\$ 101,536

Duplin County, North Carolina
WATER FUND - DISTRICT B
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-10
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues over expenditures	\$ 101,536
Reconciling items	
Depreciation	(144,201)
Debt principal retirement	<u>45,500</u>
Total reconciling items	<u>(98,701)</u>
Net income (loss)	<u>\$ 2,835</u>

Duplin County, North Carolina
WATER FUND - DISTRICT D
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-11
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating revenues			
Charges for services	\$ 398,862	\$ 391,973	\$ (6,889)
Sales to districts	46,000	43,975	(2,025)
Water taps	45,000	31,596	(13,404)
Administration fee	870	889	19
Total operating revenues	490,732	468,433	(22,299)
Non-operating revenues			
Investment earnings	1,883	1,895	11
Miscellaneous	-	-	-
Total nonoperating revenues	1,883	1,895	11
Total revenues	492,615	470,328	(22,287)
Expenditures			
Administration expenditures		111,178	
Operating expenditures		90,119	
Total	220,018	201,297	18,721
Debt service			
Interest		201,167	
Principal retirements		73,000	
Total debt service	274,167	274,167	-
Total expenditures	494,185	475,464	18,721
Revenues over (under) expenditures	(1,570)	(5,136)	(3,566)
Other financing sources (uses)			
Transfer from capital project D	-	3	3
Transfer from county water fund	1,570	20,000	18,430
Total other financing sources (uses)	1,570	20,003	18,433
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 14,867	\$ 14,867

Duplin County, North Carolina
WATER FUND - DISTRICT D
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-11
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues and appropriated fund balance over (under) expenditures	\$ 14,867
Reconciling items	
Loan from county	(20,000)
Depreciation	(196,928)
Principal debt retirements	<u>73,000</u>
Total reconciling items	<u>(143,928)</u>
Net income (loss)	<u>\$ (129,061)</u>

Duplin County, North Carolina
WATER FUND - DISTRICT E
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-12
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating revenues			
Charges for services	\$ 455,395	\$ 487,828	\$ 32,433
Sales to districts	33,000	41,781	8,781
Water taps	30,772	33,405	2,633
Federal grants	49,600	49,600	-
Administration fees	-	145	(145)
Total operating revenues	<u>568,767</u>	<u>612,759</u>	<u>43,992</u>
Non-operating revenues			
Investment earnings	5,000	13,891	8,892
Miscellaneous	-	-	-
Total non-operating revenues	<u>5,000</u>	<u>13,891</u>	<u>8,892</u>
Total revenues	<u>573,767</u>	<u>626,650</u>	<u>52,884</u>
Expenditures			
Operating expenditures			
Administration expenditures		122,447	
Other operating expenditures		<u>170,186</u>	
Total operating expenditures	<u>322,130</u>	<u>292,633</u>	<u>29,497</u>
Debt service			
Principal		58,000	
Interest		<u>193,636</u>	
Total debt service	<u>251,637</u>	<u>251,636</u>	<u>-</u>
Total expenditures	<u>573,767</u>	<u>544,269</u>	<u>29,497</u>
Revenue over (under) expenditures	<u>\$ -</u>	<u>\$ 82,381</u>	<u>\$ 82,381</u>

Duplin County, North Carolina
WATER FUND - DISTRICT E
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-12
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues and other financing sources over (under) expenditures and other financing uses	\$ 82,381
Reconciling items	
Depreciation	(146,297)
Earning from project	98
Principal debt retirement	<u>58,000</u>
Total reconciling items	<u>(88,199)</u>
Net income (loss)	<u>\$ (5,818)</u>

Duplin County, North Carolina
WATER FUND - DISTRICT F
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-13
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating Revenues			
Charges for services	\$ 658,334	\$ 697,523	\$ 39,189
Sales of districts	73,000	77,415	4,415
Water taps	29,833	32,340	2,507
Total operating revenues	761,167	807,278	46,111
Non-operating revenues			
Miscellaneous	2,765	12,178	9,413
Investments earnings	7,500	7,728	228
Total non-operating revenues	10,265	19,906	9,641
Total revenues	771,432	827,184	55,752
Expenditures			
Operating expenditures			
Administration expenditures		150,849	
Other operating expenditures		198,125	
Total operating expenditures	443,177	348,973	94,204
Debt Service			
Interest		241,278	
Principal retirements		115,210	
Total debt service	356,490	356,488	2
Total expenditures	799,667	705,461	94,206
Revenues over (under) expenditures	(28,235)	121,723	149,957
Appropriated fund balance	28,235	-	(28,235)
Revenues and appropriated fund balance over (under) expenditures	\$ -	\$ 121,723	\$ 121,722

Duplin County, North Carolina
WATER FUND - DISTRICT F
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-13
Page 2 of 2

