CAMDEN COUNTY, NORTH CAROLINA

ANNUAL FINANCIAL REPORT
Year Ended June 30, 2011

BOARD OF COMMISSIONERS

Sandy Duckwall, Chairman

Garry W. Meiggs, Vice-Chairman

Clayton Riggs

P. Michael McLain

Randy Krainiak

OFFICIALS

County Manager
Randell K. Woodruff

Clerk to the Board
Ashley Honaker

Finance Officer
Clarann C. Mansfield

Register of Deeds
Peggy Kight

Tax Administrator
Mary M. Rhodes

Sheriff
Tony E. Perry

County Attorney
John Morrison

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FINANCIAL SECTION

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Scott · Adams & Co PA

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Independent Auditor's Report

To the Board of County Commissioners
Camden County, North Carolina

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Camden County ABC Board were not audited in accordance with *Government 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 auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Camden 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, School Capital Reserve Fund, and Special Capital Reserve 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 October 13, 2011 on our consideration of Camden 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 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 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 Camden County, North Carolina. The combining and individual statements and schedules, budgetary schedules, and other schedules, as well as the accompanying schedule of expenditures of federal and State awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the State Single Audit Implementation Act, are 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, and other schedules, and the accompanying schedule of expenditures of federal and State awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory information has not been subjected to the auditing procedures applied by us and other auditors in the audit of basic financial statements and, accordingly, we express no opinion on them.

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

Thompson, Price, Scott, Adams & Co., P.A
October 13, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Financial Highlights

- On the government-wide statements, the assets of the County's governmental activities exceeded its liabilities at the close of the fiscal year by $23,852,040. The County's net assets are impacted considerably by qualified zone academy bonds (QZAB) that the County has issued on behalf of the Camden County Board of Education. The assets are not reflected in the County's financial statements, but the full amount of the long-term debt related to school construction of $ 16,137,691 is reflected in the County's financial statements.
- As of the close of the fiscal year, the County's governmental funds reported combined ending fund balances of $11,617,191 a decrease of $92,269 in comparison with the prior year. Capital expenditures negatively impacted this decrease. Approximately $1,927,330 remains as unassigned fund balance (before the reserve required by State Statute).
- At the end of the fiscal year, fund balance (before any reserves or designations) for the General Fund was $4,621,314, or 40% total General Fund expenditures for the current fiscal year.
- The County's total debt increased during the fiscal year by $726,824 from normal principal payments made timely and issuance of new debt.
- Camden County's North Carolina Municipal Council rating was a 77 as of July 2008.
- On July 6, 2010 the Camden County Board of Commissioners adopted the Camden County Capital Improvement Plan for fiscal years 2010/2011 thru 2014/2015.
- In our review, we noted that the General Fund account decreased this year. The county was very frugal in spending, and there was an increase in health insurance for employees. We made a contribution to the Water and Sewer District for the shortfall of the Wastewater Treatment Plant in the amount of $165,335 and $5,519 in shortfall in Distribution. Also, from the General Fund matching funds were made to the North River Campground water lines in the amount of $89,950, $48,337 was spent for the upgrade of the track at the community park, $165,000 match for the Eco Park roads, $115,000 match for the South Mills Village Sewer project and a transfer of $3,000,000 to the Special Capital Reserve Fund.
- New residential unit construction was down FY11 to 7 from 38 units the year before. Total new construction increased by only $1,897,100 for the fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial

statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the County.

Basic Financial Statements

The first two statements 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 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 statements; and 4) the agency fund statements.

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

Government-wide Financial Statements

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

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

The government-wide statements are divided into 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 general administration, taxation and records, human services, education, and public safety. Property taxes, other taxes, and state and federal grant funds finance most of these activities. The business-type activities are those where services are provided and customers are charged for those services. The final category is the component units. The Camden ABC Board is such a unit.

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. The 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 the County can be divided into two categories: governmental funds and proprietary funds.

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

The County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the Statement of Revenues, Expenditures and Changes in Fund Balance. 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 – The County has one kind of proprietary fund. This fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the South Camden Water & Sewer District operations. This fund is the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

Agency and Trust Funds – Agency funds are used to account for assets the County holds on behalf of others. The County has four agency funds. These are the funds for Social Services clients, School Tax Fund, Motor Vehicle Tax Fund, and the Nancy M. and H. Clay Ferebee III Camden County Courthouse Trust.

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.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain supplementary information.

Government-Wide Financial Analysis

Camden County's Net Assets
Figure 2

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	$ 15,366,237	$ 12,574,731	$ 565,937	$ 709,557	$ 15,932,174	$ 13,284,288
Restricted Cash	-	-	-	-	-	-
Capital assets	11,203,972	10,153,314	20,609,979	18,494,626	31,813,951	28,647,940
Total assets	$ 26,570,209	$ 22,728,045	$ 21,175,916	$ 19,204,183	$ 47,746,125	$ 41,932,228
Long-term liabilities outstanding	$ 18,912,495	$ 19,414,710	$ 4,064,805	$ 2,935,766	$ 22,977,300	$ 22,350,476
Other liabilities	692,122	526,057	153,851	83,334	845,973	609,391
Total liabilities	$ 19,604,617	$ 19,940,767	$ 4,218,656	$ 3,019,100	$ 23,823,273	$ 22,959,867
Net assets:						
Invested in capital assets, net of related debt	$ 8,429,168	$ 7,799,836	$ 16,545,174	$ 15,558,860	$ 24,974,342	$ 23,358,696
Stabilization by State Statute	2,786,668	975,012	-	-	2,786,668	975,012
Unrestricted	(4,310,170)	(5,987,570)	401,200	626,223	(3,908,970)	(5,361,347)
Total net assets	$ 6,905,666	$ 2,787,278	$ 16,946,374	$ 16,185,083	$ 23,852,040	$ 18,972,361

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of the County exceeded liabilities by $23,852,040 as of June 30, 2011. Net assets are reported in three net categories: invested in capital assets, net of related debt of $24,974,342, restricted assets of $2,786,668 and unassigned net assets $(3,908,970). The amount invested in capital assets, net of related debt category is defined as the County's investment in County owned capital assets (e.g. land, buildings, automotive equipment, office and other equipment, and infrastructure) less any related debt still outstanding that was issued to acquire those items. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the 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. At June 30, 2011, the increase in this category of net assets is due to repayment of long-term debt and the purchase of capital assets from funds provided by grants. The second category of net assets is restricted net assets.

The final category of net assets is unassigned net assets. This balance may be used to meet the government's ongoing obligations to citizens and creditors. At June 30, 2011, the total unassigned net deficit of $3,906,246 is primarily attributable to loans and qualified zone academy bonds that were issued on behalf of the school system. As with many counties in the State of North Carolina, the County's deficit in unrestricted net assets is due primarily to the portion of the County's outstanding debt incurred for the Camden County Board of Education (the school system). Under North Carolina law, the County is responsible for providing capital funding for the school system. The County has chosen to meet its legal obligation to provide the school system capital funding by

using a mixture of County funds, loans, and qualified zone academy bonds. The assets are funded by the County; however, they are utilized by the school system. Since the County, as the issuing government, acquires no capital assets, the County has incurred a liability without a corresponding increase in assets. At the end of the fiscal year, approximately $16 million of the outstanding debt on the County's financial statements was related to assets included in the school system's financial statements. The school debt is collateralized by a deed of trust granting, among other things, a first lien of record on the Project, including the land constituting a part of the Project, all other buildings, structures, improvements and fixtures thereon, and all appurtenances thereto of any nature whatsoever, excluding mobile or modular classrooms located on the site at any time, subject to permitted encumbrances. Accordingly, the County makes installment payments under the Installment Financing Agreement for payment of the debt. The County's obligation to make payments under the Installment Financing Agreement constitutes a pledge of the County's faith and credit within the meaning of any constitutional provision. Principal and interest requirements will be provided by an appropriation in the year in which they become due.

The impact of the inclusion of the school system debt without the corresponding assets was offset by the following positive operational initiatives and results:

- Continued diligence in the collection of property taxes (excluding motor vehicles) by maintaining a collection percentage of 82.89%.

Camden County Changes in Net Assets
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	$ 1,151,029	$ 1,313,571	$ 1,084,148	$ 1,232,565	$ 2,235,177	$ 2,546,136
Operating grants and Contributions	1,327,958	1,459,311	-	-	1,327,958	1,459,311
Capital grants and Contributions	19,484	568,132	938,795	122,129	958,279	690,261
General revenues:		-				
Property taxes	9,866,712	7,058,691	-	-	9,866,712	7,058,691
Other taxes	3,262,649	2,709,109	-	-	3,262,649	2,709,109
Investment earnings	56,166	38,168	3,321	1,659	59,487	39,827
Other	12,072	96	-	-	12,072	96
Total revenues	15,696,070	13,147,078	2,026,264	1,356,353	17,722,334	14,503,431
Expenses:						
General government	2,281,185	2,327,868	-	-	2,281,185	2,327,868
Public safety	3,018,535	2,839,425	-	-	3,018,535	2,839,425
Economic and physical development	659,500	1,056,894	-	-	659,500	1,056,894
Human services	1,338,480	1,416,559	-	-	1,338,480	1,416,559
Cultural and recreation	654,744	848,590	-	-	654,744	848,590
Education	1,947,337	1,800,000	-	-	1,947,337	1,800,000
Interest on long-term debt	396,632	455,684	-	-	396,632	455,684
Enviromental protection	740,465	468,259	-	-	740,465	468,259
Water	-	-	1,659,938	1,354,357	1,659,938	1,354,357
Total expenses	11,036,878	11,213,279	1,659,938	1,354,357	12,696,816	12,567,636
Increase (decrease) in net assets before transfers and special items	4,659,192	1,933,799	366,326	1,996	5,025,518	1,935,795
Transfers	(540,804)	(419,087)	540,804	419,087	-	-
Increase (decrease) in net ass	4,118,388	1,514,712	907,130	421,083	5,025,518	1,935,795
Net assets, July 1	2,787,278	1,272,566	16,039,244	15,764,000	18,826,522	17,036,566
	6,905,666	2,787,278	16,946,374	16,185,083	23,852,040	18,972,361
Prior Period Adjustment	-	-	-	(145,839)	-	(145,839)
Net assets, June 30	$ 6,905,666	$ 2,787,278	$ 16,946,374	$ 16,039,244	$ 23,852,040	$ 18,826,522

Governmental activities: Governmental activities increased the County's net assets by $4,118,388.

Business-type activities: Business-type activities increased the County's net assets by $907,130.

Financial Analysis of the County's Funds

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

Governmental Funds: The focus of the County's governmental funds is to provide information on near-term inflows, and balances of usable resources. Such information is useful in assessing the County's financing requirements. Specifically, fund balance available for appropriation 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 the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $1,927,330 while total fund balance reached $4,621,314. 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. Unssigned fund balance represents 17 percent of total General Fund expenditure.

At June 30, 2011, the governmental funds of the County reported a combined fund balance of $11,617,171.

General Fund Budgetary Highlights:

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 or State grants; and 3) increases in appropriations that become necessary to maintain services. The total amendments to the General Fund increased revenues by $237,716 (_1% of the original budget). Only $92,269 of Appropriated Fund Balance was needed to offset the expenditures.

Proprietary Funds: The County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The primary factors affecting the increase was the capital grants received in the amount of $938,795.

Capital Assets and Debt Administration

Capital Assets: The County's investment in capital assets for its governmental and business-type activities as of June 30, 2011, totals $31,813,951 (net of accumulated depreciation). These assets include land, buildings, automotive equipment, office and other equipment, and water and sewer lines.

Major capital asset transactions during the year include:

- Purchased 2 new vehicles for the Sheriff's Department, 1 for County Manager, 1 for Parks and Recreation.
- Completed the upgrade of the Track at the Community Park
- Finance software upgrade
- Creation of new County website

Camden County's Capital Assets
(net of depreciation)
Figure 4

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	$ 4,544,473	$ 4,540,435	$ 718,380	$ 718,380	$ 5,262,853	$ 5,258,815
Buildings	2,138,656	2,264,747	-	-	2,138,656	2,264,747
Furniture, fixtures and equipment	1,192,465	1,241,910	70,521	66,274	1,262,986	1,308,184
Other	2,042,791	2,085,735	16,924,455	17,321,188	18,967,246	19,406,923
Construction in Progress	1,285,587	20,487	2,896,623	388,784	4,182,210	409,271
Total	$ 11,203,972	$ 10,153,314	$ 20,609,979	$ 18,494,626	$ 31,813,951	$ 28,647,940

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, the South Camden Water & Sewer District had total bonded debt outstanding of $1,011,925. Other outstanding loans include: Drinking Water State Revolving Loan, $447,469; State Clean Water Bond Loan, $1,305,000 and Public Water Supply Upgrade to Reverse Osmosis Plant, $1,300,411. Camden County has $16,137,691 in outstanding debt that is related to the capital improvements and additional schools built on behalf of the Camden County School Board. The County has several installment notes outstanding as well. A summary of total long-term debt as of June 30, 2011 is shown below:

Revenue Bonds, Installment Notes Payable, and Qualified Zone Academy Bonds

Camnden County's Outstanding Debt
Figure 5

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
General Obligation Debt	-	-	$ 4,064,805	$ 2,935,766	4,064,805	2,935,766
Installment Purchases	18,912,495	19,314,710	-	-	18,912,495	19,314,710
Total	$ 18,912,495	$ 19,314,710	$ 4,064,805	$ 2,935,766	$ 22,977,300	$ 22,250,476

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 the County is $88,265,521. Additional information regarding the County's long-term debt can be found in Note 6 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate in the County was at 8.5% on June 30, 2011, compared with a federal rate of 9.3% and a State rate of 10.4%. The rate for Camden County was 7.1 % rate at the end of the prior fiscal year.
- New residential unit construction was down this year to 7 units. Total new construction increased by $1,897,100 for this fiscal year.

Budget Highlights for the Fiscal Year Ending June 30, 2012

Governmental Activities: The County has approved a $12,197,216 general fund budget for the fiscal year 2012 which represents a $348,021 or 3% increase over fiscal year 2011 (calculations include amounts to be transferred to other funds). There will be no increase in the tax rate and only $386,469 of fund balance will be appropriated.

Budgeted expenditures for education in the General Fund are expected to remain at $1,749,000 for current expense and $200,000 for capital outlay, or 9 %. The debt service related to the school construction and renovation are budgeted at $1,253,712 and will be funded from the School Capital Reserve Fund which gets it's revenue from a portion of the state sales tax.

