

Financial Statements

Bertie County, North Carolina

**FINANCIAL STATEMENTS and
INDEPENDENT AUDITORS' REPORT**

Year Ended June 30, 2011

Board of Commissioners

L. C. Hoggard, III – Chair

Norman M. Cherry, Sr.

Robert E. Harrell

Charles Smith

J. Wallace Perry

County Manager

Zee B. Lamb

Bertie County, North Carolina

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FINANCIAL SECTION

Independent Auditors' Report

To the Board of County Commissioners
Bertie County, North Carolina

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Bertie County, North Carolina as of June 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2011 on our consideration of Bertie County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the 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 considered in assessing the results of our audit.

Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance's and the Other Postemployment Benefits' Schedules of Funding Progress and Schedules of Employer Contributions are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit this information and express no opinion on it.

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

Pittard Perry & Crone, Inc.

Pittard Perry & Crone, Inc.
November 17, 2011

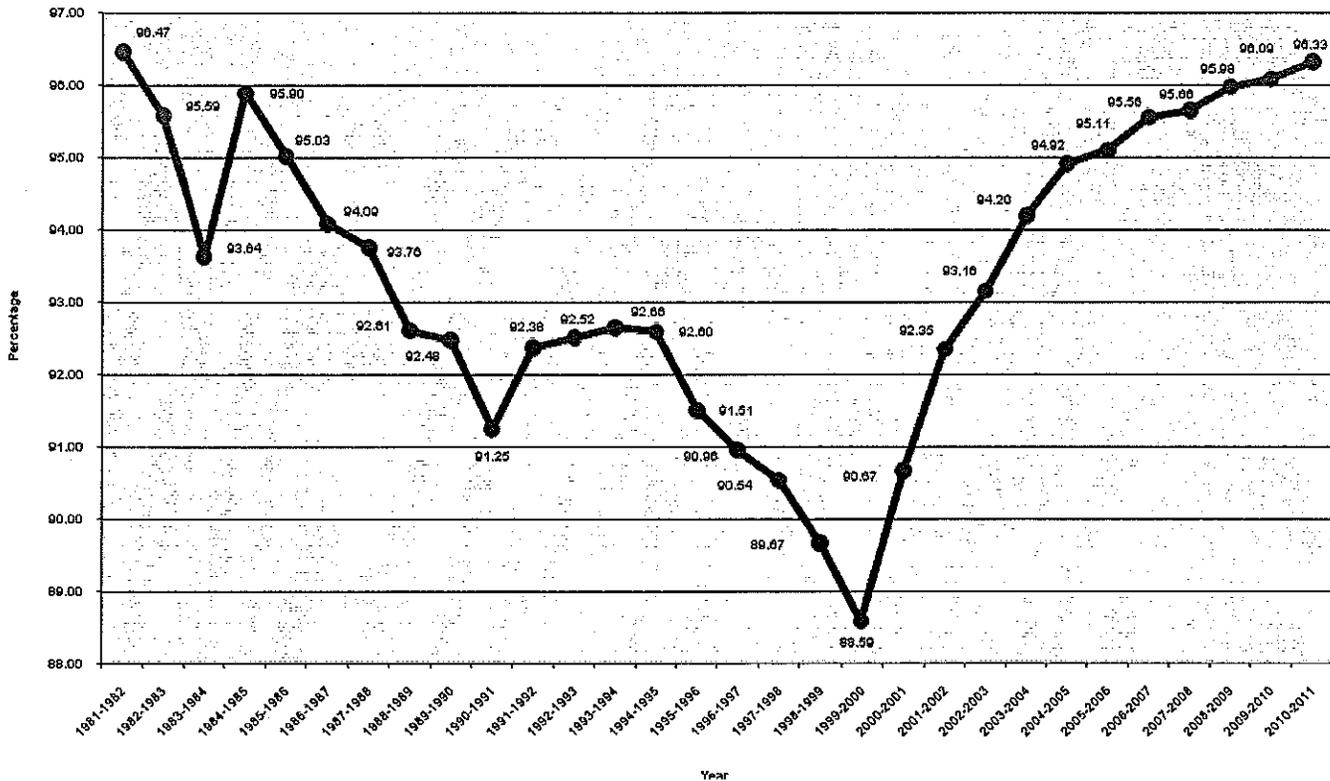
Management's Discussion and Analysis

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

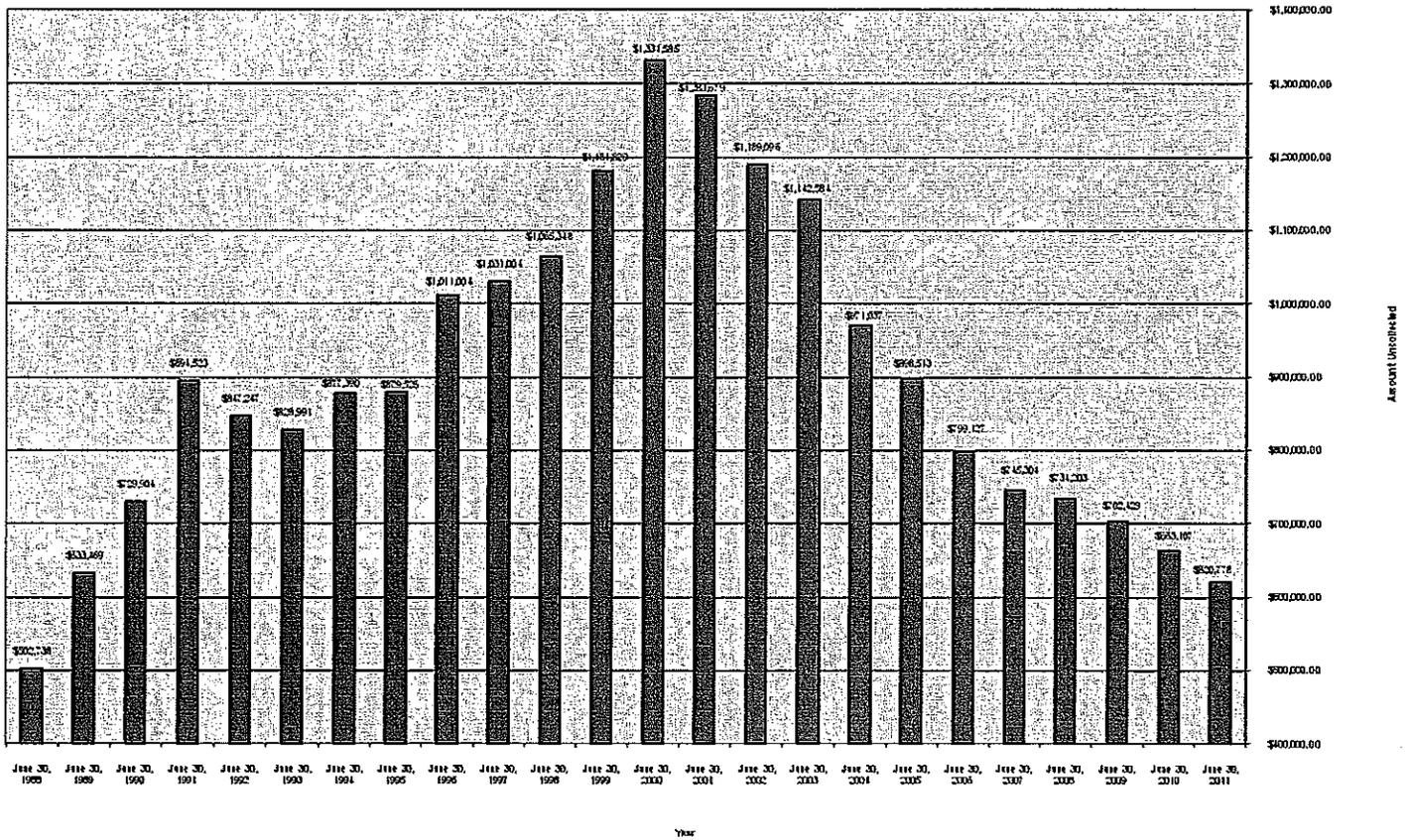
Financial Highlights

- The assets of Bertie County exceeded its liabilities at the close of the fiscal year by \$24,307,811 (*net assets*).
- The government's total net assets increased by \$88,382, primarily due to the governmental funds.
- As of the close of the current fiscal year, Bertie County's governmental funds reported combined ending fund balances of \$9,511,249, a decrease of \$130,183 in comparison with the prior year. Approximately 58.58% of this total amount or \$5,571,373 is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$5,571,373, or 30.08% of total general fund expenditures of \$18,520,149 for the fiscal year.
- Bertie County's total debt decreased by \$1,081,257 or 3.23% during the current fiscal year. The key factor in this decrease was the repayment of outstanding debt.
- Tax collection rate was 96.33% for FY 2010-2011. This represents the highest collection rate since FY 1981-82.

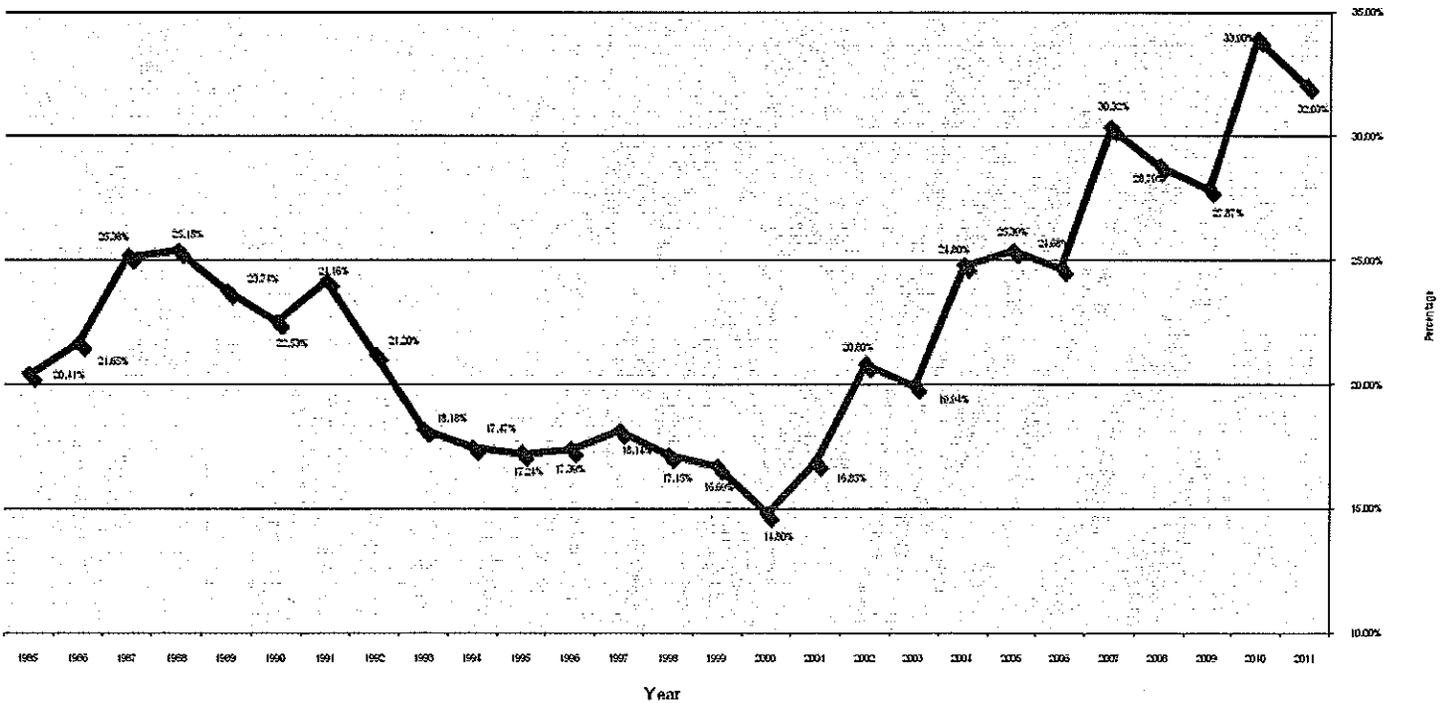
Current Year Tax Collection Rate - All Property



Delinquent Taxes Owed to Berle County
(Each Year Includes the Current Year Plus the Prior 3 Years)



Unreserved Fund Balance as a Percentage of Current Year Expenditures

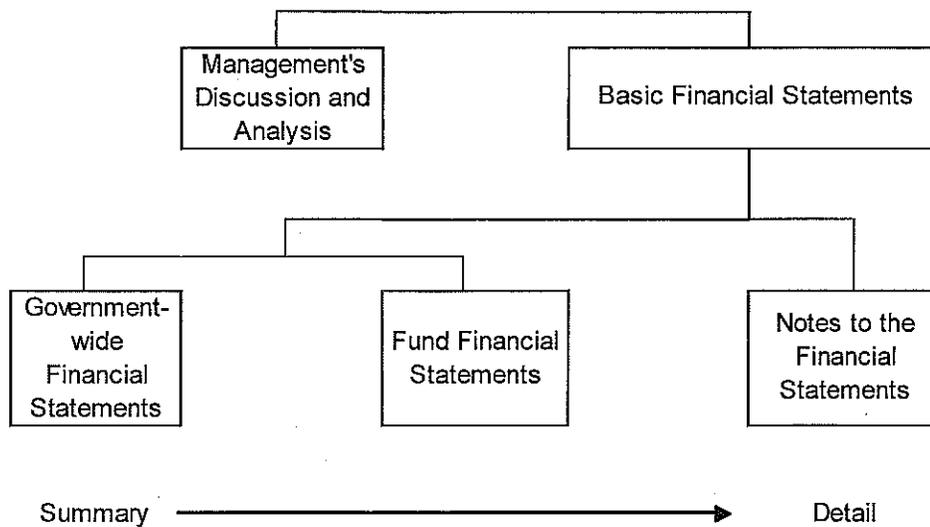


Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

The next statements (Exhibits 3 through 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 fund statements.

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

Following the notes is the required supplemental information. This section contains funding information about the County's pension plan and other postemployment benefits.

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 three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water services offered by Bertie County. The final category is the component unit. Although legally separate from the County, the ABC Board is important to the County because the County is financially accountable for the Board by appointing its members and because the Board is required to distribute a portion of its profits to the County.

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Bertie 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 Bertie County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has 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.

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

Proprietary Funds – Bertie 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. Bertie County uses enterprise funds to account for its water operations. These funds are the same as those separate activities 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. Bertie County has four fiduciary funds, one of which is a pension trust fund and three of which are agency funds.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 31 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Bertie County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 55 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of Bertie County exceeded liabilities by \$24,307,811 as of June 30, 2011. The County's net assets increased by \$88,382 for the fiscal year ended June 30, 2011. One of the largest portions \$22,968,910 (94.49%) reflects the County's investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related debt still outstanding that was issued to acquire those items. Bertie County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Bertie 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. An additional portion of Bertie County's net assets \$1,560,552 (6.42%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(221,651) (0.91%) is unrestricted.

Bertie County's Net Assets

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 17,754,175	\$ 18,209,370	\$ 1,294,114	\$ 1,169,986	\$ 19,048,289	\$ 19,379,356
Capital assets	9,078,342	9,186,813	29,376,643	29,866,530	38,454,985	39,053,343
Total assets	<u>26,832,517</u>	<u>27,396,183</u>	<u>30,670,757</u>	<u>31,036,516</u>	<u>57,503,274</u>	<u>58,432,699</u>
Current and other liabilities	608,608	466,335	226,347	305,170	834,955	771,505
Long-term liabilities, due within one year	1,580,566	1,549,591	274,000	260,085	1,854,566	1,809,676
Long-term liabilities, due in more than one year	18,159,340	19,039,473	12,346,602	12,592,616	30,505,942	31,632,089
Total liabilities	<u>20,348,514</u>	<u>21,055,399</u>	<u>12,846,949</u>	<u>13,157,871</u>	<u>33,195,463</u>	<u>34,213,270</u>
Net assets:						
Invested in capital assets, net of related debt	6,129,367	5,969,035	16,839,543	17,072,930	22,968,910	23,041,965
Restricted for working capital	1,560,552	15,000	-	-	1,560,552	15,000
Unrestricted	(1,205,916)	356,749	984,265	805,715	(221,651)	1,162,464
Total net assets	<u>\$ 6,484,003</u>	<u>\$ 6,340,784</u>	<u>\$ 17,823,808</u>	<u>\$ 17,878,645</u>	<u>\$ 24,307,811</u>	<u>\$ 24,219,429</u>

Government-Wide Financial Analysis

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

- Continued diligence in the collection of property taxes, both current year levy and prior year delinquent taxes. The current year tax collection rate increased for the 11th consecutive year. In addition, total ten year delinquent taxes decreased for the 11th consecutive year.
- Revenues were higher than budgeted in ad valorem taxes, sales taxes, beer and wine taxes, state funding for aging, landfill host fees, and other miscellaneous revenues and refunds.
- Savings were realized in several departments due to lapsed salaries, as well as unspent supplies, utilities and equipment appropriations.