	<u>2009</u>
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	\$ 121,723
Reconciling items	
Depreciation	(211,267)
Capital contributions	18,429
Debt principal retirement	<u>115,210</u>
Total reconciling items	<u>(77,628)</u>
Net income (loss)	<u>\$ 44,095</u>

Duplin County, North Carolina
WATER FUND - DISTRICT G
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-14
Page 1 of 2

	2009		Variance Positive (Negative)
	Budget	Actual	
Operating revenues			
Charges for services	\$ 365,249	\$ 374,255	\$ 9,006
Sales to districts	49,375	56,479	7,104
Water taps	23,000	24,457	1,457
Total operating revenues	437,624	455,191	17,567
Non-operating revenues			
Miscellaneous	-	-	-
Investments earnings	8,650	9,219	569
Total non-operating revenues	8,650	9,219	569
Total revenues	446,274	464,410	18,136
Expenditures			
Operating expenditures			
Administration expenditures		107,271	
Other operating expenditures		111,477	
Total operating expenditures	238,125	218,748	19,377
Debt Service			
Interest		153,649	
Principal retirements		54,500	
Total debt service	208,149	208,149	-
Total expenditures	446,274	426,897	19,377
Revenues over (under) expenditures	-	37,513	37,513
Other financing uses			
Transfer to capital project	39,641	39,641	-
Revenues over (under) expenditures and other financing uses	(39,641)	(2,128)	37,513
Fund balance appropriated	39,641	-	(39,641)
Revenues and appropriated fund balance over (under) expenditures	\$ -	\$ (2,128)	\$ (2,128)

Duplin County, North Carolina
WATER FUND - DISTRICT G
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit F-14
Page 2 of 2

	2009
Reconciliation from budgetary basis (modified accrual) to full accrual basis:	
Revenues and appropriated fund balance over (under) expenditures	\$ (2,128)
Reconciling items	
Depreciation	(147,818)
Transfer to capital project	39,641
Capital contributions	37,999
Debt principal payment	<u>54,500</u>
Total reconciling items	<u>(15,678)</u>
Net income (loss)	<u>\$ (17,806)</u>

Duplin County, North Carolina
WATER DISTRICT D CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-15

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
State grant	\$ 2,990,226	\$ 2,990,226	\$ -	\$ 2,990,226	\$ -
Sales tax refund	57,644	57,644	-	57,644	-
Private contributions	13,825	13,825	-	13,825	-
Total revenues	3,061,695	3,061,695	-	3,061,695	-
Expenditures					
Rockfish construction	450	450	-	450	-
Clean water	3,047,866	3,047,866	-	3,047,866	-
Eastwood acres	13,829	10,137	3,692	13,829	-
Total expenditures	3,062,145	3,058,453	3,692	3,062,145	-
Revenues over (under) expenditures	(450)	3,242	(3,692)	(450)	-
Other financing sources					
Transfer from other funds	450	450	-	450	-
Revenues and other financing sources over (under) expenditures	\$ -	\$ 3,692	\$ (3,692)	\$ -	-

Duplin County, North Carolina
WATER DISTRICT G CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-16

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
State grant	\$ 3,200,000	\$ 3,179,577	\$ -	\$ 3,179,577	\$ (20,423)
Sales tax refund	55,577	56,793	-	56,793	1,215
Total revenues	<u>3,255,577</u>	<u>3,236,370</u>	<u>-</u>	<u>3,236,370</u>	<u>(19,208)</u>
Expenditures					
Clean water	3,248,151	3,029,932	-	3,029,932	218,220
Industrial expansion - NC 24/903	<u>212,608</u>	<u>172,967</u>	<u>39,641</u>	<u>212,608</u>	<u>-</u>
Total expenditures	<u>3,460,759</u>	<u>3,202,899</u>	<u>39,641</u>	<u>3,242,540</u>	<u>218,220</u>
Revenues over (under) expenditures	(205,182)	33,471	(39,641)	(6,170)	199,012
Other financing sources (uses)					
Transfer from other funds	207,199	167,558	39,641	207,199	-
Transfer to other funds	<u>(2,017)</u>	<u>(2,017)</u>	<u>-</u>	<u>(2,017)</u>	<u>-</u>
Total other financing sources (uses)	<u>205,182</u>	<u>165,541</u>	<u>39,641</u>	<u>205,182</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 199,012</u>	<u>\$ -</u>	<u>\$ 199,012</u>	<u>\$ 199,012</u>

Duplin County, North Carolina
WATER DISTRICT F CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-17