It has become apparent the next few years may be a most challenging time with little or no growth in revenues due to the potential severe nature of the economic downturn. Therefore, during this period the County will strive to maintain the current level of services to the citizens of the County with as little impact on the fund balance as possible. In recent years the County has made great strides in improving its financial position and it is imperative to try to preserve this if at all possible. However, it is anticipated it may be necessary to use a portion of the unrestricted fund balance to balance the general fund budget over the remainder of the current fiscal year and the next year. Capital projects which are not funded by grants or special funding will most likely be delayed until the regional/national economy have recovered and the revenue forecast has improved. Fortunately, even with the looming recession the County has been the subject of several significant economic development project inquiries which would most certainly grow the tax base over the next few years.

Business-type Activities

The County has only budgeted for some corrections needed at Wastewater Treatment Plant.

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, Camden County, 117 North Hwy 343, P.O. Box 190, Camden, NC 27921.

BASIC FINANCIAL STATEMENTS

Camden County, North Carolina
Statement of Net Assets
June 30, 2011

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Camden County ABC Board
ASSETS				
Cash and cash equivalents	$ 9,177,956	$ 552,927	$ 9,730,883	$ 120,915
Taxes receivable, net	2,995,126	-	2,995,126	-
Accounts receivable, net	602,744	137,571	740,315	-
Inventories	-	-	-	108,865
Prepaid expenses	-	-	-	11,894
Accrued interest on taxes receivable	406,487	-	406,487	-
Internal Balances	2,183,924	(2,183,924)	-	-
Capital assets:				
Land, non-depreciable improvements, and construction in progress	5,830,060	3,615,003	9,445,063	25,405
Other capital assets, net of depreciation	5,373,912	13,379,973	18,753,885	67,226
Total assets	26,570,209	15,501,550	42,071,759	334,305
LIABILITIES				
Accounts payable and accrued liabilities	347,433	85,122	432,555	85,235
Accrued interest payable	109,461	30,141	139,602	-
Compensated absences payable	172,834	32,894	205,728	-
Other postemployment benefits	122,320	16,580	138,900	
Current-portion of long-term liabilities	1,170,429	241,227	1,411,656	-
Long-term liabilities				
Due in more than one year	17,742,066	3,823,578	21,565,644	-
Total liabilities	19,664,543	4,229,542	23,894,085	85,235
NET ASSETS				
Invested in capital assets, net of related debt	8,429,168	16,545,174	24,974,342	92,631
Stabilization by State Statute	2,786,668	-	2,786,668	-
Register of Deeds	5,654	-	5,654	-
Fire Protection	736,915	-	736,915	-
School Capital	1,907,455	-	1,907,455	-
Unrestricted	(6,960,194)	401,200	(6,558,994)	156,439
Total net assets	$ 6,905,666	$ 16,946,374	$ 23,852,040	$ 249,070

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

Camden County, North Carolina
Statement of Activities
For the Year Ended June 30, 2011

		Program Revenues		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
Primary government:				
Governmental Activities:				
General government	$ 2,281,185	$ 338,372	$ 37,842	$ -
Public safety	3,018,535	421,459	82,830	-
Cultural and recreation	654,744	-	-	-
Economic and physical development	659,500	284,751	150,000	19,484
Human services	1,338,480	12,622	1,041,676	-
Education	1,947,337	-	-	-
Environmental protection	740,465	93,825	15,610	-
Interest on long-term debt	396,632	-	-	-
Total governmental activities	11,036,878	1,151,029	1,327,958	19,484
Business-type activities:				
Water	1,659,938	1,084,148	-	938,795
Total business-type activities	1,659,938	1,084,148	-	938,795
	$ 12,696,816	$ 2,235,177	$ 1,327,958	$ 958,279
Component unit:				
ABC Board	$ 973,991	$ 973,130	$ -	$ -
Total component unit	$ 973,991	$ 973,130	$ -	$ -

General revenues:
Taxes:
Property taxes, levied for general purpose
Local option sales tax
Other taxes and licenses
Grants and contributions not restricted to specific programs
Investment earnings, unrestricted
Miscellaneous, unrestricted
Transfers
Total general revenues, special items, and transfers
Change in net assets

Net assets-beginning (restated)
Net assets-ending

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

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Camden County ABC Board
$ (1,904,971)	$ -	$ (1,904,971)	
(2,514,246)	-	(2,514,246)	
(654,744)	-	(654,744)	
(205,265)	-	(205,265)	
(284,182)	-	(284,182)	
(1,947,337)	-	(1,947,337)	
(631,030)	-	(631,030)	
(396,632)	-	(396,632)	
(8,538,407)	-	(8,538,407)	
-	363,005	363,005	
-	363,005	363,005	
$ (8,538,407)	$ 363,005	$ (8,175,402)	
			$ (861)
			$ (861)
9,866,712	-	9,866,712	-
1,018,924	-	1,018,924	-
2,243,725	-	2,243,725	-
-	-	-	-
56,166	3,321	59,487	1,111
12,072	-	12,072	-
(540,804)	540,804	-	-
12,656,795	544,125	13,200,920	1,111
4,118,388	907,130	5,025,518	250
2,787,278	16,039,244	18,826,522	248,820
$ 6,905,666	$ 16,946,374	$ 23,852,040	$ 249,070

Camden County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2011

	Major			NonMajor	
	General Fund	School Capital Reserve Fund	Special Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash, including time deposits	$ 2,165,026	$ 1,907,455	$ 3,516,362	$ 1,589,113	$ 9,177,956
Accounts receivable, net	3,446,653	66,849	-	84,368	3,597,870
Due from other funds	2,183,924	-	-	-	2,183,924
Total assets	$ 7,795,603	$ 1,974,304	$ 3,516,362	$ 1,673,481	$ 14,959,750
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	237,696	-	-	109,737	347,433
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deferred revenue	2,936,593	-	-	58,533	2,995,126
Total liabilities	3,174,289	-	-	168,270	3,342,559
Fund balances:					
Restricted					
Stabilization by State Statute	2,693,984	66,849	-	25,835	2,786,668
Register of Deeds	-	-	-	5,654	5,654
Fire Protection	-	-	-	736,915	736,915
School Capital	-	1,907,455	-	-	1,907,455
Committed					
Capital Reserve	-	-	3,516,362	-	3,516,362
Tax Revaluation	-	-	-	412,961	412,961
Economic Development	-	-	-	323,846	323,846
Unassigned	1,927,330	-	-	-	1,927,330
Total fund balances	4,621,314	1,974,304	3,516,362	1,505,211	11,617,191
Total liabilities and fund balances	$ 7,795,603	$ 1,974,304	$ 3,516,362	$ 1,673,481	

Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:	
Deferred income related to taxes receivable are not considered available and therefore are not reported in the funds.	2,995,126
Other assets are not available to pay for current-period expenditures and therefore are not accrued as income in the funds.	406,487
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	11,203,972
Some liabilities, including bonds payable and other postemployment benefits, are not due and payable in the current period and therefore are not reported in the funds.	(19,317,110)
Net assets of governmental activities	$ 6,905,666

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

Camden County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2011

	Major			Non Major	
	General Fund	School Capital Reserve Fund	Special Capital Reserve Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Ad valorem taxes	$ 6,816,476	$ -	$ -	$ 239,479	$ 7,055,955
Other taxes and licenses	2,110,304	353,238	300,298	453,221	3,217,061
Unrestricted intergovernmental	62,813	-	-	-	62,813
Restricted intergovernmental	1,165,978	14,477	-	173,107	1,353,562
Local Contributions	-	-	-	2,132	2,132
Permits and fees	514,685	284,751	-	22,123	821,559
Sales and services	189,990	-	-	11,102	201,092
Investment earnings	40,853	-	5,689	9,624	56,166
Miscellaneous	138,213	-	-	964	139,177
Total revenues	11,039,312	652,466	305,987	911,752	12,909,517
EXPENDITURES					
Current:					
General government	1,918,666	-	270,297	7,000	2,195,963
Public safety	2,718,227	-	-	1,299,659	4,017,886
Environmental protection	648,337	-	-	76,898	725,235
Economic and physical development	655,832	-	-	5,007	660,839
Culture and recreation	616,092	-	-	216,280	832,372
Human services	1,280,189	-	-	-	1,280,189
Intergovernmental:					
Education	1,947,337	-	-	-	1,947,337
Debt service:					
Principal	1,127,215	-	-	-	1,127,215
Interest	398,946	-	-	-	398,946
Total expenditures	11,310,841	-	270,297	1,604,844	13,185,982
Excess (deficiency) of revenues over expenditures	(271,529)	652,466	35,690	(693,092)	(276,465)
OTHER FINANCING SOURCES					
Proceeds of long-term debt	-	-	-	725,000	725,000
Transfers from other funds	1,255,864	-	3,000,000	-	4,255,864
Transfers to other funds	(3,540,804)	(1,255,864)	-	-	(4,796,668)
Total other financing sources and uses	(2,284,940)	(1,255,864)	3,000,000	725,000	184,196
Net change in fund balance	(2,556,469)	(603,398)	3,035,690	31,908	(92,269)
Fund balances-beginning	7,177,783	2,577,702	480,672	1,473,303	11,709,460
Fund balances-ending	$ 4,621,314	$ 1,974,304	$ 3,516,362	$ 1,505,211	$ 11,617,191

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

Camden County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2011

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

Net changes in fund balance - government funds	$ (92,269)
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 increases exceeded the book value of capital outlay decreases in fiscal year	1,074,862
Cost of asset disposed of during the year	(24,204)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,810,757
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, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt	402,215
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	(52,973)
Total changes in net assets of governmental activities	$ 4,118,388

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

Camden County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2011

	General Fund			
	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
Revenues:				
Ad valorem taxes	$ 6,289,500	$ 6,802,242	$ 6,816,476	$ 14,234
Other taxes and licenses	2,105,000	1,675,200	2,110,304	435,104
Unrestricted intergovernmental revenues	70,050	76,600	62,813	(13,787)
Restricted intergovernmental revenues	1,253,675	1,456,108	1,165,978	(290,130)
Permits and fees	485,704	550,738	514,685	(36,053)
Sales and services	181,200	163,744	189,990	26,246
Local contributions	-	-	-	-
Investment earnings	100,500	28,000	40,853	12,853
Miscellaneous	210,500	181,213	138,213	(43,000)
Total revenues	10,696,129	10,933,845	11,039,312	105,467
Expenditures				
Current:				
General government	2,713,972	2,306,133	1,918,666	387,467
Public safety	2,525,508	2,738,340	2,718,227	20,113
Economic and physical development	143,165	850,058	648,337	201,721
Environmental protection	715,347	785,550	655,832	129,718
Human services	1,797,381	1,521,308	1,280,189	241,119
Cultural and recreational	456,788	709,136	616,092	93,044
Intergovernmental:				
Education	1,487,914	1,949,000	1,947,337	1,663
Debt service:				
Principal retirement	1,041,508	1,237,075	1,127,215	109,860
Interest	400,000	400,000	398,946	1,054
Total expenditures	11,281,583	12,496,600	11,310,841	1,185,759
Revenues over (under) expenditures	(585,454)	(1,562,755)	(271,529)	1,291,226
Other financing sources (Uses)				
Proceeds from installment purchases	-	-	-	-
Transfers from other funds	-	(3,540,804)	(3,540,804)	-
Transfers to other funds	(1,553,196)	1,255,864	1,255,864	-
Fund Balance Appropriated	2,138,650	3,847,695	-	(3,847,695)
Total other financing sources and uses	585,454	1,562,755	(2,284,940)	(3,847,695)
Net change in fund balance	$ -	$ -	(2,556,469)	$ (2,556,469)
Fund Balances - Beginning			7,177,783	
Fund Balances - Ending			$ 4,621,314	

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

School Capital Reserve Fund				Special Capital Reserve Fund			
Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)	Original Budget	Final Budget	Actual	Variance With Final Positive (Negative)
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2,268,000	2,268,000	353,238	(1,914,762)	100,000	100,000	300,298	200,298
-	-	-	-	-	-	-	-
15,000	15,000	14,477	(523)	-	-	-	-
300,000	300,000	284,751	(15,249)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,000	1,000	5,689	4,689
-	-	-	-	-	-	-	-
2,583,000	2,583,000	652,466	(1,930,534)	101,000	101,000	305,987	204,987
-	-	-	-	3,401,000	3,401,000	270,297	3,130,703
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	3,401,000	3,401,000	270,297	3,130,703
2,583,000	2,583,000	652,466	(1,930,534)	(3,300,000)	(3,300,000)	35,690	3,335,690
-	-	-	-	-	-	-	-
-	-	-	-	3,000,000	3,000,000	3,000,000	-
(2,583,000)	(2,583,000)	(1,255,864)	(1,327,136)	-	-	-	-
-	-	-	-	300,000	300,000	-	(300,000)
(2,583,000)	(2,583,000)	(1,255,864)	1,327,136	3,300,000	3,300,000	3,000,000	(300,000)
$ -	$ -	(603,398)	$ (603,398)	$ -	$ -	3,035,690	$ 3,035,690
		2,577,702				480,672	
		$ 1,974,304				$ 3,516,362	

Exhibit 6

Camden County, North Carolina
Statement of Net Assets
Proprietary Fund
June 30, 2011

	Major Water and Sewer
Assets	
Current Assets:	
Cash and cash equivalents	$ 552,927
Grant reveivable	2,059,363
Accounts receivable, net	137,571
Total Current Assets	2,749,861
Noncurrent Assets:	
Capital assets:	
Land and non-depreciable assets	3,615,003
Other capital assets, net of depreciation	16,994,976
Capital assets (net)	20,609,979
Total noncurrent assets	20,609,979
Total Assets	23,359,840
Liabilities	
Current Liabilities:	
Accounts payable & accrued liabilities	85,122
Current portion of long-term debt	241,227
Due to other funds	2,183,924
Total Current Liabilities	2,510,273
Noncurrent liabilities:	
Compensated absences	32,894
Accrued interest	30,141
Other postemployment benefits	16,580
General obligation bonds payable	1,274,000
Notes payable - noncurrent	2,549,578
Total noncurrent liabilities	3,903,193
Total Liabilities	6,413,466
Net Assets	
Investment in general fixed assets, net of related debt	16,545,174
Unrestricted	401,200
Total Net Assets	$ 16,946,374

