

**MID-EAST COMMISSION  
Washington, North Carolina  
Financial Statements  
For the Year Ended June 30, 2012**



Mid-East Commission  
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June 30, 2012

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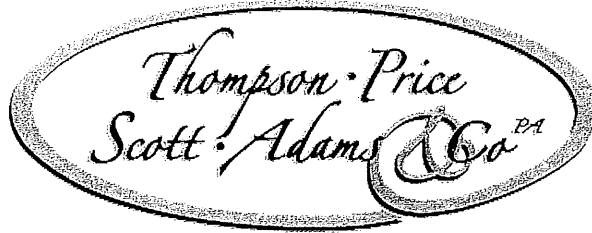
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## FINANCIAL SECTION





**CERTIFIED PUBLIC ACCOUNTANTS**

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**Independent Auditor's Report**

To the Board of the Mid-East Commissions  
Washington, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mid-East Commission as of and for the year ended June 30, 2012, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Mid-East Commission's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 provides a reasonable basis for our opinions.

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mid-East Commission as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2012 on our consideration of Mid-East Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise Mid-East Commission's basic financial statements. The combining and individual nonmajor fund statements, budgetary schedules and other schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The accompanying schedule of expenditures of federal and State awards is presented as for purposes of additional analysis 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, and is also not a required part of the basic financial statements. The combining and individual fund statements, budgetary schedules, other schedules and the 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 certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary schedules, other schedules and the schedule of expenditures of federal and State awards are stated in all material respects in relation to the basic financial statements as a whole.

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

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*Thompson, Price, Scott, Adams & Co., P.A*  
*October 22, 2012*

## MANAGEMENT'S DISCUSSION & ANALYSIS





## Management's Discussion and Analysis

As management of the Mid-East Commission, we offer readers of the Mid-East Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2012. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Commission's financial statements, which follow this narrative.

### Financial Highlights

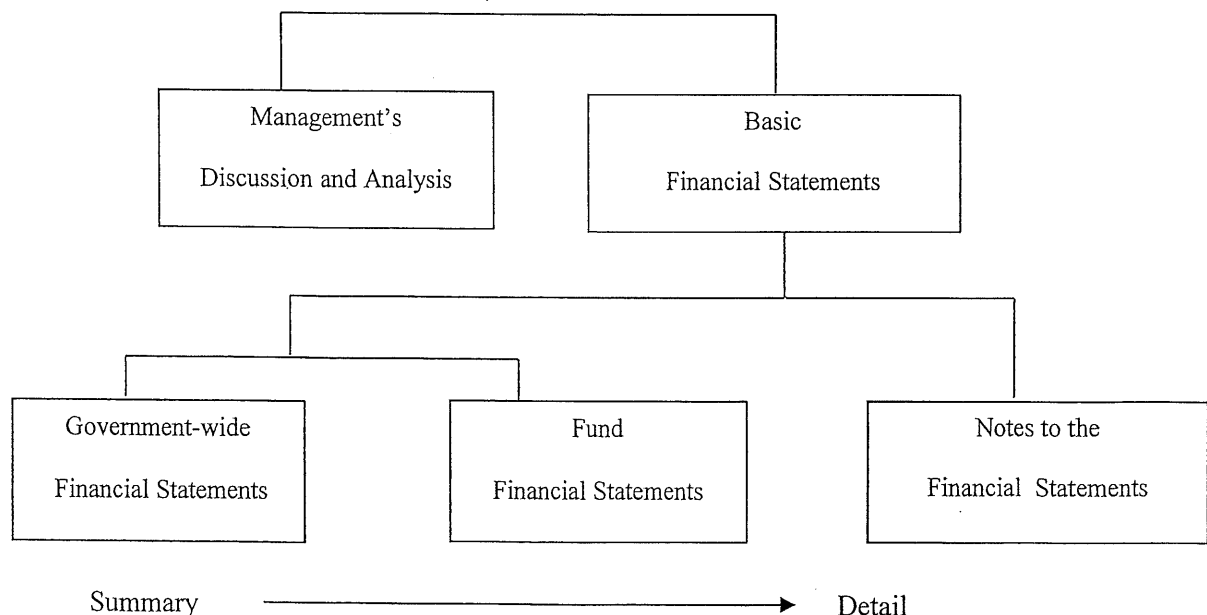
- The assets of the Mid-East Commission exceeded its liabilities at the close of the fiscal year by \$765,948.
- The government's total net assets decreased over the prior year by \$1,994.
- At the close of the current fiscal year, Mid-East Commission's governmental funds reported combined ending fund balances of \$759,476, an decrease of \$130,619 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the General Fund was \$243,565. This is an increase of \$2,723 from the prior year.
- Mid-East Commissions' total debt excluding compensated absences consists of \$1,834,039.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Mid-East Commission's basic financial statements. The Commission's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Commission 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 Mid-East Commission.

### Required Components of Annual Financial Report

Figure 1



## **Basic Financial Statements**

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

The next statements (Exhibits 3 through 10) are Fund Financial Statements. These statements focus on the activities of the individual parts of the Commission's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary 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 additional details about the Commission's activities. Budgetary information required by the General Statutes can also 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 Commission'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 Commission's financial status as a whole.

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

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the Commission's basic services such as public safety, economic and physical development, human services, workforce development, and general government. State and federal grant funds finance most of these activities. The business-type activities are those that the Commission charges customers to provide. The primary purpose of these activities is to facilitate affordable housing for the populations of the counties in Region Q.

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

## **Fund Financial Statements**

The Fund Financial Statements (see Figure 1) provide a more detailed look at the Commission'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 Mid-East Commission, 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 North Carolina General Statutes or the Commission's budget ordinance. All of the funds of the Mid-East Commission 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 Commission'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 short-term spending 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 Commission'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 Mid-East Commission 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 Commission, the management of the Commission, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Commission to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the Commission complied with the budget ordinance and whether or not the Commission succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

**Proprietary Funds** – Mid-East Commission has one kind of proprietary fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Mid-East Commission uses enterprise fund to account for the activities of blended component unit, the Mid-East Development Corporation, Inc.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements follow Exhibit 10 of this report.

**Interdependence with Other Entities**- The Mid-East Commission depends on financial resources flowing from, or associated with, both the Federal Government and the State of North Carolina. Because of this dependency, the Commission's is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury Securities because of actions by foreign government and other holders of publicly held U.S. Treasury Securities.

## **Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of the Mid-East Commission exceeded liabilities by \$765,948 as of June 30, 2012. The Commission's net assets decrease by \$1,994. Mid-East Commission uses the Governmental Activities capital assets of \$36,123 to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the Commission's net assets \$759,476 represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$174,727 for governmental activities is unrestricted.

**Mid-East Commission's Net Assets**  
**Figure 2**

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$1,975,918	\$1,692,326	\$ 307,969	\$ 300,136	\$2,283,887	\$1,992,462
Capital assets	36,123	24,677	1,136,339	1,183,055	1,172,462	1,207,732
Total assets	2,012,041	1,717,003	1,444,308	1,483,191	3,456,349	3,200,194
Long-term liabilities outstanding	226,951	237,828	1,608,403	1,610,746	1,835,354	1,848,574
Other liabilities	814,764	543,892	40,283	39,786	855,047	583,678
Total liabilities	1,041,715	781,720	1,648,686	1,650,532	2,690,401	2,432,252
Net assets:						
Invested in capital assets, net of related debt	36,123	24,677	(704,722)	(427,691)	(668,599)	(403,014)
Restricted	759,476	890,095	-	-	759,476	890,095
Unrestricted	174,727	20,511	500,344	260,350	675,071	280,861
Total net assets	\$ 970,326	\$ 935,283	\$ (204,378)	\$ (167,341)	\$ 765,948	\$ 767,942

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

- Careful management of expenses of the Commission's financial operations positively influenced resources to support indirect expenses.

**Mid-East Commission  
Changes in Net Assets  
Figure 3**

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
<b>Revenues:</b>						
Program Revenues						
Charges for Services	\$ -	\$ -	\$ 221,207	\$ 208,416	\$ 221,207	\$ 208,416
Operating grants	7,403,756	7,370,823	212,252	259,890	7,616,008	7,630,713
General revenues:						
Grants and contributions not restricted to specific programs	-	218,785	-	-	-	218,785
Investment earnings, unrestricted	13,958	23,834	402	274	14,360	24,108
<b>Total revenues</b>	<b>7,417,714</b>	<b>7,613,442</b>	<b>433,861</b>	<b>468,580</b>	<b>7,851,575</b>	<b>8,082,022</b>
<b>Expenses:</b>						
Economic & Physical Development	3,551,775	3,642,188	-	-	3,551,775	3,642,188
Human Services	3,265,262	3,272,236	-	-	3,265,262	3,272,236
Indirect costs	565,634	588,009	-	-	565,634	588,009
Business type activities	-	-	470,898	430,145	470,898	430,145
<b>Total expenses</b>	<b>7,382,671</b>	<b>7,502,433</b>	<b>470,898</b>	<b>430,145</b>	<b>7,853,569</b>	<b>7,932,578</b>
Increase (decrease) in net assets before transfers	35,043	111,009	(37,037)	38,435	(1,994)	149,444
Transfers	-	-	-	-	-	-
Increase (decrease) in net assets	35,043	111,009	(37,037)	38,435	(1,994)	149,444
Net assets, July 1	935,283	824,274	(167,341)	(205,776)	767,942	618,498
Net assets, June 30	<b>\$ 970,326</b>	<b>\$ 935,283</b>	<b>\$ (204,378)</b>	<b>\$ (167,341)</b>	<b>\$ 765,948</b>	<b>\$ 767,942</b>

**Governmental activities:** Governmental activities depreciation decreased the Commission's net assets by \$10,454.

**Business-type activities:** Business-type activities depreciation decreased the Commission's net assets by \$48,030.

### Financial Analysis of the Commission's Funds

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

**Governmental Funds.** The focus of the Mid-East Commission's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Mid-East Commission's financing requirements.

The General fund is the chief operating fund of Mid-East Commission. At the end of the current fiscal year, the fund balance of the General Fund was \$243,565, while fund balance available was \$0.

At June 30, 2012, the Governmental Funds of the Commission reported a combined fund balance of \$759,476 with a net decrease of \$130,619. Included in this changes in fund balance is an increase only in the General Fund.

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

#### Capital Asset and Debt Administration

**Capital assets.** The Mid-East Commission's capital assets for its governmental and business-type activities as of June 30, 2012 totals \$36,123 (net of accumulated depreciation) and \$1,136,339 (net of accumulated depreciation) respectively. These assets are primarily equipment for the governmental activities, and buildings and land for the business-type activities.

#### Mid-East Commission's Capital Assets (net of depreciation)

Figure 4

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ -	\$ -	\$ 98,750	\$ 98,750	\$ 98,750	\$ 98,750
Buildings	-	-	1,032,457	1,080,356	1,032,457	1,080,356
Equipment	36,123	24,677	5,132	3,949	41,255	28,626
Total	\$ 36,123	\$ 24,677	\$ 1,136,339	\$ 1,183,055	\$ 1,172,462	\$ 1,207,732

Additional information on the Commission's capital assets can be found in the notes of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2012 the Mid-East Commission's notes payable totaled \$357,949 for the Intermediary Relending Program and \$1,607,088 for the Mid-East Development Corporation.

#### Mid-East Commission's Outstanding Debt Compensated Absences and Installment Purchases

**Figure 5**

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Compensated absences	\$ 108,711	\$ 108,711	\$ -	\$ -	\$ 108,711	\$ 108,711
OPEB Liability	22,287	22,287	-	-	22,287	22,287
Installment purchases	226,951	237,828	1,607,088	1,610,746	1,834,039	1,848,574
Total	<u>\$ 357,949</u>	<u>\$ 368,826</u>	<u>\$ 1,607,088</u>	<u>\$ 1,610,746</u>	<u>\$ 1,965,037</u>	<u>\$ 1,979,572</u>

Additional information regarding the Mid-East Commission's long-term debt can be found in the notes to the financial statements.

### **Economic Factors and Next Year's Budgets and Rates**

The Mid-East Commission, Region Q, continues to experience high unemployment. However, federal funding for the Work Force Investment Act during the last several fiscal years was reduced. We anticipate this reduction to continue. These reductions have affected the Commission's funding level and staffing patterns. We anticipate the increase in program activity and funding for the Title V Program to continue.

### **Request for Information**

This report is designed to provide an overview of the Commission's finances for those with an interest in this area. Question concerning any of the information found in this report or requests for additional information should be directed to:

Mid-East Commission  
1385 John Small Avenue  
Washington, NC 27889

You can also call 252-974-1853, visit their website at [www.mideastcom.org](http://www.mideastcom.org), or send an e-mail to [jdodge@mideastcom.org](mailto:jdodge@mideastcom.org) for more information.





