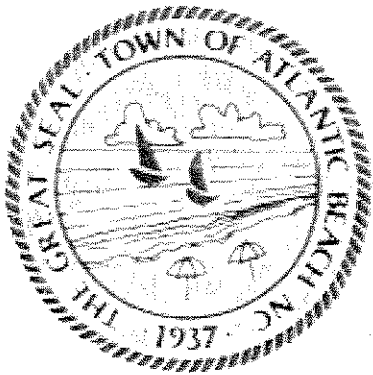


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Required Supplementary
Financial Data

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

- Schedule of Funding in Progress for the Law Enforcement Officers' Special Separation Allowance
- Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance
- Notes to the Required Schedules for the Law Enforcement Officers' Special Separation Allowance



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Town of Atlantic Beach, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Funding in Progress

Actual Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
12/31/2002	-	70,980	70,980	0.00%	354,112	20.04%
12/31/2003	-	56,631	56,631	0.00%	382,658	14.80%
12/31/2004	-	86,733	86,733	0.00%	508,936	17.04%
12/31/2005	-	109,642	109,642	0.00%	632,175	17.34%
12/31/2006	-	115,548	115,548	0.00%	721,602	16.01%
12/31/2007	-	138,721	138,721	0.00%	662,146	20.95%

* Information presented for available years

Town of Atlantic Beach, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2000	5,096	0.00%
2001	5,239	0.00%
2002	7,502	0.00%
2003	8,974	0.00%
2004	10,498	10.90%
2005	9,200	0.00%
2006	13,418	0.00%
2007	15,291	0.00%
2008	16,528	0.00%

Notes to the Required Schedules:

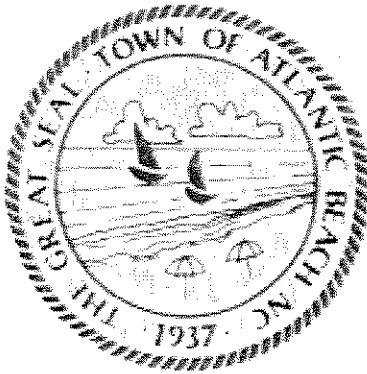
The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/2007
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	23 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return*	7.25%
Projected salary increases*	4.5 - 12.3%
Includes inflation at	3.75%
Cost-of-living adjustments	N/A

***Information presented for available years**

General Fund

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



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Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Revenues			
Ad valorem taxes			
Current collections of unit-wide levy	\$ 3,371,722	\$ 3,376,501	4,779
Prior years' levy collections	5,500	6,794	1,294
Penalties and interest	4,000	6,882	2,882
	<u>3,381,222</u>	<u>3,390,177</u>	<u>8,955</u>
Other taxes and licenses:			
Privilege licenses	<u>15,000</u>	<u>17,534</u>	<u>2,534</u>
Total taxes	<u>3,396,222</u>	<u>3,407,711</u>	<u>11,489</u>
Unrestricted intergovernmental:			
Local option sales tax	867,554	993,403	125,849
Carteret County ABC revenue	75,000	64,874	(10,126)
Beer/wine tax	8,089	8,347	258
Utilities franchise tax	166,832	181,411	14,579
Cable Vision franchise tax	61,935	120,394	58,459
Telecommunications sales tax	51,443	48,688	(2,755)
Payment in lieu of taxes (Fire district distribution)	1,423	1,554	131
Court fees	2,500	2,945	445
	<u>1,234,776</u>	<u>1,421,616</u>	<u>186,840</u>
Restricted intergovernmental:			
Public Safety Grants	2,250	2,560	310
Cama Land Use Grant	135,000	-	(135,000)
Swiftwater Urban Grant	4,800	4,800	-
Lifeguard Donation	15,000	15,000	-
Powell Bill allocation	71,000	77,853	6,853
	<u>228,050</u>	<u>100,213</u>	<u>(127,837)</u>
Total intergovernmental	<u>1,462,826</u>	<u>1,521,829</u>	<u>59,003</u>