Bertie County Changes in Net Assets
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 3,271,585	\$ 3,467,242	\$ 1,965,451	\$ 1,656,698	\$ 5,237,036	\$ 5,123,940
Operating grants and	4,596,700	4,397,971	-	-	4,596,700	4,397,971
Capital grants and contributions	436,986	481,363	244,902	236,733	681,888	718,096
General revenues:						
Property taxes	8,197,514	8,166,305	-	-	8,197,514	8,166,305
Other taxes	1,626,112	1,629,347	-	-	1,626,112	1,629,347
Investment earnings	55,772	71,978	7,606	9,809	63,378	81,787
Miscellaneous	495,968	247,338	27,395	35,617	523,363	282,955
Total revenues	18,680,637	18,461,544	2,245,354	1,938,857	20,925,991	20,400,401
Expenses:						
General government	3,282,631	3,143,762	-	-	3,282,631	3,143,762
Public safety	3,882,850	3,651,636	-	-	3,882,850	3,651,636
Environmental protection	483,926	471,102	-	-	483,926	471,102
Economic and physical development	766,399	782,562	-	-	766,399	782,562
Human services	5,426,475	5,121,136	-	-	5,426,475	5,121,136
Education	3,170,662	3,330,677	-	-	3,170,662	3,330,677
Special appropriations	416,147	349,374	-	-	416,147	349,374
E-911	495,086	80,362	-	-	495,086	80,362
Interest and fees on long-term debt	643,242	691,884	-	-	643,242	691,884
Water districts	-	-	2,270,191	2,228,212	2,270,191	2,228,212
Total expenses	18,567,418	17,622,495	2,270,191	2,228,212	20,837,609	19,850,707
Increase in net assets before transfers and special items	113,219	839,049	(24,837)	(289,355)	88,382	549,694
Transfers	30,000	-	(30,000)	-	-	-
Increase in net assets	143,219	839,049	(54,837)	(289,355)	88,382	549,694
Net assets, July 1	6,340,784	5,501,735	17,878,645	18,168,000	24,219,429	23,669,735
Net assets, June 30	\$ 6,484,003	\$ 6,340,784	\$17,823,808	\$ 17,878,645	\$24,307,811	\$ 24,219,429

Governmental activities. Governmental activities increased the County's net assets by \$143,219, thereby accounting for 100% of the total growth in the net assets of Bertie County. Key elements of this increase are as follows.

- Increased operating grants, tax collections and a decrease in capital project expenditures

Business-type activities: Business-type activities decreased Bertie County's net assets by \$54,837. Key elements of this decrease are as follows:

- Increased purchased services contributed to the losses

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Bertie County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Bertie County's financing requirements. 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 Bertie County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$5,571,373, while total fund balance reached \$8,786,396. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 30.08% percent of total General Fund expenditures, while total fund balance represents 47.44% of that same amount. Total amendments to the General Fund increased revenues by \$1,428,686.

At June 30, 2011, the governmental funds of Bertie County reported a combined fund balance of \$9,511,249, a 1.35% decrease over last year.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Proprietary Funds. Bertie County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets of the Water districts equaled \$984,265. There was a decrease in net assets of \$54,837. Other factors concerning the finances of these funds have already been addressed in the discussion of Bertie County's business-type activities.

Capital Asset and Debt Administration

Capital assets. Bertie County's capital assets for its governmental and business – type activities as of June 30, 2011, totals \$38,454,985 (net of accumulated depreciation). These assets include buildings, land, equipment, and vehicles.

Major capital asset transactions during the year include:

- 4 Vehicles for Sheriff's Office
- 1 Vehicle for Department of Social Services
- A reverse 911 look-up system

Bertie County's Capital Assets

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 678,397	\$ 678,397	\$ 129,994	\$ 129,994	\$ 808,391	\$ 808,391
Buildings and system	6,220,217	6,393,472	28,722,300	29,421,792	34,942,517	35,815,264
Improvements	840,858	891,306	-	-	840,858	891,306
Machinery and equipment	1,056,541	940,437	-	-	1,056,541	940,437
Vehicles and motorized equipment	282,329	283,201	8,830	10,224	291,159	293,425
Construction in progress	-	-	515,519	304,520	515,519	304,520
Total	\$ 9,078,342	\$ 9,186,813	\$ 29,376,643	\$ 29,866,530	\$ 38,454,985	\$ 39,053,343

Additional information on the County's capital assets can be found in Note II.A. 5.

Long-term Debt. As of June 30, 2011, Bertie County had total debt outstanding of \$32,360,508.

Bertie County's Outstanding Debt

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
General obligation bonds	\$ -	\$ -	\$ 12,537,100	\$ 12,793,600	\$ 12,537,100	\$ 12,793,600
Installment purchases	17,500,607	18,936,338	-	-	17,500,607	18,936,338
Compensated absences	319,528	315,859	15,998	13,938	335,526	329,797
Net pension obligation	170,819	151,969	-	-	170,819	151,969
Other postemployment benefits	1,748,952	1,184,898	67,504	45,163	1,816,456	1,230,061
	<u>\$ 19,739,906</u>	<u>\$ 20,589,064</u>	<u>\$ 12,620,602</u>	<u>\$ 12,852,701</u>	<u>\$ 32,360,508</u>	<u>\$ 33,441,765</u>

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 Bertie County is \$70,121,926.

Additional information regarding Bertie County's long-term debt can be found in Note II.B.7 beginning on page 47 of this audited financial report.

Budget Highlights for the Fiscal Year Ending June 30, 2011

Governmental Activities: Property tax collections and revenues from permits and fees have been responsible for increases in revenue projections. The County will use these increases in revenues to finance programs currently in place.

Budgeted expenditures in the General Fund have not significantly increased during the year, due to efforts to limit spending due to the recent recession.

Business – type Activities: The water rates in the County increased on July 1, 2010.

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 Director of Finance, Bertie County, PO Box 530, Windsor, NC 27983.

BASIC FINANCIAL STATEMENTS

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Bertie County, North Carolina
STATEMENT OF NET ASSETS
 June 30, 2011

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bertie County ABC Board
ASSETS				
Cash and cash equivalents	\$ 7,000,481	\$ 1,137,693	\$ 8,138,174	\$ 118,717
Receivables (net)	2,031,724	156,421	2,188,145	-
Notes receivable	7,013,276	-	7,013,276	-
Inventories	-	-	-	116,793
Prepaid items	-	-	-	7,264
Restricted cash and cash equivalents	1,708,694	-	1,708,694	-
Total current assets	<u>17,754,175</u>	<u>1,294,114</u>	<u>19,048,289</u>	<u>242,774</u>
Capital assets:				
Land, improvements, and construction in progress	678,397	645,513	1,323,910	-
Other capital assets, net of depreciation	8,399,945	28,731,130	37,131,075	22,939
Total capital assets	<u>9,078,342</u>	<u>29,376,643</u>	<u>38,454,985</u>	<u>22,939</u>
Total assets	<u>26,832,517</u>	<u>30,670,757</u>	<u>57,503,274</u>	<u>265,713</u>
LIABILITIES				
Accounts payable and accrued expenses	550,417	90,296	640,713	153,360
Unearned revenue	58,191	-	58,191	-
Customer deposits	-	126,980	126,980	-
Liabilities to be paid from restricted assets	-	9,071	9,071	-
Long-term liabilities:				
Due within one year	1,580,566	274,000	1,854,566	-
Due in more than one year	18,159,340	12,346,602	30,505,942	12,304
Total long-term liabilities	<u>19,739,906</u>	<u>12,620,602</u>	<u>32,360,508</u>	<u>12,304</u>
Total liabilities	<u>20,348,514</u>	<u>12,846,949</u>	<u>33,195,463</u>	<u>165,664</u>
NET ASSETS				
Invested in capital assets, net of related debt	6,129,367	16,839,543	22,968,910	22,939
Restricted for:				
CJPP	3,352	-	3,352	-
Domestic violence	12,201	-	12,201	-
Drug	42,261	-	42,261	-
Stabilization by State Statute	1,502,738	-	1,502,738	-
Working capital	-	-	-	17,906
Unrestricted (deficit)	(1,205,916)	984,265	(221,651)	59,204
Total net assets	<u>\$ 6,484,003</u>	<u>\$ 17,823,808</u>	<u>\$ 24,307,811</u>	<u>\$ 100,049</u>

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

Bertie County, North Carolina
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental Activities:				
General government	\$ 3,282,631	\$ 105,573	\$ -	\$ -
Public safety	3,882,850	491,892	141,932	-
Environmental protection	483,926	1,831,695	87,551	-
Economic and physical development	766,399	-	483,617	-
Human services	5,426,475	842,425	3,883,600	87,040
Intergovernmental:				
Education	3,170,662	-	-	349,946
Special appropriations	416,147	-	-	-
E-911	495,086	-	-	-
Debt service:				
Interest and fees on long-term debt	643,242	-	-	-
Total governmental activities	18,567,418	3,271,585	4,596,700	436,986
Business-type activities:				
Water Districts	2,270,191	1,965,451	-	244,902
Total business-type activities	2,270,191	1,965,451	-	244,902
Total primary government	\$ 20,837,609	\$ 5,237,036	\$ 4,596,700	\$ 681,888
Component unit:				
ABC Board	\$ 639,368	\$ 601,526	\$ -	\$ -

General revenues:

Taxes:

 Property taxes, levied for general purpose

 Local option sales tax

 Other taxes and licenses

 Investment earnings, unrestricted

 Miscellaneous, unrestricted

 Transfers

Total general revenues

 Change in net assets

Net assets-beginning

Net assets-ending

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Bertie County ABC Board
\$ (3,177,058)	\$ -	\$ (3,177,058)	\$ -
(3,249,026)	-	(3,249,026)	-
1,435,320	-	1,435,320	-
(282,782)	-	(282,782)	-
(613,410)	-	(613,410)	-
(2,820,716)	-	(2,820,716)	-
(416,147)	-	(416,147)	-
(495,086)	-	(495,086)	-
(643,242)	-	(643,242)	-
(10,262,147)	-	(10,262,147)	-
-	(59,838)	(59,838)	-
-	(59,838)	(59,838)	-
(10,262,147)	(59,838)	(10,321,985)	-
-	-	-	(37,842)
8,197,514	-	8,197,514	-
1,488,425	-	1,488,425	-
137,687	-	137,687	-
55,772	7,606	63,378	201
495,968	27,395	523,363	-
30,000	(30,000)	-	-
10,405,366	5,001	10,410,367	201
143,219	(54,837)	88,382	(37,641)
6,340,784	17,878,645	24,219,429	137,690
\$ 6,484,003	\$ 17,823,808	\$ 24,307,811	\$ 100,049

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

Bertie County, North Carolina
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2011

	Major		Non-Major	
	General	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 6,194,627	\$ 713,240	\$ 6,907,867	
Restricted cash	1,708,694	-	1,708,694	
Receivables (net):				
Taxes	525,051	-	525,051	
Accounts	1,134,563	368,175	1,502,738	
Notes - Pitt County				
Memorial Hospital	6,594,993	-	6,594,993	
Notes - Landmark Asset Services	288,683	-	288,683	
Notes - Bertie Memorial Limited Partnership	129,600	-	129,600	
Due (to) from other funds	349,946	(349,946)	-	
Total assets	<u>\$ 16,926,157</u>	<u>\$ 731,469</u>	<u>\$ 17,657,626</u>	
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 543,243	\$ 6,616	\$ 549,859	
Deferred revenues	7,538,327	-	7,538,327	
Unearned revenues	58,191	-	58,191	
Total liabilities	<u>8,139,761</u>	<u>6,616</u>	<u>8,146,377</u>	
Fund balances:				
Restricted:				
CJPP	3,352	-	3,352	
Domestic Violence	12,201	-	12,201	
Drug	42,261	-	42,261	
Stabilization by State Statute	1,484,509	18,229	1,502,738	
Committed:				
Tax Revaluation	189,222	-	189,222	
Education	1,483,478	-	1,483,478	
Assigned:				
Subsequent years' expenditures	-	706,624	706,624	
Unassigned:				
Total fund balances	<u>8,786,396</u>	<u>724,853</u>	<u>9,511,249</u>	
Total liabilities and fund balances	<u>\$ 16,926,157</u>	<u>\$ 731,469</u>		

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	9,078,342
Liabilities for earned but deferred revenues in fund statements.	7,538,327
Some liabilities, including bonds payable and other postemployment benefits, are not due and payable in the current period and therefore are not reported in the funds.	(19,739,906)
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	<u>95,991</u>
Net assets of governmental activities	<u>\$ 6,484,003</u>

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

Bertie County, North Carolina
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2011

	Major	Non-Major	Total Governmental Funds
	General Fund	Other Governmental Funds	
REVENUES			
Ad valorem taxes	\$ 8,679,839	\$ -	\$ 8,679,839
Other taxes and licenses	385,171	218,687	603,858
Intergovernmental revenues	5,465,537	729,014	6,194,551
Licenses and permits	177,956	-	177,956
Sales and services	1,897,257	-	1,897,257
Investment earnings	51,336	4,436	55,772
Miscellaneous	1,466,689	87,040	1,553,729
Total revenues	<u>18,123,785</u>	<u>1,039,177</u>	<u>19,162,962</u>
EXPENDITURES			
Current:			
General government	2,635,125	-	2,635,125
Public safety	4,026,921	-	4,026,921
Environmental protection	483,926	-	483,926
Economic and physical development	334,007	307,910	641,917
Human services	5,356,525	-	5,356,525
Intergovernmental:			
Education	3,170,662	-	3,170,662
Special appropriations	416,147	-	416,147
E-911	-	495,086	495,086
Debt service:			
Principal	1,453,594	-	1,453,594
Interest and fees	643,242	-	643,242
Total expenditures	<u>18,520,149</u>	<u>802,996</u>	<u>19,323,145</u>
Excess (deficiency) of revenues over expenditures	<u>(396,364)</u>	<u>236,181</u>	<u>(160,183)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	379,946	-	379,946
Transfers to other funds	-	(349,946)	(349,946)
Total other financing sources and uses	<u>379,946</u>	<u>(349,946)</u>	<u>30,000</u>
Net change in fund balance	(16,418)	(113,765)	(130,183)
Fund balances-beginning	8,802,814	838,618	9,641,432
Fund balances-ending	<u>\$ 8,786,396</u>	<u>\$ 724,853</u>	<u>\$ 9,511,249</u>

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

Net changes in fund balances - total governmental funds	\$ (130,183)
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 expense exceeded capital outlays in the current year.	(79,687)
Cost of capital assets disposed of during the year, net of accumulated depreciation, not recognized on modified accrual basis.	(28,784)
Revenues not in the statement of activities that do not provide current financial resources and reported as revenues in the funds.	(482,325)
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.	1,413,212
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.	(564,054)
Internal service funds are used by management to charge the costs of a telephone system to individual funds.	<u>15,040</u>
Total changes in net assets of governmental activities	<u>\$ 143,219</u>

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



Bertie County, North Carolina
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2011

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Ad valorem taxes	\$ 8,471,560	\$ 8,471,560	\$ 8,679,839	\$ 208,279
Other taxes and licenses	372,150	372,150	385,171	13,021
Intergovernmental revenues	5,790,189	6,096,163	5,465,537	(630,626)
Licenses and permits	177,208	177,708	177,956	248
Sales and services	1,818,922	1,818,922	1,897,257	78,335
Investment earnings	60,000	60,000	43,731	(16,269)
Miscellaneous	269,896	1,392,108	1,466,689	74,581
Total revenues	<u>16,959,925</u>	<u>18,388,611</u>	<u>18,116,180</u>	<u>(272,431)</u>
EXPENDITURES				
Current:				
General government	2,698,534	2,807,151	2,599,131	208,020
Public safety	3,897,570	4,377,238	4,026,921	350,317
Environmental protection	481,000	486,000	483,926	2,074
Economic and physical development	342,069	350,416	334,007	16,409
Human services	5,741,213	6,086,812	5,356,525	730,287
Intergovernmental:				
Education	3,357,500	3,357,500	3,170,662	186,838
Special appropriations	381,195	468,469	416,147	52,322
Debt service:				
Principal	1,008,309	1,453,597	1,453,594	3
Interest and fees	261,880	643,244	643,242	2
Total expenditures	<u>18,169,270</u>	<u>20,030,427</u>	<u>18,484,155</u>	<u>1,546,272</u>
Revenues over (under) expenditures	<u>(1,209,345)</u>	<u>(1,641,816)</u>	<u>(367,975)</u>	<u>1,273,841</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	813,751	623,939	(189,812)
Transfers to other funds	310,000	(310,000)	(305,894)	4,106
Total other financing sources and uses	<u>310,000</u>	<u>503,751</u>	<u>318,045</u>	<u>(185,706)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(899,345)</u>	<u>(1,138,065)</u>	<u>(49,930)</u>	<u>1,088,135</u>
Appropriated fund balance	<u>899,345</u>	<u>1,138,065</u>	<u>-</u>	<u>(1,138,065)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(49,930)</u>	<u>\$ (49,930)</u>
Fund balance, beginning			7,163,626	
Fund balance, ending			<u>\$ 7,113,696</u>	
The legally budgeted Tax Revaluation Fund and Capital Reserve Fund are consolidated into the General Fund for reporting purposes:				
Investment earnings			\$ 7,605	
Transfers in - General Fund			305,894	
Transfers out - General Fund			(243,993)	
Expenditures			(35,994)	
Fund balance, beginning			1,639,188	
Fund balance, ending (Exhibit 4)			<u>\$ 8,786,396</u>	

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

Bertie County, North Carolina
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2011