## BASIC FINANCIAL STATEMENTS



Mid-East Commission  
Statement of Net Assets  
June 30, 2012

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,164,451	\$ 179,900	\$ 1,344,351
Cash - Security deposits	-	16,085	16,085
Cash - Escrow	-	9,283	9,283
Cash - Reserve	-	79,274	79,274
Restricted Cash	-	-	-
Grants receivable	449,281	-	449,281
Accounts receivable	360,205	21,440	381,645
Prepays	1,981	1,987	3,968
Total Current Assets	<u>1,975,918</u>	<u>307,969</u>	<u>2,283,887</u>
Capital assets:			
Land, improvements, and construction in progress	-	98,750	98,750
Other capital assets, net of depreciation	36,123	1,037,589	1,073,712
Total capital assets	<u>36,123</u>	<u>1,136,339</u>	<u>1,172,462</u>
Total assets	<u>\$ 2,012,041</u>	<u>\$ 1,444,308</u>	<u>\$ 3,456,349</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 786,204	\$ 24,251	\$ 810,455
OPEB payable	28,560	-	28,560
Security deposits	-	16,032	16,032
Long-term liabilities:			
Due within one year	10,383	23,318	33,701
Due in more than one year	216,568	1,585,085	1,801,653
Total liabilities	<u>1,041,715</u>	<u>1,648,686</u>	<u>2,690,401</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	36,123	(472,064)	(435,941)
Restricted			
Stabilization by State Statute	243,565	-	243,565
Economic development	515,911	-	515,911
Unrestricted (deficit)	174,727	267,686	442,413
Total net assets	<u>\$ 970,326</u>	<u>\$ (204,378)</u>	<u>\$ 765,948</u>

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

MID-EAST COMMISSION  
Statement of Activities  
For the Year Ended June 30, 2012

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Primary government:</b>			
Governmental Activities:			
Economic and physical development	\$ 3,551,775	\$ -	\$ 4,088,659
Human services	3,265,262	-	3,315,097
Indirect costs	565,634	-	-
Total governmental activities	<u>7,382,671</u>	<u>-</u>	<u>7,403,756</u>
Business-type activities:			
Mid-East Development Corporation	470,898	221,207	159,268
Total business-type activities	<u>470,898</u>	<u>221,207</u>	<u>159,268</u>
Total primary government	<u>\$ 7,853,569</u>	<u>\$ 221,207</u>	<u>\$ 7,563,024</u>

General revenues:

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Total general revenues

Change in net assets

Net assets, beginning

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			
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
\$ -	\$ 536,884	-	536,884
-	49,835	-	49,835
-	(565,634)	-	(565,634)
-	21,085	-	21,085
52,984	-	(37,439)	(37,439)
52,984	-	(37,439)	(37,439)
\$ 52,984	21,085	(37,439)	(16,354)
-	-	-	-
	13,958	402	14,360
	13,958	402	14,360
	35,043	(37,037)	(1,994)
	935,283	(167,341)	767,942
	\$ 970,326	\$ (204,378)	\$ 765,948

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

MID-EAST COMMISSION  
Balance Sheet  
Governmental Funds  
June 30, 2012

	<u>Major Funds</u>		<u>Governmental Funds</u>
	<u>General Fund</u>	<u>Special Revenue</u>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 1,164,451	\$ 1,164,451
Grants receivable	-	449,281	449,281
Restricted cash	-	-	-
Accounts receivable	-	-	-
Other receivables	-	15,493	15,493
Loans receivable	-	344,712	344,712
Prepays	-	1,981	1,981
Due from other funds	243,847	(243,847)	-
Total assets	<u>243,847</u>	<u>1,732,071</u>	<u>1,975,918</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued liabilities	282	785,922	786,204
Deferred revenues	-	430,238	430,238
Total liabilities	<u>282</u>	<u>1,216,160</u>	<u>1,216,442</u>
Fund balances:			
Restricted			
Stabilization by State Statute	243,565	-	243,565
Economic development	-	-	-
Committed			
Economic development	-	515,911	515,911
Total fund balances	<u>243,565</u>	<u>515,911</u>	<u>759,476</u>
Total liabilities and fund balances	\$ <u>243,847</u>	\$ <u>1,732,071</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	36,123
Liabilities for earned but deferred revenues in fund statements	430,238
Some liabilities, including bonds payable and accrued interest, are not due and payable in current period and therefore are not reported in the funds	<u>(255,511)</u>
Total net assets of governmental activities	\$ <u>970,326</u>

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

MID-EAST COMMISSION  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2012

	Major Funds		
	General	Special Revenue	Total
<b>REVENUES</b>			
Federal awards	\$ -	\$ 4,916,444	\$ 4,916,444
State awards	-	1,631,432	1,631,432
Local in kind match	-	266,261	266,261
Other local revenue	129,031	310,976	440,007
Program income	-	-	-
Interest income	994	12,965	13,959
Total revenues	<u>130,025</u>	<u>7,138,078</u>	<u>7,268,103</u>
<b>EXPENDITURES</b>			
Economic and physical development	21,900	3,852,199	3,874,099
Human services	-	3,524,623	3,524,623
Total expenditures	<u>21,900</u>	<u>7,376,822</u>	<u>7,398,722</u>
Revenues over (under) expenditures	<u>108,125</u>	<u>(238,744)</u>	<u>(130,619)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers (to) from other funds	10,468	(10,468)	-
Transfer of local matching funds	(115,870)	115,870	-
Total other financing sources (uses)	<u>(105,402)</u>	<u>105,402</u>	<u>-</u>
Net change in fund balance	<u>2,723</u>	<u>(133,342)</u>	<u>(130,619)</u>
Fund balances, beginning	240,842	649,253	890,095
Fund balances, ending	<u>\$ 243,565</u>	<u>\$ 515,911</u>	<u>\$ 759,476</u>

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

MID-EAST COMMISSION  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2012

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

Net changes in fund balances - total governmental funds	\$ (130,619)
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

11,446

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

June 30, 2011	(280,626)
June 30, 2012	<u>430,238</u>
Change in deferred revenues	<u>149,612</u>

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.

(6,273)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.

10,877

Total changes in net assets of governmental activities	\$ <u><u>35,043</u></u>
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MID-EAST COMMISSION  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Annual Budget and Actual  
For the Year Ended June 30, 2012

	General Fund			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Other local revenue	\$ 129,031	\$ 129,031	\$ 129,031	\$ -
Interest Income	994	994	994	-
Total Revenues	<u>130,025</u>	<u>130,025</u>	<u>130,025</u>	<u>-</u>
<b>Expenditures:</b>				
General Government	<u>21,900</u>	<u>24,623</u>	<u>21,900</u>	<u>2,723</u>
Total Expenditures	<u>21,900</u>	<u>24,623</u>	<u>21,900</u>	<u>2,723</u>
Revenues Over (Under) Expenditures	<u>108,125</u>	<u>105,402</u>	<u>108,125</u>	<u>2,723</u>
<b>Other Financing Sources (Uses):</b>				
Transfers (to) from other funds	10,468	10,468	10,468	-
Trasfer of local matching funds	<u>(115,870)</u>	<u>(115,870)</u>	<u>(115,870)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(105,402)</u>	<u>(105,402)</u>	<u>(105,402)</u>	<u>-</u>
Net Change in fund Balance	\$ <u>2,723</u>	\$ <u>-</u>	2,723	\$ <u>2,723</u>
Fund Balances, Beginning of Year			240,842	
Fund Balances, End of Year			<u>\$ 243,565</u>	

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

MID-EAST COMMISSION  
Statement of Net Assets  
Proprietary Fund  
June 30, 2012

		<u>Major Enterprise Fund</u> <u>Mid-East Development</u> <u>Corporation</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$	179,900
Cash - Security deposits		16,085
Cash - Escrow		9,283
Cash - Reserve		79,274
Accounts receivable		21,440
Prepaid expenses		1,987
Total current assets		<u>307,969</u>
Capital assets:		
Land		98,750
Other capital assets, net of depreciation		<u>1,037,589</u>
Total capital assets		<u>1,136,339</u>
Total Assets	\$	<u>1,444,308</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$	24,251
Security deposits		16,032
Notes payable - current		<u>23,318</u>
Total current liabilities		<u>63,601</u>
Noncurrent liabilities:		
Notes payable - noncurrent		<u>1,585,085</u>
Total noncurrent liabilities		<u>1,585,085</u>
Total liabilities		<u>1,648,686</u>
<b>NET ASSETS</b>		
Invested in Capital Assets, net of related debt		(472,064)
Unrestricted		<u>267,686</u>
Total Net Assets	\$	<u>(204,378)</u>

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

MID-EAST COMMISSION  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Fund  
For the Year Ended June 30, 2012

	<u>Major Fund</u> <u>Mid-East Development</u> <u>Corporation</u>
<b>OPERATING REVENUES:</b>	
Rental income	\$ 188,695
Operation and management	1,552
Other revenue	30,960
Total operating revenues	<u>221,207</u>
<b>OPERATING EXPENSES</b>	
Management related	56,830
Operation of program services	226,025
Contractual services	76,317
Depreciation	48,030
Total operating expenditures	<u>407,202</u>
Operating income (loss)	<u>(185,995)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>	
Rental assistance - RECD	98,973
Interest subsidies - RECD	24,138
Interest income	402
Contributions and local support	36,157
Interest expense	(63,696)
Total nonoperating revenues (expenses)	<u>95,974</u>
Income (loss) before capital contributions	(90,021)
Capital contributions	<u>52,984</u>
Change in net assets	<u>(37,037)</u>
Total net assets, beginning	<u>(167,341)</u>
Total net assets, ending	<u>\$ (204,378)</u>

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

MID-EAST COMMISSION  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended June 30, 2012

	<u>Major Fund</u> <u>Development</u> <u>Corporation</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from renters	\$ 188,695
Other cash received	32,512
Cash paid for goods and services	(305,082)
Cash paid to employees for services	(56,830)
<b>Net cash provided (used) by operating activities</b>	<u>(140,705)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
Rental assistance and interest subsidies	123,111
Contributions and local support	36,157
<b>Net cash provided (used) by non-capital financing activities</b>	<u>159,268</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Capital contributions	\$ 63,851
Acquisition and construction of capital assets	(1,315)
Principal paid on long-term debt	(13,210)
Interest paid on long-term debt	(63,696)
<b>Net cash provided (used) by capital and related financing activities</b>	<u>(14,370)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest income	402
<b>Net cash provided (used) by investing activities</b>	<u>402</u>
Net increase (decrease) in cash and cash equivalents	<u>4,595</u>
Cash and cash equivalents, beginning	<u>279,947</u>
Cash and cash equivalents, ending	<u>\$ 284,542</u>

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

MID-EAST COMMISSION  
 Reconciliation of the Statement of Cash Flows of Proprietary Fund  
 For the Year Ended June 30, 2012

Reconciliation of operating income (loss) to net cash provided (used) by operating activities

Operating income (loss)	\$	(185,995)
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Adjustments to reconcile excess of revenues over (under) expenses to net cash used by operating activities

Depreciation		48,030
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Changes in current assets and current liabilities

(Increase) decrease in accounts receivable		(3,147)
--	--	---------

(Increase) decrease in prepaid expenses		(91)
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Increase (decrease) in accounts payable		349
---	--	-----

Increase (decrease) in security deposits		149
--	--	-----

Total adjustments		45,290
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<b>Net cash provided (used) by operating activities</b>	<b>\$</b>	<b><u>(140,705)</u></b>
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Supplemental disclosure of cash flow information:

Rental assistance from the Rural Economic and Community Development Service was applied to cover note principal of \$98,973. Interest subsidies in the amount of \$24,138 were applied to the corporation's debt.



## Notes to the Financial Statements





MID-EAST COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2012

I. Summary of Significant Accounting Policies

The accounting policies of Mid-East Commission conform to generally accepted accounting principles as applicable to Councils of Government. The following is a summary of the more significant accounting policies:

A. Reporting Entity

Mid-East Commission, a Council of Government for Region Q, was established to coordinate various funding received from Federal and State agencies. Currently, there are 5 county governments and 40 municipal governments participating as members in the Mid-East Commission. As required by generally accepted accounting principles, these financial statements present the Commission and its component unit, a legally-separate entity for which the Commission is financially accountable. The blended component unit, although it is a legally separate entity, is, in substance, part of the Commission's operations.

Blended Component Unit

**Mid-East Development Corporation**

The Mid-East Development Corporation, a non-profit corporation, was formed in February 1990, for the primary purpose of facilitating affordable housing for the populations of the Counties in Region Q. The by-laws signed on March 15, 1990, state that the Board of Directors shall consist of the chairman of the Mid-East Commission Board, the five county commissioner representatives and five of the municipal representatives, no two of whom shall be from the same county, as elected from the Mid-East Commission Board. On February 28, 1991, Mid-East Commission entered into a contract with Mid-East Development Corporation by which Mid-East Commission will provide administrative services for the Corporation. Therefore, the Corporation is reported as an enterprise fund in the Commission's financial statements.

Mid-East Development Corporation did not issue separate financial statements for the year ended June 30, 2012.

B. Basis of Presentation – Fund Accounting

*Government-wide Statements*: The statement of net assets and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the Commission. Governmental activities generally are financed through 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 Commission and for each function of the Commission'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.

for each fund category – *governmental and proprietary* – 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 and investment earnings, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The Commission reports the following major governmental funds:

*General Fund* - The General Fund is the general operating fund of the Commission. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue source is membership dues of the participating local governmental units.

*Special Revenue Funds* - The Special Revenue Fund accounts for specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The Commission reports all Special Revenue Funds within Aging, Workforce Development Region Q, Economic development, Mid-East Revolving Loan Fund, Mid-East IRP Fund, Planning, State Technical Assistance, Hispanic ESL Program, ARRA, Roanoke-Chowan DTF.

The Commission reports the following major enterprise fund:

*Mid-East Development Corporation* - This fund is used to account for the Commission's facilitation of affordable housing in Region Q.

### C. Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the Commission are maintained during the year on the modified accrual basis of accounting.

*Government-wide and Proprietary Fund Financial Statements* - The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary 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 Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants 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.

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 Commission enterprise funds are charges to customers for rent. Operating expenses for enterprise funds include the cost of rentals, 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, 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 Commission considers all revenues available if they are collected within 90 days after year-end. 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 Commission 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 Commission'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 of the Commission 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 Commission's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund. Project ordinances are adopted for the special revenue fund. All annual appropriations lapse at fiscal year-end. All budgets are prepared using the modified accrual basis of accounting. Some special revenue fund projects are budgeted on the period of the corresponding grant, which does not follow the same fiscal year as the Commission. Expenditures may not legally exceed appropriations at the functional level for the general fund and at the departmental level for the special revenue fund. The Budget Officer is authorized by the budget ordinance to transfer appropriations within a fund; however, any revisions that alter total expenditures of any fund must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

All deposits of the Commission and Mid-East Development Corporation are made in Board-designated official depositories and are secured as required by State law [G.S. 159-31]. The Commission and Mid-East Development Corporation may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Commission and Mid-East Development Corporation 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 Commission and the Mid-East Development Corporation 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 securities of the NCCMT Cash Portfolio, an SEC-registered (2a7) money market mutual fund are valued at fair value, which is the NCCMT's share price.

2. Cash and Cash Equivalents

Mid-East Commission pools money 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. Mid-East Development Corporation 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. In accordance with Rural Economic & Community Development (RECD) service regulations, the Corporation maintains all RECD project funds separate and distinct from other projects, and tenant security deposits are maintained in an account separate from other project funds.

3. Restricted Assets

Special Revenue funds are also classified as restricted cash because it can be expended only for the purposes for which the monies were granted.

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. Mid-East Commission did not have an allowance for doubtful accounts for the current year.

## 5. Prepaid Items

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 and expenses as the items are used.

