

**SAMPSON COUNTY
NORTH CAROLINA**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2011**

**Prepared Under the Direction
of the Sampson County Finance Department**

**David K. Clack
Finance Officer**

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INTRODUCTORY SECTION



Sampson County Finance Department

Post Office Box 257
Clinton, N.C. 28329

DAVID K. CLACK
FINANCE OFFICER

Telephone (910) 592-7181

January 30, 2012

To the Board of County Commissioners and
To the Citizens of Sampson County

We are pleased to present the comprehensive annual financial report (CAFR) of Sampson County, North Carolina, for the fiscal year ended June 30, 2011. Maintaining the fiscal strength and stability of the County government is a primary goal of the Board of County Commissioners. This CAFR reflects the achievement of that goal.

State law requires each unit of local government and public authority have its accounts audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts. NCAC 20:03.05.00 sets the parameters of the audit contract. The contract requires audited financial statements for fiscal years ending June 30 to be submitted by October 31, within 4 months of the fiscal year end. This report is published to fulfill that requirement for the fiscal year ended June 30, 2011.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Thompson Price Scott Adams & Company, Certified Public Accountants, have issued an unqualified (“clean”) opinion on Sampson County’s financial statements for the year ended June 30, 2011. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF SAMPSON COUNTY

Sampson County was chartered in 1784 by the North Carolina General Assembly, formed from the western portion of Duplin County and is named for John Sampson, a Scotch-Irish settler. In 1872, Franklin township was cut off upper New Hanover County and added to Sampson County. Located in the southeastern part of North Carolina in an area known as the Coastal Plains, Sampson County is the largest county in the State with a total land area of 963 square miles, slightly smaller than the State of

Rhode Island, and has a population of 63,481. Eight municipalities are located in the County, the largest being Clinton, which has a population of 8,639 and serves as the county seat. The County has a commissioner/manager form of government. The five members of the Board of Commissioners are elected on a district basis and serve staggered four-year terms.

Sampson County provides its citizens a wide range of services which includes education, human services, public safety, cultural and recreational activities, economic and physical development, transportation, environmental protection, general administration, and others. In addition to general government activities, the County manages the Clinton-Sampson Airport; therefore its activities have been included in this report.

The County also extends financial support to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are the Sampson County Board of Education, the Clinton City Board of Education, and the Mid-Carolina Council of Governments. The County has evaluated its relationship with each of these entities according to criteria established by GASB Statement 14. Because County allocations do not constitute a major portion of their revenues, and because the County has no authority to designate their management, none of these organizations have been included in this report.

The annual budget serves as the foundation for Sampson County's financial planning and control. The North Carolina Local Government Budget and Fiscal Control Act establishes the dates by which each stage in the annual budget process is to be completed (N.C. G.S. 159-10 through -13). All agencies of Sampson County are required to submit requests for appropriation to the County Manager before April 30 each year. School administrative units and community colleges must submit their proposed budgets and their requests for county appropriations and supplemental tax levies no later than May 15. The County Manager uses these requests as the starting point for developing a recommended budget. The Manager then presents this balanced recommended budget to the board of commissioners for review no later than June 1, and it must enact the budget ordinance or interim budget by July 1, when the budget year begins.

Local Economy

In the early years agriculture was king in this coastal county. However, over the course of time the economy has diversified. Although agriculture is still a major portion of the County's economy, business and industry find the area offers favorable opportunities for growth with lower operating costs, availability of land, a mild climate and a labor pool of people willing to meet modern business challenges.

Agriculture and allied industries are the largest contributors to the economy of the County. The County's agriculture is very diversified with 46 commodities produced commercially on approximately 4,400 farms operated by 1,800 individuals. The County is ranked "Number 2" in the nation in swine production. Poultry is the second largest income producing commodity.

Although agriculture and related industry is predominant in the County, other industries include textiles, and miscellaneous metal fabrication. Smithfield Foods Incorporated is the County's largest taxpayer and employer. Prestage Farms, Inc. is the County's second largest taxpayer. The third largest taxpayer is

Carroll Foods Incorporated. While Sampson County is extremely fortunate to have such excellent corporate citizens, efforts to broaden the tax base continue. Major non-manufacturing employers in the County are found in the areas of education, retail, health care, government and agriculture.

Long-term Financial Planning

Like most areas of the country, Sampson County has been affected by the general economic downturn, but the regional economy is expected to remain relatively stable in the foreseeable future. In order to influence economic growth the County established an Economic Development Commission to actively recruit new business and industry to the County. The Commission works jointly with the Sampson County Board of Commissioners, the eight municipalities located within the County, the Clinton 100 Committee, the Roseboro Area Economic Development Committee, and the Newton Grove 100 Committee to achieve planned commercial and industrial growth for the entire County. The County and the City of Clinton have adopted Economic Investment Policies to further enhance our ability to attract business and industry.

Sampson County has a 372-acre industrial park as well as four other industrial parks within the County. The County has initiated a county-wide water system which will benefit residential consumers as well as industry. The County is also expanding the runway at the airport for corporate citizens.

Management in Sampson County continues to prepare to meet the challenges that new growth will demand.

Relevant Financial Policies

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, and the North Carolina Capital Management Trust. The County's objectives are to generate greater amounts of non-tax revenue through increased investment earnings, while at the same time providing safety and liquidity. At June 30, 2011, the total amount of cash and investments was \$32,476,819. Investment earnings for the governmental fund types totaled \$379,661 at year-end compared to \$68,416 for the preceding year.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Sampson County for its comprehensive annual financial report for the fiscal year ended June 30, 2009. This was the 17th consecutive year that Sampson County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

ACKNOWLEDGMENTS. The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Office Staff. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Due credit should also be given to the Board of Commissioners for their interest and support in planning and conducting the operations of the government in a responsible and progressive manner.

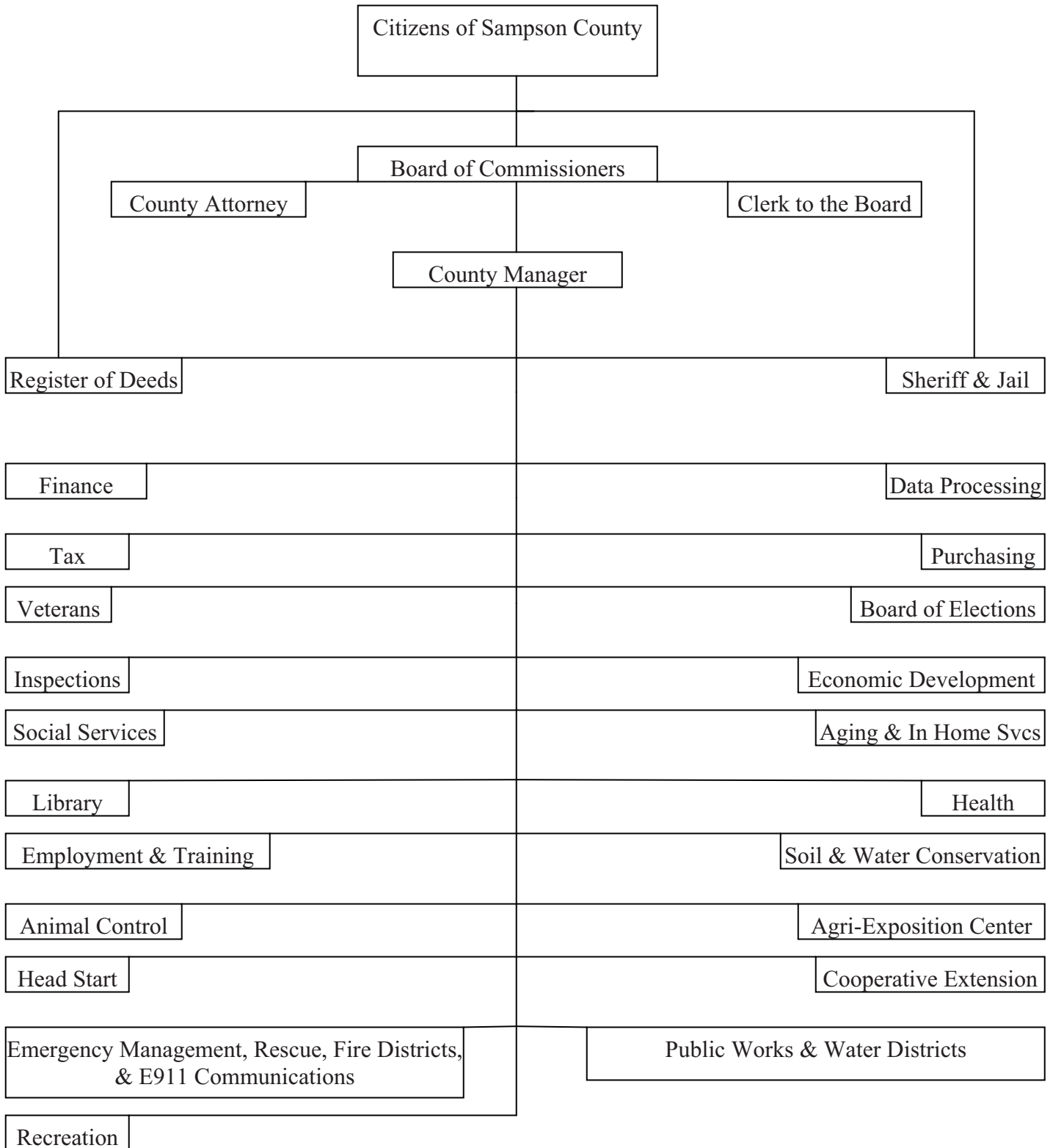
Respectively submitted,

A handwritten signature in black ink that reads "David K. Clack". The signature is written in a cursive style with a large, prominent initial "D".

David K. Clack
Finance Officer

SAMPSON COUNTY, NORTH CAROLINA

Organizational Chart



Sampson County, North Carolina

Principal Officials

June 30, 2011

Board of Commissioners

**Jefferson B. Strickland
Chairman**

**Billy C. Lockamy
Vice Chairman**

John A. Blanton

Billy C. Lockamy

Albert D. Kirby, Jr.

County Manager

Edwin W. Causey

Finance Officer

David K. Clack

FINANCIAL SECTION





CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA
Gregory S. Adams, CPA
Alan W. Thompson, CPA

Offices:
Elizabethtown, NC
Wilmington, NC
Whiteville, NC

Independent Auditors' Report

To the Board of County Commissioners
Sampson County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Sampson County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprise Sampson County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Sampson 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 the Sampson Regional Medical Center, Inc. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the financial statements, insofar as it relates to the amounts included for Sampson Regional Medical Center, Inc., is based on the report of the other auditor.

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. The financial statements of Sampson Regional Medical Center, Inc. and Sampson County Tourism Development Authority were not audited in accordance with *Governmental Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditor provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Sampson County, North Carolina as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, the Capital Reserve Fund and the Head Start 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 January 30, 2012 on our consideration of Sampson County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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 read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress and Employer Contributions and the Other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors 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 the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of Sampson County, North Carolina. 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 financial 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, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory information and the statistical tables have not been subjected to the auditing procedures applied by us and other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., PA
January 30, 2012

Management's Discussion and Analysis

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

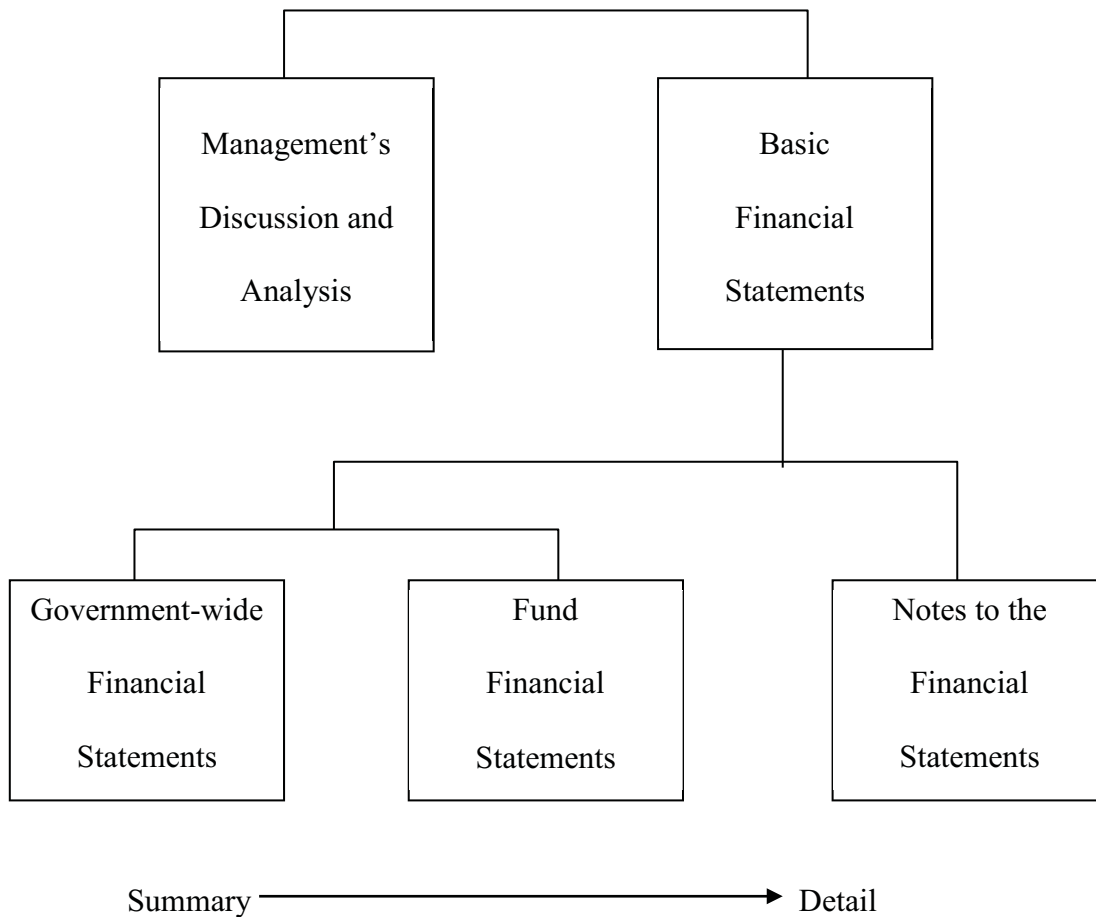
Financial Highlights

- The assets of Sampson County exceeded its liabilities at the close of the most recent fiscal year by \$49,974,617 (net assets).
- The government's total net assets decreased by \$2,145,240, primarily due to decreased net assets in the General Fund.
- As of the close of the current fiscal year, Sampson County's governmental funds reported combined ending fund balances of \$32,532,810, an increase of \$458,540 in comparison with the prior year. Airport apron construction increased the fund balance by \$1,418,290 and School Capital Reserve fund activity decreased the fund balance by \$790,101. General fund activity decreased fund balance by \$334,502. Approximately thirty-five percent (35%) of the fund balance amount, \$11,249,832, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$12,554,527, or twenty percent (20%) of total general fund expenditures for the fiscal year.
- Sampson County's total debt increased by \$2,610,680. Several factors led the increase in total debt as follows:
 - The County issued \$5,487,435 in debt to complete the construction of Clinton High School, and begin construction of Roseboro Elementary School.
 - Based on our actuarial study of our post-employment health care benefit the County recognized an unfunded liability of \$1,252,000.
 - These increases were partially offset by corresponding payments of principal on other loans.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Sampson County's basic financial statements. Sampson 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 supplementary information that will enhance the reader's understanding of the financial condition of Sampson County.

Required Components of Annual Financial Report



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 10) 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 plans.

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 gage 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 and sewer services offered by Sampson County. The final category is the component units. Sampson Regional Medical Center is a public hospital operated by a not-for-profit corporation that has leased the hospital from the County for a period of 99 years. The County appoints the board of trustees for the hospital and has issued debt on its behalf. Sampson County Tourism Development Authority was created to develop tourism within 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. Sampson 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 Sampson County can be divided into three categories: governmental funds, and 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.

Sampson County adopts an annual budget for its General Fund, as required by North Carolina 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 – Sampson 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. Sampson County uses enterprise funds to account for its water and sewer activities. 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. Sampson County has nine fiduciary funds, one of which is a pension trust fund and eight 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 32 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Sampson County's progress in funding its obligation to provide pension benefits to its employees and its obligation to provide post-employment health care benefits to eligible employees. Required supplementary information can be found beginning on page 72 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 Sampson County exceeded liabilities by \$49,974,617 as of June 30, 2011. The County's net assets decreased by \$2,139,606 for the fiscal year ended June 30, 2011. The largest portion seventy-eight percent (68%) 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. Sampson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Sampson 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 Sampson County's net assets sixteen percent (35%) represents resources that are subject to external

restrictions on how they may be used. The unrestricted net asset balance is a negative \$1,128,581.

Sampson County's Net Assets

	Governmental		Business-type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 43,079,726	\$ 42,361,841	\$ 2,375,400	\$ 2,291,026	\$ 45,455,126	\$ 44,652,867
Capital assets	<u>141,547,477</u>	<u>140,557,922</u>	<u>25,965,320</u>	<u>26,398,458</u>	<u>167,512,797</u>	<u>166,956,380</u>
Total assets	\$ 184,627,203	\$ 182,919,763	\$ 28,340,720	\$ 28,689,484	\$ 212,967,923	\$ 211,609,247
Long-term liabilities outstanding	\$ 143,674,930	\$ 140,742,446	\$ 14,410,594	\$ 14,752,494	\$ 158,085,524	\$ 155,494,940
Other liabilities	<u>4,764,885</u>	<u>3,844,689</u>	<u>142,897</u>	<u>155,395</u>	<u>4,907,782</u>	<u>4,000,084</u>
Total liabilities	\$ 148,439,815	\$ 144,587,135	\$ 14,553,491	\$ 14,907,889	\$ 162,993,306	\$ 159,495,024
Net assets:						
Invested in capital assets net						
of related debt	\$ 22,214,777	\$ 24,169,094	\$ 11,634,871	\$ 11,706,054	\$ 33,849,648	\$ 35,875,148
Restricted	17,253,550	8,397,500	-	-	17,253,550	8,397,500
Unrestricted	<u>(3,280,939)</u>	<u>5,766,034</u>	<u>2,152,358</u>	<u>2,075,541</u>	<u>(1,128,581)</u>	<u>7,841,575</u>
Total net assets	<u>\$ 36,187,388</u>	<u>\$ 38,332,628</u>	<u>\$ 13,787,229</u>	<u>\$ 13,781,595</u>	<u>\$ 49,974,617</u>	<u>\$ 52,114,223</u>

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

- Continued diligence in the collection of property taxes by maintaining an overall collection percentage of approximately 95%.
- Collections in excess of budget on property taxes, ambulance fees, and sales taxes.

Other factors negatively influenced the total unrestricted governmental net assets.

- Reduced sales tax revenues.
- Payment on debt service increases that were planned to be paid from reserves.

Sampson County Changes in Net Assets

	Governmental Activities		Business Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 9,244,475	\$ 10,287,466	\$ 2,602,600	\$ 2,546,366	\$ 11,847,075	\$ 12,833,832
Operating grants and contributions	16,732,608	15,360,238	-	-	16,732,608	15,360,238
Capital grants and contributions	1,766,632	3,017,027	-	-	1,766,632	3,017,027
General revenues:						
Property taxes	31,354,999	31,389,292	-	-	31,354,999	31,389,292
Other taxes	8,631,676	8,627,300	-	-	8,631,676	8,627,300
Investment earnings, unrestricted	376,257	64,661	3,404	3,755	379,661	68,416
Other	<u>175,999</u>	<u>613,152</u>	<u>-</u>	<u>-</u>	<u>175,999</u>	<u>613,152</u>
Total revenues	<u>68,282,646</u>	<u>69,359,136</u>	<u>2,606,004</u>	<u>2,550,121</u>	<u>70,888,650</u>	<u>71,909,257</u>
Expenses:						
General government	9,539,388	8,505,035	-	-	9,539,388	8,505,035
Public safety	16,927,712	16,345,269	-	-	16,927,712	16,345,269
Environmental protection	1,065,743	1,030,680	-	-	1,065,743	1,030,680
Economic and physical development	994,607	1,187,488	-	-	994,607	1,187,488
Human services	22,640,670	22,097,121	-	-	22,640,670	22,097,121
Cultural and recreation	2,026,767	2,506,324	-	-	2,026,767	2,506,324
Education	11,425,940	13,317,401	-	-	11,425,940	13,317,401
Interest on long-term debt	5,780,459	5,180,891	-	-	5,780,459	5,180,891
Water and sewer Dist. I	-	-	487,112	536,005	487,112	536,005
Water and sewer Dist. II	<u>-</u>	<u>-</u>	<u>2,139,858</u>	<u>2,306,123</u>	<u>2,139,858</u>	<u>2,306,123</u>
Total expenses	<u>70,401,286</u>	<u>70,170,209</u>	<u>2,626,970</u>	<u>2,842,128</u>	<u>73,028,256</u>	<u>73,012,337</u>
Change in net assets before transfers & special items	(2,118,640)	(811,073)	(20,966)	(292,007)	(2,139,606)	(1,103,080)
Transfers	<u>(26,600)</u>	<u>(26,600)</u>	<u>26,600</u>	<u>26,600</u>	<u>-</u>	<u>-</u>
Change in net assets	(2,145,240)	(837,673)	5,634	(265,407)	(2,139,606)	(1,103,080)
Net assets, beginning	<u>38,332,628</u>	<u>39,170,301</u>	<u>13,781,595</u>	<u>14,047,002</u>	<u>52,114,223</u>	<u>53,217,303</u>
Net assets, ending	<u>\$ 36,187,388</u>	<u>\$ 38,332,628</u>	<u>\$ 13,787,229</u>	<u>\$ 13,781,595</u>	<u>\$ 49,974,617</u>	<u>\$ 52,114,223</u>

Governmental activities: Governmental activities decreased the County's net assets by \$2,145,240, thereby accounting for one-hundred percent 100% of the total reduction in the net assets of Sampson County. Key elements of this decrease are as follows:

- Increase in debt service payments
- Reduction in fees collected for health, and other services

Business-type activities: Business-type activities increased Sampson County's net assets by \$5,634, accounting for the remaining reduction in the government's total net assets. Key elements of this decrease are as follows:

- Collections in excess of budget on water sales

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Sampson County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Sampson County's financing requirements. Specifically, unassigned 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 Sampson County. At the end of the current fiscal year, unassigned fund balance of the General fund was \$12,554,527, while total fund balance was \$22,105,655. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned balance represents twenty percent (20%) of total General Fund expenditures, while total fund balance represents thirty-five percent (35%) percent of that same amount.

At June 30, 2011, the governmental funds of Sampson County reported a combined fund balance of \$32,532,810, a one percent (1%) percent increase over last year. The primary reason for this increase is the increase in the fund balance in the Airport Apron construction fund. During the year Sampson County completed construction of three high schools, started construction on a new elementary school and completed construction on the airport apron. The County received grant funds to fund ninety percent (90%) of the airport apron construction and obtained loans to fund the construction of the high schools and the elementary school.

The other major governmental funds include the Schools Capital Reserve Special Revenue Fund, the Airport Apron Construction capital project fund, and the School Construction capital project fund. The Schools Capital Reserve Fund accounts for the accumulation of resources to fund capital needs and debt for capital needs for the County's school districts. In the current fiscal year, restricted fund balance of the Schools Capital Reserve Fund was \$4,635,223, while total fund balance was \$5,134,437. Restricted for Education fund balance represents 171 percent of total fund expenditures and other financing uses, while total fund balance represents 189 percent of that same amount.

The Schools Capital Reserve Special Revenue Fund fund balance decreased \$790,101. This decrease was due to revenues that were less than the expenditures for capital outlay and debt service for the school systems. The amount of fund balance decrease was less than the amount of fund balance appropriated for the fiscal year by \$573,165. The reasons we did not use all of the fund balance appropriated in the fiscal year were that sales taxes collected exceeded projections and the capital outlay budgeted by the school systems was not completely expended.

The County's two major capital project funds are the Airport Construction, and the County & City Schools Construction. The Airport Construction fund accounts for the resources and costs to construct a taxi-way and apron at the Clinton-Sampson Airport. This construction is funded primarily grant funds from the North Carolina Department of Transportation. The estimated cost of the construction is \$1,600,000. The School Construction fund accounts for the resources and costs to construct new school facilities in the County. This fund currently has a fund balance of \$2,430,150. The sources of funds for the construction are loan funds from the U.S. Department of Agriculture-Rural Development Community Facilities Loan and Grant Program and funds from the issuance of Certificates of Participation (bonds). The estimated cost to construct new school facilities in the County is \$114,554,083. The loans will be repaid from property taxes, School Capital Reserve Funds, and NC Education Lottery funds.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund increased revenues by \$974,526 or two percent (2%), an immaterial amount.

Proprietary Funds. Sampson County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. During the year net assets increased by \$5,634. This was due primarily to lower debt service costs.

Capital Asset and Debt Administration

Capital assets. Sampson County's capital assets for its governmental and business-type activities as of June 30, 2011, totals \$167,512,797 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, vehicles, and construction in progress.

Major capital asset transactions during the year include:

- Addition of construction in progress on wells for the Water Districts
- Construction in progress for Airport
- Construction in progress for the County and City School Systems
- Construction in progress for County buildings

SAMPSON COUNTY'S CAPITAL ASSETS
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 6,172,038	\$ 6,073,931	\$ 225,319	\$ 148,411	\$ 6,397,357	\$ 6,222,342
Buildings and systems	119,372,733	92,092,419	-	-	119,372,733	92,092,419
Machinery and equipment	6,233,969	6,538,281	25,299,792	26,100,143	31,533,761	32,638,424
Vehicles and motorized equipment	2,329,955	2,286,833	67,224	15,875	2,397,179	2,302,708
Construction in progress	<u>7,438,782</u>	<u>33,566,458</u>	<u>372,985</u>	<u>134,029</u>	<u>7,811,767</u>	<u>33,700,487</u>
Total	<u>\$ 141,547,477</u>	<u>\$ 140,557,922</u>	<u>\$ 25,965,320</u>	<u>\$ 26,398,458</u>	<u>\$ 167,512,797</u>	<u>\$ 166,956,380</u>

Additional information on the County's capital assets can be found in note III.A.5 of the Basic Financial Statements.

Long-term Debt. As of June 30, 2011, Sampson County had total bonded debt outstanding of \$12,328,500 which is debt backed by the full faith and credit of the Water and Sewer Districts. The County also had \$72,730,358 outstanding in installment/purchase contracts, \$13,180,000 outstanding in installment purchase revenue bonds and \$51,910,000 outstanding in Certificates of Participation – all of which are being paid from general fund, school capital reserve fund, NC Education Lottery and water district service revenues.

Sampson County's Outstanding Debt
General Obligation, Revenue Bonds, Installment Purchase and Certificates of Participation

	Governmental		Business-type		Total	
	Activities		Activities			
	2011	2010	2011	2010	2011	2010
General Obligation Bonds	\$ -	\$ -	\$ 12,328,500	\$ 12,531,000	\$ 12,328,500	\$ 12,531,000
Revenue Bonds	13,180,000	14,280,000	-	-	13,180,000	14,280,000
Installment Purchase	70,728,410	66,453,111	2,001,948	2,161,404	72,730,358	68,614,515
Certificates of Participation	<u>51,910,000</u>	<u>53,485,000</u>	<u>-</u>	<u>-</u>	<u>51,910,000</u>	<u>53,485,000</u>
Total	<u>\$ 135,818,410</u>	<u>\$ 134,218,111</u>	<u>\$ 14,330,448</u>	<u>\$ 14,692,404</u>	<u>\$ 150,148,858</u>	<u>\$ 148,910,515</u>

Sampson County's total debt increased by \$2,610,680 or two percent (2%) during the past fiscal year, primarily due to the issuance of Installment Purchases for the for the construction of the new Clinton High School, Roseboro Elementary School and an increase in the other post-employment benefits liability.

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 Sampson County is \$142,264,241.

Additional information regarding Sampson County's long-term debt can be found in note III.B.8 of this audited financial report.

Economic Factors and Next Year's Budgets and Rates

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

- The County's unemployment rate as of December, 2010 of 8.7% was lower than the state average of 10.6%
- The property tax base grew .04%
- The tax collection rate of approximately 95% increased .30% for the year
- Sales tax collections dropped 2.61%. The drop in sales tax was due partially to legislation enacted by the State Legislature that took over the payment of the County's share of Medicaid. Sales tax collections did exceed budget by approximately seven percent (7%)

Some of these factors and others were considered when management prepared Sampson County's budget ordinance for the 2012 fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2012

Governmental Activities: Sampson County is currently working on capital construction projects to be of approximately \$112.9 million to be completed within a five year period -- \$110 for school construction and \$ 2.9 million for government buildings. In fiscal year June 30, 2012, the County tax rate was reduced to \$.785 cents per \$100 of value. The reduction was due to the implementation of new values for real property. The County completed the octennial revaluation during this fiscal year. The tax equivalent rate was computed to be \$.77 cents per \$100 of value. The County's adoption of the \$.785 cents per \$100 value represented a tax increase of \$.015 cents per \$100 of taxable value. The total operating budget decreased by approximately \$4,000,000, primarily due to increases in debt service requirements and the grant funding to operate a new Head Start Program.

General Fund revenues are projected to increase \$1,813,291 or two percent (2%). Increases in property tax revenue and ambulance charges represent the largest increases in revenues.

Budgeted expenditures in the General Fund are expected to increase two percent (2%) to \$75,935,295. The largest increases are in costs for new software for the Tax Office, and costs for public safety activities.

Business-type Activities: The water rates in the County will remain steady. General operating expenses are expected to remain steady.

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 Finance Officer, Sampson County, P.O. Box 257, Clinton, N.C. 28329.



BASIC FINANCIAL STATEMENTS



**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF NET ASSETS**

Exhibit 1

June 30, 2011

	Primary Government			Component Unit	Component Unit
	Governmental	Business-Type	Total	Sampson County	Sampson
	Activities	Activities		Tourism Development Authority	Reg. Medical Center, Inc.
ASSETS					
Cash and cash equivalents	\$ 28,604,320	\$ 2,051,980	\$ 30,656,300	\$ 82,650	\$ 4,268,246
Receivables (net)	12,270,363	236,378	12,506,741	6,490	6,476,565
Inventories	6,852	87,042	93,894	-	1,357,892
Internal balances	-	-	-	-	-
Prepays	-	-	-	-	471,257
Restricted cash and cash equivalents	1,820,519	-	1,820,519	-	15,312,291
Investment in joint venture	-	-	-	-	1,539,424
Deferred Issuance Cost	377,672	-	377,672	-	-
Capital assets:					
Land, improvements, and construction in progress	13,610,820	598,304	14,209,124	-	1,851,759
Other capital assets, net of depreciation	127,936,657	25,367,016	153,303,673	-	25,591,002
Total capital assets	141,547,477	25,965,320	167,512,797	-	27,442,761
Total assets	<u>\$184,627,203</u>	<u>\$ 28,340,720</u>	<u>\$212,967,923</u>	<u>\$ 89,140</u>	<u>\$ 56,868,436</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ 4,698,855	\$ 142,897	\$ 4,841,752	\$ 955	\$ 4,097,401
Miscellaneous liabilities	-	-	-	-	1,274,217
Unearned revenue	66,030	-	66,030	-	-
Customer deposits	-	-	-	-	-
Long-term liabilities:					
Due within one year	4,953,138	379,603	5,332,741	-	3,747,758
Due in more than one year	138,721,792	14,030,991	152,752,783	-	11,467,971
Total liabilities	<u>148,439,815</u>	<u>14,553,491</u>	<u>162,993,306</u>	<u>955</u>	<u>20,587,347</u>
NET ASSETS					
Invested in capital assets, net of net of related debt	22,214,777	11,634,871	33,849,648	-	14,646,754
Restricted for:					
Stabilization by state statute	8,807,638	-	8,807,638	6,490	-
Public safety	548,878	-	548,878	-	-
Debt Service	1,723,524	-	1,723,524	-	-
Education	6,173,510	-	6,173,510	-	-
Capital acquisitions	-	-	-	-	246,867
Unrestricted	(3,280,939)	2,152,358	(1,128,581)	81,695	21,387,468
Total net assets	<u>\$ 36,187,388</u>	<u>\$ 13,787,229</u>	<u>\$ 49,974,617</u>	<u>\$ 88,185</u>	<u>\$ 36,281,089</u>

The accompanying notes are an integral part of this financial statement

**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES**

**Exhibit 2
Page 1 of 2**

For the 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	\$ 9,539,388	\$ 2,398,029	\$ -	\$ -
Public safety	16,927,712	4,925,245	721,152	-
Environmental protection	1,065,743	9,083	139,358	-
Economic and physical development	994,607	85,305	7,755	1,766,632
Human services	22,640,670	1,520,777	15,723,270	-
Education	11,425,940	-	-	-
Culture and recreation	2,026,767	306,036	141,073	-
Interest on long-term debt	5,780,459	-	-	-
Total governmental activities	<u>70,401,286</u>	<u>9,244,475</u>	<u>16,732,608</u>	<u>1,766,632</u>
Business-type activities:				
Water District II	2,139,858	2,021,883	-	-
Water District I	487,112	580,717	-	-
Total business-type activities	<u>2,626,970</u>	<u>2,602,600</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 73,028,256</u>	<u>\$ 11,847,075</u>	<u>\$ 16,732,608</u>	<u>\$ 1,766,632</u>
Component unit:				
Sampson County Tourism Dev Authority	53,889	9,500	-	-
Sampson Regional Medical Ctr. Inc.	58,599,743	59,049,660	-	55,077
Total component unit	<u>\$ 58,653,632</u>	<u>\$ 59,059,160</u>	<u>\$ -</u>	<u>\$ 55,077</u>

The accompanying notes are an integral part of this financial statement

**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES**

**Exhibit 2
Page 2 of 2**

For the Year Ended June 30, 2011

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets				
	Primary Government			Component Unit	Component Unit
	Governmental Activities	Business-Type Activities	Total	Sampson County Tourism Development Authority	Sampson Reg. Medical Center, Inc.
Primary Government:					
Governmental Activities:					
General government	\$ (7,141,359)	\$ -	\$ (7,141,359)		
Public safety	(11,281,315)	-	(11,281,315)		
Environmental protection	(917,302)	-	(917,302)		
Economic and physical development	865,085	-	865,085		
Human services	(5,396,623)	-	(5,396,623)		
Education	(11,425,940)	-	(11,425,940)		
Culture and recreation	(1,579,658)	-	(1,579,658)		
Interest on long-term debt	(5,780,459)	-	(5,780,459)		
Total governmental activities	<u>(42,657,571)</u>	<u>-</u>	<u>(42,657,571)</u>		
Business-type activities:					
Water District II	-	(117,975)	(117,975)		
Water District I	-	93,605	93,605		
Total business-type activities	<u>-</u>	<u>(24,370)</u>	<u>(24,370)</u>		
Total primary government	<u>\$ (42,657,571)</u>	<u>\$ (24,370)</u>	<u>\$ (42,681,941)</u>		
Component units:					
Sampson County Tourism Dev Authority				\$ (44,389)	\$ -
Sampson Regional Medical Ctr. Inc.				-	504,994
Total component units				<u>\$ (44,389)</u>	<u>\$ 504,994</u>
General revenues:					
Taxes:					
Property taxes, levied for general purpose	31,354,999	-	31,354,999	-	-
Other taxes and fees	8,631,676	-	8,631,676	60,292	-
Investment earnings, unrestricted	376,257	3,404	379,661	-	450,543
Miscellaneous, unrestricted	175,999	-	175,999	-	50,958
Total general revenues excluding transfers	40,538,931	3,404	40,542,335	60,292	501,501
Transfers	(26,600)	26,600	-	-	-
Total general revenues and transfers	<u>40,512,331</u>	<u>30,004</u>	<u>40,542,335</u>	<u>60,292</u>	<u>501,501</u>
Change in net assets	(2,145,240)	5,634	(2,139,606)	15,903	1,006,495
Net assets - beginning	38,332,628	13,781,595	52,114,223	72,282	35,274,594
Net assets - ending	<u>\$ 36,187,388</u>	<u>\$ 13,787,229</u>	<u>\$ 49,974,617</u>	<u>\$ 88,185</u>	<u>\$ 36,281,089</u>

