Duplin County, North Carolina

FINANCIAL STATEMENTS

June 30, 2012

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Duplin County, 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, 2012 which collectively comprise Duplin 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, based on our audit, 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, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison of the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2012 on our consideration of Duplin County, North Carolina's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Other Post Employment Benefit and Law Enforcement Officers' Special Separation Allowance Schedules of Funding Progress and Employer Contributions on pages 13 through 18 and 63 through 65, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Duplin County, North Carolina statements as a whole. The combining and individual non-major fund financial statements, budgetary schedules, and other schedules, as well as the accompanying schedule of expenditures of federal and state awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act are not a required part of the financial statements. The combining and individual non-major fund financial statements, budgetary schedules, other schedules and the accompanying schedule of expenditures of federal and State awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The combining and individual non-major fund financial statements, budgetary schedules, other schedules, and the accompanying schedule of expenditures of federal and state awards has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Pittard Perry & Crone, Inc.

La Grange, North Carolina
December 20, 2012

BASIC FINANCIAL STATEMENTS

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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, 2012. 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 $70,433,723, a decrease of $2,936,115 over the prior year. (Exhibit 1)
- The governmental activities total net assets decreased by $2,707,740, primarily due to increased public safety and human service expenses. (Exhibit 2)
- As of the close of the current fiscal year, Duplin County's governmental funds reported combined ending fund balances of $20,231,475, a decrease of $1,141,769 in comparison with the prior year. (Exhibit 4). Approximately 18.37 percent of the total fund balance, or $3,717,472, is available for spending at the government's discretion (*unassigned fund balance*). (Exhibit 3)
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $3,720,583, or 7.11 percent of total general fund expenditures and transfers for the fiscal year. (Exhibit 3 and 5)
- Duplin County's overall total debt decreased by $2,402,036 (6.87%) during the current fiscal year.
- 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 five agency funds - County Agency fund, the Motor Vehicle Tax Fund, the Motor Vehicle 3% Interest Fund, the Social Services Fund, and the Register of Deeds 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 36-61 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	
	2012	2011	2012	2011	2012	2011
Current assets	$ 24,458,535	$ 30,514,542	$ 7,909,842	$ 7,230,954	$ 32,368,377	$ 37,745,496
Capital assets	23,179,068	23,027,021	53,326,594	54,271,514	76,505,662	77,298,535
Other assets	4,041,422	558,444	1,069,259	1,265,805	5,110,681	1,824,249
Total assets	51,679,025	54,100,007	62,305,695	62,768,273	113,984,720	116,868,280
Current liabilities	$ 1,580,875	$ 609,870	$ 558,330	$ 445,475	$ 2,139,205	$ 1,055,345
Long-term liabilities	23,197,345	23,881,592	18,214,447	18,561,505	41,411,792	42,443,097
Total liabilities	24,778,220	24,491,462	18,772,777	19,006,980	43,550,997	43,498,442
Net assets:						
Investment in capital assets, net of related debt	11,798,823	12,393,238	35,552,070	36,018,493	47,350,893	48,411,731
Restricted	9,542,550	8,197,122	1,069,259	1,265,805	10,611,809	9,462,927
Unrestricted	5,559,432	9,018,185	6,911,589	6,476,995	12,471,021	15,495,180
Total net assets	$ 26,900,805	$ 29,608,545	$ 43,532,918	$ 43,761,293	$ 70,433,723	$ 73,369,838

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 $70,433,723 as of June 30, 2012. 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 94.89 percent. The fiscal year 2012 tax rate was $0.710 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	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	$ 9,498,281	$ 11,628,893	$ 7,988,307	$ 7,896,380	$ 17,486,588	$ 19,525,273
Operating grants and contributions	9,940,908	11,192,637	-	-	9,940,908	11,192,637
Capital grants and contributions	4,308,980	2,054,956	1,080,859	871,813	5,389,839	2,926,769
General revenues:						
Property taxes	27,863,938	26,669,740	-	-	27,863,938	26,669,740
Other taxes	7,627,246	7,756,128	-	-	7,627,246	7,756,128
Other	488,795	22,897	186,067	34,596	674,862	57,493
Total revenues	59,728,148	59,325,251	9,255,233	8,802,789	68,983,381	68,128,040
Expenses:						
General government	6,613,472	7,367,762	-	-	6,613,472	7,367,762
Public safety	18,267,162	14,687,927	-	-	18,267,162	14,687,927
Economic development	5,088,488	2,613,007	-	-	5,088,488	2,613,007
Human services	17,806,856	15,960,082	-	-	17,806,856	15,960,082
Environmental protection	728,522	536,068	-	-	728,522	536,068
Cultural and recreation	864,163	688,051	-	-	864,163	688,051
Education	11,933,998	11,580,259	-	-	11,933,998	11,580,259
Non-departmental	273,150	1,239,610	-	-	273,150	1,239,610
Interest on long-term debt	660,077	784,577	-	-	660,077	784,577
Solid waste	-	-	3,299,368	3,109,941	3,299,368	3,109,941
Water & sewer	-	-	4,095,462	4,196,653	4,095,462	4,196,653
Transportation	-	-	1,073,935	1,180,039	1,073,935	1,180,039
Airport	-	-	1,214,843	1,102,790	1,214,843	1,102,790
Total expenses	62,235,888	55,457,343	9,683,608	9,589,423	71,919,496	65,046,766
Change in net assets before transfers	(2,507,740)	3,867,908	(428,375)	(786,634)	(2,936,115)	3,081,274
Transfers	(200,000)	(279,697)	200,000	279,697	-	-
Increase in net assets	$ (2,707,740)	$ 3,588,211	$ (228,375)	$ (506,937)	$ (2,936,115)	$ 3,081,274
Net assets, beginning	29,608,545	26,020,334	43,761,293	44,268,230	73,369,838	70,288,564
Net assets, ending	$ 26,900,805	$ 29,608,545	$ 43,532,918	$ 43,761,293	$ 70,433,723	$ 73,369,838

Governmental activities. Governmental activities decreased the County's net assets by $2,707,740 thereby accounting for most of the total decrease to the net assets of Duplin County.

Operating grants funded $9.94 million of Duplin County's governmental activities. Only property and motor vehicle taxes provided a higher source of revenue at $27.86 million, while sales tax provided $ 7.28 million in revenues.

Business-type activities: Business-type activities decreased Duplin County's net assets by $228,375.

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, unassigned fund balance of the General Fund was $3,720,583, while total fund balance was $12,203,158. (Exhibit 3). As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 7.11 percent of total General Fund expenditures, while total fund balance represents 24.57 percent of that same amount.

At June 30, 2012, the governmental funds of Duplin County reported a combined fund balance of $20,231,475, a 5.14 percent decrease over June 30, 2011. (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 increased budgeted revenues by $6.53 million. The largest increases were ad valorem tax revenue and sales and service revenues.

The actual operating revenues for the General Fund were more than the budgeted amounts by $391,641, most of which is attributed to sales and service 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 $441,257, Solid Waste Fund $1,969,482, and those for the major Water Funds equaled $3,163,764. 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 $1,337,086. (Exhibit 6)

The total growth (deficit) in net assets for the funds was Airport Fund - $(232,606), Solid Waste Fund - $(150,252) and the major combined Water Funds of $(120,329) (Exhibit 7). The non-major funds had a combined increase in net assets totaling $274,812. The majority of the non-major fund's growth was in Albertson Water Fund with a total of $459,347 (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, 2012, totals $76,505,662 (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 District E, District G, and Albertson.
- Purchase of public safety vehicles and equipment.

Duplin County's Capital Assets

	Governmental Activities 2012	Governmental Activities 2011	Business-type Activities 2012	Business-type Activities 2011	Total 2012	Total 2011
Land	$ 2,428,819	$ 2,433,640	$ 1,138,369	$ 1,138,369	$ 3,567,188	$ 3,572,009
Buildings improvements	24,914,330	24,801,981	57,928,747	57,223,886	82,843,077	82,025,867
Airport	-	-	10,681,139	10,681,139	10,681,139	10,681,139
Equipment	6,710,587	6,211,937	3,656,401	3,764,267	10,366,988	9,976,204
Vehicles	4,327,110	4,193,555	1,961,305	1,954,124	6,288,415	6,147,679
Subtotal	$ 38,380,846	$ 37,641,113	75,365,961	74,761,785	$ 113,746,807	$ 112,402,898
Less accumulated depreciation	15,201,778	14,614,092	22,039,367	20,490,271	37,241,145	35,104,363
Total	$ 23,179,068	$ 23,027,021	$ 53,326,594	$ 54,271,514	$ 76,505,662	$ 77,298,535

Additional information on the County's capital assets can be found in note 3-A-4 of the Notes to the Financial Statements.

Long-term Debt. As of June 30, 2012, Duplin County had total bonded debt outstanding of $17,043,300, 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 2012	Governmental Activities 2011	Business-type Activities 2012	Business-type Activities 2011	Total 2012	Total 2011
General Obligation Bonds	$ 450,000	$ 910,000	$ 16,593,300	$ 16,958,500	$ 17,043,300	$ 17,868,500

Duplin County's total bonded debt has decreased by $825,200 (4.62 percent) during the past fiscal year. This decrease is due to scheduled principal payments of $460,000 on hospital bonds and $365,200 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 $289,046,742.

Additional information regarding Duplin County's long-term debt can be found in Note 3-B-7 of the Notes to the Financial Statements.

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 9.8% which is below the state average of 9.9%
- The assessed value of real and personal property increased by $53,207,469 or 1.42%
- Our population of 58,505 (2010 Census) 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, 2013

Governmental Activities: The County approved an original $48.98 million general fund budget. This represents a slight decrease from the amended budget for FY 2012. The property rate for tax year FY 2013 remained at $0.710 per hundred dollar valuation.

Business – type Activities: The County has not increased its tipping fees in the solid waste fund. The water funds' rates remained at prior year amounts. The Transportation fund rate schedule for FY 2012-2013 remained at a flat rate fee per trip of $8.00.

Economic Forecast

Duplin County's economy has historically been based on agriculture. In the past, tobacco and row crops were the staples of agricultural production. According to the North Carolina Department of Agriculture 2011 statistics, Duplin County ranks 1st in the state in cash receipts from livestock and crop production with total sales of $1 billion. Poultry and livestock production has far outpaced crops in terms of economic importance.

The Duplin County Economic Development Commission has identified 4 strategic markets as potential growth segments: Logistics and distribution, Alternative Energy Production, Food Processing and Defense.

The county-owned WestPark Industrial Park in Warsaw was named by the North Carolina Railroad Company of Raleigh as one of the "Best Large Industrial Sites" in 2010. Section A of WestPark is also a North Carolina Certified Industrial Site. This certification insures that a property has undergone rigorous testing and documentation to insure suitability for industrial development.

Production of renewable biofuel crops represents a growth opportunity for the county's agribusiness industry. The Federal Energy Independence and Securities Act of 2007 (EISA) establishes production standards for renewable fuels to offset the demand for petroleum based fuels derived from foreign oil. Duplin County is well positioned to be a significant regional producer of renewable biofuel crops in response to this federal mandate.

Important research is being conducted locally on the production of ethanol and biodiesel from non-food crops that would not compete with Midwestern corn supplies which are critical for livestock production. Biofuel crops such as Giant Miscanthus, Switch Grass, and Canola are being grown and evaluated at the North Carolina State University Williamsdale Research Farm located in Duplin County.

Chemtex International has announced plans to build the nation's first commercial-scale, cellulosic biofuels facility in adjacent Sampson County. The $170-million facility, scheduled to begin production in 2014, will produce 20 million gallons of biofuels annually from non-food crops. The company expects approximately 24,000 acres of crops will be required to meet production targets.

Manufacturing, including agricultural related processing, is an important segment of the county's employment. Approximately 30% of the county's workforce is employed in agricultural related processing and manufacturing. According to the North Carolina Department of Commerce 2011 estimates, five of the County's six largest employers are engaged in agricultural production, manufacturing or processing.

In 2012, the county collaborated with Guilford Mills, an existing textiles manufacturer, and several grant agencies to extend natural gas to an existing plant near Kenansville. Natural gas availability helped retain an existing industry with 300 employees and enabled the company to become more competitive and expand their operation to create an additional 88 jobs.

Due to the county's geographic proximity to the military installations of Camp Lejeune, Seymour Johnson Air Force Base, New River Air Station and Cherry Point Air Station, Duplin County is strategically positioned to support projected military growth. The County is especially well positioned to support the North Carolina Military Growth Task Force's "Feed the Force" and Fuel the Force" initiatives.

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.

Duplin County, North Carolina
STATEMENT OF NET ASSETS
June 30, 2012

Exhibit 1

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 15,370,801	$ 6,906,392	$ 22,277,193
Receivables, net	8,571,375	1,062,812	9,634,187
Internal balances	120,000	(120,000)	-
Prepaid items	94,807	-	94,807
Inventory	301,552	60,638	362,190
Total current assets	24,458,535	7,909,842	32,368,377
Noncurrent assets:			
Restricted cash and cash equivalents	4,041,422	1,069,259	5,110,681
Capital assets:			
Land, improvements, and construction in progress	2,428,819	1,138,368	3,567,187
Other capital assets, net of depreciation	20,750,249	52,188,226	72,938,475
Total capital assets	23,179,068	53,326,594	76,505,662
Total noncurrent assets	27,220,490	54,395,853	81,616,343
Total assets	51,679,025	62,305,695	113,984,720
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	1,386,369	230,821	1,617,190
Customer deposits	-	327,509	327,509
Unearned revenues	194,506	-	194,506
Total current liabilities	1,580,875	558,330	2,139,205
Long-term liabilities:			
Due within one year	1,956,372	496,908	2,453,280
Due in more than one year	21,240,973	17,717,539	38,958,512
Total long-term liabilities	23,197,345	18,214,447	41,411,792
Total liabilities	24,778,220	18,772,777	43,550,997
Net Assets			
Investment in capital assets, net of related debt	11,798,823	35,552,070	47,350,893
Restricted	9,542,550	1,069,259	10,611,809
Unrestricted	5,559,432	6,911,589	12,471,021
Total net assets	$ 26,900,805	$ 43,532,918	$ 70,433,723

The accompanying notes are an integral part of this financial statement.

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Duplin County, North Carolina
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2012

Exhibit 2

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets, Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets, Primary Government: Business-type Activities	Net (Expense) Revenue and Changes in Net Assets, Primary Government: Total
Primary Government							
Governmental activities:							
General government	$ 6,613,472	$ 2,669,151	$ 53,669	$ -	$ (3,890,652)	$ -	$ (3,890,652)
Public safety	18,267,162	3,037,248	595,791	-	(14,634,123)	-	(14,634,123)
Economic and physical development	5,088,488	241,156	48,582	3,733,780	(1,064,970)	-	(1,064,970)
Human services	17,806,856	3,251,599	9,055,880	-	(5,499,377)	-	(5,499,377)
Environmental protection	728,522	45,705	59,739	-	(623,078)	-	(623,078)
Cultural and recreational	864,163	253,422	127,247	-	(483,494)	-	(483,494)
Education	11,933,998	-	-	575,200	(11,358,798)	-	(11,358,798)
Non-departmental	273,150	-	-	-	(273,150)	-	(273,150)
Interest on long-term debt	660,077	-	-	-	(660,077)	-	(660,077)
Total governmental activities	62,235,888	9,498,281	9,940,908	4,308,980	(38,487,719)	-	(38,487,719)
Business-type activities:							
Airport	1,214,843	626,515	-	244,970	-	(343,358)	(343,358)
Water and sewer	4,095,462	3,900,461	-	391,043	-	196,042	196,042
Transportation	1,073,935	497,992	-	421,228	-	(154,715)	(154,715)
Solid waste	3,299,368	2,963,339	-	23,618	-	(312,411)	(312,411)
Total business-type activities	9,683,608	7,988,307	-	1,080,859	-	(614,442)	(614,442)
Total primary government	$ 71,919,496	$ 17,486,588	$ 9,940,908	$ 5,389,839	(38,487,719)	(614,442)	(39,102,161)
General revenues:							
Property taxes, levied for general purposes					27,863,938	-	27,863,938
Local option sales taxes					7,285,383	-	7,285,383
Other taxes and licenses					341,863	-	341,863
Investment earnings, unrestricted					50,115	8,911	59,026
Miscellaneous, unrestricted					438,680	177,156	615,836
Transfers					(200,000)	200,000	-
Total general revenues and transfers					35,779,979	386,067	36,166,046
Change in net assets					(2,707,740)	(228,375)	(2,936,115)
Net assets, beginning of year					29,608,545	43,761,293	73,369,838
Net assets, end of year					$ 26,900,805	$ 43,532,918	$ 70,433,723

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2012

	Major	Non-Major		
	General	Debt Service Fund	Other Governmental Funds	Total
Assets				
Cash and investments	$ 9,987,444	$ 911,318	$ 2,368,237	$ 13,266,999
Receivables, net:				-
Taxes	2,138,071	-	61,140	2,199,211
Accounts	4,124,763	-	2,245,908	6,370,671
Intergovernmental	120,000	-	-	120,000
Due from other funds	4,602	-	7,873	12,475
Inventory	301,552	-	-	301,552
Restricted cash and investments	-	-	4,041,422	4,041,422
Total assets	$ 16,676,432	$ 911,318	$ 8,724,580	$ 26,312,330
Liabilities and Fund Balance				
Liabilities:				
Accounts payable and accrued liabilities	$ 568,962	$ -	$ 773,692	$ 1,342,654
Deferred revenues	3,893,430	-	833,039	4,726,469
Due to other funds	10,882	-	850	11,732
Total liabilities	4,473,274	-	1,607,581	6,080,855
Fund balances:				
Nonspendable - inventories	301,552	-		301,552
Restricted:				
Stabilization by state statute	2,890,651	-	1,484,141	4,374,792
Register of deeds	-	-	3,090	3,090
Federally seized assets	355,860	-	-	355,860
Grants and projects	91,321	-	-	91,321
Health	538,150	-	-	538,150
Sheriff	56,829	-	-	56,829
Daycare	2,028	-	-	2,028
Schools	-	-	3,019,537	3,019,537
E-911	-	-	148,707	148,707
Tourism	-	-	277,958	277,958
Tax revaluation	-	-	673,823	673,823
Committed:				
Capital improvements	1,157,686	-	317,517	1,475,203
Debt service	-	446,018	-	446,018
Economic development	-	-	789,819	789,819
Assigned - subsequent year's expenditures	3,088,498	465,300	405,518	3,959,316
Unassigned	3,720,583	-	(3,111)	3,717,472
Total fund balances	12,203,158	911,318	7,116,999	20,231,475
Total liabilities and fund balances	$ 16,676,432	$ 911,318	$ 8,724,580	

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

Total fund balance - governmental funds	$ 20,231,475
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	23,179,068
Bond issuance cost capitalized when bonds were originally issued.	94,807
Internal service fund activitives to benefit governmental operations.	2,060,091
Liabilites for earned but deferred revenues in fund statements.	4,531,963
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(23,196,599)
Net assets of governmental activities	$ 26,900,805

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2012

	Major	Non-Major		
	General Fund	Debt Service Fund	Other Governmental Funds	Total
Revenues:				
Ad valorem taxes	$ 27,282,680	$ -	$ 812,744	$ 28,095,424
Local option sales taxes	5,833,314	-	1,452,069	7,285,383
Other taxes and licenses	145,704	-	-	145,704
Unrestricted intergovernmental	47,439	-	-	47,439
Restricted intergovernmental	10,005,951	-	3,111,819	13,117,770
Permits and fees	557,317	-	-	557,317
Sales and services	7,491,979	-	-	7,491,979
Investment earnings	10,553	4,432	35,130	50,115
Contributions	31,106	-	1,607,944	1,639,050
Miscellaneous	83,748	-	92,522	176,270
Total revenues	51,489,791	4,432	7,112,228	58,606,451
Expenditures:				
Current:				
General government	5,787,750	-	89,891	5,877,641
Public safety	14,630,021	-	1,824,396	16,454,417
Economic and physical development	1,213,928	-	1,044,197	2,258,125
Human services	15,785,872	-	-	15,785,872
Cultural and recreational	739,981	-	-	739,981
Environmental protection	659,560	-	-	659,560
Capital projects	-	-	3,333,076	3,333,076
Non-departmental	198,766	-	-	198,766
Intergovernmental:				
Education	10,649,093	-	549,242	11,198,335
Debt service:				
Principal retirement	-	1,922,382	-	1,922,382
Interest and fees	-	697,461	-	697,461
Total expenditures	49,664,971	2,619,843	6,840,802	59,125,616
Excess (deficiency) of revenues over expenditures	1,824,821	(2,615,411)	271,426	(519,165)
Other financing sources (uses):				
Proceeds from sale of capital assets	77,396	-	-	77,396
Transfers from other funds	-	2,129,823	1,057,793	3,187,616
Transfers to other funds	(2,647,813)	-	(1,239,803)	(3,887,616)
Total other financing sources (uses)	(2,570,417)	2,129,823	(182,010)	(622,604)
Net change in fund balances	(745,597)	(485,588)	89,416	(1,141,769)
Fund balances, beginning of year	12,903,612	1,396,906	7,027,583	21,328,101
Increase in inventory	45,143	-	-	45,143
Fund balances, end of year	$ 12,203,158	$ 911,318	$ 7,116,999	$ 20,231,475