## 6. Capital Assets

Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost. Donated assets are listed at the market value at the date of the donation. Certain items acquired before July 1, 1970 are recorded at an estimated original cost. The total of such estimates is not considered large enough that errors would be material when the fixed assets are considered as whole. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated over their estimated useful lives on a straight-line basis as follows:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings	40 years
Furniture and equipment	6-10 years

## 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

## 8. Compensated Absences

The vacation policies of the Commission and Mid-East Development Corporation generally provides for the accumulation of up to thirty (30) days of earned vacation leave with such leave being fully vested when earned. The Commission adopted a policy of recognizing an expenditure for the current portion of the accumulated vacation pay. The corresponding liability is reported in the Commission's special revenue fund. For the Commission's proprietary fund, Mid-East development Corporation, an expense and a liability for compensated absences and the salary-related payments are recorded within the fund as the leave is earned.

The sick leave policies of the Commission and Mid-East Development Corporation 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 determination of length of service for retirement benefit purposes. Since neither entity has any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

## 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 externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

### Fund Balances

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

The governmental fund types classify fund balances as follows:

**Nonspendable Fund Balance** - This classification includes amounts that cannot be spent because they are 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

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 the Commission's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by the governing body.

Committed for Economic Development - portion of fund balance assigned by the board for economic development.

Assigned Fund Balance - portion of fund balance that the Commission intends to use for specific purposes.

Subsequent year's expenditures – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation; however the budget ordinance authorizes the manager to modify the appropriations by resource or appropriation within funds up to \$100,000.

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

The Commission 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-commission funds, commission 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 Commission.

#### F. Revenues, Expenditures and Expenses

##### Cost Allocation Plan

Mid-East Commission institutes an annual cost allocation plan, based on estimates of the current year, in which indirect costs are pro-rated to the various grants based on an indirect rate that is determined in accordance with federal guidelines. The indirect costs shown in this report for the various grants have been adjusted to the actual amount of indirect expenditures for the year ended June 30, 2012. The rates, estimated and actual, that were used to allocate indirect costs and fringe benefits are as follows:

	<u>Estimated</u>	<u>Actual</u>
Indirect cost rate	42.999%	33.92%
Fringe benefit rate	52.977%	53.649%

##### Other Resources

The general fund provides the basis of local resources for the special revenue funds. These transactions are recorded as "Transfers to other funds" or "Transfer of local matching funds" in the General Fund and "Transfers from General Fund" or "Transfer of local matching funds" in the receiving fund.

##### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

## II. Stewardship, Compliance, and Accountability

### A. Significant Violations of Finance-Related Legal and Contractual Provisions

#### 1. Noncompliance with North Carolina General Statutes

No material instances of noncompliance with North Carolina Statutes were noted during the audit.

#### 2. Contractual Violations

None.

B. Deficit in Fund Balance or Net Assets of Individual Funds

None.

C. Excess of Expenditures over Appropriations

None.

III. Detail Notes on All FundsA. Assets1. Deposits

All of the deposits of the Commission and the Development Corporation 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 Commission's and the Development Corporation'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 Commission and Development Corporation, these deposits are considered to be held by their agent in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Commission or Development Corporation, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Commission or Development Corporation 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 Commission has no policy regarding custodial credit risk for deposits, but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The Commission complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The Development Corporation has no formal policy regarding custodial credit risk for deposits.

At June 30, 2012, the Commission's deposits had a carrying amount of \$1,281,137 and a bank balance of \$1,356,157. Of the bank balance, \$900,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method.

2. Investments

At June 30, 2012, the Commission had \$167,856 invested with the North Carolina Management Trust's Cash Portfolio which carried a credit rating of AAAM by Standard and Poor's. The Commission has no policy regarding credit risk.

3. Receivables

Receivables at the government-wide level at June 30, 2012 were as follows:

	Accounts	Due From Other Governments	Loans Receivable	Total
Governmental Activities:				
General	\$ 15,493	\$ 449,281	\$ 344,712	\$ 809,486
Other Governmental	-	-	-	-
Total Receivables	<u>\$ 15,493</u>	<u>\$ 449,281</u>	<u>\$ 344,712</u>	<u>\$ 809,486</u>
Business-Type Activities:				
Mid-East Development Corp	\$ 21,440	\$ -	\$ -	\$ 21,440

4. Capital Assets

Capital asset activity for the Primary Government year ended June 30, 2012, was as follows:

	Beginning Balances July 1, 2011	Increases	Decreases	Ending Balances June 30, 2012
Governmental Activities:				
Capital assets not being depreciated:				
Equipment	\$ 82,069	\$ 21,900	\$ -	\$ 103,969
Less accumulated depreciation for Equipment	57,392	10,454	-	67,846
Governmental activity capital assets, net	<u>24,677</u>			<u>36,123</u>

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

General government	\$ 8,070
Economic Development	2,384
Total Depreciation Expense	<u>\$ 10,454</u>

	Beginning Balances July 1, 2011	Increases	Decreases	Ending Balances 30-Jun-12
Business-type Activities				
<b>Mid-East Development Corporation</b>				
Capital assets not being depreciated:				
Land	\$ 98,750	\$ -	\$ -	\$ 98,750
Capital assets being depreciated:				
Buildings	1,765,341	-	-	1,765,341
Furniture, fixtures, equipment	44,206	1,315	-	45,521
Total capital assets being depreciated	1,809,547	1,315	-	1,810,862
Less accumulated depreciation for:				
Buildings	684,986	47,898	-	732,884
Furniture, fixtures, equipment	40,257	132	-	40,389
Total accumulated depreciation	725,243	48,030	-	773,273
Total capital assets being depreciated, net	1,084,304			1,037,589
Business-type activities capital assets, net	<u>\$ 1,183,054</u>			<u>\$ 1,136,339</u>

Loans Receivable

The Revolving Loan Fund, established by Mid-East Commission with Economic Development Administration grant funds, provides loans eligible to small businesses to boost economic development in the area. At June 30, 2012 loans receivable amounted to \$344,712 and consisted of several separate loans varying in amounts from \$3,780 to \$148,568 with varying repayment schedules. One loan is in default in the amount of \$49,222.

The Intermediary Re-lending Program Fund, established by the Mid-East Commission with the U.S. Department of Agriculture - Rural Development loan funds, provides loans to eligible small businesses to boost economic development in the area. At June 30, 2012 loans receivable amounted to \$-0-.

B. Liabilities1. Payables

Payables at the government-wide level at June 30, 2012, were as follows:

	Vendors	Other	Total
Governmental Activities			
Other Governmental	\$ 786,204	\$ -	\$ 786,204

## Business-type Activities

Mid-East Development Corporation	\$	24,251	\$	-	\$	24,251
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2. Pension Plan and Other Post Employment Obligationsa. Local Governmental Employees' Retirement System

Plan Description - The Mid-East Commission contributes 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 Policy - Plan members are required to contribute six percent of their annual covered salary to the System. The Commission is required to contribute at an actuarially determined rate. For the Commission, the current rate for employees not engaged in law enforcement as a percentage of annual covered payroll was 6.97%. The contribution requirements of members and of the Mid-East Commission are established and may be amended by the North Carolina General Assembly. The Council's contributions to LGERS for the years ended June 30, 2012, 2011, and 2010 were \$78,705, \$73,062, and \$59,801, respectively. The contributions made by the Council equaled the required contributions for each year.

b. Deferred Compensation Plan

The Commission offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all Commission employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

c. Other Post Employment BenefitsHealthcare Benefits

Plan Description - Under the terms of a Board resolution, the Board administers a single employer defined benefit healthcare plan ("the Retiree Health Plan").

Funding Policy - According to board resolution, Mid-East Commission provides healthcare benefits to retirees of the Commission who worked at least 1,000 hours per year, and have at least twenty (20) years of creditable service with the Commission at age 60, or who retire in any category of unreduced service retirement benefit under Local Governmental Employees Retirement System. The Commission provides full coverage for full-time employees and pro rata coverage for part-time employees in accordance with the following schedule: 20 years creditable service - 60%; 25 years creditable service - 80%; and 30 years creditable service - 100%. The Commission participates in the Municipal Insurance Trust (MIT) of North Carolina. MIT is a self-funded health benefits insurance pool sponsored by the North Carolina League of Municipalities for its members. The Commission has chosen to fund the healthcare benefits on a pay as you go basis. 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. In fiscal year ended June 30, 2012, the Commission made no contributions.

Annual OPEB Cost and Net OPEB Obligation. The Commission's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC).

The Commission has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. 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 Commission's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the Commission's net OPEB obligation for the postemployment healthcare benefits:

Annual required contribution	\$ 9,090
Interest on net OPEB obligation	368
Adjustment to annual required contribution	-
Annual OPEB cost (expense)	9,458
Contributions made	-
Increase (decrease) in net OPEB obligation	9,458
Net OPEB obligation, beginning of year	19,102
Net OPEB obligation, end of year	\$ 28,560

The Commission's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2012 were as follows:

For Year Ended 30-Jun	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 9,547	0.0%	\$ 9,547
2011	\$ 9,555	0.0%	\$ 19,102
2012	\$ 9,458	0.0%	\$ 28,560

**Funded Status and Funding Progress.** As of June 30, 2012, the actuarial accrued liability for benefits was \$174,251, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$295,099, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 59 percent.

The projection of future benefit payments for an ongoing plan involves 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 information about the actuarial value of plan assets and the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

**Retirement age for active employees** - Based on the historical average retirement age for the covered group, active plan members were assumed to retire at age 62, or at the first subsequent year in which the member would qualify for benefits.

**Marital Status** - Marital status of members at the calculation date was assumed to continue throughout retirement.

**Mortality** - Life expectancies were based on mortality tables from the National Center for Health Statistics. The 2005 United States Life Tables for Males and for Females were used.

**Turnover** - Non-group-specific age-based turnover data from GASB Statement 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for development of an unexpected future working lifetime assumption for purposes of allocating to periods the present value of total benefits paid.

*Healthcare cost trend rate* - The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare & Medicaid Services. A rate of 8.00 percent initially, reduced to an ultimate rate of 5.60 percent after six years, was used.

*Health insurance premiums* - 2012 health insurance for retirees were used as the basis for calculation of the present value of total

*Inflation rate* - The expected long-term inflation assumption of 3.8 percent was based on projected change in the Consumer Price Index for urban Wage Earners and Clerical Workers (CPI-W) in *The 2007 Annual Report of the Board of Trustees of Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds* for an intermediate growth scenario.

*Payroll growth rate* - The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the Commission's short-term investment portfolio, a discount rate of 4.00 percent was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2012, was twenty-nine years.

### 3. Operating Lease Commitments

The Commission conducts its operations in leased facilities under a non-cancelable operating lease, which expires in 2013. The Commission also has operating leases for copiers and a telephone system, which expire through 2014.

The minimum rental commitments with initial or remaining terms in excess of one year under operating leases are as follows:

Year Ending 30-Jun	Payment
2013	\$ 138,676
2014	17,748
2015	-
2016	-
2017	-
Total	<u>\$ 156,424</u>

### 4. Long-Term Obligations

#### Loans Payable

In July 2003, the Commission entered into a loan agreement with the U.S. Department of Agriculture - Rural Development for the purpose of providing loans to small businesses to boost economic development. On April 29, 2003, the loan was funded in the amount of \$300,000 at an annual interest rate of 1%. Annual payments of principal and interest are due through August 2032.

Aggregate maturities of long-term debt for the next five fiscal years and thereafter are as follows:

Year Ending 30-Jun	Payment	Principal	Interest Expense
2013	\$ 12,632	\$ 10,383	\$ 2,249
2014	12,631	10,486	2,145
2015	12,630	10,590	2,040
2016	12,629	10,695	1,934
2017	12,628	10,801	1,827
2018-2022	63,124	55,628	7,496
2023-2027	63,097	58,438	4,659
2028-2032	61,608	59,930	1,678
Total	<u>\$ 250,979</u>	<u>\$ 226,951</u>	<u>\$ 24,028</u>

#### Mid-East Development Corporation Debt

Long-term debt consists of the following at year-end:

3% restricted construction loan with North Carolina Housing Finance Agency, to be written off over a period of 5 years, beginning 2007, after a 14 year compliance period, secured by a deed of trust. \$ 28,118

0% restricted construction loan with North Carolina Housing Finance Agency, secured by a real estate deed of trust, due in monthly installments of \$322.	86,870
7.25% note payable to Rural Economic and Community Development, secured by real estate deed of trust, due in monthly installments of \$496 including interest, maturing in June 2043 (RECD provides subsidies of 6.25%).	214,751
6.25% note payable to USDA Rural Housing Service, secured by real estate, due in monthly installments of \$1,377 including interest, maturing in 2051 (RHS provides interest subsidies of 4.6%).	239,824
6.875% note payable to USDA Rural Housing Service, secured by real estate, due in monthly installments of \$148 including interest, maturing in 2015 (RHS provides interest subsidies of 4.6%).	35,960
6.5% note payable to Rural Economic and Community Development, secured by real estate deed of trust, due in monthly installments of \$2,412 including interest, maturing in February 2044 (RECD provides interest subsidies of 5.5%).	1,001,565
<b>Total</b>	<b>\$ 1,607,088</b>

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Payment	Total Interest	Interest Subsidy	Interest Expense	Principal
2013	\$ 124,246	\$ 100,928	\$ 70,692	\$ 30,236	\$ 23,318
2014	125,089	100,833	70,692	30,141	24,256
2015	123,571	98,314	70,692	27,622	25,257
2016	123,569	97,244	70,692	26,552	26,325
2017	133,404	96,102	70,692	25,410	37,302
2018-2022	589,736	460,480	353,461	107,019	129,256
2023-2027	589,736	417,809	353,461	64,348	171,927
2028-2032	580,006	358,287	353,461	4,826	221,719
2033-2037	570,417	275,680	353,461	(77,781)	294,737
2038-2042	570,416	160,810	353,461	(192,651)	409,606
2043-2047	237,877	42,510	95,636	(53,126)	195,367
2048-2052	60,643	11,310	38,383	(27,073)	49,333
Total	\$ 3,828,710	\$ 2,220,307	\$ 2,254,784	\$ (34,477)	\$ 1,608,403

*Note: Interest expense becomes negative in the last years of the mortgage when the interest subsidy is greater than the total interest*

#### Changes in Long-Term Liabilities

	Beginning Balance 6/30/2011	Increases	Decreases	Ending Balance 6/30/2012	Current Portion of Balance
Governmental Activities:					
Installment Purchases	\$ 237,828	\$ -	\$ (10,877)	\$ 226,951	\$ 10,383
OPEB Liability	22,287	-	-	22,287	-
Compensated absences	108,711	-	-	108,711	-
Total governmental activities	\$ 368,826	\$ -	\$ (10,877)	\$ 357,949	\$ 10,383
Business Type Activities:					
Installment purchase	\$ 1,621,613	\$ -	\$ (13,210)	\$ 1,608,403	\$ 23,318
Total business type activities	\$ 1,621,613	\$ -	\$ (13,210)	\$ 1,608,403	\$ 23,318

#### 5. Risk Management

The Commission 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 Commission participates in two self-funded risk financing pools administered by the Risk Management Agency of the North Carolina Association of County Commissioners. Through these pools, the Commission obtains property coverage equal to replacement cost values of owned property subject to a limit of \$125.5 million for any one occurrence, general and professional liability coverage of \$2 million per occurrence, crime coverage of \$250,000 per occurrence, and worker's compensation coverage up to the statutory limits. The pools are reinsured through a multi-state public entity carrier for single occurrence annual 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 and crime coverage, and single occurrence losses of \$350,000 for worker's compensation.