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2011

Exhibit 3
Page 1 of 2

	General	Major		
		Schools Capital Reserve	School Construction Fund	Airport Apron 19.6.1
ASSETS				
Cash and cash equivalents	\$ 14,841,899	\$ -	\$ -	\$ -
Restricted cash	1,820,519	4,635,223	2,446,328	-
Taxes receivable (net)	2,844,855	-	-	-
Accounts receivable	4,407,433	499,214	891,863	1,616,632
Due from other funds	2,701,613	-	-	-
Inventories	6,852	-	-	-
Total Assets	<u>\$ 26,623,171</u>	<u>\$ 5,134,437</u>	<u>\$ 3,338,191</u>	<u>\$ 1,616,632</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,606,631	\$ -	\$ 908,041	\$ 62,333
Due to general fund	-	-	-	1,605,801
Deferred revenues	2,910,885	-	-	-
Liabilities to be paid from restricted assets	-	-	-	-
Total Liabilities	<u>4,517,516</u>	<u>-</u>	<u>908,041</u>	<u>1,668,134</u>
Fund balances:				
Nonspendable				
Inventory	6,852	-	-	-
Restricted				
Stabilization by state statute	4,527,944	499,214	891,863	1,616,632
Public safety	96,995	-	-	-
Debt service	1,723,524	-	-	-
Education	-	4,635,223	1,538,287	-
Committed				
Economic development	-	-	-	-
Assigned				
Subsequent year's expenditures	3,195,813	-	-	-
Unassigned	12,554,527	-	-	(1,668,134)
Total fund balances	<u>22,105,655</u>	<u>5,134,437</u>	<u>2,430,150</u>	<u>(51,502)</u>
Total liabilities and fund balances	<u>\$ 26,623,171</u>	<u>\$ 5,134,437</u>	<u>\$ 3,338,191</u>	<u>\$ 1,616,632</u>

The accompanying notes are an integral part of this financial statement

**SAMPSON COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2011**

**Exhibit 3
Page 2 of 2**

	Major	Non-Major	
	Head Start	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ -	\$ 2,993,958	\$ 17,835,857
Restricted cash	-	-	8,902,070
Taxes receivable (net)	-	146,188	2,991,043
Accounts receivable	926,538	345,447	8,687,127
Due from other funds	-	-	2,701,613
Inventories	-	-	6,852
Total Assets	\$ 926,538	\$ 3,485,593	\$ 41,124,562
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 82,914	\$ 173,147	\$ 2,833,066
Due to general fund	819,303	276,509	2,701,613
Deferred revenues	-	146,188	3,057,073
Liabilities to be paid from restricted assets	-	-	-
Total Liabilities	902,217	595,844	8,591,752
Fund balances:			
Nonspendable			
Inventory	-	-	6,852
Restricted			
Stabilization by state statute	926,538	345,447	8,807,638
Public safety	-	451,883	548,878
Debt service	-	-	1,723,524
Education	-	-	6,173,510
Committed			
Economic development	-	-	-
Assigned			
Subsequent year's expenditures	-	826,763	4,022,576
Unassigned	(902,217)	1,265,656	11,249,832
Total fund balances	24,321	2,889,749	32,532,810
Total liabilities and fund balances	\$ 926,538	\$ 3,485,593	

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	141,547,477
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds	969,706
Liabilities for earned but deferred revenues in fund statements	2,991,043
Balance for unearned income	(2,113,775)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note 4)	(137,678,377)
Pension and other post-employment benefits liability	(5,742,745)
Internal service fund allocation	3,681,249
	\$ 36,187,388

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit 4
Page 1 of 3

	Major			
	General	Schools Capital Reserve	School Construction Fund	Airport Apron 19.6.1
REVENUES				
Ad Valorem taxes	\$ 29,393,377	\$ -	\$ -	\$ -
Other taxes and licenses	6,485,208	1,916,697	-	-
Intergovernmental Revenues:				
Restricted	11,704,757	-	-	1,616,632
Permits and fees	687,900	-	-	-
Sales and services	6,225,935	-	-	-
Investment earnings	39,450	8,953	109	-
Miscellaneous	2,614,017	-	-	-
Total revenues	<u>57,150,644</u>	<u>1,925,650</u>	<u>109</u>	<u>1,616,632</u>
EXPENDITURES				
Current:				
General government	5,298,017	-	-	-
Public safety	13,707,026	-	-	-
Environmental protection	990,962	-	-	-
Economic and physical development	986,760	-	-	-
Human services	17,220,767	-	-	-
Culture and recreation	2,004,140	-	-	-
Education	11,325,926	-	-	-
Debt service				
Principal	3,887,136	-	-	-
Interest and fees	5,766,058	-	-	-
Administration	42,804	-	-	-
Capital expansion	-	-	4,260,704	198,342
Total expenditures	<u>61,229,596</u>	<u>-</u>	<u>4,260,704</u>	<u>198,342</u>
Excess (deficiency) of revenues over expenditures	<u>(4,078,952)</u>	<u>1,925,650</u>	<u>(4,260,595)</u>	<u>1,418,290</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,835,507	-	-	-
Transfers out	(91,057)	(2,715,751)	(1,094,019)	-
Installment purchase debt issued	-	-	5,480,081	-
Total other financing sources (uses)	<u>3,744,450</u>	<u>(2,715,751)</u>	<u>4,386,062</u>	<u>-</u>
Net change in fund balance	(334,502)	(790,101)	125,467	1,418,290
Fund balances-beginning	22,440,157	5,924,538	2,304,683	(1,469,792)
Fund balances-ending	<u>\$ 22,105,655</u>	<u>\$ 5,134,437</u>	<u>\$ 2,430,150</u>	<u>\$ (51,502)</u>

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit 4
Page 2 of 3

	<u>Head Start</u>	<u>Non-Major Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Ad Valorem taxes	\$ -	\$ 2,103,037	\$ 31,496,414
Other taxes and licenses	-	-	8,401,905
Intergovernmental Revenues:			
Restricted	4,044,202	666,655	18,032,246
Permits and fees	-	568,166	1,256,066
Sales and services	-	-	6,225,935
Investment earnings	-	4,290	52,802
Miscellaneous	-	1,134	2,615,151
Total revenues	<u>4,044,202</u>	<u>3,343,282</u>	<u>68,080,519</u>
EXPENDITURES			
Current:			
General government	-	356,146	5,654,163
Public safety	-	2,253,176	15,960,202
Environmental protection	-	2,512	993,474
Economic and physical development	-	-	986,760
Human services	4,070,611	686,891	21,978,269
Culture and recreation	-	-	2,004,140
Education	-	-	11,325,926
Debt service			
Principal	-	-	3,887,136
Interest and fees	-	-	5,766,058
Administration	-	-	42,804
Capital expansion	-	24,836	4,483,882
Total expenditures	<u>4,070,611</u>	<u>3,323,561</u>	<u>73,082,814</u>
Excess (deficiency) of revenues over expenditures	<u>(26,409)</u>	<u>19,721</u>	<u>(5,002,295)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	64,457	3,899,964
Transfers out	-	(25,737)	(3,926,564)
Installment purchase debt issued	-	7,354	5,487,435
Total other financing sources (uses)	<u>-</u>	<u>46,074</u>	<u>5,460,835</u>
Net change in fund balance	(26,409)	65,795	458,540
Fund balances-beginning	<u>50,730</u>	<u>2,823,954</u>	<u>32,074,270</u>
Fund balances-ending	<u>\$ 24,321</u>	<u>\$ 2,889,749</u>	<u>\$ 32,532,810</u>

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit 4
Page 3 of 3

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

Net changes in fund balances - total governmental funds	\$ 458,540
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 capital outlays exceeded depreciation in the current period.	989,555
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(56,864)
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.	(1,600,299)
Difference in insurance expense between fund statements (modified accrual) and government-wide statements (full accrual) due to the allocation of profit from internal service fund	(448,170)
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.	<u>(1,488,002)</u>
Total changes in net assets of governmental funds	<u>\$ (2,145,240)</u>

The accompanying notes are an integral part of this financial statement

SAMPSON 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

Exhibit 5
Page 1 of 4

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Revenues				
Ad Valorem taxes	\$ 28,548,738	\$ 28,548,738	\$ 29,393,377	\$ 844,639
Other taxes and licenses	6,129,275	6,129,275	6,485,208	355,933
Intergovernmental Revenues:				
Restricted	12,703,526	12,818,588	11,704,757	(1,113,831)
Permits and fees	610,450	672,550	687,900	15,350
Sales and services	6,081,640	6,167,772	6,225,935	58,163
Investment earnings	60,000	60,000	39,450	(20,550)
Miscellaneous	<u>2,476,120</u>	<u>2,492,416</u>	<u>2,614,017</u>	<u>121,600</u>
Total revenues	<u>56,609,749</u>	<u>56,889,339</u>	<u>57,150,644</u>	<u>261,304</u>
Expenditures				
Current:				
General government	5,471,764	5,795,273	5,298,017	497,256
Public safety	14,227,290	14,372,007	13,707,026	664,981
Environmental protection	1,039,136	1,105,781	990,962	114,819
Economic and physical dev	1,001,773	1,211,446	986,760	224,686
Human services	18,781,901	18,223,321	17,220,767	1,002,554
Education	11,171,712	11,691,121	11,325,926	365,195
Culture and recreation	2,330,963	2,158,325	2,004,140	154,185
Debt service				
Principal	3,889,142	3,889,142	3,887,136	2,006
Interest and fees	6,465,885	6,465,885	5,766,058	699,827
Administration	78,249	78,249	42,804	35,445
Contingency	<u>350,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total expenditures	<u>64,807,815</u>	<u>65,240,550</u>	<u>61,229,596</u>	<u>4,010,954</u>
Revenues over (under) expenditures	<u>(8,198,066)</u>	<u>(8,351,211)</u>	<u>(4,078,952)</u>	<u>4,272,258</u>
Other Financing Sources (Uses)				
Transfers in	3,944,926	4,208,192	3,835,507	(372,685)
Transfers out	(125,003)	(91,057)	(91,057)	-
Loan proceeds	<u>394,983</u>	<u>394,983</u>	<u>-</u>	<u>(394,983)</u>
Total other financing sources (uses)	<u>4,214,906</u>	<u>4,512,118</u>	<u>3,744,450</u>	<u>(767,668)</u>

The accompanying notes are an integral part of this financial statement

**SAMPSON 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**

**Exhibit 5
Page 2 of 4**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Positive (Negative)
Revenues and Other Sources Over				
(Under) Expenditures and Other Uses	(3,983,160)	(3,839,093)	(334,502)	3,504,591
Appropriated Fund Balance	<u>3,983,160</u>	<u>3,839,093</u>	<u>-</u>	<u>(3,839,093)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(334,502)	<u>\$ (334,502)</u>
Fund balance -beginning			<u>22,440,157</u>	
Fund balance - ending			<u>\$ 22,105,655</u>	

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL-SCHOOLS CAPITAL RESERVE FUND
For the Fiscal Year Ended June 30, 2011

Exhibit 5
Page 3 of 4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Positive (Negative)
Revenues				
Other taxes and licenses	\$ 1,725,170	\$ 1,725,170	\$ 1,916,697	\$ 191,527
Investment earnings	<u>-</u>	<u>-</u>	<u>8,953</u>	<u>8,953</u>
Total revenues	<u>1,725,170</u>	<u>1,725,170</u>	<u>1,925,650</u>	<u>200,480</u>
Other Financing Sources (Uses)				
Transfers (out)				
To General Fund for:				
County schools capital outlay	(607,737)	(871,003)	(640,546)	230,457
City schools capital outlay	(217,433)	(217,433)	(75,205)	142,228
Debt service	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>
Total other financing uses	<u>(2,825,170)</u>	<u>(3,088,436)</u>	<u>(2,715,751)</u>	<u>372,685</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(1,100,000)</u>	<u>(1,363,266)</u>	<u>(790,101)</u>	<u>573,165</u>
Appropriated Fund Balance	<u>1,100,000</u>	<u>1,363,266</u>	<u>-</u>	<u>(1,363,266)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(790,101)	<u>\$ (790,101)</u>
Fund balance - beginning			<u>5,924,538</u>	
Fund balance - ending			<u>\$ 5,134,437</u>	

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL-HEAD START
For the Fiscal Year Ended June 30, 2011

Exhibit 5
Page 4 of 4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Positive (Negative)
Revenues				
Intergovernmental Revenues:				
Restricted	<u>2,615,696</u>	<u>5,022,918</u>	<u>4,044,202</u>	<u>\$ (978,716)</u>
Total revenues	<u>2,615,696</u>	<u>5,022,918</u>	<u>4,044,202</u>	<u>(978,716)</u>
Expenditures				
Current:				
Human services	<u>2,615,696</u>	<u>5,022,918</u>	<u>4,070,611</u>	<u>952,307</u>
Total expenditures	<u>2,615,696</u>	<u>5,022,918</u>	<u>4,070,611</u>	<u>952,307</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(26,409)</u>	<u>(26,409)</u>
Other Financing Sources (Uses)				
Transfers in	-			-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>-</u>	<u>-</u>	<u>(26,409)</u>	<u>(26,409)</u>
Appropriated Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(26,409)</u>	<u>\$ (26,409)</u>
Fund balance - beginning			<u>50,730</u>	
Fund balance - ending			<u>\$ 24,321</u>	

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2011

Exhibit 6

	Major		Total	Internal Service Fund
	Water and Sewer District II	Water and Sewer District I		
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 794,293	\$ 1,257,687	\$ 2,051,980	\$ 3,686,912
Accounts receivable (net)	271	79	350	159
Water fees receivable (net)	174,919	61,109	236,028	-
Inventory	67,893	19,149	87,042	-
Total current assets	<u>1,037,376</u>	<u>1,338,024</u>	<u>2,375,400</u>	<u>3,687,071</u>
Noncurrent assets:				
Capital assets:				
Land, improvements, and construction in progress	581,497	16,807	598,304	-
Other capital assets net of depreciation	<u>23,008,998</u>	<u>2,358,018</u>	<u>25,367,016</u>	<u>-</u>
Total capital assets	<u>23,590,495</u>	<u>2,374,825</u>	<u>25,965,320</u>	<u>-</u>
Total assets	<u>24,627,871</u>	<u>3,712,849</u>	<u>28,340,720</u>	<u>3,687,071</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	118,788	24,109	142,897	5,822
Compensated absences	5,535	3,113	8,648	-
Notes payable	139,005	20,450	159,455	-
General obligation bonds payable	<u>190,000</u>	<u>21,500</u>	<u>211,500</u>	<u>-</u>
Total Current Liabilities	<u>453,328</u>	<u>69,172</u>	<u>522,500</u>	<u>5,822</u>
Noncurrent liabilities:				
Compensated absences	9,026	4,766	13,792	-
Other post-employment benefits	37,221	20,484	57,705	-
Notes payable	1,760,694	81,800	1,842,494	-
General obligation bonds payable	<u>11,257,000</u>	<u>860,000</u>	<u>12,117,000</u>	<u>-</u>
Total noncurrent liabilities	<u>13,063,941</u>	<u>967,050</u>	<u>14,030,991</u>	<u>-</u>
Total liabilities	<u>13,517,269</u>	<u>1,036,222</u>	<u>14,553,491</u>	<u>5,822</u>
NET ASSETS				
Invested in capital assets, net of related debt	10,243,796	1,391,075	11,634,871	-
Unrestricted	<u>866,806</u>	<u>1,285,552</u>	<u>2,152,358</u>	<u>3,681,249</u>
Total net assets	<u>\$ 11,110,602</u>	<u>\$ 2,676,627</u>	<u>\$ 13,787,229</u>	<u>\$ 3,681,249</u>

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit 7

	Major		Total	Internal Service Fund
	Water and Sewer District II	Water and Sewer District I		
OPERATING REVENUES				
Charges for services	\$ 1,896,297	\$ 550,538	\$ 2,446,835	\$ 4,746,577
Water tap fees	45,060	9,700	54,760	-
Miscellaneous	80,526	20,479	101,005	323,455
Total operating revenues	<u>2,021,883</u>	<u>580,717</u>	<u>2,602,600</u>	<u>5,070,032</u>
OPERATING EXPENSES				
Administration	263,047	61,453	324,500	-
Water Distribution	408,406	202,980	611,386	-
Operations and maintenance	153,546	70,269	223,815	-
Depreciation	701,600	100,090	801,690	-
Claims paid	-	-	-	5,523,008
Total operating expenses	<u>1,526,599</u>	<u>434,792</u>	<u>1,961,391</u>	<u>5,523,008</u>
Operating income (loss)	<u>495,284</u>	<u>145,925</u>	<u>641,209</u>	<u>(452,976)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest earnings	1,362	2,042	3,404	4,806
Interest expense	(613,259)	(52,320)	(665,579)	-
Total nonoperating revenues (expenses)	<u>(611,897)</u>	<u>(50,278)</u>	<u>(662,175)</u>	<u>4,806</u>
Income (loss) before contributions and transfers	(116,613)	95,647	(20,966)	(448,170)
Transfer from general fund	<u>26,600</u>	<u>-</u>	<u>26,600</u>	<u>-</u>
Change in net assets	(90,013)	95,647	5,634	(448,170)
Total net assets - beginning	<u>11,200,615</u>	<u>2,580,980</u>	<u>13,781,595</u>	<u>4,129,419</u>
Total net assets - ending	<u>\$ 11,110,602</u>	<u>\$ 2,676,627</u>	<u>\$ 13,787,229</u>	<u>\$ 3,681,249</u>

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit 8
Page 1 of 2

	Major		Total	Internal Service Fund
	Water and Sewer District II	Water and Sewer District I		
Cash flows from operating activities:				
Cash received from customers	\$ 1,918,035	\$ 576,944	\$ 2,494,979	\$ 4,758,459
Cash paid for goods and services	(546,668)	(276,368)	(823,036)	(5,674,625)
Cash paid to employees for services	(243,265)	(76,342)	(319,607)	
Customer deposits received	-	-	-	-
Customer deposits returned	-	-	-	-
Other operating revenues	47,116	13,679	60,795	323,455
Net cash provided (used) by operating activities	<u>1,175,218</u>	<u>237,913</u>	<u>1,413,131</u>	<u>(592,711)</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	26,600	-	26,600	-
Net cash provided by noncapital and related financing activities	26,600	-	26,600	
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(342,208)	(26,344)	(368,552)	-
Principal paid on bond maturities and equipment contracts	(321,005)	(40,950)	(361,955)	-
Interest paid on bond maturities and equipment contracts	(614,450)	(52,499)	(666,949)	-
Net cash provided (used) by capital and related financing activities	<u>(1,277,663)</u>	<u>(119,793)</u>	<u>(1,397,456)</u>	<u>-</u>
Cash flows from investing activities:				
Interest	1,362	2,043	3,405	4,806
Net increase (decrease) in cash and cash equivalents	(74,483)	120,163	45,680	(587,905)
Cash and cash equivalents, July 1	868,776	1,137,524	2,006,300	4,274,817
Cash and cash equivalents, June 30	<u>\$ 794,293</u>	<u>\$ 1,257,687</u>	<u>\$ 2,051,980</u>	<u>\$ 3,686,912</u>

The accompanying notes are an integral part of this financial statement

SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit 8
Page 2 of 2

	Major		Total	Internal Service Fund
	Water and Sewer District II	Water and Sewer District I		
Reconciliation of operating income to net cash provided by operating activities				
Operating income (loss)	\$ 495,284	\$ 145,925	\$ 641,209	\$ (452,976)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	701,600	100,090	801,690	-
Changes in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(7,367)	(8,380)	(15,747)	120
Inventory	(17,988)	(5,048)	(23,036)	-
Increase (decrease) in liabilities:				
Accounts payable & accrued liab.	(8,658)	(1,562)	(10,220)	(139,855)
Other post-employment benefits	12,347	6,888	19,235	-
Total adjustments	<u>679,934</u>	<u>91,988</u>	<u>771,922</u>	<u>(139,735)</u>
Net cash provided (used) by operating activities	<u>\$ 1,175,218</u>	<u>\$ 237,913</u>	<u>\$ 1,413,131</u>	<u>\$ (592,711)</u>

The accompanying notes are an integral part of this financial statement

**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2011**

Exhibit 9

	Pension Trust Fund	Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 287,488	\$ 735,032
Accounts receivable	-	37,847
Total assets	<u>\$ 287,488</u>	<u>\$ 772,879</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued liabilities	\$ -	\$ 461,015
Miscellaneous liabilities	-	311,864
Total liabilities	<u>-</u>	<u>772,879</u>
Net assets:		
Assets held in trust for pension benefits	<u>\$ 287,488</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement

**SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2011**

Exhibit 10

	<u>Pension Trust Fund</u>
Additions:	
Employer Contributions	\$ 30,000
Investment income	
Interest	<u>257</u>
Total Additions	30,257
Deductions:	
Benefits	<u>12,323</u>
Total Deductions	<u>12,323</u>
Change in net assets	17,934
Net assets - beginning	<u>269,554</u>
Net assets - ending	<u>\$ 287,488</u>

The accompanying notes are an integral part of this financial statement

SAMPSON 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 Sampson County and its component units conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a 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. Sampson County Water & Sewer Districts I and II (the Districts) exist to provide and maintain a water system for the County residents within the Districts. The Districts are reported as an enterprise fund in the County's financial statements. Sampson County Industrial Facility and Pollution Control Financing Authority (the IFP Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. Sampson Area Development Corporation (the Corporation) exists to issue debt for the construction of public buildings, school buildings, and shell buildings for economic development purposes. The Corporation has no financial transactions or account balances; therefore, it is not presented in the basic financial statements. Sampson Regional Medical Center, Incorporated (the Hospital), which has a September 30 year-end is presented as if it is a separate proprietary fund of the County (discrete presentation). Sampson County Tourism Development Authority (the Authority) is presented as if it is a separate proprietary fund of the County (discrete presentation) and was created to promote travel and tourism in Sampson County using an occupancy tax levied on gross receipts from accommodations. The blended presentation method presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

Component Unit	Report Method	Criteria for Inclusion	Separate Financial Statements
Sampson County Water & Sewer Districts I and II	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the Districts	None issued
Sampson County Industrial Facility and Pollution Control Authority	Discrete	The Authority is governed by a seven-member board of commissioners that is appointed by the county commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued
Sampson Area Development Corporation	Discrete	The Corporation is governed by a five-member board of directors that is appointed by the county commissioners. The County can remove any director of the Corporation with or without cause.	None issued
Sampson Regional Medical Center, Incorporated.	Discrete	The Hospital is a public hospital operated by a not-for-profit corporation which has leased the hospital facilities from the County. The County appoints the board of trustees for the hospital. The County also issues debt for Hospital buildings and equipment.	Sampson Regional Medical Center, Inc. 607 Beamon Street Clinton, NC 28328
Sampson County Tourism Development Authority	Discrete	The Authority is governed by a twelve-member board of directors that is appointed by the county commissioners. The County can remove any director of the Corporation with or without cause.	Sampson County Finance Office PO Box 257 Clinton, NC 28329

SAMPSON COUNTY, NORTH CAROLINA
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For the Fiscal Year Ended June 30, 2011

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

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

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

The County reports the following major governmental funds:

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

School Capital Reserve Fund: This fund accounts for receipts and disbursements of sales tax funds that are earmarked for school capital outlay and debt service.

School Construction Capital Project Fund: This fund accounts for the resources and costs to build and renovate school buildings in the County.

Airport Expansion Apron Capital Project Fund: This fund accounts for the resources and costs to build and expand the Clinton-Sampson Airport.

**SAMPSON COUNTY, NORTH CAROLINA
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For the Fiscal Year Ended June 30, 2011**

Head Start Fund: This fund accounts for the resources and costs to operate the Head Start program.

The County reports the following major enterprise funds:

Sampson County Water District II Fund: This fund is used to account for the operations of Water and Sewer District II within the County.

Sampson County Water District I Fund: This fund is used to account for the operations of Water and Sewer District I within the County.

The County reports the following fund types:

Pension Trust Fund. The County has a Pension Trust Fund- the Special Separation Allowance Fund. Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans or defined contribution plans. The Special Separation Allowance Fund, that accounts for the Law Enforcement Officers' Special Separation Allowance, a single-employer, public employee retirement system.

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 the following agency funds: the Social Services Fund, which accounts for moneys deposited with the Department of Social Services for the benefit of certain individuals; 4-H fund, which accounts for moneys deposited with County for use by the 4-H program; Tax Collection Fund, which accounts for property taxes billed and collected for various municipalities within the County; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Sampson County Boards of Education; Motor Vehicle 3% Interest Fund, which accounts for 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; Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed and collected by the County for various municipalities and special districts within the County; Detention Center Trust Fund, which accounts for monies deposited with the County for use by inmates at the County Detention Center; Miscellaneous Agency Funds; which accounts for monies deposited with the County for use by various boards and organization in the County.

Internal Service Fund. Internal service funds are proprietary in nature and account for services performed by one government organization or department for others. Sampson County has one Internal Service Fund, the Employee Health Insurance Fund. This fund pays for the health care of permanent County employees.

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

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as 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, Sampson 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 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.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

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, the Special Revenue Funds (excluding grant projects), Debt Service Funds and the Enterprise Funds. All annual appropriations lapse at the fiscal year end. Project ordinances are adopted for the Capital Projects Fund, the Special Revenue Grant Projects, and the Enterprise Capital Projects Fund, which are consolidated with the related enterprise operating fund 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, at the object level for the multi-year funds. The balances in the Capital Reserve Fund will be appropriated when transferred to a Capital Projects Fund in accordance with the project ordinance adopted for the Reserve Fund. Amendments are required for any revisions that alter total expenditures of any fund or that change functional appropriations. The governing body must approve all amendments. During the year, several amendments to the original budget were necessary, the effects of which were not material. 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.

D. Assets, Liabilities and Fund Equity

1. Deposits and Investments

All deposits of the County, the Authority and the Sampson Regional Medical Center, Inc. are made in board-designated official depositories and are secured as required by State law (G.S.159-31). The County, the Authority and the Hospital may designate, as an official depository, any bank or savings and loan association whose principal office is located in North Carolina. Also, the County, the Authority and the Hospital may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposits.

State law (G.S.159-30(c) authorizes the County, the Authority and the Hospital 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, the Authority and the Hospital's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7)

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

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 and the Authority pools money from several funds except the Pension Trust Fund, 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. Sampson Regional Medical Center, Inc. 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 Cash

Customer deposits held by the County before any services are supplied are restricted to the service for which the deposit was collected. Cash held for unspent funds for debt service, school capital and public safety as required by state statute or debt covenants.

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, 2010. As allowed by State law, the County has established a schedule of discounts that apply to taxes which 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 County are valued at cost (first-in, first-out), which approximates market. The Hospital inventories are valued at the lower of cost, derived primarily by use of the weighted average valuation method, or market. The County's General Fund inventory consists of expendable supplies that are recorded as expenditures when consumed. The inventories of the County's enterprise funds as well as those of the Hospital consist of materials and supplies held for consumption. The cost of the inventory carried in the County's enterprise funds and that of the Hospital is recorded as an expense as it is consumed. The Authority has no inventory.

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

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 minimum

**SAMPSON COUNTY, NORTH CAROLINA
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 For the Fiscal Year Ended June 30, 2011**

capitalization threshold for land, buildings, improvements, lines and other plant and distribution systems, furniture and equipment, and vehicles is \$2,500. 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 Sampson County and Clinton City Boards 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 Boards of Education give the Boards 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 Boards 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 Sampson County and Clinton City Boards of Education.

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

	<u>Years</u>
Buildings	40
Water distribution systems	40
Improvements	20
Furniture and equipment	5-20
Vehicles	3-10

Property and equipment acquisitions of the Hospital are recorded at cost. Property and equipment donated for hospital operations are recorded as additions to the donor-restricted plant replacement and expansion funds of the Hospital at fair value at the date of receipt and as a transfer to the Hospital's general fund balance when the assets are placed in service.

Depreciation of hospital property and equipment is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. Hospital equipment under capital leases is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Estimated useful lives of the assets are as follows:

	<u>Useful Life</u>
Land improvements	5 to 15 years
Buildings	5 to 40 years
Fixed equipment	8 to 20 years
Movable equipment	3 to 20 years
Vehicles	4 to 6 years

The Authority has no fixed assets.

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

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Compensated Absences

The vacation policies of the County and the Hospital 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 Hospital, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. The County has assumed a first in, first out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The sick leave policies of the County and the Hospital 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 none of the entities have any obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made by the County or its component units.

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.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

Inventories – portion of fund balance not available for appropriation because it represents the year-end fund balance of ending inventories, which are not expendable, available resources.

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

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

Restricted for Public Safety - portion of fund balance that is restricted by revenue source for E-911 expenditures, portion of fund balance that is restricted by revenue source for expenditures in the Sherriff's department and portion of fund balance that is restricted by revenue source for fire protection expenditures.

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

Restricted for Debt Service - portion of fund balance required to be maintained in accordance with debt covenants.

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by majority vote of Sampson 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 various departments – portion of fund balance not available for appropriation because it represents revenues that were for specific purposes.

Assigned Fund Balance - portion of fund balance that the Sampson 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.

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

Sampson County adheres to the North Carolina Local Government Commission's recommendation of a minimum fund balance for the general fund which instructs management to conduct the business of the County in such a manner that available fund balance does not go below eight percent of budgeted expenditures. Any portion of the general fund balance in excess of 8% of budgeted expenditures may be appropriated for one-time expenditures and may not be used for any purpose that would obligate the County in a future budget

SAMPSON 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 \$3,654,578 consists of several elements as follows:

<u>Description</u>	<u>Amount</u>
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)	\$ 168,028,128
Less accumulated depreciation	<u>26,480,651</u>
Net capital assets	141,547,477
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are not available and therefore deferred in the fund statements	592,034
Prepaid expenses for unamortized debt issuance costs	377,672
Accrued pension expense which is recorded on government-wide statement of net assets but not on fund statements because it is not a current financial liability	(122,217)
Accrued other post employment benefit which is recorded on government-wide statement of net assets but not on fund statements because it is not a current financial liability	(4,063,919)
Equity of internal service fund which is used by management to charge the costs of employee health insurance to individual funds is reported in the government-wide statements but not the fund statements	3,681,249
Liabilities for revenue deferred but earned and therefore reported in the funds statements but not the government-wide	2,991,043
Unearned revenue for unamortized premium received on debt issuance	(2,113,775)
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	(135,818,410)
Compensated absences	(1,556,609)
Accrued interest payable	<u>(1,859,967)</u>
Total adjustment	<u>\$ 3,654,578</u>

**SAMPSON 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 \$(2,603,780) as follows: (see next page)

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

<u>Description</u>	<u>Amount</u>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	\$ 5,405,096
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.	(4,415,541)
Loss on disposed capital assets not reported on the fund statements.	-
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net assets	(5,487,435)
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	3,887,136
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	(56,148)
Difference in insurance expense between fund statements (modified accrual) and government-wide (full accrual) due to allocation of profit from internal service fund	(448,170)
Difference in retirement expense between fund statements (modified accrual) and government-wide (full accrual) due to payments from law-enforcement officers special separation allowance pension fund, resulting in reduction of intangible asset	(10,081)
Other postemployment benefits are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(1,232,765)
Amortization of debt issuance costs	(15,107)
Compensated absences are accrued in the government-wide statements but not in the fund statements because they do not use current resources	(173,901)
Revenues reported in the statement of activities that do not provide current resources are not recorded as revenues in the fund statements.	
Increase in accrued interest on taxes receivable	(122,328)
Amortization of debt premium	84,551
Increase in accrued taxes receivable for year ended 6/30/11	(19,087)
Total adjustment	<u>\$ (2,603,780)</u>

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

II. Stewardship, Compliance and Accountability

A. Deficit Fund Balance or Net Assets of Individual Funds

The County experienced deficit fund balances in the following funds: Special Revenue Funds: Sampson Area Transportation Fund \$(6,468), Community Development SFR08 \$(2,214), Governor's Highway Safety Program \$(6,386), Community Development Infrastructure \$(352) and Recreation Western District Park \$(49,614). Capital Project Funds: Airport Taxiway 12.6.2 \$(2,335), Airport Apron 19.6.1 \$(51,502), Airport Construction 12.8.1 \$(8,109), Airport Construction 12.9.1 \$(56,379), and County Building Construction and Renovation \$(5,713). The deficits occurred because of the timing of payments Management intends to appropriate funds as necessary to cover deficit fund balance.

III. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's, Authority's and all of the Hospital'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 Hospital'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 Hospital, 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 Hospital or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the Hospital 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 and the Hospital rely on the State Treasurer to monitor those financial institutions. The County and the Hospital analyze the financial soundness of any other financial institution used by them. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and the Hospital do not have policies regarding custodial credit risk for deposits.

At June 30, 2011, the County's deposits had a carrying amount of \$8,440,427 and a bank balance of \$8,953,793. Of the bank balance, \$1,000,000 was covered by federal depository insurance, \$7,419,358 in interest bearing deposits were covered by collateral held under the Pooling Method and \$802,454 in interest bearing deposits were covered by collateral held under the dedicated method. At June 30, 2011, Sampson County had \$3,300 cash on hand.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

The Hospital's deposits had a carrying amount of \$3,548,237 and a bank balance of \$4,102,559 as of September 30, 2010, of the bank balance \$250,000 was secured by federal depository insurance, \$3,852,559 in interest bearing deposits were covered by collateral held under the Pooling Method.

The Authority's deposits had a carrying amount of \$82,650 and a bank balance of \$82,650 as of June 30, 2011, of the bank balance \$82,650 was in interest bearing deposits and were covered by collateral held under the Pooling Method.