	Business-type Activities-Proprietary Funds - Major					Governmental Activities- Internal Service Funds
	Water District I	Water District II	Water District III	Water District IV	Total	
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 95,953	\$ 115,237	\$ 790,105	\$ 136,398	\$ 1,137,693	\$ 92,614
Receivables, net	19,718	61,558	26,319	48,826	156,421	3,935
Total current assets	<u>115,671</u>	<u>176,795</u>	<u>816,424</u>	<u>185,224</u>	<u>1,294,114</u>	<u>96,549</u>
Capital assets:						
Land and improvements	36,994	36,500	36,500	20,000	129,994	-
Construction in progress	-	-	-	515,519	515,519	-
Buildings, improvements, and equipment	8,117,191	11,614,918	8,024,398	7,236,435	34,992,942	182,848
Vehicles and motorized equipment	-	-	15,941	-	15,941	-
Less accumulated depreciation	<u>(1,796,585)</u>	<u>(1,583,914)</u>	<u>(1,731,175)</u>	<u>(1,166,079)</u>	<u>(6,277,753)</u>	<u>(182,848)</u>
Total capital assets	<u>6,357,600</u>	<u>10,067,504</u>	<u>6,345,664</u>	<u>6,605,875</u>	<u>29,376,643</u>	<u>-</u>
Total noncurrent assets	<u>6,357,600</u>	<u>10,067,504</u>	<u>6,345,664</u>	<u>6,605,875</u>	<u>29,376,643</u>	<u>-</u>
Total assets	<u>6,473,271</u>	<u>10,244,299</u>	<u>7,162,088</u>	<u>6,791,099</u>	<u>30,670,757</u>	<u>96,549</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	24,884	19,407	27,312	18,693	90,296	558
Customer deposits	29,383	25,097	39,481	33,019	126,980	-
Compensated absences payable	3,680	3,040	5,119	4,159	15,998	-
General obligation bonds payable	63,000	81,500	61,500	64,000	270,000	-
Total current liabilities	<u>120,947</u>	<u>129,044</u>	<u>133,412</u>	<u>119,871</u>	<u>503,274</u>	<u>558</u>
Current liabilities payable from restricted assets:						
Accounts payable and accrued liabilities	-	-	-	9,071	9,071	-
Total current liabilities payable from restricted assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,071</u>	<u>9,071</u>	<u>-</u>
Noncurrent liabilities:						
General obligation bonds payable	2,648,500	3,689,500	2,419,500	3,509,600	12,267,100	-
Other postemployment benefits	15,490	12,795	21,708	17,511	67,504	-
Total noncurrent liabilities	<u>2,663,990</u>	<u>3,702,295</u>	<u>2,441,208</u>	<u>3,527,111</u>	<u>12,334,604</u>	<u>-</u>
Total liabilities	<u>2,784,937</u>	<u>3,831,339</u>	<u>2,574,620</u>	<u>3,656,053</u>	<u>12,846,949</u>	<u>558</u>
NET ASSETS						
Invested in capital assets, net of related debt	3,646,100	6,296,504	3,864,664	3,032,275	16,839,543	-
Unrestricted	42,234	116,456	722,804	102,771	984,265	95,991
Total net assets	<u>\$ 3,688,334</u>	<u>\$ 6,412,960</u>	<u>\$ 4,587,468</u>	<u>\$ 3,135,046</u>	<u>\$ 17,823,808</u>	<u>\$ 95,991</u>

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

Bertie County, North Carolina
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011

	Business-type Activities-Proprietary Funds - Major					Governmental Activities- Internal Service Funds
	Water District I	Water District II	Water District III	Water District IV	Total	
Operating revenue:						
User charges	\$ 369,330	\$ 585,097	\$ 522,323	\$ 488,701	\$ 1,965,451	\$ 71,675
Total operating revenue	<u>369,330</u>	<u>585,097</u>	<u>522,323</u>	<u>488,701</u>	<u>1,965,451</u>	<u>71,675</u>
Operating expenses						
Administrative expenses	203,467	193,073	312,094	220,233	928,867	56,635
Depreciation expense	161,933	233,446	160,482	145,025	700,886	-
Total operating expenses	<u>365,400</u>	<u>426,519</u>	<u>472,576</u>	<u>365,258</u>	<u>1,629,753</u>	<u>56,635</u>
Operating income (loss)	3,930	158,578	49,747	123,443	335,698	15,040
Nonoperating revenues (expenses)						
Investment earnings	1,268	634	4,436	1,268	7,606	-
Miscellaneous income	11,021	1,897	2,955	3,420	19,293	-
Tax refunds	-	-	-	8,102	8,102	-
Interest and fees	(141,795)	(187,337)	(133,055)	(178,251)	(640,438)	-
Total nonoperating revenues (expenses)	<u>(129,506)</u>	<u>(184,806)</u>	<u>(125,664)</u>	<u>(165,461)</u>	<u>(605,437)</u>	<u>-</u>
Income (loss) before contributions and operating transfers	(125,576)	(26,228)	(75,917)	(42,018)	(269,739)	15,040
Capital contributions	-	-	-	244,902	244,902	-
Transfers from (to) other funds	-	(30,000)	-	-	(30,000)	-
Total transfers and capital contributions	<u>-</u>	<u>(30,000)</u>	<u>-</u>	<u>244,902</u>	<u>214,902</u>	<u>-</u>
Change in net assets	(125,576)	(56,228)	(75,917)	202,884	(54,837)	15,040
Net assets, beginning	3,813,910	6,469,188	4,663,385	2,932,162	17,878,645	80,951
Net assets, ending	<u>\$ 3,688,334</u>	<u>\$ 6,412,960</u>	<u>\$ 4,587,468</u>	<u>\$ 3,135,046</u>	<u>\$ 17,823,808</u>	<u>\$ 95,991</u>

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

Bertie County, North Carolina
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011

	Business-type Activities-Proprietary Funds - Major					Governmental Activities- Internal Service Funds
	Water District I	Water District II	Water District III	Water District IV	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers	\$ 341,667	\$ 568,811	\$ 484,391	\$ 454,125	\$ 1,848,994	\$ 70,926
Cash paid for goods and services	(130,102)	(125,936)	(194,400)	(130,006)	(580,444)	(56,747)
Cash paid to employees for services	(73,040)	(60,336)	(101,760)	(82,567)	(317,703)	-
Customer deposits (net)	155	2,300	(2,038)	1,000	1,417	-
Other operating revenues	21,585	13,027	34,032	25,125	93,769	-
Net cash provided (used) by operating activities	160,265	397,866	220,225	267,677	1,046,033	14,179
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Nonoperating income	11,021	1,897	2,955	11,522	27,395	-
Transfers from (to) other funds	-	(30,000)	-	-	(30,000)	-
Net cash provided (used) from noncapital financing activities	11,021	(28,103)	2,955	11,522	(2,605)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	-	-	-	(297,558)	(297,558)	-
Interest paid on construction debt	(141,795)	(187,337)	(133,055)	(178,251)	(640,438)	-
Principal paid on bond maturities and equipment contracts	(60,000)	(78,000)	(58,000)	(60,500)	(256,500)	-
Capital contributions – State grant	-	-	-	346,824	346,824	-
Net cash provided (used) for capital and related financing activities	(201,795)	(265,337)	(191,055)	(189,485)	(847,672)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	1,268	634	4,436	1,268	7,606	-
Net increase (decrease) in cash and cash equivalents	(29,241)	105,060	36,561	90,982	203,362	14,179
Cash and cash equivalents, beginning	125,194	10,177	753,544	45,416	934,331	78,435
Cash and cash equivalents, ending	<u>\$ 95,953</u>	<u>\$ 115,237</u>	<u>\$ 790,105</u>	<u>\$ 136,398</u>	<u>\$ 1,137,693</u>	<u>\$ 92,614</u>

	Business-type Activities-Proprietary Funds - Major					Governmental Activities- Internal Service Funds
	Water District I	Water District II	Water District III	Water District IV	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ 3,930	\$ 158,578	\$ 49,747	\$ 123,443	\$ 335,698	\$ 15,040
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	161,933	233,446	160,482	145,025	700,886	-
Change in assets and liabilities:						
(Increase) decrease in accounts receivable	(6,078)	(3,259)	(3,900)	(9,451)	(22,688)	(749)
Increase (decrease) in accounts payable and accrued liabilities	(5,285)	2,166	8,119	1,319	6,319	(112)
Increase (decrease) in customer deposits	155	2,300	(2,038)	1,000	1,417	-
Increase (decrease) in accrued vacation	474	392	659	535	2,060	-
Increase (decrease) in OPEB payable	5,136	4,243	7,156	5,806	22,341	-
Total adjustments	156,335	239,288	170,478	144,234	710,335	(861)
Net cash provided (used) by operating activities	\$ 160,265	\$ 397,866	\$ 220,225	\$ 267,677	\$ 1,046,033	\$ 14,179

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

Bertie County, North Carolina
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2011

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ <u>4,189</u>
LIABILITIES	
Miscellaneous liabilities	<u>4,122</u>
NET ASSETS	
Assets held in trust for social services	\$ <u>67</u>

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

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

I. Summary of Significant Accounting Policies

The accounting policies of Bertie County and its component unit 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 five-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. One component unit of the County has no financial transactions or account balances; therefore, it does not appear in the combined financial statements. The blended component unit, although it is a legally separate entity, is, in substance, part of the County's operations. The discretely presented component unit below is reported in a separate column in the County's combined financial statements in order to emphasize that it is legally separate from the County.

Blended Component Unit

Bertie County Water Districts

Bertie County maintains four water districts (the "Districts") to provide a water system for the County residents within the districts. Under State law [G.S. 162A-89], the County's board of commissioners also serve as the governing board for the Districts. Therefore, the Districts are reported as an enterprise fund in the County's financial statements. The Districts do not issue separate financial statements.

Discretely Presented Component Units

Bertie County Industrial Facility and Pollution Control Financing Authority

Bertie 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 is governed by a seven-member board of commissioners, all of whom are appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

Bertie County ABC Board

The members of the ABC Board's governing body are appointed by the County. The ABC Board is required by state statute to distribute its surpluses to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund.

Complete financial statements of the component unit may be obtained at the administrative office of the entity.

Bertie County ABC Board
P. O. Box 97
Windsor, North Carolina 27983

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

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

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

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

The County reports the following major governmental fund:

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 Tax Revaluation Fund and the Capital Reserves Schools Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 they are consolidated in the General Fund.

The County reports the following major enterprise funds:

Bertie County Water District I Fund - This fund accounts for the County's water operations of District I.

Bertie County Water District II Fund – This fund accounts for the County's water operations of District II.

Bertie County Water District III Fund – This fund accounts for the County's water operations of District III.

Bertie County Water District IV Fund – This fund accounts for the County's water operations of District IV.

The County also reports the following fund types:

Internal Service Fund. The Internal Service Funds, which are proprietary funds, are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. Bertie County has one internal service fund. The Bertie Telephone is an internal service fund, which operates for County use only.

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 monies held by the Department of Social Services for the benefit of certain individuals; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Bertie County Board of Education and the three percent interest on the first month of delinquent motor vehicle taxes that the County is required to remit to the North Carolina Department of Motor Vehicles; 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; the Pest Management Fund, which accounts for the moneys received from local farmers for Agriculture Extension services; and the Deed of Trust Fee Fund, which accounts for the five dollars of each fee collected by the register of deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis.

Nonmajor Funds. The County maintains seven legally budgeted funds. The Wireless 911 Fund, 2006 CDBG-CN Fund, 2008 CDBG-SS Fund, and the Tornado Donations Fund are reported as nonmajor special revenue funds. The Pilot Extraction Facility Fund, the Golden Leaf Grant Fund, and the Lottery Fund are reported as capital projects 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, except for the agency funds which have no measurement focus. The government-wide, proprietary fund and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as 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, Bertie 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 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

Sales taxes and certain intergovernmental revenues, such as the 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 Fund, Special Revenue Funds, (excluding the Community Development Block Grant Funds), the Enterprise Funds, the Internal Service Funds and the Capital Project Fund. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Community Development Block Grant Funds which is a Special Revenue fund type, and the Enterprise Capital Projects Funds, which are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the object level for the multi-year funds. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000. The governing board must approve all amendments. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

D. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

All deposits of the County and Bertie County ABC Board are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the ABC Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County and the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances and the North Carolina Capital Management Trust (NCCMT).

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

2. Cash and Cash Equivalents

The County pools moneys from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents. The ABC Board considers demand deposits and investments purchased with an original maturity of three months or less, which are not limited as to use, to be cash and cash equivalents.

3. Restricted Assets

Grants receivable and unexpended grant proceeds are classified as restricted assets within the governmental and enterprise funds because their use is completely restricted to the purpose for which the grant is intended. Money in the Tax Revaluation Fund and the Capital Reserve Schools Fund are also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150.

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, 2009. As allowed by State law, the County has established a schedule of discounts that apply to taxes that are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

5. Allowances for Doubtful Accounts

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

6. Inventories and Prepaid Items

The inventories of the ABC Board are valued at cost (first-in, first-out), which approximates market. The inventory of the ABC Board consists of materials and supplies held for consumption or resale. The cost of the inventory for the ABC Board is recorded as an expense as it is consumed or sold.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

7. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Bertie County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2011

the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Bertie County Board of Education.

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

	Years
Buildings	50
Improvements	10-20
Furniture and equipment	10
Vehicles	3-5
Computer equipment	5

Capital assets of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	Years
Buildings	20
Furniture and equipment	10
Vehicles	3-5
Leasehold improvements	10-20
Computers	3

8. Long-term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

9. Compensated Absences

The vacation policies of the County and the ABC Board provide 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 and the ABC Board, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policies of the County and the ABC Board provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since neither the County nor the ABC Board 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 a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through state statute.

Fund Balances

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

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. There is no nonspendable fund balance at June 30, 2011.

Inventories – portion of fund balance that 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.

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

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

Restricted for CJPP – portion of fund balance that is restricted by revenue source for criminal justice programs.

Restricted for domestic violence – portion of fund balance that is restricted by revenue source for domestic violence.

Restricted for drug – portion of fund balance that is restricted by revenue source for drug investigations.

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

Committed for Tax Revaluation – portion of fund balance that can only be used for Tax Revaluation.

Committed for Education – portion of fund balance that can only be used for capital reserves schools.

Assigned Fund Balance – Portion of fund balance that the Bertie County governing board 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. The governing body approves the appropriation.

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

Bertie County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Director 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 Director has the authority to deviate from this policy if it's in the best interest of the County.

Bertie County has also adopted a minimum fund balance policy for the General Fund which instructs management to conduct the business of the County in such a manor that available fund balance is at least equal to or greater than 10% of budgeted expenditures.

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2011

E. Reconciliation of Government-wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. The net adjustment of \$(3,027,246) 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)	\$ 13,407,154
Less accumulated depreciation	(4,328,812)
Net capital assets	9,078,342
Liabilities for revenue deferred but earned and therefore reported in the fund statements but not the government-wide	7,538,327
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing	(17,500,606)
Pension obligation	(170,819)
Other postemployment benefit obligation	(1,748,953)
Compensated absences	(319,528)
	(19,739,906)
Internal service funds are used by management to charge the costs of a data information system to individual funds.	95,991
Total adjustment	\$ (3,027,246)

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. There are several elements of that total adjustment of \$273,402 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 382,509
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	(462,196)
Cost of capital assets disposed during the year, that is recorded on the statement of activities but not in the fund statements	(28,784)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements	
Change in deferred revenues	(482,325)
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	1,435,761
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	(3,699)
Other postemployment benefits	(18,850)
Net pension obligation	(564,054)
Internal service funds are used by management to charge the costs of a data information system to individual funds	15,040
Total adjustment	\$ 273,402

F. Subsequent Events – Date of Management Evaluation

Management has evaluated subsequent events through November 17, 2011, the date on which the financial statements were available to be issued.

II. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, 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 ABC

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the ABC Board under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The 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 ABC Board has no formal policy regarding custodial credit risk for deposits.

The County maintains its cash balance in one financial institution located in Eastern North Carolina. The Federal Deposit Insurance Corporation (FDIC) temporarily increased coverage to \$250,000 for substantially all depository accounts and temporarily provided unlimited coverage for certain qualifying and participating non-interest bearing transactions accounts. The increased coverage for depository accounts is scheduled to expire on December 31, 2013. The temporary coverage under the Transaction Account Guarantee Program remains in effect for those participating institutions choosing not to opt out of the program. At June 30, 2011, the County's deposits had a carrying amount of \$8,282,002. The bank balances with financial institutions and with the State Treasurer were \$8,495,442 and \$2,923, respectively. Of these bank balances, \$250,000 was covered by federal depository insurance, \$2,923 was covered by collateral held by authorized escrow agents in the name of the State Treasurer, and \$16,611 in non-interest bearing deposits and \$8,228,831 in interest bearing deposits were covered by collateral held under the Pooling Method.

At June 30, 2011, Bertie County had \$1,225 cash on hand.

At June 30, 2011, the carrying amount of deposits for Bertie County ABC Board was \$118,717 and the bank balance was \$117,042. All of the bank balance was covered by federal depository insurance.

At June 30, 2011, the ABC Board had \$0 cash on hand.

On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act was signed into law, which, in part, permanently raised the FDIC current standard maximum deposit insurance amount to \$250,000.

2. Investments

At June 30, 2011, the County's investments consisted of \$1,567,830 in the North Carolina Capital Management Trust's Cash Portfolio, which carried a credit rating of AAAM by Standard and Poor's. The County has no policy on credit risk.

At June 30, 2011, the ABC Board had no investments.