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

Exhibit 7

Camden County, North Carolina
Statement of Revenues and Expenditures and
Changes in Fund Net Assets
Proprietary Fund
For The Year Ended June 30, 2011

	Major Water and Sewer
Operating revenues:	
Charges for Services - Water	$ 922,301
Charges for Services - Sewer	88,403
Hook-up connection fees and taps	24,700
Miscellaneous	48,744
Total Operating Revenues	1,084,148
Operating expenses:	
Reverse osmosis plant	316,540
Water distribution	322,750
Wastewater operations	487,305
Depreciation	409,910
Total operating expenses	1,536,505
Total Operating Income (Loss)	(452,357)
Nonoperating Revenues(Expenses):	
Interest income	3,321
Interest expense	(123,433)
Total Nonoperating Revenues (Expenses)	(120,112)
Capital Contributions	938,795
Transfers from other funds	540,804
Changes in net assets	907,130
Net Assets, beginning, restated	16,039,244
Net Assets, ending	$ 16,946,374

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

Exhibit 8

Camden County, North Carolina
Statement of Cash Flows
Proprietary Fund
For TheYear Ended June 30, 2011

	Major Water and Sewer
Cash Flows From Operating Activities:	
Cash Received from Customers/others	$ 1,074,899
Cash paid to suppliers for goods and services	(631,042)
Cash paid to employees for services	(441,125)
Net cash provided by (used for) operating activities	2,732
Cash Flows from (use by) capital and related financing activities:	
Capital contributions	
Federal and State grants	938,795
Principal repayments on long-term debt	(171,372)
Proceeds of Notes Payable	1,155,021
Decrease (increase) in grant receivable	(2,059,363)
Acquisition of capital assets	(2,525,263)
Interest income	3,321
Interest expense	(123,433)
Net cash flows provided (used) by noncapital financing activities	(2,782,294)
Cash Flows from (used for) noncapital financing activities:	
Intrafund loans (net)	2,213,615
Transfers in/out (net)	540,804
	2,754,419
Net increase (decrease) in cash and cash equivalents	(25,143)
Cash and cash equivalents, beginning of year	578,070
Cash and cash equivalents, end of year	$ 552,927
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	$ (452,357)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	409,910
Changes in Assets and Liabilities:	
Decrease (increase) in accounts receivable - trade	(9,249)
Increase (decrease) in accounts payable & accrued expenses	43,510
Increase (decrease) in accrued vacation pay	10,918
Net cash provided (used) by operating activities	$ 2,732

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

Exhibit 9

Camden County, North Carolina
Statement of Fiduciary Net Assets
June 30, 2011

	Agency Funds
Assets	
Cash and cash equivalents	$ 52,448
Liabilities and Net Assets	
Miscellaneous liabilities	21,993
Due to governmental units	-
Total liabilities	21,993
Net Assets	$ 30,455

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

I. Summary of Significant Accounting Policies

The accounting policies of Camden 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. South Camden Water and Sewer District (*the District*) exists to provide and maintain a water system for the County residents within the District. The District is reported as an enterprise fund in the County's financial statements. The Camden County ABC Board (*the Board*), which has a June 30 year-end, is presented as if it is a separate proprietary fund of the County (discrete presentation). The blended presentation methods presents component units as a department or unit of the County, and offers no separate presentation as with the discrete method.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statement
South Camden Water and Sewer District	Blended	Under State law [NCGS 162A-89], the County's board of commissioners also serve as the governing board for the District	None issued
Camden County ABC Board	Discrete	The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County	Camden County ABC Board P.O. Box 22 Camden, NC 27921

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 nonmajor funds.

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

Special Capital Reserve Fund – This fund is used to account for the land acquisitions.

The County reports the following major enterprise fund:

South Camden Water and Sewer District Fund: This fund is used to account for the operations of the water and sewer district within the County.

The County reports the following fund types:

Agency Funds: Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains 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; the H. Clay Ferebee Fund which holds donated by Mr. and Mrs. Ferebee to be used for the restoration of the Camden County Courthouse, the DMV tax fund, and any funds not expended are to be given to the Camden County Board of Education.

C. Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year on 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 agency funds which have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

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

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

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. Also, as of January 1, 1993, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, Camden 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 became due. Therefore, taxes for vehicles registered from March 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes that were billed during this period are shown as a receivable on these financial statements.

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

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

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

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the School Capital Reserve, Fire Districts, and Special Capital Reserve Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for Capital Projects Fund and the Enterprise Capital Projects Funds, which are consolidated with the 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 and at the project level for multi-year funds. Amendments are required for revisions that alter total expenditures of any fund or that change functional appropriations by more than $1,000. The governing board must approve all amendments. During the year, several material amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

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

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

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

2. Cash and Cash Equivalents

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

3. 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.

4. Allowance 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.

5. Inventories and Prepaid Items

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

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

6. 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. Minimum capitalization cost is $3,000 for all capital assets. The costs 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 Camden County Board of Education properties that have not been included in the County's capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Camden County Board of Education.

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

	Years
Buildings	30
Improvements	25
Plant and Distribution	40
Furniture and equipment	10
Vehicles	5-10
Computer equipment	10

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

	Years
Buildings	25
Furniture & Equipment	5-10

7. Long-term Obligations

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

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

8. Compensated Absences

The vacation policy of the County, and the ABC Board, generally provides for the accumulation of up to 240 hours earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, and the ABC Board, an expense and a liability for compensated absences and the salary-related payments are recorded as leave as earned.

The sick leave policy of the County and the ABC Board provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since none of the entities have any obligation for the accumulated sick leave until it is taken, no accrual for sick leave have been made by the County or its component units.

9. 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:

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

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

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

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

Assigned Fund Balance – portion of fund balance that the Town of Burgaw intends to use for specific purposes.

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

Camden County has also adopted a minimum fund balance policy for the general fund which instructs management to conduct the business of the County in such a manner that available fund balance is at least equal to or greater than 20% of budgeted expenditures. Any portion of the general fund balance in excess of 20% 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.

The County of Camden has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, city 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.

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 $(4,708,801) consists of the following elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds (total capital assets on government-wide statement in governmental activities column)	$ 15,539,611
Less accumulated depreciation	(4,335,639)
Net capital assets	11,203,972
Liabilities for revenue deferred but earned and therefore reported in the fund financial statements but not the government-wide	2,995,126
Other assets not available for current expenditures	406,487
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Long-term debts, including bonds and notes payable	(18,912,495)
Accrued interest payable	(109,461)
OPEB payable	(119,596)
Compensated absences	(172,834)
Total adjustment	$ (4,708,801)

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 $4,213,381 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities	$ 1,540,506
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	(465,644)
Cost of asset disposed of during the year	(24,204)
Principal payments on debt owed are recorded as a use of funds on the fund financial statements, but again affect only the statement of net assets in the government-wide financial statement	402,215
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in fund statements	2,810,757
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. This includes accrued interest payable, compensated absences and OPEB	(50,249)
Total adjustment	$ 4,213,381

Under North Carolina law, the County is responsible for providing capital funding for the Camden County Board of Education (School System). The County has chosen to meet its obligation to provide school capital funding by using a mixture of County funds and general obligation debt. The assets funded by the County are reported as assets of the school system. Since the County, as the issuing government, acquires no capital assets, the County has incurred a liability without a corresponding increase in assets.

At the end of the fiscal year, the outstanding balance of the school related debt was $16,137,691. However, the entire amount of the school debt outstanding is general obligation debt which is collateralized by the full faith, credit, and taxing power of the County. The County is authorized and required by State law to levy ad valorem taxes, without limit as to rate or amount, as may be necessary to pay the debt service as it becomes due. Principal and interest requirements will be provided by an appropriation in the year in which they became due.

II. Stewardship, Compliance, and Accountability

A. Material Violations of Finance-Related Legal and Contractual Provisions

Noncompliance with North Carolina General Statutes

None.

B. Deficit Fund Balance or Net Assets of Individual Funds

None.

C. Excess of Expenditures over Appropriations

None.

III. Detail Notes on All Funds

A. Assets

1. Deposits

All of the County's and the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the ABC Board's agents in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the ABC Board, these deposits are considered to be held by their agent in the entities' name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or the ABC Board, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County, or the ABC Board under the Pooling Method, the potential exists for the under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The ABC Board has no formal policy regarding custodial credit risk for deposits.

At June 30, 2011, the County's deposits had a carrying amount of $9,673,950 and a bank balance of $9,870,247. Of the bank balance, $1,955,850 was covered by federal depository insurance, the remainder was covered by the pooling method.

At June 30, 2011, Camden County had $52,454 of cash in the fiduciary fund.

At June 30, 2011, Camden County had $330 of cash on hand.

At June 30, 2011, the carrying amount of deposits for Camden County ABC Board was $120,915. All of these amounts were covered by federal depository insurance.

2. Investments

As of June 30, 2011, the County's investments consisted of $56,603 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 formal policy on credit risk. The ABC Board held no investments at June 30, 2011.

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

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

Year Levied	Tax	Interest	Total
2008	1,192,098	283,123	1,475,221
2009	1,228,588	181,217	1,409,805
2010	1,231,703	-	1,231,703
Total	$ 3,652,389	$ 464,340	$ 4,116,729

4. Receivables

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

	Accounts	Taxes & Related Accrued Interest	Due From Other Governments	Total
Governmental Activities:				
General	$ 473,385	$ 3,525,613	$ 36,675	$ 4,035,673
Other Governmental	92,684	-		92,684
Total Receivables	566,069	3,525,613	36,675	4,128,357
Allowance for Doubt	-	(124,000)	-	(124,000)
Total Governmental	$ 566,069	$ 3,401,613	$ 36,675	$ 4,004,357
Business-Type Activities:				
Water/Sewer receivables	$ 208,837	$ -	$ 2,023,730	$ 2,232,567
Allowance for Doubtful Accounts	(35,633)	-	-	(35,633)
Total Business-Type	$ 173,204	$ -	$ 2,023,730	$ 2,196,934

5. Capital Assets

Primary Government

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

	Beginning Balances July 1, 2010	Increases	Decreases	Ending Balances June 30, 2011
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 4,540,435	$ 4,038	$ -	$ 4,544,473
Construction in Progress	20,487	1,265,100	-	1,285,587
Total capital assets not being depreciated	4,560,922	1,269,138	-	5,830,060
Capital assets being depreciated:				
Buildings	3,385,350	1,127	-	3,386,477
Other improvements	2,637,844	49,612	-	2,687,456
Equipment	1,125,689	136,269	-	1,261,958
Vehicles and motor equipment	2,402,756	84,360	(113,456)	2,373,660
Total capital assets being depreciated	9,551,639	271,368	(113,456)	9,709,551
Less accumulated depreciation for:				
Buildings	1,120,603	127,218	-	1,247,821
Other improvements	552,109	92,556	-	644,665
Equipment	672,629	71,710	-	744,339
Vehicles and motor equipment	1,613,906	174,160	(89,252)	1,698,814
Total accumulated depreciation	3,959,247	465,644	(89,252)	4,335,639
Total capital assets being depreciated, net	5,592,392			5,373,912
Governmental activity capital assets, net	$ 10,153,314			$ 11,203,972

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

General government	$ 148,800
Public Safety	190,988
Environmental Protection	10,124
Economic and Physical Development	2,099
Human Services	46,060
Cultural and Recreational	67,573
Total Depreciation Expense	$ 465,644

	Beginning Balances	Increases	Decreases	Adjustment	Ending Balances
Business-type Activities					
Water & Sewer District					
Capital assets not being depreciated:					
Land	$ 718,380	$ -	$ -	$ -	$ 718,380
Construction in progress	388,784	2,507,839	-	-	2,896,623
Total capital assets not being depreciated	1,107,164	2,507,839	-	-	3,615,003
Capital assets being depreciated:					
Plant and distribution systems	19,879,820	-	-	-	19,879,820
Furniture and equipment	56,642	-	-	-	56,642
Vehicles and motor equipment	126,512	17,424		-	143,936
Total capital assets being depreciated	20,062,974	17,424	-	-	20,080,398
Less accumulated depreciation for:					
Plant and distribution systems	2,558,632	396,733	-	-	2,955,365
Furniture and equipment	39,862	5,270	-	-	45,132
Vehicles and motor equipment	77,018	7,907	-	-	84,925
Total accumulated depreciation	2,675,512	409,910	-	-	3,085,422
Total capital assets being depreciated, net	17,387,462				16,994,976
Total Water and Sewer Fund District, Net	$ 18,494,626				$ 20,609,979

Discretely presented component unit
ABC Board:

Land	$ 25,405
Buildings	149,163
Equipment	47,706
Construction in Progress	-
Less accumulated depreciat	(129,643)
Property and Equipment, ne	$ 92,631

B. Liabilities

1. Payables

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

	Vendors	Accrued Interest	Total
Governmental Activities	$ 347,433	$ 109,461	$ 456,894
Business-type Activities	$ 85,122	$ 30,141	$ 115,263

2. Pension Plan and Other Post Employment Obligations

a. Local Governmental Employees' Retirement System

Plan Description - Camden County and the ABC Board contribute to the statewide Local Government Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined pension plan administered by the State of North Carolina. LGERS's provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Police - Plan members are required to contribute six percent of their annual covered salary to the System. The County and the ABC Board are required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 6.53% and 6.41%, respectively, of annual covered payroll. For the ABC Board, the current rate for employees not engaged in law enforcement is 4.98% of annual covered payroll. The contribution requirements of members and of Camden County and the ABC Board are established and may be amended by the North Carolina General Assembly. The County's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were $166,692, $128,071, and $122,645, respectively. The ABC Board's contributions to LGERS for the years ended June 30, 2011, 2010, and 2009 were $2,438, $1,835, and $2,792 respectively. The contributions made by the County and the ABC Board equaled the required contributions for each year.

b. Law Enforcement Officers Special Separation Allowance

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

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

Retirees Receiving Benefits	-
Terminated Plan Members Entitled to, But Not Yet Receiving Benefits	-
Active Plan Members	16
Total	16

A separate report was not issued for the plan.

(2) Summary of Significant Accounting Policies

Basis of Accounting - The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method Used to Value Investments - No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due. No liability is reported on the Statement of Net Assets due to the amount not being material.