2. Investments

At June 30, 2011, the County's investments consisted of \$25,055,612 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 County's investment balances were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 6 Months</u>	<u>6-12 Months</u>	<u>1-3 Years</u>
NC Capital Management Trust Cash Portfolio	\$25,055,727	\$25,055,727	N/A	N/A

At September 30, 2010, the Hospital's investments consisted of the following:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>2-3 Years</u>	<u>4 – 7 Years</u>
U.S. Treasury bonds (category 2)	\$12,173,216	\$ 2,069,259	\$10,103,957	-
FDIC Guaranteed Corporate Bonds	2,462,824	2,462,824	-	-
NC Capital Management Trust	<u>1,854,467</u>	<u>1,854,467</u>	<u>N/A</u>	<u>N/A</u>
Total:	<u>\$16,490,507</u>	<u>\$6,386,550</u>	<u>\$10,103,957</u>	-

3. Property Tax – Use Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forest land 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.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Year Levied	Tax	Interest	Total
2007	\$ 2,398,151	\$ 623,519	\$ 3,021,670
2008	2,415,621	410,656	2,826,277
2009	2,745,176	219,614	2,964,790
2010	2,793,264	-	2,793,264
	<u>\$ 10,352,212</u>	<u>\$ 1,253,789</u>	<u>\$ 11,606,001</u>

4. Receivables – Allowances for Doubtful Accounts

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	\$ 1,528,749	\$ 3,012,855	\$ 2,878,684	\$ -	\$ 7,420,288
Accrued interest	-	592,034	-	-	592,034
Other Governmental	-	155,988	4,279,694	159	4,435,841
Total receivables	1,528,749	3,760,877	7,158,378	159	12,448,163
Allowance for doubtful accounts	-	(177,800)	-	-	(177,800)
Total governmental activities	<u>\$ 1,528,749</u>	<u>\$ 3,583,077</u>	<u>\$ 7,158,378</u>	<u>\$ 159</u>	<u>\$ 12,270,363</u>
Business-type Activities					
Water Districts I and II	\$ 257,555	\$ -	\$ -	\$ 350	\$ 257,905
Total receivables	257,555	-	-	350	257,905
Allowance for doubtful accounts	(21,527)	-	-	-	(21,527)
Total business-type activities	<u>\$ 236,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350</u>	<u>\$ 236,378</u>

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

Local option sales tax	\$2,165,952
State & Federal Grants	<u>4,992,426</u>
Total	<u>\$7,158,378</u>

The Hospital's accounts receivable are presented net of the allowance for uncollectible accounts of \$8,013,000.

The Authority's accounts receivable are presented net of the allowance for uncollectible accounts of \$0.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

5. Capital Assets

Primary Government

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

	Beginning Balances	Increases Transfers In	Decreases Transfers Out	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 6,073,931	\$ 98,107	\$ -	\$ 6,172,038
Construction in progress	33,566,458	4,483,882	30,611,558	7,438,782
Total capital assets not being depreciated	<u>39,640,389</u>	<u>4,581,989</u>	<u>30,611,558</u>	<u>13,610,820</u>
Capital assets being depreciated:				
Buildings and improvements	105,395,561	30,535,931	-	135,931,492
Equipment	10,574,068	261,444	-	10,835,512
Vehicles and motor equipment	7,013,014	637,290	-	7,650,304
Total capital assets being depreciated	<u>122,982,643</u>	<u>31,434,665</u>	<u>-</u>	<u>154,417,308</u>
Less accumulated depreciation for:				
Buildings and improvements	13,303,142	3,255,617	-	16,558,759
Equipment	4,035,787	565,756	-	4,601,543
Vehicles and motor equipment	4,726,181	594,168	-	5,320,349
Total accumulated depreciation	<u>22,065,110</u>	<u>\$ 4,415,541</u>	<u>\$ -</u>	<u>26,480,651</u>
Total capital assets being depreciated, net	<u>100,917,533</u>			<u>127,936,657</u>
Governmental activity capital assets, net	<u>\$ 140,557,922</u>			<u>\$ 141,547,477</u>

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

General government	\$ 3,572,712
Public safety	610,845
Economic & physical development	24,506
Human services	162,107
Environmental protection	12,528
Cultural and recreational	32,843
Total depreciation expense	<u>\$ 4,415,541</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Business-type activities:	Beginning Balances	Increases Transfers In	Decreases Transfers Out	Ending Balances
Water District 2 Capital assets being depreciated:				
Distribution systems	\$ 27,311,103	\$ -	\$ -	\$ 27,311,103
Equipment	285,464	1,900	-	287,364
Vehicles	24,224	24,444	-	48,668
Total capital assets being depreciated	<u>27,620,791</u>	<u>26,344</u>	<u>-</u>	<u>27,647,135</u>
Accumulated depreciation distribution	3,864,053	682,779	-	4,546,832
Accumulated depreciation equipment	63,119	16,728	-	79,847
Accumulated depreciation vehicles	9,365	2,093	-	11,458
Total accumulated depreciation	<u>3,936,537</u>	<u>\$ 701,600</u>	<u>\$ -</u>	<u>4,638,137</u>
Water District 2 capital assets, net	<u>23,684,254</u>			<u>23,008,998</u>
Capital assets not being depreciated:				
Land	131,604	\$ 76,908	\$ -	208,512
Construction in progress	134,029	315,864	76,908	372,985
Water capital assets not depreciated	265,633	<u>\$ 392,772</u>	<u>\$ 76,908</u>	581,497
Water District 2 net capital assets	<u>\$ 23,949,887</u>			<u>\$ 23,590,495</u>
Water District 1 Capital assets being depreciated:				
Distribution systems	\$ 3,931,082	\$ -	\$ -	\$ 3,931,082
Equipment	19,176	1,900	-	21,076
Vehicles	21,192	24,444	-	45,636
Total capital assets being depreciated	<u>3,971,450</u>	<u>26,344</u>	<u>-</u>	<u>3,997,794</u>
Accumulated depreciation distribution	1,505,921	\$ 98,277	\$ -	1,604,198
Accumulated depreciation equipment	18,470	1,486	-	19,956
Accumulated depreciation vehicles	15,295	327	-	15,622
Total accumulated depreciation	<u>1,539,686</u>	<u>\$ 100,090</u>	<u>\$ -</u>	<u>1,639,776</u>
Water District 1 capital assets, net	<u>2,431,764</u>			<u>2,358,018</u>
Capital assets not being depreciated:				
Land	16,807	-	-	16,807
Water District 1 net capital assets	<u>\$ 2,448,571</u>			<u>\$ 2,374,825</u>
Business-type activities capital assets, net	<u>\$ 26,398,458</u>			<u>\$ 25,965,320</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Discretely presented component units

The Authority does not have any fixed assets.

Capital asset activity for Sampson Regional Medical Center for the year ended September 30, 2010, was as follows:

	September 30, 2009	Additions	Retirements	September 30, 2010
Capital assets not being depreciated:				
Land	\$ 1,594,756	\$ 176,215	\$ -	\$ 1,770,971
Construction in progress	787,805	546,486	1,253,503	80,788
Total capital assets not being depreciated	<u>2,382,561</u>	<u>722,701</u>	<u>1,253,503</u>	<u>1,851,759</u>
Capital assets being depreciated:				
Land improvements	1,820,482	150,692	-	1,971,174
Buildings and improvements	32,058,575	1,193,088	-	33,251,663
Furniture and equipment	43,498,128	2,578,421	-	46,076,549
Total capital assets being depreciated	<u>77,377,185</u>	<u>3,922,201</u>	<u>-</u>	<u>81,299,386</u>
Less accumulated depreciation for:				
Land improvements	1,370,473	63,352	-	1,433,825
Buildings and improvements	17,275,469	1,027,028	-	18,302,497
Furniture and equipment	33,026,091	2,945,971	-	35,972,062
Total accumulated depreciation	<u>51,672,033</u>	<u>4,036,351</u>	<u>-</u>	<u>55,708,384</u>
Sampson Regional Medical Center, Inc. capital assets, net	<u>\$ 28,087,713</u>			<u>\$ 27,442,761</u>

B. Liabilities

1. Liabilities

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

	Vendors	Salaries and Benefits	Accrued Interest	Total
Governmental activities:				
General	\$1,487,306	\$ 119,325	\$ 1,859,967	\$ 3,466,598
Other governmental	1,213,607	18,650	-	1,232,257
Total governmental activities	<u>\$2,700,913</u>	<u>\$ 137,975</u>	<u>\$ 1,859,967</u>	<u>\$ 4,698,855</u>
Business-type activities:				
Water District II	\$ 68,678	\$ 765	\$ 49,345	\$ 118,788
Water District I	19,939	104	4,066	24,109
Total business-type activities	<u>\$ 88,617</u>	<u>\$ 869</u>	<u>\$ 53,411</u>	<u>\$ 142,897</u>

**SAMPSON COUNTY, NORTH CAROLINA
 NOTES TO THE FINANCIAL STATEMENTS
 For the Fiscal Year Ended June 30, 2011**

2. Pension Plan and Other Post-Employment Obligations

a. Local Governmental Employees' Retirement System

Plan Description – Sampson County contributes 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 161 assigns the authority to establish and amend benefit provisions and contribution requirements 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, 1401 Mail Service Center, Raleigh, North Carolina 27609, or by calling (919) 981-5454.

Funding Policy – Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement, employees working at the Library and for law enforcement officers is 6.46%, 6.46% and 6.41%, respectively, of annual covered payroll. The contribution requirements of members and of Sampson County are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010 and 2009 were \$937,856, \$895,594, and \$914,273 respectively. The contributions made by the County equaled the required contributions for each year.

b. Law Enforcement Officers Special Separation Allowance

1. Plan Description

Sampson 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 plan does not issue a separate stand-alone financial report. The Separation Allowance is reported in the County's Comprehensive Annual Financial 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
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	90
Total	<u>91</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

2. Summary of Significant Account 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 allocated \$30,000 or .98% 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. Administrative costs of the Separation Allowance are financed through investment earnings.

The annual required contribution for the fiscal year ended June 30, 2011 was determined as part of the December 31, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.0% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.5%-12.3% per year. Both (a) and (b) included an inflation component of 3.0%. 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 for Fiscal Year Ended 6/30/2011

(a) Employer annual required contribution	\$ 60,514
(b) Interest on net pension obligation	4,903
(c) Adjustment to annual required contribution	<u>(5,250)</u>
(d) Annual pension cost	60,167
(e) Employer contributions made for fiscal year 6/30/2011	<u>30,000</u>
(f) Increase in net pension obligation	30,167
(g) Net pension obligation beginning of fiscal year	92,050
(h) Net pension obligation end of fiscal year	<u><u>\$ 122,217</u></u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

For the Year Ended June 30	3 Year Trend Information		
	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
2009	\$ 48,341	62.06%	\$ 72,858
2010	55,199	54.35%	92,050
2011	60,167	49.86%	122,217

4. Funding Status and Funding Progress

As of December 31 2010, the most recent actuarial valuation date, the plan was 45.53 percent funded. The actuarial accrued liability for benefits was \$644,370, and the actuarial value of assets was \$293,392, resulting in an unfunded actuarial accrued liability (UAAL) of \$350,978. The covered payroll (annual payroll of active employees covered by the plan) was \$3,032,769, and the ratio of the UAAL to the covered payroll was 11.57 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 5 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 \$194,074 which consisted of \$153,697 from the County and \$40,377 from the law enforcement officers. The County contributes 2.35% of each non-law enforcement employees salary who are vested under this plan. Non law enforcement contributions were \$535,929 which consisted of \$379,355 from the County and \$156,574 from the employees.

d. Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

not available to employees until termination, retirement, death, or unforeseeable emergency. The County does not contribute any portion into this plan.

e. Registers of Deeds' Supplemental Pension Fund

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

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 \$2,147.

f. Other Post-employment Benefits – Sampson County

Healthcare Benefits

Under the County's annual budget ordinance, Sampson County provides healthcare benefits through the Healthcare Benefits Plan (HCB Plan) as a single-employer defined benefit plan to cover retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have worked at least 15 continuous years in local or State government with the last 10 years worked with Sampson County. Employees must be eligible to retire under retirement system guidelines. The County pay 100% of the individual premium for employees who have worked 20 continuous years in local or State government with the last 10 years worked with Sampson County and 75% of the individual premium for employees who have worked at least 15 continuous years in local or State government with the last 10 years worked with Sampson County. The HCB Plan is available to qualified retirees at 100% until the age of 65 or until Medicare eligible, whichever is sooner. 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.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Membership of the HCB Plan consisted of the following at June 30, 2011, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	44	5
Terminated plan members entitled to but not yet receiving benefits	0	0
Active Plan Members	<u>418</u>	<u>90</u>
Total	<u><u>462</u></u>	<u><u>95</u></u>

Funding Policy. The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under the County budget ordinance that can be amended by the Board of Commissioners. The County's members pay \$245 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 9.62% of annual covered payroll. For the current year, the County contributed \$573,000 or 3.02% of annual covered payroll. The County obtains healthcare coverage through private insurers. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented 3.09% and 2.66% of covered payroll, respectively. There were no contributions made by employees, except for dependent coverage in the amount of \$42,000. The County's obligation to contribute to the HCB Plan is established and may be amended by the Board of Commissioners.

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

Annual OPEB Cost and net OPEB Obligation. The County's annual OPEB costs (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 changed in the County's net OPEB obligation for the healthcare benefits:

Annual required contribution	\$ 1,827,000
Interest on net OPEB obligation	115,000
Adjustment to annual required contribution	<u>117,000</u>
Annual OPEB cost (expense)	1,825,000
Contributions made	<u>(573,000)</u>
Increase in net OPEB obligation	1,252,000
Net OPEB obligation, beginning of year	<u>2,869,624</u>
Net OPEB obligation, end of year	<u><u>\$ 4,121,624</u></u>

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

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 the Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 1,677,000	14.5%	\$ 1,433,544
2010	1,677,000	14.4	2,869,624
2011	1,825,000	31.4	4,121,624

Funded Status and Funding Progress. As of June 30, 2011, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability (UAAL) was \$15,224,000. The covered payroll (annual payroll of active employees covered by the plan) was \$18,983,789, and the ratio of the UAAL to the covered payroll was 80.19 percent. 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 June 30, 2011 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent 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 percent annually. The investment rate included a 2.5 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a 5 year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2011, was 28 years.

g. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

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 postemployment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

h. Sampson Regional Medical Center, Inc.

Benefit Plans – The Sampson Regional Medical Center, Inc. Plan (Plan) is a single-employer defined contribution plan. Employees become eligible for the plan after completing one year of employment and 1,000 hours of service. The Hospital contributes 2% of participant earnings. The Hospital may also make a year end discretionary contribution which shall be determined by the Board of Trustees on an annual basis.

The Hospital also has a tax deferred retirement savings plan. All full time employees of the Hospital and part-time employees who work at least 1,000 hours during the plan year are eligible to participate. The Hospital matches 50% of the first 4% of the compensation deferred by each participant.

Funding Policy –The Hospital's contribution to the Plans for the current year was \$536,966.

3. Closure and Post-closure Care Costs – Landfill Facility

On October 9, 1993, the County leased its interests in all landfill sites to a commercial concern. Under the agreement, the County is not responsible for closure and post-closure requirements defined by the Environmental Protection Agency's regulation, Solid Waste Disposal Facility Criteria.

4. Deferred Revenues

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

	Unearned or Deferred Revenue	Full Accrual Unearned Revenue
Prepaid taxes not yet earned (General)	\$ 39,269	\$ 39,269
Prepaid revenues not yet earned (General)	26,761	26,761
Taxes receivable, net (General)	2,844,855	-
Taxes receivable, net (Special Revenue)	146,188	-
Total	<u>\$ 3,057,073</u>	<u>\$ 66,030</u>

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

5. Disclosure of Significant Commitments

The County has active construction projects as of June 30, 2011. The projects include the County Administration offices, Human Services building construction, Clinton High School construction, Union High School construction, and Midway High School construction. At June 30, 2011, the County's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Clinton High School	24,831,284	79,000

6. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County carries commercial insurance for all of these risks of loss. The County's general insurance coverage provides property and contents insurance up to \$19,500,000 and liability coverage up to \$9 million. Worker's compensation insurance provides coverage for bodily injury by accident of \$3,100,000 for each accident and coverage for bodily injury or disease up to \$3,550,000 for each employee. There is a policy limit of \$3,100,000 for bodily injury by disease. Settled claims for these risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

The County does not carry flood insurance because no County structures have been designated as being in a flood plane by the Federal Emergency Management Agency.

In accordance with G.S. 159.29, The County's employees that have access to County's funds at any given time are performance bonded through a commercial surety bond in the amount of \$25,000 each.

The following officials are separately bonded as follows: Finance Officer (\$100,000), Tax Collector (\$150,000), Tax Assessor (\$200,000), Assistant Tax Assessor (\$100,000), Register of Deeds (50,000), Sheriff (\$75,000) and Public Works Director (100,000).

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 settle claims have not exceeded coverage in any of the past three fiscal years.

The County is the provider of an employee health care plan administered by Blue Cross and Blue Shield of North Carolina to provide health insurance to its employees. This plan, which is accounted for in the Employee Health Insurance Internal Service Fund, provides coverage of up to \$50,000 per incident for each employee. The excess over \$50,000, up to \$1,000,000, is covered by Blue Cross and Blue Shield. The pool is self-sustaining through employee and employer premiums.

Aggregate liabilities for claims for the current year was estimated by the Plan Administrator. Each year the Plan Administrator provides a financial projection of total claims for the coming year, which includes a premium for aggregate stop loss insurance. This amount is budgeted and paid in 12 monthly installments. If claims exceed the financial projection provided by the Plan Administrator, there is aggregate stop loss insurance to cover these claims.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

A reconciliation of changes in the aggregate liabilities for claims for the current year is as follows:

	June 30, 2011
Claims payable, beginning	<u> </u>
Of year	\$ 145,676
Add: Claims received	5,517,186
Less: Claims paid	<u>5,668,684</u>
Claims payable, end of year	<u>\$ 5,822</u>

The Hospital is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illness; natural disasters; and professional and general liability claims and judgments. The Hospital has purchased commercial insurance which, in the opinion of the Hospital's management, is adequate to prevent the outcome of such claims arising from such matters from having a material adverse effect on the financial position and results of operations of the Hospital. The basic level of coverage is \$1,000,000 for any one claim and \$3,000,000 in the annual aggregate. No accrual has been made for incurred but not reported claims because the amount is not reasonably estimable based upon the Hospital's claims history. The Hospital's insurance coverages are generally provided under claims made policies. Should the claims made policies not be renewed or replaced with equivalent insurance, claims based on occurrences during their terms, but reported subsequently, would be uninsured. Management anticipates that such coverages will be renewed or replaced with equivalent insurance as they expire.

7. Contingent Liabilities

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

8. Long-Term Obligations

a. Installment Purchases

The County's installment purchase agreements payable at June 30, 2011 are comprised of the following individual issues:

Installment purchase of vehicles. This agreement is secured by the vehicles and calls for 36 monthly payments of \$18,899 each including interest at 3.16%. At June 30, 2011 there were 11 payments remaining. \$ 204,640

Installment agreement with USDA for the construction of a new Midway High School, secured by the building and land. The total loan is \$3,750,000 and will be repaid in 38 annual installments of \$193,620 including interest at 4%. Principal and interest repayment will begin in fiscal year 2012-2013. At June 30, 2011, there were 38 payments remaining. 3,750,000

Installment agreement with the United States Department of Agriculture (USDA) for the renovation of a previously purchased building into courthouse and office space and renovation of the existing courthouse, secured by building

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

and land. The interest rate is 4.25%. The loan will be repaid in 29 annual installments of \$129,809 including interest at 4.25 percent. At June 30, 2011, there were 22 installments remaining.	1,756,744
Installment agreement with USDA for the construction of a new Law Enforcement and Detention Center, secured by the building and land. The total loan is \$11,125,000 and will be repaid in 38 annual installments of \$595,213 including interest at 4.25%. At June 30, 2011, there were 34 payments remaining.	10,585,859
Installment agreement with USDA for the construction of a new Cooperative Extension Building and Animal Shelter Building, secured by the buildings and land. The total loan is \$2,263,000 and will be repaid in 38 annual installments of \$121,076 including interest at 4.37%. At June 30, 2011 there were 35 payments remaining	2,187,131
Installment agreement with USDA for the construction of a new Clinton High School, secured by the building and land. The total loan is \$30,000,000. The loan will be repaid in 38 annual installments of \$1,605,068 including interest at 4.25%. At June 30, 2011 there were 35 payments remaining	29,178,024
Installment purchase agreement with Bank of America for renovations on Clinton City Board of Education owned facilities. These are Qualified Zone Academy Bonds in the amount of \$2,000,000 secured by the building and land of Clinton High School. The loan will be repaid in 14 annual installments of \$103,572 including interest at 0%. At June 30, 2011 there were 10 payments remaining	1,585,710
Installment agreement with USDA for the construction and renovation of buildings to house Human Services and County Administration, secured by the buildings and land. The total loan is \$9,585,000 and will be repaid in 38 annual installments of \$512,819 including interest at 4.125%. At June 30, 2011 there were 36 payments remaining	9,353,497
Installment purchase agreement with USDA for the renovation of a County owned building to house the Public Works and Data Processing Departments. This agreement is secured by the building and land. The loan amount is \$862,800 and will be repaid in 28 annual installments of \$53,283 including interest at 4.125%. At June 30, 2011 there were 26 payments remaining	828,210
Installment agreement with USDA for the construction of a new Union High School, secured by the building and land. The total loan is \$3,750,000 and will be repaid in 38 annual installments of \$193,620 including interest at 4%. Principal and interest repayment will begin in fiscal year 2012-2013. At June 30, 2011, there were 38 payments remaining.	3,750,000
Installment purchase agreement with Regions Bank for renovations on Sampson County Board of Education owned facilities. These are Qualified Zone Academy Bonds in the amount of \$2,000,000 secured by the buildings and land. The loan will be repaid in 14 annual installments of \$155,667	

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

including interest at 1%. At June 30, 2011 there were 12 payments remaining 1,720,000

Installment purchase agreement with USDA for the renovation of a County owned building to various departments. This agreement is secured by the buildings and land. The loan amount is \$904,846 and will be repaid over a 30 year period. The payments will made annually in the amount of \$59,096 including interest at 4.75%. At June 30, 2011 there were 27 payments remaining. 912,200

Installment agreement with USDA for the construction of a Roseboro Elementary School, secured by the building and land. The total loan is \$12,400,000 and will be repaid in two interest only payments due December 16, 2011 and 2012 of 3.75% then 38 annual installments of \$617,520 including interest at 3.75%. Principal and interest repayment will begin in fiscal year 2013-2014. At June 30, 2011, there were 40 payments remaining. 4,916,395
\$ 70,728,410

For Sampson County, the future minimum payments as of June 30, 2011, including \$60,958,717 of interest, are

Year Ending June 30	Governmental Activities	
	Principal	Interest
2012	\$ 1,241,587	\$ 2,737,445
2013	1,155,693	2,801,485
2014	1,354,692	2,763,743
2015	1,398,676	2,718,358
2016	1,444,498	2,671,136
2017-2021	7,979,691	12,577,480
2022-2026	8,276,243	11,076,074
2027-2031	9,759,629	9,267,687
2032-2036	10,691,886	7,096,756
2037-2041	11,484,667	4,821,324
2042-2046	13,238,736	2,240,290
2047-2050	<u>2,702,412</u>	<u>186,939</u>
Total principal payments	<u>\$70,728,410</u>	
Total interest payments		<u>\$ 60,958,717</u>

b. General Obligation Indebtedness

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

SAMPSON COUNTY, NORTH CAROLINA
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For the Fiscal Year Ended June 30, 2011

The Water District's general obligation bonds payable at June 30, 2011 are comprised of the following individual issues which are serviced by the Water Districts:

\$4,982,000 Water Series A bonds issued on February 28, 2000, due in annual installments of \$51,000 to \$202,000 through June 1, 2039 with the first installment due June 1, 2002; 5.125 percent interest rate.	\$ 4,346,000
\$421,000 Water Series B bonds issued on February 28, 2000 Due in annual installments of \$5,000 to \$20,000 through June 1, 2039 with the first installment due June 1, 2002; 4.75 percent interest rate.	364,000
\$1,093,000 Water and Sewer bonds issued on August 7, 1995, due in annual installments of \$11,500 to \$46,000 Through June 1, 2035 with the first installment due June 1, 1998; 5.125 percent interest rate.	881,500
\$2,486,000 Water Series A bonds issued on January 26, 2004, due in annual installments of \$37,545 to \$112,725 Through June 1, 2043 with the first installment due June 1, 2004; 4.375 percent interest rate	2,306,000
\$948,000 Water Series B bonds issued on January 26, 2004 due in annual installments of \$14,726 to \$41,800 Through June 1, 2043 with the first installment due June 1, 2004; 4.5 percent interest rate.	879,000
\$2,297,000 Water Series A bonds issued on May 4, 2005 due in annual installments of \$97,623 to 123,753 through June 2, 2044 with the first installment due June 1, 2005; 4.25 percent interest rate	2,157,000
\$1,486,000 Water Series A bonds issued on May 4, 2005 due in annual installments of \$63,155 to 80,395 through June 2, 2044 with the first installment due June 1, 2005; 4.25 percent interest rate	1,395,000
	<u>\$ 12,328,500</u>

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Annual debt service requirements to maturity for the District's general obligation bonds, including interest of \$10,510,601 are as follows:

Year Ending June 30	Business-type Activities	
	Principal	Interest
2012	\$ 211,500	\$ 576,602
2013	221,500	566,588
2014	232,500	556,096
2015	243,000	545,079
2016	255,500	533,565
2017-2021	1,462,500	2,474,838
2022-2026	1,839,500	2,093,667
2027-2031	2,278,500	1,615,252
2032-2036	2,571,000	1,040,598
2037-2041	2,201,000	444,881
2042-2046	812,000	63,435
Total principal payments	<u>\$12,328,500</u>	
Total interest payments		<u>\$ 10,510,601</u>

Sampson County had a legal debt margin of \$142,264,241 at June 30, 2011.

c. Revenue Bonds

On April 7, 2010 the Sampson Area Development Corporation issued \$15,560,000 in Revenue Bonds to refinance a previous bond issue that financed the construction of schools in Sampson County. This is a revenue bond installment purchase issue. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the Corporation as long as the debt is outstanding. The Corporation has entered into a lease with the Sampson County and Clinton City Boards of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Boards of Education. The lease calls for \$0 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 Boards of Education.

The installment purchase was executed on April 7, 2010 to the outstanding amount of the January, 1999 issue. The transactions calls for 15 annual principal payments of \$985,000 to \$1,280,000 and thirty semiannual interest payments, due on December 1 and June 1, at interest rates varying from 2.00 percent to 5.25 percent. These revenue bonds which mature through June 1, 2024 are reported in the general fund because they are being repaid from general fund revenues.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

Annual debt service requirements to maturity for the County's revenue bonds, including interest of \$4,162,463 are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2012	\$ 1,075,000	\$ 552,275
2013	1,060,000	520,025
2014	1,045,000	488,225
2015	1,030,000	456,875
2016	1,020,000	415,675
2017-2021	5,000,000	1,419,375
2022-2024	2,950,000	310,013
Total principal payments	<u>\$ 13,180,000</u>	
Total interest payments		<u>\$ 4,162,463</u>

On September 22, 2004, the County issued \$5.7 million of Hospital Revenue Bonds, Series 2004A, to finance capital improvements at Sampson Regional Medical Center, Inc. The bonds carry an interest rate at adjusted one month LIBOR rate plus .90 percent, due in monthly installments of principal of \$55,556 plus interest, maturing April, 2013. During the fiscal year ended June 30, 2006 the County issued \$4.3 million of Hospital Revenue Bonds, Series 2004B, dated September 22, 2004. The bonds carry an interest rate at adjusted one month LIBOR rate plus .90 percent, due in monthly installments of principal of \$55,556 plus interest. Payments begin in May 2013 and the bonds mature in September 2019. On January 29, 2007 the County issued \$5.5 million in Hospital Refund Bonds, Series 2007. The bonds carry an interest of 70% of the adjusted one month LIBOR rate plus .813% through February 2009 and 70% of the adjusted one month LIBOR rate plus .748% thereafter. Interest only is due monthly through February 2009. Monthly installments of principal in the amount of \$22,917 plus interest is due beginning March 2009 and maturing March 2029. The revenue bonds are reported on the Hospital's financial statements because the principal and interest on the bonds are payable from the net revenues of the Hospital. The revenue bonds do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any of the County's property or upon its income, receipts, or revenues. The taxing power of the County is not pledged for the payment of the principal or interest on the revenue bonds and no owner has the right to compel the exercise of the taxing power of the County or the forfeiture of any of its property in connection with any default under the bond order.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

Revenue bond debt service requirements to maturity for Sampson Regional Medical Center, Inc., including interest of \$915,764, are as follows:

Year Ending September 30	Principal	Interest
2011	\$ 941,667	\$ 111,657
2012	941,667	101,377
2013	941,667	91,096
2014	941,667	80,816
2015	941,667	70,536
2016-2020	4,041,665	202,021
2021-2025	1,375,000	75,056
2026-2030	916,667	14,550
Total principal payments	<u>\$ 11,041,667</u>	
Total interest payments		<u>\$ 747,109</u>

d. State Clean Water Bond Loan

The County has a State Clean Water Bond Loan for construction of water lines. The loan calls for 20 annual payments of \$20,450 plus interest at 5.5948 percent beginning September 30, 1997. This debt is serviced by the Water and Sewer District I Enterprise Fund.

\$102,250

Debt service requirements to maturity, including interest of \$13,407 are as follows:

Year Ending June 30	Business-type Activities	
	Principal	Interest
2012	\$ 20,450	\$ 5,105
2013	20,450	3,857
2014	20,450	2,671
2015	20,450	1,493
2016	20,450	281
Total principal payments	<u>\$ 102,250</u>	
Total interest payments		<u>\$ 13,407</u>

The County has a State Clean Water Bond Loan for construction of water lines. The loan calls for 20 annual payments of \$46,374 plus interest at 2.87 percent beginning June 1, 2004. This debt is serviced by the Water and Sewer District II Enterprise Fund.

\$ 602,857

The County has a State Clean Water Bond Loan for construction of water lines. The loan calls for 20 annual payments of \$92,632 plus interest at 5.25 percent beginning June 1, 2008. This debt is serviced by the Water and Sewer District II Enterprise Fund.

1,296,842
\$1,899,699

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
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Debt service requirements to maturity, including interest of \$700,865 are as follows:

<u>Year Ending June 30</u>	<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 139,005	\$ 85,309
2013	139,005	80,281
2014	139,005	75,335
2015	139,005	70,327
2016	139,005	65,311
2017-2021	695,026	239,297
2022-2025	509,647	85,005
Total principal payments	<u>\$ 1,899,698</u>	
Total interest payments		<u>\$ 700,865</u>

e. Certificates of Participation

On November 29, 2006, the Sampson Area Development Corporation issued \$55,060,000 in Certificates of Participation to finance the construction of schools in Sampson County. This is a installment purchase issue. The installment purchase was issued pursuant to a deed of trust that requires that legal title remain with the Corporation as long as the debt is outstanding. The Corporation has entered into a lease with the Sampson County Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Boards of Education. The lease calls for \$10 annual lease payments and also contains a fair market value purchase option. The lease term is until the facilities are transferred to the County Board of Education. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded as an asset of the County.

The installment purchase was executed on November 29, 2007 to finance the construction of two new high school buildings. The transactions calls for twenty-seven annual principal payments of \$1,575,000 to \$2,620,000 and fifty-nine semiannual interest payments, due on November 15 and May 15, at interest rates varying from 4.00 percent to 5.00 percent. These certificates of participation which mature through June 1, 2036 are reported in the general fund because they are being repaid from general fund revenues.

This debt was issued at a premium that is included in the net debt service and is being amortized over the term of the debt.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
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Annual debt service requirements to maturity for the County's certificates of participation, including interest of \$36,244,214 and unamortized bond premium of \$2,113,775 are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2012	\$ 1,659,551	\$ 2,473,935
2013	1,659,551	2,410,935
2014	1,659,551	2,347,935
2015	1,659,551	2,269,185
2016	1,659,551	2,206,185
2017-2021	8,297,755	9,861,175
2022-2026	10,387,755	7,866,175
2027-2031	13,522,755	4,983,300
2032-2036	<u>13,517,755</u>	<u>1,825,390</u>
Total principal payments	<u>\$ 54,023,775</u>	
Total interest payments		<u>\$ 36,244,215</u>

f. Conduit Debt Obligations

Sampson 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 two series of industrial revenue bonds outstanding, with an aggregate principal amount payable of \$42,195,000.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

g. Changes in General Long-Term Obligations

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,	Increases	Decreases	Balance June 30,	Current Portion of Balance
Governmental activities:					
Installment purchases	\$ 66,453,111	\$ 5,487,435	\$ 1,212,136	\$ 70,728,410	\$ 1,241,587
Revenue bonds	14,280,000	-	1,100,000	13,180,000	1,075,000
Certificates of Participation	53,485,000	-	1,575,000	51,910,000	1,575,000
Unamortized premium on COPs	2,198,326	-	84,551	2,113,775	84,551
Unfunded pension liability	92,050	60,167	30,000	122,217	-
Other post-employment benefits	2,831,154	1,805,765	573,000	4,063,919	-
Compensated absences	1,382,708	1,187,535	1,013,634	1,556,609	977,000
Total governmental activities	<u>\$ 140,722,349</u>	<u>\$ 8,540,902</u>	<u>\$ 5,588,321</u>	<u>\$ 143,674,930</u>	<u>\$ 4,953,138</u>
Business-type activities:					
General obligation debt	\$ 12,531,000	\$ -	\$ 202,500	\$ 12,328,500	\$ 211,500
State Clean Water bonds	2,161,405	-	159,456	2,001,949	159,455
Other post-employment benefits	38,470	19,235	-	57,705	-
Compensated absences	21,620	15,530	14,710	22,440	8,648
Total business-type activities	<u>\$ 14,752,495</u>	<u>\$ 34,765</u>	<u>\$ 376,666</u>	<u>\$ 14,410,594</u>	<u>\$ 379,603</u>
Discretely presented component units:					
Revenue bonds	\$ 11,983,334	\$ -	\$ 941,667	\$ 11,041,667	\$ 941,667
Capital Leases	\$ 2,120,796	\$ -	\$ 366,456	\$ 1,754,340	\$ 386,369
Compensated absences	2,131,274	2,137,889	1,849,441	2,419,722	2,419,722
Total discretely presented component units:	<u>\$ 16,235,404</u>	<u>\$ 2,137,889</u>	<u>\$ 3,157,564</u>	<u>\$ 15,215,729</u>	<u>\$ 3,747,758</u>

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

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
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C. Interfund Balances and Activity

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

From the General fund to the Sampson Area Transportation fund to provide for the transportation of the elderly	64,457
From the General fund to Sampson County Water District 2 fund to supplement other funding resources	<u>26,600</u>
Total Transfers out from the General Fund	<u>91,057</u>
From the School Capital reserve fund to the General fund to pay debt on school projects and school capital outlay	2,715,751
From the School Construction Capital Project Fund to the General Fund to pay debt service on school building projects	1,094,019
From the Debt Service Fund to the General fund to pay for school capital outlay	23,737
From the County Capital Reserve fund to the General Fund to pay maintenance and repair costs on the Livestock Arena	<u>2,000</u>
Total Transfers in to the General Fund	<u>3,835,507</u>
Total	<u><u>\$ 3,926,564</u></u>

Interfund balances at June 30, 2011, consists of the following:

Due to the General fund from:	
Airport Apron 19.6.1 Capital Project Fund	\$ 1,605,801
Nonmajor Governmental Funds:	
Sampson Area Transportation Special Revenue Fund	20,244
Head Start Special Revenue Fund	819,303
Community Development SFR-08 Special Revenue Fund	2,214
Community Development Infrastructure Special Revenue Fund	352
Governor's Highway Safety Program Special Revenue Fund	6,386
Recreation Western District Park Special Revenue Fund	49,614
Airport Construction 12.9.1 Capital Project Fund	31,542
Airport Construction 12.8.1 Capital Project Fund	158,109
Airport Taxiway 12.6.2 Capital Project Fund	2,335
County Buildings Construction & Renovation Capital Project Fund	<u>5,713</u>
Total nonmajor (other) governmental funds	<u>1,095,812</u>
Total all funds	<u><u>\$ 2,701,613</u></u>

The balances above are advances from the General fund. Grant funds have been requested to repay the General fund. Capital project advances will be repaid from loan funds. Advances to enterprise funds will be repaid from receipts.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

D. Fund Balance

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

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

Total Fund Balance - General Fund	\$22,105,655
Less:	
Inventories	6,852
Stabilization by State Statute	4,527,944
Public Safety	96,995
Debt Service	1,723,524
Appropriated Fund Balance in 2012 Budget	3,195,813
Remaining Fund Balance	12,554,527

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

Encumbrances	General Fund	Other Fund
	\$ 120,511	\$ -

IV. Related Organization

The Sampson County Board of Commissioners is responsible for appointing the members of the board of the Sampson County Industrial Facilities and Pollution Control Financing Authority, but the County's accountability for this organization does not extend beyond making these appointments. The authority exists to aid in the financing of industrial and manufacturing facilities and to aid in financing pollution control facilities for industry in connection with manufacturing and industrial facilities and/or public utilities for the purpose of stimulating economic development.

SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011

V. Joint Ventures

The County, in conjunction with the County of Duplin, the County of Lenoir and the County of Wayne participates in the Eastpointe Area Mental Health Developmental Disabilities and Substance Abuse Services Center. Each participating government appoints members to the fifteen-member board – Wayne County appoints six members and Duplin, Lenoir and Sampson each appoint three members. The center is a joint venture established to administer the mental health, mental developmental disabilities and substance abuse programs of Duplin, Lenoir, Sampson, and Wayne Counties.

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 \$263,134 to the center to supplement its activities. Complete financial statements for the center may be obtained from the center's offices in Beulaville, North Carolina.

The County, in conjunction with the State of North Carolina and the Sampson County Board of Education participates in a joint venture to operate the Sampson Community College. Each of the three participants appoints four members of the thirteen-member board of trustees of the community college. The president of the Community College's student government association serves as a non-voting, ex officio member of the board of trustees. The Community College is included as a component unit of the state. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. The County has an ongoing financial responsibility for the Community College because of the statutory responsibilities to provide funding for the Community College's facilities. The County contributed \$1,116,661 and \$21,852 to the Community College for operating and capital purposes, respectively, during the fiscal year ended June 30, 2011. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2011. Complete financial statements for the Community College may be obtained from the Community College's administrative offices at Sunset Avenue, Clinton, North Carolina.

The Hospital's "Investment in Joint Venture" represents a 50% interest in Sampson Regional Cancer Center, LLC ("SRCC"). Since the Hospital does not control SRCC, the investment in SRCC is accounted for under the equity method. Under the equity method, the Hospital's investment in SRCC is recorded at cost, while the Hospital's share of SRCC's net income or loss increases or decreases the amount of investment and is recognized by the Hospital as non-operating revenue or loss. Any distributions made to the Hospital by SRCC reduce the amount of investment.

**SAMPSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2011**

VI. 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 which do not appear in the general purpose financial statements because they are not revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
State/County Spec Assist	\$ -	\$ 670,754
Temporary Assistance to Needy Families	446,442	-
Medicaid	62,723,068	25,226,901
Energy Assistance	703,977	-
Program for Women, Infants & Children	1,619,013	-
Title IV-E Foster Care	<u>227,285</u>	<u>52,324</u>
Totals	<u>\$ 65,719,785</u>	<u>\$ 25,949,979</u>

VII. 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 money to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant moneys.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section provides additional required data regarding the Law Enforcement Special Separation Allowance

Analysis of Funding Progress for Law Enforcement Special Separation Allowance

Schedule of Employer Contributions to the Law Enforcement Special Separation Allowance and Notes to the required schedules.

Analysis of Funding Progress for Other post-employment benefits

Schedule of Employer Contributions to the other post-employment benefits and Notes to the required schedules.



**SAMPSON COUNTY, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS**

Exhibit A-1

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/92	\$ 57,977	\$ 58,347	\$ 370	99.37 %	\$ 650,927	0.06 %
12/31/93	67,161	74,121	6,960	90.61	769,726	0.90
12/31/94	74,843	86,563	11,720	86.46	780,160	1.50
12/31/95	83,439	107,379	23,940	77.71	822,729	2.91
12/30/96	104,744	124,261	19,517	84.29	874,601	2.23
12/30/97	135,701	131,271	(4,430)	103.37	1,022,206	(0.43)
12/31/98	166,239	141,291	(24,948)	117.66	1,199,117	(2.08)
12/31/99	198,072	122,716	(75,356)	161.41	1,017,985	(7.40)
12/30/00	202,067	176,376	(25,691)	114.57	1,156,176	(2.22)
12/30/01	201,233	216,160	14,927	93.09	1,202,408	1.24
12/31/02	204,552	224,862	20,310	90.97	1,209,468	1.68
12/31/03	180,497	277,576	97,079	65.03	1,414,782	6.86
12/31/04	189,532	329,012	139,480	57.61	1,600,276	8.72
12/31/05	223,924	341,022	117,098	65.66	2,042,795	5.73
12/31/06	222,808	381,130	158,322	58.46	2,405,621	6.58
12/31/07	223,934	448,971	225,037	49.88	2,361,153	9.53
12/31/08	237,323	490,969	253,646	48.34	2,795,847	9.07
12/31/09	259,295	510,161	250,866	50.83	3,203,717	7.83
12/31/10	293,392	644,370	350,978	45.53	3,032,769	11.57

**SAMPSON COUNTY, NORTH CAROLINA
 LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 ANALYSIS OF FUNDING PROGRESS**

Exhibit A-2

Trend Information

Year Ended June 30	Annual Required Contribution	Percentage Contributed	
1993	\$ 6,826	100.00	%
1994	5,410	100.00	
1995	7,401	100.00	
1996	11,025	100.00	
1997	11,508	100.00	
1998	10,309	100.00	
1999	9,284	100.00	
2000	2,696	100.00	
2001	18,510	100.00	
2002	19,599	100.00	
2003	19,824	100.00	
2004	20,454	100.00	
2005	29,547	100.00	
2006	37,007	54.20	
2007	38,003	52.45	
2008	46,510	43.00	
2009	48,341	62.06	
2010	55,199	54.35	
2011	60,167	48.96	

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	December 31, 2010
Actuarial cost method	Project unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	20 years
Asset valuation	Market value
Actuarial assumptions:	
Investment rate of return	5.00%
Projected salary increases	4.5% to 12.3%
Includes inflation at	3.00%
Cost-of-living adjustments	N/A

**SAMPSON COUNTY, NORTH CAROLINA
OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS**

Exhibit A-3

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/08	\$ -	\$ 11,510,000	\$ 11,510,000	- %	\$ 18,251,607	63.06 %
12/31/09	-	11,510,000	11,510,000	-	17,990,691	63.98
6/30/11	-	15,224,000	15,224,000	-	18,983,789	80.19

**SAMPSON COUNTY, NORTH CAROLINA
 OTHER POST-EMPLOYMENT BENEFITS
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 ANALYSIS OF FUNDING PROGRESS**

Exhibit A-4

Trend Information

Year Ended June 30	Annual Required Contribution	Percentage Contributed
2009	\$ 1,677,000	14.52 %
2010	1,677,000	14.37
2011	1,825,000	31.40

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	June 30, 2011
Actuarial cost method	Project unit credit
Amortization method	Level percent open
Remaining amortization period	28 years
Asset valuation	Market value
Actuarial assumptions:	
Investment rate of return	4.00%
Medical cost trend	10.00%
Includes inflation at	2.50%
Cost-of-living adjustments	None

GENERAL FUND

The General Fund is the County's chief operating fund. It accounts for the revenues and expenditures traditionally associated with operating governmental service functions.



**SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
BALANCE SHEET
June 30, 2011**

Exhibit B-1

ASSETS	
Cash and cash equivalents	\$ 14,841,899
Restricted cash	1,820,519
Receivables (net)	
Taxes	2,844,855
Accounts	4,407,433
Due from other funds	2,701,613
Inventories	<u>6,852</u>
TOTAL ASSETS	<u><u>\$ 26,623,171</u></u>
 LIABILITIES AND FUND BALANCES	
Current Liabilities:	
Accounts payable and accrued liabilities	\$ 1,606,631
Deferred revenues	<u>2,910,885</u>
Total Liabilities	<u><u>4,517,516</u></u>
Fund Balances:	
Nonspendable	
Inventory	6,852
Restricted	
Stabilization by State Statute	4,527,944
Public Safety	96,995
Debt Service	1,723,524
Committed	
Economic Development	-
Assigned	
Subsequent Year's Expenditures	3,195,813
Unassigned	<u>12,554,527</u>
Total Fund Balances	<u><u>22,105,655</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 26,623,171</u></u>

**SAMPSON 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**

**Exhibit B-2
Page 1 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes:			
Ad valorem	\$	\$ 29,027,429	\$
Penalties and interest		365,948	
Total	<u>28,548,738</u>	<u>29,393,377</u>	<u>844,639</u>
Sales Tax:			
One cent		2,922,378	
One half cent article 40		1,978,345	
One half cent article 42		712,557	
One half cent article 44		76,073	
One quarter cent article 46		795,855	
Total	<u>6,129,275</u>	<u>6,485,208</u>	<u>355,933</u>
Restricted:			
State grants		6,417,661	
Federal grants		4,963,112	
Court facility fees		224,985	
Local grants		98,999	
Total	<u>12,818,588</u>	<u>11,704,757</u>	<u>(1,113,831)</u>
Permits and Fees:			
Register of deeds		306,313	
Inspection		310,924	
Local subdivision fees		10,531	
Franchise		60,132	
Total	<u>672,550</u>	<u>687,900</u>	<u>15,350</u>

**SAMPSON 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**

**Exhibit B-2
Page 2 of 14**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Sales and Services:			
Tax Collection Fees:			
Town of Turkey		410	
Town of Salemburg		192	
Town of Roseboro		756	
Town of Newton Grove		307	
Town of Garland		421	
Town of Autryville		104	
Town of Harrells		391	
City of Clinton		51,022	
Tax collection		133,695	
Jail fees		1,145,749	
Sheriff fees		689,582	
Health fees		1,178,543	
Ambulance fees		2,480,380	
Aging services fees		544,383	
Total	<u>6,167,772</u>	<u>6,225,935</u>	<u>58,163</u>
Investment Earnings	<u>60,000</u>	<u>39,450</u>	<u>(20,550)</u>
Miscellaneous:			
Board of elections		186	
Short-term vehicle lease		12,812	
Recreation		40,428	
Agri-Exposition center		203,401	
Rent		1,987,549	
Other		369,641	
Total	<u>2,492,416</u>	<u>2,614,017</u>	<u>121,601</u>
Total revenues	<u>56,889,339</u>	<u>57,150,644</u>	<u>261,305</u>
Expenditures			
General Government			
Governing Body			
Salaries and employee benefits		90,050	
Operations and maintenance		49,645	
Total	<u>143,407</u>	<u>139,695</u>	<u>3,712</u>
Administration			
Salaries and employee benefits		308,369	
Operations and maintenance		43,871	
Total	<u>362,424</u>	<u>352,240</u>	<u>10,184</u>

**SAMPSON 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**

**Exhibit B-2
Page 3 of 14**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Airport			
Operations and maintenance		65,037	
Capital outlay		17,024	
Total	<u>86,320</u>	<u>82,061</u>	<u>4,259</u>
Finance			
Salaries and employee benefits		601,394	
Operations and maintenance		342,582	
Total	<u>1,010,667</u>	<u>943,976</u>	<u>66,691</u>
Data Processing			
Salaries and employee benefits		292,859	
Operations and maintenance		314,308	
Total	<u>670,690</u>	<u>607,167</u>	<u>63,523</u>
Communications Tower			
Operations and maintenance		33,119	
Total	<u>34,825</u>	<u>33,119</u>	<u>1,706</u>
Tax Administration			
Salaries and employee benefits		818,329	
Operations and maintenance		280,574	
Total	<u>1,106,843</u>	<u>1,098,903</u>	<u>7,940</u>
Legal			
Operations and maintenance		24,292	
Total	<u>58,500</u>	<u>24,292</u>	<u>34,208</u>
Courts			
Operations and maintenance		5,691	
Total	<u>7,711</u>	<u>5,691</u>	<u>2,020</u>
Criminal Justice Partnership Program			
Operations and maintenance	<u>83,164</u>	<u>80,650</u>	<u>2,514</u>

**SAMPSON 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**

**Exhibit B-2
Page 4 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Board of Elections			
Salaries and employee benefits		98,810	
Operations and maintenance		95,984	
Total	<u>225,304</u>	<u>194,794</u>	<u>30,510</u>
Register of Deeds			
Salaries and employee benefits		334,684	
Operations and maintenance		88,037	
Total	<u>539,450</u>	<u>422,721</u>	<u>116,729</u>
Public Buildings			
Salaries and employee benefits		431,778	
Operations and maintenance		880,930	
Total	<u>1,465,968</u>	<u>1,312,708</u>	<u>153,260</u>
Total General Government	<u>5,795,273</u>	<u>5,298,017</u>	<u>497,256</u>
Public Safety			
Sheriff			
Salaries and employee benefits		4,180,516	
Operations and maintenance		1,038,732	
Capital outlay		412,398	
Total	<u>5,811,064</u>	<u>5,631,646</u>	<u>179,418</u>
Jail			
Salaries and employee benefits		1,927,501	
Operations and maintenance		1,144,542	
Total	<u>3,324,149</u>	<u>3,072,043</u>	<u>252,106</u>
Communications			
Salaries and employee benefits		812,888	
Operations and maintenance		68,261	
Total	<u>888,818</u>	<u>881,149</u>	<u>7,669</u>

**SAMPSON 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**

**Exhibit B-2
Page 5 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Emergency Management			
Salaries and employee benefits		289,075	
Operations and maintenance		102,423	
Total	441,432	391,498	49,934
Volunteer Fire Departments			
Assistance to County fire departments	259,401	251,107	8,294
Inspections			
Salaries and employee benefits		314,096	
Operations and maintenance		48,904	
Total	375,880	363,000	12,880
Coroner			
Professional services	43,600	30,300	13,300
Rescue			
Salaries and employee benefits		2,105,775	
Assistance to County rescue units		211,716	
Operations and maintenance		602,744	
Total	3,008,335	2,920,235	88,100
Dive Team			
Contracted services	17,950	17,950	-
Animal Control			
Salaries and employee benefits		108,014	
Operations and maintenance		40,084	
Total	201,378	148,098	53,280
Total Public Safety	14,372,007	13,707,026	664,981

**SAMPSON 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**

**Exhibit B-2
Page 6 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Environmental Protection			
Solid Waste			
Contracted services		772,328	
Operations and maintenance		12,261	
Total	<u>878,499</u>	<u>784,589</u>	<u>93,910</u>
Forestry			
State forestry program	<u>133,068</u>	<u>131,227</u>	<u>1,841</u>
Horticulture Project	<u>2,423</u>	<u>60</u>	<u>2,363</u>
Master Gardener Program	<u>11,768</u>	<u>4,131</u>	<u>7,637</u>
Lagoon Management	<u>9,593</u>	<u>7,474</u>	<u>2,119</u>
Senior Health Information Program	<u>6,641</u>	<u>6,123</u>	<u>518</u>
Cooperative Extension Seminars	<u>15,124</u>	<u>8,959</u>	<u>6,165</u>
4-H Prevention Program			
Salaries and employee benefits		30,702	
Operations and maintenance		17,697	
Total	<u>48,665</u>	<u>48,399</u>	<u>266</u>
Total Environmental Protection	<u>1,105,781</u>	<u>990,962</u>	<u>114,819</u>
Economic and Physical Development			
Planning and Zoning			
Contracted services		166,497	
Total	<u>168,621</u>	<u>166,497</u>	<u>2,124</u>

**SAMPSON 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**

**Exhibit B-2
Page 7 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Industrial Development			
Salaries and employee benefits		139,371	
Operations and maintenance		90,141	
Capital outlay		3,052	
Total	<u>376,723</u>	<u>232,564</u>	<u>144,159</u>
Industrial Utility			
Operations and maintenance		13,624	
Total	<u>59,925</u>	<u>13,624</u>	<u>46,301</u>
N.C. Cooperative Extension Service			
Salaries and employee benefits		309,093	
Operations and maintenance		59,707	
Total	<u>391,411</u>	<u>368,800</u>	<u>22,611</u>
Soil Conservation			
Salaries and employee benefits		197,087	
Operations and maintenance		8,188	
Total	<u>214,766</u>	<u>205,275</u>	<u>9,491</u>
Total Economic and Physical Development	<u>1,211,446</u>	<u>986,760</u>	<u>224,686</u>
Human Services			
Mental Health Administration			
Eastpointe Mental Health	<u>263,134</u>	<u>263,134</u>	<u>-</u>
Veterans			
Salaries and employee benefits		97,110	
Operations and maintenance		16,121	
Total	<u>116,542</u>	<u>113,231</u>	<u>3,311</u>

**SAMPSON 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**

**Exhibit B-2
Page 8 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Youth Needs Task Force			
Salaries and employee benefits		41,658	
Programs		145,716	
	<u>202,122</u>	<u>187,374</u>	<u>14,748</u>
 Health			
Administration			
Salaries and employee benefits		17,028	
Operations and maintenance		52,406	
Total	<u>100,052</u>	<u>69,434</u>	<u>30,618</u>
 Kate B. Reynolds Grant			
Salaries and employee benefits		73,499	
Operations and maintenance		10,656	
Total	<u>94,427</u>	<u>84,155</u>	<u>10,272</u>
 Tuberculosis - CDC			
Salaries and employee benefits		40,489	
Operations and maintenance		6,754	
Total	<u>58,900</u>	<u>47,243</u>	<u>11,657</u>
 Tuberculosis Medical Services			
Professional services	<u>2,271</u>	<u>2,271</u>	<u>-</u>
 Communicable Disease			
Salaries and employee benefits		159,290	
Operations and maintenance		28,001	
Total	<u>189,211</u>	<u>187,291</u>	<u>1,920</u>

**SAMPSON 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**

**Exhibit B-2
Page 9 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Adult Services			
Salaries and employee benefits		32,262	
Operations and maintenance		54,146	
Total	86,408	86,408	-
Health Promotion			
Salaries and employee benefits		35,138	
Operations and maintenance		1,726	
Total	40,098	36,864	3,234
Breast and Cervical Cancer			
Salaries and employee benefits		9,975	
Operations and maintenance		8,650	
Total	21,370	18,625	2,745
Healthy Carolinians			
Operations and maintenance	9,100	1,411	7,689
Immunization			
Salaries and employee benefits		40,504	
Operations and maintenance		11,371	
Total	61,566	51,875	9,691
Maternal Health			
Salaries and employee benefits		539,741	
Operations and maintenance		107,898	
Total	750,944	647,639	103,305
Family Planning			
Salaries and employee benefits		191,786	
Operations and maintenance		83,438	
Total	313,133	275,224	37,909
WIC			
Salaries and employee benefits		324,639	
Operations and maintenance		47,796	
Total	373,906	372,435	1,471

**SAMPSON 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**

**Exhibit B-2
Page 10 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Child Services Coordination			
Salaries and employee benefits		106,038	
Operations and maintenance		13,349	
Total	<u>152,428</u>	<u>119,387</u>	<u>33,041</u>
Child Health			
Salaries and employee benefits		100,278	
Operations and maintenance		19,626	
Total	<u>160,257</u>	<u>119,904</u>	<u>40,353</u>
Environmental Health			
Salaries and employee benefits		374,322	
Operations and maintenance		24,871	
Total	<u>412,297</u>	<u>399,193</u>	<u>13,104</u>
Food and Lodging			
Travel	<u>7,258</u>	<u>7,258</u>	<u>-</u>
State Bio-Terrorism			
Salaries and employee benefits		77,716	
Operations and maintenance		65,490	
Total	<u>144,350</u>	<u>143,206</u>	<u>1,144</u>
Total Health	<u>2,977,976</u>	<u>2,669,823</u>	<u>308,153</u>

**SAMPSON 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**

**Exhibit B-2
Page 11 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Social Services			
Administration			
Salaries and employee benefits		5,899,689	
Operations and maintenance		948,850	
Total	<u>6,944,622</u>	<u>6,848,539</u>	<u>96,083</u>
Assistance			
Food stamp issuance		27,142	
WFBG programs		25,747	
Medicaid transportation		895,377	
Daycare		2,252,305	
Smart Start Daycare		228,986	
Medicaid		28,987	
AA-AD-AB rest homes		728,167	
Aid to the blind		6,065	
Crisis intervention program		326,674	
In-Home services		12,354	
Foster care		985,598	
Adoption assistance		40,687	
Progress energy		10,007	
Other programs		14,788	
Total	<u>6,143,153</u>	<u>5,582,884</u>	<u>560,269</u>
Total Social Services	<u>13,087,775</u>	<u>12,431,423</u>	<u>656,352</u>
Aging and In-Home Services			
Personal Care CAP Medicaid			
Salaries and employee benefits		127,046	
Operations and maintenance		56,119	
Total	<u>187,534</u>	<u>183,165</u>	<u>4,369</u>
Transportation			
Salaries and employee benefits		26,447	
Operations and maintenance		99	
Total	<u>26,663</u>	<u>26,546</u>	<u>117</u>
Personal Care Block Grant			
Salaries and employee benefits		428,728	
Operations and maintenance		28,613	
Total	<u>464,348</u>	<u>457,341</u>	<u>7,007</u>

**SAMPSON 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**

**Exhibit B-2
Page 12 of 14**

	Final Budget	Actual	Variance Positive (Negative)
Home Repairs			
Salaries and employee benefits		69,612	
Operations and maintenance		59,355	
Total	<u>129,537</u>	<u>128,967</u>	<u>570</u>
Senior Center and Senior Ctr Outreach			
Salaries and employee benefits		81,492	
Operations and maintenance		19,097	
Total	<u>100,787</u>	<u>100,589</u>	<u>198</u>
Adult Daycare			
Salaries and employee benefits		130,792	
Operations and maintenance		84,660	
Total	<u>219,877</u>	<u>215,452</u>	<u>4,425</u>
Information/Case Assistance			
Salaries and employee benefits		42,368	
Operations and maintenance		3,423	
Total	<u>46,825</u>	<u>45,791</u>	<u>1,034</u>
Nutrition Program			
Salaries and employee benefits		83,024	
Operations and maintenance		282,169	
Total	<u>365,835</u>	<u>365,193</u>	<u>642</u>
Family Caregiver Support			
Salaries and employee benefits		19,142	
Operations and maintenance		13,596	
Total	<u>34,366</u>	<u>32,738</u>	<u>1,628</u>
Total Aging and In-Home Services	<u>1,575,772</u>	<u>1,555,782</u>	<u>19,990</u>
Total Human Services	<u>18,223,321</u>	<u>17,220,767</u>	<u>1,002,554</u>

**SAMPSON 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**

**Exhibit B-2
Page 13 of 14**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Education			
Contributions to other units			
Current Expense			
Sampson County Board of Education		6,952,670	
Clinton City Board of Education		2,487,765	
Sampson Community College		1,116,661	
Capital Outlay			
Sampson County Board of Education		642,747	
Clinton City Board of Education		104,231	
Sampson Community College		21,852	
Total Education	<u>11,691,121</u>	<u>11,325,926</u>	<u>365,195</u>
Culture and Recreation			
Library			
Salaries and employee benefits		637,440	
Operations and maintenance		240,948	
Capital outlay		4,708	
Total	<u>907,178</u>	<u>883,096</u>	<u>24,082</u>
Special Appropriations			
Special projects	<u>81,233</u>	<u>78,766</u>	<u>2,467</u>
Recreation			
Salaries and employee benefits		373,964	
Operations and maintenance		74,597	
Programs		124,637	
Capital outlay		72,340	
Total Recreation	<u>687,706</u>	<u>645,538</u>	<u>42,168</u>
Agri-Exposition Center			
Salaries and employee benefits		110,933	
Operations and maintenance		253,545	
Special events		32,262	
Total	<u>482,208</u>	<u>396,740</u>	<u>85,468</u>
Total Culture and Recreation	<u>2,158,325</u>	<u>2,004,140</u>	<u>154,185</u>

**SAMPSON 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**

**Exhibit B-2
Page 14 of 14**

Debt Service			
Principal		3,887,136	
Interest and fees		5,766,058	
Administration		42,804	
Total Debt Service	<u>10,433,276</u>	<u>9,695,998</u>	<u>737,278</u>
Contingency	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total expenditures	<u>65,240,550</u>	<u>61,229,596</u>	<u>4,010,954</u>
Excess (deficiency) of revenues over expenditures	<u>(8,351,211)</u>	<u>(4,078,952)</u>	<u>4,272,259</u>
Other financing sources (uses)			
Transfers in	4,208,192	3,835,507	(372,685)
Transfers out	(91,057)	(91,057)	-
Loan proceeds	<u>394,983</u>	<u>-</u>	<u>(394,983)</u>
Total Other Financing Sources (Uses)	<u>4,512,118</u>	<u>3,744,450</u>	<u>(767,668)</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(3,839,093)	(334,502)	3,504,591
Appropriated Fund Balance	<u>3,839,093</u>	<u>-</u>	<u>(3,839,093)</u>
Net change in fund balance	-	(334,502)	(334,502)
Fund balance - beginning	<u>-</u>	<u>22,440,157</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 22,105,655</u>	<u>\$ (334,502)</u>



MAJOR FUNDS

County and City Schools Construction Capital Project Fund - accounts for the funds used in the construction and renovation of various buildings for use by the Sampson County and Clinton City Boards of Education

Airport Apron Construction Capital Project Fund - accounts for the funds used in the construction of the Airport apron.

Grants Project - Head Start Programs - accounts for the funds used in operation of the various Head Start Programs.



SAMPSON COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-SCHOOLS & COMMUNITY FACILITIES CONSTRUCTION -
CAPITAL PROJECT FUND
From Inception and for the Fiscal Year Ended June 30, 2011

Exhibit B-3

	Project Authorization	Prior Years	Actual Current Year	Inception to Date	Variance with Final Positive (Negative)
Revenues					
State, Federal and Local Grants:					
Local Grant Board of Education	\$ 519,850	\$ 519,850	\$ -	\$ 519,850	\$ -
Investment earnings	1,348,298	2,528,449	109	2,528,558	1,180,260
Donations	496,500	-	-	-	(496,500)
Sales tax refund	1,668,949	1,711,354	-	1,711,354	42,405
Total revenues	<u>4,033,597</u>	<u>4,759,653</u>	<u>109</u>	<u>4,759,762</u>	<u>726,165</u>
Expenditures					
School Construction:					
Union High School	32,995,947	32,976,944	-	32,976,944	19,003
Roseboro Elementary School	12,856,519	772,879	4,160,592	4,933,471	7,923,048
Midway High School	31,252,853	31,252,853	-	31,252,853	-
Clinton High School	30,996,500	30,413,438	-	30,413,438	583,062
Clinton City Schools other	2,024,000	1,906,926	97,187	2,004,113	19,887
Sampson County Schools other	2,000,000	1,646,176	2,826	1,649,002	350,998
Other costs	871,091	831,479	99	831,578	39,513
Other construction	-	-	-	-	-
Community Facilities	2,536,536	1,150,438	-	1,150,438	1,386,098
Total expenditures	<u>115,533,446</u>	<u>100,951,133</u>	<u>4,260,704</u>	<u>105,211,837</u>	<u>10,321,609</u>
Excess (deficiency) of revenues over expenditures	<u>(111,499,849)</u>	<u>(96,191,480)</u>	<u>(4,260,595)</u>	<u>(100,452,075)</u>	<u>11,047,774</u>
Other Financing Sources (Uses)					
Transfers in (out)					
To General Fund for:					
Debt payment	(1,094,019)	-	(1,094,019)	(1,094,019)	-
From School capital reserve	416,519	416,519	-	416,519	-
COPs debt premium	2,536,536	2,536,536	-	2,536,536	-
COPS debt issuance costs	(453,206)	(453,206)	-	(453,206)	-
Loan proceeds	109,000,000	95,996,314	5,480,081	101,476,395	(7,523,605)
Total other financing sources (uses)	<u>110,405,830</u>	<u>98,496,163</u>	<u>4,386,062</u>	<u>102,882,225</u>	<u>(7,523,605)</u>
Revenues and Other Sources Over (Under)					
Expenditures and Other Uses	(1,094,019)	2,304,683	125,467	2,430,150	3,524,169
Appropriated Fund Balance	<u>1,094,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,094,019)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,304,683</u>	125,467	<u>\$ 2,430,150</u>	<u>\$ 2,430,150</u>
Fund balance - beginning			2,304,683		
Fund balance - ending			<u>\$ 2,430,150</u>		

SAMPSON COUNTY, NORTH CAROLINA
AIRPORT EXPANSION CAPITAL PROJECT FUND - TAXIWAY & APRON
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011

Exhibit B-4

Project Number: 36244.19.6.1	Actual			Inception	Variance
	Project	Prior Years	Current Year	to Date	with Final
	Authorization				Positive
					(Negative)
Revenues					
State, Federal, and Local Grants:					
Federal AIR-21	\$ 2,160,000	\$ -	\$ 1,566,669	\$ 1,566,669	\$ (593,331)
City of Clinton	120,000	37,073	49,963	87,036	(32,964)
Total revenues	<u>2,280,000</u>	<u>37,073</u>	<u>1,616,632</u>	<u>1,653,705</u>	<u>(626,295)</u>
Expenditures					
Capital Expansion:					
Administration	6,473	65	-	65	6,408
Engineering	675,165	531,730	80,425	612,155	63,010
Construction costs	<u>1,718,362</u>	<u>1,061,250</u>	<u>117,917</u>	<u>1,179,167</u>	<u>539,195</u>
Total expenditures	<u>2,400,000</u>	<u>1,593,045</u>	<u>198,342</u>	<u>1,791,387</u>	<u>608,613</u>
Excess (deficiency) of revenues over expenditures	<u>(120,000)</u>	<u>(1,555,972)</u>	<u>1,418,290</u>	<u>(137,682)</u>	<u>(17,682)</u>
Other Financing Sources					
Transfers In:					
From Airport Capital Reserve	<u>120,000</u>	<u>86,180</u>	<u>-</u>	<u>86,180</u>	<u>(33,820)</u>
Total other financing sources	120,000	86,180	-	86,180	(33,820)
Net change in fund balance	<u>\$ -</u>	<u>\$(1,469,792)</u>	1,418,290	<u>\$ (51,502)</u>	<u>\$ (51,502)</u>
Fund balance - beginning			<u>(1,469,792)</u>		
Fund balance - ending			<u><u>\$ (51,502)</u></u>		

**SAMPSON COUNTY, NORTH CAROLINA
GRANTS PROJECT - HEAD START PROGRAMS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011**

Exhibit B-5

	Final Budget	Reported in Prior Year	Current Year	Total Actual	Variance Positive (Negative)
Revenues					
State & Federal Grants:					
USDA food 9/30/11	\$ 230,797	\$ -	\$ 254,663	\$ 254,663	\$ 23,866
USDA food 9/30/10	298,667	255,782	59,383	315,165	16,498
DHHS Head Start	4,020,454	-	3,259,631	3,259,631	(760,823)
Sampson Co Partnership for Children	473,000	-	470,525	470,525	(2,475)
Total revenues	<u>5,022,918</u>	<u>255,782</u>	<u>4,044,202</u>	<u>4,299,984</u>	<u>(722,934)</u>
Expenditures					
Food Program Ended 9/30/11:					
Salaries and employee benefits	74,085	-	54,586	54,586	19,499
Food and provisions	155,712	-	150,531	150,531	5,181
Operations and maintenance	1,000	-	228	228	772
Total food program	<u>230,797</u>	<u>-</u>	<u>205,345</u>	<u>205,345</u>	<u>25,452</u>
Food Program Ending 9/30/10:					
Salaries and employee benefits	95,890	78,298	17,592	95,890	-
Food and provisions	201,997	163,894	38,103	201,997	-
Operations and maintenance	780	-	-	-	780
Total food program	<u>298,667</u>	<u>242,192</u>	<u>55,695</u>	<u>297,887</u>	<u>780</u>
Head Start Programs:					
Salaries and employee benefits	1,961,484	-	1,961,484	1,961,484	-
Operations and maintenance	298,201	-	220,662	220,662	77,539
Capital Outlay	3,366	-	3,366	3,366	-
PA-20 Employee training	33,030	-	25,517	25,517	-
Total Head Start program	<u>2,296,081</u>	<u>-</u>	<u>2,211,029</u>	<u>2,211,029</u>	<u>77,539</u>
Early Head Start Programs:					
Salaries and employee benefits	778,473	-	535,685	535,685	242,788
Operations and maintenance	574,412	-	320,801	320,801	253,611
PA-30 Employee training	67,603	-	60,397	60,397	7,206
Capital Outlay	303,885	-	303,884	303,884	1
Total Early Head Start program	<u>1,724,373</u>	<u>-</u>	<u>1,220,767</u>	<u>1,220,767</u>	<u>503,606</u>
More At Four Programs:					
Salaries and employee benefits	207,157	-	157,391	157,391	49,766
Operations and maintenance	246,380	-	210,776	210,776	35,604
Food and provisions	14,078	-	4,223	4,223	9,855
Capital Outlay	5,385	-	5,385	5,385	-
Total More at Four program	<u>473,000</u>	<u>-</u>	<u>377,775</u>	<u>377,775</u>	<u>95,225</u>
Total expenditures	<u>5,022,918</u>	<u>242,192</u>	<u>4,070,611</u>	<u>4,312,803</u>	<u>702,602</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>13,590</u>	<u>(26,409)</u>	<u>(12,819)</u>	<u>(20,332)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 13,590</u>	<u>(26,409)</u>	<u>\$ (12,819)</u>	<u>\$ (20,332)</u>
Fund balance - beginning			<u>50,730</u>		
Fund balance - ending			<u>\$ 24,321</u>		



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Emergency Telephone System Fund-accounts for the revenues used to provide enhanced 911 services for Sampson County.

Sampson Area Transportation Fund-accounts for the revenues to operate the County's transportation system.

County Capital Reserve Fund-accounts for the accumulation of funds for major County facility construction and renovation.

Employment and Training Grant Project Fund-accounts for the revenues to provide on-the-job training, job placement, and educational opportunities to eligible participants in Sampson County.

Fire Districts Fund-accounts for the revenues of seventeen fire districts in the County.

Revaluation Fund-accounts for the revenues necessary to cover the cost of real property revaluation.

Sampson Soil & Water Conservation District Fund-accounts for the activity of the soil and water conservation district.

Community Development Block Grant Projects-accounts for grants received for community development activities.

Governor's Highway Safety Program-accounts for grants received to fund personnel and programs related to highway safety.

Urgent Home Repair Program-accounts for grant received to repair homes for low income citizens.

Homeland Security Equipment-accounts for grant funds used to equip the mobile command post.

Recreation Western District Park-accounts for funds received to build a park in the Western District.

Capital Project Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Airport Expansion Capital Project Funds-accounts for the funds used in the expansion of the Clinton-Sampson Airport.

Courthouse Annex I Construction-accounts for funds used in the construction of a new courthouse and offices for the District Attorney.

County Buildings Capital Project Fund-accounts for the funds used in the construction and renovation of various County office buildings.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources through special district ad valorem taxes and payment of school districts' long-term principal, interest and related costs.



