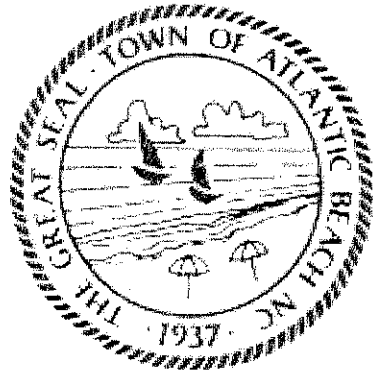


**Required Supplementary**  
**Financial Data**

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%
12/31/2008	-	151,557	151,557	0.00%	748,793	20.24%

\* 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%
2009	18,870	0.00%

**Notes to the Required Schedules:**

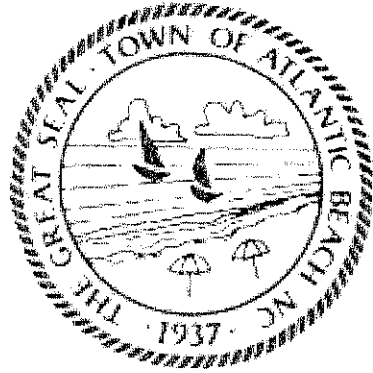
The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

Valuation date	12/31/2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	22 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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues</b>			
Ad valorem taxes			
Current collections of unit-wide levy	\$ 2,818,216	\$ 2,829,468	11,252
Prior years' levy collections	5,500	7,295	1,795
Penalties and interest	4,000	8,374	4,374
	<u>2,827,716</u>	<u>2,845,137</u>	<u>17,421</u>
Other taxes and licenses:			
Privilege licenses	15,000	21,539	6,539
	<u>15,000</u>	<u>21,539</u>	<u>6,539</u>
<b>Total taxes</b>	<u>2,842,716</u>	<u>2,866,676</u>	<u>23,960</u>
Unrestricted intergovernmental:			
Local option sales tax	876,000	1,044,378	168,378
Carteret County ABC revenue	75,000	62,122	(12,878)
Beer/wine tax	8,290	8,079	(211)
Utilities franchise tax	168,000	194,759	26,759
Cable Vision franchise tax	87,000	128,329	41,329
Telecommunications sales tax	45,000	53,216	8,216
Solid Waste Disposal Tax	-	837	837
Payment in lieu of taxes (Fire district distribution)	1,423	1,554	131
Court fees	2,500	2,390	(110)
	<u>1,263,213</u>	<u>1,495,664</u>	<u>232,451</u>
Restricted intergovernmental:			
Public Safety Grants	2,250	4,804	2,554
Cama Beach Access Grant	81,125	81,125	-
Dredging Grant	30,000	30,000	-
Lifeguard Donation	20,000	20,000	-
Powell Bill allocation	73,000	69,048	(3,952)
	<u>206,375</u>	<u>204,977</u>	<u>(1,398)</u>
<b>Total intergovernmental</b>	<u>1,469,588</u>	<u>1,700,641</u>	<u>231,053</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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
Permits, fees and assessments:			
Beach permits	21,000	19,325	(1,675)
Building permits	150,000	157,144	7,144
<b>Total permits, fees and assessments</b>	<u>171,000</u>	<u>176,469</u>	<u>5,469</u>
Sales and services:			
Parking meter	21,500	7,154	(14,346)
Solid waste fees	490,000	507,831	17,831
Parking violations	500	1,460	960
Refuse cart sales	6,500	6,763	263
Debris/White goods Fee	65,000	68,808	3,808
EMS revenue	75,000	68,640	(6,360)
Cell tower lease	46,950	49,753	2,803
Coral Bay lease	70,440	70,440	-
Other Fees	4,180	9,428	5,248
<b>Total sales and services</b>	<u>780,070</u>	<u>790,277</u>	<u>10,207</u>
Investment Earnings:			
General fund interest on investments	115,000	105,854	(9,146)
Other funds interest on investments	5,000	5,972	972
<b>Total interest</b>	<u>120,000</u>	<u>111,826</u>	<u>(8,174)</u>
Miscellaneous revenue:			
ABPD citizen donations	-	1,207	1,207
Private donations	5,144	5,244	100
Sales tax refund	30,000	32,429	2,429
Miscellaneous	3,200	4,182	982
<b>Total miscellaneous</b>	<u>38,344</u>	<u>43,062</u>	<u>4,718</u>
<b>Total revenue</b>	<u>5,421,718</u>	<u>5,688,951</u>	<u>267,233</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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
<b>Expenditures</b>			
General Government:			
Mayor and council:			
Salaries and employee benefits		16,426	
Professional services		71,581	
Membership dues		4,390	