(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 benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

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 the 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 State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy - Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2011 were $177,377, which consisted of $129,996 from the County and $47,381 from the law enforcement officers.

d. Register of Deeds' Supplemental Pension Fund

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

Funding Policy - On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly receipts collected pursuant to Article 1 of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2011, the County's required and actual contributions were $874.

e. Other Post Employment Benefits

Healthcare Benefits

Plan Description - Under the terms of the County resolution, the County administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). As of July 1, 2006, this plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least twenty years of creditable service with the County. The County pays the full cost of coverage for these benefits through private insurers. The County Board may amend the benefit provisions. A separate report was not issued for the plan.

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

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	0	0
Terminated plan members entitled to but not yet receiving benefits	0	0
Active plan members	55	18
Total	55	18

Funding Policy - The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Board. The County has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is 2.75% of annual covered payroll. For the current year, the County contributed $0. The County obtains healthcare coverage through private insurers. There were no contributions made by employees. The County's obligation to contribute to HCB Plan is established and may be amended by the County Board.

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

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

Annual required contribution	$ 68,088
Interest on net OPEB obligation	2,724
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	70,812
Contributions made	-
Increase (decrease) in net OPEB obligation	70,812
Net OPEB obligation, beginning of year	68,088
Net OPEB obligation, end of year	$ 138,900

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:

Funded Status and Funding Progress. As of June 30, 2011 the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial liability (UAAL) was $436,647. The covered payroll (annual payroll of active employees covered by the plan) was $2,482,280, and the ratio of UAAL to the covered payroll was 17.6 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.

For Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	$ 68,088	0.00%	$ 68,088
2011	$ 68,088	0.00%	$ 138,900

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 to 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.

The projected unit credit method was used. The actuarial assumptions included a 4.0 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 10.50 and 5.00 percent annually. The investment rate included a 3.75 percent inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five 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 30 years.

f. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's twelve highest months salary in a row during the twenty-four months prior to the employee's death, but the benefit may not be less than $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. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

3. Deferred/Unearned Revenues

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

	Deferred Revenue
Taxes receivable - General Fund	2,936,593
Taxes receivable - Special Revenue Fund	58,533
Total	$ 2,995,126

4. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The County participates in three self-funded risk financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit of $125.5 million for any one occurrence, general, auto, professional and employment practices liability coverage of $2 million per occurrence, auto physical damage coverage for owned autos, at actual cash value, crime coverage of $250,000 per occurrence, workers' compensation coverage up to the statutory limits and health and dental insurance for County employees. The pools are audited annually by Certified Public Accountants, and the audited financial statements are available to the County upon request. Two of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of $500,000 up to a $2 million limit for liability coverage, $600,000 of aggregate annual losses in excess of $50,000 per occurrence for property, auto physical damage and crime coverage, and single occurrence losses of $350,000 for workers' compensation. For health and dental insurance, the County is insured through Blue Cross Blue Shield of North Carolina, a private insurance company.

The County carries flood insurance on the renovated courthouse. Other buildings are not insured for flood.

In accordance with G.S. 159-29, the County's employees that have access to $100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Finance Director is bonded for $650,000, the tax collector is bonded for $50,000 and the sheriff is bonded for $25,000. The remaining employees that have access to funds are bonded under a blanket bond for $15,000.

There have been no significant reductions in insurance coverage from the previous year and no claims have been made in the past three years.

Camden County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Board has commercial property, general liability, auto liability, workers' compensation, and employee health coverage. The Board does not have liquor legal liability coverage. In accordance with G.S. 18B-803, the ABC Board's employees that have access to the Board's funds are performance bonded through a commercial surety bond. Employees are bonded under an employment practices bond for up to $5,000 per claim. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

5. Contingent Liabilities

At June 30, 2011, they 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.

6. Long-Term Obligations

a. Installment Purchases

As authorized by State law [G.S. 160A-20 and 153A-158.1], the County has financed various property acquisitions for use by Camden County Board of Education by installment purchase. The installment purchases were issued pursuant to a deed of trust that requires that legal title remain with the County as long as the debt is outstanding. The County has entered into a lease with Camden County Board of Education that transfers the right and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments and also contains a bargain purchase option. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. These loans are included in the loans described below.

The installment purchases of the County, including the Qualified Zone Academy Bonds, are outlined below:

$10,106,075 loan from Bank of America, N.A. (QZAB) for renovation and modernization of Camden High School and Camden Middle School. The note is secured by a deed of trust on the two schools and calls for annual payments of $544,605 and no interest is charged.	$ 4,660,025
$1,000,000 loan from Bank of America, N.A. for renovation and modernization of Camden High School and Camden Middle School. The note is secured by a deed of trust on the two schools and calls for an annual payments of $50,000 plus 4.4%.	600,000
$2,000,000 loan from Bank of America, N.A. (QZAB) for renovation and modernization of Camden High School and Camden Middle School. The note is secured by a deed of trust on the two schools and calls for annual payments of $112,334 and no interest is charged.	1,213,662
$264,000 loan from Rural Housing Service to finance courthouse renovations. The loan is secured by the courthouse. The note calls for annual payments of $20,297 including interest at 4.5%.	217,953
$61,500 loan from BB&T for the purchase of imaging equipment. The loan is secured by the equipment. The note calls for annual payments of $12,300 for 5 years including interest at 3.82%.	23,274
$453,000 loan from BB&T for the re-finance of a two pumper trucks. The loan calls for annual payments of $48,072 including interest at 3.93%.	358,577
$725,000 loan from BB&T dated August 16, 2010 for the construction of a Fire Station Building. The loan calls for annual payments of $36,250 plus interest at 4.43%.	725,000
$1,350,000 loan from Thomas M. Noblitt for the purchase of land. The loan is secured with the property. The loan calls for annual payments of $150,000 for 9 years. There is no interest stated in the loan.	1,050,000
$600,000 loan from Morrisete for the purchase of land. The loan is secured with the property. The loan calls for annual payments of $100,00 for 6 years. There is no interest stated in the loan.	400,000
$10,000,000 loan from US Department of Agriculture for the construction of an intermediate school. The note calls for annual payments of $520,000 for 40 years plus interest at 4.125%.	9,664,004
	$ 18,912,495

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. South Camden Water and Sewer District issues general obligation bonds to provide funds for the acquisition and construction of major water and sewer capital improvements. These bonds, which are recorded in the Water District Fund, are collateralized by the full faith, credit, and taxing power of the District. Principal and interest payments are appropriated when due.

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

Serviced by South Camden Water and Sewer District:
General obligation bonds serviced by the District:

$1,600,000 - 1996 Water District bonds with annual installments of $17,000 to $66,000 through June 1, 2036; interest at 4.875%	$ 1,011,925

Other Loans:

Drinking Water State Revolving Loan: A loan of $813,581 calling for 20 annual principal payments of $40,679 plus interest at 2.87% (payable semiannually)	447,469

State DWSRF Revolving Loan: A loan of $1,367,122 calling for 20 annual principal payments of $68,356 plus interest at 2.50%. At year end $1,300,411 has been drawn down on the loan amount.	1,300,411
State Clean Water Bond Loan: A loan of $1,922,657 calling for 19 annual principal payments of $101,192 plus interest at 4.02%	1,305,000
Total	$ 4,064,805

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

Year Ending June 30,	Governmental Activities Principal	Governmental Activities Interest	Business Type Activities Principal	Business Type Activities Interest
2012	1,170,429	482,319	241,227	185,362
2013	1,177,679	471,172	242,227	174,864
2014	1,172,925	459,250	244,227	168,360
2015	1,180,311	448,572	245,727	161,438
2016	1,087,999	437,102	247,727	154,581
2017-2021	4,373,100	1,978,466	1,266,140	667,090
2022-2026	1,357,478	1,696,465	651,959	538,095
2027-2031	1,389,628	1,415,752	595,571	472,223
2032-2036	1,478,983	1,121,017	330,000	378,263
2037-2041	1,810,248	789,752	-	-
2042-2046	2,215,712	384,288	-	-
2047-2051	498,003	20,481	-	-
Total	$ 18,912,495	$ 9,704,636	$ 4,064,805	$ 2,900,276

At June 30, 2011 Camden County had a legal debt margin of $88,264,521.

c. Long-Term Obligation Activity

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

	Balance 6/30/2010	Increases	Decreases	Balance 6/30/2011	Current Portion
Governmental Activities:					
Installment Purchases	$ 19,314,710	$ 725,000	$ (1,127,215)	$ 18,912,495	$ 1,170,429
OPEB	62,394	59,926	-	122,320	-
Compensated absences	177,473	87,264	(91,903)	172,834	-
Total governmental activities	$ 19,554,577	$ 872,190	$ (1,219,118)	$ 19,207,649	$ 1,170,429

	Balance 6/30/2010	Additions	Retirements	Balance 6/30/2011	Current Portion
Business Type Activities:					
General obligation debt	$ 3,081,156	$ 1,155,021	$ (171,372)	$ 4,064,805	$ 241,227
OPEB	5,694	10,886	-	$ 16,580	-
Compensated Absences	21,976	10,918	-	$ 32,894	-
Total business type activities	$ 3,108,826	$ 1,176,825	$ (171,372)	$ 4,114,279	$ 241,227

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

Inter-fund Balances and Activity

Transfer to/from other fund

Transfers From/To Other Funds at June 30, 2011 consists of the following:

From the General fund to:

Special Capital Reserve Fund (reserve accumulation)	$ 3,000,000
Water and Sewer (expenditures)	540,804
From School Capital Reserve Fund to:	
General Fund (school debt)	1,255,864
Totals	$ 4,796,668

Interfund Balances and Activity

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

Due to the General Fund from the Water and Sewer Fund		$ 2,183,924
	Total	$ 2,183,924

The interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

C. Fund Balance

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	**$ 4,621,314**
Less:	
Stabilization by State Statute	2,693,984
Remaining Fund Balance	$ 1,927,330

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and

Encumbrances	General Fund	Non-Major Funds
	$ -	$ -

III. Joint Ventures

Albemarle Mental Health center and Developmental Disabilities & Substance abuse Services

The County participates in a joint venture (Albemarle LME) to operate the Center. The Albemarle LME has contracted with East Carolina Behavioral Health (ECBH) to stabilize the Albemarle operation and develop the network of services. The Center is a volunteer association of ten county governments as a joint venture participating governments appointing one board member (commissioner) to the Center's board. The Center was established as a joint venture among the participating counties to coordinate funding from federal and State agencies and also to realize economies of scale in the providing of mental health services. In accordance with the intergovernmental agreement between the participating governments and ECBH, the County appropriated $9,730 to the ECBH to supplement its activities. None of the participating governments have any equity interest in the ECBH, so no equity interest has been reflected in the financial statements at June 30, 2011. Complete financial statements for the Center can be obtained from the ECBH's office at 112 Health Drive, Greenville, North Carolina 27834-7704.

Central Communications/Emergency Management System

The Emergency Management System was established as a joint venture between Camden County, Pasquotank County, and the City of Elizabeth City to coordinate grant funds and realize economies of scale. Each entity appoints one member to the governing board. In accordance with the intergovernmental agreement between the participating governments, the County appropriated $156,009 to the System to supplement its activities. None of the participating governments have any equity interest in the System, so no equity interest has been reflected in the financial statements at June 30, 2011. Complete financial statements for the System can be obtained from the System's office at 103 S. Road Street, Elizabeth City, North Carolina 27909.

Albemarle District Jail

The operation of the Jail is shared with two other counties in the surrounding area. Each county's contributions are based on a per capita assessment based on the most recent census figures available, and each county appoints one or more members to the Board. In accordance with the intergovernmental agreement between the participating governments, the County appropriated $275,899 to the Jail to supplement its activities. None of the participating governments have any equity interest in the Jail, so no equity interest has been reflected in the financial statements at June 30, 2011. Complete financial statements for the Jail can be obtained from the Jail's office at 320 S. Hughes Blvd., Elizabeth City, North Carolina 27907.

Pasquotank-Camden Library

Pasquotank and Camden counties appoint the Board of the Library and provide support to the Library based upon their respective populations. The Board is responsible for approving the budget and designating the management of the Library. In accordance with the agreement between the participating governments, the County appropriated $143,156 to the Library to supplement its activities. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2011. The Library does not issue financial statements, but it is blended into the financial statements of Pasquotank County, and these financial statements can be obtained from the County's office at 206 E. Main Street, Elizabeth City, North Carolina.

Albemarle Commission

The County is a member of the Albemarle Commission, which is a voluntary association of county governments. The Commission was established as a joint venture among the participating counties to coordinate funding from federal and State agencies. Each county appoints two members of which one must be an elected official to the Commission's governing board. The County paid membership fees of $6,325 to the Commission during the fiscal year ended June 30, 2011.

Regional Confinement Facility

The County is a member of the Regional Jail Facility, which is an agreement of three county governments to provide financing, construction and operation of a regional jail. The Facility was established as a joint venture among the participating counties to coordinate funding from local, federal, and State agencies. The County contributed $100,755 to the Facility during the fiscal year ended June 30, 2011.

Albemarle Regional Health Services (ARHS)

Albemarle Regional Health Services is a voluntary association of seven county governments. ARHS was established as a joint venture among the participating counties to coordinate funding from federal and State agencies and to realize economies of scale in providing health care services. The County contributed $35,820 to ARHS during the year ended June 30, 2011. None of the participating governments have any equity interest in ARHS, so no equity interest has been reflected in the financial statements at June 30, 2011. Complete financial statements can be obtained at ARHS's office on 711 Roanoke Avenue, Elizabeth City, North Carolina 27909.

IV. 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, which cause benefit payments to be issued by the State. These amounts disclose this additional aid to the County recipients that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	Federal	State
Foster Care	$ 3,051	$ 637
Adoption Assistance	27,762	4,709
Low Income Energy Assistance	40,954	-
Medicaid	4,542,721	1,869,135
WIC	1,033	-

V. Summary Disclosure of Significant Commitments and Contingencies

Federal and State Assisted Programs

The County has received proceeds from federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. no provision has been made in the accompanying financial statements for the refund of grant moneys.

VI. Restatements of Net Assets

Net assets has been decreased at June 30, 2011 by $145,390 in the business-type activities to reflect a loan draw down that was reported as a grant in the prior year.