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
Sales tax refund	\$ 43,249	\$ 43,507	\$ 384	\$ 43,891	642
State grant	3,200,000	3,119,915	18,045	3,137,960	(62,040)
Total restricted intergovernmental revenues	3,243,249	3,163,422	18,429	3,181,851	(61,398)
Expenditures					
Clean water	3,243,249	3,163,805	18,045	3,181,850	61,398
Revenues over (under) expenditures	\$ -	\$ (383)	\$ 383	\$ -	\$ -

Duplin County, North Carolina
 WATER DISTRICT E CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-18

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
Sales tax refund	\$ 450	\$ 450	\$ -	\$ 450	\$ -
State grant	159,880	159,880	-	159,880	-
Total revenues	160,330	160,330	-	160,330	-
Expenditures					
Clean water E	160,330	165,330	(5,000)	160,330	-
Revenues over (under) expenditures	\$ -	\$ (5,000)	\$ (5,000)	\$ -	\$ -

Duplin County, North Carolina
ALBERTSON WATER DISTRICT CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-19

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
Total expenditures	1,000,000	-	2,020	2,020	(997,980)
Revenues over (under) expenditures	(1,000,000)	-	(2,020)	(2,020)	997,980
Other financing sources					
Transfer from other funds	1,000,000	-	2,020	2,020	(997,980)
Revenues and other financing sources over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Duplin County, North Carolina
STATE CLEAN WATER CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (Non-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-20

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
Total expenditures	460,000	-	-	-	(460,000)
Revenues over (under) expenditures	(460,000)	-	-	-	460,000
Other financing sources					
Transfer from other funds	460,000	-	-	-	(460,000)
Revenues and other financing sources over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

Duplin County, North Carolina
 CLEAN WATER E SYSTEM IMPROVEMENT CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 BUDGET AND ACTUAL (Non-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2009

Exhibit F-21

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues					
Restricted intergovernmental					
Total revenues	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
Total expenditures	640,685	-	-	-	(640,685)
Revenues over (under) expenditures	(640,685)	-	-	-	640,685
Other financing sources					
Transfer from other funds	640,685	-	-	-	(640,685)
Revenues and other financing sources over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

DEBT SERVICE FUND

Debt Service funds are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs.

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Duplin County, North Carolina
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

Exhibit G-1

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Investment earnings	\$ -	\$ 8,563	\$ 8,563
Expenditures			
Debt Service			
Principal retirement		2,366,847	
Interest and fees		863,468	
Total expenditures	3,230,319	3,230,315	4
Revenues under expenditures	(3,230,319)	(3,221,752)	8,567
Other financing sources			
Transfers-in (out)			
From General Fund	1,989,160	1,988,983	(177)
From Airport Commission Fund	108,997	108,994	(3)
Airport Commission Fund debt payment	(108,997)	(108,994)	3
From Capital Reserve Fund - School Fund	930,159	929,260	(899)
From School Planning Fund	311,000	311,000	-
Total other financing sources	3,230,319	3,229,243	(1,076)
Revenues and other financing sources over (under) expenditures	\$ -	7,491	\$ 7,491
Fund balance at beginning of the year		439,437	
Fund balance at end of year		\$ 446,928	

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TRUST AND AGENCY FUNDS

Trust Funds are used to account for assets held by the County in a trustee capacity. 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.

Individual Fund Descriptions:

Trust Funds

County Trust Fund – Accounts for the monies of numerous programs.

Agency Funds

County Agency Fund – Accounts for monies held in trust by the County for various departments.

Motor Vehicle Tax Fund – Accounts for the proceeds of the motor vehicle taxes that are collected by the County on behalf of the municipalities within the County.

Motor Vehicle Tax 3% Fund – Accounts for the 3% fee collected on behalf of the North Carolina Department of Motor Vehicles

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Duplin County, North Carolina
COUNTY TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For The Fiscal Year Ended June 30, 2009

Exhibit H-1

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Investment earnings	\$ -	\$ 1,493	\$ 1,493
Donations	13,860	33,791	19,931
Total revenues	13,860	35,284	21,424
Expenditures:			
General Government			
Operating expenditures	51,691	17,264	34,427
Capital outlay	42,464	-	42,464
Total expenditures	94,155	17,264	76,891
Revenues over (under) expenditures	(80,295)	18,020	98,315
Appropriated fund balance	80,295	-	(80,295)
Revenues, other financing sources and appropriated fund balance over (under) expenditures	\$ -	18,020	\$ 18,020
Fund balance at beginning of year		80,452	
Fund balance at end of year		\$ 98,472	

Duplin County, North Carolina
AGENCY FUNDS
COMBINING BALANCE SHEET
 June 30, 2009