Other operating expenditures		34,662	
	<u>136,035</u>	<u>127,059</u>	<u>8,976</u>
Administration:			
Salaries and employee benefits		199,078	
Insurance - other		1,712	
Employee development		5,164	
Equipment maintenance		8,599	
Printing and postage		12,268	
Computers and small equipment		10,944	
Supplies		4,268	
Equipment rental		7,659	
Sales tax		22,484	
Miscellaneous		25,983	
	<u>358,116</u>	<u>298,159</u>	<u>59,957</u>
Finance:			
Salaries and employee benefits		156,843	
Insurance - other		1,422	
Employee development		1,905	
Equipment maintenance		6,703	
Professional services		29,290	
Departmental supplies		5,630	
Bank charges		6,540	
Miscellaneous		1,310	
	<u>224,976</u>	<u>209,643</u>	<u>15,333</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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
Public buildings:			
Salaries and employee benefits		315,972	
Insurance - other		13,130	
Utilities		28,820	
Building maintenance		79,344	
Janitorial supplies		9,976	
Landscaping		10,674	
FEMA disaster		3,750	
Beach access		135,115	
Miscellaneous		3,720	
	<u>673,637</u>	<u>600,501</u>	<u>73,136</u>
<b>Total general government</b>	<u>1,392,764</u>	<u>1,235,362</u>	<u>157,402</u>
Public safety:			
Police:			
Salaries and employee benefits		1,065,878	
Insurance - other		62,658	
Employee development		7,107	
Fuel		36,464	
Repairs and maintenance		10,015	
Postage		9,772	
Automotive supplies		12,684	
Departmental supplies		3,240	
Small equipment purchase		227	
Uniforms		9,735	
Miscellaneous		19,365	
Police Dept. restricted expenditures		3,522	
LGERS - EE Reimbursement		7,194	
USDOJ/Vests Grant		1,905	
	<u>1,332,101</u>	<u>1,249,766</u>	<u>82,335</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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
Police communications:			
Salaries and employee benefits		194,380	
Insurance - other		1,868	
Employee development		263	
Equipment maintenance		5,095	
Departmental supplies		2,166	
Equipment rentals		13,985	
Uniforms		23	
	<u>239,845</u>	<u>217,780</u>	<u>22,065</u>
Fire/EMS:			
Salaries and employee benefits and benefits		838,674	
Insurance-other		48,386	
Communication maintenance		3,486	
Employee development		2,161	
Fuel		5,066	
Equipment maintenance		1,055	
Postage		3,187	
Departmental supplies		3,638	
Fire prevention supplies		6,889	
Uniforms		4,871	
Vehicle maintenance		9,265	
EMS Collections		5,116	
Rescue supplies		16,722	
Miscellaneous		13,650	
	<u>1,036,043</u>	<u>962,166</u>	<u>73,877</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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
Building inspection:			
Salaries and employee benefits and benefits		166,670	
Insurance - other		3,691	
Advertising		748	
Employee development		1,823	
Fuel		2,476	
Equipment maintenance		3,924	
Postage		1,918	
Department supplies		3,836	
Miscellaneous		1,219	
	<u>190,079</u>	<u>186,305</u>	<u>3,774</u>
Rescue units:			
Departmental supplies		1,836	
Miscellaneous		2,564	
	<u>15,100</u>	<u>4,400</u>	<u>10,700</u>
Lifeguards:			
Salaries and employee benefits		34,142	
Insurance		973	
Departmental supplies		500	
Uniforms		1,208	
Vehicle maintenance		175	
Miscellaneous		795	
	<u>47,834</u>	<u>37,793</u>	<u>10,041</u>
<b>Total public safety</b>	<u>2,861,002</u>	<u>2,658,210</u>	<u>202,792</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, 2009**