VII. DMV Collections

The County maintains the 3% DMV interest collections in the General Fund. During the year, the County's activity is shown

	30-Jun-11
Begin Balance	$ 341
Collected	5,110
Remitted	(4,987)
End Balance	$ 464

REQUIRED
SUPPLEMENTAL FINANCIAL DATA

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

Camden County, North Carolina
Other Post Employment Benefits
Required Supplementary Information
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
31-Dec-08	-	$ 436,647	$ 436,647	0.0%	$ 2,482,280	17.60%

Camden County, North Carolina
Other Post Employment Benefits
Required Supplementary Information
Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2010	68,088	0.00%
2011	70,812	0.00%

Notes to the Required Schedules:

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

Valuation Date	December 31, 2008
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Pay Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	4.00%
Medical Cost Trend	10.5% - 5.00%
Includes Inflation at	3.75%

GENERAL FUND

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

Camden County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad Valorem Taxes:			
Taxes	$	$ 6,742,168	$
Penalties and Interest		74,308	
Total	6,802,242	6,816,476	14,234
Other Taxes and Licenses:			
Local option sales tax		1,018,924	
Franchise tax		435,941	
Scrap tire disposal tax		12,486	
Video programming		7,940	
White goods tax		3,124	
Medicaid hold harmless		631,449	
Priviliege licenses		440	
Total	1,675,200	2,110,304	435,104
Unrestricted Intergovernmental revenues:			
Beer and wine tax		42,668	
Payments in lieu of taxes		623	
Refuge revenue sharing		8,519	
Drug investigation fund		1,615	
ABC profit distribution		6,648	
Tax refunds - sales and gasoline		2,740	
Total	76,600	62,813	(13,787)
Restricted Intergovernmental:			
State and Federal Grants		1,093,583	
Other		37,842	
Court facilities fees		34,553	
Total	1,456,108	1,165,978	(290,130)
Permits and Fees:			
Franchise fees		49,927	
Pet licenses		380	
Gun fees and permits		6,885	
Register of Deeds		113,808	
Medicaid transportation fees		12,622	
Building permits and inspections, including land use fees		331,063	
Total	550,738	514,685	(36,053)

Camden County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Sales and Services:			
Rent and Concessions		158,167	
Jail fees		7,899	
Officer fees		23,924	
Total	163,744	189,990	26,246
Investment Earnings: Interest	28,000	40,853	12,853
Miscellaneous:			
Sale of fixed assets		12,480	
Sheriff's fundraisers and Christmas Fund		11,208	
OLF relief		93,825	
Insurance proceeds		9,625	
Other		11,075	
Total	181,213	138,213	(43,000)
TOTAL REVENUES	10,933,845	11,039,312	105,467
Expenditures:			
General Government:			
Governing body		106,753	
Administration		394,007	
Finance		212,420	
Tax administration		393,526	
Personnel		53,056	
Legal		197,016	
Register of deeds		205,570	
Elections		70,056	
Public buildings		253,411	
Court facilities		32,851	
Total general government	2,306,133	1,918,666	387,467

Camden County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Public Safety:			
Sheriff		1,444,864	
Jail		275,899	
Regional jail		100,755	
Juvenile justice and deliquency program		57,043	
School resource officer		102,023	
Animal control		-	
Inspections		152,594	
Fire marshall		-	
Contribution to fire districts		424,640	
Emergency management		11,548	
Central communications		144,461	
Medical examiner		4,400	
Total	2,738,340	2,718,227	20,113
Economic and physical development:			
Economic development		27,969	
Agricultural extension		71,701	
Planning		408,714	
Albemarle commission		6,325	
Resource conservation and development		750	
Public transportation authority		124,518	
Soil/water conservation		8,360	
Total	850,058	648,337	201,721
Human services:			
Health:			
Nutrition programs		24,252	
Mosquito control		67	
Albemarle hopeline		1,500	
Regional health		35,820	
Other health programs		11,963	
Total human services	85,606	73,602	12,004
Mental Health:			
Regional mental health		9,730	
Total	9,730	9,730	-
Transportation: Traffic	3,060	1,085	1,975

Camden County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Social services:			
Administration		861,676	
Day care		153,915	
Medical assistance		17,103	
County provided assistance		54,731	
Domestic violence		7,922	
Adoptions		2,024	
Aid to the blind program		667	
Foster care		28,292	
Crisis intervention		32,935	
Work first program		24,134	
Other assistance		12,373	
Total social services	1,422,912	1,195,772	227,140
Total Human Services	1,521,308	1,280,189	241,119
Cultural and Recreational:			
Recreation		183,798	
Library		143,156	
College of the Albemarle		76,100	
Senior citizens services		85,279	
4-H camp and grant		127,759	
Total Cultural and Recreational	709,136	616,092	93,044
Environmental protection:			
Public works administration		35,714	
Forestry program		42,422	
Aquatic weed control		319	
Beaver management assistance program		4,000	
Sanitation		573,377	
Total environmental protection	785,550	655,832	129,718
Education:			
Public Schools:			
Current Expense		1,749,000	
Capital Outlay		198,337	
Total Education	1,949,000	1,947,337	1,663
Debt Service:			
Principal Retirement		1,127,215	
Interest and Fees		398,946	
Total Debt Service	1,637,075	1,526,161	110,914
TOTAL EXPENDITURES	12,496,600	11,310,841	1,185,759
Revenues over Expenditures	(1,562,755)	(271,529)	1,291,226

Camden County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	Final Budget	Actual	Variance Positive (Negative)
Other financing sources (uses):			
Proceeds From Capital Leases	-	-	
Fund Balance Appropriated	3,847,695	-	
Transfers (to)/from Other Funds:			
Special revenue - school capital reserve	1,255,864	1,255,864	
Special revenue - special capital reserve	(3,000,000)	(3,000,000)	
Capital Projects - water project	(89,950)	(89,950)	
Water and sewer district	(170,854)	(170,854)	
Capital projects - sewer project	(115,000)	(115,000)	
Capital projects - sewer project	(165,000)	(165,000)	
Total Other Financing Sources (Uses)	1,562,755	(2,284,940)	(3,847,695)
Net change in fund balance	$ -	(2,556,469)	$ (2,556,469)
Fund balances:			
Beginning of year, July 1		7,177,783	
End of year, June 30		$ 4,621,314	

OTHER MAJOR GOVERNMENTAL FUNDS

Major Governmental Funds - Special Capital Reserve Fund
Major Governmental Funds - School Capital Reserve Fund

Camden County, North Carolina
Special Capital Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Other taxes	$	$ 300,298	$
Land sale		-	
Investment earnings		5,689	
Total Revenue	101,000	305,987	204,987
Expenditures			
Operating expenses		270,297	
Capital outlay		-	
Total Expenditures	3,401,000	270,297	3,130,703
Revenues Over (Under) Expenditures	(3,300,000)	35,690	3,335,690
Other Financing Sources (Uses):			
Transfers from other funds	3,000,000	3,000,000	-
Proceeds from Lease Purchase	-	-	-
Total Other Financing Sources (Uses)	3,000,000	3,000,000	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(300,000)	3,035,690	3,335,690
Fund Balance Appropriated	300,000	-	(300,000)
Net change in fund balance	$ -	3,035,690	$ 3,035,690
Fund Balance:			
Beginning of Year, July 1		480,672	
End of Year, June 30		$ 3,516,362	

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Camden County, North Carolina
School Capital Reserve Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Other taxes	$	$ 353,238	$
Restricted intergovernmental revenues		14,477	
Miscellaneous		284,751	
Investment earnings		-	
Total Revenues	2,583,000	652,466	(1,930,534)
Expenditures:			
Education:			
Operating expenses		-	
Debt service: Principal		-	
Debt service: Interest		-	
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	2,583,000	652,466	(1,930,534)
Other Financing Sources (Uses):			
Transfer from other funds	-	-	-
Transfer to other funds	(2,583,000)	(1,255,864)	1,327,136
Total Other Financing Sources (Uses)	(2,583,000)	(1,255,864)	1,327,136
Revenues and Other Financing Sources Over (Under) Uses	-	(603,398)	(603,398)
Fund Balance Appropriated	-	-	-
Net change in fund balance	$ -	(603,398)	$ (603,398)
Fund Balance:			
Beginning of Year, July 1		2,577,702	
End of Year, June 30		$ 1,974,304	

Camden County, North Carolina
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2011

	Automation Enhancement and Preservation Fund	Tourism Development	Dismal Swamp Visitor Center	Fire District Funds: Courthouse & Shiloh	Fire District Funds: South Mills	Joyce Creek Drainage Fund	Park Grant Fund
Assets:							
Cash and investments	$ 5,654	$ 85,575	$ 68,241	$ 509,163	$ 334,100	$ 144,827	$ 6,274
Accounts receivable	-	2,555	305	3,907	18,831	-	39
Taxes receivable (net)	-	-	-	10,174	45,427	2,932	-
Total Assets	$ 5,654	$ 88,130	$ 68,546	$ 523,244	$ 398,358	$ 147,759	$ 6,313
Liabilities and Fund Balances:							
Current liabilities:							
Accounts payable	$ -	$ -	$ 3,141	$ 58,244	$ 48,104	$ 12	$ -
Due from other funds	-	-	-	-	-	-	-
Noncurrent liabilities:							
Deferred revenues	-	-	-	10,174	45,427	2,932	-
Total Liabilities	-	-	3,141	68,418	93,531	2,944	-
Fund Balances:							
Restricted							
Stabilization by State Statute	-	2,555	305	3,907	18,831	-	39
Register of Deeds	5,654	-	-	-	-	-	-
Fire Protection	-	-	-	450,919	285,996	-	-
Committed							
Tax Revaluation	-	-	-	-	-	-	-
Economic development	-	85,575	65,100	-	-	144,815	6,274
Total fund balances	5,654	88,130	65,405	454,826	304,827	144,815	6,313
Total liabilities and fund balances	$ 5,654	$ 88,130	$ 68,546	$ 523,244	$ 398,358	$ 147,759	$ 6,313

Special Revenue Funds				Capital Project Funds		
Community Park Trust	Parks and Recreation Fund	Revaluation Fund	Total Nonmajor Special Revenue Funds	Scattered Housing Grant	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
$ 22,318	$ -	$ 412,961	$ 1,589,113	$ -	$ -	$ 1,589,113
198	-	-	25,835	-	-	25,835
-	-	-	58,533	-	-	58,533
$ 22,516	$ -	$ 412,961	$ 1,673,481	$ -	$ -	$ 1,673,481
$ 236	$ -	$ -	$ 109,737	$ -	$ -	$ 109,737
-	-	-	-	-	-	-
				-		
-	-	-	58,533	-	-	58,533
236	-	-	168,270	-	-	168,270
198	-	-	25,835	-	-	25,835
-	-	-	5,654	-	-	5,654
-	-	-	736,915	-	-	736,915
-	-	412,961	412,961	-	-	412,961
22,082	-	-	323,846	-	-	323,846
22,280	-	412,961	1,505,211	-	-	1,505,211
$ 22,516	$ -	$ 412,961	$ 1,673,481	$ -	$ -	$ 1,673,481

Camden County, North Carolina
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2011

	Auto Enhancement and Preservation Fund	Tourism Development	Dismal Swamp Visitor Center	Fire District Funds: Courthouse & Shiloh	Fire District Funds: South Mills	Joyce Creek Drainage Fund	Park Grant Fund
Revenues:							
Ad Valorem Taxes	$ -	$ -	$ -	$ 71,972	$ 44,029	$ 48,494	$ -
Other taxes	-	28,581	-	273,379	151,261	-	-
Local contributions	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Investment earnings	32	497	-	3,009	2,875	998	-
Sales	-	-	11,102	-	-	-	-
Miscellaneous	-	-	375	589	-	-	-
Federal and State grants	-	-	150,000	-	18,100	-	-
Fees	5,368	-	-	-	16,755	-	-
Total revenues	5,400	29,078	161,477	348,949	233,020	49,492	-
Expenditures:							
General government	7,000	-	-	-	-	-	-
Public safety	-	-	-	249,437	1,050,222	-	-
Environmental protection	-	-	-	-	-	76,898	-
Economic and physical development	-	-	-	-	-	-	-
Cultural and recreation	-	16,818	167,156	-	-	-	2,068
Education	-	-	-	-	-	-	-
Debt service:							
Principal retirement	-	-	-	-	-	-	-
Interest and fees	-	-	-	-	-	-	-
Total Expenditures	7,000	16,818	167,156	249,437	1,050,222	76,898	2,068
Revenues Over (Under) Expenditures	(1,600)	12,260	(5,679)	99,512	(817,202)	(27,406)	(2,068)
Other Financing Sources (Uses):							
Proceeds of long-term debt	-	-	-	-	725,000	-	-
Transfers from (to) other sources					-	-	-
Transfers from (to) other sources		-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	725,000	-	-
Net change in Fund Balance	(1,600)	12,260	(5,679)	99,512	(92,202)	(27,406)	(2,068)
Fund balances:							
Beginning of Year, July 1	7,254	75,870	71,084	355,314	397,029	172,221	8,381
End of year, June 30	$ 5,654	$ 88,130	$ 65,405	$ 454,826	$ 304,827	$ 144,815	$ 6,313

Community Park Trust	Parks and Recreation Fund	Revaluation Fund	Total Nonmajor Special Revenue Funds	Scattered Housing Grant	Capital Project Fund Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
$ -	$ -	$ 74,984	$ 239,479	$ -	$ -	$ 239,479
-	-	-	453,221	-	-	453,221
-	-	-	-	2,132	2,132	2,132
-	-	-	-	-	-	-
116	-	2,097	9,624	-	-	9,624
-	-	-	11,102	-	-	11,102
-	-	-	964	-	-	964
-	-	-	168,100	5,007	5,007	173,107
-	-	-	22,123	-	-	22,123
116	-	77,081	904,613	7,139	7,139	911,752
-	-	-	7,000	-	-	7,000
	-	-	1,299,659	-	-	1,299,659
	-	-	76,898	-	-	76,898
	-	-	-	5,007	5,007	5,007
30,238	-	-	216,280	-	-	216,280
-	-	-	-	-	-	-
			-			
-	-	-	-	-	-	-
-	-	-	-	-	-	-
30,238	-	-	1,599,837	5,007	5,007	1,604,844
(30,122)	-	77,081	(695,224)	2,132	2,132	(693,092)
-	-	-	725,000	-	-	725,000
-	-	-	-	-	-	-
-	-	-	-		-	-
-	-	-	725,000	-	-	725,000
(30,122)	-	77,081	29,776	2,132	2,132	31,908
52,402	-	335,880	1,475,435	(2,132)	(2,132)	1,473,303
$ 22,280	$ -	$ 412,961	$ 1,505,211	$ -	$ -	$ 1,505,211