**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011**

**Exhibit C-1
 Page 1 of 7**

	Special Revenue Funds			
	Emergency Telephone System	Sampson Area Transportation	County Capital Reserve	Fire Districts
ASSETS				
Cash and cash equivalents	\$ 1,309,474	\$ -	\$ 527,626	\$ 512,263
Taxes receivable (net)	-	-	-	146,188
Other receivables	160,958	34,489	-	-
TOTAL ASSETS	\$ 1,470,432	\$ 34,489	\$ 527,626	\$ 658,451
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ 83,776	\$ 20,713	\$ -	\$ 20,023
Due to General Fund	-	20,244	-	-
Deferred tax revenue	-	-	-	146,188
Total Liabilities	83,776	40,957	-	166,211
Fund Balances (Deficits):				
Restricted				
Stabilization by State Statute	160,958	34,489	-	-
Public Safety	-	-	-	451,883
Assigned				
Subsequent Year's Expenditures	689,963	20,623	75,820	40,357
Unassigned	535,735	(61,580)	451,806	-
Total Fund Balances (Deficits)	1,386,656	(6,468)	527,626	492,240
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,470,432	\$ 34,489	\$ 527,626	\$ 658,451

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011**

**Exhibit C-1
 Page 2 of 7**

	Special Revenue Funds			
	Revaluation	Soil and Water District	Community Development 07-C-1673	Community Development SFR-08
ASSETS				
Cash and cash equivalents	\$ 481,495	\$ 39,797	\$ 1,576	\$ -
Taxes receivable (net)	-	-	-	-
Other receivables	-	-	-	-
TOTAL ASSETS	\$ 481,495	\$ 39,797	\$ 1,576	\$ -
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ 22,298	\$ -	\$ 1,500	\$ -
Due to General Fund	-	-	-	2,214
Deferred tax revenue	-	-	-	-
Total Liabilities	22,298	-	1,500	2,214
Fund Balances (Deficits):				
Restricted				
Stabilization by State Statute	-	-	-	-
Public Safety	-	-	-	-
Assigned				
Subsequent Year's Expenditures	-	-	-	-
Unassigned	459,197	39,797	76	(2,214)
Total Fund Balances (Deficits)	459,197	39,797	76	(2,214)
TOTAL LIABILITIES AND FUND BALANCES	\$ 481,495	\$ 39,797	\$ 1,576	\$ -

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011**

**Exhibit C-1
 Page 3 of 7**

	Special Revenue Funds			
	Governor's Highway Safety Prog	Community Development Infrastructure	Urgent Home Repair Project	Recreation Western Dist. Park
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 171	\$ -
Taxes receivable (net)	-	-	-	-
Other receivables	-	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ 171	\$ -
LIABILITIES AND FUND BALANCES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to General Fund	6,386	352	-	49,614
Deferred tax revenue	-	-	-	-
Total Liabilities	6,386	352	-	49,614
Fund Balances (Deficits):				
Restricted				
Stabilization by State Statute	-	-	-	-
Public Safety	-	-	-	-
Assigned				
Subsequent Year's Expenditures	-	-	-	-
Unassigned	(6,386)	(352)	171	(49,614)
Total Fund Balances (Deficits)	(6,386)	(352)	171	(49,614)
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ 171	\$ -

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011**

**Exhibit C-1
 Page 4 of 7**

	Special Revenue Funds		Total Nonmajor Special Revenue Funds
	Homeland Security Equipment	Employment and Training	
ASSETS			
Cash and cash equivalents	\$ 24,875	\$ 11,020	\$ 2,908,297
Taxes receivable (net)	-	-	146,188
Other receivables	-	-	195,447
TOTAL ASSETS	\$ 24,875	\$ 11,020	\$ 3,249,932
LIABILITIES AND FUND BALANCES			
Current Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 148,310
Due to General Fund	-	-	78,810
Deferred tax revenue	-	-	146,188
Total Liabilities	-	-	373,308
Fund Balances (Deficits):			
Restricted			
Stabilization by State Statute	-	-	195,447
Public Safety	-	-	451,883
Assigned			
Subsequent Year's Expenditures	-	-	826,763
Unassigned	24,875	11,020	1,402,531
Total Fund Balances (Deficits)	24,875	11,020	2,876,624
TOTAL LIABILITIES AND FUND BALANCES	\$ 24,875	\$ 11,020	\$ 3,249,932

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011**

**Exhibit C-1
 Page 5 of 7**

	Capital Project Funds		
	Airport Taxiway 12.6.2	Airport Construction 12.8.1	Airport Construction 12.9.1
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Taxes receivable (net)	-	-	-
Other receivables	-	150,000	-
TOTAL ASSETS	\$ -	\$ 150,000	\$ -
LIABILITIES AND FUND BALANCES			
Current Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 24,837
Due to General Fund	2,335	158,109	31,542
Deferred tax revenue	-	-	-
Total Liabilities	2,335	158,109	56,379
Fund Balances (Deficits):			
Restricted			
Stabilization by State Statute	-	150,000	-
Public Safety	-	-	-
Assigned			
Subsequent Year's Expenditures	-	-	-
Unassigned	(2,335)	(158,109)	(56,379)
Total Fund Balances (Deficits)	(2,335)	(8,109)	(56,379)
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 150,000	\$ -

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011**

**Exhibit C-1
 Page 6 of 7**

	Capital Project Funds		
	Courthouse Annex Renovation	County Bldgs Construction & Renovation	Total Nonmajor Capital Project Funds
ASSETS			
Cash and cash equivalents	\$ 85,661	\$ -	\$ 85,661
Taxes receivable (net)	-	-	-
Other receivables	-	-	150,000
TOTAL ASSETS	<u>\$ 85,661</u>	<u>\$ -</u>	<u>\$ 235,661</u>
LIABILITIES AND FUND BALANCES			
Current Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 24,837
Due to General Fund	-	5,713	197,699
Deferred tax revenue	-	-	-
Total Liabilities	<u>-</u>	<u>5,713</u>	<u>222,536</u>
Fund Balances (Deficits):			
Restricted			
Stabilization by State Statute	-	-	150,000
Public Safety	-	-	-
Assigned			
Subsequent Year's Expenditures	-	-	-
Unassigned	85,661	(5,713)	(136,875)
Total Fund Balances (Deficits)	<u>85,661</u>	<u>(5,713)</u>	<u>13,125</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 85,661</u>	<u>\$ -</u>	<u>\$ 235,661</u>

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2011**

**Exhibit C-1
 Page 7 of 7**

	Debt Service Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 2,993,958
Taxes receivable (net)	-	146,188
Other receivables	-	345,447
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 3,485,593</u>
LIABILITIES AND FUND BALANCES		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ -	\$ 173,147
Due to General Fund	-	276,509
Deferred tax revenue	-	146,188
	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>595,844</u>
Fund Balances (Deficits):		
Restricted		
Stabilization by State Statute	-	345,447
Public Safety	-	451,883
Assigned		
Subsequent Year's Expenditures	-	826,763
Unassigned	-	1,265,656
	<u> </u>	<u> </u>
Total Fund Balances (Deficits)	<u>-</u>	<u>2,889,749</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 3,485,593</u>

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2011**

**Exhibit C-2
 Page 1 of 7**

	Special Revenue Funds			
	Emergency Telephone System	Sampson Area Transportation	County Capital Reserve	Fire Districts
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 1,981,871
Sales taxes	-	-	-	-
State, federal and local grants	-	502,092	-	-
Fees	482,875	85,291	-	-
Investment earnings	1,562	43	762	918
Miscellaneous	-	63	-	-
Total revenues	<u>484,437</u>	<u>587,489</u>	<u>762</u>	<u>1,982,789</u>
Expenditures				
General government	-	-	-	-
Public safety	295,381	-	-	1,957,795
Environmental protection	-	-	-	-
Human services	-	676,570	-	-
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	<u>295,381</u>	<u>676,570</u>	<u>-</u>	<u>1,957,795</u>
Excess (deficiency) of revenues over expenditure:	<u>189,056</u>	<u>(89,081)</u>	<u>762</u>	<u>24,994</u>
Other Financing Sources (Uses)				
Transfers in	-	64,457	-	-
Transfers out	-	-	(2,000)	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>64,457</u>	<u>(2,000)</u>	<u>-</u>
Net change in fund balances	189,056	(24,624)	(1,238)	24,994
Fund balances - beginning	<u>1,197,600</u>	<u>18,156</u>	<u>528,864</u>	<u>467,246</u>
Fund balances - ending	<u>\$ 1,386,656</u>	<u>\$ (6,468)</u>	<u>\$ 527,626</u>	<u>\$ 492,240</u>

**SAMPSON COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2011**

**Exhibit C-2
Page 2 of 7**

	Special Revenue Funds			
	Revaluation	Soil and Water District	Community Development 07-C-1673	Community Development SFR-08
Revenues				
Ad valorem taxes	\$ 121,166	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
State, federal and local grants	-	6,808	-	-
Fees	-	-	-	-
Investment earnings	956	49	-	-
Miscellaneous	-	-	1,071	-
Total revenues	<u>122,122</u>	<u>6,857</u>	<u>1,071</u>	<u>-</u>
Expenditures				
General government	356,146	-	-	-
Public safety	-	-	-	-
Environmental protection	-	2,512	-	-
Human services	-	-	-	2,214
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	<u>356,146</u>	<u>2,512</u>	<u>-</u>	<u>2,214</u>
Excess (deficiency) of revenues over expenditure:	<u>(234,024)</u>	<u>4,345</u>	<u>1,071</u>	<u>(2,214)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(234,024)	4,345	1,071	(2,214)
Fund balances - beginning	<u>693,221</u>	<u>35,452</u>	<u>(995)</u>	<u>-</u>
Fund balances - ending	<u>\$ 459,197</u>	<u>\$ 39,797</u>	<u>\$ 76</u>	<u>\$ (2,214)</u>

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2011**

**Exhibit C-2
 Page 3 of 7**

	Special Revenue Funds			
	Governor's Highway Safety Program	Community Development Infrastrukturce	Urgent Home Repair	Recreation Western District Park
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-
State, federal and local grants	-	7,755	-	-
Fees	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>7,755</u>	<u>-</u>	<u>-</u>
Expenditures				
General government	-	-	-	-
Public safety	-	-	-	-
Environmental protection	-	-	-	-
Human services	-	8,107	-	-
Culture and recreation	-	-	-	-
Capital Expansion	-	-	-	-
Total Expenditures	<u>-</u>	<u>8,107</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditure:	<u>-</u>	<u>(352)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Installment purchase debt issued	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(352)	-	-
Fund balances - beginning	(6,386)	-	171	(49,614)
Fund balances - ending	<u>\$ (6,386)</u>	<u>\$ (352)</u>	<u>\$ 171</u>	<u>\$ (49,614)</u>

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2011**

**Exhibit C-2
 Page 4 of 7**

	Special Revenue Funds		Total Nonmajor Special Revenue Funds
	Homeland Security Equipment	Employment and Training	
Revenues			
Ad valorem taxes	\$ -	\$ -	\$ 2,103,037
Sales taxes	-	-	-
State, federal and local grants	-	-	516,655
Fees	-	-	568,166
Investment earnings	-	-	4,290
Miscellaneous	-	-	1,134
Total revenues	<u>-</u>	<u>-</u>	<u>3,193,282</u>
Expenditures			
General government	-	-	356,146
Public safety	-	-	2,253,176
Environmental protection	-	-	2,512
Human services	-	-	686,891
Culture and recreation	-	-	-
Capital Expansion	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>3,298,725</u>
Excess (deficiency) of revenues over expenditure:	<u>-</u>	<u>-</u>	<u>(105,443)</u>
Other Financing Sources (Uses)			
Transfers in	-	-	64,457
Transfers out	-	-	(2,000)
Installment purchase debt issued	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>62,457</u>
Net change in fund balances	-	-	(42,986)
Fund balances - beginning	<u>24,875</u>	<u>11,020</u>	<u>2,919,610</u>
Fund balances - ending	<u>\$ 24,875</u>	<u>\$ 11,020</u>	<u>\$ 2,876,624</u>

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2011**

**Exhibit C-2
 Page 5 of 7**

	Capital Project Funds		
	Airport Taxiway 12.6.2	Airport Construction 12.8.1	Airport Construction 12.9.1
Revenues			
Ad valorem taxes	\$ -	\$ -	\$ -
Sales taxes	-	-	-
State, federal and local grants	-	150,000	-
Fees	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>-</u>	<u>150,000</u>	<u>-</u>
Expenditures			
General government	-	-	-
Public safety	-	-	-
Environmental protection	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Capital Expansion	-	-	24,836
Total Expenditures	<u>-</u>	<u>-</u>	<u>24,836</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>150,000</u>	<u>(24,836)</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Installment purchase debt issued	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	150,000	(24,836)
Fund balances - beginning	<u>(2,335)</u>	<u>(158,109)</u>	<u>(31,543)</u>
Fund balances - ending	<u>\$ (2,335)</u>	<u>\$ (8,109)</u>	<u>\$ (56,379)</u>

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2011**

**Exhibit C-2
 Page 6 of 7**

	Capital Project Funds		
	Courthouse Annex Renovations	County Bldgs Construction Renovations	Total Nonmajor Capital Project Funds
Revenues			
Ad valorem taxes	\$ -	\$ -	\$ -
Sales taxes	-	-	-
State, federal and local grants	-	-	150,000
Fees	-	-	-
Investment earnings	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>150,000</u>
Expenditures			
General government	-	-	-
Public safety	-	-	-
Environmental protection	-	-	-
Human services	-	-	-
Culture and recreation	-	-	-
Capital Expansion	-	-	24,836
Total Expenditures	<u>-</u>	<u>-</u>	<u>24,836</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>125,164</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Installment purchase debt issued	-	7,354	7,354
Total other financing sources (uses)	<u>-</u>	<u>7,354</u>	<u>7,354</u>
Net change in fund balances	-	7,354	132,518
Fund balances - beginning	85,661	(13,067)	(119,393)
Fund balances - ending	<u>\$ 85,661</u>	<u>\$ (5,713)</u>	<u>\$ 13,125</u>

**SAMPSON COUNTY, NORTH CAROLINA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2011**

**Exhibit C-2
 Page 7 of 7**

	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues		
Ad valorem taxes	\$ -	\$ 2,103,037
Sales taxes	-	-
State, federal and local grants	-	666,655
Fees	-	568,166
Investment earnings	-	4,290
Miscellaneous	-	1,134
Total revenues	<u>-</u>	<u>3,343,282</u>
Expenditures		
General government	-	356,146
Public safety	-	2,253,176
Environmental protection	-	2,512
Human services	-	686,891
Culture and recreation	-	-
Capital Expansion	-	24,836
Total Expenditures	<u>-</u>	<u>3,323,561</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>19,721</u>
Other Financing Sources (Uses)		
Transfers in	-	64,457
Transfers out	(23,737)	(25,737)
Installment purchase debt issued	-	7,354
Total other financing sources (uses)	<u>(23,737)</u>	<u>46,074</u>
Net change in fund balances	(23,737)	65,795
Fund balances - beginning	<u>23,737</u>	<u>2,823,954</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 2,889,749</u>

**SAMPSON COUNTY, NORTH CAROLINA
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011**

Exhibit C-3

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
NC 911 PSAP fees	\$ 401,953	\$ 482,875	\$ 80,922
Investment earnings	-	1,562	1,562
Total revenues	<u>401,953</u>	<u>484,437</u>	<u>82,484</u>
Expenditures			
Operations and maintenance	112,324	89,638	22,686
Telephone and postage	113,016	102,645	10,371
Contracted services	170,855	97,340	73,515
Capital outlay	5,758	5,758	-
Total expenditures	<u>401,953</u>	<u>295,381</u>	<u>106,572</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>189,056</u>	<u>189,056</u>
Appropriated Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>189,056</u>	<u>\$ 189,056</u>
Fund balance - beginning		<u>1,197,600</u>	
Fund balance - ending		<u>\$ 1,386,656</u>	

**SAMPSON COUNTY, NORTH CAROLINA
SAMPSON AREA TRANSPORTATION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011**

Exhibit C-4

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
State Grants:			
Transportation-capital improvements	\$ 175,226	\$ 130,035	\$ (45,191)
Transportation-riders	204,493	190,275	(14,218)
Development funds	133,880	148,864	14,984
Workfirst	32,918	32,918	-
Mileage fees	87,911	85,291	(2,620)
Miscellaneous	8,000	63	(7,937)
Investment earnings	-	43	43
Total revenues	<u>642,428</u>	<u>587,489</u>	<u>(54,939)</u>
Expenditures			
Salaries and employee benefits	392,079	388,914	3,165
Gas, oil, and tires	63,156	63,155	1
Maintenance and repairs	34,067	9,021	25,046
Operations	52,825	52,112	713
Returned to State agency	20,623	20,622	1
Insurance and bonds	10,385	6,385	4,000
Capital outlay	154,373	136,361	18,012
Total expenditures	<u>727,508</u>	<u>676,570</u>	<u>50,938</u>
Excess (deficiency) of revenues over expenditures	<u>(85,080)</u>	<u>(89,081)</u>	<u>(4,001)</u>
Other Financing Sources (Uses)			
Transfers:			
From General fund	64,457	64,457	-
Total other financing sources (uses)	64,457	64,457	-
Revenues and Other Finance Sources (Uses) Over (Under) Expenditures	(20,623)	(24,624)	(4,001)
Appropriated Fund Balance	<u>20,623</u>	<u>-</u>	<u>(20,623)</u>
Net change in fund balance	<u>\$ -</u>	<u>(24,624)</u>	<u>\$ (24,624)</u>
Fund balance - beginning		<u>18,156</u>	
Fund balance - ending		<u>\$ (6,468)</u>	

**SAMPSON COUNTY, NORTH CAROLINA
COUNTY CAPITAL RESERVE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011**

Exhibit C-5

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Airport	\$ -	621	621
Livestock arena reserve	-	82	82
Schools capital outlay reserve	-	10	10
Water line repairs	-	49	49
Total revenues	<u>-</u>	<u>762</u>	<u>762</u>
Other Financing (Uses)			
Transfers out			
To General fund	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(2,000)</u>	<u>(1,238)</u>	<u>762</u>
Appropriated Fund Balance	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(1,238)</u>	<u>\$ (1,238)</u>
Fund balance - beginning		<u>528,864</u>	
Fund balance - ending		<u>\$ 527,626</u>	

**SAMPSON COUNTY, NORTH CAROLINA
 FIRE DISTRICTS
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2011**

Exhibit C-6

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad Valorem Taxes:			
Current year	\$ 1,849,975	\$ 1,887,062	\$ 37,087
Prior year	55,690	94,809	39,119
Investment earnings	-	918	918
Total revenues	<u>1,905,665</u>	<u>1,982,789</u>	<u>77,124</u>
Expenditures			
Fire protection	<u>1,999,253</u>	<u>1,957,795</u>	<u>41,458</u>
Total expenditures	<u>1,999,253</u>	<u>1,957,795</u>	<u>41,458</u>
Excess (deficiency) of revenues over expenditures	<u>(93,588)</u>	<u>24,994</u>	<u>118,582</u>
Appropriated Fund Balance	<u>93,588</u>	<u>-</u>	<u>(93,588)</u>
Net change in fund balance	<u>\$ -</u>	<u>24,994</u>	<u>\$ 24,994</u>
Fund balance - beginning		<u>467,246</u>	
Fund balance - ending		<u>\$ 492,240</u>	

**SAMPSON COUNTY, NORTH CAROLINA
FIRE DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BY DISTRICT
For the Fiscal Year Ended June 30, 2011**

Exhibit C-7

District	Ad Valorem Taxes & Investment Earnings	Fire Protection Transfers to Districts	Revenues Over (Under) Expenditures	Fund Balance June 30, 2010	Fund Balance June 30, 2011
Coharie	\$ 128,653	\$ 127,494	\$ 1,159	\$ 47,689	\$ 48,848
Franklin	116,407	116,160	247	22,068	22,315
Godwin-Falcon	20,997	20,987	10	5,622	5,632
Halls	108,311	104,314	3,997	3,797	7,794
Herring	109,147	109,011	136	21,608	21,744
Honeycutt-Salemburg	127,959	126,270	1,689	21,708	23,397
Newton Grove	59,677	53,341	6,336	21,283	27,619
Piney Grove	65,787	74,200	(8,413)	14,118	5,705
Plain View	192,414	191,683	731	38,568	39,299
Spivey's Corner	112,507	112,314	193	10,568	10,761
Turkey	100,513	91,120	9,393	28,719	38,112
Vanns Crossroads	52,793	51,595	1,198	13,410	14,608
Clinton	348,368	348,091	277	93,699	93,976
Clement	146,032	144,100	1,932	36,742	38,674
Autryville	92,778	92,676	102	19,010	19,112
Garland	80,913	80,689	224	16,922	17,146
Taylor's Bridge	119,533	113,750	5,783	51,715	57,498
	<u>\$ 1,982,789</u>	<u>\$ 1,957,795</u>	<u>\$ 24,994</u>	<u>\$ 467,246</u>	<u>\$ 492,240</u>

**SAMPSON 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**

Exhibit C-8

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Ad valorem taxes	\$ 121,166	\$ 121,166	-
Investment earnings	-	956	956
	<u>121,166</u>	<u>122,122</u>	<u>956</u>
Expenditures			
Real property appraisals	<u>462,675</u>	<u>356,146</u>	<u>106,529</u>
Excess (deficiency) of revenues over expenditures	<u>(341,509)</u>	<u>(234,024)</u>	<u>107,485</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures	(341,509)	(234,024)	107,485
Appropriated Fund Balance	<u>341,509</u>	<u>-</u>	<u>(341,509)</u>
Net change in fund balance	<u>\$ -</u>	<u>(234,024)</u>	<u>\$ (234,024)</u>
Fund balance - beginning		<u>693,221</u>	
Fund balance - ending		<u>\$ 459,197</u>	

**SAMPSON COUNTY, NORTH CAROLINA
 SOIL AND WATER CONSERVATION DISTRICT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2011**

Exhibit C-9

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
State Grant	\$ 3,800	\$ 6,808	\$ 3,008
Miscellaneous	1,500	-	(1,500)
Investment earnings	-	49	49
Total revenues	<u>5,300</u>	<u>6,857</u>	<u>1,557</u>
Expenditures			
Travel	1,100	1,012	88
Departmental supplies	<u>4,200</u>	<u>1,500</u>	<u>2,700</u>
Total expenditures	<u>5,300</u>	<u>2,512</u>	<u>2,788</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>4,345</u>	<u>(1,231)</u>
Revenues and Other Financing Sources			
Over (Under) Expenditures	-	4,345	4,345
Appropriated Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>4,345</u>	<u>\$ 4,345</u>
Fund balance - beginning		<u>35,452</u>	
Fund balance - ending		<u>\$ 39,797</u>	

**SAMPSON COUNTY, NORTH CAROLINA
COMMUNITY DEVELOPMENT GRANT PROJECT
SCATTERED SITES PROJECT - 07-C-1673
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-10

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 400,000	\$ 357,172	\$ -	\$ 357,172	\$ (42,828)
Miscellaneous	-	-	1,071	1,071	1,071
Total revenue	<u>400,000</u>	<u>357,172</u>	<u>1,071</u>	<u>358,243</u>	<u>(41,757)</u>
Expenditures					
Administration	36,500	15,531	-	15,531	20,969
Planning	3,500	3,500	-	3,500	-
Clearance activity	30,000	20,800	-	20,800	9,200
Relocation assistance	325,000	318,336	-	318,336	6,664
Housing rehabilitation	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>400,000</u>	<u>358,167</u>	<u>-</u>	<u>358,167</u>	<u>41,833</u>
Excess (deficiency) of revenues over expenditures	\$ <u>-</u>	\$ <u>(995)</u>	1,071	\$ <u>76</u>	\$ <u>76</u>
Fund balance - beginning			<u>(995)</u>		
Fund balance - ending			<u>\$ 76</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COMMUNITY DEVELOPMENT GRANT PROJECT
SINGLE FAMILY REHABILITATION SFR-08
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-11

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 400,000	\$ 392,793	\$ -	\$ 392,793	\$ (7,207)
Total revenue	<u>400,000</u>	<u>392,793</u>	<u>-</u>	<u>392,793</u>	<u>(7,207)</u>
Expenditures					
Administration	31,995	31,995	-	31,995	-
Soft cost	44,190	36,983	2,214	39,197	4,993
Relocation assistance	1,800	1,800	-	1,800	-
Housing rehabilitation	<u>322,015</u>	<u>322,015</u>	<u>-</u>	<u>322,015</u>	<u>-</u>
Total expenditures	<u>400,000</u>	<u>392,793</u>	<u>2,214</u>	<u>395,007</u>	<u>4,993</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	(2,214)	<u>\$ (2,214)</u>	<u>\$ (2,214)</u>
Fund balance - beginning			-		
Fund balance - ending			<u>\$ (2,214)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
 CRIME CONTROL & PUBLIC SAFETY GRANT PROJECT
 GOVERNOR'S HIGHWAY SAFETY PROGRAM GRANT
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 From Inception and for the Year Ended June 30, 2011**

Exhibit C-12

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 140,620	\$ 143,154	\$ -	\$ 143,154	\$ 2,534
Total revenue	<u>140,620</u>	<u>143,154</u>	<u>-</u>	<u>143,154</u>	<u>2,534</u>
Expenditures					
Salaries and employee benefits	277,038	276,519	-	276,519	519
Operations and maintenance	<u>13,413</u>	<u>9,790</u>	<u>-</u>	<u>9,790</u>	<u>3,623</u>
Total expenditures	<u>290,451</u>	<u>286,309</u>	<u>-</u>	<u>286,309</u>	<u>4,142</u>
Excess (deficiency) of revenues over expenditures	<u>(149,831)</u>	<u>(143,155)</u>	<u>-</u>	<u>(143,155)</u>	<u>6,676</u>
Other Financing Sources:					
Transfers:					
From General fund	<u>149,831</u>	<u>136,769</u>	<u>-</u>	<u>136,769</u>	<u>(13,062)</u>
Total other financing sources	<u>149,831</u>	<u>136,769</u>	<u>-</u>	<u>136,769</u>	<u>(13,062)</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ (6,386)</u>	<u>-</u>	<u>\$ (6,386)</u>	<u>\$ (6,386)</u>
Net change in fund balance			-		
Fund balance - beginning			<u>(6,386)</u>		
Fund balance - ending			<u>\$ (6,386)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COMMUNITY DEVELOPMENT GRANT PROJECT
INFRASTRUCTURE HOOK-UP
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-13

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 23,000	\$ -	\$ 7,755	\$ 7,755	\$ (15,245)
Total revenue	<u>23,000</u>	<u>-</u>	<u>7,755</u>	<u>7,755</u>	<u>(15,245)</u>
Expenditures					
Water taps & hookup	23,000	-	8,107	8,107	14,893
Total expenditures	<u>23,000</u>	<u>-</u>	<u>8,107</u>	<u>8,107</u>	<u>14,893</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(352)</u>	<u>(352)</u>	<u>(352)</u>
Other Financing Sources:					
Transfers:					
From General fund	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ -</u>	<u>(352)</u>	<u>\$ (352)</u>	<u>\$ (352)</u>
Net change in fund balance			(352)		
Fund balance - beginning			<u>-</u>		
Fund balance - ending			<u>\$ (352)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
URGENT HOME REPAIR GRANT PROJECT
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-14

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 125,000	\$ 125,000	\$ -	\$ 125,000	\$ -
Interest earned	690	826	-	826	136
Total revenue	<u>125,690</u>	<u>125,826</u>	<u>-</u>	<u>125,826</u>	<u>136</u>
Expenditures					
Salaries and employee benefits	10,728	5,607	-	5,607	5,121
Department supplies	3,500	3,362	-	3,362	138
Contracted services	111,462	116,686	-	116,686	(5,224)
Total expenditures	<u>125,690</u>	<u>125,655</u>	<u>-</u>	<u>125,655</u>	<u>35</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 171</u>	<u>-</u>	<u>\$ 171</u>	<u>\$ 171</u>
Fund balance - beginning			<u>171</u>		
Fund balance - ending			<u>\$ 171</u>		

**SAMPSON COUNTY, NORTH CAROLINA
RECREATION PARK PROJECT
WESTERN DISTRICT PARK
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-15

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
Federal grants	\$ 92,822	\$ 91,423	\$ -	\$ 91,423	\$ (1,399)
State, and local grants	624,210	575,605	-	575,605	(48,605)
Donations	181,299	134,633	-	134,633	(46,666)
Total revenue	<u>898,331</u>	<u>801,661</u>	<u>-</u>	<u>801,661</u>	<u>(96,670)</u>
Expenditures					
Contingency	2,556	-	-	-	2,556
Administration	13,251	13,251	-	13,251	-
Engineering & contract services	113,714	113,714	-	113,714	-
Construction	653,795	653,795	-	653,795	-
Land	60,042	60,042	-	60,042	-
Capital Outlay	204,001	204,001	-	204,001	-
Total expenditures	<u>1,047,359</u>	<u>1,044,803</u>	<u>-</u>	<u>1,044,803</u>	<u>2,556</u>
Excess (deficiency) of revenues over expenditures	<u>(149,028)</u>	<u>(243,142)</u>	<u>-</u>	<u>(243,142)</u>	<u>(94,114)</u>
Other Financing Sources:					
Transfers:					
From Capital reserve fund	26,492	26,492	-	26,492	-
From General fund	122,536	167,036	-	167,036	44,500
Total other financing sources	<u>149,028</u>	<u>193,528</u>	<u>-</u>	<u>193,528</u>	<u>44,500</u>
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>\$ -</u>	<u>\$ (49,614)</u>	<u>-</u>	<u>\$ (49,614)</u>	<u>\$ (49,614)</u>
Net change in fund balance			-		
Fund balance - beginning			<u>(49,614)</u>		
Fund balance - ending			<u>\$ (49,614)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
 HOMELAND SECURITY GRANT PROJECT
 2006 EQUIPMENT
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 From Inception and for the Year Ended June 30, 2011**

Exhibit C-16

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State and local grants	\$ 69,748	\$ 75,513	\$ -	\$ 75,513	\$ 5,765
Total revenue	<u>69,748</u>	<u>75,513</u>	<u>-</u>	<u>75,513</u>	<u>5,765</u>
Expenditures					
Department supplies	26,309	26,309	-	26,309	-
Capital Outlay	43,439	24,329	-	24,329	19,110
Total expenditures	<u>69,748</u>	<u>50,638</u>	<u>-</u>	<u>50,638</u>	<u>19,110</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ 24,875</u>	<u>-</u>	<u>\$ 24,875</u>	<u>\$ 24,875</u>
Fund balance - beginning			<u>24,875</u>		
Fund balance - ending			<u>\$ 24,875</u>		

**SAMPSON COUNTY, NORTH CAROLINA
 AIRPORT EXPANSION CAPITAL PROJECT FUND - TAXIWAY REHABILITATION
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 From Inception and for the Year Ended June 30, 2011**

Exhibit C-17

Project Number: 36237.12.6.2

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State, Federal, and Local Grants:					
Federal Air-21	\$ 269,638	\$ 269,638	\$ -	\$ 269,638	\$ -
City of Clinton	14,980	12,645	-	12,645	(2,335)
Total revenues	<u>284,618</u>	<u>282,283</u>	<u>-</u>	<u>282,283</u>	<u>(2,335)</u>
Expenditures					
Capital Expansion:					
Engineering	6,529	6,529	-	6,529	-
Land	226,432	226,432	-	226,432	-
Construction costs	66,637	66,637	-	66,637	-
Total expenditures	<u>299,598</u>	<u>299,598</u>	<u>-</u>	<u>299,598</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(14,980)</u>	<u>(17,315)</u>	<u>-</u>	<u>(17,315)</u>	<u>(2,335)</u>
Other Financing Sources (Uses)					
Transfer from Airport Capital Reserve	14,980	14,980	-	14,980	-
Total other financing sources	14,980	14,980	-	14,980	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (2,335)</u>	<u>-</u>	<u>\$ (2,335)</u>	<u>\$ (2,335)</u>
Fund balance - beginning			<u>(2,335)</u>		
Fund balance - ending			<u>\$ (2,335)</u>		

SAMPSON COUNTY, NORTH CAROLINA
AIRPORT EXPANSION CAPITAL PROJECT FUND - LAND ACQUISITION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011

Exhibit C-18

Project Number: 36237.12.8.1

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State, Federal, and Local Grants:					
Federal AIR-21	\$ 150,000	\$ -	\$ 150,000	\$ 150,000	\$ -
City of Clinton	8,334	-	-	-	(8,334)
Total revenues	<u>158,334</u>	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>(8,334)</u>
Expenditures					
Capital Expansion:					
Professional services	115,631	115,406	-	115,406	225
Land	<u>51,036</u>	<u>51,036</u>	<u>-</u>	<u>51,036</u>	<u>-</u>
Total expenditures	<u>166,667</u>	<u>166,442</u>	<u>-</u>	<u>166,442</u>	<u>225</u>
Excess (deficiency) of revenues over expenditures	<u>(8,333)</u>	<u>(166,442)</u>	<u>150,000</u>	<u>(16,442)</u>	<u>(8,109)</u>
Other Financing Sources					
Transfers In:					
From Airport Capital Reserve	<u>8,333</u>	<u>8,333</u>	<u>-</u>	<u>8,333</u>	<u>-</u>
Total other financing sources	<u>8,333</u>	<u>8,333</u>	<u>-</u>	<u>8,333</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (158,109)</u>	150,000	<u>\$ (8,109)</u>	<u>\$ (8,109)</u>
Fund balance - beginning			<u>(158,109)</u>		
Fund balance - ending			<u>\$ (8,109)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
AIRPORT EXPANSION CAPITAL PROJECT FUND - AIRPORT CONSTRUCTION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-19

Project Number: 36237.12.9.1

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State, Federal, and Local Grants:					
Federal AIR-21	\$ 111,240	\$ -	\$ -	\$ -	\$ (111,240)
City of Clinton	6,180	-	-	-	(6,180)
Total revenues	<u>117,420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(117,420)</u>
Expenditures					
Capital Expansion:					
Land	<u>123,600</u>	<u>37,723</u>	<u>24,836</u>	<u>62,559</u>	<u>61,041</u>
Total expenditures	<u>123,600</u>	<u>37,723</u>	<u>24,836</u>	<u>62,559</u>	<u>61,041</u>
Excess (deficiency) of revenues over expenditures	<u>(6,180)</u>	<u>(37,723)</u>	<u>(24,836)</u>	<u>(62,559)</u>	<u>(56,379)</u>
Other Financing Sources					
Transfers In:					
From Airport Capital Reserve	<u>6,180</u>	<u>6,180</u>	<u>-</u>	<u>6,180</u>	<u>-</u>
Total other financing sources	<u>6,180</u>	<u>6,180</u>	<u>-</u>	<u>6,180</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (31,543)</u>	<u>(24,836)</u>	<u>\$ (56,379)</u>	<u>\$ (56,379)</u>
Fund balance - beginning			<u>(31,543)</u>		
Fund balance - ending			<u>\$ (56,379)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COURTHOUSE ANNEX I RENOVATIONS CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-20

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State, Federal, and Local Grants:					
Federal-USDA	\$ 100,000	\$ 100,000	\$ -	\$ 100,000	\$ -
Investment earnings	-	-	-	-	-
Sales tax refund	-	3,283	-	3,283	3,283
Total revenues	<u>100,000</u>	<u>103,283</u>	<u>-</u>	<u>103,283</u>	<u>3,283</u>
Expenditures					
Capital Expansion:					
Engineering	142,104	60,051	-	60,051	82,053
Construction costs	1,849,147	1,849,147	-	1,849,147	-
Legal and administration	5,514	5,190	-	5,190	324
Capitalized interest	75,000	75,000	-	75,000	-
Contingency	-	-	-	-	-
Total expenditures	<u>2,071,765</u>	<u>1,989,388</u>	<u>-</u>	<u>1,989,388</u>	<u>82,377</u>
Excess (deficiency) of revenues over expenditures	<u>(1,971,765)</u>	<u>(1,886,105)</u>	<u>-</u>	<u>(1,886,105)</u>	<u>85,660</u>
Other Financing Sources (Uses)					
Transfer to general fund	(78,235)	(78,234)	-	(78,234)	1
Installment purchase debt issued	<u>2,050,000</u>	<u>2,050,000</u>	<u>-</u>	<u>2,050,000</u>	<u>-</u>
Total other financing sources (uses)	<u>1,971,765</u>	<u>1,971,766</u>	<u>-</u>	<u>1,971,766</u>	<u>1</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 85,661</u>	<u>-</u>	<u>\$ 85,661</u>	<u>\$ 85,661</u>
Fund balance - beginning			<u>85,661</u>		
Fund balance - ending			<u>\$ 85,661</u>		

**SAMPSON COUNTY, NORTH CAROLINA
COUNTY BUILDINGS CONSTRUCTION AND RENOVATION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
From Inception and for the Year Ended June 30, 2011**

Exhibit C-21

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues					
State grant	\$ 140,000	\$ 140,000	\$ -	\$ 140,000	\$ -
Donations	75,000	15,000	-	15,000	(60,000)
Sales Tax Refund	40,000	54,160	-	54,160	14,160
Total revenues	<u>255,000</u>	<u>209,160</u>	<u>-</u>	<u>209,160</u>	<u>(45,840)</u>
Expenditures					
Capital Expansion					
Renovation of various buildings	\$ 912,200	\$ 899,981	\$ -	\$ 899,981	\$ 12,219
County administration offices	1,068,935	1,144,375	-	1,144,375	(75,440)
Public works building	862,800	862,800	-	862,800	-
Animal shelter	550,000	550,000	-	550,000	-
Early childhood education center	5,000,000	42,747	-	42,747	4,957,253
Cooperative extension building	1,928,000	1,868,000	-	1,868,000	60,000
Human services building	8,614,065	8,527,970	-	8,527,970	86,095
Total expenditures	<u>18,936,000</u>	<u>13,895,873</u>	<u>-</u>	<u>13,895,873</u>	<u>5,040,127</u>
Excess (deficiency) of revenues over expenditures	<u>(18,681,000)</u>	<u>(13,686,713)</u>	<u>-</u>	<u>(13,686,713)</u>	<u>4,994,287</u>
Other Financing Sources (Uses)					
Transfer from general fund	58,000	58,000	-	58,000	-
Installment purchase debt issued	<u>18,623,000</u>	<u>13,615,646</u>	<u>7,354</u>	<u>13,623,000</u>	<u>(5,000,000)</u>
Total other financing sources	<u>18,681,000</u>	<u>13,673,646</u>	<u>7,354</u>	<u>13,681,000</u>	<u>(5,000,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (13,067)</u>	<u>7,354</u>	<u>\$ (5,713)</u>	<u>\$ (5,713)</u>
Fund balance - beginning			<u>(13,067)</u>		
Fund balance - ending			<u>\$ (5,713)</u>		

**SAMPSON COUNTY, NORTH CAROLINA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2011**

Exhibit C-22

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Ad valorem taxes current year	\$ -	-	-
Ad valorem taxes prior year	-	-	-
Investment earnings	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers (out)			
To General Fund for:			
County schools capital outlay	(2,202)	(2,202)	-
City schools capital outlay	<u>(21,536)</u>	<u>(21,535)</u>	<u>1</u>
Total other financing uses	<u>(23,738)</u>	<u>(23,737)</u>	<u>1</u>
Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(23,738)</u>	<u>(23,737)</u>	<u>1</u>
Appropriated Fund Balance	<u>23,738</u>	<u>-</u>	<u>(23,738)</u>
Net change in fund balance	<u>\$ -</u>	<u>(23,737)</u>	<u>\$ (23,737)</u>
Fund balance - beginning		<u>23,737</u>	
Fund balance - ending		<u>\$ -</u>	

ENTERPRISE FUNDS

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

Individual Fund Descriptions:

Water and Sewer Enterprise Fund-accounts for the operations of the County's water system within two special districts created by Sampson County.