Mid-East Commission carries commercial coverage for all other risks of loss. There have been no significant reduction in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the last three fiscal years.

Mid-East Development Corporation is exposed to various risks of loss to torts; theft of, damage to, and destruction of assets; error and omission; injuries to employees; and natural disasters. The Corporation carries commercial insurance for these risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 159-29, the Commission's employees that have access to \$200 or more at any given time of the Commission's funds are performance bonded through a commercial surety bond. The finance director is individually bonded for \$50,000.

#### 6. Deferred Revenues

The balance in deferred revenues at the year-end is composed of the following elements:

	Special Revenue
Revolving Loan Program	\$ 344,712
Other	85,526
	<u>\$ 430,238</u>

#### C. Interfund Balances and Activity

Generally, outstanding balances between funds reported as "due to/from other funds" include outstanding charges by one fund to another fund for compensated absences, services, and other miscellaneous receivables/payable between funds.

From the General Fund to the Special Revenue Fund

	243,847
Total	<u>\$ 243,847</u>

#### Fund Balance

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

Total fund balance - General Fund	\$ 243,565
Less:	
Stabilization by State Statute	243,565
Remaining Fund Balance	\$ -

### III. Summary Disclosure of Significant Contingencies

#### Federal and State Assisted Programs

The Commission 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.

REQUIRED  
SUPPLEMENTAL FINANCIAL DATA

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This section contains additional information required by generally  
accounting principals.

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MID EAST COMMISSION  
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)
30-Jun-10	-	\$ 171,128	\$ 171,128	0.0%	\$ 297,814	57.46%
30-Jun-11	-	\$ 173,031	\$ 173,031	0.0%	\$ 291,951	59.27%
30-Jun-12	-	\$ 174,251	\$ 174,251	0.0%	\$ 295,099	59.05%

MID EAST COMMISSION  
Other Post Employment Benefits  
Required Supplementary Information  
Schedule of Employer Contributions

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<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2010	\$ 9,547	0.00%
2011	\$ 9,555	0.00%
2012	\$ 9,453	0.00%

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## GENERAL FUND

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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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MID-EAST COMMISSION  
General Fund  
Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Budget	Actual	Positive (Negative)
<b>REVENUES:</b>			
Other local revenue	\$ 129,031	\$ 129,031	\$ -
Interest income	994	994	-
<b>TOTAL REVENUES</b>	<b>130,025</b>	<b>130,025</b>	<b>-</b>
<b>EXPENDITURES</b>			
General government	24,623	21,900	2,723
Capital outlay	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>24,623</b>	<b>21,900</b>	<b>2,723</b>
Revenues over (under) expenditures	105,402	108,125	2,723
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from (to) other funds:	10,468	10,468	-
Transfer out of local matching funds	(115,870)	(115,870)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(105,402)</b>	<b>(105,402)</b>	<b>-</b>
Change in fund balance	\$ -	\$ 2,723	\$ 2,723
<b>Fund Balances:</b>			
Beginning of Year		240,842	
End of Year		\$ 243,565	



## SPECIAL REVENUE FUNDS

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

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Mid-East Commission  
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MID-EAST COMMISSION  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Special Revenue Fund  
For the Year Ended June 30, 2012

	<u>Aging</u>	<u>Workforce Development Region Q</u>	<u>Economic Development</u>	<u>Mid-East Revolving Loan Fund</u>	<u>Planning</u>
Revenues:					
Federal awards	\$ 1,638,586	\$ 3,180,554	\$ 77,699	\$ -	\$ -
State awards	1,547,480	-	-	-	62,503
Local match	263,452	4,500	-	-	-
Other local revenue	2,559	-	75,053	31,454	201,842
Program income	-	-	-	-	-
Interest Income	-	-	-	12,633	-
Total Revenues	<u>3,452,077</u>	<u>3,185,054</u>	<u>152,752</u>	<u>44,087</u>	<u>264,345</u>
Expenditures:					
Personnel	327,962	674,349	99,037	6,815	146,658
Participant wages and fringes	-	569,052	-	-	-
Travel	47,289	85,476	11,396	3,220	16,286
Contractual services	2,911,773	1,200,788	18,143	14,714	2,231
Capital outlay	997	-	-	-	-
Other direct expenses	90,301	353,280	23,387	136,865	30,590
Indirect costs	146,301	302,109	44,113	3,412	64,451
Total Expenditures	<u>3,524,623</u>	<u>3,185,054</u>	<u>196,076</u>	<u>165,026</u>	<u>260,216</u>
Revenues over(under) expenditures	<u>(72,546)</u>	<u>-</u>	<u>(43,324)</u>	<u>(120,939)</u>	<u>4,129</u>
Other Financing Sources (Uses)					
Transfers (to) from Special Projects	-	-	-	-	(4,129)
Transfer (to) from Special Projects	-	-	-	-	-
Transfer of local matching funds	72,546	-	43,324	-	-
Total other financing sources (uses)	<u>72,546</u>	<u>-</u>	<u>43,324</u>	<u>-</u>	<u>(4,129)</u>
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,939)</u>	<u>-</u>
Fund Balances:					
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>335,995</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,056</u>	<u>\$ -</u>



State Technical Assistance	Mid-East IRP Fund	RLF Sequester	IPT	ARRA	Roanoke-Chowan DTF	Total June 30, 2012
\$ -	\$ -	\$ -	\$ 623	\$ 14,482	\$ -	\$ 4,911,944
21,449	-	-	-	-	-	1,631,432
-	-	-	-	2,809	-	270,761
-	-	68	-	-	-	310,976
-	-	-	-	-	-	-
-	332	-	-	-	-	12,965
<u>21,449</u>	<u>332</u>	<u>68</u>	<u>623</u>	<u>17,291</u>	<u>-</u>	<u>7,138,078</u>
-	-	-	-	8,758	-	1,263,579
-	-	-	-	-	-	569,052
-	-	-	-	1,149	-	164,816
-	-	-	-	-	-	4,147,649
-	-	-	-	-	-	997
15,110	12,735	68	623	2,136	-	665,095
-	-	-	-	5,248	-	565,634
<u>15,110</u>	<u>12,735</u>	<u>68</u>	<u>623</u>	<u>17,291</u>	<u>-</u>	<u>7,376,822</u>
<u>6,339</u>	<u>(12,403)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(238,744)</u>
(6,339)	-	-	-	-	-	(10,468)
-	-	-	-	-	-	-
-	-	-	-	-	-	115,870
<u>(6,339)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,402</u>
<u>-</u>	<u>(12,403)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(133,342)</u>
-	313,258	-	-	-	-	649,253
<u>\$ -</u>	<u>\$ 300,855</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 515,911</u>

MID-EAST COMMISSION  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Aging Programs  
For the Year Ended June 30, 2012

	Aging Planning and Administration Title III	Home and Community Care Block Grant	Legal	Reach II	Aging Management Information Services	Title III Elder Abuse
Revenues:						
Federal awards	\$ 147,907	\$ 1,089,346	\$ 18,057	\$ 68,742	\$ -	\$ 5,690
State awards	13,864	1,285,738	1,063	-	-	335
Local match	-	254,975	-	3,735	-	-
Other local revenue	-	-	-	125	2,019	-
Total Revenues	<u>161,771</u>	<u>2,630,059</u>	<u>19,120</u>	<u>72,602</u>	<u>2,019</u>	<u>6,025</u>
Expenditures:						
Personnel	106,181	-	-	37,302	-	2,687
Travel	13,363	-	-	6,536	-	321
Contractual services	3,595	2,630,059	-	17,697	-	-
Capital outlay	-	-	-	-	-	-
Other direct expenses	26,808	-	19,120	6,385	2,019	2,870
Indirect costs	54,542	-	-	13,939	-	816
Total Expenditures	<u>204,489</u>	<u>2,630,059</u>	<u>19,120</u>	<u>81,859</u>	<u>2,019</u>	<u>6,694</u>
Revenues over(under) expenditures	<u>(42,718)</u>	<u>-</u>	<u>-</u>	<u>(9,257)</u>	<u>-</u>	<u>(669)</u>
Other Financing Sources (Uses)						
Transfer of local matching funds	42,718	-	-	9,257	-	669
Total other financing sources (uses)	<u>42,718</u>	<u>-</u>	<u>-</u>	<u>9,257</u>	<u>-</u>	<u>669</u>
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Year, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MID-EAST COMMISSION  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Aging Programs  
For the Year Ended June 30, 2012

Ombudsman Program	Home and Community Care Block Grant Martin & Beaufort	MIPPA II	AAA Administration Support	Title III-F, Disease Prevention, Health Promotion and Senior Center Outreach	HUD Housing and Home Equity Counseling	Family Caregiver Support
\$ 67,567	\$ -	\$ -	\$ -	\$ 24,635	\$ -	\$ 176,976
27,863	16,849	17,249	45,423	52,892	-	13,218
-	2,044	-	-	-	-	-
-	40	-	-	-	375	-
<u>95,430</u>	<u>18,933</u>	<u>17,249</u>	<u>45,423</u>	<u>77,527</u>	<u>375</u>	<u>190,194</u>
57,980	10,002	10,812	26,337	-	157	42,972
8,343	2,755	589	589	-	-	6,685
29	-	80	100	77,527	-	123,472
-	-	-	-	-	-	997
11,552	1,722	1,089	5,850	-	117	3,906
28,128	4,454	4,679	12,547	-	101	12,162
<u>106,032</u>	<u>18,933</u>	<u>17,249</u>	<u>45,423</u>	<u>77,527</u>	<u>375</u>	<u>190,194</u>
<u>(10,602)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>10,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>10,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Department of Insurance	Project Care	Special Project	CRC/LCA	Hurricane Irene	Total June 30, 2012
\$ -	\$ 39,666	\$ -	\$ -	\$ -	\$ 1,638,586
7,000	40,502	-	7,056	18,428	1,547,480
-	-	2,698	-	-	263,452
-	-	-	-	-	2,559
<u>7,000</u>	<u>80,168</u>	<u>2,698</u>	<u>7,056</u>	<u>18,428</u>	<u>3,452,077</u>
5,475	24,089	-	3,968	-	327,962
-	8,108	-	-	-	47,289
-	40,326	-	460	18,428	2,911,773
-	-	-	-	-	997
1,829	3,544	2,698	792	-	90,301
<u>1,996</u>	<u>11,101</u>	<u>-</u>	<u>1,836</u>	<u>-</u>	<u>146,301</u>
<u>9,300</u>	<u>87,168</u>	<u>2,698</u>	<u>7,056</u>	<u>18,428</u>	<u>3,524,623</u>
<u>(2,300)</u>	<u>(7,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(72,546)</u>
2,300	7,000	-	-	-	72,546
<u>2,300</u>	<u>7,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,546</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

MID-EAST COMMISSION  
Aging Programs - Aging Planning and Administration Title III  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	\$	\$ 147,907	\$
State awards		13,864	
Local match		-	
Other local revenue		-	
Total revenues	<u>161,771</u>	<u>161,771</u>	<u>-</u>
Expenditures			
Personnel		106,181	
Travel		13,363	
Contractual services		3,595	
Capital outlay		-	
Other direct expenses		26,808	
Indirect costs		54,542	
Total expenditures	<u>204,489</u>	<u>204,489</u>	<u>-</u>
Revenues over (under) expenditures	<u>(42,718)</u>	<u>(42,718)</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>42,718</u>	<u>42,718</u>	<u>-</u>
Total other financing sources (uses)	<u>42,718</u>	<u>42,718</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		-	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Home and Community Care Block Grant  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Federal awards	\$	\$ 1,089,346	\$ 1,089,346
State awards		1,285,738	1,285,738
Other local revenue		254,975	254,975
Total revenues	<u>2,630,059</u>	<u>2,630,059</u>	<u>2,630,059</u>
Expenditures			
Contractual services		<u>2,630,059</u>	<u>(2,630,059)</u>
Total expenditures	<u>2,630,059</u>	<u>2,630,059</u>	<u>(2,630,059)</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Legal  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Federal awards	\$	\$ 18,057	\$
State awards		1,063	
Other local revenue		-	
Total revenues	<u>19,120</u>	<u>19,120</u>	<u>-</u>
Expenditures			
Other direct expenses	-	19,120	
Indirect costs	-	-	
Total expenditures	<u>19,120</u>	<u>19,120</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
 Change in fund balance	 <u>\$ -</u>	 <u>-</u>	 <u>\$ -</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

MID-EAST COMMISSION  
Aging Programs - Reach II  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Federal awards	\$	\$ 68,742	\$
State awards		-	
Other local revenue		3,860	
Total revenues	<u>72,602</u>	<u>72,602</u>	<u>-</u>
Expenditures			
Personnel		37,302	
Travel		6,536	
Other direct expenses		6,385	
Indirect costs		13,939	
Contractual services		17,697	
Total expenditures	<u>81,859</u>	<u>81,859</u>	<u>-</u>
Revenues over (under) expenditures	<u>(9,257)</u>	<u>(9,257)</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>9,257</u>	<u>9,257</u>	<u>-</u>
Total other financing sources (uses)	<u>9,257</u>	<u>9,257</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	



MID-EAST COMMISSION  
Aging Programs - Aging Management Information Services  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Other local revenue	\$ <u>2,019</u>	\$ <u>2,019</u>	\$ <u>2,019</u>
Total revenues	<u>2,019</u>	<u>2,019</u>	<u>2,019</u>
Expenditures			
Other direct expenses	<u>2,019</u>	<u>2,019</u>	<u>-</u>
Total expenditures	<u>2,019</u>	<u>2,019</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>2,019</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u><u>-</u></u>	-	\$ <u><u>-</u></u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u><u>-</u></u>	