SPECIAL REVENUE FUNDS

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

Camden County, North Carolina
Automation Enhancement and Preservation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fees	$	$ 5,368	$
Investment Earnings		32	
Other income		-	
Total revenues	3,100	5,400	2,300
Expenditures:			
Operating expenses	-	7,000	
Total Expenditures	10,350	7,000	3,350
Revenues Over (Under) Expenditures	(7,250)	(1,600)	5,650
Other Financing Sources (Uses):			
Transfers from Other Funds			
Transfers to Other Funds			
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(7,250)	(1,600)	5,650
Fund Balance Appropriated	7,250	-	(7,250)
Net change in fund balance	$ -	(1,600)	$ (1,600)
Fund Balance:			
Beginning of Year, July 1		7,254	
End of Year, June 30		$ 5,654	

Camden County, North Carolina
Tourism Development Authority
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Other taxes	$	$ 28,581	$
Investment earnings		497	
Total revenues	10,100	29,078	(18,978)
Expenditures:			
Operating expenses		16,818	
Total Expenditures	40,100	16,818	23,282
Revenues Over (Under) Expenditures	(30,000)	12,260	42,260
Other Financing Sources (Uses):			
Operating Transfers from General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net change in fund balance	(30,000)	12,260	42,260
Fund Balance Appropriated	30,000	-	(30,000)
Net change in fund balance	$ -	12,260	$ 12,260
Fund Balance:			
Beginning of Year, July 1		75,870	
End of Year, June 30		$ 88,130	

Camden County, North Carolina
Dismal Swamp Visitor Center
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Restricted Intergovernmental	$	$ 150,000	$
Sales		11,102	
Miscellaneous		375	
Total Revenue	173,559	161,477	(12,082)
Expenditures			
Salaries and benefits		134,600	
Operating expenses		32,556	
Total Expenditures	213,559	167,156	46,403
Revenues Over (Under) Expenditures	(40,000)	(5,679)	34,321
Other Financing Sources (Uses):			
Transfers from other funds			-
Proceeds from Lease Purchase	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(40,000)	(5,679)	34,321
Fund Balance Appropriated	40,000	-	(40,000)
Net change in fund balance	$ -	(5,679)	$ (5,679)
Fund Balance:			
Beginning of Year, July 1		71,084	
End of Year, June 30		$ 65,405	

Camden County, North Carolina
Fire District Funds - Courthouse and Shiloh
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Ad valorem taxes	$	$ 71,972	$
Other taxes		273,379	
Investment earnings		3,009	
Other fees		-	
Miscellaneous		589	
Total Revenues	355,810	348,949	(6,861)
Expenditures:			
Public safety:			
Salaries and benefits		3,185	
Operating expenses		246,252	
Capital outlay		-	
Debt service: Principal and Interest		-	
Total Expenditures	440,810	249,437	191,373
Revenues Over (Under) Expenditures	(85,000)	99,512	184,512
Other Financing Sources (Uses):			
Proceeds from Installment Loan	-	-	-
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(85,000)	99,512	184,512
Fund Balance Appropriated	85,000	-	(85,000)
Net change in fund balance	$ -	99,512	$ 99,512
Fund Balance:			
Beginning of Year, July 1		355,314	
End of Year, June 30		$ 454,826	

Camden County, North Carolina
Fire District Fund - South Mills
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Ad valorem taxes	$	$ 44,029	$
Other taxes		151,261	
Investment earnings		2,875	
Other grants		18,100	
Other fees		16,755	
Total Revenues	220,210	233,020	12,810
Expenditures:			
Public safety:			
Salaries and benefits		4,665	
Operating expenses		1,045,557	
Capital outlay		-	
Debt service: Principal and Interest		-	
Total Expenditures	1,242,796	1,050,222	192,574
Revenues Over (Under) Expenditures	(1,022,586)	(817,202)	205,384
Other Financing Sources (Uses):			
Proceeds from Installment Loan	725,000	725,000	-
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	725,000	725,000	-
Revenues and Other Financing Sources Over (Under) Uses	(297,586)	(92,202)	205,384
Fund Balance Appropriated	297,586	-	(297,586)
Net change in fund balance	$ -	(92,202)	$ (92,202)
Fund Balance:			
Beginning of Year, July 1		397,029	
End of Year, June 30		$ 304,827	

Camden County, North Carolina
Drainage Fund - Joyce Creek
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Ad valorem taxes	$	$ 48,494	$
Investment earnings		998	
Total Revenues	47,247	49,492	2,245
Expenditures:			
Environmental Protection:			
Operating expenses		76,898	
Capital outlay		-	
Total Expenditures	147,287	76,898	70,389
Revenues Over (Under) Expenditures	(100,040)	(27,406)	72,634
Other Financing Sources (Uses):			
Proceeds from Installment Loan	-	-	-
Transfer to General Fund	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Uses	(100,040)	(27,406)	72,634
Fund Balance Appropriated	100,040	-	(100,040)
Net change in fund balance	$ -	(27,406)	$ (27,406)
Fund Balance:			
Beginning of Year, July 1		172,221	
End of Year, June 30		$ 144,815	

Camden County, North Carolina
Park Grant Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Restricted Intergovernmental	$	$ -	$
Miscellaneous		-	
Total Revenue	-	-	-
Expenditures			
Operating expenses		2,068	
Capital outlay		-	
Total Expenditures	8,381	2,068	6,313
Revenues Over (Under) Expenditures	(8,381)	(2,068)	6,313
Other Financing Sources (Uses):			
Transfers from other funds			-
Proceeds from Lease Purchase	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(8,381)	(2,068)	6,313
Fund Balance Appropriated	8,381	-	(8,381)
Net change in fund balance	$ -	(2,068)	$ (2,068)
Fund Balance:			
Beginning of Year, July 1		8,381	
End of Year, June 30		$ 6,313	

Camden County, North Carolina
Community Park Trust Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Restricted Intergovernmental	$	$ -	$
Other taxes		-	
Investment earnings		116	
Total Revenue	5,259	116	(5,143)
Expenditures			
Operating expenses		30,238	
Capital outlay		-	
Total Expenditures	57,475	30,238	27,237
Revenues Over (Under) Expenditures	(52,216)	(30,122)	22,094
Other Financing Sources (Uses):			
Transfers from other funds	-	-	-
Proceeds from Lease Purchase	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(52,216)	(30,122)	22,094
Fund Balance Appropriated	52,216	-	(52,216)
Net change in fund balance	$ -	(30,122)	$ (30,122)
Fund Balance:			
Beginning of Year, July 1		52,402	
End of Year, June 30		$ 22,280	

Camden County, North Carolina
Parks and Recreation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Developer contributions	$	$ -	$
Investment earnings		-	
Total Revenue	-	-	-
Expenditures			
Operating expenses			
Capital outlay			
Total Expenditures	-	-	-
Revenues Over (Under) Expenditures	-	-	-
Other Financing Sources (Uses):			
Transfers from other funds			-
Proceeds from Lease Purchase	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	-	-	-
Fund Balance Appropriated	-	-	-
Net change in fund balance	$ -	-	$ -
Fund Balance:			
Beginning of Year, July 1		-	
End of Year, June 30		$ -	

Camden County, North Carolina
Revaluation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Ad Valorem taxes	$	$ 74,984	$
Investment earnings		2,097	
Total Revenue	75,500	77,081	1,581
Expenditures			
Operating expenses		-	
Capital outlay		-	
Total Expenditures	410,500	-	410,500
Revenues Over (Under) Expenditures	(335,000)	77,081	412,081
Other Financing Sources (Uses):			
Transfers from other funds	-	-	-
Proceeds from Lease Purchase	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	(335,000)	77,081	412,081
Fund Balance Appropriated	335,000	-	(335,000)
Net change in fund balance	$ -	77,081	$ 77,081
Fund Balance:			
Beginning of Year, July 1		335,880	
End of Year, June 30		$ 412,961	

CAPITAL PROJECTS FUNDS

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

Camden County, North Carolina
Scattered Housing Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted - infrastructure hook-up 08-C-1844	$ 37,289	$	$ -	$	$
Restricted - CDBG grant 08-C-1817	400,000		5,007		
Restricted - SRSF grant	150,000		-		
Total Revenues	587,289	1,004,931	5,007	1,009,938	422,649
Expenditures:					
Current:					
Economic and physical development:	587,289	1,007,063	5,007	1,012,070	(424,781)
Revenues over expenditures	-	(2,132)	-	(2,132)	(2,132)
Other Financing Sources (Uses):					
Transfers in (out)	-	-	-	-	-
Local contribution	-	-	2,132	2,132	(2,132)
Total Other Financing Sources (Uses)	-	-	2,132	2,132	(2,132)
Net change in fund balance	$ -	$ (2,132)	$ 2,132	$ -	$ -

PROPRIETARY FUNDS

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

Camden County, North Carolina
Enterprise Fund - Water District
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating Revenues			
Water sales	$	$ 922,301	$
Tap on Fees		24,700	
Miscellaneous		119	
Total water sales	1,042,300	947,120	(95,180)
Waste water sales		88,403	
Miscellaneous		-	
Total waste water sales	98,652	88,403	(10,249)
Total Operating Revenues	1,140,952	1,035,523	(105,429)
Nonoperating Revenues			
Interest on Investments	1,000	3,308	2,308
Total Revenues	1,141,952	1,038,831	(103,121)
Expenditures:			
Reverse osmosis plant			
Salaries and employee benefits		162,428	
Repairs and maintenance		17,100	
Operating expenses		129,094	
Total	342,878	308,622	34,256
Waste Water treatment:			
Salaries and employee benefits		107,768	
Repairs and maintenance		41,453	
Operating expenses		57,830	
Total	249,335	207,051	42,284
Water distribution:			
Salaries and employee benfits		170,929	
Repairs and maintenance		11,212	
Operating expenses		132,699	
Total	402,738	314,840	87,898
Budgetary Appropriations:			
Capital Outlay		17,424	
Interest Paid		123,433	
Debt Principal		171,372	
Total	335,825	312,229	23,596
Total Expenditures	1,330,776	1,142,742	188,034
Revenues Over (Under) Expenditures	(188,824)	(103,911)	84,913

Camden County, North Carolina
Enterprise Fund - Water District
Schedule of Revenues and Expenditures
Budget and Actual - (Non-GAAP)
For the Fiscal Year Ended June 30, 2011

	2011		
	Final Budget	Actual	Variance Positive (Negative)
Other Financing Sources and (Uses):			
Bond Proceeds	-	-	-
Transfer to other funds	-	-	-
Transfer from other funds	170,854	170,854	-
Total Other Financing Sources (Uses)	170,854	170,854	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	(17,970)	66,943	84,913
Appropriated Fund Balance	17,970	-	(17,970)
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	$ -	$ 66,943	$ 66,943

Reconciliation from Budgetary Basis (Modified Accrual) to Full Accrual:

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	$ 66,943
Reconciling items:	
Capital Outlay	17,424
Principal Payments	171,372
Increase in accrued vacation pay	(10,918)
Other revenues from capital projects	48,625
Interest form capital projects	103
Increase in accrued OPEB	(10,886)
Transfers to capital projects	369,950
Expenditures in capital project	(274,368)
Capital contributions - grant	938,795
Depreciation	(409,910)
Total reconciling items	840,187
Change in net assets	$ 907,130

Camden County, North Carolina
Water and Sewer District Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental - Rural Center	$ 3,400,000	$ 3,400,000	$ -	$ 3,400,000	$ -
Restricted intergovernmental - CWMTF Funds	3,564,011	3,096,007	-	3,096,007	(468,004)
Restricted intergovernmental - CDBG	600,000	600,000	-	600,000	-
Other	75,905	144,791	17,148	161,939	86,034
Interest Income	-	3,366	103	3,469	3,469
Total Revenues	7,639,916	7,244,164	17,251	7,261,415	(378,501)
Expenditures:					
Sewer Construction:					
Legal fees	94,189	51,292	-	51,292	42,897
Land	422,900	70,360	-	70,360	352,540
Engineering	753,855	300,705	-	300,705	453,150
Collection system	1,506,029	1,364,284	-	1,364,284	141,745
Construction	6,818,822	5,608,830	1,163,023	6,771,853	46,969
Spray fields	1,133,161	302,362		302,362	830,799
Fund reserves	360,943	73,448	-	73,448	287,495
Total	11,089,899	7,771,281	1,163,023	8,934,304	2,155,595
Revenues over expenditures	(3,449,983)	(527,117)	(1,145,772)	(1,672,889)	1,777,094
Other Financing Sources (Uses):					
Fund balance appropriated	1,132,861	-	-	-	1,132,861
Revolving loan funds	1,367,122	145,839	1,155,021	1,300,860	66,262
Transfers In	950,000	436,241	89,950	526,191	423,809
Total Other Financing Sources (Uses)	3,449,983	582,080	1,244,971	1,827,051	1,622,932
Revenues, Other Sources Over (Under) Expenditures and Other Uses	$ -	$ 54,963	99,199	$ 154,162	$ 154,162

Camden County, North Carolina
Water and Sewer District Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental - Gold Leaf	$ 1,999,100	$ 122,129	$ 870,717	$ 992,846	$ (1,006,254)
Restricted intergovernmental - RC Grant	160,000	-	68,078	68,078	(91,922)
Other	-	-	31,477	31,477	31,477
Interest Income	-	-	-	-	-
Total Revenues	2,159,100	122,129	970,272	1,092,401	(1,066,699)
Expenditures:					
Sewer improvements	1,890,000	41,284	1,546,094	1,587,378	302,622
Water improvements	400,000	-	274,368	274,368	125,632
Administration	34,100	-	-	-	34,100
Fund reserves	-	-	-	-	-
Total	2,324,100	41,284	1,820,462	1,861,746	462,354
Revenues over expenditures	(165,000)	80,845	(850,190)	(769,345)	(604,345)
Other Financing Sources (Uses):					
Fund balance appropriated	-	-	-	-	-
Transfers In	165,000	-	165,000	165,000	-
Total Other Financing Sources (Uses)	165,000	-	165,000	165,000	-
Revenues, Other Sources Over (Under) Expenditures and Other Uses	$ -	$ 80,845	(685,190)	$ (604,345)	$ (604,345)

Camden County, North Carolina
Water and Sewer District Capital Projects Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and For the Fiscal Year Ended June 30, 2011

	Project Author - ization	Actual Prior Years	Actual Current Year	Actual Total to Date	Variance Favorable (Unfavorable)
Revenues:					
Restricted intergovernmental - CWMTF	$ 864,100	$ -	$ -	$ -	$ (864,100)
Restricted intergovernmental - RC Grant	649,875	-	-	-	(649,875)
Other	-	-	-	-	-
Interest Income	-	-	-	-	-
Total Revenues	1,513,975	-	-	-	(1,513,975)
Expenditures:					
Sewer improvements	1,513,975	-	43,590	43,590	1,470,385
Professional services	115,000	-	-	-	115,000
Fund reserves	-	-	-	-	-
Total	1,628,975	-	43,590	43,590	1,585,385
Revenues over expenditures	(115,000)	-	(43,590)	(43,590)	71,410
Other Financing Sources (Uses):					
Fund balance appropriated	-	-	-	-	-
Transfers In	115,000	-	115,000	115,000	-
Total Other Financing Sources (Uses)	115,000	-	115,000	115,000	-
Revenues, Other Sources Over (Under) Expenditures and Other Uses	$ -	$ -	71,410	$ 71,410	$ 71,410

AGENCY FUNDS

Agency funds are used to account for assets the County holds on behalf of others.