Water and Sewer Construction Fund-accounts for the initial construction of water lines within the water districts.



**SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER FUND - DISTRICT II
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2011**

Exhibit D-1

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Charges for Services:			
Water sales	\$	\$ 1,896,297	\$
Penalties		33,410	
Tap fees		45,060	
Miscellaneous		47,116	
Total Operating Revenues	<u>1,916,983</u>	<u>2,021,883</u>	<u>104,900</u>
Nonoperating Revenues:			
Interest earnings		1,362	
Total Nonoperating Revenues	<u>-</u>	<u>1,362</u>	<u>1,362</u>
Total Revenues	<u>1,916,983</u>	<u>2,023,245</u>	<u>106,262</u>
Expenditures:			
Salaries and employee benefits		244,323	
Bulk water purchases		408,406	
Travel		3,658	
Contracted services		32,187	
Operations and maintenance		123,658	
Capital outlay		26,344	
Debt service principal		321,005	
Debt service interest		614,450	
Total Expenditures	<u>1,978,976</u>	<u>1,774,031</u>	<u>204,945</u>
Revenues Over (Under) Expenditures	<u>(61,993)</u>	<u>249,214</u>	<u>311,207</u>
Other Financing Sources:			
Transfer from general fund	<u>26,600</u>	<u>26,600</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>(35,393)</u>	<u>275,814</u>	<u>311,207</u>
Appropriated Fund Balance	<u>35,393</u>	<u>-</u>	<u>(35,393)</u>
Revenues, Other Financing Sources, and Appropriated Fund Balance Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 275,814</u>	<u>\$ 275,814</u>
Reconciliation from budgetary basis (modified accrual) to full accrual Revenues and Other Financing Sources Over (Under) Expenditures		<u>\$ 275,814</u>	
Reconciling Items:			
Debt principal		321,005	
Other post-employment benefits		(12,437)	
Compensated absences		(330)	
Accrued interest		1,191	
Depreciation		(701,600)	
Capital outlay		26,344	
Total reconciling items		<u>(365,827)</u>	
Change in net assets		<u>\$ (90,013)</u>	

**SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER LINE CONSTRUCTION FUND
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)**

From Inception and for the Year Ended June 30, 2011

Exhibit D-2

	Project Authorization	Actual		Inception to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
State Federal and Local Grants:					
USDA Rural Development	\$ 835,000	\$ -	\$ -	\$ -	\$ (835,000)
Sales Tax Refund	-	116,460	-	116,460	116,460
Investment earnings	-	-	-	-	-
Total Revenues	<u>835,000</u>	<u>116,460</u>	<u>-</u>	<u>116,460</u>	<u>(718,540)</u>
Expenditures:					
Administration	-	-	-	-	-
Engineering	226,100	79,257	40,738	119,995	106,105
Other professional services	65,450	2,700	-	2,700	62,750
Land	60,000	4,000	72,908	76,908	(16,908)
Construction	1,930,000	45,821	200,718	246,539	1,683,461
Capital outlay	-	-	-	-	-
Contingency	96,500	-	-	-	96,500
Capitalized interest	238,800	-	-	-	238,800
Legal	10,000	2,252	1,500	3,752	6,248
Total Expenditures	<u>2,626,850</u>	<u>134,030</u>	<u>315,864</u>	<u>449,894</u>	<u>2,176,956</u>
Revenues Over (Under) Expenditures	(1,791,850)	(17,570)	(315,864)	(333,434)	1,458,416
Other Financing Sources:					
Installment purchase debt proceeds	1,791,850	-	-	-	(1,791,850)
	<u>1,791,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,791,850)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (17,570)</u>	<u>\$ (315,864)</u>	<u>\$ (333,434)</u>	<u>\$ (333,434)</u>

**SAMPSON COUNTY, NORTH CAROLINA
WATER AND SEWER FUND - DISTRICT I
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2011**

Exhibit D-3

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Charges for Services:			
Water sales	\$	\$ 550,538	\$
Penalties		9,700	
Tap fees		6,800	
Miscellaneous		13,679	
Total Operating Revenues	<u>554,935</u>	<u>580,717</u>	<u>25,782</u>
Nonoperating Revenues:			
Interest earnings		2,043	
Total Nonoperating Revenues	<u>-</u>	<u>2,043</u>	<u>2,043</u>
Total Revenues	<u>554,935</u>	<u>582,760</u>	<u>27,825</u>
Expenditures:			
Salaries and employee benefits		76,233	
Bulk water purchases		202,980	
Travel		1,062	
Contracted services		9,345	
Operations and maintenance		38,189	
Capital outlay		26,344	
Debt service principal		40,950	
Debt service interest		52,499	
Total Expenditures	<u>585,626</u>	<u>447,602</u>	<u>138,024</u>
Revenues Over (Under) Expenditures	<u>(30,691)</u>	<u>135,158</u>	<u>165,849</u>
Revenues and Other Financing Sources Over (Under) Expenditures	(30,691)	135,158	165,849
Appropriated Fund Balance	<u>30,691</u>	<u>-</u>	<u>(30,691)</u>
Revenues, Other Financing Sources, and Appropriated Fund Balance Over (Under) Expenditures	<u>\$ -</u>	<u>\$ 135,158</u>	<u>\$ 135,158</u>
Reconciliation from budgetary basis (modified accrual) to full accrual Revenues and Other Financing Sources Over (Under) Expenditures		<u>\$ 135,158</u>	
Reconciling Items:			
Debt principal		40,950	
Other post-employment benefits		(6,798)	
Depreciation		(100,090)	
Compensated absences		(96)	
Capital outlay		26,344	
Accrued interest		179	
Total reconciling items		<u>(39,511)</u>	
Change in net assets		<u>\$ 95,647</u>	

**SAMPSON COUNTY, NORTH CAROLINA
EMPLOYEE HOSPITALIZATION INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
FINANCIAL PLAN AND ACTUAL (NON-GAAP)
For the Fiscal Year Ended June 30, 2011**

Exhibit D-4

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Operating revenues:			
Charges for services	\$	\$ 4,746,577	\$
Miscellaneous		323,455	
Total Operating Revenues	<u>5,072,000</u>	<u>5,070,032</u>	<u>(1,968)</u>
Nonoperating Revenues:			
Interest earnings		4,806	
Total Nonoperating Revenues	<u>-</u>	<u>4,806</u>	<u>4,806</u>
Total Revenues	<u>5,072,000</u>	<u>5,074,838</u>	<u>2,838</u>
 Expenditures:			
Insurance claims paid		5,523,008	
Total Expenditures	<u>5,872,000</u>	<u>5,523,008</u>	<u>348,992</u>
Revenues Over (Under) Expenditures	\$ (800,000)	\$ (448,170)	\$ 351,830
Appropriated Fund Balance	<u>800,000</u>	<u>-</u>	<u>(800,000)</u>
Revenues, Other Financing Sources, and Appropriated Fund Balance			
Over (Under) Expenditures	<u>\$ -</u>	<u>\$ (448,170)</u>	<u>\$ (448,170)</u>
 Reconciliation from Financial Plan Basis (Modified Accrual) to Full Accrual			
Revenues Over (Under) Expenditures		<u>\$ (448,170)</u>	
Change in net assets		<u>\$ (448,170)</u>	

AGENCY FUNDS

Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds.

Individual Fund Descriptions:

Agency Funds:

Social Services-accounts for moneys deposited with the County for the benefit of certain individuals in the County.

4-H-accounts for moneys deposited with the County for the benefit of the Sampson County 4-H club.

Tax Collection-accounts for the collection of taxes and special assessments for various towns in Sampson County

Motor Vehicle Tax Collection-accounts for the collection of motor vehicle taxes for all of the towns in Sampson County.

Fines and Forfeitures-accounts for funds received from the courts and paid to the boards of education.

Detention Center-accounts for funds received from inmates at the Sampson County Detention Center and used by the inmates to purchase items from the canteen and phone cards.

Miscellaneous-accounts for funds received from various sources and paid to County agencies and businesses.

Motor Vehicle 3% Interest-accounts for the three percent interest on the first month of delinquent motor vehicle taxes to the County is required to remit to the North Carolina Department of Motor Vehicles.



SAMPSON COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2011

Exhibit E-1
Page 1 of 2

	Social Services Funds	4-H Funds	Miscellaneous	Property Tax Collection Funds	Motor Vehicle Tax Funds
ASSETS					
Cash and cash equivalents	\$ 76,795	\$ 15,737	\$ 508,860	\$ 7,714	\$ 25,819
Accounts receivable	-	-	285	-	-
TOTAL ASSETS	\$ 76,795	\$ 15,737	\$ 509,145	\$ 7,714	\$ 25,819
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	-	2,443	338,482	7,714	25,819
Miscellaneous liabilities	76,795	13,294	170,663	-	-
TOTAL LIABILITIES	\$ 76,795	\$ 15,737	\$ 509,145	\$ 7,714	\$ 25,819

SAMPSON COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2011

Exhibit E-1
Page 2 of 2

	<u>Fines and Forfeitures</u>	<u>Detention Center Trust</u>	<u>Motor Vehicle 3% Interest</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 46,623	\$ 51,112	\$ 2,372	\$ 735,032
Accounts receivable	37,562	-	-	37,847
TOTAL ASSETS	<u>\$ 84,185</u>	<u>\$ 51,112</u>	<u>\$ 2,372</u>	<u>\$ 772,879</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 84,185	\$ -	\$ 2,372	\$ 461,015
Miscellaneous liabilities	-	51,112	-	311,864
TOTAL LIABILITIES	<u>\$ 84,185</u>	<u>\$ 51,112</u>	<u>\$ 2,372</u>	<u>\$ 772,879</u>

SAMPSON COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit E-2
Page 1 of 2

	Balance July 1	Additions	Deductions	Balance June 30
<u>Social Services Funds</u>				
Assets:				
Cash and cash equivalents	\$ 70,460	\$ 406,170	\$ 399,835	\$ 76,795
Accounts receivable	-	-	-	-
	<u>70,460</u>	<u>406,170</u>	<u>399,835</u>	<u>76,795</u>
Liabilities:				
Miscellaneous liabilities	\$ 70,460	\$ 793,594	\$ 787,259	\$ 76,795
	<u>\$ 70,460</u>	<u>\$ 793,594</u>	<u>\$ 787,259</u>	<u>\$ 76,795</u>
<u>4-H Funds</u>				
Assets:				
Cash and cash equivalents	\$ 17,076	\$ 26,524	\$ 27,863	\$ 15,737
	<u>17,076</u>	<u>26,524</u>	<u>27,863</u>	<u>15,737</u>
Liabilities:				
Accounts payable	\$ -	\$ 2,443	\$ -	\$ 2,443
Miscellaneous liabilities	17,076	25,420	29,202	13,294
	<u>\$ 17,076</u>	<u>\$ 27,863</u>	<u>\$ 29,202</u>	<u>\$ 15,737</u>
<u>Miscellaneous Agency Funds</u>				
Assets:				
Cash and cash equivalents	\$ 177,778	\$ 6,435,125	\$ 6,104,043	\$ 508,860
Accounts receivable	391	285	391	285
	<u>178,169</u>	<u>6,435,410</u>	<u>6,104,434</u>	<u>509,145</u>
Liabilities:				
Accounts payable	\$ 59,873	\$ 338,482	\$ 59,873	\$ 338,482
Miscellaneous liabilities	118,296	6,000,428	5,948,061	170,663
	<u>\$ 178,169</u>	<u>\$ 6,338,910</u>	<u>\$ 6,007,934</u>	<u>\$ 509,145</u>
<u>Tax Collection Funds</u>				
Assets:				
Cash and cash equivalents	\$ 40,494	\$ 3,246,750	\$ 3,279,530	\$ 7,714
	<u>40,494</u>	<u>3,246,750</u>	<u>3,279,530</u>	<u>7,714</u>
Liabilities:				
Accounts payable	\$ 40,494	\$ 7,714	\$ 40,494	\$ 7,714
	<u>\$ 40,494</u>	<u>\$ 7,714</u>	<u>\$ 40,494</u>	<u>\$ 7,714</u>
<u>Motor Vehicle Tax Funds</u>				
Assets:				
Cash and cash equivalents	\$ -	\$ 497,144	\$ 471,325	\$ 25,819
	<u>-</u>	<u>497,144</u>	<u>471,325</u>	<u>25,819</u>
Liabilities:				
Accounts payable	\$ -	\$ 25,819	\$ -	\$ 25,819
	<u>\$ -</u>	<u>\$ 25,819</u>	<u>\$ -</u>	<u>\$ 25,819</u>

SAMPSON COUNTY, NORTH CAROLINA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUNDS
For the Fiscal Year Ended June 30, 2011

Exhibit E-2
Page 2 of 2

	Balance July 1	Additions	Deductions	Balance June 30
<u>Fines and Forfeitures</u>				
Assets:				
Cash and cash equivalents	\$ -	\$ 545,541	\$ 498,918	\$ 46,623
Accounts receivable	33,638	37,562	33,638	37,562
	<u>33,638</u>	<u>583,103</u>	<u>532,556</u>	<u>84,185</u>
Liabilities:				
Accounts payable	\$ 33,638	\$ 84,185	\$ 33,638	\$ 84,185
	<u>\$ 33,638</u>	<u>\$ 84,185</u>	<u>\$ 33,638</u>	<u>\$ 84,185</u>
<u>Detention Center Trust</u>				
Assets:				
Cash and cash equivalents	\$ 48,092	\$ 13,421	\$ 10,401	\$ 51,112
	<u>48,092</u>	<u>13,421</u>	<u>10,401</u>	<u>51,112</u>
Liabilities:				
Miscellaneous liabilities	48,092	11,230	8,210	51,112
	<u>\$ 48,092</u>	<u>\$ 11,230</u>	<u>\$ 8,210</u>	<u>\$ 51,112</u>
<u>Motor Vehicle 3% Interest</u>				
Assets:				
Cash and cash equivalents	\$ 3,213	\$ 64,685	\$ 65,526	\$ 2,372
	<u>3,213</u>	<u>64,685</u>	<u>65,526</u>	<u>2,372</u>
Liabilities:				
Accounts payable	\$ 3,213	\$ 2,372	\$ 3,213	\$ 2,372
	<u>\$ 3,213</u>	<u>\$ 2,372</u>	<u>\$ 3,213</u>	<u>\$ 2,372</u>
	Balance			Balance
	July 1	Additions	Deductions	June 30
<u>Total of all Agency Funds</u>				
Assets:				
Cash and cash equivalents	\$ 357,113	\$11,235,360	\$10,857,441	\$ 735,032
Accounts receivable	34,029	37,847	34,029	37,847
	<u>391,142</u>	<u>11,273,207</u>	<u>10,891,470</u>	<u>772,879</u>
Liabilities:				
Accounts payable	137,218	461,015	137,218	461,015
Miscellaneous liabilities	253,924	6,830,672	6,772,732	311,864
	<u>\$ 391,142</u>	<u>\$ 7,291,687</u>	<u>\$ 6,909,950</u>	<u>\$ 772,879</u>

ADDITIONAL FINANCIAL DATA

This section contains additional information on property taxes, interfund and component unit transfers.

Schedule of Ad Valorem Taxes Receivables

Analysis of Current Tax Levy

Ten Largest Taxpayers

Analysis of Current Tax Levy-County-Wide and Special Districts

Schedule of Special School District Ad Valorem Tax Revenues

Schedule of Interfund Transfers



**SAMPSON COUNTY, NORTH CAROLINA
GENERAL FUND
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
June 30, 2011**

Exhibit F-1

	Uncollected Balance <u>July 1, 2010</u>	<u>Additions</u>	<u>Collections and Credits</u>	Uncollected Balance <u>June 30, 2011</u>
County-wide:				
General County	\$ 3,024,834	\$ 29,667,731	\$ 29,679,710	\$ 3,012,855
Fire Districts:				
Plain View	20,564	193,724	198,411	15,877
Spivey's Corner	4,920	102,697	102,688	4,929
Halls	9,419	108,816	109,360	8,875
Franklin	12,615	116,659	118,896	10,378
Turkey	8,666	103,943	104,040	8,569
Vanns	3,411	53,030	52,951	3,490
Godwin-Falcon	814	21,439	21,554	699
Coharie	15,924	130,579	131,881	14,622
Herring	7,479	110,386	110,308	7,557
Honeycutt-Salemburg	12,499	128,727	129,026	12,200
Piney Grove	4,186	66,544	66,885	3,845
Newton Grove	5,293	61,204	60,629	5,868
Clinton	24,983	359,470	359,552	24,901
Clement	10,818	133,057	133,164	10,711
Autryville	6,121	94,621	94,201	6,541
Garland	5,820	67,963	66,560	7,223
Taylor's Bridge	8,213	110,330	109,593	8,950
Taylor's Bridge Service	1,348	8,271	8,866	753
	<u>163,093</u>	<u>1,971,460</u>	<u>1,978,565</u>	<u>155,988</u>
Less Allowance for Uncollectable Ad Valorem Taxes	<u>177,800</u>	<u>-</u>	<u>-</u>	<u>177,800</u>
Ad Valorem Taxes Receivable (net)	<u>\$ 3,010,127</u>	<u>\$ 31,639,191</u>	<u>\$ 31,658,275</u>	<u>\$ 2,991,043</u>
Reconciliation with Revenues				
Taxes Ad Valorem General Fund		\$ 29,027,429		
Taxes Ad Valorem Revaluation Fund		121,166		
Penalties and interest		365,948		
Taxes Ad Valorem Fire Districts		1,981,871		
Discounts, adjustments and releases		110,374		
Amounts written off per statute of limitations		51,487		
Total Collections and Credits		<u>\$ 31,658,275</u>		

**SAMPSON COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
For the Fiscal Year Ended June 30, 2011**

**Exhibit F-2
Page 1 of 2**

	County Wide			Total Levy	
	Property Valuation	Tax Rate Per \$100 of Value	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year rate	\$ 3,344,603,905	.845	\$ 28,261,903	\$ 24,564,934	\$ 3,696,969
Discoveries:	144,614,201	.845	1,221,990	1,221,990	-
Abatements:					
Real, personal, & business property	(6,345,799)	.845	(53,622)	(53,622)	-
Motor vehicles	(6,839,172)	.845	(57,791)	-	(57,791)
Total Property Valuation	<u>\$ 3,476,033,135</u>		<u>(111,413)</u>	<u>(53,622)</u>	<u>(57,791)</u>
Net Levy			29,372,480	25,733,302	3,639,178
Uncollected taxes at June 30, 2011			<u>1,431,584</u>	<u>779,856</u>	<u>651,728</u>
Current year taxes collected			<u>\$ 27,940,896</u>	<u>\$ 24,953,446</u>	<u>\$ 2,987,450</u>
Current levy collection percentage			<u>95.13%</u>	<u>96.97%</u>	<u>82.09%</u>

**SAMPSON COUNTY, NORTH CAROLINA
 ANALYSIS OF CURRENT TAX LEVY
 COUNTY-WIDE LEVY
 For the Fiscal Year Ended June 30, 2011**

Secondary Market Disclosures:

Assessed Valuation:

Assesment ratio (1)		100 %
Real property	\$	2,640,711,741
Personal property		715,317,196
Public service companies (2)		<u>120,004,198</u>
Total assessed valuation	\$	3,476,033,135
Tax rate per \$100		<u>0.845</u>
Levy (includes discoveries, releases and abatements) (3)	\$	29,372,480

In addition to the County-wide rate, the following table lists the levies by the County on behalf of school districts and fire protection districts for the fiscal year ended June 30:

Fire protection districts	<u>2,003,544</u>
---------------------------	------------------

1. Percentage of appraised value has been established by statute.
2. Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.
3. The levy includes interest and penalties.

**SAMPSON COUNTY, NORTH CAROLINA
TEN LARGEST TAXPAYERS**

Exhibit F-3

For the Fiscal Year Ended June 30, 2011

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2010 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Smithfield Foods, Inc.	Meat Packing	\$ 59,938,485	1.72 %
Prestage Farms, Inc.	Swine/Poultry Grower	58,729,671	1.69
Carroll's Foods, Inc./Carroll's Realty	Swine/Poultry Grower	41,433,241	1.19
Progress Energy Carolina	Utility	41,110,081	1.18
South River Electric Membership	Utility	26,052,825	0.75
Murphy Farms, Inc.	Swine/Poultry Grower	24,301,867	0.70
Cohaire Farms Company	Swine Grower/Feed Mills	18,427,639	0.53
Schindler Elevator Corp.	Escalator Manufacturer	15,432,820	0.44
Carolina Telephone	Utility	14,887,175	0.43
Allen Canning Co.	Food Packing	13,463,523	0.39
		<u>\$ 313,777,327</u>	<u>9.03 %</u>

**SAMPSON COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE AND SPECIAL DISTRICTS
For the Fiscal Year Ended June 30, 2011**

**Exhibit F-4
Page 1 of 2**

	Total Property Valuation	Rate Per \$100 of Value	Amount of Levy	Discoveries	Abatements
County-Wide					
Real, Personal, and Business Property	\$ 3,045,361,183	.845	\$ 24,564,934	\$ 1,221,990	\$ 53,622
Registered Motor Vehicles	430,681,952	.845	3,696,969	-	57,791
	<u>3,476,043,135</u>		<u>28,261,903</u>	<u>1,221,990</u>	<u>111,413</u>
Fire Districts:					
Plain View	213,717,778	.090	189,614	3,993	1,261
Spivey's Corner	113,993,000	.100	108,083	6,053	143
Halls	155,808,571	.070	105,379	4,050	363
Franklin	145,431,250	.080	112,409	4,739	803
Turkey	169,581,667	.060	99,436	2,531	218
Vanns	59,463,333	.090	51,493	2,193	169
Godwin-Falcon	21,094,000	.100	20,730	364	-
Coharie	151,725,882	.085	124,932	4,820	785
Herring	129,808,235	.085	107,809	2,877	349
Honeycutt-Salemburg	130,006,000	.100	125,144	5,148	286
Piney Grove	88,312,000	.075	64,088	2,638	492
Newton Grove	93,198,462	.065	57,752	3,131	304
Clinton	381,390,270	.0925	341,951	11,694	859
Clement	164,266,667	.090	144,328	3,855	343
Autryville	99,177,895	.095	91,232	3,422	435
Garland	83,300,000	.100	81,145	2,347	192
Taylor's Bridge	161,592,857	.070	109,134	4,729	748
Taylor's Bridge Service	23,002,857	.035	7,522	538	9
			<u>1,942,181</u>	<u>69,122</u>	<u>7,759</u>
Grand Total			<u>\$ 30,204,084</u>	<u>\$ 1,291,112</u>	<u>\$ 119,172</u>

**SAMPSON COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE AND SPECIAL DISTRICTS
For the Fiscal Year Ended June 30, 2011**

**Exhibit F-4
Page 2 of 2**

	<u>Net Tax Levy for Year</u>	<u>Uncollected Taxes</u>	<u>Current Year Collected</u>	<u>Percent Collected</u>	
County-Wide					
Real, Personal, and Business Property	\$ 25,733,302	\$ 779,856	\$ 24,953,446	96.97	%
Registered Motor Vehicles	<u>3,639,178</u>	<u>651,728</u>	<u>2,987,450</u>	<u>82.09</u>	
	<u>29,372,480</u>	<u>1,431,584</u>	<u>27,940,896</u>	<u>95.13</u>	
Fire Districts:					
Plain View	192,346	10,732	181,614	94.42	
Spivey's Corner	113,993	3,162	110,831	97.23	
Halls	109,066	6,132	102,934	94.38	
Franklin	116,345	6,807	109,538	94.15	
Turkey	101,749	5,505	96,244	94.59	
Vanns	53,517	2,507	51,010	95.32	
Godwin-Falcon	21,094	392	20,702	98.14	
Coharie	128,967	9,706	119,261	92.47	
Herring	110,337	5,377	104,960	95.13	
Honeycutt-Salemburg	130,006	8,404	121,602	93.54	
Piney Grove	66,234	2,776	63,458	95.81	
Newton Grove	60,579	4,265	56,314	92.96	
Clinton	352,786	17,245	335,541	95.11	
Clement	147,840	7,528	140,312	94.91	
Autryville	94,219	4,845	89,374	94.86	
Garland	83,300	5,295	78,005	93.64	
Taylor's Bridge	113,115	3,666	109,449	96.76	
Taylor's Bridge Service	<u>8,051</u>	<u>516</u>	<u>7,535</u>	<u>93.59</u>	
	<u>2,003,544</u>	<u>104,860</u>	<u>1,898,684</u>	<u>94.77</u>	
Grand Total	<u>\$ 31,376,024</u>	<u>\$ 1,536,444</u>	<u>\$ 29,839,580</u>	<u>95.10</u>	<u>%</u>

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF INTERFUND TRANSFERS
For the Fiscal Year Ended June 30, 2011**

Exhibit F-5

	Transfers	
	From	To
Transfers From/To Other Funds		
General Fund		
County Capital Reserve Fund	\$ 2,000	\$ -
School Construction Capital Project Fund	1,094,019	-
School Capital Reserve Fund	2,715,751	-
Sampson Area Transportation Fund	-	64,457
Debt Service Fund	23,737	-
Sampson County Water & Sewer District II	-	26,600
Special Revenue Funds:		
Sampson Area Transportation Fund		
General Fund	64,457	-
County Capital Reserve Fund		
General Fund	-	2,000
Debt Service Fund		
General Fund		23,737
School Capital Reserve Fund		
General Fund	-	2,715,751
Capital Project Funds:		
School Construction Capital Project Fund		
General Fund	-	1,094,019
School Construction Capital Project Fund		
Enterprise Funds:		
Water & Sewer District Fund		
General Fund	26,600	-
Total Transfers From/To Other Funds	<u>\$ 3,926,564</u>	<u>\$ 3,926,564</u>



CAPITAL ASSETS

The Capital Assets Section provides information about capital assets used in the operation of governmental funds



SAMPSON COUNTY, NORTH CAROLINA
COMPARATIVE SCHEDULE OF GENERAL CAPITAL ASSETS - BY SOURCE
June 30, 2011

Exhibit G-1

General Capital Assets:

Land and improvements	\$ 6,172,038
Buildings	135,835,298
Equipment	18,582,010
Construction in progress	<u>7,438,782</u>
	<u>\$168,028,128</u>

Investment in General Capital Assets by Source

General Fund	\$166,729,624
Head Start Program	<u>1,298,504</u>
	<u>\$168,028,128</u>

SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION AND ACTIVITY
June 30, 2011

Exhibit G-2
Page 1 of 2

	Construction in Progress	Land and Improvements	Buildings and Improvements	Equipment	Total
General Government:					
Governing Body	\$ -	\$ -	\$ -	\$ 25,580	\$ 25,580
Administration	-	-	-	36,988	36,988
Airport	-	-	-	3,462,981	3,462,981
Board of Elections	-	-	-	38,064	38,064
Criminal Justice Program	-	-	-	9,271	9,271
Finance	-	-	-	645,430	645,430
Data Processing	-	-	-	145,172	145,172
Tax Administration	-	-	-	158,007	158,007
Register of Deeds	-	-	-	183,134	183,134
Revaluation	-	-	-	10,000	10,000
Sampson Area Transportation	-	-	-	766,764	766,764
Public Buildings	-	-	37,359,287	530,481	37,889,768
Construction in progress	7,438,782	-	-	-	7,438,782
Land	-	5,995,335	-	-	5,995,335
Total General Government	7,438,782	5,995,335	37,359,287	6,011,872	56,805,276
Public Safety:					
Jail	-	-	-	775,303	775,303
Sheriff	-	-	-	3,079,349	3,079,349
Communications	-	-	-	1,394,308	1,394,308
Emergency Management	-	-	-	312,446	312,446
Animal Control	-	-	-	144,093	144,093
Inspections	-	-	-	8,100	8,100
Rescue	-	-	-	2,134,501	2,134,501
Courts	-	-	-	34,798	34,798
Domestic violence	-	-	-	20,634	20,634
Highway safety	-	-	-	127,029	127,029
Homeland security	-	-	-	36,477	36,477
E-911	-	-	-	469,910	469,910
Total Public Safety	-	-	-	8,536,948	8,536,948
Economic and Physical Development:					
Soil Conservation	-	-	-	4,500	4,500
Industrial Development	-	-	-	79,864	79,864
Cooperative Extension	-	-	-	203,490	203,490
Total Economic and Physical Dev	-	-	-	287,854	287,854
Human Services:					
Health	-	-	-	252,412	252,412
Social Services	-	-	-	1,060,611	1,060,611
Head Start Program	-	-	256,804	1,041,700	1,298,504
Aging	-	-	-	65,670	65,670
Juvenile Justice Programs	-	-	-	45,051	45,051
Lagoon	-	-	-	2,523	2,523
Total Human Services	-	-	256,804	2,467,967	2,724,771

SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION AND ACTIVITY
June 30, 2011

Exhibit G-2
Page 2 of 2

	<u>Construction in Progress</u>	<u>Land and Improvements</u>	<u>Buildings and Improvements</u>	<u>Equipment</u>	<u>Total</u>
Education					
School Buildings	-	-	94,953,493	-	94,953,493
Total Education	-	-	94,953,493	-	94,953,493
Culture and Recreation:					
Library	-	-	-	252,849	252,849
Agri-Exposition	-	176,703	3,644,662	281,299	4,102,664
Recreation	-	-	-	364,273	364,273
Total Culture and Recreation	-	176,703	3,644,662	898,421	4,719,786
Total General Capital Assets	\$ 7,438,782	\$ 6,172,038	\$ 136,214,246	\$ 18,203,062	\$ 168,028,128

SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
For the Year Ended June 30, 2010

Exhibit G-3
Page 1 of 2

	<u>July 1</u>	<u>Additions and Transfers In</u>	<u>Retirements and Transfers Out</u>	<u>June 30</u>
General Government:				
Governing Body	\$ 25,580	\$ -	\$ -	\$ 25,580
Administration	36,988	-	-	36,988
Airport	3,445,957	17,024	-	3,462,981
Board of Elections	38,064	-	-	38,064
Criminal Justice Program	9,271	-	-	9,271
Finance	645,430	-	-	645,430
Data Processing	145,172	-	-	145,172
Tax Administration	158,007	-	-	158,007
Register of Deeds	183,134	-	-	183,134
Revaluation	10,000	-	-	10,000
Sampson Area Transportation	632,841	133,923	-	766,764
Public Buildings	37,889,768	-	-	37,889,768
Construction in progress	33,566,458	4,483,882	30,611,558	7,438,782
Land	5,897,228	98,107	-	5,995,335
Total General Government	<u>82,683,898</u>	<u>4,732,936</u>	<u>30,611,558</u>	<u>56,805,276</u>
Public Safety:				
Jail	775,303	-	-	775,303
Sheriff	2,666,951	412,398	-	3,079,349
Communications	1,394,308	-	-	1,394,308
Emergency Management	312,446	-	-	312,446
Animal Control	144,093	-	-	144,093
Inspections	8,100	-	-	8,100
Rescue	2,134,501	-	-	2,134,501
Courts	34,798	-	-	34,798
Domestic violence	20,634	-	-	20,634
Highway safety	127,029	-	-	127,029
Homeland security	36,477	-	-	36,477
E-911	464,152	5,758	-	469,910
Total Public Safety	<u>8,118,792</u>	<u>418,156</u>	<u>-</u>	<u>8,536,948</u>
Economic and Physical Development:				
Soil Conservation	4,500	-	-	4,500
Cooperative extension	203,490	-	-	203,490
Industrial Development	76,812	3,052	-	79,864
Total Economic and Physical Dev.	<u>284,802</u>	<u>3,052</u>	<u>-</u>	<u>287,854</u>
Human Services:				
Health	214,218	38,194	-	252,412
Social Services	1,060,611	-	-	1,060,611
Head Start Program	985,869	312,635	-	1,298,504
Aging	65,670	-	-	65,670
Juvenile Justice Programs	23,857	21,194	-	45,051
Lagoon	2,523	-	-	2,523
Total Human Services	<u>2,352,748</u>	<u>372,023</u>	<u>-</u>	<u>2,724,771</u>

SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
For the Year Ended June 30, 2010

Exhibit G-3
Page 2 of 2

	<u>July 1</u>	<u>Additions and Transfers In</u>	<u>Retirements and Transfers Out</u>	<u>June 30</u>
Education				
School Buildings	64,540,055	30,413,438	-	94,953,493
Total Education	<u>64,540,055</u>	<u>30,413,438</u>	<u>-</u>	<u>94,953,493</u>
Culture and Recreation:				
Library	248,141	4,708	-	252,849
Agri-Exposition	3,925,961	-	-	3,925,961
Land	176,703	-	-	176,703
Recreation	291,933	72,340	-	364,273
Total Culture and Recreation	<u>4,642,738</u>	<u>77,048</u>	<u>-</u>	<u>4,719,786</u>
Total General Capital Assets	<u>\$ 162,623,033</u>	<u>\$ 36,016,653</u>	<u>\$ 30,611,558</u>	<u>\$ 168,028,128</u>



STATISTICAL SECTION

This part of the Sampson County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. The following schedules fall in this category:

- Net Assets by Component
- Changes in Net Assets
- Fund Balances, Governmental Funds
- Changes in Fund Balance, Governmental Funds

Revenue Capacity - These schedules present information to help the reader assess the factors affecting the County's ability to generate its property taxes. The following schedules fall in this category:

- Assessed Value and Actual Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Property Taxpayers
- Property Tax Levies and Collections

Debt Capacity - These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. The following schedules fall in this category:

- Ratio of Outstanding Debt by Type
- Ratio of Net General Obligation Bonded Debt Outstanding
- Legal Debt Margin Information
- Direct and Overlapping Governmental Activities Debt

Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments. The following schedules fall in this category:

- Demographic and Economic Statistics
- Principal Employers

Operating Information - This schedule contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs. The following schedule falls in this category;

- Full-time Equivalent County Government Employees by Function



Sampson County, North Carolina
Net Assets by Component,
Last Eight Fiscal Years
(accrual basis of accounting)

Schedule 1
Page 1 of 2

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental activities					
Invested in capital assets, net of related debt	\$ 4,770,070	\$ 6,214,265	\$ 6,916,838	\$ 14,417,625	\$ 14,513,534
Restricted	3,960,218	3,052,879	4,149,800	3,940,765	4,141,111
Unrestricted (deficit)	<u>(2,988,039)</u>	<u>(740,005)</u>	<u>1,538,456</u>	<u>2,574,694</u>	<u>10,656,352</u>
Total governmental activities net assets	<u>\$ 5,742,249</u>	<u>\$ 8,527,139</u>	<u>\$ 12,605,094</u>	<u>\$ 20,933,084</u>	<u>\$ 29,310,997</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 11,697,995	\$ 10,666,789	\$ 11,911,028	\$ 14,519,488	\$ 14,890,296
Unrestricted (deficit)	<u>(1,914,995)</u>	<u>(456,576)</u>	<u>(502,369)</u>	<u>494,298</u>	<u>909,182</u>
Total business-type activities	<u>\$ 9,783,000</u>	<u>\$ 10,210,213</u>	<u>\$ 11,408,659</u>	<u>\$ 15,013,786</u>	<u>\$ 15,799,478</u>
Primary government					
Invested in capital assets, net of related debt	\$ 16,468,065	\$ 16,881,054	\$ 18,827,866	\$ 28,937,113	\$ 29,403,830
Restricted	3,960,218	3,052,879	4,149,800	3,940,765	4,141,111
Unrestricted (deficit)	<u>(4,903,034)</u>	<u>(1,196,581)</u>	<u>1,036,087</u>	<u>3,068,992</u>	<u>11,565,534</u>
Total primary government net assets	<u>\$ 15,525,249</u>	<u>\$ 18,737,352</u>	<u>\$ 24,013,753</u>	<u>\$ 35,946,870</u>	<u>\$ 45,110,475</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

Sampson County, North Carolina
Net Assets by Component,
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2008	2009	2010	2011
Governmental activities				
Invested in capital assets, net of related debt	\$ 17,571,903	\$ 25,821,270	\$ 24,169,094	\$ 22,214,777
Restricted	5,111,587	2,960,742	8,397,500	17,253,550
Unrestricted (deficit)	<u>11,475,465</u>	<u>7,772,831</u>	<u>5,838,315</u>	<u>(3,280,939)</u>
Total governmental activities net assets	<u>\$ 34,158,955</u>	<u>\$ 36,554,843</u>	<u>\$ 38,404,909</u>	<u>\$ 36,187,388</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 15,157,326	\$ 14,849,894	\$ 11,706,054	\$ 11,634,871
Unrestricted (deficit)	<u>1,514,217</u>	<u>1,812,566</u>	<u>2,075,541</u>	<u>2,152,358</u>
Total business-type activities	<u>\$ 16,671,543</u>	<u>\$ 16,662,460</u>	<u>\$ 13,781,595</u>	<u>\$ 13,787,229</u>
Primary government				
Invested in capital assets, net of related debt	\$ 32,729,229	\$ 40,671,164	\$ 35,875,148	\$ 33,849,648
Restricted	5,111,587	2,960,742	8,397,500	17,253,550
Unrestricted	<u>12,989,682</u>	<u>9,585,397</u>	<u>7,913,856</u>	<u>(1,128,581)</u>
Total primary government net assets	<u>\$ 50,830,498</u>	<u>\$ 53,217,303</u>	<u>\$ 52,186,504</u>	<u>\$ 49,974,617</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

Sampson County, North Carolina
Changes in Net Assets,
Last Eight Fiscal Years
(accrual basis of accounting)

Schedule 2
Page 1 of 4

	Fiscal Year				
	2003	2004	2005	2006	2007
Expenses					
Governmental activities:					
General government	\$ 5,387,213	\$ 8,959,163	\$ 9,859,556	\$ 5,532,245	\$ 6,003,310
Public safety	7,798,069	9,361,637	10,173,869	11,682,537	13,152,048
Environmental protection	635,604	665,172	780,437	798,096	828,321
Economic and physical dev.	955,468	748,512	1,017,777	1,130,234	1,150,753
Human Services	20,758,675	20,127,954	21,404,854	22,224,354	23,489,981
Education	9,760,219	7,980,205	9,614,322	9,185,288	9,481,524
Cultural and recreation	1,394,705	1,740,072	2,120,471	1,903,306	1,867,072
Interest on long term debt	1,302,372	1,284,727	1,260,455	1,135,689	3,000,193
Total governmental activities	47,992,325	50,867,442	56,231,741	53,591,749	58,973,202
Business-type activities:					
Water District II	755,462	823,399	1,372,357	1,628,961	1,999,603
Water District I	360,565	376,604	391,396	429,368	488,124
Agri-Exposition Center	551,017	697,549	768,340	804,283	717,194
Total business-type activities	1,667,044	1,897,552	2,532,093	2,862,612	3,204,921
Total primary government expenses	49,659,369	52,764,994	58,763,834	56,454,361	62,178,123
Program Revenues					
Governmental activities					
Charges for services:					
General government	763,114	4,038,094	4,702,325	1,146,298	456,896
Public safety	1,717,472	1,432,458	1,452,624	1,253,486	1,196,878
Environmental protection	9,901	-	81,606	104,610	-
Economic and physical dev.	12,802	-	-	-	-
Human Services	1,340,346	1,401,736	2,447,791	2,175,915	3,466,777
Education	-	-	-	-	-
Cultural and recreation	95,913	-	109,289	-	-
Operating grants and contributions:					
General government	594,957	63,087	229,048	140,000	-
Public safety	165,973	232,833	317,997	2,476,272	1,056,042
Environmental protection	69,113	74,403	4,478	4,000	-
Economic and physical dev.	363,459	55,991	-	-	-
Human Services	13,618,449	13,397,070	14,318,365	14,129,976	13,799,629
Education	-	-	-	-	1,719,397
Cultural and recreation	178,123	-	-	-	-
Capital grants and contributions:					
Public Safety	-	-	412,954	-	-
Human Services	-	-	-	-	-
Cultural and recreation	-	-	-	-	-
Economic and physical dev.	-	-	-	-	-
Education	320,000	-	57,272	-	-
Total governmental activities program revenues	19,249,622	20,695,672	24,133,749	21,430,557	21,695,619

Sampson County, North Carolina
Changes in Net Assets,
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2003	2004	2005	2006	2007
Business-type activities:					
Charge for services - Water District II	751,155	862,837	994,468	1,678,400	2,014,073
Charge for services - Water District I	343,504	406,040	405,973	470,218	507,112
Capital contributions - Water District II	2,907,294	476,535	1,718,377	3,641,158	852,898
Charge for services - Agri-Exposition Ctr	312,784	340,466	308,155	332,625	335,720
Total business-type activities					
program revenues	<u>4,314,737</u>	<u>2,085,878</u>	<u>3,426,973</u>	<u>6,122,401</u>	<u>3,709,803</u>
Total primary government					
program revenues	<u>23,564,359</u>	<u>22,781,550</u>	<u>27,560,722</u>	<u>27,552,958</u>	<u>25,405,422</u>
Net (Expense)/Revenue					
Governmental activities	(28,742,703)	(30,171,770)	(32,097,992)	(32,161,192)	(37,277,583)
Business-type activities	<u>2,647,693</u>	<u>188,326</u>	<u>894,880</u>	<u>3,259,789</u>	<u>504,882</u>
Total primary government net (expense)	<u>\$ (26,095,010)</u>	<u>\$ (29,983,444)</u>	<u>\$ (31,203,112)</u>	<u>\$ (28,901,403)</u>	<u>\$ (36,772,701)</u>
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Property taxes	\$ 20,260,655	\$ 22,749,936	\$ 22,691,481	\$ 26,906,803	\$ 28,768,866
Local option sales tax	8,548,876	9,516,572	11,346,015	11,374,626	12,175,963
Investment earnings	263,471	219,830	368,657	823,001	2,950,496
Miscellaneous	2,049,931	1,921,073	2,013,101	1,659,953	1,984,162
Transfers	<u>(204,330)</u>	<u>(227,462)</u>	<u>(243,307)</u>	<u>(275,201)</u>	<u>(223,991)</u>
Total governmental activities:	<u>30,918,603</u>	<u>34,179,949</u>	<u>36,175,947</u>	<u>40,489,182</u>	<u>45,655,496</u>
Business-type activities:					
Investment earnings	9,519	11,425	60,259	70,137	56,819
Transfers	<u>204,330</u>	<u>227,462</u>	<u>243,307</u>	<u>275,201</u>	<u>223,991</u>
Total business-type activities	<u>213,849</u>	<u>238,887</u>	<u>303,566</u>	<u>345,338</u>	<u>280,810</u>
Total primary government	<u>31,132,452</u>	<u>34,418,836</u>	<u>36,479,513</u>	<u>40,834,520</u>	<u>45,936,306</u>
Change in Net Assets					
Governmental activities	2,175,900	4,008,179	4,077,955	8,327,990	8,377,913
Business-type activities	<u>2,861,542</u>	<u>427,213</u>	<u>1,198,446</u>	<u>3,605,127</u>	<u>785,692</u>
Total primary government	<u>\$ 5,037,442</u>	<u>\$ 4,435,392</u>	<u>\$ 5,276,401</u>	<u>\$ 11,933,117</u>	<u>\$ 9,163,605</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

Sampson County, North Carolina
Changes in Net Assets,
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2008	2009	2010	2011
Expenses				
Governmental activities:				
General government	\$ 7,638,303	\$ 6,957,287	\$ 8,505,035	\$ 9,539,388
Public safety	15,025,358	16,484,063	16,345,269	16,927,712
Environmental protection	944,896	1,089,602	1,030,680	1,065,743
Economic and physical dev.	1,034,515	1,231,087	1,187,488	994,607
Human Services	22,651,851	23,988,290	22,097,121	22,640,670
Education	10,749,244	12,065,667	13,317,401	11,425,940
Cultural and recreation	1,965,100	2,529,858	2,550,281	2,026,767
Interest on long term debt	4,468,200	6,517,288	5,180,891	5,780,459
Total governmental activities	<u>64,477,467</u>	<u>70,863,142</u>	<u>70,214,166</u>	<u>70,401,286</u>
Business-type activities:				
Water District II	2,039,960	2,098,574	2,306,123	2,139,858
Water District I	480,484	484,475	536,005	487,112
Agri-Exposition Center	717,827	685,370	-	-
Total business-type activities	<u>3,238,271</u>	<u>3,268,419</u>	<u>2,842,128</u>	<u>2,626,970</u>
Total primary government expenses	<u>67,715,738</u>	<u>74,131,561</u>	<u>73,056,294</u>	<u>73,028,256</u>
Program Revenues				
Governmental activities				
Charges for services:				
General government	98,421	2,061,019	2,010,892	2,398,029
Public safety	4,135,205	4,928,343	5,730,330	4,925,245
Environmental protection	1,683,258	5,118	-	9,083.00
Economic and physical dev.	101,691	63,545.00	474,102	85,305
Human Services	1,759,015	1,812,472	1,828,923	1,520,777
Education	-	-	-	-
Cultural and recreation	135,322	154,486.00	243,219.00	306,036.00
Operating grants and contributions:				
General government	447,898	10,137	174,132	-
Public safety	384,234	912,173	327,314	721,152
Environmental protection	178,224	216,260	-	139,358
Economic and physical dev.	80,000	57,465	-	7,755
Human Services	13,780,833	14,219,486	14,630,564	15,723,270
Education	-	-	-	-
Cultural and recreation	235,396	156,267	228,228	141,073
Capital grants and contributions:				
Public Safety	-	-	-	-
Human Services	-	574,801	-	-
Cultural and recreation	-	54,119	591,423	-
Economic and physical dev.	208,660	37,073	-	1,766,632
Education	-	4,239,793	2,425,604	-
Total governmental activities program revenues	<u>23,228,157</u>	<u>29,502,557</u>	<u>28,664,731</u>	<u>27,743,715</u>

Sampson County, North Carolina
Changes in Net Assets,
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2008	2009	2010	2011
Business-type activities:				
Charge for services - Water District II	1,919,822	1,923,340	1,978,098	2,021,883
Charge for services - Water District I	546,478	554,955	568,268	580,717
Capital contributions - Water District II	894,229	165,283	-	-
Charge for services - Agri-Exposition Ctr	368,010	290,694	-	-
Total business-type activities				
program revenues	<u>3,728,539</u>	<u>2,934,272</u>	<u>2,546,366</u>	<u>2,602,600</u>
Total primary government				
program revenues	<u>26,956,696</u>	<u>32,436,829</u>	<u>31,211,097</u>	<u>30,346,315</u>
Net (Expense)/Revenue				
Governmental activities	(41,249,310)	(41,360,585)	(41,549,435)	(42,657,571)
Business-type activities	<u>490,268</u>	<u>(334,147)</u>	<u>(295,762)</u>	<u>(24,370)</u>
Total primary government net (expense)	<u>\$ (40,759,042)</u>	<u>\$ (41,694,732)</u>	<u>\$ (41,845,197)</u>	<u>\$ (42,681,941)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property taxes	\$ 29,576,667	\$ 31,246,374	\$ 31,389,292	\$ 31,354,999
Local option sales tax	12,721,138	10,731,680	8,627,300	8,631,676
Investment earnings	2,245,314	586,607	64,661	376,257
Miscellaneous	1,875,693	1,489,255	729,391	175,999
Transfers	<u>(321,544)</u>	<u>(297,443)</u>	<u>(26,600)</u>	<u>(26,600)</u>
Total governmental activities:	<u>46,097,268</u>	<u>43,756,473</u>	<u>40,784,044</u>	<u>40,512,331</u>
Business-type activities:				
Investment earnings	60,253	27,621	3,755	3,404
Transfers	<u>321,544</u>	<u>297,443</u>	<u>26,600</u>	<u>26,600</u>
Total business-type activities	<u>381,797</u>	<u>325,064</u>	<u>30,355</u>	<u>30,004</u>
Total primary government	<u>46,479,065</u>	<u>44,081,537</u>	<u>40,814,399</u>	<u>40,542,335</u>
Change in Net Assets				
Governmental activities	4,847,958	2,395,888	(765,391)	(2,145,240)
Business-type activities	<u>872,065</u>	<u>(9,083)</u>	<u>(265,407)</u>	<u>5,634</u>
Total primary government	<u>\$ 5,720,023</u>	<u>\$ 2,386,805</u>	<u>\$ (1,030,798)</u>	<u>\$ (2,139,606)</u>

Note: Accrual-basis financial information for the county government as a whole is available back to 2003 only, the year GASB Statement 34 was implemented.

Sampson County, North Carolina
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund					
Reserved for:					
Inventories	\$ 14,070	\$ 14,070	\$ 14,053	\$ 14,545	\$ 7,448
Encumbrances	292,556	340,643	20,915	43,459	11,436
Debt service	-	-	-	-	-
State statute	3,831,807	6,124,962	5,643,786	6,488,434	9,140,428
Law enforcement	37,872	37,643	37,643	59,344	78,612
Total reserved	<u>4,176,305</u>	<u>6,517,318</u>	<u>5,716,397</u>	<u>6,605,782</u>	<u>9,237,924</u>
Unreserved:					
Designated for subsequent year's expenditures	1,974,192	1,897,354	4,234,195	4,131,583	3,235,759
Undesignated	4,125,563	3,658,217	4,305,714	3,405,656	3,583,546
Total unreserved	<u>6,099,755</u>	<u>5,555,571</u>	<u>8,539,909</u>	<u>7,537,239</u>	<u>6,819,305</u>
Total General Fund	<u>\$10,276,060</u>	<u>\$12,072,889</u>	<u>\$14,256,306</u>	<u>\$14,143,021</u>	<u>\$16,057,229</u>
All Other Governmental Funds					
Reserved for:					
Encumbrances	\$ -	\$ 100,684	\$ -	\$ 269,741	\$ 9,050
Debt service	23,737	23,737	23,737	23,737	23,737
State statute	1,366,227	305,518	581,349	1,208,674	2,978,246
Total reserved	<u>1,389,964</u>	<u>429,939</u>	<u>605,086</u>	<u>1,502,152</u>	<u>3,011,033</u>
Unreserved:					
Designated for subsequent year's expenditures reported in:					
Special revenue funds	1,068,445	276,693	45,000	-	405,843
Unreserved, reported in:					
Special revenue funds	3,851,218	2,202,358	2,055,364	5,317,987	5,997,379
Capital project funds	3,226,888	1,522,968	526,411	795,745	(5,053,008)
Total unreserved	<u>8,146,551</u>	<u>4,002,019</u>	<u>2,626,775</u>	<u>6,113,732</u>	<u>1,350,214</u>
Total all other governmental funds	<u>\$ 9,536,515</u>	<u>\$ 4,431,958</u>	<u>\$ 3,231,861</u>	<u>\$ 7,615,884</u>	<u>\$ 4,361,247</u>

Sampson County, North Carolina
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Fund					
Reserved for:					
Inventories	\$ 9,091	\$ 9,353	\$ 9,353	\$ 9,353	\$ 6,852
Encumbrances	57,359	1,517,511	417,483	169,360	120,511
Debt service	253,079	676,229	1,058,656	1,382,273	1,723,524
State statute	5,690,799	5,589,713	9,573,754	6,275,351	7,109,046
Law enforcement	73,438	255,584	259,642	168,279	96,995
Total reserved	<u>6,083,766</u>	<u>8,048,390</u>	<u>11,318,888</u>	<u>8,004,616</u>	<u>9,056,928</u>
Unreserved:					
Designated for subsequent year's expenditures	3,297,751	5,077,569	4,748,820	3,682,793	3,195,813
Undesignated	10,966,748	9,605,842	7,329,194	10,752,758	9,852,914
Total unreserved	<u>14,264,499</u>	<u>14,683,411</u>	<u>12,078,014</u>	<u>14,435,551</u>	<u>13,048,727</u>
Total General Fund	<u>\$20,348,265</u>	<u>\$22,731,801</u>	<u>\$ 23,396,902</u>	<u>\$ 22,440,167</u>	<u>\$22,105,655</u>
All Other Governmental Funds					
Reserved for:					
Encumbrances	\$ 70,361	\$ -	\$ -	\$ -	\$ -
Debt service	-	-	-	-	-
State statute	3,989,223	2,402,659	2,124,994	1,026,955	4,279,694
Total reserved	<u>4,059,584</u>	<u>2,402,659</u>	<u>2,124,994</u>	<u>1,026,955</u>	<u>4,279,694</u>
Unreserved:					
Designated for subsequent year's expenditures reported in:					
Special revenue funds	1,581,216	685,463	1,611,951	887,685	826,763
Unreserved, reported in:					
Special revenue funds	5,890,434	6,868,949	6,425,395	9,380,941	5,587,420
Capital project funds	28,920,825	(956,532)	(6,373,549)	(1,589,185)	(266,722)
Total unreserved	<u>36,392,475</u>	<u>6,597,880</u>	<u>1,663,797</u>	<u>8,679,441</u>	<u>6,147,461</u>
Total all other governmental funds	<u>\$40,452,059</u>	<u>\$ 9,000,539</u>	<u>\$ 3,788,791</u>	<u>\$ 9,706,396</u>	<u>\$10,427,155</u>

Sampson County, North Carolina
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Schedule 4
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	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues					
Taxes:					
Property	\$ 18,862,125	\$ 19,782,970	\$ 22,733,336	\$ 22,828,603	\$ 26,613,832
Sales	<u>7,615,679</u>	<u>6,711,730</u>	<u>7,428,376</u>	<u>11,557,039</u>	<u>11,374,626</u>
Total taxes	26,477,804	26,494,700	30,161,712	34,385,642	37,988,458
Intergovernmental	14,110,239	14,990,074	13,657,708	14,683,755	16,750,248
Charges for Services	3,844,467	3,803,400	3,396,608	4,530,772	4,680,309
Interest	522,174	197,544	166,890	368,657	823,001
Miscellaneous	<u>1,610,793</u>	<u>2,186,109</u>	<u>1,921,073</u>	<u>2,048,882</u>	<u>1,659,952</u>
Total Revenues	<u>46,565,477</u>	<u>47,671,827</u>	<u>49,303,991</u>	<u>56,017,708</u>	<u>61,901,968</u>
Expenditures					
General Government	5,334,470	5,029,845	5,829,264	6,285,374	5,805,608
Public Safety	7,320,570	8,057,865	9,396,069	11,077,628	12,329,932
Environmental Protection	625,527	929,378	631,628	749,749	806,139
Economic Development	695,648	960,567	773,802	1,045,549	1,133,549
Human Services	19,240,431	20,854,407	20,104,369	21,261,281	22,380,966
Culture and Recreation	1,103,578	1,392,943	1,714,476	2,127,740	1,932,452
Education	8,171,368	7,659,785	7,980,205	8,938,317	9,185,288
Capital Outlay	2,102,961	2,699,514	2,516,259	1,155,401	14,686,905
Debt Service:					
Principal	2,226,102	2,309,074	2,570,026	2,322,639	2,254,439
Interest	1,372,527	1,302,372	1,263,322	1,240,738	1,029,830
Administration	<u>18,876</u>	<u>19,170</u>	<u>21,405</u>	<u>19,717</u>	<u>68,658</u>
Total Expenditures	<u>48,212,058</u>	<u>51,214,920</u>	<u>52,800,825</u>	<u>56,224,133</u>	<u>71,613,766</u>
Excess of revenues over (under) expenditures	<u>(1,646,581)</u>	<u>(3,543,093)</u>	<u>(3,496,834)</u>	<u>(206,425)</u>	<u>(9,711,798)</u>
Other Financing Sources (Uses)					
Transfers in	2,227,033	2,673,403	2,572,815	2,712,713	2,759,568
Transfers out	(2,452,085)	(482,124)	(591,132)	(2,956,020)	(2,937,337)
Bond premium	-	-	-	-	-
Proceeds from installment purchase agreements	<u>386,277</u>	<u>1,683,896</u>	<u>2,498,471</u>	<u>1,354,243</u>	<u>8,873,174</u>
Total other financing sources (uses)	<u>161,225</u>	<u>3,875,175</u>	<u>4,480,154</u>	<u>1,110,936</u>	<u>8,695,405</u>
Net change in fund balances	<u>\$ (1,485,356)</u>	<u>\$ 332,082</u>	<u>\$ 983,320</u>	<u>\$ 904,511</u>	<u>\$ (1,016,393)</u>

Debt service as a percentage of noncapital expenditures	7.80%	7.44%	7.62%	6.47%	5.77%
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Note: Amounts shown above for years prior to fiscal 2003 have been restated to show transfers in/out with component units as revenue and expenditures.

Sampson County, North Carolina
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Schedule 4
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	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues					
Taxes:					
Property	\$ 28,458,069	\$ 29,247,776	\$ 30,905,671	\$ 31,053,270	\$ 31,496,414
Sales	<u>12,175,963</u>	<u>12,721,138</u>	<u>10,758,354</u>	<u>8,627,300</u>	<u>8,401,905</u>
Total taxes	40,634,032	41,968,914	41,664,025	39,680,570	39,898,319
Intergovernmental	16,575,068	15,416,936	20,200,766	19,051,165	18,032,246
Charges for Services	5,076,600	6,467,477	7,494,027	7,821,846	7,482,001
Interest	2,822,341	2,245,314	523,311	57,820	52,802
Miscellaneous	<u>1,984,162</u>	<u>3,219,436</u>	<u>3,270,377</u>	<u>2,529,268</u>	<u>2,615,151</u>
Total Revenues	<u>67,092,203</u>	<u>69,318,077</u>	<u>73,152,506</u>	<u>69,140,669</u>	<u>68,080,519</u>
Expenditures					
General Government	5,645,849	5,816,668	5,920,848	5,638,550	5,654,163
Public Safety	13,198,403	14,583,084	16,759,419	16,031,026	15,960,202
Environmental Protection	822,197	952,865	1,030,963	980,076	993,474
Economic Development	1,141,525	1,149,066	2,957,615	1,209,878	986,760
Human Services	23,555,964	23,874,864	23,489,371	21,392,925	21,978,269
Culture and Recreation	1,862,851	2,014,854	2,441,823	2,507,236	2,004,140
Education	9,481,524	9,459,885	11,121,702	11,764,677	11,325,926
Capital Outlay	45,132,089	53,003,588	13,472,349	3,827,988	4,483,882
Debt Service:					
Principal	2,078,613	2,431,548	2,322,476	4,572,882	3,887,136
Interest	2,784,132	4,441,481	5,285,802	5,174,543	5,766,057
Administration	<u>91,010</u>	<u>100,319</u>	<u>99,990</u>	<u>68,609</u>	<u>42,804</u>
Total Expenditures	<u>105,794,157</u>	<u>117,828,222</u>	<u>84,902,358</u>	<u>73,168,390</u>	<u>73,082,813</u>
Excess of revenues over (under) expenditures	<u>(38,701,954)</u>	<u>(48,510,145)</u>	<u>(11,749,852)</u>	<u>(4,027,721)</u>	<u>(5,002,294)</u>
Other Financing Sources (Uses)					
Transfers in	2,936,614	4,392,700	3,352,545	2,636,026	3,899,964
Transfers out	(3,160,606)	(4,714,244)	(3,649,988)	(2,662,625)	(3,926,564)
Bond premium	2,536,536	-	-	-	-
Proceeds from installment purchase agreements	<u>76,447,591</u>	<u>19,763,704</u>	<u>7,500,683</u>	<u>9,181,079</u>	<u>5,487,435</u>
Total other financing sources (uses)	<u>78,760,135</u>	<u>19,442,160</u>	<u>7,203,240</u>	<u>9,154,480</u>	<u>5,460,835</u>
Net change in fund balances	<u>\$ 40,058,181</u>	<u>\$ (29,067,985)</u>	<u>\$ (4,546,612)</u>	<u>\$ 5,126,759</u>	<u>\$ 458,541</u>

Debt service as a percentage of noncapital expenditures	8.02%	10.60%	10.65%	14.06%	14.07%
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Note: Amounts shown above for years prior to fiscal 2003 have been restated to show transfers in/out with component units as revenue and expenditures.

Sampson County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Schedule 5
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Fiscal Year	Real Property				Personal Property	Public Service Companies (2)
	Residential Property	Commercial Property	Industrial Property	Present-use Value (1)		
2002	1,293,957,063	108,785,897	10,401,496	327,500,055	614,411,385	70,588,240
2003	1,342,698,237	109,066,198	10,401,496	325,065,008	677,006,789	63,808,060
2004 (5)	1,779,628,283	129,335,287	11,030,718	410,046,632	674,945,960	81,103,237
2005	1,799,934,156	135,881,167	11,030,718	414,672,733	688,752,515	85,761,896
2006	1,814,697,116	144,666,267	11,030,718	442,290,348	727,566,741	89,984,525
2007	1,976,004,862	144,861,741	11,225,121	425,425,158	669,633,758	107,465,858
2008	2,017,453,958	145,690,958	10,715,630	447,629,530	692,930,080	104,088,733
2009	2,060,956,229	144,215,630	10,417,365	451,285,326	695,213,090	105,309,320
2010	2,063,482,369	150,560,362	10,861,358	478,844,495	650,393,776	120,421,901
2011	2,064,382,769	151,449,123	10,934,158	483,471,966	645,790,921	120,004,198

Source: Annual County Report of Valuation and Property Tax Levies

Notes:

- (1) Present use value property is agricultural, horticultural and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.
- (2) Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.
- (3) Per \$100 of value.
- (4) The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year.
- (5) Property in Sampson County is reassessed every eight years. The last reassessment was on January 1, 2003 and was the basis for fiscal 2004 taxes.

Sampson County, North Carolina
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Total Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Taxable Value (4)
2002	2,425,644,136	0.725	2,884,449,348
2003	2,528,045,788	0.750	3,052,287,869
2004 (5)	3,086,090,117	0.675	3,992,217,141
2005	3,136,033,185	0.675	3,136,033,185
2006	3,230,235,715	0.770	3,307,421,698
2007	3,334,616,498	0.810	3,551,580,937
2008	3,418,508,889	0.810	3,842,076,399
2009	3,467,396,960	0.845	3,922,595,168
2010	3,474,564,261	0.845	3,936,056,351
2011	3,476,033,135	0.845	4,004,220,279

Source: Annual County Report of Valuation and Property Tax Levies

Notes:

- (1) Present use value property is agricultural, horticultural and forestland for which the owner has applied for the property to be taxed at its present use. The difference in taxes on the present use basis and and the taxes that would have been payable are a lien on the property and are deferred. The taxes become due if the property ceases to qualify for present use value. The preceding three fiscal years taxes are then required to be paid.
- (2) Public service companies valuations are provided to the County by the North Carolina Department of Revenue. These amounts include both real and personal property.
- (3) Per \$100 of value.
- (4) The estimated market value is calculated by dividing the assessed value by an assessment-to-sales ratio determined by the State Department of Revenue. The ratio is based on actual property sales which took place during the fiscal year.
- (5) Property in Sampson County is reassessed every eight years. The last reassessment was on January 1, 2003 and was the basis for fiscal 2004 taxes.

Sampson County, North Carolina
Direct and Overlapping Property Tax Rates (Rate per \$100 of Valuation)
Last Ten Fiscal Years

Schedule 6

	Fiscal Year Taxes are Payable									
	<u>2002</u>	<u>2003</u>	<u>2004 (1)</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Sampson County	.725	.750	.675	.068	.077	.810	.810	.845	.845	.845
Assessed by County for:										
School Districts:										
Clinton City	.130	.130	.130	.130	.130	.130	.130	.160	.160	.160
Fire Districts:										
Piney Grove	.070	.070	.060	.070	.070	.070	.070	.075	.075	.075
Plain View	.090	.090	.090	.090	.090	.090	.090	.090	.090	.090
Halls	.065	.065	.065	.065	.065	.070	.070	.070	.070	.070
Spivey's Corner	.090	.090	.090	.090	.090	.090	.090	.090	.090	.100
Franklin	.070	.070	.060	.060	.070	.070	.070	.080	.080	.080
Turkey	.050	.050	.040	.040	.050	.050	.050	.060	.060	.060
Vanns	.090	.090	.090	.090	.090	.090	.090	.090	.090	.090
Godwin-Falcon	.100	.100	.100	.100	.100	.100	.100	.100	.100	.100
Herring	.080	.080	.075	.075	.075	.085	.085	.085	.085	.085
Coharie	.065	.065	.055	.055	.065	.065	.065	.085	.085	.085
Honeycutt-Salemburg	.080	.080	.075	.075	.080	.100	.100	.100	.100	.100
Newton Grove	.050	.050	.045	.045	.045	.045	.045	.065	.065	.065
Clinton	.090	.090	.080	.080	.090	.090	.090	.0925	.0925	.0925
Clement	.080	.080	.080	.080	.080	.080	.080	.080	.080	.090
Autryville	.080	.080	.080	.080	.095	.095	.095	.095	.095	.095
Garland	.070	.070	.050	.050	.050	.070	.070	.080	.080	.100
Taylor's Bridge	.070	.070	.070	.070	.070	.070	.070	.070	.070	.070
Taylor's Bridge Service District	.030	.030	.030	.030	.035	.035	.035	.035	.035	.035
Overlapping Rates (2)										
Town of:										
Autryville	.450	.450	.450	.450	.500	.500	.500	.500	.500	.500
Clinton	.430	.430	.410	.410	.410	.410	.410	.410	.410	.410
Garland	.670	.670	.600	.600	.650	.690	.720	.720	.720	.720
Harrells	.130	.130	.130	.130	.130	.130	.130	.130	.130	.130
Newton Grove	.360	.360	.360	.360	.360	.360	.360	.360	.360	.360
Roseboro	.700	.700	.650	.650	.670	.710	.710	.710	.710	.710
Salemburg	.370	.370	.320	.320	.320	.320	.320	.320	.320	.320
Turkey	.250	.250	.250	.250	.250	.250	.250	.250	.250	.250

Note: (1) Real property was revalued on January 1, 2003

(2) Overlapping rates are those of local and county governments that apply to property owners within Sampson County. Not all overlapping rates apply to all Sampson County property owners (e.g. the rates for special districts apply only to the proportion of the property owners whose property is located within the geographic boundaries of the special district.)