Exhibit H-2

	Agency			Total
	County Agency Fund	Motor Vehicle Tax	Motor Vehicle 3% Fund	June 30, 2009
Assets				
Current Assets				
Cash and investments	\$ 163,287	\$ 1	\$ 3,003	\$ 166,291
Intergovernmental receivable	411	-	-	411
Total assets	\$ 163,698	\$ 1	\$ 3,003	\$ 166,702
Liabilities and Fund Equity				
Liabilities				
Miscellaneous	\$ 161,138	\$ 1	\$ 3,003	\$ 164,142
Intergovernmental payable	2,560	-	-	2,560
Total liabilities	163,698	1	3,003	166,702
Fund Equity				
Fund balance				
Reserved for specific expenditures	-	-	-	-
Total liabilities and fund balances	\$ 163,698	\$ 1	\$ 3,003	\$ 166,702

Duplin County, North Carolina
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 June 30, 2009

Exhibit H-3

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
Motor Vehicle Tax:				
Assets				
Cash and cash equivalents	\$ 88	\$ 407,634	\$ 407,721	\$ 1
Accounts receivable	-	2,866	2,866	-
Total assets	<u>\$ 88</u>	<u>\$ 410,500</u>	<u>\$ 410,587</u>	<u>\$ 1</u>
Liabilities				
Miscellaneous Liabilities	<u>\$ 88</u>	<u>\$ 410,500</u>	<u>\$ 410,587</u>	<u>\$ 1</u>
County Agency Fund:				
Assets				
Cash and cash equivalents	\$ 174,048	\$ 497,849	\$ 508,610	\$ 163,287
Intergovernmental receivable	171	2,123	1,883	411
Total assets	<u>\$ 174,219</u>	<u>\$ 499,972</u>	<u>\$ 510,493</u>	<u>\$ 163,698</u>
Liabilities				
Miscellaneous liabilities	<u>\$ 174,219</u>	<u>\$ 499,972</u>	<u>\$ 510,493</u>	<u>\$ 163,698</u>
Motor Vehicle Tax 3% Interest:				
Assets				
Cash and cash equivalents	\$ 2,489	\$ 45,027	\$ 44,513	\$ 3,003
Intergovernmental receivable	-	95,032	95,032	-
Total assets	<u>\$ 2,489</u>	<u>\$ 140,059</u>	<u>\$ 139,545</u>	<u>\$ 3,003</u>
Liabilities				
Miscellaneous Liabilities	<u>\$ 2,489</u>	<u>\$ 514</u>	<u>\$ -</u>	<u>\$ 3,003</u>
Totals - All Agency Funds:				
Assets				
Cash and cash equivalents	\$ 176,625	\$ 950,510	\$ 960,844	\$ 166,291
Intergovernmental receivable	171	97,155	96,915	411
Accounts receivable	-	2,866	2,866	-
Total assets	<u>\$ 176,796</u>	<u>\$ 1,050,531</u>	<u>\$ 1,060,625</u>	<u>\$ 166,702</u>
Liabilities				
Miscellaneous Liabilities	<u>\$ 176,796</u>	<u>\$ 910,986</u>	<u>\$ 921,080</u>	<u>\$ 166,702</u>

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INTERNAL SERVICE FUND

The Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of a County on a cost reimbursement basis.

Employee Insurance Fund - This fund is used to account for the accumulation and allocation of costs associated with the County's hospitalization insurance.

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Duplin County, North Carolina
HOSPITAL INSURANCE FUND
STATEMENT OF REVENUES AND EXPENDITURES
FINANCIAL PLAN AND ACTUAL (Non-GAAP)
For The Fiscal Year Ended June 30, 2009

Exhibit I-1

	2009		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating revenues			
Charges for services	\$ 3,255,000	\$ 3,417,221	162,221
Non-operating revenues			
Investment earnings	-	9,346	9,346
Total revenues	3,255,000	3,426,567	171,567
Expenditures:			
General Government			
Operating expenditures	3,255,000	3,130,308	124,692
Revenues over (under) expenditures	-	296,259	296,259
Other financing sources:			
Transfer from other funds	-	100,000	100,000
Revenues, other financing sources and appropriated fund balance over (under) expenditures	\$ -	396,259	\$ 396,259
Fund balance at beginning of year		347,383	
Fund balance at end of year		\$ 743,642	

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OTHER SCHEDULES

This section includes additional information on property taxes and general obligation debt.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy – County-wide Levy
- Analysis of Current Tax Levy – Secondary Market Disclosures
- Schedule of Ten Largest Tax Payers
- Computation of Legal Debt Margin
- Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

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Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
June 30, 2009