MID-EAST COMMISSION  
Aging Programs - Title III Elder Abuse  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	\$	\$ 5,690	\$
State awards		335	
Local match		-	
Total revenues	<u>6,025</u>	<u>6,025</u>	<u>-</u>
Expenditures			
Personnel		2,687	
Travel		321	
Other direct expenses		2,870	
Indirect costs		816	
Total expenditures	<u>6,694</u>	<u>6,694</u>	<u>-</u>
Revenues over (under) expenditures	<u>(669)</u>	<u>(669)</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>669</u>	<u>669</u>	<u>-</u>
Total other financing sources (uses)	<u>669</u>	<u>669</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		-	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Ombudsman Program  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Federal awards	\$	\$ 67,567	\$
State awards		27,863	
Local revenue		-	-
Total revenues	<u>95,430</u>	<u>95,430</u>	<u>-</u>
Expenditures			
Personnel		57,980	
Travel		8,343	
Contractual services		29	
Capital outlay		-	
Other direct expenses		11,552	
Indirect costs		28,128	
Total expenditures	<u>106,032</u>	<u>106,032</u>	<u>-</u>
Revenues over (under) expenditures	<u>(10,602)</u>	<u>(10,602)</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>10,602</u>	<u>10,602</u>	<u>-</u>
Total other financing sources (uses)	<u>10,602</u>	<u>10,602</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - HCCBG Martin and Beaufort Counties  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Federal awards	\$	\$ -	\$
State awards		16,849	
Local revenue		2,084	
Total revenues	<u>18,933</u>	<u>18,933</u>	<u>-</u>
Expenditures			
Personnel		10,002	
Travel		2,755	
Contractual services		-	
Capital outlay		-	
Other direct expenses		1,722	
Indirect costs		4,454	
Total expenditures	<u>18,933</u>	<u>18,933</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - MIPPA II  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
State awards	\$	\$ 17,249	\$
Total revenues	<u>17,249</u>	<u>17,249</u>	<u>-</u>
Expenditures			
Personnel		10,812	
Travel		589	
Contractual services		80	
Capital outlay		-	
Other direct expenses		1,089	
Indirect costs		4,679	
Total expenditures	<u>17,249</u>	<u>17,249</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		-	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - AAA Administration Support  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
State awards	\$	\$ 45,423	\$
Total revenues	<u>45,423</u>	<u>45,423</u>	<u>-</u>
Expenditures			
Personnel		26,337	
Travel		589	
Contractual services		100	
Capital outlay		-	
Other direct expenses		5,850	
Indirect costs		12,547	
Total expenditures	<u>45,423</u>	<u>45,423</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	- \$	<u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Title III-F Disease Prevention, Health Promotion, and Senior Center Outreach  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Positive (Negative)
Revenues			
Federal awards	\$	\$ 24,635	\$
State awards		52,892	
Total revenues	<u>77,527</u>	<u>77,527</u>	<u>-</u>
Expenditures			
Contractual services		77,527	
Other direct expenses		-	
Total expenditures	<u>77,527</u>	<u>77,527</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	- \$	<u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - HUD Housing and Home Equity Counseling  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
State awards	\$	\$ -	\$
Other local		375	
Total revenues	<u>375</u>	<u>375</u>	<u>-</u>
Expenditures			
Personnel		157	
Travel		-	
Contractual services		-	
Other direct expenses		117	
Indirect costs		101	
Total expenditures	<u>375</u>	<u>375</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	- \$	<u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	



MID-EAST COMMISSION  
Aging Programs - Family Caregiver Support  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Federal awards	\$	\$ 176,976	\$
Other local revenues		-	
State awards		13,218	
Total revenues	<u>190,194</u>	<u>190,194</u>	<u>-</u>
Expenditures			
Personnel		42,972	
Travel		6,685	
Contractual services		123,472	
Capital outlay		997	
Other direct expenses		3,906	
Indirect costs		12,162	
Total expenditures	<u>190,194</u>	<u>190,194</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Department of Insurance  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
State awards	\$	\$ 7,000	\$
Local match		-	
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Expenditures			
Personnel		5,475	
Travel		-	
Contractual services	-	-	
Other direct expenses		1,829	
Indirect costs		1,996	
Total expenditures	<u>9,300</u>	<u>9,300</u>	<u>-</u>
Revenues over (under) expenditures	<u>(2,300)</u>	<u>(2,300)</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>2,300</u>	<u>2,300</u>	<u>-</u>
Total other financing sources (uses)	<u>2,300</u>	<u>2,300</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	- \$ <u>-</u>	
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Project Care  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Positive (Negative)
Revenues			
Federal awards	\$	\$ 39,666	\$
State awards		40,502	
Other local revenue		-	
Local match		-	
Total revenues	<u>80,168</u>	<u>80,168</u>	<u>-</u>
Expenditures			
Personnel		24,089	
Travel		8,108	
Contractual services		40,326	
Capital outlay		-	
Other direct expenses		3,544	
Indirect costs		11,101	
Total expenditures	<u>87,168</u>	<u>87,168</u>	<u>-</u>
Revenues over (under) expenditures	<u>(7,000)</u>	<u>(7,000)</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Total other financing sources (uses)	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Special Project  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	\$	\$ -	\$
State awards		-	
Other local revenue		2,698	
Local match		-	
Total revenues	<u>2,698</u>	<u>2,698</u>	<u>-</u>
Expenditures			
Personnel		-	
Travel		-	
Contractual services		-	
Capital outlay		-	
Other direct expenses		2,698	
Indirect costs		-	
Total expenditures	<u>2,698</u>	<u>2,698</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer of local matching funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - CRC/LCA  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
State revenues	\$	\$ 7,056	\$
Total revenues	<u>7,056</u>	<u>7,056</u>	<u>-</u>
Expenditures			
Personnel		3,968	
Travel		-	
Contractual services		460	
Other direct expenses		792	
Indirect costs		1,836	
Total expenditures	<u>7,056</u>	<u>7,056</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Aging Programs - Hurricane Irene  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Local Match	\$	\$ -	\$
State awards		18,428	
Total revenues	<u>18,428</u>	<u>18,428</u>	<u>-</u>
Expenditures			
Personnel		-	
Travel		-	
Contractual services		18,428	
Other direct expenses		-	
Indirect costs		-	
Total expenditures	<u>18,428</u>	<u>18,428</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

MID-EAST COMMISSION  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Workforce Development Region Q  
For the Year Ended June 30, 2012

	Administration WIA 2010	Huurrirane Disaster Relief	Adult WIA 2020	MIS/ Business Services	Energy Grant	Dislocated Worker WIA 2030	Youth WIA 2040	Incentive WIA 2050	Total June 30, 2012
Revenues:									
Federal awards	\$ 225,452	\$ 331,645	\$ 670,147	\$ 127,177	\$ 319,563	\$ 633,894	\$ 832,936	\$ 44,240	\$ 3,185,054
Local match	-	-	-	-	-	-	-	-	-
Total Revenues	<u>225,452</u>	<u>331,645</u>	<u>670,147</u>	<u>127,177</u>	<u>319,563</u>	<u>633,894</u>	<u>832,936</u>	<u>44,240</u>	<u>3,185,054</u>
Expenditures:									
Personnel	122,218	37,007	113,424	71,226	50,587	94,057	185,830	-	674,349
Participant wages and fringes	-	199,971	85,891	-	-	116,994	166,196	-	569,052
Travel	18,187	1,665	5,011	11,789	3,546	5,271	7,151	32,856	85,476
Contractual services	1,186	69,658	326,456	381	235,649	240,434	326,160	864	1,200,788
Capital outlay	-	-	-	-	-	-	-	-	-
Other direct expenses	29,414	6,570	88,355	13,775	6,769	124,371	73,506	10,520	353,280
Indirect costs	<u>54,447</u>	<u>16,774</u>	<u>51,010</u>	<u>30,006</u>	<u>23,012</u>	<u>52,767</u>	<u>74,093</u>	-	<u>302,109</u>
Total Expenditures	<u>225,452</u>	<u>331,645</u>	<u>670,147</u>	<u>127,177</u>	<u>319,563</u>	<u>633,894</u>	<u>832,936</u>	<u>44,240</u>	<u>3,185,054</u>
Revenues over(under) expenditures	-	-	-	-	-	-	-	-	-
Change in fund balance	-	-	-	-	-	-	-	-	-
Fund Balances:									
Beginning of Year	-	-	-	-	-	-	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MID-EAST COMMISSION  
Workforce Development Region Q - Administration - WIA 2010  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Federal awards		225,452	
Local match		-	
Total revenues	<u>225,452</u>	<u>225,452</u>	<u>-</u>
Expenditures			
Administration:			
Personnel		122,218	
Travel		18,187	
Contractual services		1,186	
Capital outlay		-	
Other direct expenses		29,414	
Indirect costs		54,447	
Total expenditures (admin)	<u>225,452</u>	<u>225,452</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	



MID-EAST COMMISSION  
Workforce Development Region Q - Hurricane Disaster Relief  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	331,645	331,645	-
Total revenues	331,645	331,645	-
Expenditures			
Program:			
Personnel	37,007	37,007	-
Participant wages and fringes	199,971	199,971	-
Travel	1,665	1,665	-
Contractual services	69,658	69,658	-
Other direct expenses	6,570	6,570	-
Indirect costs	16,774	16,774	-
Total expenditures (program)	331,645	331,645	-
Revenues over (under) expenditures	-	-	-
Change in fund balance	\$ -	-	\$ -
Fund Balances:			
Beginning of year		-	
End of year		\$ -	

MID-EAST COMMISSION  
Workforce Development Region Q - Adult - WIA 2020  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues			
Federal awards	<u>670,147</u>	<u>670,147</u>	-
Total revenues	<u>670,147</u>	<u>670,147</u>	-
Expenditures			
Program:			
Personnel	113,424	113,424	-
Participant wages and fringes	85,891	85,891	-
Travel	5,011	5,011	-
Contractual services	326,456	326,456	-
Other direct expenses	88,355	88,355	-
Indirect costs	<u>51,010</u>	<u>51,010</u>	-
Total expenditures (program)	<u>670,147</u>	<u>670,147</u>	-
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	-
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Workforce Development Region Q - MIS/Business Services  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Positive (Negative)
Revenues			
Federal awards	127,177	127,177	-
Total revenues	127,177	127,177	-
Expenditures			
Program:			
Personnel	71,226	71,226	-
Participant wages and fringes	-	-	-
Travel	11,789	11,789	-
Contractual services	381	381	-
Other direct expenses	13,775	13,775	-
Indirect costs	30,006	30,006	-
Total expenditures (program)	127,177	127,177	-
Revenues over (under) expenditures	-	-	-
Change in fund balance	\$ -	-	\$ -
Fund Balances:			
Beginning of year		-	
End of year		\$ -	

MID-EAST COMMISSION  
Workforce Development Region Q - Energy Grant  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Federal awards	319,563	319,563	-
Total revenues	<u>319,563</u>	<u>319,563</u>	<u>-</u>
Expenditures			
Program:			
Personnel	50,587	50,587	-
Participant wages and fringes	-	-	-
Travel	3,546	3,546	-
Contractual services	235,649	235,649	-
Other direct expenses	6,769	6,769	-
Indirect costs	23,012	23,012	-
Total expenditures (program)	<u>319,563</u>	<u>319,563</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
 Workforce Development Region Q - Dislocated Worker - WIA 2030  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	633,894	633,894	-
Total revenues	633,894	633,894	-
Expenditures			
Program:			
Personnel	94,057	94,057	-
Participant wages and fringes	116,994	116,994	-
Travel	5,271	5,271	-
Contractual services	240,434	240,434	-
Other direct expenses	124,371	124,371	-
Indirect costs	52,767	52,767	-
Total expenditures (program)	633,894	633,894	-
Revenues over (under) expenditures	-	-	-
Change in fund balance	\$ -	-	\$ -
Fund Balances:			
Beginning of year		-	
End of year		\$ -	

MID-EAST COMMISSION  
Workforce Development Region Q - Youth - WIA 2040  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	832,936	832,936	-
Total revenues	832,936	832,936	-
Expenditures			
Program:			
Personnel	185,830	185,830	-
Participant wages and fringes	166,196	166,196	-
Travel	7,151	7,151	-
Contractual services	326,160	326,160	-
Capital outlay	-	-	-
Other direct expenses	73,506	73,506	-
Indirect costs	74,093	74,093	-
Total expenditures (program)	832,936	832,936	-
Revenues over (under) expenditures	-	-	-
Change in fund balance	\$ -	-	\$ -
Fund Balances:			
Beginning of year		-	
End of year		\$ -	

MID-EAST COMMISSION  
Workforce Development Region Q - Incentive - WIA 2050  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Federal awards	44,240	44,240	-
Local match	-	-	-
Total revenues	<u>44,240</u>	<u>44,240</u>	<u>-</u>
Program:			
Personnel	-	-	-
Participant wages and fringes	-	-	-
Travel	32,856	32,856	-
Contractual services	864	864	-
Capital outlay	-	-	-
Other direct expenses	10,520	10,520	-
Indirect costs	-	-	-
Total expenditures	<u>44,240</u>	<u>44,240</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		<u>\$ -</u>	

MID-EAST COMMISSION  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -Economic Development Programs  
For the Year Ended June 30, 2012