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

Net changes in fund balances - total governmental funds	$ (1,141,769)
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.	(32,967)
Cost of capital assets disposed of during the year, not recognized on modified accrual basis.	185,014
Change in fund balance due to change in reserve for inventory.	45,143
Internal service fund activities to benefit governmental operations.	597,534
Revenues in the statement of activities that do not provide currrent financial resources are not reported as revenues in the funds.	
Deferred revenues	(3,014,087)
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	(73,638)
Other post-employment benefits obligation	(1,200,107)
Law enforcement officer pension obligation	(32,629)
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.	1,959,766
Total changes in net assets of governmental activities	$ (2,707,740)

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Postive (Negative)
Revenues:				
Ad valorem taxes	$ 25,873,491	$ 27,334,807	$ 27,282,680	$ (52,127)
Local option sales taxes	4,389,059	5,714,059	5,833,314	119,255
Other taxes and licenses	149,800	154,538	145,704	(8,834)
Unrestricted intergovernmental	45,000	45,000	47,439	2,439
Restricted intergovernmental	9,041,682	10,545,283	10,005,951	(539,332)
Permits and fees	438,010	522,120	557,317	35,197
Sales and services	4,615,783	6,670,434	7,491,979	821,545
Investment earnings	11,750	9,054	9,845	791
Contributions	1,320	30,075	31,106	1,031
Miscellaneous	-	72,072	83,748	11,676
Total revenues	44,565,895	51,097,442	51,489,083	391,641
Expenditures:				
Current:				
General government	4,227,525	6,097,955	5,787,750	310,206
Public safety	13,307,054	15,172,500	14,630,021	542,479
Environmental protection	730,081	853,100	659,560	193,540
Economic and physical development	1,647,546	1,327,811	1,213,928	113,883
Human services	15,537,762	16,752,244	15,785,872	966,372
Cultural and recreational	701,312	766,209	739,981	26,228
Non-departmental	1,406,140	563,490	198,766	364,724
Intergovernmental:				
Education	11,248,527	10,717,305	10,649,093	68,212
Total expenditures	48,805,947	52,250,614	49,664,971	2,585,644
Revenues over (under) expenditures	(4,240,052)	(1,153,172)	1,824,113	2,977,285
Other financing sources (uses):				
Proceeds from sale of capital assets	-	77,396	77,396	-
Transfers to other funds	(100,000)	(2,425,501)	(2,368,394)	57,107
Total other financing uses	(100,000)	(2,348,105)	(2,290,998)	57,107
Appropriated fund balance	4,340,052	3,501,277	-	(3,501,277)
Net change in fund balance	$ -	$ -	(466,886)	$ (466,886)
Fund balance, beginning of year			11,482,715	
Increase in inventory			45,143	
Fund balance, end of year			$ 11,060,972	

A legally budgeted Capital Reserve Fund is consolidated into the General Fund for reporting purposes:	Actual
Investment earnings	$ 708
Transfers from General Fund	(279,419)
Fund balance, beginning of year	1,420,897
Fund balance, end of year (Exhibit 4)	$ 12,203,158

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2012

	Major			
	Airport Commission Fund	Solid Waste Fund	Water Fund-District B	Water Fund-District D
Assets				
Current assets:				
Cash and cash equivalents	$ 408,894	$ 1,495,828	$ 935,600	$ 41,898
Accounts receivable, net	153,581	750,883	15,436	37,943
Inventory	32,546	-	-	-
Due from other funds	654	-	1,614	910
Intergovernmental receivable	-	-	-	-
Total current assets	595,675	2,246,711	952,650	80,751
Noncurrent assets:				
Restricted cash and cash equivalents	-	1,069,259	-	-
Capital assets:				
Land, improvements, and construction in progress	556,451	216,348	56,500	51,500
Other capital assets, net of depreciation	8,462,218	2,949,442	5,451,608	8,712,486
Total capital assets	9,018,669	3,165,790	5,508,108	8,763,986
Total noncurrent assets	9,018,669	4,235,049	5,508,108	8,763,986
Total assets	$ 9,614,344	$ 6,481,760	$ 6,460,758	$ 8,844,737
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$ 127,009	$ 86,443	$ 4,290	$ 2,826
Customer deposits	-	-	52,950	54,399
Due to other funds	-	-	13,206	12,362
Intergovernmental payable	-	-	-	352,000
Current portion of long-term obligations	41,067	-	56,000	111,225
Total current liabilities	168,076	86,443	126,446	532,812
Noncurrent liabilities:				
Compensated absences payable	8,132	53,796	-	-
OPEB obligation	19,277	136,990	-	-
Long-term obligations	278,566	-	1,870,500	4,118,825
Total noncurrent liabilities	305,975	190,786	1,870,500	4,118,825
Total liabilities	474,051	277,229	1,996,946	4,651,637
Net Assets				
Invested in capital assets, net of related debt	8,699,036	3,165,790	3,581,608	4,533,936
Restricted	-	1,069,259	-	-
Unrestricted	441,257	1,969,482	882,204	(340,836)
Total net assets	$ 9,140,293	$ 6,204,531	$ 4,463,812	$ 4,193,100

Exhibit 6

Major			Non-Major		
Water Fund-District E	Water Fund-District F	Water Fund-District G	Other Proprietary Funds	Total	Internal Service Fund
$ 1,124,174	$ 743,934	$ 912,199	$ 1,243,865	$ 6,906,392	$ 2,103,802
31,527	22,099	24,294	26,017	1,061,780	750
-	-	-	28,092	60,638	-
-	-	2,121	77,410	82,709	-
-	-	-	232,000	232,000	-
1,155,701	766,033	938,614	1,607,384	8,343,519	2,104,552
-	-	-	-	1,069,259	-
2,412	139,439	55,068	60,650	1,138,368	-
5,717,762	8,059,839	5,808,863	7,026,008	52,188,226	-
5,720,174	8,199,278	5,863,931	7,086,658	53,326,594	-
5,720,174	8,199,278	5,863,931	7,086,658	54,395,853	-
$ 6,875,875	$ 8,965,311	$ 6,802,545	$ 8,694,042	$ 62,739,372	$ 2,104,552
$ 1,059	$ 8,555	$ 47	$ 592	$ 230,821	$ 44,461
58,295	66,675	55,115	40,075	327,509	-
15,995	20,156	12,055	7,903	81,677	-
-	-	-	-	352,000	-
70,500	133,210	66,500	18,406	496,908	
145,849	228,596	133,717	66,976	1,488,915	44,461
-	-	-	62,848	124,776	-
-	-	-	158,880	315,147	-
3,579,000	4,439,170	2,807,500	184,055	17,277,616	-
3,579,000	4,439,170	2,807,500	405,783	17,717,539	-
3,724,849	4,667,766	2,941,217	472,759	19,206,454	44,461
2,070,674	3,626,898	2,989,931	6,884,197	35,552,070	-
-	-	-	-	1,069,259	-
1,080,352	670,647	871,397	1,337,086	6,911,589	2,060,091
$ 3,151,026	$ 4,297,545	$ 3,861,328	$ 8,221,283	$ 43,532,918	$ 2,060,091

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2012

	Major			
	Airport Commission Fund	Solid Waste Fund	Water Fund-District B	Water Fund-District D
Operating revenues:				
Water sales	$ -	$ -	$ 498,750	$ 448,514
Administration fees	-	-	-	1,050
Sales and rentals	626,515	151,148	-	-
Landfill fees	-	2,812,191	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Total operating revenues	626,515	2,963,339	498,750	449,564
Operating expenses:				
Operating expenses	711,213	3,034,766	232,606	189,445
Depreciation	491,687	264,602	144,201	219,735
Total operating expenses	1,202,900	3,299,368	376,807	409,180
Operating income (loss)	(576,385)	(336,029)	121,943	40,384
Non-operating revenues (expenses):				
Investment earnings	189	3,962	538	92
Interest expense	(11,943)	-	(103,950)	(189,954)
Gain (loss) on disposal of capital assets	7,563	31,130	3,001	-
Miscellaneous	3,000	127,067	-	84
Total non-operating revenue (expense)	(1,191)	162,159	(100,411)	(189,778)
Income (loss) before transfers and capital contributions	(577,576)	(173,870)	21,532	(149,394)
Transfers in (out)	100,000	-	-	-
Capital contributions	244,970	23,618	-	(982)
Change in net assets	(232,606)	(150,252)	21,532	(150,376)
Net assets, beginning of year	9,372,899	6,354,783	4,442,280	4,343,476
Net assets, end of year	$ 9,140,293	$ 6,204,531	$ 4,463,812	$ 4,193,100

Exhibit 7

Major			Non-Major		
Water Fund-District E	Water Fund-District F	Water Fund-District G	Other Proprietary Funds	Total	Internal Service Fund
$ 584,659	$ 807,757	$ 458,398	$ 368,072	$ 3,166,150	$ -
408	-	-	678,494	679,952	-
-	-	-	-	777,663	-
-	-	-	-	2,812,191	-
-	-	-	54,359	54,359	-
-	-	-	497,992	497,992	3,872,494
585,067	807,757	458,398	1,598,917	7,988,307	3,872,494
238,329	352,215	208,678	1,880,439	6,847,691	3,775,840
155,916	212,722	148,697	330,679	1,968,239	-
394,245	564,937	357,375	2,211,118	8,815,930	3,775,840
190,822	242,820	101,023	(612,201)	(827,623)	96,654
669	464	441	2,556	8,911	880
(184,526)	(225,792)	(145,174)	(6,339)	(867,678)	-
-	3,001	-	(349)	44,346	-
-	-	-	2,659	132,810	-
(183,857)	(222,327)	(144,733)	(1,473)	(681,611)	880
6,965	20,493	(43,710)	(613,674)	(1,509,234)	97,534
-	-	-	100,000	200,000	500,000
24,767	-	-	788,486	1,080,859	-
31,732	20,493	(43,710)	274,812	(228,375)	597,534
3,119,294	4,277,052	3,905,038	7,946,471	43,761,293	1,462,557
$ 3,151,026	$ 4,297,545	$ 3,861,328	$ 8,221,283	$ 43,532,918	$ 2,060,091

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2012

	Major			
	Airport Commission Fund	Solid Waste Fund	Water Fund-District B	Water Fund-District D
Cash flows from operating activities:				
Cash received from customers	$ 600,894	$ 3,015,934	$ 540,467	$ 479,711
Cash paid for goods and services	(457,478)	(2,014,419)	(228,316)	(189,624)
Cash paid to employees for services	(154,009)	(973,523)	-	-
Customer deposits received, net	-	-	7,325	5,274
Net cash provided (used) by operating activities	(10,593)	27,992	319,476	295,361
Cash flows from non-capital financing activities:				
Transfers in (out)	100,000	-	-	-
Miscellaneous	3,000	127,067	-	84
Net cash provided (used) by non-capital financing activities	103,000	127,067	-	84
Cash flows from capital and related financing activities:				
Capital contributions	244,970	23,618	-	(982)
Advances from (to) other funds, net	(654)	-	4,374	1,420
Proceeds from sale of capital assets	-	45,056	3,001	-
Acquisition and construction of capital assets	(311,265)	(247,206)	-	(835)
Principal paid on bond maturities and equipment contracts	(39,657)	-	(53,500)	(107,725)
Interest paid on bond maturities and equipment contracts	(11,943)	-	(103,950)	(189,954)
Net cash provided (used) by capital and related financing activities	(118,549)	(178,532)	(150,075)	(298,076)
Cash flows from investing activities:				
Interest on investments	189	3,962	538	92
Net increase (decrease) in cash and cash equivalents	(25,953)	(19,511)	169,939	(2,539)
Cash and cash equivalents, beginning of year	434,847	2,584,598	765,661	44,437
Cash and cash equivalents, end of year	$ 408,894	$ 2,565,087	$ 935,600	$ 41,898

Major			Non-Major		
Water Fund-District E	Water Fund-District F	Water Fund-District G	Other Proprietary Funds	Total Proprietary Funds	Internal Service Fund
$ 633,430	$ 894,046	$ 499,051	$ 1,637,714	$ 8,301,247	$ 3,871,883
(238,292)	(364,971)	(208,631)	(847,142)	(4,548,873)	(3,789,199)
-	-	-	(975,363)	(2,102,895)	-
5,639	7,224	5,865	3,266	34,593	-
400,777	536,299	296,285	(181,525)	1,684,072	82,684
-	-	-	100,000	200,000	500,000
-	-	-	2,659	132,810	-
-	-	-	102,659	332,810	500,000
24,767	-	-	788,486	1,080,859	-
3,401	5,435	1,361	(16,369)	(1,032)	(1,116)
-	3,001	-	1,652	52,710	-
(18,476)	-	(951)	(452,951)	(1,031,684)	-
(67,500)	(128,210)	(63,500)	(18,405)	(478,497)	-
(184,526)	(225,792)	(145,174)	(6,339)	(867,678)	-
(242,334)	(345,566)	(208,264)	296,074	(1,245,322)	(1,116)
669	464	441	2,556	8,911	880
159,112	191,197	88,462	219,764	780,471	582,448
965,062	552,737	823,737	1,024,101	7,195,180	1,521,354
$ 1,124,174	$ 743,934	$ 912,199	$ 1,243,865	$ 7,975,651	$ 2,103,802

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2012

	Major			
	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)	$ (576,385)	$ (336,029)	$ 121,943	$ 40,384
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	491,687	264,602	144,201	219,735
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(25,621)	52,595	41,717	30,147
(Increase) decrease in inventory	(11,268)	-	-	-
Increase (decrease) in accounts payable	100,669	(13,947)	4,290	(179)
Increase (decrease) in customer deposits	-	-	7,325	5,274
Increase (decrease) in OPEB obligation	8,123	53,329	-	-
Increase (decrease) in compensated absences	2,202	7,442	-	-
Total adjustments	565,792	364,021	197,533	254,977
Net cash provided (used) by operating activities	$ (10,593)	$ 27,992	$ 319,476	$ 295,361

Major			Non-Major		
Water Fund-District E	Water Fund-District F	Water Fund-District G	Other Proprietary Funds	Total Proprietary Funds	Internal Service Fund
$ 190,822	$ 242,820	$ 101,023	$ (612,201)	$ (827,623)	$ 96,654
155,916	212,722	148,697	330,679	1,968,239	-
48,363	86,289	40,653	38,797	312,940	(611)
-	-	-	(2,513)	(13,781)	-
37	(12,756)	47	104	78,265	(13,359)
5,639	7,224	5,865	3,266	34,593	-
-	-	-	52,910	114,362	-
-	-	-	7,433	17,077	-
209,955	293,479	195,262	430,676	2,511,695	(13,970)
$ 400,777	$ 536,299	$ 296,285	$ (181,525)	$ 1,684,072	$ 82,684

The accompanying notes are an integral part of this financial statement.

Duplin County, North Carolina
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2012

Exhibit 9

	Agency Funds
Assets	
Cash and investments	$ 175,901
Intergovernmental receivable	4,059
Total assets	179,960
Liabilities	
Miscellaneous liabilities	175,848
Intergovernmental payable	4,112
Total liabilities	179,960
Net assets	
Restricted	$ -

The accompanying notes are an integral part of this financial statement.

NOTE 1. Summary of Significant Accounting Policies

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

A. Reporting Entity

The County, which is governed by a 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 as follows: Albertson County District B District D District E District F District G	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
Duplin County Tourism Authority	Blended	The County's board of commissioners serves as the governing board for the Authority. The Authority exists to promote tourism within the county.	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. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The County reports the following major governmental funds:

General Fund This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Capital Reserve Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 it is consolidated in the General Fund.

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 five agency funds: the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; the County Agency Fund which accounts for monies deposited for various cooperative extension programs and sheriff execution monies collected from individuals and businesses; 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; 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; and the Register of Deeds Fund which accounts for the $5 of each fee collected by the register of deeds for registering a deed of trust or mortgage.

Non-major Funds The County maintains eighteen legally budgeted funds. The Fire District Fund, Revaluation Fund, Community Development Revolving Loan Fund, School Planning Allocation Fund, Emergency Telephone System Fund, CDBG CR08C1875 Fund, Department of Justice Sherriff Trust Fund, CDBG SSH09C1989, County Trust Fund, Tourism Fund, and Automated Enhancement & Preservation Fund, are reported as non-major special revenue funds. The Industrial Expansion Capital Project Fund, Capital Project School Fund, and Capital Project JSCC Fund are reported as a non-major capital project funds. The Transportation Development Plan Fund, County Water Fund, and Albertson Water and Sewer Fund are reported as non-major enterprise funds.

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 non-operating 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 non-operating revenues and expenses.

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, 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 2011 through February 2012 apply to the fiscal year ended June 30, 2012. 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.

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. In the Solid Waste Fund, funds have been restricted to be used to provide for future environmental contingencies. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Planning Allocation Fund and Capital Project School Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 159-18 through 22.

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, 2011.

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. The County's minimum capitalization amount for capital assets is $5,000. 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 capital 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:

	Useful Life
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 (Exhibits 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 other financing sources.

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

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.

The governmental fund types classify fund balances as follows:

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

> Inventories - portion of fund balance is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Restricted Fund Balance – This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization of State Statute – portion of fund balance that is restricted by State Statute [GS 159-8(a)].

Restricted for Register of Deeds – portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds office.

Restricted for Federally Seized Assets – portion of fund balance that is restricted by revenue source to pay for public safety expenditures.

Restricted for Grants/Projects – portion of fund balance that is restricted by revenue source to pay for grant related expenditures or remaining portion of projects in process.

Restricted for Health – portion of fund balance that is restricted by revenue source for health services to citizens.

Restricted for Sheriff – portion of fund balance that is restricted by revenue source for sheriff expenditures.

Restricted for Daycare – portion of fund balance that is restricted by revenue source for daycare services.

Restricted for Schools – portion of fund balance that can only be used for School Capital per G.S. 159-18-22.

Restricted for E-911 – portion of fund balance that is restricted by revenue source for emergency services.

Restricted for Tourism – portion of fund balance that is restricted by revenue source for tourism enhancement.

Restricted for Tax Revaluation – portion of fund balance that can only be used for tax revaluation.

Committed Fund Balance – portion of fund balance that can only be used for specific purpose imposed by Duplin County's governing body.

Committed for Capital Improvements – portion of fund balance that can only be used for capital improvements.

Committed for Debt Service – portion of fund balance that can only be used for debt service.

Committed for Economic Development – portion of fund balance in the Community Development Revolving Loan Fund that can only be used for economic development activities.

Assigned Fund Balance – portion of fund balance that Duplin County's governing body has budgeted.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.

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

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

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 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 $6,669,330 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)	$	38,380,846
Less accumulated depreciation		(15,201,778)
Net capital assets		23,179,068
Deferred charges related to bond issuance costs included on government-wide statement of net assets but are not current financial resources		94,807
Net assets in internal service funds used to benefit government activities		2,060,091
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide		4,531,963
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 and premiums, leases, and installment financing		(15,003,732)
Law enforcement special separation allowance		(368,924)
Other postemployment benefits		(6,815,789)
Compensated absences		(1,008,154)
Total adjustment	$	6,669,330

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 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 $(1,565,971) as follows:

Description		Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	$	1,454,981
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		(1,487,948)
Cost of disposed capital assets not recorded in fund statements		185,014
Decrease in inventory expenses		45,143
Internal service activities to benefit governmental operations		597,534
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		1,923,538
Amortization of bond premium		67,830
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.		
Compensated absences		(73,638)
Other postemployment benefits		(1,200,107)
Law enforcement special separation allowance		(32,629)
Amortization of bond issuance costs		(31,602)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the funds statements.		
Decrease in deferred tax revenue at end of year		(231,486)
Decrease in deferred revenue related to charges for services		(2,782,601)
Total adjustment	$	(1,565,971)

Note 2. Stewardship, Compliance, and Accountability

A. Deficit Fund Balance or Net Assets of Individual Funds

For the fiscal year ended June 30, 2012, the Fire District Fund had a deficit fund balance of $2,255 due to payouts to districts of deferred taxes for fiscal year 2013. This will be remedied in the new fiscal year.