Exhibit J-1

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2008</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2009</u>
2007-2008	\$ -	\$ 25,128,446	\$ 23,741,088	\$ 1,387,358
2006-2007	1,366,158		895,366	470,792
2005-2006	473,002		164,317	308,685
2004-2005	262,286		60,997	201,289
2003-2004	209,282		39,253	170,029
2002-2003	180,562		27,754	152,808
2001-2002	172,715		16,983	155,732
2000-2001	120,794		11,434	109,360
1999-2000	109,468		9,197	100,271
1998-1999	86,807		6,007	80,800
1997-1998	80,681		80,681	-
	<u>\$ 3,061,755</u>	<u>\$ 25,128,446</u>	<u>\$ 25,053,077</u>	<u>3,137,124</u>
Less allowance for uncollectible accounts General Fund				<u>(970,289)</u>
Ad valorem taxes receivable - net General Fund				<u>\$ 2,166,835</u>
Reconciliation with revenues:				
Ad valorem taxes - General Fund				\$ 24,900,681
Reconciling items				
Interest and penalty collected				(387,817)
Discounts allowed				201,318
Taxes written off				128,042
Prior year's releases				<u>210,853</u>
Total Collections and credits				<u>\$ 25,053,077</u>

Duplin County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
For the Fiscal Year Ended June 30, 2009

Exhibit J-2

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current years rate	\$ 3,142,671,013	0.790	\$ 24,827,101	\$ 21,884,354	\$ 2,942,747
Penalties			35,135	35,135	-
	3,142,671,013		24,862,236	21,919,489	2,942,747
Discoveries:					
Current year taxes	19,004,051	0.790	150,132	138,383	11,749
Prior year's taxes	-		116,078	116,078	-
Total	19,004,051		266,210	254,461	11,749
Total property valuation	\$ 3,161,675,064				
Net Levy			25,128,446	22,173,950	2,954,496
Uncollected taxes at June 30, 2009			1,387,358	780,207	607,151
Current years taxes collected			\$ 23,741,088	\$ 21,393,743	\$ 2,347,345
Current levy collection percentage			94.48%	96.48%	79.45%

Duplin County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
SECONDARY MARKET DISCLOSURES
For the Fiscal Year Ended June 30, 2009

Exhibit J-3

Assessed Valuation:

Assessment Ratio*		100%	
Real property	\$	2,693,709,443	
Personal property		374,694,962	
Public service companies**		93,270,659	
Total assessed valuation		3,161,675,064	
Tax rate per \$100		0.790	
Levy (included discoveries, releases and abatements)***	\$	25,128,446	

* Percentage of appraised value has been established by statute

** Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission

*** The levy includes interest and penalties

Duplin County, North Carolina
 Ten Largest Tax Payers
 June 30, 2009
 (amount expressed in thousands)
 (unaudited)

Exhibit J-4

<u>Name</u>	<u>Type of Enterprise</u>	<u>Assessed Valuation</u>	<u>Tax Levy</u>	<u>Percentage of Total Assessed Valuation</u>
Butterball, Inc.	Poultry Processing	\$ 96,665,480	\$ 713,305	3.06%
Murphy-Brown LLC	Feed	83,007,335	590,165	2.63%
Duplin Land Development	Real Estate	76,634,796	554,437	2.42%
Nash Johnson & Sons	Livestock	47,020,836	328,876	1.49%
House of Raeford	Livestock	41,648,207	300,887	1.32%
Progress Energy	Utility	39,980,666	278,557	1.26%
Guilford Mills, Inc.	Textiles	33,469,835	248,507	1.06%
Coastal Carolina Clean Power	Utility	32,023,523	238,679	1.01%
Murphy Family Ventures	Livestock	30,783,064	213,540	0.97%
Case Farms, LLC	Livestock	24,608,283	169,877	0.78%
		<u>\$ 505,842,025</u>	<u>\$ 3,636,829</u>	<u>16.00%</u>

Duplin County, North Carolina
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2009
(unaudited)

Exhibit J-5

Assessed value of taxable property	\$ 3,161,675,064
	x 0.08
Debt limit - 8 percent of assessed value	<u>252,934,005</u>
Gross debt:	
Total bonded debt	19,500,200
Certificates of participation	8,016,977
Notes payable	12,505,682
Capital lease	<u>14,465</u>
Total gross debt	40,037,324
Less: Utility Debt	<u>18,699,808</u>
Total amount of debt applicable to debt limit (net debt)	<u>21,337,516</u>
Legal Debt Margin	<u><u>\$ 231,596,489</u></u>

Duplin County, North Carolina
**RATIO OF NET GENERAL OBLIGATION BONDED DEBT
 TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
 LAST FIVE FISCAL YEARS**

Exhibit J-6

Fiscal Year Ended June 30	GO Debt	Assessed Valuation	Total GO Debt to Assessed Valuation	GO Debt Population	Total Per Capita
2004	4,465,000	2,650,371,551	0.17%	49,063 ²	91.01
2005	3,920,000	2,689,056,000	0.15%	49,063 ²	79.90
2006	3,390,000	2,805,113,117	0.12%	49,063 ²	69.09
2007	2,870,000	2,941,280,236	0.10%	49,063 ²	58.50
2008	2,360,000	3,063,479,367	0.08%	49,063 ²	48.10
2009	1,865,000	3,161,675,064	0.08%	49,063 ²	38.01

¹ United States Department of Commerce, Bureau of the Census.