	Economic Development Administration	Hurricane Irene	NC Tommorrow	GUC ASR RC	Auroa TEDG	Chocowinity Southtech
Revenues:						
Federal awards	\$ 64,288	\$ 13,411	\$ -	\$ -	\$ -	\$ -
Other local revenue	-	6,310	12,102	7,619	616	1,815
Total Revenues	<u>64,288</u>	<u>19,721</u>	<u>12,102</u>	<u>7,619</u>	<u>616</u>	<u>1,815</u>
Expenditures:						
Personnel	59,455	1,676	6,132	4,439	342	971
Travel	4,844	-	1,591	528	58	236
Contractual services	-	17,643	500	-	-	-
Capital outlay	-	-	-	-	-	-
Other direct expenses	15,912	186	1,272	612	48	134
Indirect costs	26,946	671	2,607	2,040	168	474
Total Expenditures	<u>107,157</u>	<u>20,176</u>	<u>12,102</u>	<u>7,619</u>	<u>616</u>	<u>1,815</u>
Revenues over(under) expenditures	<u>(42,869)</u>	<u>(455)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)						
Transfer (to) from special projects	-	-	-	-	-	-
Transfer (to) from general fund	-	-	-	-	-	-
Transfer of local matching funds	42,869	455	-	-	-	-
Total other financing sources (uses)	<u>42,869</u>	<u>455</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Chocowinity IDF	Beaufort County CC EDA	GUC Sterling Point Project	GUC Westside	Washington EDA Jack's Creek	Beaufort County CMW	Total June 30, 2012
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,699
937	10,084	7,101	1,290	6,528	20,651	75,053
937	10,084	7,101	1,290	6,528	20,651	152,752
570	6,170	4,006	776	3,356	11,144	99,037
47	429	693	86	752	2,132	11,396
-	-	-	-	-	-	18,143
-	-	-	-	-	-	-
74	793	703	98	899	2,656	23,387
246	2,692	1,699	330	1,521	4,719	44,113
937	10,084	7,101	1,290	6,528	20,651	196,076
-	-	-	-	-	-	(43,324)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	43,324
-	-	-	-	-	-	43,324
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MID-EAST COMMISSION  
Economic Development Programs - Economic Development Administration  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	64,288	64,288	-
Total revenues	64,288	64,288	-
Expenditures			
Personnel	59,455	59,455	-
Travel	4,844	4,844	-
Contractual services	-	-	-
Other direct expenses	15,912	15,912	-
Indirect costs	26,946	26,946	-
Total expenditures	107,157	107,157	-
Revenues over (under) expenditures	(42,869)	(42,869)	-
Other Financing Source (Uses)			
Transfer from ED special projects	-	-	-
Transfer of local matching funds	42,869	42,869	-
Total other financing sources (uses)	42,869	42,869	-
Change in fund balance	\$ -	-	\$ -
Fund Balances:			
Beginning of year		-	
End of year		\$ -	

MID-EAST COMMISSION  
Economic Development Programs - Hurricane Irene  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2012

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Postive (Negative)
Revenues					
Federal awards	\$ 13,411	\$ -	\$ 13,411	\$ 13,411	\$ -
Other local revenue	6,310	-	6,310	6,310	-
Total revenues	<u>19,721</u>	<u>-</u>	<u>19,721</u>	<u>19,721</u>	<u>-</u>
Expenditures					
Personnel	1,676	-	1,676	1,676	-
Travel	-	-	-	-	-
Contractual services	17,643	-	17,643	17,643	-
Other direct expenses	186	-	186	186	-
Indirect costs	671	-	671	671	-
Total expenditures	<u>20,176</u>	<u>-</u>	<u>20,176</u>	<u>20,176</u>	<u>-</u>
Revenues over (under) expenditures	<u>(455)</u>	<u>-</u>	<u>(455)</u>	<u>(455)</u>	<u>-</u>
Other Financing Source (Uses)					
Transfer (to) from	455	-	455	-	-
Total other financing sources (uses)	<u>455</u>	<u>-</u>	<u>455</u>	<u>455</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>	\$ <u>-</u>
Fund Balances:					
Beginning of year			-		
End of year			\$ <u>-</u>		

MID-EAST COMMISSION  
Economic Development Programs - NC Tommorrow  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2012

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Postive (Negative)
Revenues					
Federal awards	\$ -	\$ -	\$ -	\$ -	\$ -
Other local revenue	12,102	-	12,102	12,102	-
Total revenues	<u>12,102</u>	<u>-</u>	<u>12,102</u>	<u>12,102</u>	<u>-</u>
Expenditures					
Personnel	6,132	-	6,132	6,132	-
Travel	1,591	-	1,591	1,591	-
Contractual services	500	-	500	500	-
Other direct expenses	1,272	-	1,272	1,272	-
Indirect costs	2,607	-	2,607	2,607	-
Total expenditures	<u>12,102</u>	<u>-</u>	<u>12,102</u>	<u>12,102</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:					
Beginning of year			-		
End of year			<u>\$ -</u>		

MID-EAST COMMISSION  
Economic Development Programs - GUC ASR RC  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Federal awards	\$ -	\$ -	\$ -
State awards	-	-	-
Local match	<u>7,619</u>	<u>7,619</u>	<u>-</u>
Total revenues	<u>7,619</u>	<u>7,619</u>	<u>-</u>
 Expenditures			
Personnel	4,439	4,439	-
Travel	528	528	-
Other direct expenses	612	612	-
Indirect costs	<u>2,040</u>	<u>2,040</u>	<u>-</u>
Total expenditures	<u>7,619</u>	<u>7,619</u>	<u>-</u>
 Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
 Other Financing Source (Uses)			
Transfer (to) from general fund	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
 Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
 Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Economic Development Programs - Auroa TEDG  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2012

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Postive (Negative)
Revenues					
Federal awards	\$ -	\$ -	\$ -	\$ -	\$ -
Other local revenue	7,238	6,622	616	7,238	-
Total revenues	<u>7,238</u>	<u>6,622</u>	<u>616</u>	<u>7,238</u>	<u>-</u>
Expenditures					
Personnel	4,114	3,772	342	4,114	-
Travel	682	624	58	682	-
Contractual services	-	-	-	-	-
Other direct expenses	50	2	48	50	-
Indirect costs	2,392	2,224	168	2,392	-
Total expenditures	<u>7,238</u>	<u>6,622</u>	<u>616</u>	<u>7,238</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:					
Beginning of year			-		
End of year			<u>\$ -</u>		

MID-EAST COMMISSION  
Economic Development Programs - Chocowinity Southtech  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2012

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Postive (Negative)
Revenues					
Other local revenue	14,219	12,404	1,815	14,219	-
Total revenues	14,219	12,404	1,815	14,219	-
Expenditures					
Personnel	8,138	7,167	971	8,138	-
Travel	963	727	236	963	-
Other direct expenses	1,117	983	134	1,117	-
Indirect costs	4,001	3,527	474	4,001	-
Total expenditures	14,219	12,404	1,815	14,219	-
Revenues over (under) expenditures	-	-	-	-	-
Change in fund balance	\$ -	\$ -	-	\$ -	\$ -
Fund Balances:					
Beginning of year			-		
End of year			\$ -		

MID-EAST COMMISSION  
Economic Development Programs - Chocowinity IDF  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
Revenues			
Federal awards	\$ -	\$ -	\$ -
State awards	-	-	-
Local match	<u>937</u>	<u>937</u>	<u>-</u>
Total revenues	<u>937</u>	<u>937</u>	<u>-</u>
Expenditures			
Personnel	570	570	-
Travel	47	47	-
Other direct expenses	74	74	-
Indirect costs	<u>246</u>	<u>246</u>	<u>-</u>
Total expenditures	<u>937</u>	<u>937</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer (to) from general fund	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	



MID-EAST COMMISSION  
Economic Development Programs - Beaufort County CC EDA  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	\$ -	\$ -	\$ -
State awards	-	-	-
Local match	10,084	10,084	-
Total revenues	<u>10,084</u>	<u>10,084</u>	<u>-</u>
Expenditures			
Personnel	6,170	6,170	-
Travel	429	429	-
Other direct expenses	793	793	-
Indirect costs	2,692	2,692	-
Total expenditures	<u>10,084</u>	<u>10,084</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer (to) from general fund	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Economic Development Programs - GUC Sterling Point  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Positive (Negative)
Revenues			
Federal awards	\$ -	\$ -	\$ -
State awards	-	-	-
Local match	7,101	7,101	-
Total revenues	<u>7,101</u>	<u>7,101</u>	<u>-</u>
Expenditures			
Personnel	4,006	4,006	-
Travel	693	693	-
Other direct expenses	703	703	-
Indirect costs	1,699	1,699	-
Total expenditures	<u>7,101</u>	<u>7,101</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer (to) from general fund	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Economic Development Programs - GUC Westside  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Positive (Negative)
Revenues			
Federal awards	\$ -	\$ -	\$ -
State awards	-	-	-
Local match	1,290	1,290	-
Total revenues	<u>1,290</u>	<u>1,290</u>	<u>-</u>
Expenditures			
Personnel	776	776	-
Travel	86	86	-
Other direct expenses	98	98	-
Indirect costs	330	330	-
Total expenditures	<u>1,290</u>	<u>1,290</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer (to) from general fund	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Economic Development Programs - Washington EDA  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	Budget	Actual	Variance Postive (Negative)
Revenues			
Federal awards	\$ -	\$ -	\$ -
State awards	-	-	-
Local match	6,528	6,528	-
Total revenues	<u>6,528</u>	<u>6,528</u>	<u>-</u>
Expenditures			
Personnel	3,356	3,356	-
Travel	752	752	-
Other direct expenses	899	899	-
Indirect costs	1,521	1,521	-
Total expenditures	<u>6,528</u>	<u>6,528</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Source (Uses)			
Transfer (to) from general fund	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Economic Development Programs - Beaufort County CMW  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2012

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Postive (Negative)
Revenues					
Federal awards	\$ -	\$ -	\$ -	\$ -	\$ -
Other local revenue	3,090	14,808	20,651	35,459	32,369
Total revenues	<u>3,090</u>	<u>14,808</u>	<u>20,651</u>	<u>35,459</u>	<u>32,369</u>
Expenditures					
Personnel	2,030	9,395	11,144	20,539	18,509
Travel	33	403	2,132	2,535	2,502
Equipment	-	-	-	-	-
Other direct expenses	191	171	2,656	2,827	2,636
Indirect costs	836	4,839	4,719	9,558	8,722
Total expenditures	<u>3,090</u>	<u>14,808</u>	<u>20,651</u>	<u>35,459</u>	<u>32,369</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfer to other ED funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances:					
Beginning of year			<u>-</u>		
End of year			<u>\$ -</u>		

MID-EAST COMMISSION  
Planning Programs  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2012

	Aurora Planning & Zoning Administration	Aulander Planning & Zoning Administration	Beaufort County	Ahoscie PARTF	Bicycle Master Plan Washington	Planning & Zoning Ahoscie
Revenues:						
State awards	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local awards	2,636	1,191	43,127	7,985	1,943	10,027
Total Revenues	<u>2,636</u>	<u>1,191</u>	<u>43,127</u>	<u>7,985</u>	<u>1,943</u>	<u>10,027</u>
Expenditures:						
Personnel	1,482	695	25,773	4,859	1,045	5,722
Travel	-	-	360	80	-	800
Contractual services	100	-	1,432	45	-	145
Other direct expenses	390	116	4,041	989	453	830
Indirect costs	664	380	11,521	2,012	445	1,605
Total Expenditures	<u>2,636</u>	<u>1,191</u>	<u>43,127</u>	<u>7,985</u>	<u>1,943</u>	<u>9,102</u>
Revenues over(under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>925</u>
Other Financing Sources (Uses)						
Transfer (to) from special projects	-	-	-	-	-	(925)
Transfer of local matching funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(925)</u>
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MID-EAST COMMISSION  
Planning Programs  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2012

	Colrain Planning & Zoning Admin	Chocowinity Planning & Zoning Admin	NCARC GIS	Planning Special Projects	RPO	Rural Transportation Planning	Totals		Variance Positive (Negative)
							June 30, 2012	Budget	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ 62,503	62,503	\$ 62,503	-
	946	8,688	1,500	3,249	99,625	20,925	201,842	201,842	-
	946	8,688	1,500	3,249	99,625	83,428	264,345	264,345	-
	574	5,269	726	-	55,869	44,644	146,658	146,658	-
	-	45	18	-	7,775	7,208	16,286	16,286	-
	-	100	-	-	180	229	2,231	2,231	-
	87	793	402	-	11,339	11,150	30,590	30,590	-
	285	2,481	354	45	24,462	20,197	64,451	64,451	-
	946	8,688	1,500	45	99,625	83,428	260,216	260,216	-
	-	-	-	3,204	-	-	4,129	4,129	-
	-	-	-	(3,204)	-	-	(4,129)	(4,129)	-
	-	-	-	-	-	-	-	-	-
	-	-	-	(3,204)	-	-	(4,129)	(4,129)	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-
	-	-	-	-	-	-	-	-	-

MID-EAST COMMISSION  
State Technical Assistance  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
State awards	\$ <u>          </u>	\$ <u>21,449</u>	\$ <u>          </u>
Total revenues	<u>21,449</u>	<u>21,449</u>	<u>-</u>
Expenditures			
Other direct expenses	15,110	15,110	
Indirect costs	<u>-</u>	<u>-</u>	
Total expenditures	<u>15,110</u>	<u>15,110</u>	<u>-</u>
Revenues over(under) expenditures	6,339	6,339	-
Other Financing Sources (Uses)			
Transfer (to) other funds	-	-	-
Transfer (to) other funds	(6,339)	(6,339)	-
Transfer (to) Special Project Planning	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(6,339)</u>	<u>(6,339)</u>	<u>-</u>
Change in fund balance	\$ <u><u>-</u></u>	-	\$ <u><u>-</u></u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u><u>-</u></u>	



MID-EAST COMMISSION  
Mid-East Intermediary Re-Lending Program Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
From Inception and For the Fiscal Year Ended June 30, 2012

	Project Authorization	Prior Years	Current Year	Total to Date	Variance Postive (Negative)
Revenues					
Interest	7,633	64,964	332	65,296	57,663
Program income	86,667	299,927	-	299,927	213,260
Other local revenue	63	79,796	-	79,796	79,733
Total revenues	<u>94,363</u>	<u>444,687</u>	<u>332</u>	<u>445,019</u>	<u>350,656</u>
Expenditures					
Personnel	8,825	-	-	-	8,825
Travel	32	32	-	32	-
Contractual services	40,275	40,275	-	40,275	-
Other direct expenses	372,087	372,087	-	372,087	-
Principal	20,664	10,281	10,383	20,664	-
Interest	4,806	2,454	2,352	4,806	-
Indirect costs	6,300	6,300	-	6,300	-
Total expenditures	<u>452,989</u>	<u>431,429</u>	<u>12,735</u>	<u>444,164</u>	<u>8,825</u>
Revenues over (under) expenditures	<u>(358,626)</u>	<u>13,258</u>	<u>(12,403)</u>	<u>855</u>	<u>359,481</u>
Other Financing Sources (Uses)					
Loan proceeds	<u>358,626</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>	<u>(58,626)</u>
Total other financing sources (uses)	<u>358,626</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>	<u>(58,626)</u>
Change in fund balance	\$ <u>-</u>	\$ <u>313,258</u>	(12,403)	\$ <u>300,855</u>	\$ <u>300,855</u>
Fund Balances:					
Beginning of year			<u>313,258</u>		
End of year			\$ <u>300,855</u>		