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

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

Year Levied	Tax	Interest	Total
2008	1,038,319	339,925	1,378,244
2009	1,063,765	252,541	1,316,306
2010	1,070,207	157,744	1,227,951
2011	1,082,638	62,196	1,144,834
Total	<u>\$ 4,254,929</u>	<u>\$ 812,406</u>	<u>\$ 5,067,335</u>

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

4. Receivables

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

	Accounts	Taxes and Related Accrued Interest	Due from Other Governments	Other	Total
Governmental Activities:					
General	\$ 695,746	\$ 620,778	\$ 438,817	\$ 7,013,276	\$ 8,768,617
Other Governmental	368,175	-	-	-	368,175
Internal Service Fund	3,935	-	-	-	3,935
Total receivables	1,067,856	620,778	438,817	7,013,276	9,140,727
Allowance for doubtful accounts	-	(95,727)	-	-	(95,727)
Total-governmental activities	\$ 1,067,856	\$ 525,051	\$ 438,817	\$ 7,013,276	\$ 9,045,000
Business-type Activities					
Water Districts	\$ 178,367	\$ -	\$ -	\$ -	\$ 178,367
Total receivables	178,367	-	-	-	178,367
Allowance for doubtful accounts	(21,946)	-	-	-	(21,946)
Total - business-type activities	\$ 156,421	\$ -	\$ -	\$ -	\$ 156,421

The due from other governments that is owed to the County consists of the following:

Local option sales tax	\$ 374,442
Sales tax receivable	64,375
Total	\$ 438,817

5. Capital Assets

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

Governmental Activities:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 678,397	\$ -	\$ -	\$ 678,397
Total capital assets not being depreciated	678,397	-	-	678,397
Capital assets being depreciated:				
Buildings	8,968,674	-	-	8,968,674
Improvements	1,008,951	-	-	1,008,951
Equipment	1,453,960	269,498	46,815	1,676,643
Vehicles and motor equipment	1,003,840	113,011	42,362	1,074,489
Total capital assets being depreciated	12,435,425	382,509	89,177	12,728,757
Less accumulated depreciation for:				
Buildings	2,575,202	173,255	-	2,748,457
Improvements	117,645	50,448	-	168,093
Equipment	513,523	128,816	22,237	620,102
Vehicles and motor equipment	720,639	109,677	38,156	792,160
Total accumulated depreciation	3,927,009	\$ 462,196	\$ 60,393	4,328,812
Total capital assets being depreciated, net	8,508,416			8,399,945
Governmental activity capital assets, net	\$ 9,186,813			\$ 9,078,342

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Primary Government

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

General government	\$ 94,823
Public safety	149,204
Human services	93,687
Parks and Rec	124,482
Total depreciation expense	<u>\$ 462,196</u>

Business-type Activities:

	Beginning Balances	Increases	Decreases	Ending Balances
Water Districts				
Capital assets not being depreciated:				
Land	\$ 129,994	\$ -	\$ -	\$ 129,994
Construction in progress	304,520	210,999	-	515,519
Total capital assets not being depreciated	<u>434,514</u>	<u>210,999</u>	<u>-</u>	<u>645,513</u>
Capital assets being depreciated:				
Plant and distribution systems	34,979,000	-	-	34,979,000
Vehicles	29,883	-	-	29,883
Total capital assets being depreciated	<u>35,008,883</u>	<u>-</u>	<u>-</u>	<u>35,008,883</u>
Less accumulated depreciation for:				
Plant and distribution systems	5,557,208	699,492	-	6,256,700
Vehicles	19,659	1,394	-	21,053
Total accumulated depreciation	<u>5,576,867</u>	<u>\$ 700,886</u>	<u>\$ -</u>	<u>6,277,753</u>
Total capital assets being depreciated, net	29,432,016			28,731,130
Water Districts capital assets, net	<u>\$ 29,866,530</u>			<u>\$ 29,376,643</u>

Construction commitments

The government has active construction projects as of June 30, 2011. The projects include the extraction facility project and water district projects. At June 30, 2011, the government's commitments with contractors are as follows:

Project	Spent-to-date	Remaining Commitment
Rural Center Grant - Water District IV	301,422	38,378
2008 CDBG - Water District IV	214,097	695,403
	<u>\$ 515,519</u>	<u>\$ 733,781</u>

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Discretely presented component units

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

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 5,346	\$ -	\$ -	\$ 5,346
Capital assets being depreciated:				
Furniture and equipment	104,203	-	-	104,203
Leasehold improvements	17,711	-	-	17,711
Vehicles	1,470	-	-	1,470
Total capital assets being depreciated	<u>123,384</u>	<u>-</u>	<u>-</u>	<u>123,384</u>
Less accumulated depreciation for:				
Furniture and equipment	83,322	3,288	-	86,610
Leasehold improvements	17,711	-	-	17,711
Vehicles	1,470	-	-	1,470
Total accumulated depreciation	<u>102,503</u>	<u>\$ 3,288</u>	<u>\$ -</u>	<u>105,791</u>
ABC capital assets, net	<u>\$ 26,227</u>			<u>\$ 22,939</u>

B. Liabilities

1. Payables

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

	Vendors	Total
Governmental Activities:		
General	\$ 507,453	\$ 507,453
Other Governmental	42,406	42,406
Internal Service Fund	558	558
Total governmental funds	<u>\$ 550,417</u>	<u>\$ 550,417</u>
Business-type Activities		
Water Districts	\$ 90,296	\$ 90,296
Total business-type activities	<u>\$ 90,296</u>	<u>\$ 90,296</u>

2. Pension Plan and Other Postemployment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. Bertie County and the ABC Board contribute to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-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 Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Plan members are required to contribute six percent of their annual covered salary. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.5% and 6.41%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 5.25% of annual covered payroll. The contribution requirements of members and of Bertie County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$298,750, \$217,162, and \$216,115, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$3,430, \$2,654, and \$3,840, respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

b. Law Enforcement Officers' Special Separation Allowance

1. Plan Description.

Bertie 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. The Separation Allowance is reported in the County's report as a pension trust fund.

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

Retirees receiving benefits	1
Active plan members	<u>24</u>
Total	<u>25</u>

A separate report was not issued for the plan.

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 the amounts necessary to cover the benefits earned by making contributions based on actuarial valuations. For the current year, the County contributed \$29,289, or 3.23% 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 financed through investment earnings.

The annual required contribution for the current year was determined as part of the December 31, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25% to 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include postretirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2010 was 20 years.

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:

Annual required contribution	\$ 28,097
Interest on net pension obligation	7,598
Adjustment to annual required contribution	<u>(8,136)</u>
Annual pension cost	27,559
Contributions made	<u>8,709</u>
Increase (decrease) in net pension obligation	18,850
Net pension obligation beginning of year	151,969
Net pension obligation end of year	<u>\$ 170,819</u>

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
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3 Year Trend Information			
For Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	21,417	40.66%	134,938
2010	25,740	33.83%	151,969
2011	27,559	31.60%	170,819

4. Funded Status and Funding Progress

As of December 31, 2010, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$209,354, and the actuarial value of assets was 0, resulting in an unfunded actuarial accrued liability (UAAL) of \$209,354.

The covered payroll (annual payroll of active employees covered by the plan) was \$907,223, and the ratio of the UAAL to the covered payroll was 23.08 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of 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, 2011 were \$55,801 which consisted of \$45,591 from the County and \$10,210 from the law enforcement officers.

d. Registers of Deeds' Supplemental Pension Fund

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

Funding Policy. On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2011, the County's required and actual contributions were \$1,205.

e. Other Post employment Benefit

Healthcare Benefits

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). This plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System). The County provides these benefits according to the following guidelines: a) The County will pay 50% of the cost of the premiums for an employee who is at least 55 years

Bertie County, North Carolina
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of age retiring with 15 years of continuous service with Bertie County; b) The County will pay 100% of the cost of the premiums for an employee retiring with 20 years of continuous service with Bertie County; c) The County will pay 100% of the cost of the premiums for an employee retiring with 25 years of non-continuous service with Bertie County; Coverage will continue until the employee becomes eligible for Medicare, at which time the County will convert coverage to a Medicare Supplement policy. The cost for the employee's share of the premiums, if any, will be determined on an annual basis. Service time credit with the County will be calculated based on actual service time and any sick leave time that is on balance with the County at the time of retirement. The health insurance provision of this article shall apply to County Commissioners. The County pays the full cost of coverage for these benefits through private insurers. Also, the County's 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, 2009, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	27	5
Terminated plan members entitled to but not yet receiving benefits	-	-
Active plan members	107	24
Total	134	29

Funding Policy. The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by County Commissioners. The County's members pay \$21.32 per month for dependent coverage. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

The current ARC rate is 15.11% of annual covered payroll. For the current year, the County contributed \$158,324 as required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers represented 2.18% and 2.82% of covered payroll, respectively. There were no contributions made by employees. The County's obligation to contribute to HCB Plan is established and may be amended by the County Commissioners.

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

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

Annual required contribution	\$	737,964
Interest on net OPEB obligation		49,204
Adjustment to annual required contribution		(42,449)
Annual OPEB cost (expense)		744,719
Contributions made		(158,324)
Increase (decrease) in net OPEB obligation		586,395
Net OPEB obligation, beginning of year		1,230,061
Net OPEB obligation, end of year	\$	1,816,456

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

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 734,560	15.60%	\$ 619,922
2010	\$ 737,964	17.30%	\$ 1,230,061
2011	\$ 744,719	21.26%	\$ 1,816,454

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Funded Status and Funding Progress. As of December 31, 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$8,129,891. The covered payroll (annual payroll of active employees covered by the plan) was \$4,311,982 and the ratio of the UAAL to the covered payroll was 188.54%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members 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 assets, consistent with the long-term perspective of the calculations.

In the December 31, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% 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 10.50% to 5.00% annually. The investment rate included a 3.75 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of long-term volatility in the market value of investments over a 5 year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2009 was 30 years.

f. Other Employment Benefits

The County has elected to provide death benefits to law enforcement officers 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.

3. Deferred / Unearned Revenues

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

	Unearned or Deferred Revenue	Full Accrual Unearned Revenue
Prepaid taxes not yet earned (General)	\$ -	\$ 58,191
Taxes receivable, net (General)	525,051	-
Special assessments receivable, net (General)	7,013,276	-
Total	\$ 7,538,327	\$ 58,191

4. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk-financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general, auto, professional, and employment practices liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, and workers' compensation coverage up to the statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. Two of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability

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coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation. The pool is reinsured through commercial carrier for individual losses in excess of \$100,000.

Blue Cross/Blue Shield of North Carolina provides the County's health insurance and the dental insurance is provided by Ameritus.

The County carries flood insurance through the National Flood Insurance Plan (NFIP). Because the County is in an area that has been mapped and designated an "A" area (an area close to a river, lake, or stream) by the Federal Emergency Management Agency, the County is eligible to purchase coverage of \$500,000 per structure through the NFIP. The county also is eligible to but has not purchased commercial flood insurance for another \$3,500,000 of coverage per structure.

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 \$500,000 each. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000.

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

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

5. Contingent Liabilities

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

6. Operating Leases

At June 30, 2011 the County had an operating lease for various copiers. The following is a schedule of the minimum rental payments under the lease agreement as of June 30, 2011.

<u>Year</u>	<u>Amount</u>
2012	\$ 11,544
2013	11,544
2014	11,544
2015	2,886
Total	<u>\$ 37,518</u>

7. Long-Term Obligations

a. Installment Purchase

Serviced by the General Fund:

In February 2000, the County entered into an installment purchase contract for \$9,950,000 to finance construction on a new hospital. Principal and interest payments of \$68,888 are payable monthly. Interest is payable at a 5.5% rate. The County leases the new facilities to Pitt County Memorial Hospital, Inc. The amount of the lease payments shall be equal to the future debt service and all associated costs on the debt incurred by the County for the purpose of constructing the new facility. The final payment is due January 2022.

In February 2004, the County entered into an installment purchase contract for \$1,000,000 to finance construction on a new Health Department Building. The financing contract requires 180 fixed principal payments of \$5,556 and varying interest payments at a rate of 3.57% beginning in March 2004, and ending February 2019.

As authorized by State law [G.S.160A-20 and 153A-158.1], the County financed various property acquisitions for use by Bertie County Board of Education during the fiscal year ended June 30, 2004 by installment purchase. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with Bertie County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education.

Bertie County, North Carolina
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The installment purchase was executed on July 1, 2003 for various property improvements for use by Bertie County Board of Education. The transaction requires fifteen principal payments by the County of \$212,181. There is no interest due. The payments are deposited into an interest drawing account. The remainder of the payments, totaling \$787,572, will be made from the interest account.

The installment purchase was executed on October 12, 2007 for various property improvements for use by Bertie County Board of Education. The transaction requires fifteen principal payments by the County of \$109,460. There is no interest due. The payments are deposited into an interest drawing account. The remainder of the payments, totaling \$358,100, will be made from the interest account.

In November 2005, the County entered into an installment purchase contract for \$6,000,000 to finance the construction on a new Middle School. The financing contract requires 30 semi-annual fixed principal payments of \$200,000 and varying interest payments at a rate of 3.8% beginning May 31, 2006 and ending November 2020.

In October 2006, the County entered into an installment purchase contract for \$3,300,000 to finance the construction of the new Department of Social Services Building. The financing contract requires 15 annual fixed principal payments of \$220,000 with an interest rate of 3.93% beginning October 2007 and ending October 2021.

In March 2011, the County entered into an installment purchase contract for \$23,744 to finance a Dictaphone machine for use in Bertie Telephone. The financing contract requires five payments of \$5,881, including principal and interest.

For Bertie County, the future minimum payments of these installment purchases as of June 30, 2011, including \$3,442,927 of interest, are:

Year ending June 30	Governmental Funds					
	Hospital		Health Department		DSS County Building	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 469,789	\$ 356,862	\$ 66,667	\$ 17,203	\$ 220,000	\$ 95,106
2013	497,640	329,010	66,667	14,778	220,000	86,460
2014	526,110	300,540	66,667	12,398	220,000	77,814
2015	556,210	270,440	66,667	10,018	220,000	69,168
2016	587,387	239,263	66,667	7,657	220,000	60,522
2017-2021	3,484,520	648,652	177,776	8,733	1,100,000	172,920
2022-2023	473,337	8,874	-	-	220,000	8,646
Principal and interest payment totals	<u>\$ 6,594,993</u>	<u>\$ 2,153,641</u>	<u>\$ 511,111</u>	<u>\$ 70,787</u>	<u>\$ 2,420,000</u>	<u>\$ 570,636</u>

Year ending June 30	QZAB School Project	QZAB Bertie High	Middle School		Dictaphone	
	Principal	Principal	Principal	Interest	Principal	Interest
	2012	\$ 212,181	\$ 109,460	\$ 400,000	\$ 125,060	\$ 3,737
2013	212,181	109,460	400,000	111,540	4,186	1,695
2014	212,181	109,460	400,000	98,020	4,688	1,193
2015	212,181	109,460	400,000	84,500	5,253	631
2016	212,181	109,460	400,000	70,980	-	-
2017-2021	1,060,905	547,300	1,800,000	152,100	-	-
2022-2023	363,209	577,020	-	-	-	-
Principal and interest payment totals	<u>\$ 2,485,019</u>	<u>\$ 1,671,620</u>	<u>\$ 3,800,000</u>	<u>\$ 642,200</u>	<u>\$ 17,864</u>	<u>\$ 5,663</u>

Year ending June 30	Totals	
	Principal	Interest
2012	\$ 1,481,834	\$ 596,375
2013	1,510,134	543,483
2014	1,539,106	489,965
2015	1,569,771	434,757
2016	1,595,695	378,422
2017-2021	8,170,501	982,405
2022-2023	1,633,566	17,520
Principal and interest payment totals	<u>\$ 17,500,607</u>	<u>\$ 3,442,927</u>

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

b. General Obligation Indebtedness

Serviced by the County's Water District Funds:

All general obligation bonds serviced by the County's general fund are collateralized by the full faith, credit, and taxing power of the County. Bertie County Water District 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 District. Principal and interest payments are appropriated when due.

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

General obligation bonds serviced by the Districts:

\$3,082,000 1995 Water Serial Bonds of Water District III due in annual installments of \$31,500 to \$126,000 through 2035; interest at 5.25%	\$	2,481,000
\$3,300,000 1996 Water Serial Bonds of Water District I due in annual installments of \$33,500 to \$134,000 through 2036; interest at 5.125%		2,711,500
\$4,500,000 1997 Water Serial Bonds of Water District II due in annual installments of \$47,000 to \$188,000, through 2037; interest at 4.875%		3,771,000
\$4,030,600 2000 Water Serial Bonds Series A and Series B of Water District IV due in annual installments of \$43,000 to \$172,000 through 2040; interest at 4.75% and 5.125%		3,573,600
Total	\$	12,537,100

At June 30, 2011, Bertie County had a legal debt margin of \$70,121,926.

c. Long-Term Obligation Activity

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

Year ending June 30,	Business-type activities	
	Principal	Interest
2012	\$ 270,000	\$ 628,571
2013	283,000	614,999
2014	296,000	600,760
2015	313,000	585,921
2016	327,000	570,153
2017-2021	1,898,500	2,586,816
2022-2026	2,419,500	2,062,257
2027-2031	2,901,000	1,337,743
2032-2036	2,953,000	619,811
2037-2040	876,100	93,565
Principal and interest payment totals	\$ 12,537,100	\$ 9,700,596

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

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

	Balance July 1, 2010	Increases	Decreases	Balance June 30, 2011	Current Portion of Balance
Governmental activities:					
Installment purchase	\$ 18,936,338	\$ 23,745	\$ 1,459,476	\$ 17,500,607	\$ 1,481,834
Compensated absences	315,859	3,669	-	319,528	79,882
Net pension obligation	151,969	18,850	-	170,819	18,850
Other postemployment benefits	1,184,898	564,054	-	1,748,952	-
Total governmental activities	\$ 20,589,064	\$ 610,318	\$ 1,459,476	\$ 19,739,906	\$ 1,580,566
Business-type activities:					
General obligation debt	\$ 12,793,600	\$ -	\$ 256,500	\$ 12,537,100	\$ 270,000
Compensated absences	13,938	2,060	-	15,998	4,000
Other postemployment benefits	45,163	22,341	-	67,504	-
Total business-type activities	\$ 12,852,701	\$ 24,401	\$ 256,500	\$ 12,620,602	\$ 274,000
Discretely presented component unit:					
Compensated absences	12,239	65	-	12,304	12,304
Total discretely presented component unit	\$ 12,239	\$ 65	\$ -	\$ 12,304	\$ 12,304

Compensated absences 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.

d. Conduit Debt Obligations

Bertie County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2011, there were no industrial revenue bonds outstanding.

C. Interfund Balances and Activity

Balances due to/from other funds at June 30, 2011, consist of the following:

Due to the General Fund for the payment of debt service from:	
Lottery Fund	\$ 349,946

Transfers to/from other funds at June 30, 2011, consist of the following:

Transfer from the Capital Reserves Schools to the General Fund for the return of excess transfers.	\$ 26,428
Transfer from Lottery Fund to Debt Service fund to pay QZAB debt payments.	349,946
Transfer from the General fund to the Revaluation fund to accumulate resources for the revaluation of real property.	25,000
Transfer from the Water District II to the General Fund	30,000
	<u>\$ 431,374</u>

D. Fund Balance

Bertie County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Director will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-county funds, and county funds. For

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2011

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 Director has the authority to deviate from this policy if it's 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 appropriations.