² For purposes of this schedule the 2000 population is being used.

COMPLIANCE SECTION

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**Report On Internal Control Over Financial Reporting And On Compliance And Other Matters
Based On An Audit Of Financial Statements Performed In Accordance With
Government Auditing Standards**

To the Board of County Commissioners
Duplin County, North Carolina

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregated remaining fund information of Duplin County, North Carolina, as of and for the year ended June 30, 2009, which collectively comprises Duplin County's basic financial statements, and have issued our report thereon dated November 23, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

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

Pittard Perry & Crone, Inc.

La Grange, North Carolina
November 23, 2009

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

To the Board of County Commissioners
Duplin County, North Carolina

Compliance

We have audited the compliance of Duplin County, North Carolina, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that are applicable to each of its major federal programs for the year ended June 30, 2009. Duplin County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Duplin County's management. Our responsibility is to express an opinion on Duplin County's compliance based on our audit.

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

In our opinion, Duplin County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

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

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control.

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

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

Pittard Perry & Crono, Inc.

La Grange, North Carolina
November 23, 2009

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

To The Board of County Commissioners
Duplin County, North Carolina

Compliance

We have audited the compliance of Duplin County, North Carolina, with the types of compliance requirements described in the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that are applicable to each of its major State programs for the year ended June 30, 2009. Duplin County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Duplin County's management. Our responsibility is to express an opinion on Duplin County's compliance based on our audit.

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

In our opinion, Duplin County complied, in all material respects, with the requirements referred to above that are applicable to each of its major State programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Duplin County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Duplin County's internal control over compliance with requirements that could have a direct and material effect on a major State program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a State program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a State program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a State program that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a State program will not be prevented or detected by the County's internal control.

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

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

Pittard Perry & Co., Inc.

La Grange, North Carolina
November 23, 2009

Duplin County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For the Fiscal Year Ended June 30, 2009

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified
that are not considered to be
material weaknesses yes none reported

Noncompliance material to financial
statements noted yes no

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? yes no
- Significant deficiencies identified
that are not considered to be
material weaknesses yes none reported

Noncompliance material to federal awards yes no

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

Any audit findings disclosed that are
required to be reported in accordance
with Section 510(a) of Circular A-133 yes no

Identification of major federal programs:

CFDA Numbers	Names of Federal Program or Cluster
10.551 } 10.561 }	Food Stamp Cluster
93.778	Medical Assistance
93.575 } 93.596 } 93.558 } 93.667 }	Subsidized Child Care Cluster

Duplin County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2009

Section I. Summary of Auditor's Results (Continued)

Dollar threshold used to distinguish
between Type A and Type B Programs \$2,027,732

Auditee qualified as low-risk auditee? ___yes Xno

State Awards

Internal control over major State programs:

-- Material weaknesses identified? ___yes Xno

-- Reportable conditions identified
that are not considered to be
material weaknesses ___yes Xnone reported

Noncompliance material to State awards ___yes Xno

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

Any audit findings disclosed that are
required to be reported in accordance with the State
Single Audit Implementation Act ___yes Xno

Identification of major State programs:

Program Names

State/County Special Assistance for Adults
Public School Bond Fund
Lottery Revenue

Section II - Financial Statement Findings

None reported

Section III- Federal Award Findings and Questioned Costs

None reported

Section IV - State Award Findings and Questioned Costs

None reported

Duplin County, North Carolina
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2009

Section II - Financial Statement Findings

None reported

Section III- Federal Award Findings and Questioned Costs

None reported

Section IV - State Award Findings and Questioned Costs

None reported

Duplin County, North Carolina
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2009

Finding: 08-1

Status: Corrected.

Finding: 08-2

Corrected.