Note 3. 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 under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The 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.

The County has no policy regarding custodial credit risk for deposits.

At June 30, 2012 the carrying amount of the County's deposits was $4,335,557 and the bank balance was $5,516,069. Of the bank balance, $500,000 was covered by federal depository insurance and $5,016,069 was covered by collateral held under the Pooling Method.

At June 30, 2012 the County had $8,750 cash on hand.

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, 2012, the County's investment balances consisted of $23,219,468 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
2008-2010	$ 6,347,767
2011	3,464,864
	$ 9,812,631

3. Receivables

Receivables at the government-wide level at June 30, 2012, were as follows:

	Accounts	Taxes	Due From Other Governments	Other	Total
Governmental Activities:					
General	$ 4,756,712	$ 3,148,349	$ 241,897	$ -	$ 8,146,958
Other Governmental	1,477,018	61,140	-	769,640	2,307,798
Total receivables	6,233,730	3,209,489	241,897	769,640	10,454,756
Allowance for doubtful accounts	(873,103)	(1,010,278)	-	-	(1,883,381)
Total governmental activities	$ 5,360,627	$ 2,199,211	$ 241,897	$ 769,640	$ 8,571,375

	Accounts	Taxes	Due From Other Governments	Other	Total
Business-type Activities:					
Airport Commission Fund	$ 153,581	$ -	$ -	$ -	$ 153,581
Solid Waste Fund	751,915	-	-	-	751,915
County Water Fund	-	-	-	-	-
Albertson Water-Sewer Fund	10,742	-	-	-	10,742
Water Fund – District B	15,436	-	-	-	15,436
Water Fund – District D	37,943	-	-	-	37,943
Water Fund – District E	31,527	-	-	-	31,527
Water Fund – District F	22,099	-	-	-	22,099
Water Fund – District G	24,294	-	-	-	24,294
Transportation Development Plan Fund	15,275	-	-	-	15,275
Allowance for doubtful accounts	-	-	-	-	-
Total business-type activities	$ 1,062,812	$ -	$ -	$ -	$ 1,062,812

4. Capital Assets

Governmental capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land and construction in process	$ 2,433,640	$ -	$ 4,821	$ 2,428,819
Capital assets being depreciated:				
Buildings	24,801,981	112,349	-	24,914,330
Equipment	6,211,937	561,742	63,092	6,710,587
Vehicles and motor equipment	4,193,555	780,890	647,335	4,327,110
Total capital assets being depreciated:	35,207,473	1,454,981	710,427	35,952,027
Less accumulated depreciation for:				
Buildings	7,062,712	527,290	-	7,590,002
Equipment	4,206,292	440,071	73,464	4,572,899
Vehicles and motor equipment	3,345,088	520,587	826,798	3,038,877
Total accumulated depreciation	14,614,092	$ 1,487,948	$ 900,262	15,201,778
Total capital assets being depreciated, net	20,593,381			20,750,249
Governmental activity capital assets, net	$ 23,027,021			$ 23,179,068

Primary Government Depreciation Expense

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

General government	$ 77,475
Human services	147,672
Economic and physical development	348,354
Environmental protection	10,294
Cultural and recreational	22,718
Public safety	881,435
Total depreciation expense	$ 1,487,948

Business-type capital asset activity for the year ended June 30, 2012, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Water Funds Business-type activities:				
Capital assets not being depreciated:				
Land	$ 365,570	$ -	$ -	$ 365,570
Capital assets being depreciated:				
Buildings	1,220,269	-	-	1,220,269
Plant and distribution systems	50,170,542	393,596	-	50,564,138
Furniture & maintenance equip.	2,077,273	-	224,140	1,853,133
Vehicles	140,374	-	-	140,374
Total capital assets being depreciated:	53,608,458	393,596	224,141	53,777,914
Less accumulated depreciation for:				
Buildings	453,545	24,405	-	477,950
Plant and distribution systems	11,045,446	1,004,428	-	12,049,874
Furniture & maintenance equip.	840,880	43,735	224,141	660,474
Vehicles	104,563	13,844	1,270	117,137
Total accumulated depreciation	12,444,434	$ 1,086,412	$ 225,411	13,305,435
Total capital assets being depreciated, net	41,164,024			40,472,479
Water Funds Business-type capital assets, net	$ 41,529,594			$ 40,838,049

	Beginning Balances	Increases	Decreases	Ending Balances
Solid Waste Business-type activities:				
Capital assets not being depreciated:				
Land	$ 216,348	$ -	$ -	$ 216,348
Capital assets being depreciated:				
Buildings	2,662,491	-	-	2,662,491
Plant and distribution systems	852,829	-	-	852,829
Furniture & maintenance equip.	1,188,903	247,206	130,932	1,305,177
Vehicles	1,184,749	-	-	1,184,749
Total capital assets being depreciated:	5,888,972	247,206	130,932	6,005,246
Less accumulated depreciation for:				
Buildings	409,317	53,287	-	462,604
Plant and distribution systems	719,023	34,550	-	753,573
Furniture & maintenance equip.	816,750	79,309	111,090	784,969
Vehicles	963,118	97,456	5,916	1,054,658
Total accumulated depreciation	2,908,208	$ 264,602	$ 117,006	3,055,804
Total capital assets being depreciated, net	2,980,764			2,949,442
Solid Waste Business-type capital assets, net	$ 3,197,112			$ 3,165,790

	Beginning Balances	Increases	Decreases	Ending Balances
Airport Business-type activities:				
Capital assets not being depreciated:				
Land	$ 556,451	$ -	$ -	$ 556,451
Capital assets being depreciated:				
Buildings	2,317,755	311,265	-	2,629,020
Terminal and runways	10,681,139	-	-	10,681,139
Furniture & maintenance equip.	401,367	-	-	401,367
Vehicles	34,265	-	4,478	29,787
Total capital assets being depreciated:	13,434,526	311,265	4,478	13,741,313
Less accumulated depreciation for:				
Buildings	469,253	64,714	-	533,967
Terminal and runways	3,934,661	415,061	-	4,349,722
Furniture & maintenance equip.	363,930	10,582	-	374,512
Vehicles	31,605	1,330	12,041	20,894
Total accumulated depreciation	4,799,449	$ 491,687	$ 12,041	5,279,095
Total capital assets being depreciated, net	8,635,077			8,462,218
Airport Business-type capital assets, net	$ 9,191,528			$ 9,018,669

	Beginning Balances	Increases	Decreases	Ending Balances
Transportation Business-type activities: depreciated:				
Capital assets being depreciated:				
Furniture & maintenance equip.	$ 96,724	$ -	$ -	$ 96,724
Vehicles	594,736	79,616	67,957	606,395
Total capital assets being depreciated:	691,460	79,616	67,958	703,119
Less accumulated depreciation for:				
Furniture & maintenance equip.	40,715	9,672	-	50,387
Vehicles	297,466	115,866	64,686	348,646
Total accumulated depreciation	338,181	$ 125,538	$ 64,686	399,033
Total capital assets being depreciated, net	$ 353,279			$ 304,086

5. Construction Commitments

The County has active construction projects at June 30, 2012. 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	$ 457,152	$ 11,820
Albertson:		
Skippers Well Drilling & Pump Service	522,769	35,094
Water D:		
Herring-Rivenbark	755,616	77,459
Capital Project Fund:		
Livestock Facility:		
Blizzard Construction Co., Inc.	410,178	410,178
Airport Commission Capital Project Fund		
Airport Terminal Building:		
United Builders Group	1,396,568	1,221,906

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2012, were as follows:

	Vendors	Salaries and Benefits	Other	Total
Governmental activities:				
General	$ 518,628	$ 45,459	$ 4,875	$ 568,962
Other Governmental	817,407	-	-	817,407
Total governmental activities	$ 1,336,035	$ 45,459	$ 4,875	$ 1,386,369
Business-type activities:				
Airport Commission Fund	$ 127,009	-	-	$ 127,009
Solid Waste Fund	86,443	-	-	86,443
County Water & Sewer Fund	519	-	-	519
Transportation Development Plan	43	-	-	43
Albertson Water and Sewer	30	-	-	30
Water Fund – District B	4,290	-	-	4,290
Water Fund – District D	2,826	-	-	2,826
Water Fund – District E	1,059	-	-	1,059
Water Fund – District F	8,555	-	-	8,555
Water Fund – District G	47	-	-	47
Total business-type activities	$ 230,821	$ -	$ -	$ 230,821

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.

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 7.00% and 7.05%, 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 Plan members' contributions to LGERS for the years ended June 30, 2012, 2011 and 2010 were $1,117,273, $890,561, and $848,457, 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, 2011, the Separation Allowance's membership consisted of:

Retirees receiving benefits and terminated plan members	8
Members entitled to but not yet receiving benefits	-
Active plan members	72
	80

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 $64,044 or 2.38% 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, 2011 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increase ranging from 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. 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 pay on a closed basis.

The remaining amortization period at December 31, 2011 was 20 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	$ 99,920
Interest on net pension obligation	16,815
Adjustment to annual required contribution	(20,062)
Annual pension cost	96,673
Contributions made	64,044
Increase in net pension obligation	32,629
Net pension obligation beginning of year	336,295
Net pension obligation end of year	$ 368,924

3 Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	$80,415	78.46%	$301,854
June 30, 2011	$99,040	65.23%	$336,295
June 30, 2012	$96,673	66.25%	$368,924

4. Funded Status and Funding Progress

As of December 31, 2011, the most recent valuation date, the plan was unfunded. The actuarial accrued liability for benefits was $901,590, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of $901,590.

The covered payroll (annual payroll of active employees covered by the plan) was $2,694,757, and the ratio of the UAAL to the covered payroll was 33.46%.

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, 2012 were $290,768, which includes $133,244 from the County and $53,865 from the law enforcement officers. In addition, $103,659 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 that is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The 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.

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, 2012, the County's required and actual contributions were $4,022.

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, 2011, the date of the latest actuarial valuation:

Retirees and dependents receiving benefits	67
Active plan members – general	431
Active plan members – law enforcement officers	67
Total	472

Funding Policy. The Board of Commissioners established and may amend the contribution requirements of plan members. The County members pay an average of $558 per month for coverage. The County has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is 8.68% of annual covered payroll. For the current year, the County contributed $346,110 or 1.98% of annual covered payroll. The County is self-insured for healthcare coverage with stop loss claims over $75,000 through private insurers. 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.

The following table shows the components of the County's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the post employment healthcare benefits:

Annual required contribution	$	1,628,644
Interest on net OPEB obligation		232,659
Adjustment to annual required contribution		(200,724)
Annual OPEB cost (expense)		1,660,579
Contributions made		346,110
Increase in net OPEB obligation		1,314,469
Net OPEB obligation, beginning of year		5,816,467
Net OPEB obligation, end of year	$	7,130,936

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

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	$1,660,579	20.8%	$7,130,936
2011	$2,149,031	8.0%	$5,816,467
2010	$2,080,203	11.3%	$3,838,487

Funded Status and Funding Progress. As of December 31, 2011, 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 $15,824,727. The covered payroll (annual payroll of active employees covered by the plan) was $17,478,497 and the ratio of the UAAL to the covered payroll was 90.5%.

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 multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability 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, 2011 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 9.5% and 5.00% annually. Both rates included a 3.00% 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 pay on an open basis. The remaining amortization period at December 31, 2011, 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 contributions to be immaterial.

4. Deferred / Unearned Revenues

The balance in deferred / unearned revenue at June 30, 2012 is comprised of the following:

	Unearned or Deferred Revenue	Full Accrual Unearned Revenue
Taxes receivable, net (General)	$ 2,138,601	$ -
Taxes receivable, net (Special Revenue)	61,157	-
Accounts receivable, net (General)	1,562,565	-
Accounts receivable, net (Special Revenue)	769,640	-
Prepaid taxes not yet earned (General)	192,264	192,264
Prepaid taxes not yet earned (Special Revenue)	2,242	2,242
Total	$ 4,726,469	$ 194,506

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.

The County does not carry flood insurance as there doesn't appear to be any exposure to County-owned properties.

6. Contingent Liabilities

At June 30, 2012, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

7. Long-Term Obligations

a. 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 $287,500 for governmental activities are as follows:

	Governmental Activities	
Year Ending June 30,	Principal	Interest
2013	1,360,000	160,000
2014	1,230,000	95,250
2015	1,290,000	32,250
Total principal payments	3,880,000	
Total interest payments		$ 287,500
Unamortized premium on refunding	203,487	
Total carrying value of debt	$ 4,083,487	

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.

The County's general obligation bonds payable at June 30, 2012 are comprised of the following individual issues:

Serviced by the County's General Fund:

$5,160,000 2002 Hospital Refunding Bonds due in annual principal installments with semi-annual interest payments through April , 2013 at 2.5% to 3.4%	$	450,000

General obligation bonds serviced by the Water 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%		1,926,500
$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%		4,331,300
$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%		2,874,000
$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%		3,812,000
$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%		3,649,500
Total	$	16,593,300

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

	Governmental Activities		Business-type Activities	
Year Ending June 30,	Principal	Interest	Principal	Interest
2013	450,000	15,300	382,200	823,983
2014	-	-	401,200	804,971
2015	-	-	420,000	785,015
2016	-	-	440,200	764,122
2017	-	-	462,500	742,224
2018-2022	-	-	2,670,600	3,343,310
2023-2027	-	-	3,374,900	2,610,578
2028-2032	-	-	4,020,200	1,692,848
2033-2037	-	-	3,887,500	697,569
2038-2040	-	-	534,000	56,386
Total	$ 450,000	$ 15,300	$ 16,593,300	$ 12,321,006

As June 30, 2012, Duplin County had a legal debt margin of $289,046,742.

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.. 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%. During 2009, the County incurred a North Carolina clean water revolving loan in the amount of $929,000, of which one-half was forgiven leaving a balance due of $464,500 to assist with District D water system improvements. This loan requires principal payment through 2030 with a zero percent interest rate.

A summary of notes payable included under governmental activities is as follows:

$11,000,000 USDA loan issued in 2005 for Duplin Commons facility, annual payments through 2045, including interest at 4.125% per annum.	$	10,470,245
$619,965 RBC Bank loan issued in 2006 for purchase of ambulances, annual payments through 2011, including interest at 3.8% per annum. This note has been paid in full.		-
Total serviced by governmental activities	$	10,470,245

A summary of notes payable included under business-type activities is as follows:

$600,000 Global Transpark Development Commission loan issued in 2004 for airport hangar project, annual payments through 2019, including interest at 3.5% per annum		319,633
$150,000 North Carolina clean water revolving loan for Water District F system improvements, issued in 1997, annual payments through 2018, including interest at 2.88%		45,000
$490,199 North Carolina clean water revolving loan for Water District F system improvements, issued in 1998, annual payments through 2020, including interest at 2.6%		196,080
$368,110 North Carolina clean water revolving loan for Albertson Water District system improvements, issued in 2001, annual payments through 2023, including interest at 2.87%		202,460
$464,500 ARRA revolving loan for Water District D system improvements, issued in 2010, annual payments through 2030, including interest at 0.0%		418,050
Total serviced by business-type activities	$	1,181,223

For Duplin County, the following summarizes the annual requirements for notes payable, including interest of $9,184,511 for governmental activities and $103,907 for business-type activities:

	Governmental Activities		Business-type Activities	
Year Ending June 30,	Principal	Interest	Principal	Interest
2013	146,372	431,898	114,708	22,737
2014	152,410	425,860	116,169	19,895
2015	158,697	419,573	117,681	17,001
2016	165,244	413,026	119,248	14,053
2017	172,060	406,210	120,870	11,049
2018-2022	972,800	1,918,550	388,342	18,644
2023-2027	1,190,689	1,700,661	134,531	528
2028-2032	1,453,383	1,433,967	69,674	-
2033-2037	1,783,812	1,107,538	-	-
2038-2042	2,183,353	707,997	-	-
2043-2046	2,091,425	219,231	-	-
Total	$ 10,470,245	$ 9,184,511	$ 1,181,223	$ 103,907

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, 2012:

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012	Current Portion of Balance
Governmental activities:					
General obligation debt	$ 910,000	$ -	$ 460,000	$ 450,000	$ 450,000
Certificates of Participation	5,451,317	-	1,367,830	4,083,487	1,360,000
Notes Payable	10,633,783	-	163,538	10,470,245	146,372
OPEB obligations	5,615,682	1,516,104	315,997	6,815,789	-
Compensated absences	934,516	74,384	-	1,008,900	-
Net pension obligation (LEO)	336,295	96,673	64,044	368,924	-
Total governmental activities	$ 23,881,593	$ 1,687,161	$ 2,371,409	$ 23,197,345	1,956,372
Water Operations Business-type activities:					
General obligation debt	$ 16,958,500	$ -	$ 365,200	$ 16,593,300	$ 382,200
Notes Payable	935,231	-	73,640	861,591	73,641
OPEB obligations	72,506	34,582	7,208	99,880	-
Compensated absences	28,215	6,640	-	34,855	-
Total water operations business-type activities	$ 17,994,452	$ 41,222	$ 446,049	$ 17,589,626	$ 455,841
Airport Operations Business-type activities:					
Notes Payable	$ 359,290	$ -	$ 39,657	$ 319,633	$ 41,067
OPEB obligations	11,154	10,262	2,139	19,277	-
Compensated absences	5,930	2,202	-	8,132	-
Total airport operations business-type activities	$ 376,374	$ 12,464	$ 41,796	$ 347,042	$ 41,067
Solid Waste Operations Business-type activities:					
OPEB obligations	$ 83,661	$ 67,371	$ 14,042	$ 136,990	$ -
Compensated absences	46,354	7,442	-	53,796	-
Total solid waste operations business-type activities	$ 130,015	$ 74,813	$ 14,042	$ 190,786	$ -
Transportation Operations Business-type activities:					
OPEB obligations	$ 33,464	$ 32,260	$ 6,724	$ 59,000	$ -
Compensated absences	27,200	793	-	27,993	-
Total transportation operations business-type activities	$ 60,664	$ 33,053	$ 6,724	$ 86,993	$ -

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

e. Conduit Debt Obligations

Duplin County Industrial Facility and Pollution Control Financing Authority have 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. 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, 2012, there were no industrial revenue bonds outstanding.

8. Interfund Balances and Activity

Transfers to/from other funds at June 30, 2012, 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	$ 18,521
From the General Fund to the Hospital Insurance Fund to assist in employee health coverage	500,000
From the General Fund to the Debt Service Fund for the payment of debt	890,020
From the General Fund to the Community Development Fund to assist in developmental activities	38,262
From the General Fund to the Capital Project School Fund for capital expenditures	719,897
From the General Fund to the Emergency Telephone System Fund to assist in E911 service expansion	1,694
From the Capital Reserve Fund to the Industrial Expansion Capital Project Fund for capital expenditures	115,000
From the School Capital Project Fund to the Debt Service Fund for the payment of debt	1,239,803
From the Capital Reserve Fund to the Capital Project Fund for project costs	164,419
From the General Fund to the Transportation Development Plan Fund to assist in county transportation services	100,000
From Water Fund – District G to Water District G I40-373 Sewer Project Fund for capital expenditures	5,835
From Water Fund – District E to Water District G I40-373 Sewer Project Fund for capital expenditures	384
From the Albertson Water and Sewer Fund to the Albertson Water District Project Fund for capital expenditures	12,655
From the Airport Commission Fund to the Debt Service Fund for the payment of debt	51,600
From the Airport Commission Fund to the Airport Commission Capital Project Fund for capital expenditures.	16,667
From the General Fund to Airport Commission Fund to aid in the operations of the airport	100,000
	$ 3,974,757

Interfund loans outstanding at June 30, 2012 consist 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
	$	352,000

The composition of interfund balances as of June 30, 2012 for operating loans are as follows:

Due to General Fund from Tourism Fund	$	576
Due to General Fund from Fire District Fund		233
Due to General Fund from Motor Vehicle Tax Fund		372
Due to General Fund from County Agency Fund		3,421
Due to Industrial Expansion Capital Project Fund from General Fund		7,873
Due to Airport Commission Capital Project Fund from General Fund		654
Due to Water District B from Albertson Water District		148
Due to Water District B from Water District E		1,466
Due to Water District D from Water District E		478
Due to Water District D from Water District F		432
Due to Water District G from Water District F		2,121
Due to County Water District From Albertson Water District		7,755
Due to County Water District From Water District B		13,206
Due to County Water District From Water District D		12,362
Due to County Water District From Water District E		14,051
Due to County Water District From Water District F		17,603
Due to County Water District From Water District G		12,055
Due to Transportation Development Fund from General Fund		379
Due to Motor Vehicle 3% Fund from General Fund		1,955
Due to Motor Vehicle 3% Fund from Fire District Fund		40
Due to Motor Vehicle 3% Fund from Motor Vehicle Tax Fund		319
	$	97,499

9. Fund Balance

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

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

Total fund balance – General Fund	$	12,203,158
Less:		
Inventories		301,552
Stabilization by State Statute		2,890,651
Appropriated Fund Balance in 2013 budget		3,088,498
Federally Seized Assets		355,860
Grants/Projects		91,321
Health Programs		538,150
Sheriff		56,829
Daycare		2,028
Capital Improvements		1,157,686
Remaining Fund Balance	$	3,720,583

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

Encumbrances:		
General Fund	$	203,851
Non-major Funds		
Revaluation Fund		3,711
Tourism Fund		369
Total	$	207,931

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 $224,474 to the joint venture during the fiscal year ended June 30, 2012. 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, 2012. Complete financial statements for Eastpointe can be obtained from their office in Beulaville, North Carolina.