<u>Total fund balance - General Fund</u>	\$ 8,786,396
Less:	
CJPP	3,352
Domestic Violence	12,201
Drug	42,261
Stabilization by State Statute	1,484,509
Tax Revaluation	189,222
Education	1,483,478
Unassigned	5,571,373
Remaining Fund Balance	\$ -

III. Joint Ventures

The County participates in a joint venture to operate the Albemarle Regional Library with three other local governments. Each participating government appoints three board members to the twelve member board of the Library. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$123,678 to the Library to supplement its activities. Complete financial statements for the Library may be obtained from the Library's offices at Winton, North Carolina.

The County participates in a joint venture to operate East Carolina Behavioral Health with nine other counties. Each participating government appoints members to the eighteen member board. Bertie County appoints two members to the board. The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$49,390 to the Center to supplement its activities. Complete financial statements for the Center may be obtained from the Center's offices at 144 Community College Road, Ahoskie, North Carolina 27910.

The County participates in a joint venture to operate the Bertie-Martin-Beaufort Shelter Home, Inc. (Home) with six other local governments. Each participating government appoints three board members to the twenty-one member board of the Home. The County has an ongoing financial responsibility for the joint venture because the Home's continued existence depends on the participating government's continued funding. None of the participating governments have any equity interest in the Home, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$29,700 to the Home to supplement its activities. Complete financial statements for the Home may be obtained from the Home's offices at P. O. Box 250, Jamesville, North Carolina 27846.

The County participates in a joint venture to operate the Bertie-Martin Regional Jail (Jail) with one other local government. Each participating government appoints three board members to the six-member board of the Jail. The County has an ongoing financial responsibility for the joint venture because the Jail's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Jail, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the governmental agreement between the participating governments, the County appropriated \$787,634 to the Jail to supplement its activities. This amount represents 44% of the total contributions by the participating governments. Complete financial statements for the Jail may be obtained from the Jail's office at 230 County Farm Road, Windsor, North Carolina 27983.

The County participates in a joint venture to operate the Choanoke Public Transportation Authority with three other local governments. Each participating government appoints board members to the nine member board based upon population. Bertie County appoints two members to the board. The County has an ongoing financial responsibility for the joint venture because the Authority's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Authority, so no equity interest has been reflected in the financial statements at June 30, 2011. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$10,000 to the Authority to supplement its activities. Complete financial statements for the Authority may be obtained from the Authority's office at P. O. Box 320, Rich Square, North Carolina 27869.

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

IV. Jointly Governed Organizations

The County, in conjunction with four other counties and thirty-nine municipalities, established the Mid-East Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board. The County paid membership fees of \$5,032 to the Council during the fiscal year ended June 30, 2011.

V. Benefit Payments Issued by the State

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

	Federal	State
Medicaid	\$ 28,819,148	\$ 11,717,363
Food stamp program	8,054,765	-
Energy assistance	310,816	-
Title IV-E	65,090	14,358
Foster Care	14,634	3,195
Foster Home	-	33,699
SC/SA Domiciliary Care	-	336,729
Total	\$ 37,264,453	\$ 12,105,344

VI. 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 monies.

VII. Merger of Bertie County Health Department

In July 2001, the County entered into an agreement with Albemarle Regional Health Services (ARHS) to manage the Bertie County Health Department (BCHD) until June 30, 2002. Effective July 1, 2002, both parties agreed to merge the BCHD with ARHS. BCHD will buy into the ARHS General Fund balance through annual payments until November 2012 and will be responsible for its share of operational costs for belonging to and receiving services from ARHS.

The annual payments for the buy-in of ARHS general Fund balance are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2012	\$ 40,116
Total	\$ 40,116

VIII. Supplemental and Additional Supplemental One-Half of One Percent Local Government Sales and Use Tax

State law (Chapter 105, Articles 40 and 42, of the North Carolina General Statutes) requires the County to use a portion of the proceeds of its supplemental and additional supplemental sales taxes, or local option sales taxes, for public school capital outlays or to retire public school indebtedness. During the fiscal year ended June 30, 2011, the County reported these local option sales taxes within its General Fund and Capital Projects Fund. The County expended the restricted portion of these taxes for public school capital outlays and retirement of school indebtedness.

IX. Public School Building Bond Act of 1996

The General Assembly passed the Public School Building Bond Act of 1996 to provide for the issuance of \$1.8 billion in State bonds to be used for making grants to counties for qualified public school capital outlay projects. The Department of Public Instruction is

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

responsible for project approval and the distribution of funds. The principal amounts of bonds or notes issued by the State in any twelve month period may not exceed \$450 million.

Of the total \$1.8 billion authorized, \$30 million will be allocated as grants to counties that have small county school systems, after considering whether the counties demonstrate both greater than average school construction needs and high property tax rates. The primary allocation of \$1.77 billion will be distributed to all counties based on the average daily membership, the ability to pay, and the growth rate of the school administrative units located within each county.

The distribution of the primary allocation is subject to the satisfaction of certain match requirements by the counties. Match requirements may be satisfied by non-State expenditures for public school facilities made on or after January 1, 1992. Bertie County's matching requirement of \$.09 for each dollar of allocated bond proceeds has been fulfilled.

Because the County has met its matching requirement, the County recognizes revenues equal to the liabilities incurred for approved project expenditures. Bertie County requests bond funds by project to be transferred to an account established by Bertie County Board of Education for payment of invoices. To date, the County has expended \$12,620,680 of their total allocation of \$12,620,680, leaving a balance of \$0 to be expended.

X. School Facilities Finance Act of 1987

The General Assembly passed the School Finance Act of 1987 (Act) to assist county governments in meeting their public school facility capital needs. The Act created two new State-funded programs for the construction and renewal of school facilities: the Public School Building Capital Fund administered by the Office of State Budget and Management, and the Critical School Facilities Needs Fund, administered by the State Board of Education. The County has not received any funding from the Critical School Facilities Needs Fund.

Public School Building Capital Fund

This program is funded using a portion of the corporate income taxes which are imposed on corporations doing business in the State. Each calendar quarter, the Department of Revenue shall remit to the State Treasurer for credit in the fund, an amount equal to the applicable fraction provided by the following table of the net collections of corporate income taxes received during the previous quarter minus \$2.5 million, which it deposits into the Critical School Facilities Needs Fund. For the period from 10/01/1999 to 9/30/2000, the applicable fraction was one-fourteenth (1/14) of the net collections; for periods after 9/30/2000, the applicable fraction is five sixty-ninths (5/69) of the net collections of corporate taxes.

Monies in the fund are allocated to Bertie County on the basis of the average daily membership (ADM) for Bertie County Board of Education as determined and certified by the State Board of Education. The Office of State Budget and Management establishes and maintains an ADM allocation account for the County. At June 30, 2011, the balance of the County's ADM allocation account was \$2,531. The County must match this balance on the basis of one dollar for every three dollars of State funds, for financing the school unit's facilities capital needs. The local school technology plan does not require a county match. This program is also funded in part, using a portion of the lottery funds collected from the NC Education Lottery. Distributions of the lottery money are made based on the County's average daily membership (ADM) and on the tax rate of the County. At June 30, 2011, the balance of the County's Lottery Fund account was \$314,086. This does not require a county match.

After approving a school capital project authorized by the Act, the Office of State Budget and Management will transfer funds from the County's ADM allocation account to its disbursing account maintained with the State Treasurer. At June 30, 2011, the County's disbursing account had a balance of \$2,923.

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

Critical School Facilities Needs Fund

This program is funded by the net collections of State income taxes imposed on corporations and received by the Department of Revenue. Each quarter, the Department of Revenue deposits \$2.5 million into the fund.

The Commission on School Facilities Needs established a priority list of the counties receiving grants. The Commission on School Facilities Needs has since been abolished. Grants are awarded by the State Board of Education based on the grant priority list. A joint application must have been made by the Bertie County Board of Commissioners and the Bertie County Board of Education. The Boards did not submit a grant application.

Bertie County, North Carolina
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

XI. Notes Receivable

General Fund

In December 1999, the County entered into a capital lease agreement with Pitt County Memorial Hospital, Inc. (PCMH). The County is responsible for the construction and financing of a new hospital. As of June 20, 2002, the hospital was completed and the County began leasing the new facilities to PCMH. The title to the facilities transfers to PCMH at the end of the lease term, thus creating a note receivable from PCMH. At June 30, 2011, the fair market value of the lease was \$6,594,993.

In December 1993, the County accepted a note receivable from Landmark Asset Services, Inc., in exchange for 6.78 acres of land. The face value of the note is \$90,000, due in one single principal payment on 2044 and is non-interest bearing. The note is valued on the financial statements at the fair market value of the land of \$39,163 and is recorded as deferred revenue because the revenue is measurable, but not available.

In December 1995, the County accepted a note receivable from Landmark Asset Services, Inc., in consideration for environmental clean-up and site improvement expenditures incurred by the County. The face value of the note is \$249,520, due in one single payment in 2046 and is non-interest bearing. The note is valued on the financial statements at face value and is recorded as a deferred revenue because the revenue is measurable, but not available.

In July 2004, the County accepted a note receivable from Bertie Memorial Limited Partnership in consideration for environmental clean-up and site improvement expenditures incurred by the County. The face value of the note is \$129,600, due in eighteen payments beginning in 2037 and is non-interest bearing. The note is valued on the financial statements at face value and is recorded as a deferred revenue because the revenue is measurable, but not available.

REQUIRED SUPPLEMENTAL 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 of the Law Enforcement Officers' Special Separation Allowance
- Notes to the required Schedules for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Funding Progress for the Other Postemployment Benefits
- Schedule of Employer Contributions for the Other Postemployment Benefits
- Notes to the Required Schedules for the Other Postemployment Benefits

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

Actuarial Valuation Date	Actuarial value of Assets (a)	Actuarial Accrued Liability (AAL)- Proj Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll for Year Ending on Val Date (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
12/31/2001	\$ -	\$ 153,672	\$ 153,672	0.00%	\$ 476,072	32.28%
12/31/2002	\$ -	\$ 123,914	\$ 123,914	0.00%	\$ 467,485	26.51%
12/31/2003	\$ -	\$ 128,702	\$ 128,702	0.00%	\$ 497,053	25.89%
12/31/2004	\$ -	\$ 149,574	\$ 149,574	0.00%	\$ 691,183	21.64%
12/31/2005	\$ -	\$ 143,377	\$ 143,377	0.00%	\$ 748,458	19.16%
12/31/2006	\$ -	\$ 160,224	\$ 160,224	0.00%	\$ 729,854	21.95%
12/31/2007	\$ -	\$ 169,093	\$ 169,093	0.00%	\$ 669,260	25.27%
12/31/2008	\$ -	\$ 189,196	\$ 189,196	0.00%	\$ 877,514	21.56%
12/31/2009	\$ -	\$ 211,187	\$ 211,187	0.00%	\$ 809,289	26.10%
12/31/2010	\$ -	\$ 209,354	\$ 209,354	0.00%	\$ 907,223	23.08%

Bertie County, North Carolina
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 June 30, 2011

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2003	\$ 16,877	0.00%
2004	\$ 14,431	0.00%
2005	\$ 15,444	0.00%
2006	\$ 19,645	0.00%
2007	\$ 19,396	0.00%
2008	\$ 20,464	0.00%
2009	\$ 20,280	42.94%
2010	\$ 24,457	35.61%
2011	\$ 28,097	31.00%

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	12/31/2010
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	20 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases*	4.25 - 7.85%
* Includes inflation of	3.00%
Cost-of living adjustments	N/A

Bertie County, North Carolina
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial value of Assets (a)	Actuarial Accrued Liability (AAL)- Proj Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2008	\$ -	\$ 8,201,098	\$ 8,201,098	0.00%	\$ 4,552,443	180.15%
12/31/2009	\$ -	\$ 8,129,891	\$ 8,129,891	0.00%	\$ 4,311,982	188.54%

Bertie County, North Carolina
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 June 30, 2011

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2009	\$ 734,560	15.61%
2010	\$ 737,964	17.30%
2011	\$ 744,719	21.26%

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	12/31/2009
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 Years
Asset valuation method	Market value of assets
Actuarial assumptions:	
Investment rate of return	4.00%
Medical cost trend rate*	
Pre-Medicare trend rate	10.50% - 5.00%
Post-Medicare trend rate	9.00% - 5.00%
Year of Ultimate trend rate	2017
* Includes inflation at	3.75%

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS SECTION**



Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current year		\$ 8,229,415	
Prior years		341,618	
Penalties and interest		108,806	
Total	<u>\$ 8,471,560</u>	<u>8,679,839</u>	<u>\$ 208,279</u>
Other taxes:			
Local government sales tax		317,840	
Scrap tire disposal tax		23,800	
N.C. excise tax		43,017	
Lease vehicle tax		514	
Total	<u>372,150</u>	<u>385,171</u>	<u>13,021</u>
Intergovernmental revenues:			
Wine and beer		63,449	
Emergency Management		27,502	
Local 1/2¢ sales tax-art 40		817,524	
Local 1/2¢ sales tax-art 42		349,669	
Local 1/2¢ sales tax-art 44		3,392	
State DWI reimbursement		2,845	
Payment in lieu of taxes		26,433	
Veteran services		2,000	
Aging office		246,968	
CAMA		179	
Soil conservation		34,454	
Juvenile Crime Prevention Council		93,232	
Court facility fees		52,863	
Officer fees		38,082	
Criminal Justice Partnership		133,194	
Restricted drug money		2,178	
Law Enforcement Grant		1,106	
School Resource Officer – Board of Ed.		100,916	
Rural General Public Transportation		63,896	
Aging - Senior outreach		3,711	
EDTAP Supplement		12,970	
Social services - general administration		1,932,491	
Day Care		715,172	
Domestic violence		80,591	
Work First		2,354	
Child support		267,167	
Foster care		94,202	
Enhanced ARRA FMAP		3,166	
ARRA Child Care		22,125	
Elderly/Handicapped transportation		51,151	
Smart start - childcare		34,482	
Pesticide recycling grant		1,795	
Hold Harmless - Article 44		48,847	



Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Shiip Grant		2,937	
Land Use Plan Update		7,000	
Emergency Management Supplemental Grant		1,850	
2 Hot 2 Trot Grant		468	
Solid Waste Disposal		11,957	
One Stop Grant		2,075	
Medicaid EMS Cost		22,655	
Equipment Grant		10,869	
Eat Smart - Move More Grant		8,000	
Seniors on the Move		10,000	
Caregivers Grant		885	
EFNEP Program Assistance		18,500	
Mid East		38,235	
Total	6,096,163	5,465,537	(630,626)
Licenses and permits:			
Recording fees		47,219	
Vital record fees		15,775	
Concealed weapons		4,100	
Recreation fees		6,884	
Peddlers license		88	
Other fees		37,491	
Inspection fees and building permits		59,206	
Cultural resources		2,803	
Floodplain mapping fee		3,860	
Concession profits		530	
Total	177,708	177,956	248
Sales and services:			
Rents and concessions		41,562	
Jail fees		9,091	
Refuse collection fees		1,827,835	
Aging Program income		17,579	
Registration fees		1,190	
Total	1,818,922	1,897,257	78,335
Investment earnings	60,000	43,731	(16,269)
Miscellaneous:			
Fuel tax		32,780	
Miscellaneous		101,202	
5¢ per bottle tax		2,421	
Sale of assets		1,841	
Sale of land		12,000	
Other department revenue		120,433	
Insurance proceeds		27,220	

Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Hospital lease revenue		826,650	
Tropical Storm Nicole insurance claims reimbursement		244,516	
Toronado reimbursement FEMA		49,244	
5% water gross receipts		9,108	
5% electric gross receipts		31,504	
5% sewer gross receipts		5,980	
Reimbursement Cooperative Extension Program Income		1,790	
Total	1,392,108	1,466,689	74,581
Total revenues	18,388,611	18,116,180	(272,431)
Expenditures:			
<u>General Government</u>			
Governing body:			
Salaries and benefits		85,034	
Travel		38,294	
Telephone and postage		5,390	
Dues and subscriptions		4,624	
Advertising		278	
Insurance and bonds		35,837	
Miscellaneous		9,553	
Total	189,424	179,010	10,414
Administration:			
Salaries and benefits		444,335	
Telephone and postage		6,333	
Travel		11,430	
Supplies and materials		5,379	
Contracted services		2,500	
Dues and subscriptions		1,435	
Total	476,260	471,412	4,848
Finance:			
Salaries and benefits		186,399	
Supplies and materials		5,826	
Travel		2,280	
Telephone and postage		3,070	
Contracted services		34,706	
Dues and subscriptions		25	
Maintenance and repairs		3,169	
Insurance and bonds		175	
Total	241,398	235,650	5,748
Elections:			
Salaries and benefits		87,663	
Telephone and postage		6,158	
Travel		3,991	