MID-EAST COMMISSION  
Mid-East Revolving Loan Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
Revenues			
Interest	12,633	12,633	-
Processing fees	4,262	4,262	-
Other local revenue	27,192	27,192	
Program income	<u>120,939</u>	<u>-</u>	<u>120,939</u>
Total revenues	<u>165,026</u>	<u>44,087</u>	<u>120,939</u>
Expenditures			
Personnel	6,815	6,815	-
Travel	3,220	3,220	-
Contractual services	14,714	14,714	-
Other direct expenses	136,865	136,865	-
Indirect costs	<u>3,412</u>	<u>3,412</u>	<u>-</u>
Total expenditures	<u>165,026</u>	<u>165,026</u>	<u>-</u>
Revenues over (under) expenditures	<u>-</u>	<u>(120,939)</u>	<u>120,939</u>
Change in fund balance	\$ <u>-</u>	(120,939)	\$ <u>120,939</u>
Fund Balances:			
Beginning of year		<u>335,995</u>	
End of year		\$ <u>215,056</u>	

MID-EAST COMMISSION  
 RLF Sequester  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	<u>Variance Postive (Negative)</u>
Revenues			
Interest income	<u>68</u>	<u>68</u>	<u>-</u>
Total revenues	<u>68</u>	<u>68</u>	<u>-</u>
Expenditures			
Personnel	<u>-</u>	<u>-</u>	<u>-</u>
Other direct expenses	<u>68</u>	<u>68</u>	<u>-</u>
Indirect costs	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>68</u>	<u>68</u>	<u>-</u>
 Change in fund balance	 \$ <u>-</u>	 -	 \$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
Inter Program Training  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Federal awards	<u>623</u>	<u>623</u>	<u>-</u>
Total revenues	<u>623</u>	<u>623</u>	<u>-</u>
Expenditures			
Personnel	<u>-</u>	<u>-</u>	<u>-</u>
Other direct expenses	<u>623</u>	<u>623</u>	<u>-</u>
Indirect costs	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>623</u>	<u>623</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

MID-EAST COMMISSION  
ARRA  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2012

	Chronic Disease Mgmt ARRA	Greenville Utilities ARRA	Totals		Variance Positive (Negative)
			June 30, 2012	Budget	
Revenues:					
Federal awards	\$ 14,482	\$ -	\$ 14,482	\$ 14,482	\$ -
State awards	-	-	-	-	-
Local match	160	2,649	2,809	2,809	-
Total Revenues	<u>14,642</u>	<u>2,649</u>	<u>17,291</u>	<u>17,291</u>	<u>-</u>
Expenditures:					
Personnel	7,228	1,530	8,758	8,758	-
Travel	993	156	1,149	1,149	-
Contractual services	-	-	-	-	-
Participant wages and fringes	-	-	-	-	-
Other direct expenses	1,929	207	2,136	2,136	-
Indirect costs	4,492	756	5,248	5,248	-
Total Expenditures	<u>14,642</u>	<u>2,649</u>	<u>17,291</u>	<u>17,291</u>	<u>-</u>
Revenues over(under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (uses):					
Transfers of local matching funds	-	-	-	-	-
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Beginning of Year	-	-	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MID-EAST COMMISSION  
RC DTF Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2012

	<u>Budget</u>	<u>Actual</u>	Variance Postive (Negative)
Revenues			
Local revenues	<u>4,467</u>	<u>4,467</u>	<u>-</u>
Total revenues	<u>4,467</u>	<u>4,467</u>	<u>-</u>
Expenditures			
Other direct expenses	<u>4,467</u>	<u>4,467</u>	<u>-</u>
Total expenditures	<u>4,467</u>	<u>4,467</u>	<u>-</u>
Change in fund balance	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balances:			
Beginning of year		<u>-</u>	
End of year		\$ <u>-</u>	

## PROPRIETARY FUNDS

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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.

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Mid-East Commission  
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MID-EAST COMMISSION  
Combining Statement of Net Assets - Proprietary Fund  
Mid-East Development Corporation  
6/30/2012

	Twin Gables	Belhaven Senior Center	Veranda
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 6,170	\$ 20,360	\$ 1,017
Security deposits	4,298	-	1,550
Escrow	1,773	-	1,773
Reserve	18,091	-	8,046
Accounts receivable	-	-	-
Prepaid expenses	152	-	152
Total current assets	<u>30,484</u>	<u>20,360</u>	<u>12,538</u>
Capital assets:			
Building	251,014	-	360,538
Land	10,000	-	20,000
Improvements	4,120	-	-
Furniture	4,263	-	4,775
Accumulated Depreciation	<u>(124,110)</u>	<u>-</u>	<u>(107,428)</u>
Total capital assets, net	<u>145,287</u>	<u>-</u>	<u>277,885</u>
Total Assets	<u>175,771</u>	<u>20,360</u>	<u>290,423</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	1,211	6,731	3,148
Security deposits	4,298	-	1,550
Notes payable - current	<u>11,405</u>	<u>-</u>	<u>1,683</u>
Total current liabilities	<u>16,914</u>	<u>6,731</u>	<u>6,381</u>
Non-current liabilities			
Notes payable - non-current			
NC Housing	24,254	-	-
FMHA	<u>207,210</u>	<u>-</u>	<u>362,286</u>
Total non-current liabilities	<u>231,464</u>	<u>-</u>	<u>362,286</u>
Total Liabilities	<u>248,378</u>	<u>6,731</u>	<u>368,667</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, net of related debt	(97,582)	-	(86,084)
Unrestricted	<u>24,975</u>	<u>13,629</u>	<u>7,840</u>
Total Net Assets	<u>\$ (72,607)</u>	<u>\$ 13,629</u>	<u>\$ (78,244)</u>

<u>Dogwoods</u>	<u>Management &amp; Operations</u>	<u>Total</u>
\$ 19,528	\$ 132,825	\$ 179,900
10,237	-	16,085
5,737	-	9,283
53,137	-	79,274
8,912	12,528	21,440
1,683	-	1,987
<u>99,234</u>	<u>145,353</u>	<u>307,969</u>
1,153,659	-	1,765,211
68,750	-	98,750
-	-	4,120
11,814	20,680	41,532
<u>(521,056)</u>	<u>(20,680)</u>	<u>(773,274)</u>
<u>713,167</u>	<u>-</u>	<u>1,136,339</u>
<u>812,401</u>	<u>145,353</u>	<u>1,444,308</u>
9,663	3,498	24,251
10,184	-	16,032
10,230	-	23,318
<u>30,077</u>	<u>3,498</u>	<u>63,601</u>
-	-	24,254
<u>991,335</u>	<u>-</u>	<u>1,560,831</u>
<u>991,335</u>	<u>-</u>	<u>1,585,085</u>
<u>1,021,412</u>	<u>3,498</u>	<u>1,648,686</u>
(288,398)	-	(472,064)
<u>79,387</u>	<u>141,855</u>	<u>267,686</u>
<u>\$ (209,011)</u>	<u>\$ 141,855</u>	<u>\$ (204,378)</u>

MID-EAST COMMISSION  
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Fund  
For the Year Ended June 30, 2012

	Twin Gables	Belhaven Senior Center	Veranda	Dogwoods	Management & Operations	Total
<b>OPERATING REVENUES:</b>						
Rental income	\$ 20,909	\$ -	\$ 17,963	\$ 149,823	\$ -	\$ 188,695
Operation and management	145	-	386	1,021	-	1,552
Other local revenue	294	27,328	80	1,658	1,600	30,960
Total operating revenues	<u>21,348</u>	<u>27,328</u>	<u>18,429</u>	<u>152,502</u>	<u>1,600</u>	<u>221,207</u>
<b>OPERATING EXPENSES</b>						
Management related	15,478	-	15,705	25,647	-	56,830
Operation of program services	16,010	80,312	22,756	66,863	40,084	226,025
Depreciation	6,481	-	9,145	32,404	-	48,030
Contractual services	25,672	-	19,503	31,142	-	76,317
Total operating expenditures	<u>63,641</u>	<u>80,312</u>	<u>67,109</u>	<u>156,056</u>	<u>40,084</u>	<u>407,202</u>
Operating income (loss)	<u>(42,293)</u>	<u>(52,984)</u>	<u>(48,680)</u>	<u>(3,554)</u>	<u>(38,484)</u>	<u>(185,995)</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>						
Rental assistance received	47,525	-	51,448	-	-	98,973
Interest subsidies received	11,475	-	12,663	-	-	24,138
Interest income	58	-	19	112	213	402
Contributions and local support	-	-	-	-	36,157	36,157
Capital Contribution	-	52,984	-	-	-	52,984
Interest expense	(15,635)	-	(30,598)	(17,463)	-	(63,696)
Total nonoperating revenues(expenses)	<u>43,423</u>	<u>52,984</u>	<u>33,532</u>	<u>(17,351)</u>	<u>36,370</u>	<u>140,958</u>
Change in net assets	1,130	-	(15,148)	(20,905)	(2,114)	(37,037)
Net assets, beginning	<u>(73,737)</u>	<u>\$ 13,629</u>	<u>\$ (63,096)</u>	<u>\$ (188,106)</u>	<u>\$ 143,969</u>	<u>\$ (167,341)</u>
Net assets, ending	<u>\$ (72,607)</u>	<u>\$ 13,629</u>	<u>\$ (78,244)</u>	<u>\$ (209,011)</u>	<u>\$ 141,855</u>	<u>\$ (204,378)</u>

MID-EAST COMMISSION  
Combining Statement of Cash Flows  
Proprietary Fund  
For the Year Ended June 30, 2012

	Twin Gables	Belhaven Senior Center	Veranda	Dogwoods	Management & Operations	Totals June 30, 2012
<b>Cash Flows From Operating Activities:</b>						
Cash Received from Customers/others	\$ 21,348	\$ 27,328	\$ 18,429	\$ 152,502	\$ 1,600	\$ 221,207
Cash Paid for Goods, Services, & Employees	(57,088)	(64,069)	(57,719)	(121,689)	(61,347)	(361,912)
Net Cash Provided by (Used for) Operating Activities	(35,740)	(36,741)	(39,290)	30,813	(59,747)	(140,705)
<b>Cash Flows from Noncapital Financing Activities:</b>						
Rental assistance and interest subs	59,000	-	64,111	-	-	123,111
Contributions and local support	-	-	-	-	36,157	36,157
Transfers In/(Out)	-	-	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	59,000	-	64,111	-	36,157	159,268
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Acquisition and Construction of Capital Assets	-	-	(1,315)	-	-	(1,315)
Principal Paid on Bond Maturities and Capital Leases	(1,794)	-	-	(11,416)	-	(13,210)
Interest Paid on Bond\Note Maturities and Capital Leases	(15,635)	-	(30,598)	(17,463)	-	(63,696)
Capital contributions	-	52,984	10,867	-	-	63,851
Net Cash Provided (Used for) Capital and Related Financing Activities	(17,429)	52,984	(21,046)	(28,879)	-	(14,370)
<b>Cash Flows from Investing Activities:</b>						
Interest on investments	58	-	19	112	213	402
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	5,889	16,243	3,794	2,046	(23,377)	4,595
Cash and cash equivalents, July 1	24,443	4,117	8,592	86,593	156,202	279,947
Cash and cash equivalents, June 30	\$ 30,332	\$ 20,360	\$ 12,386	\$ 88,639	\$ 132,825	\$ 284,542
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>						
Operating Activities:						
Operating Income (Loss)	\$ (42,293)	\$ (52,984)	\$ (48,680)	\$ (3,554)	\$ (38,484)	\$ (185,995)
Adjustments to Reconcile Operating Income to Net Cash Provided						
Operating Activities:						
Depreciation	6,481	-	9,145	32,404	-	48,030
Changes in Assets and Liabilities:						
(Increase) Decrease						
in Accounts Receivable	-	9,512	-	(508)	(12,151)	(3,147)
in Prepaids	(5)	-	(5)	(81)	-	(91)
Increase (Decrease)						
in Accounts Payable & accrued liabilities	-	6,731	-	2,730	(9,112)	349
in Customer Deposits	77	-	250	(178)	-	149
Total Adjustments	6,553	16,243	9,390	34,367	(21,263)	45,290
Net Cash Provided by Operating Activities	\$ (35,740)	\$ (36,741)	\$ (39,290)	\$ 30,813	\$ (59,747)	\$ (140,705)

MID-EAST COMMISSION  
Enterprise Fund - TWIN GABLES  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating Revenues			
Rental income	\$	\$ 20,909	\$
Operation and management		145	
Other local revenue		294	
Total operating revenues	<u>15,531</u>	<u>21,348</u>	<u>5,817</u>
Nonoperating Revenues			
Assistance/subsidies	59,000	59,000	-
Interest on Investments	<u>58</u>	<u>58</u>	<u>-</u>
Total Revenues	<u>74,589</u>	<u>80,406</u>	<u>5,817</u>
Expenditures:			
Management Related			
Salaries and employee benefits		10,496	
Repairs and maintenance		-	
Operating expenses		4,982	
Total	<u>15,478</u>	<u>15,478</u>	<u>-</u>
Operating and Program Services			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		16,010	
Total	<u>16,010</u>	<u>16,010</u>	<u>-</u>
Contractual Services			
Salaries and employee benfits		-	
Repairs and maintenance		-	
Operating expenses		25,672	
Total	<u>25,672</u>	<u>25,672</u>	<u>-</u>
Budgetary Appropriations:			
Capital Outlay		-	
Interest Paid		15,635	
Debt Principal		1,794	
Total	<u>17,429</u>	<u>17,429</u>	<u>-</u>
Total Expenditures	<u>74,589</u>	<u>74,589</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>5,817</u>	<u>5,817</u>

MID-EAST COMMISSION  
Enterprise Fund - TWIN GABLES  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Other Financing Sources and (Uses):			
Bond Proceeds	-	-	-
Transfer to other funds	-	-	-
Transfer from other funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	5,817	5,817
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 5,817	\$ 5,817

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 5,817
Reconciling items:	
Capital Outlay	-
Principal Payments	1,794
Decrease in accrued vacation pay	-
Other revenues from capital projects	-
Interest from capital projects	-
Increase in accrued OPEB	-
Change in accrued interest	-
Expenditures in capital project	-
Capital contributions - grant	-
Depreciation	(6,481)
Total reconciling items	(4,687)
Change in net assets	\$ 1,130