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 $1,362,585 and $243,000 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2012. 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, 2012 Complete financial statements for the community college may be obtained from the community college's administrative offices at Highway 11 South, Kenansville, North Carolina.

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	$ 45,564,442	26,499,093
Food stamps	15,522,625	-
WIC	1,625,764	-
IV-E Adopt Subsidy & Vendor	157,352	42,148
IV-E Admin County Paid to CCI	11,183	5,592
IV-E Foster Care	55,565	14,883
IV-E Foster Care in Excess	51,197	13,666
TANF Payments & Penalties	626,150	-
CWS Adopt Subsidy & Vendor	-	71,345
SC/SA Domiciliary Care Payment	-	628,665
SFHF Maximization	-	44,191
State Foster Home	-	28,957

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. Significant Effects of Subsequent Events

Advance Refunding

On July 12, 2012, the County issued $16,861,771 in general obligation advance refunding bonds to provide resources to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of general resources for all future debt service payments of $16,593,300 of general obligation bonds in all of the County's water districts. As a result, the refunded bonds are considered to be defeased and the liability will be removed from the business-type activities column of the statement of net assets beginning with the fiscal year that began on July 1, 2012. The reacquisition price exceeded the net carrying amount of the old debt by $268,471. This amount is being netted against the new debt and amortized over the life of the refunded debt which is shorter than the life of the new debt issued. This advance refunding was undertaken to reduce total debt service payments over the next 25 years by $3,137,797 and resulted in an economic gain of $1,853,412.

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	Acturial Value of Assets (a)	Acturial 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)
12/31/2000	$ -	$ 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%
12/31/2009	-	857,488	857,488	0%	2,468,019	34.74%
12/31/2010	-	844,755	844,755	0%	2,498,560	33.81%
12/31/2011	-	901,590	901,590	0%	2,694,757	33.46%

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*
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%
2010	77,710	81.19%
2011	100,107	64.53%
2012	99,920	64.10%

* 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	12/31/2011
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	19 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases*	4.25% - 7.85%
*Includes inflation at	3.00%
Cost of living adjustments	N/A

Exhibit A-3

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%
12/31/2009	-	15,354,246	15,354,246	0.00%	16,355,315	93.90%
12/31/2011	-	15,824,727	15,824,727	0.00%	17,478,497	90.50%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June 30,	Annual Required Contribution *	Percentage Contributed *
2010	$ 2,069,253	11.41%
2011	2,069,253	8.27%
2012	1,628,644	21.25%

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	12/31/2011
Actuarial cost method	Projected unit credit
Amortization method	Level percent of projcted pay, open
Remaining amortization period	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Invesment rate of return *	4.00%
Annual medical cost trend increase*	9.50% - 5.00%
* Includes inflation at	3.00%

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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
COMBINING BALANCE SHEET
June 30, 2012

Exhibit B-1

	General Fund	Capital Reserve Fund	Total
Assets			
Cash and investments	$ 8,845,258	$ 1,142,186	$ 9,987,444
Taxes receivable	2,138,071	-	2,138,071
Accounts receivable	4,124,763	-	4,124,763
Due from other funds	4,602	-	4,602
Inventory	301,552	-	301,552
Intergovernmental receivables	120,000	-	120,000
Total assets	$ 15,534,246	$ 1,142,186	$ 16,676,432
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$ 568,962	$ -	$ 568,962
Deferred revenues	3,893,430	-	3,893,430
Due to other funds	10,882	-	10,882
Total liabilities	4,473,274	-	4,473,274
Fund Balances:			
Nonspendable - Inventories	301,552	-	301,552
Restricted by State Statute	2,890,651	-	2,890,651
Restricted for Federally Seized Assets	355,860	-	355,860
Restricted for Health	538,150	-	538,150
Restricted for Grants	91,321	-	91,321
Restricted for Sheriff	56,829	-	56,829
Restricted for Daycare	2,028	-	2,028
Committed for Capital Improvements	15,500	1,142,186	1,157,686
Assigned for Subsequent Year's Expenditures	3,088,498	-	3,088,498
Unassigned	3,720,583	-	3,720,583
Total fund balances	11,060,972	1,142,186	12,203,158
Total liabilities and fund balances	$ 15,534,246	$ 1,142,186	$ 16,676,432

Duplin County, North Carolina
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2012

Exhibit B-2

	General Fund	Capital Reserve Fund	Total
Revenues:			
Ad valorem taxes	$ 27,282,680	$ -	$ 27,282,680
Local option sales taxes	5,833,314	-	5,833,314
Other taxes and licenses	145,704	-	145,704
Unrestricted intergovernmental	47,439	-	47,439
Restricted intergovernmental	10,005,951	-	10,005,951
Permits and fees	557,317	-	557,317
Sales and services	7,491,979	-	7,491,979
Investment earnings	9,845	708	10,553
Contributions	31,106	-	31,106
Miscellaneous	83,748	-	83,748
Total revenues	51,489,083	708	51,489,791
Expenditures:			
General government	5,787,750	-	5,787,750
Public safety	14,630,021	-	14,630,021
Environmental protection	659,560	-	659,560
Economic and physical development	1,213,928	-	1,213,928
Human services	15,785,872	-	15,785,872
Cultural and recreational	739,981	-	739,981
Education	10,649,093	-	10,649,093
Non-departmental	198,766	-	198,766
Total expenditures	49,664,971	-	49,664,971
Excess (deficiency) of revenues over expenditures	1,824,113	708	1,824,821
Other financing sources (uses):			
Transfers from other funds	-	-	-
Transfers to other funds	(2,368,394)	(279,419)	(2,647,813)
Proceeds from sale of capital assets	77,396	-	77,396
Total other financing sources (uses)	(2,290,998)	(279,419)	(2,570,417)
Net change in fund balance	(466,886)	(278,711)	(745,597)
Fund balances, beginning of year	11,482,715	1,420,897	12,903,612
Increase in inventory	45,143	-	45,143
Fund balances, end of year	$ 11,060,972	$ 1,142,186	$ 12,203,158

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes:			
Taxes		$ 26,773,945	
Penalties and interest		508,735	
Total	$ 27,334,807	27,282,680	$ (52,127)
Local Option Sales Taxes:			
Article 39 and 44		2,240,102	
Article 40 one-half of one percent		2,013,548	
Article 42 one-half of one percent		817,799	
Article 46 one-quarter of one percent		761,865	
Total	5,714,059	5,833,314	119,255
Other Taxes and Licenses:			
Deed stamp excise tax		123,598	
Privilege licenses		4,944	
Other taxes and licenses		17,162	
Total	154,538	145,704	(8,834)
Unrestricted Intergovernmental:			
ABC profits (35%)	45,000	47,439	2,439
Restricted Intergovernmental:			
State grants		9,226,873	
Federal grants		506,815	
Court facility fees		156,130	
NC Regional Community Health Grant		5,000	
NC Center for Public Health Grant		250	
Grants-Other		97,329	
ABC profits (10%)		13,554	
Total	10,545,283	10,005,951	(539,332)
Permits and Fees:			
Building inspection fees		307,258	
Fire inspection fees		50,400	
Register of deeds		199,659	
Total	522,120	557,317	35,197

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Sales and Services:			
Ambulance and rescue squad fees		2,541,925	
Health department fees		1,783,224	
Nutrition fees		95,004	
Police protection/School resource officers		642,515	
Sheriff and jail fees		272,887	
Animal control fees		17,065	
Cabin Lake fees		53,520	
Library fees		16,845	
Event Center revenue		123,896	
Rents		120,027	
Social services fees		128,024	
Aging department fees		57,217	
Other fees and services		1,639,830	
Total	6,670,434	7,491,979	821,545
Investment Earnings	9,054	9,845	791
Miscellaneous:			
Various contributions		31,106	
In-kind		24,092	
Other revenues		59,656	
Total	102,147	114,854	12,707
Total revenues	51,097,442	51,489,083	391,641
Expenditures:			
General Government:			
Governing Body:			
Salaries and employee benefits		71,404	
Other operating expenditures		146,814	
Total		218,218	
County Manager:			
Salaries and employee benefits		178,286	
Other operating expenditures		2,752	
Total		181,038	
Personnel:			
Salaries and employee benefits		107,740	
Other operating expenditures		5,740	
Total		113,480	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Finance:			
Salaries and employee benefits		395,292	
Other operating expenditures		23,203	
Total		418,495	
Information Technology:			
Salaries and employee benefits		365,694	
Other operating expenditures		25,207	
Total		390,901	
Elections:			
Salaries and employee benefits		212,877	
Other operating expenditures		60,652	
Total		273,529	
HAVA Grant Title I			
Other operating expenditures		6,228	
Tax Administration:			
Salaries and employee benefits		684,181	
Other operating expenditures		203,974	
Total		888,155	
Central Supply :			
Purchases		1,481,538	
Register of Deeds:			
Salaries and employee benefits		297,837	
Other operating expenditures		117,505	
Total		415,343	
Housekeeping:			
Salaries and employee benefits		239,588	
Other operating expenditures		11,454	
Total		251,042	
Building Maintenance:			
Salaries and employee benefits		386,583	
Other operating expenditures		106,875	
Capital outlay		7,525	
Total		500,983	

	Final Budget	Actual	Variance Positive (Negative)
Garage:			
Salaries and employee benefits		193,257	
Other operating expenditures		28,376	
Total		221,633	
Legal:			
Salaries and employee benefits		170,060	
Other operating expenditures		29,300	
Total		199,360	
Court Facilities:			
Salaries and employee benefits		62,942	
Other operating expenditures		162,573	
Capital outlay		-	
Total		225,515	
Jury commission:			
Other operating expenditures		2,292	
Total general government	6,097,955	5,787,750	310,206
Public Safety:			
Sheriff:			
Salaries and employee benefits		2,826,703	
Other operating expenditures		659,622	
Total		3,486,325	
Adult Probation:			
Other operating expenditures		6,181	
Mental Health Transportation:			
Salaries and employee benefits		20,937	
Special Separation Allowance:			
Salaries and employee benefits		68,943	
Fingerprinting:			
Other operating expenditures		2,465	
Communications:			
Salaries and employee benefits		1,006,860	
Other operating expenditures		112,202	
Capital outlay		4,122	
Total		1,123,184	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Special Response Team:			
Other operating expenditures		18,000	
School Resource Officer:			
Salaries and employee benefits		449,835	
Other operating expenditures		34,375	
Total		484,210	
Federally Seized Assets - Treasury Department:			
Other operating expenditures		5,784	
Federally Seized Assets - Customs:			
Other operating expenditures		30,254	
Capital outlay		43,256	
Total		73,510	
Federally Seized Assets - IRS:			
Capital outlay		19,022	
Federally Seized Assets - Justice Department:			
Other operating expenditures		37,809	
Capital outlay		167,483	
Total		205,292	
GIS-911 Functions:			
Salaries and employee benefits		9,296	
Addressing-911 Functions:			
Salaries and employee benefits		10,935	
Jail:			
Salaries and employee benefits		1,341,579	
Other operating expenditures		696,550	
Capital outlay		1,975	
Total		2,040,104	
Criminal Justice Partnership Grant:			
Other operating expenditures		75,329	
Emergency Management:			
Salaries and employee benefits		131,173	
Other operating expenditures		46,319	
Capital outlay		3,633	
Total		181,125	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Department of Justice 2009 Alien Grant:			
Other operating expenditures		-	
Department of Justice 2010 Alien Grant:			
Other operating expenditures		3,560	
Department of Justice 2011 Alien Grant			
Other operating expenditures		-	
Emergency Medical Services:			
Salaries and employee benefits		3,815,094	
Other operating expenditures		626,536	
Capital outlay		298,439	
Total		4,740,069	
Fire Marshall:			
Salaries and employee benefits		113,309	
Contracted services		1,317,873	
Operating expenditures		18,671	
Capital outlay		3,633	
Total		1,453,486	
Faison Substation:			
Salaries and employee benefits		134,846	
Operating expenditures		25,774	
Total		160,620	
Building Inspections:			
Salaries and employee benefits		201,197	
Other operating expenditures		23,157	
Capital outlay		30,126	
Total		254,480	
Medical Examiner:			
Contracted services		16,200	
Animal Control:			
Salaries and employee benefits		126,929	
Other operating expenditures		44,035	
Total		170,964	
Total public safety	15,172,500	14,630,021	542,479

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Environmental Protection:			
Soil Conservation			
Salaries and employee benefits		279,926	
Operating expenditures		280,196	
Total		560,122	
Contributions:			
Forestry service		99,438	
Total Environmental Protection	853,100	659,560	193,540
Economic and Physical Development:			
Planning:			
Salaries and employee benefits		75,069	
Other operating expenditures		2,839	
Total		77,908	
Central Plant - Duplin Commons:			
Other operating expenditures		26,890	
Westpark Business Technology Center:			
Other operating expenditures		31,307	
Event Center:			
Salaries and employee benefits		131,364	
Other operating expenditures		333,831	
Total		465,195	
Economic Development :			
Salaries and employee benefits		94,834	
Other operating expenditures		93,000	
Total		187,834	
N.C. Cooperative Extension Service:			
Salaries and employee benefits		182	
Other operating expenditures		280,226	
Total		280,408	
N.C. Cooperative Extension 4-H Prevention Program:			
Salaries and employee benefits		26,787	
Other operating expenditures		14,473	
Total		41,260	

	Final Budget	Actual	Variance Positive (Negative)
Industrial Park:			
Other operating expenditures		2,640	
JCPC- Duplin Parenting:			
Salaries and employee benefits		31,599	
Other operating expenditures		3,861	
Total		35,460	
JCPC - 4-H Outreach:			
Salaries and employee benefits		37,006	
Other operating expenditures		16,979	
Total		53,985	
Farm Services Agency:			
Other operating expenditures		11,041	
Total economic and physical development	1,327,811	1,213,928	113,883
Human Services:			
Health:			
Salaries and employee benefits		11,326	
Other operating expenditures		80,016	
Total		91,342	
UHS - Healthy Weight Clinic Grant:			
Salaries and employee benefits		8,240	
Other operating expenditures		5,933	
Total		14,173	
Health & Wellness Grant:			
Salaries and employee benefits		60,618	
Other operating expenditures		23,218	
Total		83,836	
Healthy Beginnings:			
Salaries and employee benefits		71,083	
Other operating expenditures		3,819	
Total		74,902	
Environmental Health:			
Salaries and employee benefits		345,044	
Other operating expenditures		27,219	
Total		372,263	

	Final Budget	Actual	Variance Positive (Negative)
Food & Lodging			
Other operating expenditures		6,407	
Communicable Disease:			
Salaries and employee benefits		119,559	
Other operating expenditures		19,281	
Total		138,840	
Immunization Action Plan:			
Salaries and employee benefits		70,628	
Other operating expenditures		75,112	
Total		145,740	
WIC - General Administration:			
Salaries and employee benefits		20,465	
WIC - Nutrition Education:			
Salaries and employee benefits		133,178	
WIC - Breastfeeding Promotion:			
Salaries and employee benefits		16,135	
Other operating expenditures		119	
Total		16,254	
WIC - Client Services:			
Salaries and employee benefits		290,713	
Other operating expenditures		52,285	
Total		342,998	
Dental Program:			
Salaries and employee benefits		80,888	
Other operating expenditures		130,725	
Total		211,613	
Hurricane Irene - Other Departments:			
Salaries and employee benefits		24,631	
Other operating expenditures		14,020	
Total		38,651	
Closing the Gap:			
Salaries and employee benefits		8,950	
Other operating expenditures		2,403	
Total		11,353	

	Final Budget	Actual	Variance Positive (Negative)
Motivational Interview Training:			
Other operating expenditures		7,586	
Bioterrorism:			
Salaries and employee benefits		18,154	
Other operating expenditures		22,473	
Capital outlay		4,428	
Total		45,055	
Tuberculosis:			
Salaries and employee benefits		31,292	
Other operating expenditures		9,465	
Total		40,757	
CDC Tuberculosis:			
Salaries and employee benefits		33,258	
Infection Control:			
Salaries and employee benefits		2,978	
March of Dimes - Centering Pregnancy:			
Other operating expenditures		1,754	
Primary Care:			
Salaries and employee benefits		484,110	
Other operating expenditures		75,486	
Total		559,596	
Community Health Promotion:			
Salaries and employee benefits		10,929	
Other operating expenditures		6,505	
Total		17,434	
Pregnancy Care Management:			
Salaries and employee benefits		90,005	
Other operating expenditures		2,565	
Total		92,570	
Pregnancy Care Management - Non Medicaid:			
Salaries and employee benefits		36,979	
Other operating expenditures		374	
Total		37,353	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Maternal Health:			
Salaries and employee benefits		279,473	
Other operating expenditures		34,646	
Total		314,119	
Family Planning:			
Salaries and employee benefits		232,133	
Other operating expenditures		80,336	
Total		312,469	
Child Health:			
Salaries and employee benefits		298,125	
Other operating expenditures		14,276	
Total		312,401	
Interpreter Grant:			
Salaries and employee benefits		20,924	
CC4C:			
Salaries and employee benefits		138,996	
Other operating expenditures		5,435	
Total		144,431	
Social Services Administration:			
Salaries and employee benefits		5,029,489	
Other operating expenditures		493,901	
Total		5,523,390	
Social Services Building Expense:			
Salaries and employee benefits		32,941	
Other operating expenditures		143,545	
Capital outlay		15,901	
Total		192,387	
Social Service - Adult Day Care:			
Other operating expenditures		3,960	
Hurricane Irene - Social Services:			
Salaries and employee benefits		12,201	
Work First/TANF:			
Assistance payments		15,957	
Other operating expenditures		13,200	
Total		29,157	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Title - IV D:			
Salaries and benefits		82,476	
Other operating expenditures		24,894	
Total		107,370	
Special Assistance for Adults:			
Assistance payments		628,119	
Foster Children:			
Assistance payments		374,931	
Medicaid Program:			
Assistance payments		211,270	
Aid to the Blind Program:			
Assistance payments		6,175	
Adoption Assistance:			
Assistance payments		10,835	
Crisis Intervention Program:			
Assistance payments		243,024	
Progress Energy Assistance:			
Assistance payments		11,544	
Low Income Home Energy Assistance		125,000	
General Assistance:			
Assistance payments		9,854	
Other operating expenditures		1,709	
Total		11,563	
Daycare:			
Assistance payments		2,787,230	
Seniors' Health Insurance Information Program:			
Other operating expenditures		5,101	
Aging Program:			
Salaries and employee benefits		298,075	
Other operating expenditures		123,906	
Total		421,981	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Aging - Legal Services:			
Other operating expenditures		3,228	
Aging - Fan Program:			
Other operating expenditures		466	
Aging - In-Home Aid Services:			
Salaries and employee benefits		80,606	
Other operating expenditures		13,007	
Total		93,613	
Aging - Title III Transportation:			
Other operating expenditures		93,547	
Aging - Title III-F Health Promotion:			
Salaries and employee benefits		1,192	
Other operating expenditures		5,016	
Total		6,208	
Aging - In-Home Aid II:			
Salaries and employee benefits		7,403	
Other operating expenditures		2,283	
Total		9,686	
NC Center for Public Health - Quality Improvement:			
Other operating expenditures		837	
UHS Diabetes Management Grant:			
Other operating expenditures		22,093	
Aging - Adult Day Care Services:			
Other operating expenditures		3,564	
Aging - Housing & Home Improvements:			
Other operating expenditures		6,364	
Aging - Adult Health:			
Other operating expenditures		2,302	
Senior Center Operations:			
Salaries and employee benefits		360	
Other operating expenditures		5,425	
Total		5,785	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Family Caregiver:			
Salaries and employee benefits		4,433	
Other operating expenditures		1,593	
Total		6,026	
Peer Breastfeeding:			
Salaries and employee benefits		20,915	
Nutrition - Home Bound Meals			
Salaries and employee benefits		24,525	
Other operating expenditures		73,223	
Total		97,748	
Nutrition :			
Salaries and employee benefits		167,728	
Other operating expenditures		183,018	
Total		350,746	
JCPC Restitution/Teen Court:			
Other operating expenditures		80,560	
Total		80,560	
JCPC Emergency Shelter:			
Other operating expenditures		441	
JCPC - Juvenile Court Psychological Service:			
Other operating expenditures		5,500	
JCPC - Administration:			
Other operating expenditures		512	
JCPC - Gang Awareness:			
Other operating expenditures		10,000	
Veteran's Service Officer:			
Salaries and employee benefits		40,433	
Other operating expenditures		6,986	
Total		47,419	
County Wellness Program:			
Salaries and employee benefits		197,684	
Other operating expenditures		94,494	
Total		292,178	