Duplin County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 Year Ended June 30, 2009

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:				
<u>U.S. Department Of Agriculture:</u>				
<u>Food and Nutrition Service</u>				
Passed through N.C. Department of Health and Human Services:				
Division of Social Services				
Administration:				
<u>Food Stamp Cluster:</u>				
Food Stamp Program - Noncash	10.551	\$ 8,025,909	\$ -	\$ -
State Administrative Matching Grants for the Food Stamp Program	10.561	502,314	-	499,144
		8,528,223	-	499,144
Direct Benefit Payments				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	1,750,631	-	-
Total U.S. Department of Agriculture		10,278,854	-	499,144
<u>U.S. Department of Housing and Urban Development</u>				
Passed through N.C. Department of Commerce:				
Community Development Block Grant - States Program:				
05-C-1425	14.228	27,634	-	-
05-C-1442	14.228	204,416	-	-
		232,050	-	-
<u>U.S. Department of Crime Control and Public Safety</u>				
Passed through N.C. Dept. of Crime Control and Public Safety:				
Juvenile Justice Delinquency Prevention	16.540	9,166	-	-
Byrne Justice Assistance Grants	16.738	35,354	-	-
Hazard Mitigation	97.039	27,073	-	-
Emergency Management	97.042	22,833	-	-
Grants to Prevent Gang Violence	N/A	-	13,583	-
		94,426	13,583	-
<u>U.S. Department of Transportation</u>				
Passed through N.C. Dept. of Health and Human Services:				
Airport Improvement Program	20.106	341,714	-	-
Highway Planning and Construction	20.205	8,790	-	-
Public Transportation for Nonurbanized areas	20.509	316,216	30,755	-
Total U.S. Department of Transportation		666,720	30,755	-

Duplin County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 Year Ended June 30, 2009

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Department of Health and Human Services (continued):</u>				
Passed-through N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Foster Care and Adoption Cluster:				
Title IV-E Foster Care	93.658	\$ 318,254	\$ 80,531	\$ 258,865
Foster Care - Direct Benefit Payments	93.658	172,440	31,296	49,737
Adoption Assistance - Direct Benefit Payments	93.659	115,598	21,993	30,037
Total Foster Care and Adoption Cluster		606,292	133,820	338,639
Social Services Block Grant (SSBG)	93.667	214,171	29,014	78,203
Independent Living Grant	93.674	1,216	304	-
 <u>Subsidized Child Care Cluster:</u>				
Division of Social Services:				
Child Care Development Fund - Administration	93.596	111,509	-	-
Division of Child Development:				
Child Care and Development Fund - Discretionary	93.575	1,156,597	-	-
Child Care and Development Fund - Mandatory	93.596	487,906	-	-
Child Care and Development Fund - Match	93.596	170,874	93,971	-
Social Services Block Grant (SSBG)	93.667	25,730	-	-
Temporary Assistance For Needy Families (TANF)	93.558	460,670	-	-
Smart Start	N/A	-	57,166	-
State Appropriations	N/A	-	311,559	-
TANF-MOE	N/A	-	268,617	-
Total Subsidized Child Care Cluster		2,413,286	731,313	-
 <u>Health Care Financing Administration</u>				
Passed through N.C. Dept. of Health and Human Services:				
Division of Medical Assistance:				
Direct Benefit Payments:				
Medical Assistance Program	93.778	48,997,806	19,953,700	1,477,458
Division of Social Services:				
Administration:				
Medical Assistance Program	93.778	1,082,776	55,668	1,026,060
Health Choice	93.767	63,833	3,411	17,753

Duplin County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 Year Ended June 30, 2009

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>U.S. Department of Health and Human Services (continued):</u>				
<u>Centers for Disease Control</u>				
Passed through N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Projects Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	\$ 32,202	\$ -	\$ -
Family Planning Services	93.217	56,971	-	-
Prevention Investigations & Technical Assistance	93.283	13,000	-	-
Immunization Program/Aid to County Funding	93.268	20,314	-	-
Temporary Assistance for Needy Families	93.558	8,928	-	-
Preventive Health and Health Services Block Grant	93.991	13,671	-	-
<u>Health Resources and Services Administration</u>				
Passed through N.C. Department of Health and Human Services:				
Division of Public Health:				
Maternal and Child Health Services Block Grant	93.994	199,111	-	-
Total U.S. Department of Health and Human Services		56,319,030	21,083,106	3,714,982
State Awards:				
<u>N.C. Department of Health and Human Services:</u>				
Division of Social Services:				
State/County Special Assistance to Adults - Administration		-	-	60,684
State/County Special Assistance to Adults - Direct Benefit Payments		-	687,062	687,938
State Adult Protective Service		-	32,624	-
Energy Assistance Private Grants		-	1,950	-
DCD Smart Start		-	64,483	-
AFDC Incentive/Program Integrity		-	287	-
TANF Incentive/Program Integrity		-	5,726	-
State Aid to Counties		-	54,630	-
County Funded Programs		-	-	71,748
Adoption/Foster Care		-	47,878	-
State Foster Care HIV - Direct Benefit Payments		-	14,095	-
State Foster Home - Direct Benefit Payments		-	13,692	13,692
Foster Care At Risk - Direct Benefit Payments		-	2,429	523
Foster Care At Risk Maximization - Direct Benefit Payments		-	763	418

Duplin County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 Year Ended June 30, 2009