Camden County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2011

	Balance July 1, 2010	Net Change	June 30, 2011
Social Services Fund:			
Cash and Investments	$ 8,956	$ 9,496	$ 18,452
Liabilities	$ 8,956	$ 9,496	$ 18,452
Nancy M. and H. Clay Ferebee Fund			
Cash and Investments	$ 1,531	$ 2	$ 1,533
Liabilities	$ 1,531	$ 2	$ 1,533
School Tax Fund:			
Cash and Investments	$ 25,344	$ 6,778	$ 32,122
Liabilities	$ 25,344	$ 6,778	$ 32,122
Motor Vehicle Tax Fund:			
Cash and Investments	$ 341	$ 123	$ 464
Liabilities	$ 341	$ 123	$ 464
Total - All Agency Funds:			
Cash and Investments	$ 36,172	$ 16,276	$ 52,448
Liabilities	$ 36,172	$ 16,276	$ 52,448

OTHER SCHEDULES

This section includes additional information on property taxes.

- Schedule of Ad Valorem Taxes Receivable
- Analysis of Current Tax Levy
- Ten Largest Taxpayers

Camden County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2011

Fiscal Year	Uncollected Balance June 30, 2010	Additions	Collections And Credits	Uncollected Balance June 30, 2011
2009-2010	$ -	$ 7,904,305	$ 6,551,749	$ 1,352,555
2008-2009	279,158	821,228	187,301	913,085
2007-2008	89,531	487,963	40,875	536,619
2006-2007	62,753	45,343	22,368	85,728
2005-2006	46,452	17,708	11,748	52,412
2004-2005	46,274	18,088	7,795	56,567
2003-2004	25,976	-	6,332	19,644
2002-2003	21,790	-	4,343	17,447
2001-2002	17,145	-	3,444	13,701
2000-2001	15,224	-	2,389	12,835
1999-2000	11,682	-	11,682	-
TOTALS	$ 615,985	$ 9,294,635	$ 6,850,026	$ 3,060,593

Less: Allowance for uncollectable taxes	(124,000)
Ad valorem taxes - General Fund	$ 2,936,593

Reconcilement with revenues:

Ad valorem taxes - General Fund	$ 6,816,476
Ad valorem taxes - Revaluation Fund	74,984
Reconciling items:	
Penalties and Interest	(78,657)
Collection of Old Taxes	(1,411)
Release	38,634
Total Reconciling Items	(41,434)
Total Collections and Credits	$ 6,850,026

Camden County, North Carolina
Analysis of Current Tax Levy
County - Wide Levy
For the Fiscal Year Ended June 30, 2011

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property Taxes at Current Year Rate	$ 1,161,073,583	0.5900%	$ 6,850,334	$ 6,391,212	$ 459,122
Total Original Levy	1,161,073,583		6,850,334	6,391,212	459,122
Discoveries:					
Current year taxes	181,242,502	0.5900%	1,069,331	1,069,331	-
Total Discoveries	181,242,502		1,069,331	1,069,331	-
Abatements					
Current Year Taxes	(2,603,390)	0.5900%	(15,360)	(5,976)	(9,384)
Total Abatements	(2,603,390)		(15,360)	(5,976)	(9,384)
Total for Year	$ 1,339,712,695		7,904,305	7,454,567	449,738
Uncollected taxes at June 30, 2011			1,352,555	1,292,732	59,823
Current year's taxes collected			$ 6,551,749	$ 6,161,835	$ 389,915
Current levy collection percentage			82.89%	82.66%	86.70%

Camden County, North Carolina
Analysis of Current Tax Levy
County - wide Levy
For the Fiscal Year Ended June 30, 2011

Secondary Market Disclosures:

Assessed Valuation:	
Assessment Ratio[1]	100 %
Real Property	$ 1,033,999,031
Personal Property[3]	290,133,390
Public Service Companies[2]	15,580,274
Total Assessed Valuation	1,339,712,695
Tax Rate per $100	0.59
Levy (includes discoveries, releases and abatements)[3]	$ 7,904,305

Camden County, North Carolina
Schedule of Ten Largest Taxpayers
For the Fiscal Year Ended June 30, 2011

Taxpayer	Type of Business	2010 Assessed Valuation	Percentage of Total Assessed Valuation
AAR Corporation, ETAL	Real Estate	$ 178,221,864	13.30 %
E & J Holding LLC	Training Facility	46,560,678	3.48
Blue Sky Development, LLC	Apartment Complex	6,687,966	0.50
GSD Manufactoring, LLC	Real Estate	6,379,322	0.48
Black Bear Disposal, LLC	Real Estate	6,209,661	0.46
U.S. Training Center, Inc.	Training Facility	6,000,508	0.45
Camden Square Associates	Real Estate	5,786,610	0.43
Dominion North Carolina Power	Utility	5,216,780	0.39
George Wood Farms, Inc.	Farm	5,013,898	0.37
Albemarle Elec Membership Corp	Utility	4,917,627	0.37
Total		$ 270,994,915	20.23 %

COMPLIANCE SECTION

Thompson · Price
Scott · Adams & Co PA

CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of County Commissioners
Camden County, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Camden County, North Carolina, as of and for the year ended June 30, 2011, which collectively comprises the Camden County's basic financial statements, and have issued our report thereon dated October 13, 2011. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Camden County ABC Board, as described in our report on Camden 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 Camden County ABC Board were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

Management of the Camden County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Camden 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 the Camden 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 limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, others within the entity, members of 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., P.A.
October 13, 2011

Thompson · Price
Scott · Adams & Co PA

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

To the Board of County Commissioners
Camden County, North Carolina

Compliance

We have audited Camden County, North Carolina, compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of Camden County's major federal programs for the year ended June 30, 2011. Camden 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 Camden County's management. Our responsibility is to express an opinion on Camden County's compliance based on our audit.

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

In our opinion, Camden 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 to each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of Camden County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Camden County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine 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 over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

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

This report is intended solely for the information and use of the 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., P.A.
October 13, 2011

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

To the Board of County Commissioners
Camden County, North Carolina

Compliance

We have audited Camden County, North Carolina's, compliance with the types of compliance requirements described in *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 Camden County's major State programs for the year ended June 30, 2011. Camden 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 Camden County's management. Our responsibility is to express an opinion on Camden 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 applicable sections of OMB Circular A-133, as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, applicable sections of OMB Circular A-133, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State program occurred. An audit includes examining, on a test basis, evidence about Camden 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 the Camden County's compliance with those requirements.

In our opinion, Camden 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 to each of its major State programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of Camden 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 Camden 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 in with applicable sections of OMB Circular A-133 and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and 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 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., P.A.
October 13, 2011

Camden County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ___yes _X_no
- Significant Deficiency(s) identified that are not considered to be material weaknesses ___ yes _X_no

Noncompliance material to financial statements noted ____yes _X_no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ____yes _X_no
- Significant Deficiency(s) identified that are not considered to be material weaknesses ____yes _X_none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133 ____yes _X_no

Identification of major federal programs:

CFDA Numbers	Names of Federal Program or Cluster
93.778	Medical Assistance Program

Camden County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Dollar threshold used to distinguish between Type A and Type B Programs $ 300,000

Auditee qualified as low-risk auditee? ____yes __X_no

State Awards

Internal control over major state programs:

- Material weakness(es) identified? ____yes __X_no
- Significant Deficiency(s) identified that are not considered to be material weaknesses ____yes __X_none reported

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

Any audit findings disclosed that are required to be reported in accordance with State Single Audit Implementation Act ____yes __X_no

Identification of major state programs:

Name of State Program or Cluster

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.

Camden County, North Carolina
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2011

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – State Award Findings and Questioned Costs

None reported.

Camden County, North Carolina
Corrective Action Plan
For the Fiscal Year Ended June 30, 2011

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

Section IV – State Award Findings and Questioned Costs

None reported.

Camden County, North Carolina
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2011

Status: N/A

Camden County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Federal Awards:				
U.S. Dept. of Agriculture				
Food and Nutrition Service				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Administration:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	79,251	-	65,277
Total Food Stamp Cluster		79,251	-	65,277
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Public Health:				
Administration:				
Direct Benefit Payments:				
Special Supplemental Nutrition Program for Women, Infants, & Children	10.557	1,033	-	-
Total U.S. Dept. of Agriculture		80,284	-	65,277
U.S. Dept. of Justice				
Bureau of Justice Assistance				
Passed-through N.C. Dept. of Crime Control and Public Safety:				
Byrne Formula Grant Program	16.738	50,935	-	-
U.S. Dept. of Health & Human Services				
Administration for Children and Families				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Social Services:				
Family preservation	93.556	526	-	-
Temporary Assistance for Needy Families Cluster				
Work First Administration	93.558	32,969	-	24,350
TANF Domestic Violence	93.558	6,711	-	-
TANF TEA Foster Care	93.558	1,743	-	-
Work First Service	93.558	66,608	-	69,945
TANF Payment and Penalties	93.558	72,256	(18)	-
Total TANF Cluster		180,287	(18)	94,295
Low-Income Home Energy Assistance Block Grant:				
Administration	93.568	3,978	-	-
Energy Assistance Payments- Direct Benefit Payments	93.568	40,954	-	-
Crisis Intervention Program	93.568	32,935	-	-
Child Welfare Services-State Grants				
- Permanency Planning - Families forKids	93.645	2,703	-	916
Social Services Block Grant - Other Service and Training	93.667	29,976	3,227	10,995
Family Violence Prevention	93.671	1,211	-	-
Independent Living Grant	93.674	80	20	-

Camden County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
Foster Care and Adoption Cluster:(Note 2)				
Title IV-E Foster Care-Administration	93.658	23,420	2,252	21,168
Foster Care-Direct Benefit Payments	93.658	3,051	637	637
Adoption Assistance-Direct Benefit Payments	93.659	27,762	4,709	4,709
Total Foster Care and Adoption Cluster		54,233	7,598	26,514
Division of Child Development:				
Subsidized Child Care (Note 2)				
Child Care Development Fund Cluster				
Division of Social Services:				
Child Care Development Fund-Administration	93.596	78,241	-	-
Division of Child Development:				
Child Care and Development Block Grant	93.575	70,717	-	-
Child Care and Development Fund - Manditory	93.596	30,812	-	-
Child Care and Development Fund - Match	93.596	4,568	2,450	-
Total Child Care Development Fund Cluster		184,338	2,450	-
Social Services Block Grant	93.667	322	-	-
ARRA - Temporary Assistance for Needy Families	93.558	22,517	-	-
Temporary Assistance for Needy Families	93.714	13,182	-	-
State Appropriations		-	5,482	-
TANF - MOE		-	11,845	-
Total Subsidized Child Care Cluster		220,359	19,777	-
Centers for Medicare and Medicaid Services				
Passed-through the N.C. Dept. of Health and Human Services:				
Division of Medical Assistance:				
Direct Benefit Payments:				
Medical Assistance Program	93.778	4,542,721	1,869,135	293
Division of Social Services:				
Administration:				
Medical Assistance Program	93.778	157,117	6,571	150,456
Research Demonstration, Evaluations	93.779	-	-	-
State Children's Insurance Program - N.C. Health Choice	93.767	13,102	378	3,909
Total U.S. Dept. of Health and Human Services		5,280,182	1,906,688	287,378
Dept. of Housing and Urban Development(HUD)				
Passed-through N.C. Department of Commerce:				
Small Cities Program				
Scattered Site Housing Grant	14.229	5,007	-	-
Total Dept. of Housing and Urban Development(HUD)		5,007	-	-
Total Federal Awards		5,416,408	1,906,688	352,655

Camden County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures
State Awards:				
N.C. Dept. of Health and Human Services				
Division of Social Services:				
State aid to county		-	177	-
County Funded Programs/Non Allocating costs		-	-	52,719
DCD Smart Start Program		-	859	-
State/County Special Assistance forAdults		-	63,898	66,659
State Foster Care Benefits Program		-	7,731	45,959
Passed through Albemarle Commission:				
Senior Center Grant		-	11,987	-
Total N. C. Department of Health and Human Services		-	84,652	165,337
N.C. Dept. of Juvenile Justice and Deliquency Prevention				
Juvenile Crime Prevention		-	51,907	-
Total Office of Governor		-	51,907	-
N.C. Dept. of Transportation				
Rural Operating Assistance Program (ROAP)				
Elderly and Disabled Transportation Assistance Program (E&DTAP)		-	57,411	-
ROAP Work First Transitional - Employment Transportation Assistance Program		-	7,688	-
ROAP Rural General Public Program		-	55,899	-
Dismal Swamp Welcome/VisitorCenter		-	150,000	-
Total N. C. Dept. Of Transportation		-	270,998	-
N.C. Dept. of Public Instruction				
Public School Building Capital Fund		-	11,000	-
N.C. Department of Environment and Natural Resources				
White Goods Grant		-	3,124	-
Public Beach and Waterfront Access Grant		-	135,000	-
Soil and Water Conservation Funds		-	3,960	-
Pest Management		-	2,816	-
Solid Waste Disposal		-	7,940	-
Scrap Tire Grant		-	1,101	-
Total N.C. Dept. EHNR		-	153,941	-
North Carolina Rural Economic Development Center				
Clean Water Bond Supplemental Grants Program		-	158,028	-
N.C Dept. of Insurance				
SHIIP Gant		-	2,811	-
South Mills Fire Grant		-	18,100	-
Total N.C. Dept. of Insurance		-	20,911	-
Total State Awards		-	751,437	165,337
Total Federal and State Awards		$ 5,416,408	$ 2,658,125	$ 517,992

Camden County, North Carolina
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2011

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Fed. (Direct & Pass-through) Expenditures	State Expenditures	Local Expenditures

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

1. Basis of Presentation
The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of Camden County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implemenation Act. Therefore some, amounts presented in this schedule may differfrom amounts presented in, or used in the preparation of the basic financial statements. Benefit payments ae paid directly to recipients and are not included included in the county's basic financial statements.Howeverdue 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, TANF, and Foster Care and Adoption.