**Sampson County, North Carolina
Principal Property Tax Payers,
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2011</u>		
		<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
Smithfield Foods/The Lundy Packing Co.	Meat Packers	\$ 59,938,785	1	1.72 %
Prestage Farms, Inc	Swine/Poultry Grower	58,729,471	2	1.69
Carroll's Foods Inc.	Swine/Poultry Grower Real Estate	41,432,218	3	1.19
Progress Energy Carolina	Utiities	41,110,471	4	1.18
South River Electric Membership Co.	Utiities	26,052,325	5	0.75
Murphy Farms, Inc.	Swine/Poultry Grower	24,302,431	6	0.70
Coharie Farms Company	Swine Grower/Feed Mills	18,428,439	7	0.53
Schindler Elevator Corp.	Escalator Manufacturer	15,441,350	8	0.44
Carolina Telephone & Telegraph Co.	Utiities	14,871,276	9	0.43
Allen Canning Co.	Food Processing & Distribution	13,493,123	10	0.39
Alamac Knits/Schlafhorst	Textile Manufacturer			
Nash Johnson & Sons Farm	Agriculture			
Totals		<u>\$ 313,799,889</u>		<u>9.03 %</u>

Source: Sampson County Tax Department

**Sampson County, North Carolina
Principal Property Tax Payers,
Current Year and Nine Years Ago**

**Schedule 7
Page 2 of 2**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2002</u>		
		<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
Smithfield Foods/The Lundy Packing Co.	Meat Packers	\$ 27,863,089	3	1.15 %
Prestage Farms, Inc	Swine/Poultry Grower	48,023,458	1	1.98
Carroll's Foods Inc.	Swine/Poultry Grower Real Estate	17,191,994	7	0.71
Progress Energy Carolina	Utiities	18,133,424	5	0.75
South River Electric Membership Co.	Utiities	17,915,654	6	0.74
Murphy Farms, Inc.	Swine/Poultry Grower	21,407,786	4	0.88
Schindler Elevator Corp.	Escalator Manufacturer	16,748,447	8	0.69
Carolina Telephone & Telegraph Co.	Utiities	11,932,288	9	0.49
Alamac Knits/Schlafhorst	Textile Manufacturer	31,336,975	2	1.29
Nash Johnson & Sons Farm	Agriculture	9,550,861	10	0.39
Totals		<u>\$ 220,103,976</u>		<u>9.07 %</u>

Source: Sampson County Tax Department

**Sampson County, North Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)**

Schedule 8

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year</u>		<u>Total</u>	<u>Current Collections</u>	<u>Percentage of Adjusted Levy</u>	<u>Prior Years Collected</u>	<u>Total Collections</u>	<u>Percentage of Adjusted Levy</u>
	<u>(Original Levy)</u>	<u>Adjustments</u>						
2002	\$ 18,994	\$ 644	\$ 19,638	\$ 18,986	96.68 %	\$ 568	\$ 19,554	99.57 %
2003	20,466	726	21,192	19,970	94.23	765	20,735	97.84
2004	22,949	637	23,586	22,487	95.34	948	23,435	99.36
2005	23,236	665	23,901	22,899	95.81	925	23,824	99.68
2006	26,843	790	27,633	26,400	95.54	991	27,391	99.12
2007	28,927	1,050	29,977	28,582	95.35	1,004	29,586	98.70
2008	29,860	959	30,819	29,323	95.15	1,091	30,414	98.69
2009	30,224	964	31,188	29,617	94.96	1,105	30,722	98.51
2010	30,206	1,112	31,318	29,689	94.80	1,223	30,912	98.70
2011	30,204	1,172	31,376	29,840	95.10	1,396	31,236	99.55

Source: Sampson County Tax Department

Sampson County, North Carolina
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities		
	Installment Purchase Revenue Bonds	Installment Loans	Certificates of Participation	General Obligation Bonds	Installment Loans	State Clean Water Loans
2002	\$ 22,970,000	\$ 4,826,346	\$ -	\$ 8,808,583	\$ -	\$ 327,883
2003	21,930,000	3,980,076	-	8,794,500	305,027	265,850
2004	20,890,000	6,190,094	-	9,667,000	262,556	1,172,872
2005	19,850,000	6,261,698	-	13,372,000	216,223	1,450,297
2006	18,810,000	13,920,433	-	13,253,000	175,142	2,799,224
2007	17,765,000	34,274,411	55,060,000	13,084,500	122,165	2,639,770
2008	16,720,000	52,651,707	55,060,000	12,909,000	77,222	2,480,315
2009	15,675,000	58,874,914	55,060,000	12,724,500	30,889	2,320,860
2010	14,280,000	66,453,111	53,485,000	12,531,000	-	2,038,704
2011	13,180,000	70,728,410	51,910,000	12,328,500	-	1,899,699

Notes: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Calendar 2006 personal income not available to calculate fiscal year 2007.

* Information not available

**Sampson County, North Carolina
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years**

Fiscal Year	Total Primary Government	Per Capita (1)	Percentage of Personal Income (1)
2002	\$ 36,932,812	\$ 611	2.81%
2003	35,275,453	572	2.76%
2004	38,182,522	614	2.82%
2005	41,150,218	657	2.70%
2006	48,957,799	773	3.01%
2007	122,945,846	1,919	7.48%
2008	139,898,244	2,168	8.03%
2009	144,686,163	2,212	7.88%
2010	148,787,815	2,275	*
2011	150,046,609	2,364	*

Notes: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Calendar 2006 personal income not available to calculate fiscal year 2007.

* Information not available

Sampson County, North Carolina
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Schedule 10

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Restricted to Repaying Principal</u>	<u>Total</u>	<u>Percentage of Actual Taxable Value of Property (2)</u>	<u>Per Capita(1)</u>
2001	\$ 8,808,583	\$ -	\$ 8,808,583	0.36 %	\$ 146
2002	8,794,500	-	8,794,500	0.35	143
2003	9,667,000	-	9,667,000	0.31	155
2004	13,372,000	-	13,372,000	0.43	214
2005	13,253,000	-	13,253,000	0.41	209
2006	13,084,500	-	13,084,500	0.39	204
2007	12,909,000	-	12,909,000	0.38	200
2008	12,724,500	-	12,724,500	0.37	195
2009	12,531,000	-	12,531,000	0.36	192
2010	12,328,500	-	12,328,500	0.35	194

Notes: Details regarding the County's outstanding debt can be found in the notes to the Financial Statements.

(1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(2) See schedule 5 for property value data.

Sampson County, North Carolina
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Assessed Value of Property	\$ 2,425,644	\$ 2,528,046	\$ 3,086,090	\$ 3,136,033	\$ 3,230,236
Debt Limit, 8% of Assessed Value (Statutory Limitation)	195,701	194,052	202,244	246,887	250,883
Amount of Debt Applicable to Limit					
Governmental Activities					
Installment purchase debt	27,796	25,910	27,080	26,112	32,730
Gross general obligation debt	8,809	8,795	9,667	13,372	13,253
Less: Amount available for repayment of general obligation bonds	-	-	-	-	-
Less: Debt outstanding for water and sewer purposes	<u>8,809</u>	<u>8,795</u>	<u>9,667</u>	<u>13,372</u>	<u>13,253</u>
Total net debt applicable to limit	<u>27,796</u>	<u>25,910</u>	<u>27,080</u>	<u>26,112</u>	<u>32,730</u>
Legal Debt Margin	<u>\$ 167,905</u>	<u>\$ 168,142</u>	<u>\$ 175,164</u>	<u>\$ 220,775</u>	<u>\$ 218,153</u>
Total net debt applicable to the limit as a percentage of debt limit	14.20%	13.35%	13.39%	10.58%	13.05%

Note: N.C. General Statute 159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: (1) money held for payment of principal; (2) debt incurred for water, sewer, gas or electric power purposes; (3) uncollected special assessments, funding and refunding bonds not yet issued; and (4) revenue bonds.

The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

Sampson County, North Carolina
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Assessed Value of Property	\$ 3,334,616	\$ 3,418,509	\$ 3,467,397	\$ 3,474,564	\$ 3,476,033
Debt Limit, 8% of Assessed Value (Statutory Limitation)	250,883	273,481	277,392	277,965	278,083
Amount of Debt Applicable to Limit					
Governmental Activities					
Installment purchase debt	107,099	124,432	129,610	135,818	135,818
Gross general obligation debt	13,085	12,909	12,725	12,329	12,329
Less: Amount available for repayment of general obligation bonds	-	-	-	-	-
Less: Debt outstanding for water and sewer purposes	<u>13,085</u>	<u>12,909</u>	<u>12,725</u>	<u>12,329</u>	<u>12,329</u>
Total net g.o. debt applicable to limit	<u>107,100</u>	<u>124,432</u>	<u>129,610</u>	<u>135,819</u>	<u>135,819</u>
Legal Debt Margin	<u>\$ 143,783</u>	<u>\$ 149,049</u>	<u>\$ 147,781</u>	<u>\$ 142,146</u>	<u>\$ 142,264</u>
Total net debt applicable to the limit as a percentage of debt limit	42.69%	45.50%	46.72%	48.86%	48.84%

Note: N.C. General Statute 159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: (1) money held for payment of principal; (2) debt incurred for water, sewer, gas or electric power purposes; (3) uncollected special assessments, funding and refunding bonds not yet issued; and (4) revenue bonds.

The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

Sampson County, North Carolina
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

Schedule 12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Sampson County</u>	<u>Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Sampson County	\$ 150,046,609	100.00 %	\$ 150,046,609
Other debt			
Autryville	81,435	100.00	81,435
Clinton	5,501,557	100.00	5,501,557
Garland	-	100.00	-
Harrells	-	100.00	-
Newton Grove	413,500	100.00	413,500
Roseboro	982,500	100.00	982,500
Salemburg	-	100.00	-
Turkey	-	100.00	-
Total direct and overlapping debt	<u>\$ 157,025,601</u>		<u>\$ 157,025,601</u>

Source: North Carolina Department of State Treasurer

**Sampson County, North Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years**

Schedule 13

<u>Year</u>	<u>Population(1)</u>	<u>Personal Income (2) (expressed in thousands)</u>	<u>Per Capita Personal Income (2)</u>	<u>Public School Enrollment(3)</u>	<u>Unemployment Rate(4)</u>	<u>Median Age</u>
2002	60,421	\$ 1,312,167	\$ 21,612	10,527	8.30 %	35.25
2003	61,654	1,279,659	20,970	10,678	7.30	35.40
2004	62,206	1,353,058	22,008	10,887	5.40	35.55
2005	62,630	1,525,652	24,697	11,026	5.20	35.70
2006	63,303	1,625,599	26,161	11,187	4.70	35.84
2007	64,057	1,643,307	26,251	11,268	4.60	36.02
2008	64,522	1,742,106	27,611	11,440	4.90	36.21
2009	65,396	1,836,729	28,954	11,507	5.60	36.38
2010	65,406	1,833,537	28,778	11,570	8.90	37.00
2011	63,481	*	*	11,427	8.70	*

* Information not yet available.

Notes:

- (1) N.C. State Data Center. Estimates are as of beginning of fiscal year.
- (2) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year
- (3) N.C. Department of Public Instruction, First Month Average Daily Membership
- (4) N. C. Employment Security Commission, Annual Average for prior calendar year.

* Information not available

**Sampson County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

**Schedule 14
Page 1 of 2**

<u>Employer</u>	<u>2011</u>		
	<u>Employment Range</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Smithfield Foods (Lundy Packing Co.)	1,000 +	1	3.18 %
Sampson County Schools	1,000 +	2	3.18
Prestage Farms, Inc.	500-999	3	1.59
Sampson Regional Medical Center	500-999	4	1.59
Sampson County Government	500-999	5	1.59
Clinton City Schools	500-999	6	1.59
Hog Slat Company, Inc.	250-499	7	.80
Burch Equipment LLC	250-499	8	.80
DL&B Enterprises Inc.	250-499	9	.80
Liberty Health Care Group. LLC	250-499	10	.80
Garland Shirt Factory			
Wal-Mart Associates Inc			
Osc-Central Payroll			

Source: N.C. Employment Security Commission

**Sampson County, North Carolina
Principal Employers
Current Year and Nine Years Ago**

**Schedule 14
Page 2 of 2**

<u>Employer</u>	<u>2002</u>		
	<u>Employment Range</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Smithfield Foods (Lundy Packing Co.)	500-999	1	1.70 %
Sampson County Schools	500-999	2	1.70
Prestage Farms, Inc.	500-999	3	1.70
Sampson Regional Medical Center	500-499	4	1.70
Sampson County Government	250-499	5	.85
Clinton City Schools	250-499	8	.85
Hog Slat Company, Inc.	250-499	10	.85
Burch Equipment LLC			
DL&B Enterprises Inc.			
Liberty Health Care Group. LLC			
Garland Shirt Factory	250-499	9	.85
Wal-Mart Associates Inc	250-499	7	.85
Osc-Central Payroll	250-499	6	.85

Source: N.C. Employment Security Commission

Sampson County, North Carolina
Full-time Equivalent County Government Employees by Function
Last Ten Fiscal Years

Schedule 15

<u>Function/Program</u>	<u>Full-time Equivalent Employees as of June 30</u>									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government	54	54	57	61	65	73	74	78	74	71
Public safety	137	148	163	173	188	191	220	227	220	223
Environmental protection	5	5	5	5	5	5	5	5	4	4
Economic and physical development	20	20	19	20	20	20	20	20	17	15
Human Services:										
Health	42	40	37	36	36	40	42	48	41	41
Social services	111	109	111	116	120	124	128	131	129	132
Other Human Services	<u>57</u>	<u>58</u>	<u>53</u>	<u>55</u>	<u>65</u>	<u>76</u>	<u>79</u>	<u>85</u>	<u>89</u>	<u>101</u>
Total Human Services	210	207	201	207	221	240	249	264	259	274
Cultural and recreation	17	31	34	35	36	37	38	37	33	33
Business Activity:										
Water/Sewer	4	4	5	5	6	6	6	6	7	8
Total	447	469	484	506	541	572	612	637	614	628

Source: County Finance Department

Note: This schedule represents number of persons employed as of June 30 of each year. Vacant positions are not included in the above numbers. Full-time personnel work 2,080 hours per year (less vacation and sick leave). For purposes of this schedule the number of part-time employees has been divided by the percentage of their hours worked within a 40 hour week to arrive at full-time equivalents.

COMPLIANCE SECTION





CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA
Gregory S. Adams, CPA
Alan W. Thompson, CPA

Offices:
Elizabethtown, NC
Wilmington, NC
Whiteville, NC

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

To the Board of County Commissioners
Sampson 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 Sampson County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprises Sampson County's basic financial statements and have issued our report thereon dated January 30, 2012. 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 Sampson Regional Medical Center, Inc, as described in our report on Sampson 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. The financial statements of the Sampson Regional Medical Center, Inc. were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of Sampson County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Sampson 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 Sampson County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A 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. However, 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 financial reporting described in the accompanying, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting, items 2011-1 and 2011-2. 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 Sampson 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*.

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

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

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., PA
January 30, 2012



CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA
Gregory S. Adams, CPA
Alan W. Thompson, CPA

Offices:
Elizabethtown, NC
Wilmington, NC
Whiteville, NC

Report on Compliance with Requirements Applicable to each Major Federal Program and Internal Control over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Implementation Act.

To the Board of County Commissioners
Sampson County, North Carolina

Compliance

We have audited Sampson County, North Carolina, 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 Sampson County's major federal programs for the year ended June 30, 2011. Sampson 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 Sampson County's management. Our responsibility is to express an opinion on Sampson County's compliance based on our audit.

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

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

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal 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 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 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 the audit committee, management, others within the entity, the County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., PA
January 30, 2012



CERTIFIED PUBLIC ACCOUNTANTS

R. Bryon Scott, CPA
Gregory S. Adams, CPA
Alan W. Thompson, CPA

Offices:
Elizabethtown, NC
Wilmington, NC
Whiteville, NC

Report on Compliance with Requirements Applicable to each Major State Program and Internal Control over Compliance in Accordance with OMB Circular A-133 and the State Single Audit Implementation Act

To the Board of County Commissioners
Sampson County, North Carolina

Compliance

We have audited Sampson County, North Carolina's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Sampson County's major State programs for the year ended June 30, 2011. Sampson 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 Sampson County's management. Our responsibility is to express an opinion on Sampson 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 direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Sampson 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 on Sampson County's compliance with those requirements.

In our opinion, Sampson 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 Sampson 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 Sampson County's internal control over compliance with the requirements that could have a direct and material effect on a major State program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control 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 the audit committee, management, others within the entity, the County Commissioners, and federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., PA
January 30, 2012

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2011**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:

Material Weakness(es) identified?	_____	Yes	_____ X	No
Significant Deficiency(s) identified that are not considered material weaknesses	_____ X	Yes	_____	None reported
Noncompliance material to financial statements noted	_____	Yes	_____ X	No

Federal Awards

Internal control over federal programs:

Material Weakness(es) identified?	_____	Yes	_____ X	No
Significant Deficiency(s) identified that are not considered material weaknesses	_____	Yes	_____ X	None reported

Type of auditors’ 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
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Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Names of Federal Program or Cluster</u>
93.778	Title XIX Medicaid
10.780	ARRA-Communities Facilities Loans & Grants
93.659	Adoption Assistance
93.568	Low-Income Home Energy Assistance

Federal programs that did not meet the criteria for a major program using the criteria discussed on OMB Circular No. A-133 Section .520 but were tested as a major program because the State mandated the Program be included are included in the list of major federal programs (WIC).

Dollar threshold used to distinguish between Type A and Type B Programs	_____	\$ 2,505,715
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Auditee qualified as low-risk auditee?	_____	Yes	_____ X	No
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**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2011**

Section I – Summary of Auditors’ Results

State Awards

Internal control over State programs:

Material Weakness(es) identified?	_____	Yes	_____	X	No
Reportable condition(s) identified that are not considered material weaknesses	_____	Yes	_____	X	None reported

Type of auditors’ report issued on compliance for major State programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act _____ Yes **X** No

Identification of major State programs:

Program Name

Title XIX Medicaid (The Medical Assistance Program which is a State match on a federal program also meets the criteria for a major State program, but this program has been included in the list of major federal programs above).

State/County Special Assistance for Adults
Subsidized Child Care Development Cluster

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2011**

Section II – Financial Statement Findings

Finding: 2011-1 Segregation of Duties

Criteria: Duties should be segregated to provide reasonable assurance that transactions are handled appropriately.

Condition: There is a lack of segregation of duties among County personnel throughout the county in revenue areas.

Effect: Transactions could be mishandled.

Cause: There are a limited number of personnel for certain functions.

Recommendation: The duties should be separated as much as possible and alternative controls should be used to compensate for lack of separation.

Views of responsible officials and planned corrective actions: The County agrees with this finding.

Finding: 2011-2 Untimely issue of Annual Financial Statements

Criteria: Financial statements are due October 31 of every year to the North Carolina Local Government Commission (LGC) for their review and approval.

Condition: Financial statements were not submitted to the LGC by their due date.

Effect: The LGC analyzes the financial statements and provides vital information that assists the county.

Cause: There have been vacancies within the finance department that have not been filled. This has caused duties to be assigned to a smaller number of employees.

Recommendation: Seek personnel to fill these vacancies.

Views of responsible officials and planned corrective actions: The County agrees with this finding and has already started advertising for a position.

Section III – Federal and State Awards Findings and Questioned Costs

A. Compliance Findings

None reported.

B. Internal Controls

None reported.

**SAMPSON COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Fiscal Year Ended June 30, 2011**

Finding 09-1

Status: Still occurring

Finding 10-1

Status: Still occurring

Finding 10-2

Status: Still occurring

**SAMPSON COUNTY, NORTH CAROLINA
CORRECTIVE ACTION PLAN
For the Fiscal Year Ended June 30, 2011**

Section II – Financial Statement Findings

SIGNIFICANT DEFICIENCY

2011-1 Segregation of Duties

Name of contact person: Jefferson Strickland, Chairperson

Corrective Action: Procedures will be put in place to enable reconciliation of those areas to compensate for the smaller number of personnel handling the transactions. The duties will be separated as much as possible as additional employees are hired.

Proposed Completion Date: Certain alternative controls have been established and personnel are being trained. Management will continue to monitor the progress of this issue and modify the controls as needed.

2011-2 Untimely issue of Annual Financial Statements

Name of contact person: Jefferson Strickland, Chairperson

Corrective Action: The assistant finance officer position has been filled and the internal auditor position is being advertised. As the budget allows, future employees will be hired.

Proposed Completion Date: This is currently being corrected. Management will continue to monitor the progress of this issue.



**SAMPSON COUNTY, NORTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE FISCAL YEAR JUNE 30, 2011**

**Exhibit K
 Page 1 of 8**

Grantor/Pass-through Agency Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:					
US Department of Agriculture					
<u>Food & Nutrition Service</u>					
Passed through the N.C. Dept. of Health & Human Services Division of Social Services Administration					
Supplemental Nutrition Assist. Program Cluster					
ARRA - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program					
	10.561		\$ 7,117	\$ -	\$ -
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program					
	10.561		605,538	-	538,183
Total Supplemental Nutrition Assist. Program Cluster					
			<u>612,655</u>	<u>-</u>	<u>538,183</u>
Passed through the N.C. Dept. of Health & Human Services Division of Public Health					
Special Supplemental Nutrition Program for Women, Infants & Children					
	10.557		373,905	-	-
Direct Benefit Payments for Special Supplemental Nutrition Program for Women, Infants & Children					
	10.557		1,619,013	-	-
Agri-SFP Food Program Meal					
	10.559		347	-	-
Child Care & Adult Care Food Program					
	10.558		208,954	-	-
Total Special Supplemental Nutrition Program for Women, Infants & Children					
			<u>2,202,219</u>	<u>-</u>	<u>-</u>
<u>Rural Housing Service</u>					
Community Facilities Loans & Grants:					
Clinton High School (97-22)					
	10.766		563,686	-	-
ARRA- CE Perry Elem (NC-97-36)					
	10.780		100	-	-
ARRA- CE Perry Elem (NC-97-38)					
	10.780		4,916,495	-	-
ARRA- CE Perry Elem (NC-97-36)					
	10.780		-	-	-
County Administration (97-17)					
	10.766		7,354	-	-
Total Community Facilities Loans & Grants					
			<u>5,487,635</u>	<u>-</u>	<u>-</u>
<u>Rural Utilities Service</u>					
Direct Program					
Water & Waste Disposal System Direct Program Well Project					
	10.760		315,864	-	-
Total US Department of Agriculture					
			<u>8,618,373</u>	<u>-</u>	<u>538,183</u>

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR JUNE 30, 2011**

**Exhibit K
Page 2 of 8**

Grantor/Pass-through Agency Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards continued:					
US Department of Justice					
<u>Bureau of Justice Assistance</u>					
State Criminal Alien Assistance	16.606		26,375	-	-
Total US Department of Justice			26,375	-	-
US Department of Transportation					
<u>Federal Aviation Administration</u>					
Passed through the NC Dept. of Transportation					
State Aid to Airports:					
Taxiway and Apron	20.106	36244.19.6.1	178,508	-	19,834
Airport Construction	20.106	36244.12.8.1	150,000	-	16,667
Total Federal Aviation Administration			328,508	-	36,501
<u>Federal Transit Administration</u>					
Passed through the NC Dept. of Transportation					
Public Transportation Division					
Community Transportation:					
Administration Funds (10-CT-015)	20.509	36233.94.11.1	36,166	2,260	6,781
Administration Funds (11-CT-015)	20.509	36233.94.12.1	89,733	5,611	16,825
Capital Program (11-CT-015)	20.509	36233.94.12.3	1,790	224	224
Capital Program (10-AR-15)	20.509	51003.16.3.STT1	130,035	-	3,888
Total Federal Transit Administration			257,724	8,095	27,718
<u>National Highway Traffic Administration</u>					
Gang Intervention & Suppression	20.600	082-1-07-002	91,243	-	30,414
Passed through the NC Dept. of Crime Control & Public Safety					
Haz Mat Emergency Preparedness	20.703		4,624	-	-
Total US Department of Transportation			682,099	8,095	94,633
US Department of Homeland Security					
Passed through NC Dept. of Crime Control & Public Safety					
Emergency Management Assistance	83.503		35,499	-	35,499
US Dept. of Health & Human Services					
<u>Administration on Aging</u>					
Division of Aging and Adult Services					
Passed through the Mid-Carolina Council of Govts:					
Aging Cluster					
Congregate Nutr. & Home Del Meal	93.045		238,895	-	26,544
Access Services	93.044		57,826	-	6,422
In-Home & Support Services	93.044		290,634	-	32,293
Total Aging Cluster			587,355	-	65,259

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR JUNE 30, 2011**

**Exhibit K
Page 3 of 8**

Grantor/Pass-through Agency Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards continued:					
US Dept. of Health & Human Services continued					
<u>Administration for Children & Families</u>					
Passed through the NC Dept of Health & Human Svcs					
Division of Social Services					
Foster Care & Adoption Cluster					
Title IV-E CPS	93.658		\$ 101,809	\$ 32,184	\$ 69,625
Title IV-E Foster Care/Off Trn	93.658		183,337	-	183,337
Title IV-E Admin Co Paid to CCI	93.659		131,650	65,825	65,825
Title IV-E Adoption Subsidy & Vendor	93.659		130,775	29,645	29,645
Title IV-E Family Foster Care Max	93.658		922	-	392
Foster Care-Direct Benefit Payments	93.658		227,285	52,324	52,320
IV-E Foster Care In Excess	93.658		43,617	10,055	10,055
Adoption/Foster Care			<u>30,292</u>	<u>5,046</u>	<u>3,362</u>
Total Foster Care and Adoption			<u>849,687</u>	<u>195,079</u>	<u>414,561</u>
Temporary Assistance for Needy Families Cluster					
Temporary Assistance for Needy Families (TANF)-					
TANF-Family Preservation	93.556		6,530	-	-
TANF-Domestic Violence	93.558		8,474	-	-
TANF-Direct Benefit Payments	93.558		446,446	(35)	98
TANF-TEA Foster Care Max	93.558		1,916	-	-
TANF-TEA Foster Care	93.558		950	-	-
TANF-ARRA	93.714		26,197	-	-
Work First Service	93.558		186,446	-	545,448
Work First Administration	93.558		31,375	-	73,190
Total TANF Cluster			<u>708,334</u>	<u>(35)</u>	<u>618,736</u>
CSE Incentive Recovery	93.563		14,229	-	7,330
IV-D Administration	93.563		746,599	286	384,612
IV-D Offset Fees-Federal	93.563		2,526	-	1,301
IV-D Offset Fees-ESC	93.563		255	(97)	229
Crisis Intervention Program	93.568		326,522	-	-
Low Income Home Energy Assistance					
Block Grant					
Administration	93.568		62,078	-	-
Direct Benefit Payments	93.568		703,977	-	-
Family Violence Prevention & Svcs	93.671		1,064	-	-
Child Welfare Services-					
Permanency Planning Spec	93.645		11,639	(2,797)	7,113
SSBG-Other Service & Training	93.667		243,580	20,122	87,900
SSBG-In Home Services Over 60	93.667		11,630	-	1,661
SSBG-Adult Day Care Over 60	93.667		2,072	2,059	590
Independent Living Grant (LINKS)	93.674		2,228	557	-
Direct Program:					
Head Start	93.600	01CH0319/36	2,111,070	-	527,768
ARRA-Early Head Start	93.709	04SA0319	1,220,767	-	305,192
ARRA-Head Start COLA & Quality	93.708	04SE0319	99,959	-	24,989

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR JUNE 30, 2011**

**Exhibit K
Page 4 of 8**

Grantor/Pass-through Agency Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards continued:					
US Dept. of Health & Human Services continued					
<u>Administration for Children and Families</u>					
Division of Social Services					
Division of Child Development					
Subsidized Child Care Development Cluster (Note 2)					
Child Care Development Fund					
Administration	93.596		\$ 123,737	\$ -	\$ -
Child Care & Development Discretionary	93.575		872,965	-	-
Child Care & Development Mandatory	93.596		351,446	-	-
Child Care & Development Match	93.596		290,441	157,597	-
Total Child Care Development Cluster			<u>1,638,589</u>	<u>157,597</u>	<u>-</u>
Social Services Block Grant	93.667		7,661	-	-
TANF	93.558		280,197	-	-
ARRA-Emergency Contingency Fund for Temporary Assistance for Needy Families					
State Programs	93.714		144,309	-	-
Smart Start			-	50,273	-
State Appropriations			-	102,288	-
TANF-Maintenance of Effort			-	107,739	-
Total Subsidized Child Care			<u>2,070,756</u>	<u>417,897</u>	<u>-</u>
<u>Center for Medicare and Medicaid Services</u>					
Passed through the NC Dept of Health & Human Svcs.					
Division of Medical Assistance					
Medical Assistance Direct Benefit Pymts	93.778		62,723,068	25,226,901	32,026
Division of Social Services					
Medical Assistance Administration	93.778		1,131,218	-	1,126,311
MA Expansion	93.778		16,584	16,584	-
Adult Care Home Case Management	93.778		46,765	23,382	23,382
N.C. Health Choice	93.767		49,384	3,634	12,535
Total Division of Medical Assistance			<u>1,243,951</u>	<u>43,600</u>	<u>1,162,228</u>

**SAMPSON COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR JUNE 30, 2011**

**Exhibit K
Page 5 of 8**

<u>Grantor/Pass-through Agency Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
Federal Awards continued:					
<u>Centers for Disease Control</u>					
Passed through the NC Dept of Health & Human Svcs.					
Division of Public Health					
Project Grants and Cooperative					
Agreements for Tuberculosis Control	93.116		39,133	-	-
Public Health Emergency Preparedness	93.069		17,058	-	-
Cooperative Agreements for State					
Based Comprehensive Breast and					
Statewide Health Promotion	93.991		19,430	-	-
Immunization Program/Aid to County	93.268		21,008	-	-
Prevention Investigations & Tech Asst.	93.283		138,403	61	-
Maternal and Child Health					
Services Block Grant	93.994		<u>124,000</u>	<u>93,011</u>	<u>-</u>
Total Division of Public Health			<u>359,032</u>	<u>93,072</u>	<u>-</u>
<u>Office of Population Affairs</u>					
Passed through the NC Dept of Health & Human Svcs.					
Office of Population Affairs					
Family Planning Services	93.217		<u>59,123</u>	<u>-</u>	<u>-</u>
Total Office of Population Affairs			<u>59,123</u>	<u>-</u>	<u>-</u>
Total US Dept. of Health & Human Services			<u>74,161,501</u>	<u>25,996,644</u>	<u>3,641,495</u>
Total Federal Awards			<u>83,523,847</u>	<u>26,004,739</u>	<u>4,309,810</u>

**SAMPSON COUNTY, NORTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE FISCAL YEAR JUNE 30, 2011**

**Exhibit K
 Page 6 of 8**

Grantor/Pass-through Agency Program Title	Federal CFDA Number	State/ Pass-Through Grantor's Number	Federal (Direct and Pass-through) Expenditures	State Expenditures	Local Expenditures
State Awards:					
NC Department of Health and Human Services					
<u>Division of Social Services</u>					
State/County Special Assistance for Adults-Direct Benefit Pymts			\$ -	\$ 670,555	\$ 700,555
Energy Assistance Private Grants			-	9,670	-
Foster Care At-Risk Maximization			-	292	156
State Foster Home			-	85,398	85,398
SFHF Maximization			-	59,791	59,791
DCD Smart Start			-	24,039	-
CWS Adoption Subsidy			-	96,086	3,999
Total Division of Social Services			-	945,831	849,899
<u>Division of Public Health</u>					
General			-	143,349	-
Public Health Nurse Training			-	400	-
Communicable Disease			-	3,659	-
Risk Reduction/Health Promotion			-	10,994	-
Food and Lodging			-	7,258	-
Aids-State			-	500	-
Women's Preventative Health			-	11,084	-
Breast & Cervical Cancer Control			-	5,169	-
Environmental Health			-	4,347	394,846
Tuberculosis			-	60,163	-
Tuberculosis Medical Services			-	2,271	-
Total Division of Public Health			-	249,194	394,846
<u>Division of Aging & Adult Services</u>					
Family Caregiver Support Program			-	32,738	3,638
Total Division of Aging & Adult Services			-	32,738	3,638
NC Department of Corrections					
<u>Division of Community Corrections</u>					
Criminal Justice Partnership Program		82-0710-I-A	-	83,164	-
Total NC Department of Corrections			-	83,164	-

**SAMPSON COUNTY, NORTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE FISCAL YEAR JUNE 30, 2011**

**Exhibit K
 Page 7 of 8**

<u>Grantor/Pass-through Agency Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
State Awards continued:					
NC Department of Transportation					
ROAP-Elderly and Disabled Trans.		DOT-16CL	\$ -	\$ 89,327	\$ -
ROAP- Work First Transportation		DOT-16CL	-	32,318	-
ROAP-Rural General Programs		DOT-16CL	-	98,934	-
Total NC Department of Transportation			<u>-</u>	<u>220,579</u>	<u>-</u>
NC Department of Administration					
Veterans Grant			<u>-</u>	<u>2,000</u>	<u>-</u>
NC Dept of Juvenile Justice & Delinquency Prevention					
Juvenile Justice Crime Prevention Council Programs:					
Administration			-	4,235	-
Teen Court & Restitution			-	70,652	-
Gang Assessment Grant			-	13,087	-
Passed to Subrecipients:					
Juvenile Innovations Program			-	13,500	-
First Baptist Church: Structured Daycare Program			-	46,701	-
Mount Pleasant Church: Guided Growth Program			-	21,109	-
Total NC Dept of Juvenile Justice & Delinquency Prevention			<u>-</u>	<u>169,284</u>	<u>-</u>
NC Department of Cultural Resources					
<u>Division of State Library</u>					
State Aid to Public Libraries			<u>-</u>	<u>141,073</u>	<u>742,023</u>
Total NC Dept of Cultural Resources			<u>-</u>	<u>141,073</u>	<u>742,023</u>
Total State Awards			<u>-</u>	<u>1,843,863</u>	<u>1,990,406</u>
Total Federal and State Awards			<u>\$ 83,523,847</u>	<u>\$ 27,848,602</u>	<u>\$ 6,300,216</u>

**SAMPSON COUNTY, NORTH CAROLINA
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
 FOR THE FISCAL YEAR JUNE 30, 2011**

<u>Grantor/Pass-through Agency Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-Through Grantor's Number</u>	<u>Federal (Direct and Pass-through) Expenditures</u>	<u>State Expenditures</u>	<u>Local Expenditures</u>
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Notes to the Schedule of Expenditures of Federal and State Awards:

1) Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Sampson 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 State and Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Benefit payments are paid directly to recipients and are not included in the County's basic financial statements. However, due to the County's involvement in determining eligibility, they are considered federal awards to the County and are included on this schedule.

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

3) Loans Outstanding

Sampson County had the following loan balances outstanding at June 30, 2011. These loan balances are not included in the federal expenditures presented in the schedule.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Outstanding</u>
Community Facilities Loans & Grants:		
Clinton High School Project	10.766	\$ 29,178,024
Midway High School Project	10.766	3,750,000
Union High School Project	10.766	3,750,000
Detention Center Project	10.766	10,585,859
Human Services/Admin Building	10.766	9,353,497
Cooperative Extension/Animal Shel.	10.766	2,187,131
Courthouse Extension	10.766	1,756,744
Renovation of Various Offices	10.766	912,200
CE Perry Elementary School Proj	10.780	4,916,395
Public Works Building	10.766	828,210
Total		<u>\$ 67,218,060</u>