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Lead Screening:			
Other operating expenditures		312	
Mosquito Control:			
Other operating expenditures		4,336	
American Lung Association Grant:			
Capital outlay		571	
Eastern Area Health Grant:			
Other operating expenditures		130	
March of Dimes Grant - Taking Care of Me:			
Other operating expenditures		724	
Public Health Foundation Grant - Diabetes Education:			
Other operating expenditures		1,573	
Cape Fear Obesity Clinic Grant:			
Salaries and employee benefits		14,222	
Other operating expenditures		17,425	
Total		31,647	
Vital Records:			
Salaries and employee benefits		7,637	
ECU Diabetic Grant Project:			
Other operating expenditures		758	
Regional Community Health Grant:			
Other operating expenditures		1,888	
ECU IPIP Project Grant			
Other operating expenditures		146	
LICC Mini Grant		-	
UNC Quality Improvement Grant:			
Other operating expenditures		447	
Capital outlay		1,553	
Total		2,000	
Contributions:			
Mental Health - Eastpointe		224,474	
Total human services	16,752,244	15,785,872	966,372

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Cultural and Recreational			
Museum:			
Salaries and employee benefits		23,996	
Other operating expenditures		6,471	
Total		30,467	
Library:			
Salaries and employee benefits		342,011	
Other operating expenditures		95,883	
Capital outlay-books		126,910	
Total		564,804	
Gates Staying Connected Grant		-	
Parks and Recreation:			
Salaries and employee benefits		100,523	
Other operating expenditures		44,187	
Total		144,710	
Total cultural and recreational	766,209	739,981	26,228
Education			
Public schools - current expenditures		8,861,720	
Public schools - capital outlay		181,788	
Community colleges - current expenditures		1,362,585	
Community colleges - capital outlay		243,000	
Total education	10,717,305	10,649,093	68,212
Non-Departmental			
Post-employment healthcare benefits	200,000	186,161	13,839
Other expenditures	250,180	12,605	237,575
Contingency	86,447	-	86,447
Capital outlay	26,863	-	26,863
Total non-departmental	563,490	198,766	364,724
Total expenditures	52,250,614	49,664,971	2,585,644
Revenues over (under) expenditures	(1,153,172)	1,824,113	2,977,285

Duplin County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit B-3

	Final Budget	Actual	Variance Positive (Negative)
Other financing sources (uses):			
Transfers to other funds:			
To Airport Commission Fund	(100,000)	(100,000)	-
To CDBG CR08C1875	(38,262)	(38,262)	-
To Debt Service Fund	(890,088)	(890,020)	68
To Capital Project School Fund	(701,222)	(719,897)	(18,675)
To Automation Enchancement & Preservation Fund	(19,000)	(18,521)	479
To Transportation Development Plan Fund	(159,735)	(100,000)	59,735
To Capital Project Fund	(15,500)	-	15,500
To Emergency Telephone System Fund	(1,694)	(1,694)	-
To Hospital Insurance Fund	(500,000)	(500,000)	-
Total transfers to other funds	(2,425,501)	(2,368,394)	57,107
Proceeds from sale of capital assets	77,396	77,396	-
Total other financing sources (uses)	(2,348,105)	(2,290,998)	57,107
Appropriated fund balance	3,501,277	-	3,501,277
Net change in fund balance	$ -	(466,886)	$ (466,886)
Fund balance, beginning of year		11,482,715	
Increase in inventory		45,143	
Fund balance, end of year		$ 11,060,972	

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, 2012

Exhibit B-4

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Investment earnings	$ 47,437	$ 219,129	$ 708	$ 219,837	$ 172,400
Expenditures:					
Capital reserve	799,439	-	-	-	799,439
Revenues over (under) expenditures	(752,002)	219,129	708	219,837	971,839
Other financing sources (uses):					
Transfers in (out):					
From (to) General Fund	1,319,467	1,319,467	-	1,319,467	-
From Emergency Telephone System Fund	602,472	602,472	-	602,472	-
To Capital Project Fund	(1,019,937)	(720,171)	(164,419)	(884,590)	135,347
To Industrial Expansion Capital Project	(150,000)	-	(115,000)	(115,000)	35,000
Total other financing sources (uses)	752,002	1,201,768	(279,419)	922,349	170,347
Net change in fund balance	$ -	$ 1,420,897	(278,711)	$ 1,142,186	$ 1,142,186
Fund balance, beginning of year			1,420,897		
Fund balance, end of year			$ 1,142,186		

NON-MAJOR GOVERNMENTAL FUNDS

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Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2012

Exhibit C-1

	Special Revenue Funds	Capital Project Funds	Total
Assets			
Cash and investments	$ 1,299,927	$ 1,068,310	$ 2,368,237
Restricted cash and investments	3,148,842	892,580	4,041,422
Accounts receivable	36,384	1,439,884	1,476,268
Taxes receivable	61,140	-	61,140
Other receivables	769,640	-	769,640
Due from other funds	-	7,873	7,873
Total assets	$ 5,315,933	$ 3,408,647	$ 8,724,580
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	$ 22,899	$ 750,793	$ 773,692
Deferred revenues	833,039	-	833,039
Due to other funds	850	-	850
Total liabilities	856,788	750,793	1,607,581
Fund Balances:			
Restricted by state statute	36,384	1,447,757	1,484,141
Restricted by schools	2,475,019	544,518	3,019,537
Restricted for E-911	148,707	-	148,707
Restricted for tourism	277,958	-	277,958
Restricted for register of deeds	3,090	-	3,090
Restricted for tax revaluation	673,823	-	673,823
Committed for economic development	789,819	-	789,819
Committed for capital projects	-	317,517	317,517
Assigned for subsequent year's expenditures	57,456	348,062	405,518
Unassigned	(3,111)	-	(3,111)
Total fund balances	4,459,145	2,657,854	7,116,999
Total liabilites and fund balances	$ 5,315,933	$ 3,408,647	$ 8,724,580

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2012

Exhibit C-2

	Special Revenue Funds	Capital Project Funds	Total
Revenues:			
Ad Valorem taxes	$ 812,744	$ -	$ 812,744
Investment earnings	34,004	1,126	35,130
Local option sales taxes	-	1,452,069	1,452,069
Restricted intergovernmental	1,615,460	1,496,359	3,111,819
Contributions	-	1,607,944	1,607,944
Miscellaneous revenues	92,522	-	92,522
Total revenues	2,554,730	4,557,498	7,112,228
Expenditures:			
General government	89,891	-	89,891
Public safety	1,824,396	126,931	1,951,327
Economic and Physical Development	1,044,197	2,470,482	3,514,679
Education	549,242	735,663	1,284,905
Total expenditures	3,507,726	3,333,076	6,840,802
Revenues over (under) expenditures	(952,996)	1,224,422	271,426
Other financing sources (uses):			
Transfers from other funds	58,477	999,316	1,057,793
Transfers to other funds	-	(1,239,803)	(1,239,803)
Total other financing sources (uses)	58,477	(240,487)	(182,010)
Net change in fund balances	(894,519)	983,935	89,416
Fund balances, beginning of year	5,353,664	1,673,919	7,027,583
Fund balances, end of year	$ 4,459,145	$ 2,657,854	$ 7,116,999

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.

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.

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 lottery revenues designated for public school capital expenditures.

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

Automation Enhancement and Preservation Fund – This fund accounts for funds to be used for computer and imaging technology in the register of deeds office.

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2012

	Fire District Fund	Revaluation Fund	Community Development Revolving Loan Fund	School Planning Allocation Fund
Assets				
Cash and investments	$ 9,202	$ -	$ 789,819	$ -
Restricted cash and investments	-	673,823	-	2,475,019
Accounts receivable	856	-	-	-
Taxes receivable	61,140	-	-	-
Other receivables	-	-	769,640	-
Total assets	$ 71,198	$ 673,823	$ 1,559,459	$ 2,475,019
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	$ 9,780	$ -	$ -	$ -
Deferred revenues	63,399	-	769,640	-
Due to other funds	274	-	-	-
Total liabilities	73,453	-	769,640	-
Fund Balances:				
Restricted by state statute	856	-	-	-
Restricted for schools	-	-	-	2,475,019
Restricted for E-911	-	-	-	-
Restricted for tourism	-	-	-	-
Restricted for register of deeds	-	-	-	-
Restricted for tax revaluation	-	673,823	-	-
Committed for economic development	-	-	789,819	-
Assigned for subsequent year's expenditures	-	-	-	-
Unassigned	(3,111)	-	-	-
Total fund balances	(2,255)	673,823	789,819	2,475,019
Total liabilities and fund balances	$ 71,198	$ 673,823	$ 1,559,459	$ 2,475,019

Exhibit D-1

Emergency Telephone System Fund	Grant Project Funds	County Trust Fund	Tourism Fund	Automated Enhancement & Preservation Fund	Total
$ 154,440	$ -	$ 51,723	$ 279,280	$ 15,463	$ 1,299,927
-	-	-	-	-	3,148,842
16,840	-	-	18,688	-	36,384
-	-	-	-	-	61,140
-	-	-	-	-	769,640
$ 171,280	$ -	$ 51,723	$ 297,968	$ 15,463	$ 5,315,933
$ -	$ -	$ -	$ 746	$ 12,373	$ 22,899
-	-	-	-	-	833,039
-	-	-	576	-	850
-	-	-	1,322	12,373	856,788
16,840	-	-	18,688	-	36,384
-	-	-	-	-	2,475,019
148,707	-	-	-	-	148,707
-	-	-	277,958	-	277,958
-	-	-	-	3,090	3,090
-	-	-	-	-	673,823
-	-	-	-	-	789,819
5,733	-	51,723	-	-	57,456
-	-	-	-	-	(3,111)
171,280	-	51,723	296,646	3,090	4,459,145
$ 171,280	$ -	$ 51,723	$ 297,968	$ 15,463	$ 5,315,933

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2012

	Fire District Fund	Revaluation Fund	Community Development Revolving Loan Fund	School Planning Allocation Fund
Revenues:				
Ad valorem taxes	$ 697,744	$ 115,000	$ -	$ -
Investment earnings	-	379	15,581	17,482
Restricted intergovernmental	-	-	-	575,200
Miscelleneous revenues	-	-	32,378	-
Total revenues	697,744	115,379	47,959	592,682
Expenditures:				
General government	19,998	-	-	-
Public safety	678,800	-	-	-
Economic and physical development	-	-	200,000	-
Education - capital outlay	-	-	-	549,242
Total expenditures	698,798	-	200,000	549,242
Revenues over (under) expenditures	(1,054)	115,379	(152,041)	43,440
Other financing sources (uses):				
Transfers in (out):				
Transfers from other funds	-	-	-	-
Transfers to other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(1,054)	115,379	(152,041)	43,440
Fund balances, beginning of year	(1,201)	558,444	941,860	2,431,579
Fund balances, end of year	$ (2,255)	$ 673,823	$ 789,819	$ 2,475,019

Exhibit D-2

Emergency Telephone System Fund	Grant Project Funds	County Trust Fund	Tourism Fund	Automation Enhancement & Preservation Fund	Total
$ -	$ -	$ -	$ -	$ -	$ 812,744
369	-	31	154	8	34,004
202,082	642,019	-	196,159	-	1,615,460
-	8,656	46,485	5,003	-	92,522
202,451	650,675	46,516	201,316	8	2,554,730
-	-	49,780	-	20,113	89,891
1,133,054	12,542	-	-	-	1,824,396
-	676,395	-	167,802	-	1,044,197
-	-	-	-	-	549,242
1,133,054	688,937	49,780	167,802	20,113	3,507,726
(930,603)	(38,262)	(3,264)	33,514	(20,105)	(952,996)
1,694	38,262	-	-	18,521	58,477
-	-	-	-	-	-
1,694	38,262	-	-	18,521	58,477
(928,909)	-	(3,264)	33,514	(1,584)	(894,519)
1,100,189	-	54,987	263,132	4,674	5,353,664
$ 171,280	$ -	$ 51,723	$ 296,646	$ 3,090	$ 4,459,145

Duplin County, North Carolina
FIRE DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit D-3

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes	$ 720,231	$ 697,744	$ (22,487)
Expenditures:			
General government:			
Commission to General Fund	20,643	19,998	645
Public Safety:			
Oak Wolfe Fire District	54,450	50,323	4,127
Glisson Fire District	89,201	86,685	2,516
Sarecta Fire District	80,619	78,319	2,300
East Duplin Fire District	81,697	77,861	3,836
Albertson Fire District	69,477	68,526	951
Stacy Britt Fire District	131,719	130,570	1,149
Franklin Fire District	21,659	18,991	2,668
Northeast Fire District	170,766	167,525	3,241
Total public safety	699,588	678,800	20,788
Total expenditures	720,231	698,798	21,433
Net change in fund balance	$ -	(1,054)	$ (1,054)
Fund balance, beginning of year		(1,201)	
Fund balance, end of year		$ (2,255)	

Duplin County, North Carolina
REVALUATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit D-4

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes	$ 115,000	$ 115,000	$ -
Investment earnings	-	379	379
Total revenues	115,000	115,379	379
Expenditures:			
Economic and Physical Development:			
Revaluation	115,000	-	115,000
Net change in fund balance	$ -	115,379	$ 115,379
Fund balance, beginning of year		558,444	
Fund balance, end of year		$ 673,823	

Duplin County, North Carolina
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit D-5

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	$ -	$ 15,581	$ 15,581
Loan payments	-	32,378	32,378
Total revenues	-	47,959	47,958
Expenditures:			
Economic and physical development:			
Community development loans	200,000	200,000	-
Revenues over (under) expenditures	(200,000)	(152,041)	47,959
Appropriated fund balance	200,000	-	200,000
Net change in fund balance	$ -	(152,041)	$ (152,041)
Fund balance, beginning of year		941,860	
Fund balance, end of year		$ 789,819	

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, 2012

Exhibit D-6

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental:			
Lottery revenue	$ 382,917	$ 575,200	$ 192,283
Investment earnings	-	17,482	17,482
Total revenues	382,917	592,682	209,765
Expenditures:			
Education:			
Lottery expenditures - capital outlay:			
Heat pumps and windows - East Duplin High School	1,176,817	-	1,176,817
Window replacement - Wallace Rose Hill and James Kenan High Schools	27,442	27,442	-
Heat Pumps - Wallace Rose Hill High School	521,800	521,800	-
Total expenditures	1,726,059	549,242	1,176,817
Revenues over (under) expenditures	(1,343,142)	43,440	1,386,582
Appropriated fund balance	1,343,142	-	1,343,142
Net change in fund balance	$ -	43,440	$ 43,440
Fund balance, beginning of year		2,431,579	
Fund balance, end of year		$ 2,475,019	

Duplin County, North Carolina
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit D-7

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental:			
Emergency telephone fee	$ 140,557	$ 202,082	$ 61,525
Investment earnings	-	369	369
Total revenues	140,557	202,451	61,894
Expenditures:			
Public safety:			
Emergency telephone services:			
Operating expenditures	377,719	334,390	43,329
Capital outlay	497,689	448,574	49,115
S.L. 2010-158 expenditures	350,218	350,090	128
Total expenditures	1,225,626	1,133,054	92,572
Revenues over (under) expenditures	(1,085,069)	(930,603)	(30,678)
Other financing sources:			
Transfer from General Fund	1,694	1,694	-
Appropriated fund balance	1,083,375	-	(1,083,375)
Net change in fund balance	$ -	(928,909)	$ (928,909)
Fund balance, beginning of year		1,100,189	
Fund balance, end of year		$ 171,280	

Duplin County, North Carolina
NON-MAJOR GRANT PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
For the Fiscal Year Ended June 30, 2012

Exhibit D-8

	CDBG CR08C1875	Department Of Justice Sheriff Trust	CDBG SSH09C1989	Total
Revenues:				
Restricted intergovernmental	$ 568,890	$ 12,542	$ 60,587	$ 642,019
Miscellaneous	-	-	8,656	8,656
Total revenues	568,890	12,542	69,243	650,675
Expenditures:				
Public safety	-	12,542	-	12,542
Economic and physical development	607,152	-	69,243	676,395
Total expenditures	607,152	12,542	69,243	688,937
Revenues over (under) expenditures	(38,262)	-	-	(38,262)
Other financing sources (uses):				
Transfers from other funds	38,262	-	-	38,262
Net change in fund balances	$ -	$ -	$ -	$ -

Duplin County, North Carolina
COMMUNITY DEVELOPMENT BLOCK GRANT (CR08C1875)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit D-9

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
State grants	$ 810,871	$ 241,981	$ 568,890	$ 810,871	$ -
Expenditures:					
Economic and physical development:					
Community development block grant	858,371	251,219	607,152	858,371	-
Revenues over (under) expenditures	(47,500)	(9,238)	(38,262)	(47,500)	
Other financing sources:					
Transfer from general fund	47,500	9,238	38,262	47,500	-
Net change in fund balance	$ -	$ -	-	$ -	$ -
Fund balance, beginning of year			-		
Fund balance, end of year			$ -		

Duplin County, North Carolina
DEPARTMENT OF JUSTICE SHERIFF TRUST
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit D-10

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
Federal grants	$ 12,542	$ -	$ 12,542	$ 12,542	$ -
Expenditures:					
Public safety:					
Grant expenditures	12,542	-	12,542	12,542	-
Net change in fund balance	$ -	$ -	-	$ -	$ -
Fund balance, beginning of year			-		
Fund balance, end of year			$ -		

Duplin County, North Carolina
COMMUNITY DEVELOPMENT BLOCK GRANT (SSH09C1989)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit D-11

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental revenues:					
State grants	$ 460,000	$ 310,295	$ 60,587	$ 370,882	$ 89,118
Miscellaneous:					
Program income	8,656	-	8,656	8,656	-
Total revenue	468,656	310,295	69,243	379,538	89,118
Expenditures:					
Economic and physical development:					
Community development block grant	468,656	310,295	69,243	379,538	(89,118)
Net change in fund balance	$ -	$ -	-	$ -	$ -
Fund balance, beginning of year			-		
Fund balance, 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, 2012

Exhibit D-12

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Restricted intergovernmental revenues:			
Occupancy tax	$ 172,783	$ 196,159	$ 23,376
Investment earnings	-	154	154
Miscellaneous:			
Contributions	-	5,000	5,000
Other revenue	-	3	3
Total miscellaneous	-	5,003	5,003
Total revenues	172,783	201,316	28,533
Expenditures:			
Economic and physical development:			
Salaries	93,790	83,740	10,050
Operating expenses	86,756	84,062	2,694
Total expenditures	180,546	167,802	12,744
Revenues over (under) expenditures	(7,763)	33,514	41,277
Fund balance appropriated	7,763	-	7,763
Net change in fund balance	$ -	33,514	$ 33,514
Fund balance, beginning of year		263,132	
Fund balance, end of year		$ 296,646	

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, 2012

Exhibit D-13

	Final Budget	Actual	Positive (Negative)
Revenues:			
Investment earnings	$ -	$ 8	$ 8
Expenditures:			
General government	23,713	20,113	(3,600)
Revenues over (under) expenditures	(23,713)	(20,105)	3,608
Other financing sources:			
Transfers in:			
From General Fund	19,000	18,521	479
Appropriated fund balance	4,713	-	(4,713)
Net change in fund balance	$ -	(1,584)	$ (1,584)
Fund balance, beginning of year		4,674	
Fund balance, end of year		$ 3,090	

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 projects. The projects will be financed by grants, loans from Global Transpark Authority and transfers from other funds.