2011 Turnaround Document

Instructions: Complete this Turnaround Document in its entirety to include each specified program. This should include even those specified programs that were not audited. Submit this form along with all required information to the Local Government Commission.

SPECIFIED PROGRAMS

Medical Assistance Program (Medicaid)	93.778
Temporary Assistance for Needy Families (TANF)	93.558
State Children's Insurance Program (CHIP)	93.767
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557
Low-Income Home Energy Assistance	93.568
Adoption Assistance	93.659

AUDITOR STATEMENT

Entity Audited:	CAMDEN COUNTY
Year Ended:	JUNE 30, 2011
Audit Organization:	
Signature of Audit Organization:	The information included on this form is based on information included in our workpapers and is limited to that prescribed by the Office of the State Auditor. We have not performed any auditing procedures since the date of the auditor's report and have not performed any additional auditing procedures in connection with the completion of this form. Signed: _____ Title: CPA

Entity Audited:	**CAMDEN COUNTY**
Year Ended:	**JUNE 30, 2011**
Audit Organization:	**THOMPSON PRICE SCOTT ADAMS & CO PA**

A.	**Medical Assistance Program (93.778)**		**Required Responses**	
1.	Indicate the program type at this entity in accordance with section .520 of OMB Circular A-133?		A ☒	B ☐
2.	Was a risk assessment performed on this program in accordance with sections .520 and .525 of OMB Circular A-133?		Yes ☒	No ☐
	If yes,	A. Was this program's risk assessed as ...	Low Risk ☐	Not Low Risk ☒
3.	Was this program audited as a major program?		Yes ☐	No ☒
	If yes,	A. Was it selected as a major program as a result of a risk assessment performed in accordance with section .520 of OMB Circular A-133 ...	Yes ☐	No ☒
		B. and/or because it was a major program selected by the N.C. State Auditor's Office ...	Yes ☐	No ☒
4.	If the program was audited, were there any audit findings related to eligibility disclosed because of the audit?		Yes ☐	No ☒
	If yes,	A. Are copies of the audit findings submitted with this document? (Note: separate copies of only those audit findings related to eligibility are required to be attached to this document.)	Yes ☐	No ☐
5.	If the program was audited, provide the following regarding your sample and results of testing the eligibility requirements:		Sample size	60
			Number of errors	0
			Questioned Costs	$ 0.00

Entity Audited:	**CAMDEN COUNTY**
Year Ended:	**JUNE 30, 2011**
Audit Organization:	**THOMPSON PRICE SCOTT ADAMS & CO PA**

B.	**Temporary Assistance for Needy Families (TANF) (93.558)**		**Required Responses**	
1.	Indicate the program type at this entity in accordance with section .520 of OMB Circular A-133?		A ☐	B ☒
2.	Was a risk assessment performed on this program in accordance with sections .520 and .525 of OMB Circular A-133?		Yes ☐	No ☒
	If yes,	A. Was this program's risk assessed as ...	Low Risk ☐	Not Low Risk ☐
3.	Was this program audited as a major program?		Yes ☐	No ☒
	If yes,	A. Was it selected as a major program as a result of a risk assessment performed in accordance with section .520 of OMB Circular A-133 ...	Yes ☐	No ☐
		B. and/or because it was a major program selected by the N.C. State Auditor's Office ...	Yes ☐	No ☐
4.	If the program was audited, were there any audit findings related to eligibility disclosed because of the audit?		Yes ☐	No ☐
	If yes,	A. Are copies of the audit findings submitted with this document? (Note: separate copies of only those audit findings related to eligibility are required to be attached to this document.)	Yes ☐	No ☐
5.	If the program was audited, provide the following regarding your sample and results of testing the eligibility requirements:		Sample size	
			Number of errors	
			Questioned Costs	$

Entity Audited:	**CAMDEN COUNTY**
Year Ended:	**JUNE 30, 2011**
Audit Organization:	**THOMPSON PRICE SCOTT ADAMS & CO PA**

C.	**State Children's Insurance Program (93.767)**		**Required Responses**	
1.	Indicate the program type at this entity in accordance with section .520 of OMB Circular A-133?		A ☐	B ☒
2.	Was a risk assessment performed on this program in accordance with sections .520 and .525 of OMB Circular A-133?		Yes ☐	No ☒
	If yes,	A. Was this program's risk assessed as ...	Low Risk ☐	Not Low Risk ☐
3.	Was this program audited as a major program?		Yes ☐	No ☒
	If yes,	A. Was it selected as a major program as a result of a risk assessment performed in accordance with section .520 of OMB Circular A-133 ...	Yes ☐	No ☐
		B. and/or because it was a major program selected by the N.C. State Auditor's Office ...	Yes ☐	No ☐
4.	If the program was audited, were there any audit findings related to eligibility disclosed because of the audit?		Yes ☐	No ☐
	If yes,	A. Are copies of the audit findings submitted with this document? (Note: separate copies of only those audit findings related to eligibility are required to be attached to this document.)	Yes ☐	No ☐
5.	If the program was audited, provide the following regarding your sample and results of testing the eligibility requirements:		Sample size	
			Number of errors	
			Questioned Costs	$

Entity Audited:	**CAMDEN COUNTY**
Year Ended:	**JUNE 30, 2011**
Audit Organization:	**THOMPSON PRICE SCOTT ADAMS & CO PA**

D.	**Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) (10.557)**		**Required Responses**	
1.	Indicate the program type at this entity in accordance with section .520 of OMB Circular A-133?		A ☐	B ☒
2.	Was a risk assessment performed on this program in accordance with sections .520 and .525 of OMB Circular A-133?		Yes ☐	No ☒
	If yes,	A. Was this program's risk assessed as ...	Low Risk ☐	Not Low Risk ☐
3.	Was this program audited as a major program?		Yes ☐	No ☒
	If yes,	A. Was it selected as a major program as a result of a risk assessment performed in accordance with section .520 of OMB Circular A-133 ...	Yes ☐	No ☐
		B. and/or because it was a major program selected by the N.C. State Auditor's Office ...	Yes ☐	No ☐
4.	If the program was audited, were there any audit findings related to eligibility disclosed because of the audit?		Yes ☐	No ☐
	If yes,	A. Are copies of the audit findings submitted with this document? (Note: separate copies of only those audit findings related to eligibility are required to be attached to this document.)	Yes ☐	No ☐
5.	If the program was audited, provide the following regarding your sample and results of testing the eligibility requirements:		Sample size	
			Number of errors	
			Questioned Costs	$

Entity Audited:	**CAMDEN COUNTY**
Year Ended:	**JUNE 30, 2011**
Audit Organization:	**THOMPSON PRICE SCOTT ADAMS & CO PA**

E.	**Low-Income Home Energy Assistance (93.568)**		**Required Responses**	
1.	Indicate the program type at this entity in accordance with section .520 of OMB Circular A-133?		A ☐	B ☒
2.	Was a risk assessment performed on this program in accordance with sections .520 and .525 of OMB Circular A-133?		Yes ☐	No ☒
	If yes,	A. Was this program's risk assessed as ...	Low Risk ☐	Not Low Risk ☐
3.	Was this program audited as a major program?		Yes ☐	No ☒
	If yes,	A. Was it selected as a major program as a result of a risk assessment performed in accordance with section .520 of OMB Circular A-133 ...	Yes ☐	No ☐
		B. and/or because it was a major program selected by the N.C. State Auditor's Office ...	Yes ☐	No ☐
4.	If the program was audited, were there any audit findings related to eligibility disclosed because of the audit?		Yes ☐	No ☐
	If yes,	A. Are copies of the audit findings submitted with this document? (Note: separate copies of only those audit findings related to eligibility are required to be attached to this document.)	Yes ☐	No ☐
5.	If the program was audited, provide the following regarding your sample and results of testing the eligibility requirements:		Sample size	
			Number of errors	
			Questioned Costs	$

Entity Audited:	**CAMDEN COUNTY**
Year Ended:	**JUNE 30, 2011**
Audit Organization:	**THOMPSON PRICE SCOT ADAMS & CO PA**

F.	**Adoption Assistance (93.659)**		**Required Responses**	
1.	Indicate the program type at this entity in accordance with section .520 of OMB Circular A-133?		A ☐	B ☒
2.	Was a risk assessment performed on this program in accordance with sections .520 and .525 of OMB Circular A-133?		Yes ☐	No ☒
	If yes,	A. Was this program's risk assessed as ...	Low Risk ☐	Not Low Risk ☐
3.	Was this program audited as a major program?		Yes ☐	No ☒
	If yes,	A. Was it selected as a major program as a result of a risk assessment performed in accordance with section .520 of OMB Circular A-133 ...	Yes ☐	No ☐
		B. and/or because it was a major program selected by the N.C. State Auditor's Office ...	Yes ☐	No ☐
4.	If the program was audited, were there any audit findings related to eligibility disclosed because of the audit?		Yes ☐	No ☐
	If yes,	A. Are copies of the audit findings submitted with this document? (Note: separate copies of only those audit findings related to eligibility are required to be attached to this document.)	Yes ☐	No ☐
5.	If the program was audited, provide the following regarding your sample and results of testing the eligibility requirements:		Sample size	
			Number of errors	
			Questioned Costs	$

Thompson · Price
Scott · Adams & Co PA

CERTIFIED PUBLIC ACCOUNTANTS
4024 Oleander Drive Suite 2
Wilmington, North Carolina 28403
Telephone (910) 799-4872 Fax (910) 395-4872

October 13, 2011
The Honorable Beth A. Wood, CPA, State Auditor
Office of the State Auditor
2 S. Salisbury Street
20601 Mail Service Center
Raleigh, North Carolina 27699-0601

Dear Ms. Wood:

We have audited those federal programs as checked off on the list that follows of Camden County in accordance with OMB Circular A-133 for the year ended June 30, 2011:

A	☒	Medical Assistance Program
B	☐	Temporary Assistance for Needy Families
C	☐	State Children's Insurance Program
D	☐	Special Supplemental Nutrition Program for Women, Infants, and Children
E	☐	Low-Income Home Energy Assistance
F	☐	Adoption Assistance

We make the following representations to you regarding our audit:

1. We are independent with respect to Camden County and to the State of North Carolina under the requirements of the AICPA and the GAO *Government Auditing Standards*.

2. We are aware that the results of our audit related to eligibility at Camden County will be included in the *Report on Compliance with Requirements Applicable to Each*

Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 of the State of North Carolina and that you intend to place reliance on our audit of the designated programs noted above.

3. We are familiar with accounting principles generally accepted in the United States of America and with the generally accepted auditing standards promulgated by the American Institute of Certified Public Accountants and with the GAO *Government Auditing Standards* and will report and conduct our audit in accordance therewith.

4. We are familiar with the auditing and reporting requirements of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and will report and conduct our audit in accordance therewith.

Sincerely,

Signature

10/31/2011

Title

Calculation of Net Assets-Governmental Activities

Fund balance must be reclassified to a Net Assets presentation for the government-wide statements. This worksheet will assist you in the calculation of the numbers that must be entered manually into worksheet L. Worksheet L creates the entry that posts to the conversion worksheet to reclassify net asset. It was not automatically generated in order to avoid circular logic. This step will be one of the last performed in finalizing data in the conversion worksheet.

The information collected in this worksheet and presented in the gold colored cells will provide the specific information that must be input into Worksheet L. Section J. Entering these final numbers into worksheet L should complete the conversion process.

A. Restricted Assets - Data From Fund Statements

Restricted assets are calculated in total for the government-wide activities. However, the fund statements are needed to begin this calculation. In the yellow cells below, enter the indicated totals by function (which may require some aggregation of funds). For example, the functional expenditure for the E911 Special Revenue Fund is public safety, so the restricted assets for that fund are calculated entirely on that line. The transportation function is Powell Bill funds that are a part of the General Fund.
Restricted assets are those restricted by an external source such as a grantor agency or a creditor, or restricted by board action in conjunction with separate legislation, such as the levying of an occupancy tax. Board action by itself is not enough to restrict an asset. Once the determination is made that a restricted asset exists, then the total amount to be restricted must be calculated to include any receivables of that asset less any payables or unearned income that relate to that asset. All numbers are entered as positive numbers.

Governmental Activities By Function	+ Unexpended Cash	+ Receivables	- Payables	- Unearned Income	Net Restricted Assets
General government	2,786,668				2,786,668
Public safety	736,915				736,915
Transportation	5,654				5,654
Economic and physical development	1,907,455				1,907,455
Environmental Protection					-
Human services					-
Cultural and recreation					-
Other program 1					-
Other program 2					-
Debt service					-
Capital outlay					-
Total	5,436,692	-	-	-	5,436,692

B. Capital Assets Net of Related Debt

Governmental Activities

Capital assets, all governmental activities	Gross Capital Assets	Accum. Depreciation	Net Capital Assets
Land	4,544,473		
Other non-depreciable assets			
Buildings	3,386,476	1,247,822	
Improvements other than buildings	2,687,455	644,664	
Equipment	1,261,958	744,338	
Vehicles and other motorized equipment	2,373,660	1,698,813	
Infrastructure		0	
Asset class 1		-	
Asset class 2		-	
Construction in progress	1,285,587		
Net Capital Assets	15,539,609	4,335,637	11,203,972

Capital asset data pulled from the St. of Net Assets Column in Conversion

Capital debt calculation	
Total debt, gross	18,912,495
Less:	
Debt for assets to which the County does not hold title	16,137,691
Other debt not issued for capital	
Unexpended proceeds	
Unamortized assets related to capital debt	
Add:	
Unamortized liabilities related to capital debt	
Total capital debt	2,774,804
Capital assets net of related debt	8,429,168

Enter the amount of debt related to capital assets.
Enter as a positive number.

Calculation of Net Assets-Governmental Activities

C. **Calculation of Net Assets**

Total Net Assets	6,905,666	from the Conversion worksheet
Less Restricted Net Assets	5,436,692	from Section A above
Less Capital Assets Net of Related Debt	8,429,168	from Section B above
Unrestricted Net Assets	(6,960,194)	