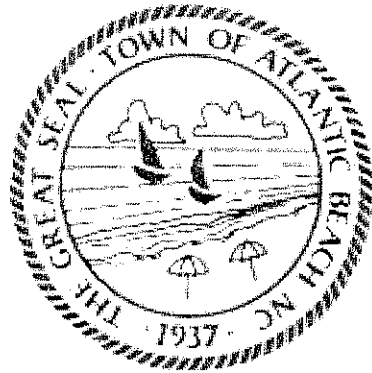
	2009		Variance Positive (Negative)
	Budget	Actual	
Transportation:			
Streets and highways:			
Salaries and employee benefits and benefits		171,361	
Insurance - other		31,069	
Fuel		12,692	
Repairs and maintenance		11,359	
Storm drainage		8,098	
Street Lights		71,722	
Postage		1,862	
Departmental supplies		10,413	
Uniforms		6,336	
Parking meters		-	
Capital outlay		9,387	
Miscellaneous		1,556	
Dredging		61,321	
	<u>439,657</u>	<u>397,176</u>	<u>42,481</u>
State street aid allocation - Powell Bill:			
Equipment maintenance		5,857	
Paving/patching		2,241	
Traffic control devices		1,557	
Drainage		15,027	
Grading		2,750	
Contract Services		5,005	
Miscellaneous		945	
	<u>142,500</u>	<u>33,382</u>	<u>109,118</u>
<b>Total transportation</b>	<u>582,157</u>	<u>430,558</u>	<u>151,599</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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
Environmental protection:			
Solid waste:			
Salaries and employee benefits		40,967	
Fuel		5,764	
Landfill		84,905	
Contract services		252,410	
Supplies		7,585	
Miscellaneous		542	
Vehicle maintenance		2,243	
	<u>411,120</u>	<u>394,416</u>	<u>16,704</u>
Wastewater planning:			
Professional services		-	
	<u>580</u>	<u>-</u>	<u>580</u>
<b>Total environmental protection</b>	<u>411,700</u>	<u>394,416</u>	<u>17,284</u>
Economic and Physical Development:			
Planning and Zoning:			
Salaries and employee benefits		66,755	
Insurance - other		2,435	
Advertising		753	
Contracted services		35,018	
Employee development		2,791	
Maintenance		166	
Telephone and postage		1,118	
Departmental supplies		1,505	
Miscellaneous		1,946	
	<u>149,548</u>	<u>112,487</u>	<u>37,061</u>
<b>Total economic and physical development</b>	<u>149,548</u>	<u>112,487</u>	<u>37,061</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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
Debt retirement:			
Principal		339,731	
Interest		178,922	
	<u>519,075</u>	<u>518,653</u>	<u>422</u>
 Total expenditures	<u>5,916,246</u>	<u>5,349,686</u>	<u>566,560</u>
 Revenue over (under) expenditures	<u>(494,528)</u>	<u>339,265</u>	<u>833,793</u>
 <b>Other financing sources</b>			
Transfers from other funds:			
Public Utilities fund	348,986	357,955	8,969
Beach Nourishment Fund	27,040	27,040	-
Sale of capital assets	-	-	-
Insurance recovery	6,748	6,748	-
Installment purchase/COPS	-	-	-
Total other financing sources (uses)	<u>\$ 382,774</u>	<u>\$ 391,743</u>	<u>\$ 8,969</u>
 Fund balance appropriated	(111,754)	-	(111,754)
 Net Change in fund balance	<u>\$ -</u>	731,008	<u>\$ 731,008</u>
 Fund balances, beginning as previously reported		4,499,645	
 Fund balances, ending		<u>\$ 5,230,653</u>	

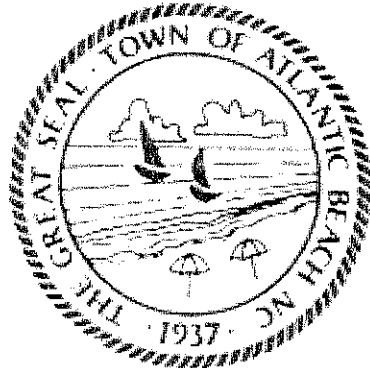


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### **Special Revenue Fund**

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

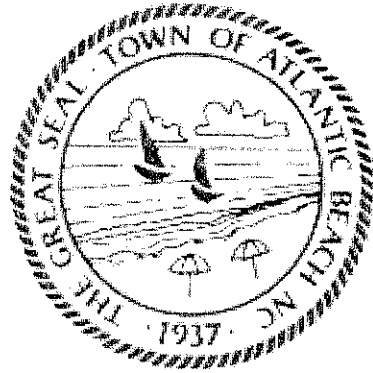
Capital Reserve Fund – Accounts for the accumulation of resources for major capital purchases.