Capital Projects Fund – Accounts for the jail project, Backup PSAP project, EMS vehicles project, Livestock Facility project, Senior project, Event Center Projects, and Vidant Hospital project.

Capital Project Fund – School Fund – Accounts for sales tax revenue that is restricted for school related capital projects.

Capital Project Fund – JSCC – Accounts for funds restricted for capital projects at James Sprunt Community College.

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Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
June 30, 2012

Exhibit E-1

	Industrial Expansion Capital Project	Capital Project Fund	Capital Project School Fund	Capital Project JSCC Fund	Total
Assets					
Cash and investments	$ 800,064	$ 57,187	$ -	$ 211,059	$ 1,068,310
Restricted cash and investments	-	-	892,580	-	892,580
Accounts receivable	880,000	-	559,884	-	1,439,884
Due from other funds	7,873	-	-	-	7,873
Total assets	$ 1,687,937	$ 57,187	$ 1,452,464	$ 211,059	$ 3,408,647
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ 750,793	$ -	$ -	$ -	$ 750,793
Fund Balances:					
Restricted by state statute	887,873	-	559,884	-	1,447,757
Restricted for schools	-	-	544,518		544,518
Assigned for subsequent years' expenditures	-	-	348,062	-	348,062
Committed for capital projects	49,271	57,187	-	211,059	317,517
Total fund balances	937,144	57,187	1,452,464	211,059	2,657,854
Total liabilities and fund balances	$ 1,687,937	$ 57,187	$ 1,452,464	$ 211,059	$ 3,408,647

Duplin County, North Carolina
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2012

Exhibit E-2

	Industrial Expansion Capital Project Fund	Capital Project Fund	Capital Project School Fund	Capital Project JSCC Fund	Total
Revenues:					
Local option sales taxes	$ 24,514	$ -	$ 1,427,555	$ -	$ 1,452,069
Restricted intergovernmental	1,426,359	70,000	-	-	1,496,359
Investment earnings	682	13	311	120	1,126
Contributions	1,538,944	69,000	-	-	1,607,944
Total revenues	2,990,499	139,013	1,427,866	120	4,557,498
Expenditures:					
Public safety	-	126,931	-	-	126,931
Economic and physical development	2,351,168	119,314	-	-	2,470,482
Education	-	-	735,663	-	735,663
Total expenditures	2,351,168	246,245	735,663	-	3,333,076
Revenues over (under) expenditures	639,331	(107,232)	692,203	120	1,224,422
Other financing sources (uses):					
From general fund	-	-	719,897	-	719,897
To debt service fund	-	-	(1,239,803)	-	(1,239,803)
From capital reserve fund	115,000	164,419	-	-	279,419
Total other financing sources (uses)	115,000	164,419	(519,906)	-	(240,487)
Net change in fund balances	754,331	57,187	172,297	120	983,935
Fund balances, beginning of year	182,813	-	1,280,167	210,939	1,673,919
Fund balances, end of year	$ 937,144	$ 57,187	$ 1,452,464	$ 211,059	$ 2,657,854

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, 2012

Exhibit E-3

	Project Authorization	Actual: Prior Years	Actual: Current Year	Actual: Total to Date	Variance Positive (Negative)
Revenues:					
Local option sales taxes:					
Project pipeline	$ -	$ -	$ 24,514	$ 24,514	$ 24,514
Restricted intergovernmental:					
State grants	1,793,000	369,314	1,386,359	1,755,673	(37,327)
Global Transpark grant	80,867	60,867	20,000	80,867	-
Eastern Region grant	20,000	-	20,000	20,000	-
Total restricted intergovernmental	1,893,867	430,181	1,426,359	1,856,540	(37,327)
Investment earnings	-	791	682	1,473	1,473
Contributions	2,019,930	355,186	1,538,944	1,894,130	(125,800)
Total revenues	3,913,797	786,158	2,990,499	3,776,657	(137,140)
Expenditures:					
Economic and physical development:					
Project Wilbour Grant	20,000	-	20,000	20,000	-
NC Rural EDC	360,000	354,314	-	354,314	5,686
Precision Hydraulic Cylinder Project	23,000	-	23,000	23,000	-
Project Pipeline	3,419,788	151,139	2,307,993	2,459,132	960,656
Menlo Logistics	30,000	15,000	-	15,000	15,000
Southpark Certified Industrial Site	35,867	30,217	-	30,217	5,650
Westpark BTC	36,250	36,075	175	36,250	-
Economic Development Reserve	68,892	16,600	-	16,600	52,292
Westpark Access Road	35,000	-	-	-	35,000
Total expenditures	4,028,797	603,345	2,351,168	2,954,513	1,074,284
Revenues over (under) expenditures	(115,000)	182,813	639,331	822,144	937,144
Other financing sources (uses):					
Transfers from other funds:					
From Capital Reserve Fund	115,000	-	115,000	115,000	-
Total other financing sources	115,000	-	115,000	115,000	-
Net change in fund balance	$ -	$ 182,813	754,331	$ 937,144	$ 937,144
Fund balance, beginning of year			182,813		
Fund balance, end of year			$ 937,144		

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, 2012

Exhibit E-4

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
State grants	$ 178,550	$ 82,550	$ -	$ 82,550	$ (96,000)
Federal grants	86,000	-	-	-	(86,000)
Grants - other	400,000	-	70,000	70,000	(330,000)
Total restricted intergovernmental	664,550	82,550	70,000	152,550	(512,000)
Investment earnings	12,140	12,580	13	12,593	453
Contributions	27,015	-	69,000	69,000	41,985
Total revenues	703,705	95,130	139,013	234,143	(469,562)
Expenditures:					
Public safety:					
Jail Plumbing Project	99,000	-	99,000	99,000	-
Backup PSAP	626,573	590,635	25,308	615,943	10,630
EMS - vehicles	60,039	57,416	2,623	60,039	-
Total public safety	785,612	648,051	126,931	774,982	10,630
Economic and physical development:					
Livestock facility	528,515	-	81,825	81,825	446,690
Duplin Commons - event center	139,600	-	37,489	37,489	102,111
Total economic and physical development	668,115	-	119,314	119,314	548,801
Human services:					
Duplin General Hospital - emergency area expansion	96,000	-	-	-	96,000
Senior center	189,415	167,250	-	167,250	22,165
Total human services	285,415	167,250	-	167,250	118,165
Total expenditures	1,739,142	815,301	246,245	1,061,546	677,596
Revenues over (under) expenditures	(1,035,437)	(720,171)	(107,232)	(827,403)	208,034
Other financing sources (uses):					
Transfer from general fund	15,500	-	-	-	(15,500)
Transfer from capital reserve fund	1,019,937	720,171	164,419	884,590	(135,347)
Total other financing sources (uses)	1,035,437	720,171	164,419	884,590	
Net change in fund balance	$ -	$ -	57,187	$ 57,187	$ 57,187
Fund balance, beginning of year			-		
Fund balance, end of year			$ 57,187		

Duplin County, North Carolina
CAPITAL PROJECT FUND - SCHOOL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit E-5

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Local Option Sales Taxes:			
Article 40 one-half of one percent	$ 566,205	$ 715,817	$ 149,612
Article 42 one-half of one percent	601,189	711,738	110,549
Total local option sales taxes	1,167,394	1,427,555	260,161
Investment earnings	-	311	311
Total revenues	1,167,394	1,427,866	260,472
Expenditures:			
Education:			
Capital outlay - Elementary school recreation	14,314	14,314	-
Capital outlay - Improvements to sites	622,056	339,667	282,389
Capital outlay - Equipment and furniture	405,840	358,571	47,269
Capital outlay - Vehicles	40,836	23,111	17,725
Total expenditures	1,083,046	735,663	347,383
Revenues over (under) expenditures	84,348	692,203	607,855
Other financing sources (uses):			
Transfer from General Fund	701,222	719,897	18,675
Transfer to Debt Service Fund	(1,239,803)	(1,239,803)	-
Total other financing sources (uses)	(538,581)	(519,906)	18,675
Appropriated fund balance	454,233	-	454,233
Net change in fund balance	$ -	172,297	$ 172,297
Fund balance, beginning of year		1,280,167	
Fund balance, end of year		$ 1,452,464	

Duplin County, North Carolina
CAPITAL PROJECT FUND - JSCC
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit E-6

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	$ -	$ 120	$ 120
Expenditures:			
Education:			
Capital outlay	-	-	-
Net change in fund balance	$ -	120	$ 120
Fund balance, beginning of year		210,939	
Fund balance, end of year		$ 211,059	

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.

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Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2012

Exhibit F-1

	Transportation Development Plan Fund	County Water Fund	Albertson Water and Sewer Fund	Total
Assets				
Current assets:				
Cash and cash equivalents	$ 78,362	$ 294,245	$ 871,258	$ 1,243,865
Accounts receivables, net	15,275	-	10,742	26,017
Due from other funds	379	77,031	-	77,410
Intergovernmental receivable	-	232,000	-	232,000
Inventory	-	28,092	-	28,092
Total current assets	94,016	631,368	882,000	1,607,384
Noncurrent assets:				
Capital assets:				
Land, improvements, and construction in progress	-	10,000	50,650	60,650
Other capital assets, net of depreciation	304,086	3,233,016	3,488,906	7,026,008
Total capital assets	304,086	3,243,016	3,539,556	7,086,658
Total assets	$ 398,102	$ 3,874,384	$ 4,421,556	$ 8,694,042
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$ 43	$ 519	$ 30	$ 592
Due to other funds	-	-	7,903	7,903
Customer deposits	-	2,725	37,350	40,075
Current portion of long-term obligations	-	-	18,406	18,406
Total current liabilities	43	3,244	63,689	66,976
Non-current liabilities:				
Compensated absences payable	27,993	34,855	-	62,848
OPEB obligations	59,000	99,880	-	158,880
Long-term obligations	-	-	184,055	184,055
Total noncurrent liabilities	86,993	134,735	184,055	405,783
Total liabilities	87,036	137,979	247,744	472,759
Net Assets				
Invested in capital assets, net of related debt	304,086	3,243,016	3,337,095	6,884,197
Unrestricted	6,980	493,389	836,717	1,337,086
Total net assets	$ 311,066	$ 3,736,405	$ 4,173,812	$ 8,221,283

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Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUNDS - ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
For the Fiscal Year Ended June 30, 2012

Exhibit F-2

	Transportation Development Plan Fund	County Water Fund	Albertson Water and Sewer Fund	Total
Operating Revenues:				
Water sales	$ -	$ 45,380	$ 322,692	$ 368,072
Administration fees	-	678,494	-	678,494
Miscellaneous	-	54,359	-	54,359
Charges for services	497,992	-	-	497,992
Total operating revenues	497,992	778,233	322,692	1,598,917
Operating expenses:				
Operating expenses	948,397	793,593	138,449	1,880,439
Depreciation	125,538	120,169	84,972	330,679
Total operating expenses	1,073,935	913,762	223,421	2,211,118
Operating income (loss)	(575,943)	(135,529)	99,271	(612,201)
Non-operating revenues (expenses):				
Investment earnings	37	2,058	461	2,556
Interest expense	-	-	(6,339)	(6,339)
Gain (loss) on disposal of capital assets	(1,619)	1,270	-	(349)
Miscellaneous	25	2,513	121	2,659
Total non-operating revenue (expense)	(1,557)	5,841	(5,757)	(1,473)
Income (loss) before contributions and transfers	(577,500)	(129,688)	93,514	(613,674)
Capital contributions	421,228	1,425	365,833	788,486
Transfers from (to) other funds	100,000	-	-	100,000
Change in net assets	(56,272)	(128,263)	459,347	274,812
Net assets, beginning of year	367,338	3,864,668	3,714,465	7,946,471
Net assets, end of year	$ 311,066	$ 3,736,405	$ 4,173,812	$ 8,221,283

Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2012

	Transportation Development Plan Fund	County Water Fund	Albertson Water and Sewer Fund	Total
Cash flows from operating activities:				
Cash received from customers	$ 503,261	$ 781,151	$ 353,302	$ 1,637,714
Cash paid for goods and services	(461,716)	(247,007)	(138,419)	(847,142)
Cash paid to employees for services	(460,617)	(514,746)	-	(975,363)
Customer deposits received, net	-	200	3,066	3,266
Net cash (used) provided by operating activities	(419,072)	19,598	217,949	(181,525)
Cash flows from non-capital financing activities:				
Transfers in (out)	100,000	-	-	100,000
Miscellaneous	25	2,513	121	2,659
Net cash provided by non-capital financing activities	100,025	2,513	121	102,659
Cash flows from capital and related financing activities:				
Capital contributions	421,228	1,425	365,833	788,486
Proceeds from sale of capital assets	1,652	-	-	1,652
Advances from (to) other funds	(379)	(17,303)	1,313	(16,369)
Acquisition and construction of capital assets	(79,616)	-	(373,335)	(452,951)
Principal paid on bond maturities and equipment contracts	-	-	(18,405)	(18,405)
Interest paid on bond maturities and equipment contracts	-	-	(6,339)	(6,339)
Net cash provided (used) by capital and related financing activities	342,885	(15,878)	(30,933)	296,074
Cash flows from investing activities:				
Interest on investments	37	2,058	461	2,556
Net increase (decrease) in cash and cash equivalents	23,875	8,291	187,598	219,764
Cash and cash equivalents, beginning of year	54,487	285,954	683,660	1,024,101
Cash and cash equivalents, end of year	$ 78,362	$ 294,245	$ 871,258	$ 1,243,865

Duplin County, North Carolina
NON-MAJOR PROPRIETARY FUND TYPES - ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2012

	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)	$ (575,943)	$ (135,529)	$ 99,271	$ (612,201)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	125,538	120,169	84,972	330,679
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	5,269	2,918	30,610	38,797
(Increase) decrease in inventory	-	(2,513)	-	(2,513)
Increase (decrease) in accounts payable	(265)	339	30	104
Increase (decrease) in customer deposits	-	200	3,066	3,266
Increase (decrease) in OPEB obligation	25,536	27,374	-	52,910
Increase (decrease) in compensated absences	793	6,640	-	7,433
Total adjustments	156,871	155,127	118,678	430,676
Net cash provided (used) by operating activities	$ (419,072)	$ 19,598	$ 217,949	$ (181,525)

Duplin County, North Carolina
AIRPORT COMMISSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Sales and rentals	$ 641,275	$ 626,515	$ (14,760)
Non-operating revenues:			
Investments earnings	500	177	(323)
Miscellaneous	1,000	3,000	2,000
Total non-operating revenues	1,500	3,177	1,677
Total revenues	642,775	629,692	(13,083)
Expenditures:			
Operating expenditures:			
Salaries and employee benefits		164,334	
Purchases		423,681	
Other operating expenditures		111,990	
Total operating expenditures	725,430	700,006	25,425
Revenues over (under) expenditures	(82,655)	(70,314)	12,342
Other financing sources (uses):			
Transfer from General Fund	100,000	100,000	-
Transfer to Debt Service Fund	(51,600)	(51,600)	-
Transfer to Airport Commission Capital Project Fund	(266,667)	(16,667)	(250,000)
Total other financing sources (uses)	(218,267)	31,733	(250,000)
Revenues and other financing sources over (under) expenditures and other financing uses	(300,922)	(38,581)	262,342
Appropriated fund balance	300,922	-	300,922
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	$ -	$ (38,581)	$ (38,581)

Duplin County, North Carolina
AIRPORT COMMISSION FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual:

	Actual
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	$ (38,581)
Reconciling items:	
Depreciation	(491,687)
Basis in retired assets	7,563
Earnings from capital project	12
Project administrative costs	(882)
Capital contribution	244,970
Transfers to Debt Service Fund	51,600
Interest and fees	(11,943)
Transfers to Airport Commission Capital Project Fund	16,667
Increase in compensated absences	(2,202)
Increase in OPEB obligation	(8,123)
Total reconciling items	(194,025)
Change in net assets	$ (232,606)

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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, 2012

Exhibit F-5

		Actual			
	Project Authorization	Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
State grants	$ 4,044,598	$ 2,781,727	$ 244,316	$ 3,026,043	$ (1,018,555)
Local option sales taxes	29,198	29,198	654	29,852	654
Investment earnings	19,406	19,402	12	19,414	8
Total revenues	4,093,202	2,830,327	244,982	3,075,309	(1,017,893)
Expenditures:					
Vision 100	165,373	165,373	-	165,373	-
Land acquisition	890,598	889,716	882	890,598	-
South Parallel Taxiway #1	1,132,033	1,132,033	-	1,132,033	-
South Parallel Taxiway #3	895,020	895,020	-	895,020	-
Terminal Project	1,474,718	-	215,450	215,450	1,259,268
Terminal Design	150,000	32,923	95,815	128,738	21,262
Total expenditures	4,707,742	3,115,065	312,147	3,427,212	1,280,530
Revenues over (under) expenditures	(614,540)	(284,738)	(67,165)	(351,903)	262,637
Other financing sources (uses):					
Transfer from Airport Commission Fund	614,540	347,910	16,667	364,577	(249,963)
Revenues and other financing sources over (under) expenditures and other financing uses	$ -	$ 63,172	$ (50,498)	$ 12,674	$ 12,674

Duplin County, North Carolina
SOLID WASTE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance Postive (Negative)
Operating revenues:			
Disposal fees	$ 1,433,368	$ 1,462,001	$ 28,633
User fees	1,223,748	1,216,848	(6,900)
Landfill fees	131,100	133,342	2,242
Sale of recyclables	163,600	151,148	(12,452)
Total operating revenues	2,951,816	2,963,339	11,523
Non-operating revenues:			
Investments earnings	2,000	3,962	1,962
State grants	10,000	23,618	13,618
Disposal tax revenues	67,650	126,906	59,256
Miscellaneous	1,000	161	(839)
Total non-operating revenues	80,650	154,647	73,997
Total revenues	3,032,466	3,117,986	85,520
Expenditures:			
Collections:			
Salaries and benefits		694,660	
Operating expenditures		581,490	
Disposals:			
Salaries and benefits		199,907	
Operating expenditures		1,115,777	
Recycling:			
Salaries and benefits		134,917	
Operating expenditures		76,859	
Tire collection:			
Salaries and benefits		2,432	
Operating expenditures		86,163	
White goods:			
Salaries and benefits		2,378	
Operating expenditures		56,382	
Total operating expenditures		2,950,965	
Capital outlay		270,236	
Total expenditures	3,606,088	3,221,201	384,887
Revenues over (under) expenditures	(573,622)	(103,215)	470,407

Duplin County, North Carolina
SOLID WASTE FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance Postive (Negative)
Other financing sources (uses):			
Proceeds from sale of capital assets	45,058	45,058	-
Revenues and other financing sources over (under) expenditures	(528,564)	(58,157)	470,407
Appropriated fund balance	528,564	-	(528,564)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures	$ -	$ (58,157)	$ (58,157)

Reconciliation from budgetary basis (modified accrual) to full accrual:

	Actual
Revenues, other financing sources, and appropriated fund balance over (under) expenditures	$ (58,157)
Reconciling items:	
Depreciation	(264,602)
Increase in compensated absences	(7,442)
Increase in OPEB obligation	(53,329)
Basis in assets retired	(13,928)
Capital outlay	247,206
Total reconciling items	(92,095)
Change in net assets	$ (150,252)

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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Charges for services	$ 497,461	$ 497,992	$ 531
Non-operating revenues:			
Investments earnings	-	37	37
State grants	465,953	421,228	(44,725)
Miscellaneous	-	25	25
Total non-operating revenues	465,953	421,290	(44,663)
Total revenues	963,414	919,282	(44,132)
Expenditures:			
Transportation:			
Salaries and benefits		486,946	
Operating expenditures		256,993	
DOT Rural General Public Grant		72,013	
Workfirst transportation assistance		23,768	
Elderly/Disabled transportation assistance		82,348	
Capital outlay		79,616	
Total expenditures	1,135,432	1,001,684	133,748
Revenues over (under) expenditures	(172,018)	(82,402)	89,616
Other financing sources:			
Transfer from General Fund	159,735	100,000	(59,735)
Proceeds from sale of capital assets	2,000	1,653	(347)
Total other financing sources	161,735	101,653	(60,082)
Total revenues and other financing sources over (under) expenditures	(10,283)	19,251	29,534
Appropriated fund balance	10,283	-	(10,283)
Revenues,other financing sources and appropriated fund balance over (under) expenditures	$ -	$ 19,251	$ 19,251