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Permits, fees and assessments:			
Beach permits	28,750	21,525	(7,225)
Building permits	300,000	74,236	(225,764)
Total permits, fees and assessments	328,750	95,761	(232,989)
Sales and services:			
Parking meter	30,000	28,909	(1,091)
Solid waste fees	478,400	497,696	19,296
Parking violations	5,000	2,230	(2,770)
Refuse cart sales	6,500	7,292	792
EMS revenue	75,500	62,491	(13,009)
Cell tower lease	49,300	46,950	(2,350)
Coral Bay lease	44,910	77,921	33,011
Other Fees	4,200	7,573	3,373
Total sales and services	693,810	731,062	37,252
Investment Earnings:			
General fund interest on investments	155,000	157,577	2,577
Other funds interest on investments	15,000	12,633	(2,367)
Total interest	170,000	170,210	210
Miscellaneous revenue:			
ABPD citizen donations	-	4,758	4,758
Private donations	-	16,998	16,998
Sales tax refund	30,000	31,951	1,951
Miscellaneous	7,500	35,303	27,803
Total miscellaneous	37,500	89,010	51,510
Total revenue	6,089,108	6,015,583	(73,525)

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Expenditures			
General Government:			
Salaries and employee benefits		20,567	
Professional services		83,120	
Membership dues		3,312	
Other operating expenditures		45,426	
Mayor and commissioners	162,288	152,425	9,863
Administration:			
Salaries and employee benefits		240,975	
Insurance - other		1,326	
Employee development		9,312	
Equipment maintenance		10,301	
Printing and postage		12,788	
Computers and small equipment		19,019	
Supplies		5,959	
Equipment rental		7,838	
Sales tax		32,160	
Miscellaneous		8,579	
	361,217	348,257	12,960
Finance:			
Salaries and employee benefits		155,562	
Insurance - other		1,724	
Employee development		1,984	
Equipment maintenance		5,780	
Professional services		38,738	
Departmental supplies		5,929	
Bank charges		6,508	
Miscellaneous		1,116	
	220,977	217,341	3,636

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Public buildings:			
Salaries and employee benefits		273,585	
Insurance - other		18,795	
Utilities		30,969	
Building maintenance		39,742	
Janitorial supplies		8,899	
Landscaping		11,514	
FEMA disaster		4,069	
Beach access		8,501	
Miscellaneous		6,249	
	<u>779,004</u>	<u>402,323</u>	<u>376,681</u>
Total general government	<u>1,523,486</u>	<u>1,120,346</u>	<u>403,140</u>
Public safety:			
Police			
Salaries and employee benefits		920,892	
Insurance - other		41,851	
Employee development		14,134	
Fuel		44,895	
Repairs and maintenance		9,728	
Postage		10,500	
Automotive supplies		11,563	
Departmental supplies		3,905	
Small equipment purchase		7,930	
Uniforms		11,711	
Capital outlay		154,835	
Miscellaneous		7,840	
Police Dept. restricted expenditures		11,070	
LGERS - EE Reimbursement		7,194	
USDOJ/Vests Grant		3,019	
	<u>1,350,673</u>	<u>1,261,067</u>	<u>89,606</u>

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Police communications:			
Salaries and employee benefits		242,597	
Insurance - other		3,675	
Employee development		992	
Equipment maintenance		934	
Departmental supplies		5,578	
Equipment rentals		14,290	
Uniforms		787	
	<u>280,039</u>	<u>268,853</u>	<u>11,186</u>
Fire/EMS			
Salaries and employee benefits and benefits		845,314	
Insurance-other		66,281	
Communication maintenance		4,855	
Employee development		2,888	
Fuel		9,746	
Equipment maintenance		1,942	
Postage		3,576	
Departmental supplies		6,699	
Fire prevention supplies		6,349	
Uniforms		6,219	
Vehicle maintenance		14,106	
Capital outlay		360,564	
EMS Collections		4,685	
Rescue supplies		15,947	
Miscellaneous		11,806	
	<u>1,407,893</u>	<u>1,360,977</u>	<u>46,916</u>

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Building inspection:			
Salaries and employee benefits and benefits		129,636	
Insurance - other		958	
Advertising		1,241	
Contracted services		12,297	
Employee development		2,428	
Fuel		1,564	
Equipment maintenance		2,118	
Postage		2,815	
Department supplies		18,691	
Miscellaneous		1,266	
	<u>200,759</u>	<u>173,014</u>	<u>27,745</u>
Rescue units:			
Employee development		4,422	
Departmental supplies		10,875	
Miscellaneous		3,298	
	<u>19,559</u>	<u>18,595</u>	<u>964</u>
Lifeguards:			
Salaries and employee benefits		33,545	
Insurance		1,400	
Departmental supplies		526	
Uniforms		1,082	
Vehicle maintenance		945	
Miscellaneous		1,483	
	<u>42,824</u>	<u>38,981</u>	<u>3,843</u>
Total public safety	<u>3,301,747</u>	<u>3,121,487</u>	<u>180,260</u>