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**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, 2009**

	Project Authorization	Actual		Total to Date
		Prior Years	Current Year	
<b>Revenues:</b>				
Interest income	\$ -	\$ 48,180	\$ 6,095	\$ 54,275
Occupancy tax income	100,000	\$ 100,000	-	\$ 100,000
Total revenue	100,000	148,180	6,095	154,275
<b>Other financing sources/(uses):</b>				
Transfer (to)/from General Fund	(100,000)	207,145	(27,040)	180,105
Total other financing sources (uses)	(100,000)	207,145	(27,040)	180,105
Net change in fund balance	\$ -	\$ 340,624	\$ (20,945)	\$ 319,679
Fund balance, beginning			355,325	
Fund balance, ending			\$ 334,380	

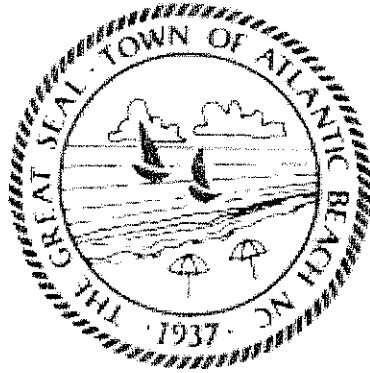


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## **Enterprise Fund**

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.



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**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, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Operating revenues:			
Charges for services:			
Utility Charges	\$ 850,000	\$ 839,350	\$ (10,650)
Total operating revenues	<u>850,000</u>	<u>839,350</u>	<u>(10,650)</u>
Non-operating revenues:			
Interest earnings	66,000	55,449	(10,551)
Availability fees	4,000	4,706	706
Fire hydrants	6,000	5,088	(912)
Late fees	20,000	18,417	(1,583)
Reconnect fees	2,000	1,236	(764)
Storm water impact fees	115,000	177,761	62,761
Connection fees	20,000	3,450	(16,550)
Impact fees	50,000	20,000	(30,000)
Stormwater - NC CWMT	50,000	17,753	(32,247)
Other	200	1,694	1,494
Total non-operating revenues	<u>333,200</u>	<u>305,554</u>	<u>(27,646)</u>
Total revenues	<u>1,183,200</u>	<u>1,144,904</u>	<u>(38,296)</u>
<b>Expenditures:</b>			
Administration:			
Salaries	163,480	162,576	904
Social Security	11,800	11,794	6
Retirement	18,130	18,228	(98)
Pension	8,035	8,130	(95)
Insurance - health	29,625	27,690	1,935
Workmans comp	7,266	7,265	1
Communication	4,000	625	3,375
Employee development	7,000	3,644	3,356
Professional services	49,475	8,342	41,133
Departmental supplies	32,084	10,458	21,626
Membership dues	4,500	3,140	1,360
Total administration	<u>335,395</u>	<u>261,892</u>	<u>73,503</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, 2009**

	2009		Variance Positive (Negative) (continued)
	Budget	Actual	
Water treatment and distribution:			
Contracted services - maintenance	80,525	80,107	418
Fuel	10,000	9,643	357
Lab Analysis	11,000	10,054	946
Repairs and maintenance - equipment	53,500	21,393	32,107
Insurance - other	23,640	23,052	588
Postage	30,000	21,603	8,397
Utilities	55,000	46,390	8,610
Building Maintenance	40,000	3,432	36,568
Supplies - for operations	116,800	62,281	54,519
Supplies - for inventory	35,000	24,087	10,913
Uniforms	3,050	3,032	18
Vehicle maintenance	8,000	1,263	6,737
Miscellaneous	4,500	2,728	1,772
Professional services	20,000	3,543	16,457
Stormwater - NC CWMT	100,000	53,337	46,663
Total water treatment and distribution	<u>591,015</u>	<u>365,945</u>	<u>225,070</u>
Debt Services:			
Principal retirement	113,890	25,000	88,890
Interest	55,655	1,134	54,521
Total debt services	<u>169,545</u>	<u>26,134</u>	<u>143,411</u>
Capital outlay:			
Total capital outlay	<u>200,000</u>	<u>32,332</u>	<u>167,668</u>
Total expenditures	<u>1,295,955</u>	<u>686,303</u>	<u>609,652</u>
Revenue over (under) expenditures	<u>(112,755)</u>	<u>458,601</u>	<u>571,356</u>