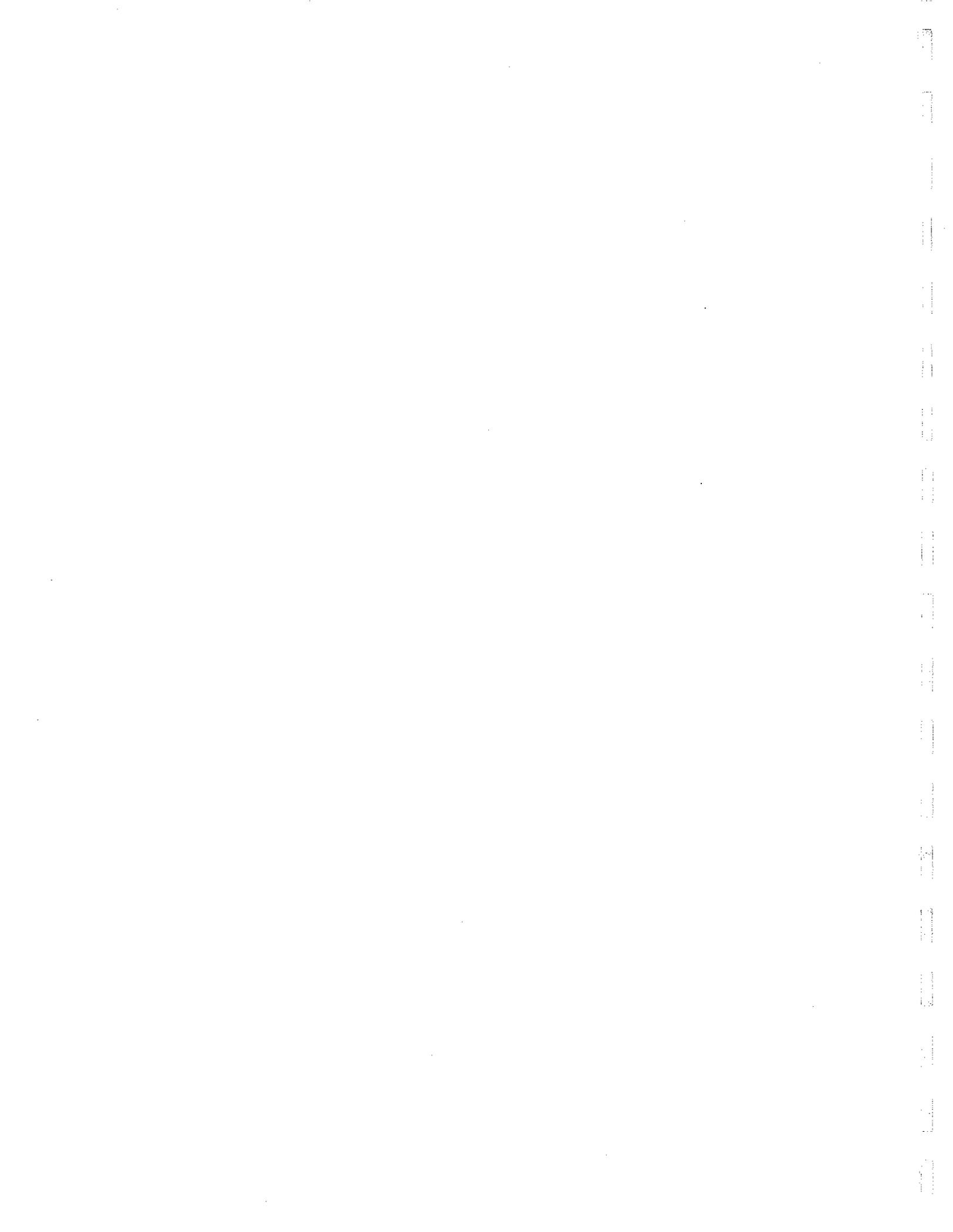
Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Buildings and equipment rents		487	
Advertising		322	
Supplies and materials		3,407	
Maintenance and repairs		2,510	
Contracted services		8,524	
Insurance and bonds		267	
Total	<u>123,623</u>	<u>113,329</u>	<u>10,294</u>
Tax Collections:			
Salaries and benefits		349,568	
Telephone and postage		35,705	
Travel		6,877	
Insurance and bonds		450	
Advertising		3,297	
Office supplies		9,102	
Contracted services		42,571	
Maintenance and repairs		3,143	
Dues and subscriptions		455	
Miscellaneous		18,818	
Total	<u>500,927</u>	<u>469,986</u>	<u>30,941</u>
Legal:			
Contracted services		43,621	
Tax foreclosures		86,809	
Total	<u>130,430</u>	<u>130,430</u>	<u>-</u>
Register of Deeds:			
Salaries and benefits		178,424	
Telephone and postage		4,011	
Travel		4,919	
Supplies and materials		6,383	
Fees		1,930	
Contracted services		15,910	
Dues and subscriptions		435	
Insurance and bonds		1,009	
Maintenance and repairs		34,826	
Conveyance tax		21,080	
Domestic violence		2,905	
Floodplain mapping plan		3,860	
Total	<u>289,468</u>	<u>275,692</u>	<u>13,776</u>
Data Center:			
Salaries and benefits		142,762	
Telephone and postage		13,512	
Travel		224	
Supplies and materials		3,240	
Contracted services		7,712	



Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Maintenance and repairs		25,904	
Capital Outlay		5,246	
Total	227,460	198,600	28,860
Public Buildings:			
Salaries and benefits		190,706	
Telephone and postage		951	
Utilities		57,181	
Maintenance and repairs - buildings		24,051	
Maintenance and repairs - vehicles and equipment		3,459	
Automotive supplies		6,495	
Supplies and materials		7,554	
Contracted services		9,872	
Insurance and bonds		20,260	
Uniforms		1,184	
Travel		172	
	355,231	321,885	33,346
Allocated to court facilities	(46,000)	(46,000)	-
Total	309,231	275,885	33,346
Court Facilities:			
Utilities and telephone		29,349	
Buildings and equipment rents		1,452	
Miscellaneous		8,142	
Total	41,935	38,943	2,992
Allocated from public buildings	46,000	46,000	-
Total	87,935	84,943	2,992
Parks and Recreation:			
Salaries and benefits		93,938	
Supplies and materials		29,145	
Travel		225	
Telephone and postage		1,736	
Maintenance and repairs – vehicles and equipment		4,037	
Insurance and bonds		3,054	
Supplemental grants		16,751	
Contracted services		3,237	
Dues and subscriptions		110	
Utilities		11,961	
	230,995	164,194	66,801
Total General Government	2,807,151	2,599,131	208,020
Public Safety			
Sheriff:			
Salaries and benefits		1,403,150	
Separation allowance		8,709	



Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Employee training		2,725	
Telephone and postage		12,628	
Travel		2,652	
Maintenance and repairs - equipment		3,369	
Maintenance and repairs - vehicles		37,920	
Maintenance and repairs - building		5,896	
Automotive supplies		155,246	
Supplies and materials		23,743	
Dues and subscriptions		401	
Insurance and bonds		21,572	
Uniforms		9,612	
Utilities		11,847	
Restricted drug money		9,821	
Employee physical		415	
Capital outlay - equipment		456	
Capital outlay - vehicles		94,520	
Total	1,830,729	1,804,682	26,047
Emergency Management:			
Salaries and benefits		61,412	
Telephone and postage		10,221	
Travel		587	
Insurance and bonds		2,123	
Advertising		123	
Supplies and materials		194	
Maintenance and repairs		4,148	
Fire department		120,000	
Rescue squad		151,000	
Rescue squad grant		20,000	
Fire department grant		31,760	
Supplemental grant		1,428	
EMS Grant		32,229	
Miscellaneous		9	
Medical transports		5,864	
Total	441,804	441,098	706
Tropical Storm Nicole:			
Salaries and benefits		24,974	
Public assistance		135,699	
Total	244,316	160,673	83,643
Tornado Relief:			
Travel		1,370	
Supplies and materials		3,726	
Maintenance and repairs		1,550	
Public assistance		15,035	
Total	68,324	21,681	46,643



Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Planning and Inspection:			
Salaries and benefits		237,706	
Telephone and postage		3,508	
Travel		2,971	
Maintenance and repairs		2,308	
Automotive supplies		11,458	
Supplies and materials		2,353	
Dues and subscriptions		525	
Insurance and bonds		1,860	
Advertising		460	
Miscellaneous		7,134	
Total	310,077	270,283	39,794
Animal Control:			
Salaries and benefits		47,033	
Utilities		2,225	
Maintenance and repairs		743	
Telephone and postage		762	
Automotive supplies		7,208	
Supplies and materials		3,433	
Insurance and bonds		849	
Contracted services		3,277	
Uniforms		249	
Total	76,188	65,779	10,409
Medical Examiner:			
Professional services	14,000	12,600	1,400
Communications:			
Salaries and benefits		182,269	
Telephone and postage		5,358	
Utilities		5,936	
Supplies and materials		2,487	
Contracted services		900	
Insurance and bonds		498	
Maintenance and repairs equipment		1,073	
Maintenance contracts		8,925	
Total	258,490	207,446	51,044
Criminal Justice Partnership:			
Salaries and benefits		61,071	
Crime Commission Grant		27,993	
Telephone and postage		2,948	
Travel		47	
Insurance and bonds		2,302	
Supplies and materials		7,044	
Maintenance and repairs		4,745	

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Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Utilities		9,213	
Miscellaneous		110	
Contracted services		23,260	
Total	<u>138,767</u>	<u>138,733</u>	<u>34</u>
Domestic Violence Task Force:			
Salaries and benefits		86,272	
Supplies and materials		903	
Travel		6,411	
Telephone and postage		3,166	
Contracted services		9,760	
Rent expense		4,800	
Administration		5,000	
Total	<u>206,909</u>	<u>116,312</u>	<u>90,597</u>
Appropriations:			
Bertie-Martin Regional Jail	<u>787,634</u>	<u>787,634</u>	<u>-</u>
<u>Total Public Safety</u>	<u>4,377,238</u>	<u>4,026,921</u>	<u>350,317</u>
<u>Environmental Protection</u>			
Sanitation:			
Tire disposal		23,410	
Convenience centers		454,341	
Contracted services		6,175	
Total	<u>486,000</u>	<u>483,926</u>	<u>2,074</u>
<u>Total Environmental Protection</u>	<u>486,000</u>	<u>483,926</u>	<u>2,074</u>
<u>Economic and Physical Development</u>			
Agricultural Extension:			
Salaries and benefits		116,212	
Maintenance and repairs - equipment		2,165	
Telephone and postage		5,399	
Programs		8,954	
Eat Smart Move More		6,822	
Master Gardeners		3,499	
Travel		2,073	
Supplies and materials		9,964	
Dues and subscriptions		857	
Contracted services		1,453	
Total	<u>173,605</u>	<u>157,398</u>	<u>16,207</u>
Economic Development:			
Salaries and benefits		65,388	
Telephone and postage		1,606	
Travel		4,854	

Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Advertising		1,315	
Supplies and materials		66	
Peanut Belt Rural Planning		5,232	
Total	78,661	78,461	200
Soil Conservation:			
Salaries and benefits		96,500	
Transportation		1,648	
Total	98,150	98,148	2
<u>Total Economic & Physical Development</u>	350,416	334,007	16,409
<u>Human Services</u>			
Health:			
Administration:			
Insurance and bonds		977	
Management fee yearly appropriation		96,000	
Management fee fund balance buy-in		90,000	
Total	187,500	186,977	523
Total Health	187,500	186,977	523
Social Services:			
Administration:			
Salaries and benefits		2,175,556	
Telephone and postage		37,588	
Utilities		31,560	
Travel		11,033	
Maintenance and repairs		10,703	
Food stamp – EBT		11,719	
Maintenance contracts		7,883	
Buildings and equipment rents		450	
Vehicle supplies		5,900	
Supplies and materials		24,710	
Contracted services		8,030	
Dues and subscriptions		322	
Insurance		5,374	
Bertie Hospital - Indigent		120,000	
Miscellaneous expense		1,937	
Capital Outlay		18,491	
Total	2,586,588	2,471,256	115,332
General Assistance:			
Public assistance		899	
S.A.A.		336,374	
State foster care		104,173	

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Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Day Care		715,205	
Medicaid		2,957	
Legal services		27,469	
Smart start-childcare		34,482	
Chore services		44,813	
Adoption assistance		17,993	
Foster Child Adoption Incentive		1,515	
Transport of patients and other		89,763	
AFDC – Local		354	
Work First		19,223	
Adult day care		25,632	
AFDC – Foster Care		41,574	
Crisis intervention		200,415	
Jobs program		25,497	
Aid to blind		1,347	
ARRA Child Care		22,125	
Child Support		407,086	
Total	2,699,687	2,118,896	580,791
Aid to Aged and Disabled:			
Salaries and benefits		173,263	
Advertising		1,071	
Telephone and postage		2,563	
Travel		4,514	
Maintenance and repairs		4,308	
Building and equipment rent		3,500	
Respite		35,916	
Transportation of patients		58,225	
Utilities		14,517	
Home delivered meals		31,479	
Food and provisions		62,686	
Insurance and bonds		1,354	
Janitor		1,547	
Senior Center		1,411	
Classes		4,203	
SHIP Grant		5,569	
2 Hot 2 Trot Grant		842	
Caregivers Grant		865	
Spice for Life		16,083	
Supplies and materials		3,088	
Dues and subscriptions		180	
Total	460,819	427,184	33,635
Total social services	5,747,094	5,017,336	729,758



Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Veterans Service Office:			
Salaries and benefits		20,789	
Telephone and postage		552	
Travel		906	
Supplies and materials		100	
Dues and subscriptions		75	
Total	22,428	22,422	6
Appropriations:			
Mental health		44,590	
Mental health - ABC 5¢		4,800	
Community Based Alternatives		70,400	
Choanoke Public Transit Authority		10,000	
Total	129,790	129,790	-
<u>Total Human Services</u>	6,086,812	5,356,525	730,287
Education:			
Public schools current expense		2,887,500	
Public schools capital outlay		188,162	
Community Colleges		95,000	
Total	3,357,500	3,170,662	186,838
<u>Total Education</u>	3,357,500	3,170,662	186,838
Special Appropriations			
Other Agencies:			
Arts Council		5,000	
Airport		12,500	
Mideast Commission		5,032	
Roanoke River Partners		1,500	
Forest service		84,457	
Historical group		15,000	
Library		123,678	
Juvenile detention		34,440	
Juvenile probation		2,600	
Mideast RC&D Commission		1,000	
CADA		4,800	
CBA task force		4,232	
Windsor Area Chamber		2,000	
Food Bank of Albemarle		1,000	
Partnership for the Sounds		3,000	
Roanoke-Chowan Safe		1,000	
Rural general public transportation		43,906	
RC Domestic Violence Task Force		2,000	
Three Rivers Healthy Carolina		2,000	
Family Resource Center		5,000	

Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Highway 17 Association		4,000	
Davenport and Company		33,012	
Resolutions Teen Court		24,990	
Total	468,469	416,147	52,322
<u>Total Special Appropriations</u>	468,469	416,147	52,322
<u>Debt Service:</u>			
Principal retirement		1,453,594	
Interest and fees		643,242	
	2,096,841	2,096,836	5
<u>Total Debt Service</u>	2,096,841	2,096,836	5
Total expenditures	20,030,427	18,484,155	1,546,272
Revenues over (under) expenditures	(1,641,816)	(367,975)	1,273,841
Other financing sources (uses):			
Transfers from other funds:			
Capital Reserve Schools Fund	463,804	243,993	(219,811)
Lottery Fund	349,947	349,946	(1)
Water District II	-	30,000	30,000
Transfers to other funds:			
Tax Revaluation Fund	(25,000)	(25,000)	-
Capital Reserve Schools Fund	(285,000)	(280,894)	4,106
Total other financing sources (uses)	503,751	318,045	(185,706)
Revenues and other sources over (under) expenditures and other uses	(1,138,065)	(49,930)	1,088,135
Appropriated fund balance	1,138,065	-	(1,138,065)
Net change in fund balance	\$ -	(49,930)	\$ (49,930)
Fund balance, beginning		7,163,626	
Fund balance, end		<u>\$ 7,113,696</u>	



Bertie County, North Carolina
REVALUATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
EXPENDITURES			
Current:			
Revaluation	\$ 25,000	\$ 35,994	\$ (10,994)
Total expenditures	<u>25,000</u>	<u>35,994</u>	<u>(10,994)</u>
Revenues over (under) expenditures	(25,000)	(35,994)	(10,994)
OTHER FINANCING SOURCES			
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(10,994)</u>	<u>\$ (10,994)</u>
Fund balance, beginning		<u>200,216</u>	
Fund balance, ending		<u>\$ 189,222</u>	



Bertie County, North Carolina
CAPITAL RESERVE - SCHOOLS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
REVENUES			
Investment earnings	\$ 10,000	\$ 7,605	\$ (2,395)
Total revenue	<u>10,000</u>	<u>7,605</u>	<u>(2,395)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	285,000	280,894	(4,106)
Transfers out	(813,751)	(243,993)	569,758
Total transfers	<u>(528,751)</u>	<u>36,901</u>	<u>565,652</u>
Revenues and other uses over (under) expenditures	(518,751)	44,506	563,257
Appropriated fund balance	<u>518,751</u>	<u>-</u>	<u>(518,751)</u>
Revenues, other uses and appropriated fund balance over (under) expenditures	<u>\$ -</u>	<u>44,506</u>	<u>\$ 44,506</u>
Fund balance, beginning		<u>1,438,972</u>	
Fund balance, ending		<u>\$ 1,483,478</u>	

Bertie County, North Carolina
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011

	Special Revenue Funds				Total Nonmajor Special Revenue Funds
	Wireless 911	2006 CN Community Development Block Grant	2008 SS Community Development Block Grant	Tornado Donations	
ASSETS					
Cash and investments	\$ 514,790	\$ 8,693	\$ 16,611	\$ 87,040	\$ 627,134
Accounts receivable (net)	18,224	-	5	-	18,229
Total assets	<u>\$ 533,014</u>	<u>\$ 8,693</u>	<u>\$ 16,616</u>	<u>\$ 87,040</u>	<u>\$ 645,363</u>
LIABILITIES AND FUND BALANCES					
Accounts payable and accrued liabilities	\$ 2,412	\$ -	\$ -	\$ -	\$ 2,412
Due to other funds	-	-	-	-	-
Total liabilities	<u>2,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,412</u>
FUND BALANCES					
Reserved by State Statute	18,224	-	5	-	18,229
Unreserved:					
Undesignated	512,378	8,693	16,611	87,040	624,722
Total fund balances	<u>530,602</u>	<u>8,693</u>	<u>16,616</u>	<u>87,040</u>	<u>642,951</u>
Total liabilities and fund balances	<u>\$ 533,014</u>	<u>\$ 8,693</u>	<u>\$ 16,616</u>	<u>\$ 87,040</u>	<u>\$ 645,363</u>