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

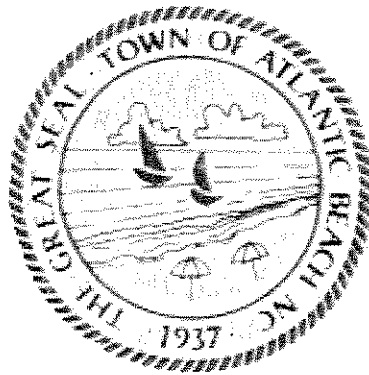
	2008		Variance Positive (Negative)
	Budget	Actual	
Transportation:			
Streets and highways:			
Salaries and employee benefits and benefits		169,375	
Insurance - other		25,415	
Fuel		18,384	
Repairs and maintenance		17,874	
Storm drainage		8,956	
Street Lights		68,264	
Postage		2,161	
Departmental supplies		13,438	
Uniforms		4,961	
Parking meters		2,818	
Capital outlay		11,804	
Miscellaneous		1,444	
Dredging		48,334	
	<u>478,002</u>	<u>393,228</u>	<u>84,774</u>
State street aid allocation - Powell Bill:			
Equipment maintenance		1,938	
Paving/patching		3,716	
Traffic control devices		3,899	
Drainage		7,138	
Sidewalks		8,010	
Miscellaneous		2,162	
	<u>199,000</u>	<u>26,863</u>	<u>172,137</u>
Total transportation	<u>677,002</u>	<u>420,091</u>	<u>256,911</u>

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Environmental protection:			
Solid waste:			
Salaries and employee benefits		40,870	
Fuel		5,999	
Landfill		81,423	
Contract services		243,634	
Supplies		8,160	
Miscellaneous		961	
Vehicle maintenance		4,476	
	<u>430,689</u>	<u>385,523</u>	<u>45,166</u>
Wastewater planning:			
Professional services		31,175	
	<u>100,000</u>	<u>31,175</u>	<u>68,825</u>
Total environmental protection	<u>530,689</u>	<u>416,698</u>	<u>113,991</u>
Economic and Physical Development:			
Planning and Zoning:			
Salaries and employee benefits		66,281	
Insurance - other		486	
Advertising		2,518	
Contracted services		68,820	
Employee development		3,726	
Maintenance		1,017	
Telephone and postage		1,300	
Departmental supplies		2,873	
CAMA land use grant		1,000	
Miscellaneous		2,367	
	<u>182,016</u>	<u>150,388</u>	<u>31,628</u>
Total economic and physical development	<u>182,016</u>	<u>150,388</u>	<u>31,628</u>

Town of Atlantic Beach, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Debt retirement:			
Principal		323,296	
Interest		182,122	
	<u>523,192</u>	<u>505,418</u>	<u>17,774</u>
Total expenditures	<u>6,738,132</u>	<u>5,734,428</u>	<u>1,003,704</u>
Revenue (under) expenditures	<u>(649,024)</u>	<u>281,155</u>	<u>930,179</u>
Other financing sources			
Transfers from other funds:			
Public Utilities fund	389,200	350,125	(39,075)
Circle Infrastructure fund	1,267,901	1,271,448	3,547
Sale of capital assets	40,000	41,728	1,728
Insurance recovery	10,504	12,454	1,950
Installment purchase/COPS	385,000	352,205	(32,795)
Total other financing sources (uses)	<u>\$ 2,092,605</u>	<u>\$ 2,027,960</u>	<u>\$ (64,645)</u>
Fund balance appropriated	1,443,581	-	1,443,581
Net Change in fund balance	<u>\$ -</u>	2,309,115	<u>\$ 2,309,115</u>
Fund balances, beginning as previously reported		2,190,530	
Fund balances, ending		<u>\$ 4,499,645</u>	



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Special Revenue Fund

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

Capital Reserve Fund – Accounts for the accumulation of resources for major capital purchases.

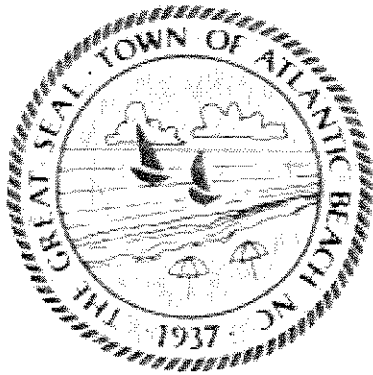
Circle Infrastructure Fund – Accounts for the accumulation of resources thru the sale of land located within the Circle District.