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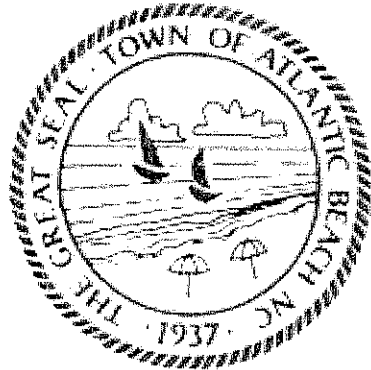
**Town of Atlantic Beach, North Carolina**  
**Enterprise Fund - Public Utilities Fund**  
**Schedule of Revenues and Expenditures - Budget and Actual**  
**Non-GAAP**  
**For the Fiscal Year Ended June 30, 2009**

	2009		Variance Positive (Negative)
	Budget	Actual	
<b>Other Financing Sources/(Uses)</b>			
Fund balance appropriated	319,741	-	(319,741)
Transfer to General Fund	(206,986)	(357,955)	(150,969)
Total other financing (uses)	<u>112,755</u>	<u>(357,955)</u>	<u>(470,710)</u>
Revenues over expenditures and other financing sources (uses)	<u>\$ -</u>	<u>100,646</u>	<u>\$ 100,646</u>

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

Reconciling items:

Principal on bonds and installment notes	25,000
Capital Outlay	32,332
Depreciation	(230,658)
Total	<u>(173,326)</u>
Change in net assets	<u>\$ (72,680)</u>

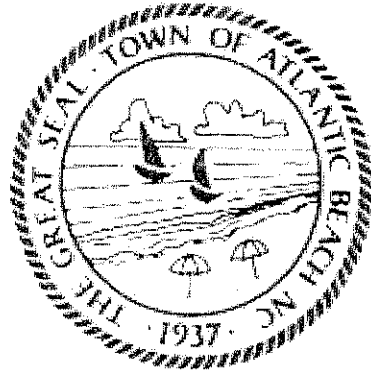


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### **Additional and Required Financial Data**

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



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**Town of Atlantic Beach, North Carolina**  
**Schedule of Ad Valorem Taxes Receivable**  
**For the Fiscal Year Ended June 30, 2009**

<u>Fiscal Year</u>	Uncollected Balance <u>June 30, 2008</u>	<u>Additions</u>	Collections And Credits	Uncollected Balance <u>June 30, 2009</u>
2008-2009	\$ -	\$ 2,871,302	\$ 2,829,673	\$ 41,629
2007-2008	14,191	-	11,793	2,398
2006-2007	2,548	-	1,118	1,430
2005-2006	1,653	-	394	1,259
2004-2005	-	-	-	-
	<u>\$ 18,392</u>	<u>\$ 2,871,302</u>	<u>\$ 2,842,978</u>	<u>\$ 46,716</u>

## Reconcilement with revenues:

Ad valorem taxes - General Fund	\$ 2,845,137
Reconciling items:	
Interest collected	(8,374)
Discounts allowed	(9,359)
Releases and other credits	15,574
	<u>15,574</u>

Total ad valorem collections \$ 2,842,978

**Town of Atlantic Beach, North Carolina**  
**Analysis of Current Tax Levy**  
**Town - Wide Levy**  
**For the Fiscal Year Ended June 30, 2009**

	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	\$ 2,281,515,200	0.125	\$ 2,851,894	\$ 2,824,650	\$ 27,244
Total	<u>2,281,515,200</u>		<u>2,851,894</u>	<u>2,824,650</u>	<u>27,244</u>
Discoveries:					
Current year taxes	29,346,400	0.125	\$ 36,683	36,683	-
Total	<u>2,310,861,600</u>		<u>2,888,577</u>	<u>2,861,333</u>	<u>27,244</u>
Abatements	(13,820,000)	0.125	(17,275)	(16,071)	(1,204)
Total property valuation	<u>\$ 2,297,041,600</u>				
Net levy			2,871,302	2,845,262	26,040
Uncollected taxes at June 30, 2009			<u>(41,629)</u>	<u>(38,700)</u>	<u>(2,929)</u>
Current year's taxes collected			<u>\$ 2,829,673</u>	<u>\$ 2,806,562</u>	<u>\$ 23,111</u>
Current levy collection percentage			<u>98.55%</u>	<u>98.64%</u>	<u>88.75%</u>