Capital Project Funds				
Pilot Extraction Facility	Golden Leaf Grant	Lottery Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ 12,851	\$ 73,255	\$ -	\$ 86,106	\$ 713,240
-	-	349,946	349,946	368,175
<u>\$ 12,851</u>	<u>\$ 73,255</u>	<u>\$ 349,946</u>	<u>\$ 436,052</u>	<u>\$ 1,081,415</u>
\$ -	\$ 4,204	\$ -	\$ 4,204	\$ 6,616
-	-	\$ 349,946	349,946	349,946
-	4,204	349,946	354,150	356,562
-	-	-	-	18,229
12,851	69,051	-	81,902	706,624
<u>12,851</u>	<u>69,051</u>	<u>-</u>	<u>81,902</u>	<u>724,853</u>
<u>\$ 12,851</u>	<u>\$ 73,255</u>	<u>\$ 349,946</u>	<u>\$ 436,052</u>	<u>\$ 1,081,415</u>

Bertie County, North Carolina
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES**
NONMAJOR GOVERNMENTAL FUNDS
 For The Fiscal Year Ended June 30, 2011

	Special Revenue Funds				Total Nonmajor Special Revenue Funds
	Wireless 911	2006 CN Community Development Block Grant	2008 SS Community Development Block Grant	Tornado Donations	
REVENUES					
Investment earnings	\$ 4,436	\$ -	\$ -	\$ -	\$ 4,436
Other taxes and licenses	218,687	-	-	-	218,687
Federal and State grants	-	-	240,742	-	240,742
Intergovernmental revenues	-	-	-	-	-
Miscellaneous	-	-	-	87,040	87,040
Total revenues	223,123	-	240,742	87,040	550,905
EXPENDITURES					
Current:					
Revaluation	-	-	-	-	-
Public safety	254,578	-	-	-	254,578
Economic and physical development	-	600	235,886	-	236,486
Capital outlay	240,508	-	-	-	240,508
Total expenditures	495,086	600	235,886	-	731,572
Excess (deficiency) of revenues over (under) expenditures	(271,963)	(600)	4,856	87,040	(180,667)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balance	(271,963)	(600)	4,856	87,040	(180,667)
Fund balance, beginning	802,565	9,293	11,760	-	823,618
Fund balance, ending	\$ 530,602	\$ 8,693	\$ 16,616	\$ 87,040	\$ 642,951

Capital Project Funds				
Pilot Extraction Facility	Golden Leaf Grant	Lottery Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Totals
\$ -	\$ -	\$ -	\$ -	\$ 4,436
-	-	-	-	218,687
-	138,326	-	138,326	379,068
-	-	349,946	349,946	349,946
-	-	-	-	87,040
-	138,326	349,946	488,272	1,039,177
-	-	-	-	-
-	-	-	-	254,578
2,149	69,275	-	71,424	307,910
-	-	-	-	240,508
2,149	69,275	-	71,424	802,996
(2,149)	69,051	349,946	416,848	236,181
-	-	-	-	-
-	-	(349,946)	(349,946)	(349,946)
-	-	(349,946)	(349,946)	(349,946)
(2,149)	69,051	-	66,902	(113,765)
15,000	-	-	15,000	838,618
<u>\$ 12,851</u>	<u>\$ 69,051</u>	<u>\$ -</u>	<u>\$ 81,902</u>	<u>\$ 724,853</u>



Bertie County, North Carolina
WIRELESS 911
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
REVENUES			
Other taxes and licenses	\$ 210,000	\$ 218,687	\$ 8,687
Investment earnings	3,000	4,436	1,436
Total revenue	<u>213,000</u>	<u>223,123</u>	<u>10,123</u>
EXPENDITURES			
Public safety:			
Operating expenses	614,285	254,578	359,707
Capital outlay	240,509	240,508	1
Total expenditures	<u>854,794</u>	<u>495,086</u>	<u>359,708</u>
Revenues over (under) expenditures	<u>(641,794)</u>	<u>(271,963)</u>	<u>369,831</u>
Appropriated fund balance	<u>641,794</u>	-	<u>(641,794)</u>
Net change in fund balance	<u>\$ -</u>	<u>(271,963)</u>	<u>\$ (271,963)</u>
Fund balance, beginning		<u>802,565</u>	
Fund balance, ending		<u>\$ 530,602</u>	



Bertie County, North Carolina
2006 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
REVENUES					
Federal grants	\$ 700,000	\$ 689,407	\$ -	\$ 689,407	\$ (10,593)
EXPENDITURES					
Current:					
Economic and physical development	750,000	730,114	600	730,714	19,286
Revenues over (under) expenditures	(50,000)	(40,707)	(600)	(41,307)	8,693
OTHER FINANCING SOURCES					
Transfers in	50,000	50,000	-	50,000	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 9,293</u>	(600)	<u>\$ 8,693</u>	<u>\$ 8,693</u>
Fund balance, beginning			9,293		
Fund balance, ending			<u>\$ 8,693</u>		



Bertie County, North Carolina
2008 COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
REVENUES					
Federal grants	\$ 400,000	\$ 179,687	\$ 240,742	\$ 420,429	\$ 20,429
Program income	-	10,750	-	10,750	10,750
Total revenues	400,000	190,437	240,742	431,179	31,179
EXPENDITURES					
Current:					
Economic and physical development	400,000	178,677	235,886	414,563	(14,563)
Net change in fund balance	\$ -	\$ 11,760	4,856	\$ 16,616	\$ 16,616
Fund balance, beginning			11,760		
Fund balance, ending			\$ 16,616		



Bertie County, North Carolina
TORNADO DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
REVENUES			
Donations	\$ -	\$ 87,040	\$ 87,040
Total revenue	-	87,040	87,040
Revenues over (under) expenditures	<u>\$ -</u>	87,040	<u>\$ 87,040</u>
Fund balance, beginning		-	
Fund balance, ending		<u>\$ 87,040</u>	

Bertie County, North Carolina
GOLDEN LEAF GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
REVENUES					
State grant	\$ 500,000	\$ 25,388	\$ 138,326	\$ 163,714	(336,286)
Total revenues	500,000	25,388	138,326	163,714	(336,286)
EXPENDITURES					
Salaries and wages	152,000	25,388	35,619	61,007	90,993
Youth program	16,000	-	4,656	4,656	11,344
Senior program	9,000	-	-	-	9,000
Maintenance and repair	3,157	-	-	-	3,157
Upgrades	36,000	-	25,000	25,000	11,000
Capital outlay	283,843	-	4,000	4,000	279,843
Total expenditures	500,000	25,388	69,275	94,663	405,337
Net change in fund balance	\$ -	\$ -	69,051	\$ 69,051	\$ 69,051
Fund balance, beginning			-		
Fund balance, ending			\$ 69,051		

Bertie County, North Carolina
LOTTERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
REVENUES					
Restricted intergovernmental:					
Lottery funds	\$ 349,947	\$ -	\$ 349,946	\$ 349,946	\$ (1)
Total revenues	349,947	-	349,946	349,946	(1)
OTHER FINANCING SOURCES (USES)					
Transfers out	(349,947)	-	(349,946)	(349,946)	(1)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balance, beginning			<u>-</u>		
Fund balance, ending			<u>\$ -</u>		

Bertie County, North Carolina
WATER DISTRICT I
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For The Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Charges for services		\$ 335,040	
Water taps		12,705	
Other operating revenues		21,585	
Total operating revenues	\$ 385,400	369,330	\$ (16,070)
Nonoperating revenues:			
Investment earnings		1,268	
Miscellaneous revenue		11,021	
Total nonoperating revenues	12,045	12,289	244
Total revenues	397,445	381,619	(15,826)
Expenditures:			
Water administration:			
Salaries and benefits		73,040	
Telephone and postage		15,673	
Repairs and maintenance		10,246	
Supplies		14,054	
Uniforms		319	
Contracted services		19,759	
Professional fees		2,921	
Dues and subscriptions		798	
Chemicals		619	
Employee training		39	
Maintenance contracts		338	
Insurance		2,625	
Utilities		23,799	
Water testing		5,019	
Other expenses		28,608	
Total	222,405	197,857	24,548
Debt service:			
Principal		60,000	
Interest and fees		141,795	
Total	202,040	201,795	245
Total expenditures	424,445	399,652	24,793
Revenues over (under) expenditures	(27,000)	(18,033)	8,967
Appropriated fund balance	27,000	-	(27,000)
Revenues and appropriated fund balance over (under) expenditures	\$ -	(18,033)	\$ (18,033)

	<u>Actual</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:	
Revenues over (under) expenditures	<u>(18,033)</u>
Reconciling items:	
Depreciation	(161,933)
Debt principal	60,000
(Increase) decrease in accrued vacation payable	(474)
(Increase) decrease in other postemployment benefits	<u>(5,136)</u>
Change in net assets	<u>\$ (125,576)</u>

Bertie County, North Carolina
WATER DISTRICT II
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For The Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Charges for services		\$ 558,790	
Water taps		13,280	
Other operating revenue		13,027	
Total operating revenues	\$ 516,271	585,097	\$ 68,826
Nonoperating revenues:			
Investment earnings		634	
Miscellaneous revenue		1,897	
Total nonoperating revenues	1,100	2,531	1,431
Total revenues	517,371	587,628	70,257
Expenditures:			
Water administration:			
Salaries and benefits		60,336	
Telephone and postage		12,852	
Repairs and maintenance		2,697	
Supplies		11,610	
Uniforms		251	
Contracted services		38,719	
Professional fees		4,153	
Dues and subscriptions		658	
Chemicals		516	
Employee training		32	
Maintenance contracts		279	
Insurance		3,789	
Utilities		19,660	
Water testing		4,146	
Other expenses		28,740	
Total	221,732	188,438	33,294
Debt service:			
Principal		78,000	
Interest and fees		187,337	
Total	265,639	265,337	302
Total expenditures	487,371	453,775	33,596
Revenues over (under) expenditures	30,000	133,853	(103,853)
Other financing sources (uses):			
Transfers to other funds:	(30,000)	(30,000)	-
Revenues and other sources (uses) over (under) expenditures	\$ -	\$ 103,853	\$ 103,853

	<u>Actual</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:	
Revenues over (under) expenditures	<u>103,853</u>
Reconciling items:	
Depreciation	(233,446)
Debt principal	78,000
(Increase) decrease in accrued vacation payable	(392)
(Increase) decrease in other postemployment benefits	<u>(4,243)</u>
Change in net assets	<u>\$ (56,228)</u>

Bertie County, North Carolina
WATER DISTRICT III
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For The Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Charges for services		\$ 471,946	
Water taps		16,345	
Other operating revenues		34,032	
Total operating revenues	\$ 513,512	522,323	\$ 8,811
Nonoperating revenues:			
Investment earnings		4,436	
Miscellaneous revenue		2,955	
Total nonoperating revenues	4,700	7,391	2,691
Total revenues	518,212	529,714	11,502
Expenditures:			
Water administration:			
Salaries and benefits		101,760	
Telephone and postage		21,670	
Repairs and maintenance		52,697	
Supplies		19,552	
Uniforms		418	
Contracted services		18,405	
Professional fees		4,064	
Dues and subscriptions		1,109	
Chemicals		861	
Employee training		54	
Maintenance contracts		470	
Insurance		3,327	
Utilities		33,112	
Water testing		6,983	
Other expenses		39,797	
Total	326,914	304,279	22,635
Debt service:			
Principal		58,000	
Interest and fees		133,055	
Total	191,298	191,055	243
Total expenditures	518,212	495,334	22,878
Revenues over (under) expenditures	\$ -	34,380	\$ 34,380

	<u>Actual</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:	
Revenues over (under) expenditures	<u>34,380</u>
Reconciling items:	
Depreciation	(160,482)
Debt principal	58,000
(Increase) decrease in accrued vacation payable	(659)
(Increase) decrease in other postemployment benefits	<u>(7,156)</u>
Change in net assets	<u>\$ (75,917)</u>

Bertie County, North Carolina
WATER DISTRICT IV
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
For The Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Operating revenues:			
Charges for services		\$ 448,499	
Water taps		15,077	
Other operating revenue		25,125	
Total operating revenues	\$ 458,902	488,701	\$ 29,799
Nonoperating revenues:			
Investment earnings		1,268	
Miscellaneous revenue		3,420	
Total nonoperating revenues	2,700	4,688	1,988
Total revenues	461,602	493,389	31,787
Expenditures:			
Water administration:			
Salaries and benefits		82,567	
Telephone and postage		17,586	
Repairs and maintenance		3,692	
Supplies		17,012	
Uniforms		340	
Contracted services		18,299	
Professional fees		3,302	
Dues and subscriptions		900	
Chemicals		700	
Employee training		44	
Maintenance contracts		4,187	
Insurance		1,963	
Utilities		26,873	
Water testing		5,674	
Other expenses		30,753	
Total	222,615	213,892	8,723
Debt service:			
Principal		60,500	
Interest and fees		178,251	
Total	238,987	238,751	236
Total expenditures	461,602	452,643	8,959
Revenues over (under) expenditures	\$ -	40,746	\$ 40,746

	<u>Actual</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:	
Revenues over (under) expenditures	<u>40,746</u>
Reconciling items:	
Depreciation	(145,025)
Debt principal	60,500
(Increase) decrease in accrued vacation payable	(535)
Capital Contributions	244,902
Sales tax refund from Rural Center Grant	8,102
(Increase) decrease in other postemployment benefits	(5,806)
Change in net assets	<u>\$ 202,884</u>

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Bertie County, North Carolina
RURAL CENTER GRANT - DISTRICT IV
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
REVENUES:					
Restricted intergovernmental:					
State grants	\$ 339,800	\$ 96,673	\$ 170,865	\$ 267,538	\$ (72,262)
Tax refund	-	-	8,102	8,102	8,102
Total revenues	339,800	96,673	178,967	275,640	(64,160)
EXPENDITURES:					
Engineering	32,200	-	-	-	32,200
Construction	307,600	164,460	136,962	301,422	6,178
Total expenditures	339,800	164,460	136,962	301,422	38,378
Revenues over (under) expenditures	\$ -	\$ (67,787)	\$ 42,005	\$ (25,782)	\$ (25,782)

Bertie County, North Carolina
2008 COMMUNITY DEVELOPMENT BLOCK GRANT CR - DISTRICT IV
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP)
 From Inception and for the Fiscal Year Ended June 30, 2011

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
REVENUES:					
Restricted intergovernmental:					
Federal grants	\$ 850,000	\$ 140,060	\$ 74,037	\$ 214,097	\$ (635,903)
Miscellaneous revenues	59,500	-	-	-	(59,500)
Total revenues	909,500	140,060	74,037	214,097	(695,403)
EXPENDITURES:					
C-1 Acquisition	72,000	-	-	-	72,000
C-1 Water Improvement	40,000	-	-	-	40,000
C-1 Street Improvement	314,000	-	1,750	1,750	312,250
C-1 Clearance	26,500	1,590	-	1,590	24,910
C-1 Relocation	105,000	-	-	-	105,000
C-1 Rehabilitation	140,000	1,000	55,650	56,650	83,350
C-1 Administration	84,500	9,970	16,637	26,607	57,893
L-1 Water	127,500	127,500	-	127,500	-
Total expenditures	909,500	140,060	74,037	214,097	695,403
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Bertie County, North Carolina
INTERNAL SERVICE FUNDS
BERTIE TELEPHONE
STATEMENT OF NET ASSETS
 June 30, 2011

	<u>2011</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 92,614
Accounts receivable (net) – billed	3,935
Total assets	<u>96,549</u>
 LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities	558
Total current liabilities	<u>558</u>
Total liabilities	<u>558</u>
 NET ASSETS	
Unrestricted	95,991
Total net assets	<u>\$ 95,991</u>



Bertie County, North Carolina
INTERNAL SERVICE FUNDS
BERTIE TELEPHONE
SCHEDULE OF REVENUES AND EXPENDITURES
 For the Fiscal Year Ended June 30, 2011

	2011		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating revenues:			
User charges	\$ 70,000	\$ 71,675	\$ 1,675
Total	<u>70,000</u>	<u>71,675</u>	<u>1,675</u>
Expenditures:			
Operating:			
Telephone		43,436	
Maintenance contracts		11,006	
Capital outlay		2,193	
Total	<u>70,000</u>	<u>56,635</u>	<u>13,365</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>15,040</u>	<u>\$ 15,040</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Change in net assets		<u>\$ 15,040</u>	



Bertie County, North Carolina
INTERNAL SERVICE FUNDS
BERTIE TELEPHONE
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2011

	2011
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from users	\$ 70,926
Cash paid for goods and services	(56,747)
Net cash provided (used) by operating activities	14,179
Net increase (decrease) in cash and cash equivalents	14,179
Cash and cash equivalents, beginning of year	78,435
Cash and cash equivalents, end of year	\$ 92,614
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 15,040
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(749)
Increase (decrease) in accounts payable and accrued liabilities	(112)
Total adjustments	(861)
Net cash provided (used) by operating activities	\$ 14,179



Bertie County, North Carolina
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Social Services				
Assets:				
Cash and cash equivalents	\$ 1,192	\$ -	\$ -	\$ 1,192
Liabilities:				
Miscellaneous liabilities	\$ 1,317	\$ 616	\$ 808	\$ 1,125
Fines and Forfeitures				
Assets:				
Cash and investments	\$ -	\$ 6,730	\$ 6,730	\$ -
Intergovernmental payable - State of North Carolina				
Total liabilities	\$ -	\$ 6,730	\$ 6,730	\$ -
Motor Vehicle Tax				
Assets:				
Cash and investments	\$ (747)	\$ 712,602	\$ 711,690	\$ 165
Liabilities:				
Intergovernmental payable	\$ (747)	\$ 712,602	\$ 711,690	\$ 165
Pest Management				
Assets:				
Cash and investments	\$ 3,414	\$ 7,302	\$ 7,884	\$ 2,832
Liabilities:				
Miscellaneous liabilities	\$ 3,414	\$ 7,302	\$ 7,884	\$ 2,832
Deed of Trust				
Assets:				
Cash and investments	\$ -	\$ 1,930	\$ 1,930	\$ -
Liabilities:				
Miscellaneous liabilities	\$ -	\$ 1,930	\$ 1,930	\$ -
Total - All Agency Funds				
Assets:				
Cash and investments	\$ 3,859	\$ 728,564	\$ 728,234	\$ 4,189
Liabilities:				
Miscellaneous liabilities	\$ 3,984	\$ 729,180	\$ 729,042	\$ 4,122