Town of Atlantic Beach, North Carolina
Capital Reserve Fund - Non Major Governmental Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	Project Authorization	Actual		Total to Date
		Prior Years	Current Year	
Revenues:				
Interest income	\$ -	\$ 33,479	\$ 14,701	\$ 48,180
Occupancy tax income	100,000	\$ 100,000	-	\$ 100,000
Total revenue	100,000	133,479	14,701	148,180
Other financing sources/(uses):				
Transfer (to)/from General Fund	(100,000)	207,145	-	207,145
Total other financing sources (uses)	(100,000)	207,145	-	207,145
Net change in fund balance	\$ -	\$ 340,624	\$ 14,701	\$ 355,325
Fund balance, beginning			340,624	
Fund balance, ending			\$ 355,325	

Town of Atlantic Beach, North Carolina
Circle Infrastructure Fund - Major Governmental Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2008

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Revenues:				
Interest income	\$ -	\$ 133,727	\$ -	\$ 133,727
Total revenue	-	133,727	-	133,727
Expenditures:				
Capital outlay	635,874	-	-	-
Total expenditures	635,874	-	-	-
Revenues over (under) expenditures	(635,874)	133,727	-	133,727
Other Financing Sources/(Uses)				
Transfer (to)/from General Fund	635,874	1,137,721	(1,271,448)	(133,727)
Total other financing sources (uses)	635,874	1,137,721	(1,271,448)	(133,727)
Revenue and other financing sources over (under) expenditures	\$ -	\$ 1,271,448	(1,271,448)	\$ -
Fund balance, beginning			1,271,448	
Fund balance, ending			\$ -	



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Enterprise Fund

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.

Public Utilities Fund – This fund is used to account for the operating activities of the Water Department.

Town of Atlantic Beach, North Carolina
Enterprise Fund - Public Utilities Fund
Schedule of Revenues and Expenditures - Budget and Actual
Non-GAAP
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Revenues:			
Operating revenues:			
Charges for services:			
Utility Charges	\$ 800,000	\$ 829,319	\$ 29,319
Total operating revenues	<u>800,000</u>	<u>829,319</u>	<u>29,319</u>
Non-operating revenues:			
Interest earnings	105,000	96,083	(8,917)
Availability fees	5,000	4,465	(535)
Fire hydrants	6,000	5,088	(912)
Late fees	10,500	21,254	10,754
Reconnect fees	2,000	1,960	(40)
Storm water impact fees	200,000	50,946	(149,054)
Connection fees	12,500	17,975	5,475
Impact fees	180,000	36,000	(144,000)
Stormwater - NC CWMT	50,000	-	(50,000)
Other	200	721	521
Total non-operating revenues	<u>571,200</u>	<u>234,492</u>	<u>(336,708)</u>
Total revenues	<u>1,371,200</u>	<u>1,063,811</u>	<u>(307,389)</u>
Expenditures:			
Administration:			
Salaries	152,617	154,432	(1,815)
Social Security	11,000	11,044	(44)
Retirement	16,863	17,001	(138)
Pension	7,565	7,622	(57)
Insurance - health	25,617	25,036	581
Workmans comp	6,210	6,000	210
Communication	4,000	551	3,449
Employee development	5,500	5,203	297
Professional services	50,000	40,014	9,986
Departmental supplies	21,900	18,222	3,678
Membership dues	4,500	3,195	1,305
Miscellaneous	-	6,114	(6,114)
Total administration	<u>305,772</u>	<u>294,434</u>	<u>11,338</u>

Town of Atlantic Beach, North Carolina
Enterprise Fund - Public Utilities Fund
Schedule of Revenues and Expenditures - Budget and Actual
Non-GAAP
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative) (continued)
	Budget	Actual	
Water treatment and distribution:			
Contracted services - maintenance	80,000	79,497	503
Fuel	12,200	10,775	1,425
Lab Analysis	8,000	6,736	1,264
Repairs and maintenance - equipment	202,000	199,037	2,963
Insurance - other	20,900	19,356	1,544
Postage	38,000	19,699	18,301
Utilities	50,000	44,633	5,367
Building Maintenance	28,000	3,081	24,919
Supplies - for operations	96,500	79,445	17,055
Supplies - for inventory	35,000	17,621	17,379
Uniforms	3,100	2,801	299
Vehicle maintenance	8,000	8,075	(75)
Miscellaneous	4,000	1,108	2,892
Professional services	70,000	27,713	42,287
Stormwater - NC CWMT	100,000	-	100,000
Total water treatment and distribution	<u>755,700</u>	<u>519,577</u>	<u>236,123</u>
Debt Services:			
Principal retirement	76,845	76,845	-
Interest	8,415	8,415	-
Total debt services	<u>85,260</u>	<u>85,260</u>	<u>-</u>
Capital outlay:	161,000	128,766	32,234
Total capital outlay	<u>161,000</u>	<u>128,766</u>	<u>32,234</u>
Total expenditures	<u>1,307,732</u>	<u>1,028,037</u>	<u>279,695</u>
Revenue over expenditures	<u>63,468</u>	<u>35,774</u>	<u>(27,694)</u>