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, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual:

	Actual
Revenues,other financing sources and appropriated fund balance over (under) expenditures	$ 19,251
Reconciling items:	
Depreciation	(125,538)
Basis in assets retired	(3,272)
Increase in compensated abences	(793)
Increase in OPEB obligation	(25,536)
Capital outlay	79,616
Total reconciling items	(75,523)
Change in net assets	$ (56,272)

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Duplin County, North Carolina
COUNTY WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2012

Exhibit F-8

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Water sales	$ 35,766	$ 42,530	$ 6,764
Water taps	2,200	2,850	650
Administration fees	741,993	678,494	(63,499)
Other operating revenues	55,500	54,359	(1,141)
Total operating revenues	835,459	778,233	(57,226)
Non-operating revenues:			
Investment earnings	-	2,058	2,058
Federal and state grants	-	1,425	1,425
Miscellaneous	-	2,513	2,513
Total operating revenues	-	5,996	5,996
Total revenues	835,459	784,229	(51,230)
Expenditures:			
Administration expenditures:			
Salaries and employee benefits		555,400	
Other administration expenditures		119,009	
Operating expenditures:			
Administration expenditures		7,463	
Repairs		7,753	
Other operating expenditures		69,954	
Total expenditures	835,459	759,579	75,880
Revenues over (under) expenditures	$ -	$ 24,650	$ 24,650

Reconciliation from budgetary basis (modified accrual) to full accrual:

	Actual
Revenues over (under) expenditures	$ 24,650
Reconciling items:	
Depreciation	(120,169)
Basis in assets retired	1,270
Increase in compensated absences	(6,640)
Increase in OPEB obligation	(27,374)
Total reconciling items	(152,913)
Change in net assets	$ (128,263)

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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Water sales	$ 167,447	$ 279,162	$ 111,715
Sales to districts	23,000	27,580	4,580
Water taps	10,000	15,950	5,950
Total operating revenues	200,447	322,692	122,245
Non-operating revenues:			
Investments earnings	-	461	461
Miscellaneous	-	121	121
Total non-operating revenues	-	582	582
Total revenues	200,447	323,274	122,827
Expenditures:			
Operating expenditures:			
Administration fee		68,306	
Other operating expenditures		70,143	
Total	175,702	138,449	37,253
Debt service:			
Interest		6,339	
Principal retirements		18,406	
Total	24,745	24,745	-
Total expenditures	200,447	163,194	37,253
Revenues over (under) expenditures	-	160,080	160,080
Other financing sources (uses):			
Transfer to Albertson Water District Project Fund	(19,289)	(12,655)	6,634
Revenues and other financing sources over (under) expenditures and other financing uses	(19,289)	147,425	166,714
Appropriated fund balance	19,289	-	(19,289)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	$ -	$ 147,425	$ 147,425

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, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual:

	Actual
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	$ 147,425
Reconciling items:	
Capital contributions	365,833
Debt principal retirement	18,406
Transfer to project	12,655
Depreciation	(84,972)
Total reconciling items	311,922
Change in net assets	$ 459,347

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, 2012

Exhibit F-10

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Water sales	$ 357,561	$ 405,518	$ 47,957
Sales to districts	57,000	59,602	2,602
Water taps	18,000	33,630	15,630
Total operating revenues	432,561	498,750	66,189
Non-operating revenues:			
Investment earnings	-	538	538
Total revenues	432,561	499,288	66,727
Expenditures:			
Operating expenditures:			
Administration expenditures		116,198	
Repairs and maintenance		29,115	
Other operating expenditures		87,293	
Total operating expenditures	275,111	232,606	42,505
Debt Service:			
Interest		103,950	
Principal retirements		53,500	
Total debt service	157,450	157,450	-
Total expenditures	432,561	390,056	42,505
Revenues over (under) expenditures	-	109,232	109,232
Other financing sources (uses):			
Proceeds from sale of capital assets	-	3,001	3,001
Revenues and other financing sources over (under) expenditures and other financing uses	$ -	$ 112,233	$ 112,233

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, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual:

	Actual
Revenues and other financing sources over (under) expenditures and other financing uses	$ 112,233
Reconciling items:	
Depreciation	(144,201)
Debt principal retirement	53,500
Total reconciling Items	(90,701)
Change in net assets	$ 21,532

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, 2012

Exhibit F-11

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Water sales	$ 415,126	$ 382,233	$ (32,893)
Sales to districts	40,000	39,711	(289)
Water taps	39,570	26,570	(13,000)
Administration fee	970	1,050	80
Total operating revenues	495,666	449,564	(46,102)
Non-operating revenues:			
Investment earnings	89	92	3
Miscellaneous	84	84	-
Total nonoperating revenues	173	176	3
Total revenues	495,839	449,740	(46,099)
Expenditures:			
Operating expenditures:			
Administration expenditures		109,714	
Repairs and maintenance		4,812	
Operating expenditures		74,919	
Total	202,016	189,445	12,571
Debt service:			
Interest		189,954	
Principal retirements		107,725	
Total	297,680	297,679	1
Total expenditures	499,696	487,124	12,572
Revenues over (under) expenditures	(3,857)	(37,384)	(33,527)
Appropriated fund balance	3,857	-	(3,857)
Revenues and appropriated fund balance over (under) expenditures	$ -	$ (37,384)	$ (37,384)

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, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual:

	Actual
Revenues over (under) expenditures	$ (37,384)
Reconciling items:	
Capital outlay	834
Project administration expenses	(982)
Depreciation	(219,735)
Debt principal retirements	107,725
Total reconciling items	(112,992)
Change in net assets	$ (150,376)

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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Water sales	$ 460,671	$ 509,429	$ 48,758
Sales to districts	46,000	47,332	1,332
Water taps	29,000	27,898	(1,102)
Administration fee	-	408	408
Total operating revenues	535,671	585,067	49,396
Non-operating revenues:			
Investment earnings	-	669	669
Total revenues	535,671	585,736	50,065
Expenditures:			
Operating expenditures:			
Administration expenditures		124,113	
Repairs and maintenance		22,531	
Other operating expenditures		90,785	
Total operating expenditures	283,644	237,429	46,215
Debt service:			
Interest		184,526	
Principal retirement		67,500	
Total debt service	252,027	252,026	1
Total expenditures	535,671	489,455	46,216
Revenue over (under) expenditures	-	96,281	96,281
Other financing sources (uses):			
Transfer to Water District G and E I40-373 Sewer Project Fund	(30,000)	(384)	29,616
Revenues and other financing sources over (under) expenditures and other financing uses	(30,000)	95,897	125,897
Appropriated fund balance	30,000	-	(30,000)
Revenue, other financing sources and appropriated fund balance over (under) expenditures and other financing uses	$ -	$ 95,897	$ 95,897

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, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual basis:

	Actual
Revenue, other financing sources and appropriated fund balance over (under) expenditures and other financing uses	$ 95,897
Reconciling items:	
Depreciation	(155,916)
Project administration expenses	(900)
Transfer to Project	384
Capital contributions	24,767
Principal debt retirement	67,500
Total reconciling items	(64,165)
Change in net assets	$ 31,732

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, 2012

Exhibit F-13

	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues:			
Water sales	$ 665,879	$ 699,612	$ 33,733
Sales to districts	65,000	77,545	12,545
Water taps	26,650	30,600	3,950
Total operating revenues	757,529	807,757	50,228
Non-operating revenues:			
Investments earnings	-	464	464
Total revenues	757,529	808,221	50,692
Expenditures:			
Operating expenditures:			
Administration expenditures		146,533	
Repairs and maintenance		28,613	
Other operating expenditures		177,069	
Total operating expenditures	403,527	352,215	51,312
Debt Service:			
Interest		225,792	
Principal retirements		128,210	
Total debt service	354,002	354,002	-
Total expenditures	757,529	706,217	51,312
Revenues over (under) expenditures	-	102,004	102,004
Other financing sources (uses):			
Proceeds from sale of capital assets	-	3,001	3,001
Revenues and other financing sources over (under) expenditures	$ -	$ 105,005	$ 105,005

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, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual basis:

	Actual
Revenues and other financing sources over (under) expenditures	$ 105,005
Reconciling items:	
Depreciation	(212,722)
Debt principal retirement	128,210
Total reconciling items	(84,512)
Change in net assets	$ 20,493

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, 2012

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Water sales	$ 367,255	$ 372,804	$ 5,549
Sales to districts	45,000	56,952	11,952
Water taps	22,000	28,642	6,642
Total operating revenues	434,255	458,398	24,143
Non-operating revenues:			
Investments earnings	-	441	441
Total revenues	434,255	458,839	24,584
Expenditures:			
Operating expenditures:			
Administration expenditures		106,167	
Repairs and maintenance		25,252	
Other operating expenditures		74,234	
Total operating expenditures	225,581	205,653	19,928
Debt Service:			
Interest		145,174	
Principal retirements		63,500	
Total debt service	208,674	208,674	-
Total expenditures	434,255	414,327	19,928
Revenues over (under) expenditures	-	44,512	44,512
Other financing sources (uses):			
Transfer to Water District G and E I40-373 Sewer Project Fund	(70,000)	(5,835)	64,165
Revenues and other financing sources over (under) expenditures and other financing uses	(70,000)	38,677	108,677
Appropriated fund balance	70,000	-	(70,000)
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	$ -	$ 38,677	$ 38,677

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, 2012

Reconciliation from budgetary basis (modified accrual) to full accrual basis:

	Actual
Revenues, other financing sources, and appropriated fund balance over (under) expenditures and other financing uses	$ 38,677
Reconciling items	
Depreciation	(148,697)
Project administration expenses	(3,025)
Transfer to I40-373 Sewer Project Fund	5,835
Debt principal payment	63,500
Total reconciling items	(82,387)
Change in net assets	$ (43,710)

Duplin County, North Carolina
WATER DISTRICT D ARRA WATER IMPROVEMENTS CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit F-15

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
ARRA loan	$ 464,500	$ 404,434	$ (97)	$ 404,337	$ (60,163)
ARRA grant	464,500	404,434	(98)	404,336	(60,164)
Local option sales taxes	18,508	18,508	-	18,508	-
Total revenues	947,508	827,376	(195)	827,181	(120,327)
Expenditures:					
ARRA project expenditures	947,508	827,376	1,503	828,879	118,629
Revenues over (under) expenditures	$ -	$ -	$ (1,698)	$ (1,698)	$ (1,698)

Duplin County, North Carolina
WATER DISTRICT G CLEAN WATER (GHSRGW99063) PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit F-16

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
State grant	$ 3,200,000	$ 3,179,577	$ -	$ 3,179,577	$ (20,423)
Local option sales taxes	50,168	51,383	-	51,383	1,215
Total revenues	3,250,168	3,230,960	-	3,230,960	(19,208)
Expenditures:					
Project expenditures	3,209,266	2,991,047	-	2,991,047	218,219
Revenues over (under) expenditures	40,902	239,913	-	239,913	199,011
Other financing sources (uses):					
Transfers to other funds	(40,902)	(40,902)	-	(40,902)	-
Revenues and other financing sources over (under) expenditures	$ -	$ 199,011	$ -	$ 199,011	$ 199,011

Duplin County, North Carolina
WATER DISTRICT F CLEAN WATER (FHSRGN990624) PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit F-17

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
State grant	$ 3,192,673	$ 3,192,673	$ -	$ 3,192,673	$ -
Local option sales taxes	43,891	43,891	-	43,891	-
Total revenues	3,236,564	3,236,564	-	3,236,564	-
Expenditures:					
Project expenditures	3,236,564	3,236,564	-	3,236,564	-
Revenues over (under) expenditures	$ -	$ -	$ -	$ -	$ -

Duplin County, North Carolina
WATER DISTRICT E 2006 CLEAN WATER PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit F-18

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
State grant	$ 549,389	$ 510,284	$ 23,842	$ 534,126	$ (15,263)
Local option sales taxes	12,796	12,796	-	12,796	-
Total revenues	562,185	523,080	23,842	546,922	(15,263)
Expenditures:					
Project expenditures	562,185	528,855	18,067	546,922	15,263
Revenues over (under) expenditures	$ -	$ (5,775)	$ 5,775	$ -	$ -

Duplin County, North Carolina
ALBERTSON WATER DISTRICT NC RURAL 2008 PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit F-19

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
State grant	$ 500,000	$ -	$ 359,641	$ 359,641	$ (140,359)
Local option sales taxes	11,788	5,596	6,192	11,788	-
Total revenues	511,788	5,596	365,833	371,429	(140,359)
Expenditures:					
Project expenditures	1,011,788	486,307	373,335	859,642	152,146
Revenues over (under) expenditures	(500,000)	(480,711)	(7,502)	(488,213)	11,787
Other financing sources (uses):					
Transfer from Albertson Water and Sewer Fund	500,000	480,711	12,655	493,366	(6,634)
Revenues and other financing sources over (under) expenditures and other financing uses	$ -	$ -	$ 5,153	$ 5,153	$ 5,153

Duplin County, North Carolina
WATER DISTRICT D ROSEMARY COMMUNITY SEWER PROJECT
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit F-20

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
State grants	$ 294,521	$ 294,521	$ -	$ 294,521	$ -
Local option sales taxes	80	80	-	80	-
Total revenues	294,601	294,601	-	294,601	-
Expenditures:					
Project expenditures	294,601	294,521	80	294,601	-
Revenues over (under) expenditures	$ -	$ 80	$ (80)	$ -	$ -

Duplin County, North Carolina
WATER DISTRICT G AND E I40-373 SEWER PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (NON-GAAP)
From Inception and for the Fiscal Year Ended June 30, 2012

Exhibit F-21

	Project Authorization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Positive (Negative)
Revenues:					
Restricted intergovernmental:					
USDA grant	$ 936,000	$ -	$ -	$ -	$ (936,000)
USDA loan	646,000	-	-	-	(646,000)
Rural Center grant	500,000	-	-	-	(500,000)
Local option sales taxes	20,000	-	-	-	(20,000)
Total revenues	2,102,000	-	-	-	(2,102,000)
Expenditures:					
Project Administrative Costs:					
District G		-	2,101	2,101	
District E		-	900	900	
Project Expenditures:					
District G		1,301	951	2,252	
District E		558	408	966	
Total expenditures	2,202,000	1,859	4,360	6,219	2,195,781
Revenues over (under) expenditures	(100,000)	(1,859)	(4,360)	(6,219)	93,781
Other financing sources (uses):					
Transfer from Water Fund - District E	30,000	-	384	384	(29,616)
Transfer from Water Fund - District G	70,000	-	5,835	5,835	(64,165)
Total other financing sources (uses)	100,000	-	6,219	6,219	(93,781)
Revenues and other financing sources over (under) expenditures and other financing uses	$ -	$ (1,859)	$ 1,859	$ -	$ -

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
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit G-1

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	$ -	$ 4,432	$ 4,432
Expenditures:			
Debt service:			
Principal retirement	1,922,382	1,922,382	-
Interest and fees	697,529	697,461	68
Total expenditures	2,619,911	2,619,843	68
Revenues over (under) expenditures	(2,619,911)	(2,615,411)	4,500
Other financing sources (uses):			
Airport Commission Fund debt payment	(51,600)	(51,600)	-
Transfers in:			
From General Fund	890,088	890,020	(68)
From Capital Reserve Fund - School Fund	1,239,803	1,239,803	-
From Airport Commission Fund	51,600	51,600	-
Total transfers in	2,181,491	2,181,423	(68)
Total other financing sources (uses)	2,129,891	2,129,823	(68)
Appropriated fund balance	490,020	-	(490,020)
Net change in fund balance	$ -	(485,588)	$ (485,588)
Fund balance, beginning of year		1,396,906	
Fund balance, end of year		$ 911,318	

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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 Descriptons:

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.

Social Services Fund – Accounts for monies held by the Department of Social Services for the benefit of certain individuals.

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

Register of Deeds Trust Fund - Accounts for the $5 of each fee collected by the register of deeds for registering a deed of trust or mortgage

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Duplin County, North Carolina
COUNTY TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit H-1

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Investment earnings	$ -	$ 31	$ 31
Miscellaneous revenue:			
Fees and commissions	31,022	44,885	13,863
Donations	1,500	1,600	100
Total miscellaneous revenue	32,522	46,485	13,963
Total revenues	32,522	46,516	13,994
Expenditures:			
General Government:			
Operating expenditures	78,322	49,780	28,542
Capital outlay	9,184	-	9,184
Total expenditures	87,506	49,780	37,726
Revenues over (under) expenditures	(54,984)	(3,264)	(23,732)
Appropriated fund balance	54,984	-	54,984
Net change in fund balance	$ -	(3,264)	$ (3,264)
Fund balance, beginning of year		54,987	
Fund balance, end of year		$ 51,723	

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Duplin County, North Carolina
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2012

Exhibit H-2

	County Agency Fund	Motor Vehicle Tax	Motor Vehicle 3% Fund	Register of Deeds Trust Fund	Social Services Fund	Total
Assets						
Cash and investments	$ 116,137	$ 23,390	$ -	$ 2,187	$ 34,187	$ 175,901
Intergovernmental receivable	22	1,723	2,314	-	-	4,059
Total assets	$ 116,159	$ 25,113	$ 2,314	$ 2,187	$ 34,187	$ 179,960
Liabilities and Fund Balances						
Liabilities:						
Miscellaneous liabilities	$ 112,738	$ 24,422	$ 2,314	$ 2,187	$ 34,187	$ 175,848
Intergovernmental payable	3,421	691	-	-	-	4,112
Total liabilities	116,159	25,113	2,314	2,187	34,187	179,960
Fund Balance:						
Unassigned	-	-	-	-	-	-
Total liabilities and fund balances	$ 116,159	$ 25,113	$ 2,314	$ 2,187	$ 34,187	$ 179,960

Duplin County, North Carolina
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended June 30, 2012

Exhibit H-3

	Balance July, 1 2011	Additions	Deductions	Balance June 30, 2012
Motor Vehicle Tax:				
Assets:				
Cash and cash equivalents	$ -	$ 351,220	$ 327,830	$ 23,390
Intergovernmental receivable	812	1,723	812	1,723
Total assets	$ 812	$ 352,943	$ 328,642	$ 25,113
Liabilities:				
Miscellaneous liabilities	$ 812	$ 343,148	$ 319,538	$ 24,422
Intergovernmental payable	-	9,795	9,104	691
Total liabilities	$ 812	$ 352,943	$ 328,642	$ 25,113
County Agency Fund:				
Assets:				
Cash and cash equivalents	$ 121,039	$ 412,739	$ 417,641	$ 116,137
Accounts receivable	-	1,130	1,130	-
Intergovernmental receivable	-	2,654	2,632	22
Total assets	$ 121,039	$ 416,523	$ 421,403	$ 116,159
Liabilities:				
Miscellaneous liabilities	$ 113,129	$ 341,725	$ 342,116	$ 112,738
Intergovernmental payable	7,910	74,798	79,287	3,421
Total liabilities	$ 121,039	$ 416,523	$ 421,403	$ 116,159
Motor Vehicle Tax 3% Interest:				
Assets:				
Cash and cash equivalents	$ 2,485	$ 32,984	$ 35,469	$ -
Intergovernmental receivable	-	35,298	32,984	2,314
Total assets	$ 2,485	$ 68,282	$ 68,453	$ 2,314
Liabilities:				
Miscellaneous Liabilities	$ 2,485	$ 68,282	$ 68,453	$ 2,314

Duplin County, North Carolina
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the Fiscal Year Ended June 30, 2012

Exhibit H-3

	Balance July, 1 2011	Additions	Deductions	Balance June 30, 2012
Social Services:				
Assets:				
Cash and cash equivalents	$ 20,588	$ 68,938	$ 55,339	$ 34,187
Intergovernmental receivable	472	-	472	-
Total assets	$ 21,060	$ 68,938	$ 55,811	$ 34,187
Liabilities:				
Miscellaneous Liabilities	$ 21,060	$ 68,938	$ 55,811	$ 34,187
Register of Deeds:				
Assets:				
Cash and cash equivalents	$ 513	$ 22,382	$ 20,708	$ 2,187
Intergovernmental receivable	-	2,606	2,606	-
Total assets	$ 513	$ 24,988	$ 23,314	$ 2,187
Liabilities:				
Miscellaneous Liabilities	$ 513	$ 24,988	$ 23,314	$ 2,187
Totals - All Agency Funds:				
Assets:				
Cash and cash equivalents	$ 144,625	$ 888,263	$ 856,987	$ 175,901
Accounts receivable	-	1,130	1,130	-
Intergovernmental receivable	1,284	42,281	39,506	4,059
Total assets	$ 145,909	$ 931,674	$ 897,623	$ 179,960
Liabilities:				
Miscellaneous Liabilities	$ 137,999	$ 847,081	$ 809,232	$ 175,848
Intergovernmental payable	7,910	84,593	88,391	4,112
Total liabilities	$ 145,909	$ 931,674	$ 897,623	$ 179,960

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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.