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>N.C. Department of Health and Human Services (continued):</u>				
Division of Social Services (continued):				
Foster Care Special Provision - Direct Benefit Payments		\$ -	\$ 46,879	\$ -
SFHF Maximization - Direct Benefit Payments		-	38,044	38,044
Child Welfare Services Adoption Subsidy - Direct Benefit Payment		-	82,238	13,827
Total Division of Social Services		-	1,092,780	886,874
Division of Public Health:				
General		-	80,554	-
Preparedness and Response		-	34,250	-
Communicable Disease		-	4,440	-
Minority Health		-	42,070	-
Targeted Infant Mortality Reduction		-	50,000	-
TB Medical Services		-	2,023	-
Tuberculosis		-	32,526	-
AIDS		-	500	-
Maternal Care Coordinator		-	35,160	-
Risk Reduction/Health Promotion		-	20,720	-
Women's Preventative Health		-	8,142	-
Healthy Carolinas Partnership Support		-	5,727	-
Total Division of Public Health		-	316,112	-
Total N.C. Department of Health and Human Services		-	1,408,892	886,874
<u>N.C. Department of Transportation</u>				
Public Transportation Division	<u>State No.</u>			
Wetland Mitigation	DOT-8	-	6,318	-
South Parallel Taxiway	DOT-8	-	50,103	-
Parallel Taxiway	DOT-8	-	61,920	-
Rural Operating Assistance Program (ROAP)				
Elderly and Disabled Transportation Assistance Program (E&DTAP)	DOT-16CL	-	81,189	-
Rural General Public Program (RGP)	DOT-16CL	-	83,455	-
Work First/Employment Transportation Operating Assistance (Work First)	DOT-16CL	-	14,923	-
Total N.C. Department of Transportation		-	297,908	-

Duplin County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 Year Ended June 30, 2009

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>N.C. Department of Environment and Natural Resources</u>				
Division of Environmental Health:				
Soil and Water Conservation		\$ -	\$ 46,679	\$ -
Environmental Health Service		-	6,000	-
Food and Lodging Fee Collection		-	7,395	-
Lead Prevention		-	3,750	-
Stream Restoration		-	55,067	-
			<u>118,891</u>	
Division of Waste Management:				
Scrap Tire Fund		-	40,636	-
Total N.C. Department of Environment and Natural Resources		<u>-</u>	<u>159,527</u>	<u>-</u>
<u>N.C. Office of Juvenile Justice</u>				
4-H Outreach		-	53,674	-
Gang Awareness		-	10,000	-
Taskforce		-	338	-
Juvenile Human Services		-	28,595	-
Parenting Education & Support		-	45,525	-
Juvenile Court Psychology		-	7,650	-
Teen Court		-	25,000	-
Total N.C. Office of Juvenile Justice		<u>-</u>	<u>170,782</u>	<u>-</u>
<u>N.C. Department of Administration :</u>				
Division of Veterans Affairs:				
State Veterans Matching Funds		-	2,000	-
		<u>-</u>	<u>2,000</u>	<u>-</u>
<u>N.C. Department of Health and Human Services</u>				
Division of Aging				
Passed through Eastern Carolina Council:				
Operation Fan		-	466	-
Senior Center Development		-	3,272	1,090
Total N.C. Department of Health and Human Services		<u>-</u>	<u>3,738</u>	<u>1,090</u>

Duplin County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 Year Ended June 30, 2009

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
<u>N.C. Dept. of Public Instruction</u>				
Lottery Revenue		\$ -	\$ 652,949	\$ -
Public School Bond Fund		-	302,801	-
Total N.C. Department of Public Instruction		-	1,155,750	-
<u>N.C. Dept. of Cultural Resources</u>				
State Library of North Carolina				
Aid to Public Libraries		-	125,617	-
		-	125,617	-
<u>N.C. Department of Agriculture</u>				
Farmland Preservation Grant				
		-	9,300	-
		-	9,300	-
<u>N.C. Department of Corrections :</u>				
Division of Community Corrections:				
Criminal Justice Partnership Program		-	75,671	-
Total expenditures		-	75,671	-
		\$ 67,591,080	\$ 24,536,629	\$ 5,102,090

DUPLIN COUNTY, NORTH CAROLINA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 Year Ended June 30, 2009

1. Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Duplin County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the county's basic financial statements. However, due to the county's involvement in determining eligibility, they are considered federal awards to the county and are included on this schedule.

2. Subrecipients

Of the federal and State expenditures presented in this schedule, Duplin County provided federal and State awards to subrecipients as follows:

Programs Title	CFDA No.	Pass-through Grantor's No.	Federal Expenditures	State Expenditures
Public School Bond Fund	N/A	XXXX	\$ -	\$ 302,801

3. The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit purposes: Subsidized Child Care and Foster Care and Adoption.