(continued)

Town of Atlantic Beach, North Carolina
Enterprise Fund - Public Utilities Fund
Schedule of Revenues and Expenditures - Budget and Actual
Non-GAAP
For the Fiscal Year Ended June 30, 2008

	2008		Variance Positive (Negative)
	Budget	Actual	
Other Financing Sources/(Uses)			
Fund balance appropriated	325,732	-	(325,732)
Transfer to General Fund	(389,200)	(350,125)	39,075
Total other financing (uses)	<u>(63,468)</u>	<u>(350,125)</u>	<u>(286,657)</u>
Revenues over expenditures and other financing sources (uses)	<u>\$ -</u>	<u>(314,351)</u>	<u>\$ (314,351)</u>

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

Reconciling items:

Principal on bonds and installment notes	76,845
Capital Outlay	128,766
Depreciation	<u>(220,648)</u>
Total	<u>(15,037)</u>
Change in net assets	<u>\$ (329,388)</u>

Additional and Required Financial Data

Section I contains other additional financial information that provides detailed analysis of particular aspects of the Town's financial position or results of operations.

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

Town of Atlantic Beach, North Carolina
Schedule of Ad Valorem Taxes Receivable
For the Fiscal Year Ended June 30, 2008

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2007</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2008</u>
2007-2008	\$ -	\$ 3,391,946	\$ 3,377,755	\$ 14,191
2006-2007	10,994	-	8,446	2,548
2005-2006	1,934	-	281	1,653
2004-2005	1,527	-	1,527	-
2003-2004	1,030	-	1,030	-
	<u>\$ 15,485</u>	<u>\$ 3,391,946</u>	<u>\$ 3,389,039</u>	<u>\$ 18,392</u>

Reconciliation with revenues:

Ad valorem taxes - General Fund

\$ 3,390,177

Reconciling items:

Interest collected

(6,882)

Discounts allowed

(9,385)

Releases and other credits

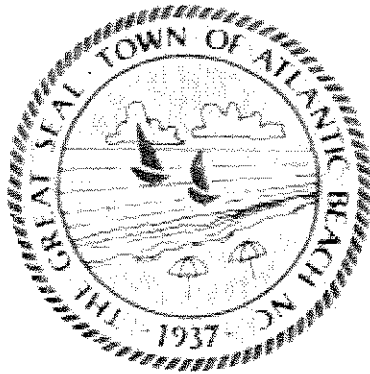
15,129

Total ad valorem collections

\$ 3,389,039

Town of Atlantic Beach, North Carolina
Analysis of Current Tax Levy
Town - Wide Levy
For the Fiscal Year Ended June 30, 2008

	Town - Wide			Total Levy	
	Property Valuation	Rate	Total Levy	Property excluding registered motor vehicles	Registered motor vehicles
Original levy:					
Property taxed at current year's rate	\$ 2,261,618,000	0.15	\$ 3,392,427	\$ 3,351,556	\$ 40,871
Total	<u>2,261,618,000</u>		<u>3,392,427</u>	<u>3,351,556</u>	<u>40,871</u>
Discoveries:					
Current year taxes	11,671,333	0.15	\$ 17,507	17,507	-
Total	<u>2,273,289,333</u>		<u>3,409,934</u>	<u>3,369,063</u>	<u>40,871</u>
Abatements	(11,992,000)	0.15	(17,988)	(15,312)	(2,676)
Total property valuation	<u><u>\$ 2,261,297,333</u></u>				
Net levy			3,391,946	3,353,751	38,195
Uncollected taxes at June 30, 2008			<u>(14,191)</u>	<u>(9,427)</u>	<u>(4,764)</u>
Current year's taxes collected			<u>\$ 3,377,755</u>	<u>\$ 3,344,324</u>	<u>\$ 33,431</u>
Current levy collection percentage			<u>99.58%</u>	<u>99.72%</u>	<u>87.53%</u>



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