Hospital Insurance Fund – accounts for payment of hospital insurance premiums from County contributions and the employee contributions and pays the costs of the plan. All contributions to the Hospital Insurance Fund remain in the fund for the plan to use in subsequent years.

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Duplin County, North Carolina
HOSPITAL INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2012

Exhibit I-1

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Charges for services	$ 3,800,000	$ 3,872,494	$ 72,494
Non-operating revenues:			
Investment earnings	-	880	880
Total revenues	3,800,000	3,873,374	73,374
Expenditures:			
General Government:			
Operating expenditures	4,300,000	3,775,840	524,160
Revenues over (under) expenditures	(500,000)	97,534	597,534
Other financing sources:			
Transfer from other funds	500,000	500,000	-
Net change in fund balance	$ -	597,534	$ 597,534
Fund balance, beginning of year		1,462,557	
Fund balance, end of year		$ 2,060,091	

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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, 2012

Exhibit J-1

Fiscal Year	Uncollected Balance June 30, 2011	Additions	Collections and Credits	Uncollected Balance June 30, 2012
2011-2012	$ -	$ 27,109,094	$ 25,724,577	$ 1,384,517
2010-2011	1,414,500		952,475	462,025
2009-2010	569,720		280,543	289,177
2008-2009	380,305		151,415	228,890
2007-2008	261,208		81,747	179,461
2006-2007	206,546		50,128	156,418
2005-2006	145,286		39,704	105,582
2004-2005	134,590		24,344	110,246
2003-2004	125,732		16,876	108,856
2002-2003	133,533		10,356	123,177
2001-2002	92,194		92,194	-
2000-2001	$ 3,463,614	$ 27,109,094	$ 27,424,359	3,148,349
Less allowance for uncollectible accounts General Fund				(1,010,278)
Ad valorem taxes receivable - net General Fund				$ 2,138,071

Reconcilement with revenues:	
Ad valorem taxes - General Fund	$ 27,282,680
Reconciling items	
Interest and penalty collected	(508,735)
Discounts allowed	226,900
Taxes written off	180,216
Prior year's releases	243,298
Total Collections and credits	$ 27,424,359

Duplin County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
For the Fiscal Year Ended June 30, 2012

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	$ 3,772,370,282	0.710	$ 26,783,829	$ 24,198,211	$ 2,585,618
Penalties			28,844	28,844	-
	3,772,370,282		26,812,673	24,227,055	2,585,618
Discoveries:					
Current year taxes	25,717,042	0.710	182,591	169,382	13,209
Prior year's taxes	-		113,830	113,830	-
Total	25,717,042		296,421	283,212	13,209
Total property valuation	$ 3,798,087,324				
Net Levy			27,109,094	24,510,267	2,598,827
Uncollected taxes at June 30, 2012			1,384,517	866,192	518,325
Current years taxes collected			$ 25,724,577	$ 23,644,075	$ 2,080,502
Current levy collection percentage			94.89%	96.47%	80.06%

Duplin County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
SECONDARY MARKET DISCLOSURES
For the Fiscal Year Ended June 30, 2012

Exhibit J-3

Assessed Valuation:		
Assessment Ratio*		100%
Real property	$	3,300,755,828
Personal property		379,385,704
Public service companies**		117,945,792
Total assessed valuation		3,798,087,324
Tax rate per $100		0.710
Levy (included discoveries, releases and abatements)***	$	27,109,094

* 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 TAXPAYERS
For the Fiscal Year Ended June 30, 2012
(Unaudited)

Exhibit J-4

Name	Type of Enterprise	Assessed Valuation	Tax Levy	Percentage of Total Assessed Valuation
Butterball, Inc.	Poultry Processing	$ 107,048,068	$ 813,176	2.82%
Murphy-Brown LLC	Feed	100,184,922	725,271	2.64%
Duplin Land Development	Real Estate	80,940,780	603,200	2.13%
House of Raeford	Livestock	48,693,259	351,335	1.28%
Guilford Mills, Inc.	Textiles	45,753,970	349,981	1.20%
Nash Johnson & Sons	Livestock	43,546,684	312,934	1.15%
Progress Energy	Utility	37,782,936	270,914	0.99%
Murphy Family Ventures	Livestock	35,496,090	255,262	0.93%
Coastal Carolina Green Power	Utility	27,791,335	212,834	0.73%
Four County EMC	Utility	25,571,300	183,514	0.67%
		$ 552,809,344	$ 4,078,421	11.74%

Duplin County, North Carolina
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2012
(Unaudited)

Exhibit J-5

Assessed value of taxable property	$ 3,798,087,324
	x 0.08
Debt limit - 8 percent of assessed value	303,846,986
Gross debt:	
General obligation bonds	17,043,300
Certificates of participation	3,880,000
Notes payable	11,651,467
Total gross debt	32,574,767
Less: Business-type activities debt	(17,774,523)
Total amount of debt applicable to debt limit (net debt)	14,800,244
Legal Debt Margin	$ 289,046,742

Duplin County, North Carolina

RATIO OF NET GENERAL OBLIGATION BOND DEBT
TO ASSESSED VALUE AND NET BOND 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 1	Total Per Capita
2008	2,360,000	3,063,479,367	0.08%	58,505 2	40.34
2009	1,865,000	3,161,675,064	0.08%	58,505 2	31.88
2010	1,380,000	3,255,829,494	0.04%	58,505 2	23.59
2011	910,000	3,744,879,855	0.02%	58,505 2	15.55
2012	450,000	3,798,087,324	0.01%	58,505 2	7.69

1 United States Department of Commerce, Bureau of the Census.
2 For purposes of this schedule the 2010 population is being used.

COMPLIANCE SECTION

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Pittard
Perry &
Crone, Inc.
Certified Public Accountants and Advisors

Ideas...Strategies...Results

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, 2012, which collectively comprises Duplin County, North Carolina's basic financial statements, and have issued our report thereon dated December 20, 2012. 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
Management of Duplin County, North Carolina is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Duplin County, North Carolina'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, North Carolina's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Duplin County, North Carolina'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.*

We noted certain matters that we reported to management of Duplin County, North Carolina, in a separate letter dated December 20, 2012.

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

Pittard Perry & Crone, Inc.
La Grange, North Carolina
December 20, 2012

Member: North Carolina Association of Certified Public Accountants
American Institute of Certified Public Accountants

CPAMERICA INTERNATIONAL

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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 Duplin County, North Carolina's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Duplin County, North Carolina's major federal programs for the year ended June 30, 2012. Duplin County, North Carolina'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, North Carolina's management. Our responsibility is to express an opinion on Duplin County, North Carolina'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; 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, North Carolina's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Duplin County, North Carolina's compliance with those requirements.

In our opinion, Duplin County, North Carolina complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, and which are described in the accompanying schedule of findings and questioned costs as item 12-1.

Internal Control Over Compliance

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

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

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 12-1. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged in governance.

Duplin County, North Carolina's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on the response.

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

Pittard Perry & Crone, Inc.
La Grange, North Carolina
December 20, 2012

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 Duplin County, North Carolina's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of its major State programs for the year ended June 30, 2012. Duplin County, North Carolina'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, North Carolina's management. Our responsibility is to express an opinion on Duplin County, North Carolina's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Duplin County, North Carolina'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, North Carolina's compliance with those requirements.

In our opinion, Duplin County, North Carolina complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2012.

Internal Control Over Compliance

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

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

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

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

Pittard Perry & Crone, Inc.
La Grange, North Carolina
December 20, 2012

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	_X_no
-- Significant deficiencies identified that are not considered to be material weaknesses	____yes	_X_none reported
Noncompliance material to financial statements noted	____yes	_X_no

Federal Awards

Internal control over major federal programs:

-- Material weaknesses identified?	____yes	_X_no
-- Significant deficiencies identified that are not considered to be material weaknesses	_X_ yes	___none reported
Noncompliance material to federal awards	____yes	_X_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	_X_ yes	____no

Identification of major federal programs:

CFDA Numbers	Names of Federal Program or Cluster
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
93.778	Medical Assistance
93.575, 93.596, 93.558, 93.667	Subsidized Child Care Cluster

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

Dollar threshold used to distinguish between Type A and Type B Programs	$1,690,919	
Auditee qualified as low-risk auditee?	_____yes	_X_no

State Awards

Internal control over major State programs:

-- Material weaknesses identified?	_____yes	_X_no
-- Reportable conditions identified that are not considered to be material weaknesses	_____yes	_X_none reported
Noncompliance material to State awards	_____yes	_X_no

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	_X_no

Identification of major State programs:

Program Names

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

Section II - Financial Statement Findings

None reported

Section III- Federal Award Findings and Questioned Costs

U.S. Department of Health and Human Services
Passed through the NC Department of Health and Human Services
Program Name: Subsidized Child Care Cluster
CFDA #'s 93.575, 93.596, 93.667, 63.558, 93.713

Finding: 12-1

Significant Deficiency

Criteria: All individuals receiving benefits are required to provide documents, such as pay stubs, that verify the income amounts as stated on their application.

Condition: One individual's file did not contain documents verifying their income.

Questioned Costs: $408. This is the amount of incorrect benefits the individual received during the fiscal year ended June 30, 2012.

Context: We examined 25 case files and one did not contain appropriate documents verifying the individual's income.

Effect: Individual received benefits in excess of the amount they were eligible to receive.

Cause: Failure to acquire all documentation required for the application.

Recommendation: Review all applications for proper and complete documentation prior to issuing benefit payments.

Views of responsible official and planned corrective action: The County agrees with the finding. Going forward all applications will be reviewed for complete documentation.

Section IV - State Award Findings and Questioned Costs

None reported

Duplin County, North Carolina
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2012

Section II - Financial Statement Findings

None reported

Section III- Federal Award Findings and Questioned Costs

Finding: 12-1

Name of contact person: Priscilla Bryant, Income Maintenance Administrator II

Corrective action: Second party review for all applications to ensure that all documentation is received prior to benefits being paid.

Proposed completion date: July 18, 2012

Section IV - State Award Findings and Questioned Costs

None reported

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

For the Fiscal Year Ended June 30, 2012

None reported

Duplin County, North Carolina

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Fiscal Year Ended June 30, 2012

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:				
U.S. Department Of Agriculture:				
Food and Nutrition Service				
Passed through N.C. Department of Health and Human Services:				
Division of Social Services				
Administration:				
Food Stamp Cluster:				
State Administrative Matching Grants for the Food Stamp Program	10.561	$ 480,051	$ -	$ 480,051
Direct Benefit Payments				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	1,625,764	-	-
Division of Public Health				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	519,247	-	-
Total U.S. Department of Agriculture		2,625,062	-	480,051
U.S. Department of Housing and Urban Development				
Passed through N.C. Department of Commerce:				
Community Development Block Grant - States Program:				
08-C-1875	14.228	569,129	-	-
09-C-1989	14.228	60,587	-	-
		629,716	-	-
U.S. Department of Homeland Security				
Passed through N.C. Dept. of Crime Control and Public Safety:				
Emergency Management	97.042	35,179	-	-
Public Assistance	97.036	38,091	-	-
Total U.S. Department of Homeland Security		73,270	-	-
U.S. Department of Transportation				
Passed through N.C. Dept. of Health and Human Services:				
Airport Improvement Program	20.106	184,243	-	-
ARRA - Public Transportation for Nonurbanized Areas	20.509	24,701	-	-
Public Transportation for Nonurbanized areas	20.509	219,965	17,743	-
Total U.S. Department of Transportation		428,909	17,743	-

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
U.S. Department of Health and Human Services:				
Administration on Aging				
Passed through N.C. Dept. of Health and Human Services				
Division of Aging				
Passed through Eastern Carolina Council:				
Aging Cluster:				
Special Programs for the Aging				
Title III B - Grants for Supportive Services and Senior Centers				
Access	93.044	$ 38,777	$ 42,678	$ 9,049
In-Home	93.044	23,194	80,146	11,483
Title III C - Nutrition Services				
C-1 Congregate Meals	93.045	163,697	18,751	20,273
C-2 Home Delivered Meals	93.045	42,464	41,813	9,363
NSIP-Nutrition	93.053	38,891	-	-
HCCBG - In Home/Support Services	93.667	6,700	191	766
Total Aging Cluster		313,723	183,579	50,934
Office of Population Affairs				
Passed-through N.C. Dept. of Health and Human Services:				
Office of Population Affairs				
Family Planning Services	93.217	42,256	-	-
Administration for Children and Families				
Passed-through N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Family Preservation	93.556	3,002	-	-
Work First/Temporary Assistance for Needy Families (TANF)	93.558	591,925	-	485,352
Work First/TANF - Direct Benefit Payments	93.558	626,150	-	387
AFDC - Direct Benefit Payments	93.560	(1,415)	(388)	(388)
N.C. Child Support Enforcement Section	93.563	525,544	-	270,735
Low-Income Home Energy Assistance Block Grant - Administration	93.568	422,413	-	-
Energy Assistance Payments - Direct Benefit Payments	93.568	(376)	-	198
Permanency Planning - Families for Kids	93.645	10,270	4,301	4,857

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
U.S. Department of Health and Human Services (continued):				
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	$ 319,164	$ 44,049	$ 275,115
Foster Care - Direct Benefit Payments	93.658	117,946	34,140	34,140
Adoption Assistance - Direct Benefit Payments	93.659	157,352	42,148	58,178
Total Foster Care and Adoption Cluster		594,462	120,337	367,433
Social Services Block Grant (SSBG)	93.667	259,065	25,293	93,993
Independent Living Grant	93.674	2,625	656	-
Independent Living Transitional - Direct Benefit Payment	93.674	(4,612)	-	-
Subsidized Child Care Cluster:				
Division of Social Services:				
Child Care Development Fund - Administration	93.596	112,075	-	-
Division of Child Development:				
Child Care and Development Fund - Discretionary	93.575	987,555	-	-
Child Care and Development Fund - Mandatory	93.596	363,739	-	-
Child Care and Development Fund - Match	93.596	189,705	33,379	-
Temporary Assistance For Needy Families (TANF)	93.558	428,765	-	-
Temporary Assistance For Needy Families State Programs	93.714	36,641	-	-
Foster Care Title IV - 5	93.658	14,820	-	-
Smart Start	N/A	-	1,479	-
State Appropriations	N/A	-	571,068	-
TANF-MOE	N/A	-	110,923	-
Total Subsidized Child Care Cluster		2,133,300	716,849	-
Centers for Medicare and Medicaid Services				
Passed-through N.C. Dept. of Health and Human Services:				
Medical Assistance Program	93.778	65,681	23,340	-

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
U.S. Department of Health and Human Services (continued):				
Health Care Financing Administration				
Passed through N.C. Dept. of Health and Human Services:				
Division of Medical Assistance:				
Direct Benefit Payments:				
Medical Assistance Program	93.778	$ 45,564,442	$ 26,499,093	$ 59,837
Division of Social Services:				
Medical Assistance Program	93.778	1,120,737	47,050	961,883
Health Choice	93.767	63,971	2,618	17,875
Centers for Disease Control				
Passed through N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Public Health Emergency Preparedness	93.069	41,424	-	-
Projects Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	31,990	-	-
Prevention Investigations & Technical Assistance	93.283	5,007	-	-
Immunization Program/Aid to County Funding	93.268	21,102	-	-
Temporary Assistance for Needy Families	93.558	8,928	-	-
ARRA Preventing Healthcare - Associated Infections	93.717	2,978	-	-
Social Services Block Grant	N/A	-	500	-
Health Resources and Services Administration				
Passed through N.C. Department of Health and Human Services:				
Division of Public Health:				
Maternal and Child Health Services Block Grant	93.994	162,432	121,838	-
Total U.S. Department of Health and Human Services		52,607,024	27,744,566	2,313,096

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
State Awards:				
N.C. Department of Health and Human Services:				
Division of Social Services:				
State/County Special Assistance to Adults - Administration		$ -	$ -	$ 64,769
State/County Special Assistance to Adults - Direct Benefit Payments		-	628,665	628,665
DCD Smart Start		-	11,544	-
AFDC Incentive/Program Integrity		-	159	-
TANF Incentive/Program Integrity		-	2,873	-
County Funded Programs		-	-	141,404
Adoption/Foster Care		-	44,943	-
State Foster Home - Direct Benefit Payments		-	28,957	28,956
Foster Care Special Provision - Direct Benefit Payments		-	15,064	-
SFHF Maximization - Direct Benefit Payments		-	44,191	44,191
Child Welfare Services Adoption Subsidy - Direct Benefit Payment		-	71,345	8,452
Other Local Expenditures		-	-	3,514,641
Total Division of Social Services		-	847,741	4,431,078
Division of Public Health:				
Food and Lodging Fees		-	5,830	-
General Aid to Counties		-	89,344	-
General Communicable Disease Control		-	4,440	-
Minority Health Closing the Gap		-	12,588	-
Tuberculosis		-	32,526	-
TB Medical Service		-	110	-
Risk Reduction/Health Promotion		-	6,888	-
WHSF		-	8,062	-
HWTF - Teen Tobacco		-	66,080	-
Interpretor Grant II		-	20,900	-
Environmental Health		-	4,000	-
Total Division of Public Health		-	250,768	-
Total N.C. Department of Health and Human Services		-	1,098,509	4,431,078

Grantor/Pass-through Grantor/Program Title		Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
N.C. Department of Transportation					
Public Transportation Division	State No.				
Parallel Taxiway	DOT-8		$ -	$ 37,437	$ -
Rural Operating Assistance Program (ROAP)					-
Elderly and Disabled Transportation Assistance Program (E&DTAP)	DOT-16CL		-	68,050	-
Rural General Public Program (RGP)	DOT-16CL		-	64,818	-
Work First/Employment Transportation Operating Assistance	DOT-16CL		-	23,768	-
Total N.C. Department of Transportation			-	194,073	-
N.C. Department of Enviornment and Natural Resources					
Division of Environmental Health:					
Soil and Water Conservation			-	46,185	-
Food and Lodging Fee Collection			-	750	-
				46,935	
N.C. Department of Enviornment and Natural Resources (continued)					
Division of Waste Management:					
Scrap Tire Fund			-	23,618	-
Division of Water Resources:					
Grants - Bond Rate < 75				45,334	
Total N.C. Department of Environment and Natural Resources			-	115,887	-
N.C. Office of Juvenile Justice					
4-H Outreach			-	44,525	-
Gang Awareness			-	9,754	-
Taskforce			-	6,460	-
Parenting Education & Support			-	36,448	-
Juvenile Court Psychology			-	5,500	-
Teen Court			-	66,463	-
Total N.C. Office of Juvenile Justice			-	169,150	-

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
N.C. Department of Administration :				
Division of Veterans Affairs:				
State Veterans Matching Funds		$ -	$ 1,452	$ -
State Board of Elections:				
HAVA Title I		-	6,230	-
Total N.C. Department of Administration		-	7,682	-
N.C. Dept. of Public Instruction				
Public School Building Capital Fund		-	575,200	-
N.C. Dept. of Cultural Resources				
State Library of North Carolina				
Aid to Public Libraries		-	114,949	-
N.C. Department of Public Safety:				
Emergency Transportation		-	2,446	-
Waste/Recycle		-	8	-
Total N.C. Department of Public Safety		-	2,454	-
N.C. Department of Corrections :				
Division of Community Corrections:				
Criminal Justice Partnership Program		-	75,329	-
Total expenditures		$ 56,363,981	$ 30,115,542	$ 7,224,225

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

3. Loans Outstanding

   Duplin County had the following loan balances outstanding as of June 30, 2012:

Program Title	Outstanding Balance
2010 ARRA Revolving Loan	$418,050

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