OTHER SCHEDULES

This section includes additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy

Bertie County, North Carolina
GENERAL FUND
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
 June 30, 2011

Fiscal Year	Uncollected Balance June 30, 2010	Additions	Collections and Credits	Uncollected Balance June 30, 2011
2010 - 2011	\$ -	\$ 8,543,197	\$ 8,229,415	\$ 313,782
2009 - 2010	332,240	-	248,242	83,998
2008 - 2009	96,149	-	38,266	57,883
2007 - 2008	64,471	-	22,812	41,659
2006 - 2007	37,074	-	11,295	25,779
2005 - 2006	32,791	-	8,387	24,404
2004 - 2005	23,240	-	3,089	20,151
2003 - 2004	23,197	-	3,497	19,700
2002 - 2003	19,390	-	2,560	16,830
2001 - 2002	18,432	-	1,840	16,592
2000 - 2001	16,123	-	16,123	-
	<u>663,107</u>	<u>8,543,197</u>	<u>8,585,526</u>	<u>620,778</u>
Less: Allowance for uncollectible accounts: General Fund				<u>95,727</u>
Ad valorem taxes receivable - net: General Fund				<u>\$ 525,051</u>
<u>Reconciliation with revenues</u> Ad valorem taxes - General Fund				\$ 8,679,839
Reconciling items:				
Interest collected				(108,806)
Taxes written off				16,123
Discoveries and adjustments				<u>(1,630)</u>
Total collections and credits				<u>\$ 8,585,526</u>

Bertie County, North Carolina
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
 For the Fiscal Year Ended June 30, 2011

	County Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	1,105,604,059	0.0078	\$ 8,623,712	\$ 7,568,250	\$ 1,055,462
Total	<u>1,105,604,059</u>		<u>8,623,712</u>	<u>7,568,250</u>	<u>1,055,462</u>
Discoveries;					
Current year taxes	2,482,391	0.0078	19,362	13,977	5,385
Abatements	<u>(12,804,787)</u>	0.0078	<u>(99,877)</u>	<u>(6,082)</u>	<u>(93,795)</u>
Total property valuation	<u><u>1,095,281,663</u></u>				
Net Levy			8,543,197	7,576,145	967,052
Current year's taxes collected			<u>8,229,415</u>	<u>7,425,809</u>	<u>803,606</u>
Uncollected taxes at June 30, 2011			<u>\$ 313,782</u>	<u>\$ 150,336</u>	<u>\$ 163,446</u>
Current levy collection percentage			<u>96.33%</u>	<u>98.02%</u>	<u>83.10%</u>

COMPLIANCE SECTION

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

To the Board of Commissioners
Bertie County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregated remaining fund information of the Bertie County, North Carolina as of and for the year ended June 30, 2011, which collectively comprises Bertie County's basic financial statements, and have issued our report thereon dated November 17, 2011. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of Bertie County ABC Board, as described in our report on Bertie County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Internal Control Over Financial Reporting

Management of Bertie County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Bertie County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bertie County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Bertie 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 the 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 material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting, which are described as items 11-1 and 11-2. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

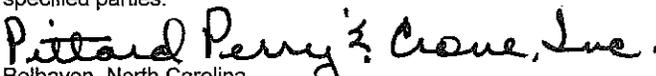
Compliance and Other Matters

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

Bertie County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Bertie County's responses and accordingly, we express no opinion on it.

We noted certain matters that we reported to management of Bertie County, in a separate letter dated November 17, 2011.

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


Belhaven, North Carolina
November 17, 2011

**Report On Compliance With Requirements That Could Have a Direct and Material Effect on
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 Commissioners
Bertie County, North Carolina

Compliance

We have audited Bertie County'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 Bertie County's major federal programs for the year ended June 30, 2011. Bertie County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Bertie County's management. Our responsibility is to express an opinion on Bertie County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Bertie County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Bertie County's compliance with those requirements.

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

Internal Control Over Compliance

Management of Bertie County 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 Bertie County's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Bertie County's internal control over compliance.

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

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

This report is intended solely for the information and use of management, others within the entity, members of the Board of 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.

Belhaven, North Carolina
November 17, 2011

**Report On Compliance With Requirements That Could Have a Direct and Material Effect
on 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 Commissioners
Bertie County, North Carolina

Compliance

We have audited Bertie County, North Carolina, 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 Bertie County's major State programs for the year ended June 30, 2011. Bertie County's major State programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major State programs is the responsibility of Bertie County's management. Our responsibility is to express an opinion on Bertie County's compliance based on our audit.

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

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

Internal Control Over Compliance

Management of Bertie County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to State programs. In planning and performing our audit, we considered Bertie County'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 Bertie 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 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.

This report is intended solely for the information and use of management, others within the organization, members of the Board of 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.

Belhaven, North Carolina
November 17, 2011

Bertie County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 For The Fiscal Year Ended June 30, 2011

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(s) identified that are not considered to be material weaknesses X Yes _____ None Reported

Noncompliance material to financial statements noted _____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(s) identified that are not considered to be material weaknesses _____ Yes X None Reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 _____ Yes X No

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Names of Federal Program or Cluster</u>
93.778	Title XIX – Medicaid
10.551	SNAP Cluster
10.561	

Dollar threshold used to distinguish between type A and type B programs \$ 1,205,752

Auditee qualified as low-risk Auditee? _____ Yes X No

Bertie County, North Carolina
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Fiscal Year Ended June 30, 2011

Section II - Financial Statement Findings

Significant Deficiency

11-1 Reconciliation of Accounts

<u>Criteria:</u>	The County should reconcile the water revenues and receivables per monthly billings and collections to the General Ledger. The County should also monitor on a monthly basis the allowance accounts.
<u>Condition:</u>	The County's water receivables and revenues per the General Ledger did not agree with the monthly reports.
<u>Effect:</u>	The financial statements could be misstated.
<u>Cause:</u>	The monthly billings and collections were not reconciled with the General Ledger on a monthly basis and the allowance accounts had not been monitored.
<u>Recommendation:</u>	The County should reconcile the billings and collections to the General Ledger on a monthly basis and monitor the allowance accounts.
<u>Views of responsible officials and planned corrective action</u>	The County agrees with this finding and has begun the implementation process.

Significant Deficiency

11-2 Accounts Payable

<u>Criteria:</u>	The County should monitor accounts payable to determine that all accounts payables for expenditures for goods and services received prior to the fiscal year end, but unpaid by the fiscal year end, are recorded as such.
<u>Condition:</u>	The County's accounts payables were overstated by \$26,878.
<u>Effect:</u>	The financial statements will be misstated.
<u>Cause:</u>	The accounts payables were incorrectly recorded.
<u>Recommendation:</u>	The County should review the accounts payable at year end to determine that the amounts recorded are indeed accounts payable.
<u>Views of responsible officials and planned corrective action</u>	The County agrees with this finding and has begun the implementation process.

Section III - Federal Award Findings and Questioned Costs

None reported.

Section IV - State Award Findings and Questioned Costs

None reported.

Bertie County, North Carolina
CORRECTIVE ACTION PLAN
For The Fiscal Year Ended June 30, 2011

Section II – Financial Statement Findings

Significant Deficiency and Finding 11-1

Name of Contact Person: Zee Lamb, County Manager
Corrective Action: The County will implement the proposed recommendation.
Proposed Completion Date: December 31, 2011

Significant Deficiency and Finding 11-2

Name of Contact Person: Zee Lamb, County Manager
Corrective Action: The County will implement the proposed recommendation.
Proposed Completion Date: December 31, 2011

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – State Award Findings and Questioned Costs

None reported.

Bertie County, North Carolina
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For The Fiscal Year Ended June 30, 2011

Findings:

10-1 Reconciliation of Accounts

Status: See 11-1

Bertie County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
<u>U.S. Dept. of Agriculture</u>					
<u>Food and Nutrition Service</u>					
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Administration:					
<u>SNAP Cluster:</u>					
Supplemental Nutrition Assistance Program (SNAP)	10.551	XXXX	\$ 7,640,290	\$ -	\$ -
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561	XXXX	414,475	-	346,700
Total Food Stamp Cluster			8,054,765	-	346,700
Total U.S. Dept. of Agriculture			8,054,765	-	346,700
<u>U.S. Dept. of Housing and Urban Development</u>					
Passed-through N.C. Dept of Commerce:					
2006 Community Development Block Grant	14.228	XXXX	600	-	-
2008 Community Development Block Grant	14.228	XXXX	235,886	-	-
2008 Community Development Block Grant	14.228	XXXX	74,037	-	-
Total U.S. Dept. Housing and Urban Development			310,523	-	-
<u>U.S. Dept. of Health and Human Services</u>					
<u>Administration on Aging</u>					
Passed-through Mid-East Commission:					
Aging Cluster:					
Special Programs for the Aging – Title III B Grants for Supportive Services and Senior Centers	93.044	XXXX	128,484	93,432	18,709
Special Programs for the Aging – Title III C Nutrition Services	93.045	XXXX	22,674	17,797	4,107
Caregiver's Grant	93.052	XXXX	885	-	-
Total Aging Cluster			152,043	111,229	22,816
Passed-through the N.C. Dept. of Health and Human Services:					
Division of Social Services:					
Foster Care and Adoption Cluster:					
Title IV-E CPS/Optional	93.658	XXXX	16,220	2,223	13,997
Title IV-E Foster Care	93.658	XXXX	14,634	3,195	3,195
Title IV-E Foster Care/Off Trn	93.658	XXXX	7,520	-	7,520
Title IV-E Child and Family Teams	93.658	XXXX	1,340	1,340	-
Title IV-E Admin County Paid to CCI	93.658	XXXX	5,748	2,874	2,874

Bertie County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2011

Grantor/Pass-through <u>Grantor/Program Title</u>	Federal CFDA Number	State Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
Title IV-E Max Level III	93.658	XXXX	5,597	-	2,332
Title IV-E Adopt Subsidy and Vendor	93.659	XXXX	65,090	14,358	14,358
Family Preservation	93.556	XXXX	1,447	-	-
Total Foster Care and Adoption Cluster			117,596	23,990	44,276
 <u>Administration for Children and Families</u>					
Passed-through the N.C. Dept. of Health and Human					
<u>Child Care Development Fund Cluster:</u>					
Division of Social Services:					
Childcare Development Fund – Administration	93.596	XXXX	80,000	-	-
Division of Child Development					
Child Care and Development Fund – Discretionary	93.575	XXXX	354,661	-	-
Child Care and Development Fund – Mandatory	93.596	XXXX	145,758	-	-
Child Care and Development Fund – Match	93.596	XXXX	18,141	9,733	-
ARRA - Child care and Development Block Grant	93.713	XXXX	8,568	-	-
Total Child Care Fund Cluster			607,128	9,733	-
Social Services Block Grant	93.667	XXXX	1,217	-	-
Temporary Assistance for Needy Families	93.558	XXXX	108,468	-	-
Smart Start		XXXX	-	13,948	-
State Appropriations		XXXX	-	22,998	-
TANF-MOE		XXXX	-	39,760	-
Total Subsidized Child Care Cluster			716,813	86,439	-
Division of Social Services:					
Work First Services	93.558	XXXX	194,769	-	293,796
Work First Administration	93.558	XXXX	30,214	-	58,115
Crisis Intervention Payments	93.568	XXXX	200,415	-	-
Low-Income Home Energy Assistance Block Grant:					
Administration	93.568	XXXX	26,893	-	-
Energy Assistance Payments - Direct Benefit Payments	93.568	XXXX	310,816	-	-
Adoption/Foster Care	93.645	XXXX	9,913	-	2,773
SSBG – Other Service and Training	93.667	XXXX	158,618	17,358	58,659
SSBG – In Home Service Fund	93.667	XXXX	16,704	-	2,386
SSBG – Adult Day Care Over 60	93.667	XXXX	8,984	6,245	2,175
SSBG – Adult Day Care	93.667	XXXX	10,448	7,225	2,525
Independent Living Grant	93.674	XXXX	765	191	-
Permanency Planning – Spec	93.645	XXXX	3,365	-	1,129
AFDC Payments & Penalties	93.560	XXXX	(181)	(50)	(50)
TANF - Payments & Penalties	93.558	XXXX	198,025	(22)	354
TANF - Domestic Violence	93.558	XXXX	6,979	-	-
Child Support Enforcement Incentive Recovery	93.563	XXXX	6,094	-	3,140
IV-D Administration	93.563	XXXX	255,532	-	131,638
IV-D Offset Fees	93.563	XXXX	1,281	-	660
			1,439,634	30,947	557,300

Bertie County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
<u>Health Care Financing Administration</u>					
Direct Benefit Payments:					
Medical Assistance Program	93.778	XXXX	28,815,982	11,717,363	2,879
ARRA - Enhanced Medical Assistance Program	93.778	XXXX	3,166	-	-
			28,819,148	11,717,363	2,879
<u>Division of Facility Services</u>					
Office of Emergency Medical Services					
Division of Social Services:					
Administration:					
Health Choice	93.767	XXXX	17,635	1,086	4,678
Medical Assistance Program	93.778	XXXX	22,655	-	-
Medical Assistance Program	93.778	XXXX	499,357	32,659	448,943
			539,647	33,745	453,621
Total U.S. Dept. of Health and Human Services			31,784,881	12,003,713	1,080,892
<u>U.S. Department of Justice</u>					
<u>Bureau of Justice Assistance</u>					
Direct Program:					
Law Enforcement Block Grant	16.592	XXXX	1,106	-	-
Equipment Grant	16.592	XXXX	10,869	-	-
			11,975	-	-
<u>U.S. Election Assistance Commission</u>					
Passed-through NC State Board of Elections					
Help America Vote Act	90.401	XXXX	2,075	-	-
<u>U.S. Department of Homeland Security</u>					
Passed from Division of Emergency Management					
Emergency Management Performance Grant	97.042	XXXX	27,502	-	-
Total Dept of Homeland Security			27,502	-	-
Total Federal Awards			40,191,721	12,003,713	1,427,592
State Awards:					
<u>N.C. Dept. of Environment and Natural Resources</u>					
Soil and Water Conservation – S&W Conservation		XXXX	-	34,434	-
Soil and Water Conservation – Administration		XXXX	-	4,000	-
Minor Permit County Aid	11.419	XXXX	-	179	-
Abandoned Mobile Home Grant		XXXX	-	7,000	-
Total Dept. of Environment and Natural Resources			-	45,613	-

Bertie County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
State Awards:					
<u>N.C. Dept. of Health and Human Services</u>					
Division of Social Services:					
State/County Special Assistance for Adults – Direct benefit payments		XXXX	-	336,729	336,729
State Foster Care Benefits Program		XXXX	-	33,699	33,699
SFHF Maximization		XXXX	-	10	10
Foster Care At Risk Maximization		XXXX	-	19,287	10,326
Foster Care At Risk		XXXX	-	5,433	1,147
Foster Care Special Provision		XXXX	-	2,874	-
CWS Adopt Subsidy & Vendor		XXXX	-	14,095	1,939
Adult Protective Services		XXXX	-	18,602	-
AFDC/TANF Incent/Program Integrity		XXXX	-	277	-
DCD Smart Start		XXXX	-	3,008	-
Total Dept. of Health and Human Services			-	434,014	383,850
<u>N.C. Dept. of Administration</u>					
Veterans Service		XXXX	-	2,000	-
<u>N.C. Dept. of Juvenile Justice and Delinquency Prevention</u>					
Juvenile Crime Prevention Program		XXXX	-	93,232	-
<u>N.C. Dept. of Transportation</u>					
Elderly and Disabled Transportation Assistance		XXXX	-	64,491	-
Work First/Transitional Employment		XXXX	-	14,670	-
Rural General Public Transportation		XXXX	-	63,896	-
Total N.C. Dept. of Transportation			-	143,057	-
<u>N.C. Dept. of Corrections</u>					
Criminal Justice Partnership Program		XXXX	-	89,738	-
Criminal Justice Partnership Program - Reallocation		XXXX	-	27,993	-
Total N.C. Dept. of Corrections			-	117,731	-
<u>N.C. Dept. of Public Instruction</u>					
Passed-through from N.C. Dept. of Public Instruction:					
Public School Building Bond Act of 1996		XXXX	-	349,946	-
<u>NC Dept. of Commerce</u>					
Passed-through from Mid East Commission:					
Senior Health Insurance Information Program		XXXX	-	2,937	-
<u>NC Rural Economic Development Center</u>					
Water and Sewer Supplemental Grants Program		XXXX	-	136,962	-

Bertie County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State Pass-through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
State Awards:					
<u>NC Department of Crime Control and Public Safety</u>					
<u>Division of Emergency Management</u>					
State Homeland Security Grant Program		XXXX	-	1,850	-
<u>NC Department of Agriculture</u>					
Pesticide Recycling Grant		XXXX	-	1,795	-
Total State Awards			-	<u>1,329,137</u>	<u>383,850</u>
Total Federal and State Awards			<u>\$ 40,191,721</u>	<u>\$ 13,332,850</u>	<u>\$ 1,811,442</u>

Bertie County, North Carolina
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 For the Year Ended June 30, 2011

Notes to the schedule of Expenditures of Federal and State Financial Awards:

Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Bertie 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 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.

Subrecipients

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

<u>Program Title</u>	<u>CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>State Expenditures</u>
N.C. Dept. of Juvenile Justice and Delinquency Prevention				
Juvenile Crime Prevention Program	XXXXX	XXXX	\$ -	\$ 93,232
Passed-through from N.C. Dept. of Public Instruction:				
Public School Building Bond Act of 1996	XXXXX	XXXX	\$ -	\$ 349,946

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