MID-EAST COMMISSION  
Enterprise Fund - BELHAVEN SENIOR CENTER  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating Revenues			
Rental income	\$	\$ -	\$
Operation and management		-	
Other local revenue		27,328	
Total operating revenues	27,328	27,328	-
Nonoperating Revenues			
Assistance/subsidies	52,984	52,984	-
Interest on Investments	-	-	-
Total Revenues	80,312	80,312	-
Expenditures:			
Management Related			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		-	
Total	-	-	-
Operating and Program Services			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		80,312	
Total	80,312	80,312	-
Contractual Services			
Salaries and employee benfits		-	
Repairs and maintenance		-	
Operating expenses		-	
Total	-	-	-
Budgetary Appropriations:			
Capital Outlay		-	
Interest Paid		-	
Debt Principal		-	
Total	-	-	-
Total Expenditures	80,312	80,312	-
Revenues Over (Under) Expenditures	-	-	-



MID-EAST COMMISSION  
Enterprise Fund - BELHAVEN SENIOR CENTER  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Other Financing Sources and (Uses):			
Bond Proceeds	-	-	-
Transfer to other funds	-	-	-
Transfer from other funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	-	-
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ -

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -
Reconciling items:	
Capital Outlay	-
Principal Payments	-
Depreciation	-
Total reconciling items	-
Change in net assets	\$ -

MID-EAST COMMISSION  
Enterprise Fund - VERANDA  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating Revenues			
Rental income	\$	\$ 17,963	\$
Operation and management		386	
Other local revenue		80	
Total operating revenues	<u>25,747</u>	<u>18,429</u>	<u>(7,318)</u>
Nonoperating Revenues			
Assistance/subsidies	64,111	64,111	-
Interest on Investments	<u>19</u>	<u>19</u>	<u>-</u>
Total Revenues	<u>89,877</u>	<u>82,559</u>	<u>(7,318)</u>
Expenditures:			
Management Related			
Salaries and employee benefits		10,617	
Repairs and maintenance		-	
Operating expenses		5,088	
Total	<u>15,705</u>	<u>15,705</u>	<u>-</u>
Operating and Program Services			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		22,756	
Total	<u>22,756</u>	<u>22,756</u>	<u>-</u>
Contractual Services			
Salaries and employee benfits		-	
Repairs and maintenance		-	
Operating expenses		19,503	
Total	<u>19,503</u>	<u>19,503</u>	<u>-</u>
Budgetary Appropriations:			
Capital Outlay		-	
Interest Paid		30,598	
Debt Principal		1,315	
Total	<u>31,913</u>	<u>31,913</u>	<u>-</u>
Total Expenditures	<u>89,877</u>	<u>89,877</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(7,318)</u>	<u>(7,318)</u>

MID-EAST COMMISSION  
Enterprise Fund - VERANDA  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Other Financing Sources and (Uses):			
Bond Proceeds	-	-	-
Transfer to other funds	-	-	-
Transfer from other funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	(7,318)	(7,318)
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ (7,318)	\$ (7,318)

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ (7,318)
Reconciling items:	
Capital Outlay	-
Principal Payments	1,315
Depreciation	(9,145)
Total reconciling items	(7,830)
Change in net assets	\$ (15,148)

MID-EAST COMMISSION  
Enterprise Fund - DOGWOODS  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating Revenues			
Rental income	\$	\$ 149,823	\$
Operation and management		1,021	
Other local revenue		1,658	
Total operating revenues	<u>152,419</u>	<u>152,502</u>	<u>83</u>
Nonoperating Revenues			
Assistance/subsidies	-	-	-
Interest on Investments	<u>112</u>	<u>112</u>	<u>-</u>
Total Revenues	<u>152,531</u>	<u>152,614</u>	<u>83</u>
Expenditures:			
Management Related			
Salaries and employee benefits		10,383	
Repairs and maintenance		-	
Operating expenses		15,264	
Total	<u>25,647</u>	<u>25,647</u>	<u>-</u>
Operating and Program Services			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		66,863	
Total	<u>66,863</u>	<u>66,863</u>	<u>-</u>
Contractual Services			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		31,142	
Total	<u>31,142</u>	<u>31,142</u>	<u>-</u>
Budgetary Appropriations:			
Capital Outlay		-	
Interest Paid		17,463	
Debt Principal		11,416	
Total	<u>28,879</u>	<u>28,879</u>	<u>-</u>
Total Expenditures	<u>152,531</u>	<u>152,531</u>	<u>-</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>83</u>	<u>83</u>

MID-EAST COMMISSION  
Enterprise Fund - DOGWOODS  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Other Financing Sources and (Uses):			
Bond Proceeds	-	-	-
Transfer to other funds	-	-	-
Transfer from other funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	83	83
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ 83	\$ 83

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ 83
Reconciling items:	
Capital Outlay	-
Principal Payments	11,416
Depreciation	(32,404)
Total reconciling items	(20,988)
Change in net assets	\$ (20,905)

MID-EAST COMMISSION  
Enterprise Fund - MANAGEMENT AND OPERATIONS  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Revenues:			
Operating Revenues			
Rental income	\$	\$ -	\$
Operation and management		-	
Other local revenue		37,757	
Total operating revenues	39,871	37,757	(2,114)
Nonoperating Revenues			
Assistance/subsidies	-	-	-
Interest on Investments	213	213	-
Total Revenues	40,084	37,970	(2,114)
Expenditures:			
Management Related			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		-	
Total	-	-	-
Operating and Program Services			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		40,084	
Total	40,084	40,084	-
Contractual Services			
Salaries and employee benefits		-	
Repairs and maintenance		-	
Operating expenses		-	
Total	-	-	-
Budgetary Appropriations:			
Capital Outlay		-	
Interest Paid		-	
Debt Principal		-	
Total	-	-	-
Total Expenditures	40,084	40,084	-
Revenues Over (Under) Expenditures	-	(2,114)	(2,114)

MID-EAST COMMISSION  
Enterprise Fund - MANAGEMENT AND OPERATIONS  
Schedule of Revenues and Expenditures  
Budget and Actual - (Non-GAAP)  
For the Fiscal Year Ended June 30, 2012

	2012		Variance
	Final Budget	Actual	Positive (Negative)
Other Financing Sources and (Uses):			
Bond Proceeds	-	-	-
Transfer to other funds	-	-	-
Transfer from other funds	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Revenues and Other Sources Over (Under) Expenses and Other Uses	-	(2,114)	(2,114)
Appropriated Fund Balance	-	-	-
Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ -	\$ (2,114)	\$ (2,114)

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

Revenues, Other Sources and Appropriated Fund Balance Over (Under) Expenditures and Other Uses	\$ (2,114)
Reconciling items:	
Capital Outlay	-
Principal Payments	-
Depreciation	-
Total reconciling items	-
Change in net assets	\$ (2,114)





## Supplementary Statements



**Mid-East Commission**  
**Schedule of Fringe Benefits**

	<u>2012</u> <u>FY Actual Cost</u>
<b>Total Annual Salaries</b>	<b>\$ 1,021,104</b>
FICA	\$ 91,031
LGERS Retirement	\$ 78,705
Supplemental Retirement	\$ 34,764
Group Insurance	\$ 181,770
Other Post Employment Benefits	\$ 19,721
Holiday Leave	\$ 47,101
Annual Leave	\$ 70,940
Sick Leave	\$ 57,927
Workers Comp	\$ 6,892
Unemployment Insurance	\$ 9,974
<b>Total Fringe Benefits</b>	<b>\$ 598,825</b>

**Fringe Benefit Rate Calculation**

$\frac{\text{Total Fringe Benefits}}{\text{Total Annual Salaries}}$	=	$\frac{\$ 598,825}{\$ 1,021,104}$	<b>58.64%</b>
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Total Annual Salaries	\$ 1,021,104
Total Fringe Benefits	\$ 598,825
<b>Total Personnel Cost</b>	<b>\$ 1,619,929</b>

**Mid-East Commission**  
**Schedule Of Indirect Costs**

	<b>2012</b>
	<b><u>FY Actual Cost</u></b>
Total Indirect Annual Salaries	\$ 216,467
Total Indirect Fringe Benefits	\$ 111,151
Professional Services	\$ 49,726
Travel	\$ 19,425
Occupancy costs	\$ 188,336
Operating Expense	\$ 183,799
<b>Total Indirect Expenditures</b>	<b><u>\$ 768,905</u></b>

Total Personnel Costs	\$ 1,619,929	
Less Total Indirect Salaries	\$ (216,467)	
Less Total Indirect Fringe Benefits	<u>\$ (111,151)</u>	
<b>Total Direct Salaries and Total Direct Fringe Benefits</b>		<b>\$ 1,292,311</b>

**Indirect Rate Calculation**

<u>Total Indirect Expenditures</u>	=	<u>\$ 768,905</u>	<b>59.50%</b>
Total Direct Salaries and Total Direct Fringe Benefits		\$ 1,292,311	

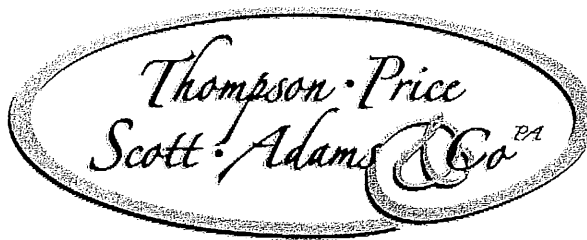
<u>Description</u>	<u>Salaries Per Payroll</u>	<u>Indirect Cost</u>	<u>Fringe Cost</u>	<u>Occupancy Cost</u>	<u>Source of Funds</u>
<b>AGING</b>					
Aging Planning & Admin Title III-1	67,220.02	54,542.44	38,960.77	14,768.79	USDHHS
Elder Abuse	1,082.44	816.36	622.62	316.24	USDHHS
Ombudsman Program	35,773.98	28,127.70	22,205.85	7,448.36	USDHHS
Comm Resource Conn - Local Contact Agency	2,548.91	1,835.97	1,418.91	529.19	USDHHS
Health Promotions & Disease Prev	6,208.35	4,454.22	3,793.50	1,661.92	USDHHS
Project Care (Reach II)	15,500.00	11,101.00	8,679.00	3,078.00	USDHHS
AAA Admin Support	16,020.57	12,547.00	10,316.23	3,482.98	DHHS
HUD Reverse Mortgage	84.93	101.23	71.68	24.44	USDHUD
MIPPA II	6,511.58	4,679.17	3,900.18	1,295.04	USDHHS
Project Care #2	25,135.46	13,938.41	12,166.63	4,745.64	USDHHS
Caregivers Support	29,361.18	12,162.87	13,609.81	5,761.84	USDHHS
Dept of Insurance-Lookout	3,397.03	1,996.26	2,077.82	448.40	DEPT INS
Chronic Disease Mgmt	4,539.79	4,492.09	2,687.51	1,096.29	USDHHS
<b>PLANNING</b>					
Aulander P & Z Admin	415.80	379.66	279.48	109.68	LOCAL
Geographic Information Systems	547.41	333.45	178.80	92.44	LOCAL
Ahoskie	4,252.41	2,529.35	1,469.35	761.27	LOCAL
Ahoskie PARTF	3,091.25	2,032.20	1,767.71	636.03	LOCAL
Aurora P & Z Admin	982.07	665.45	500.55	197.21	LOCAL
Beaufort County P & Z	16,046.70	11,743.80	9,549.14	3,443.78	LOCAL
Colrain PZA	462.20	285.77	111.82	86.25	LOCAL
Chocowinity P & Z Admin	3,386.34	2,481.25	1,881.95	721.83	LOCAL
NCDENR Open Space Plan	685.23	445.00	358.69	136.26	LOCAL
Rural Planning Organization	28,123.07	20,197.17	16,519.22	5,991.01	DOT
Peanut Belt Rural Planning Organization	36,583.23	24,462.52	19,286.00	7,438.93	DOT/LOCAL
<b>ED</b>					
Economic Development Admin	35,986.39	26,946.25	23,469.73	7,992.17	DEPT of COM
Hurricane Irene	937.11	671.19	524.70	186.08	DEPT of COM
NC Tomorrow	3,951.71	2,606.87	2,180.26	805.48	CDBG
Aurora TEDG	197.98	168.47	144.29	47.06	LOCAL
Beaufort Co-Southtech Grant	562.21	474.40	409.28	132.97	LOCAL
Chocowinity Industrial Development Fund	364.60	245.33	205.35	74.94	LOCAL
BCCC - Economic Development	3,904.57	2,692.24	2,265.11	792.98	LOCAL
Greenville Utilities Commission-ASR-Rural Center	2,604.82	2,039.54	1,834.13	583.17	RURAL CENTER
Greenville Utilities Commission Sterling Pointe	2,576.01	1,699.33	1,429.80	527.80	LOCAL
Follow-Up for Closed Projects	2,031.75	1,521.36	1,325.08	451.23	LOCAL
Greenville Utilities Commission - Water Plant	499.69	329.63	275.69	99.23	LOCAL
Beaufort County Rural Center-CMW	6,217.79	4,186.22	3,643.05	1,292.31	RURAL CENTER
Beaufort County/CMW-CDBG	808.29	533.22	475.07	167.54	CDBG
ARRA Greenville Utilities Commission	931.92	756.48	597.70	206.86	LOCAL
<b>OTHER MEC</b>					
Revolving Loan Fund Servicing	4,028.93	3,412.20	2,786.13	954.92	DEPT of COM
<b>INDIRECT</b>					
Indirect Cost Pool Salaries	216,467.90	-	111,151.17	44,875.56	INDIRECT
<b>WIA</b>					
WIA Region Q Admin	75,022.80	54,446.53	47,196.06	16,417.97	USDOL
WIA Region Q Title I Adult	82,540.90	59,772.05	52,690.56	10,354.01	USDOL
WIA Region Q Title I Dislocated Worker	87,708.19	63,304.00	55,748.98	11,140.54	USDOL
WIA Region Q Youth	123,044.86	91,164.28	78,002.51	13,341.88	USDOL
CAP/TA	9,440.79	7,455.37	5,828.18	2,067.02	USDOL
Hurricane Irene/NEG	22,404.24	16,774.91	14,593.91	4,750.00	USDOL
State Energy Sector Partnership	30,911.01	23,012.70	19,675.41	6,767.98	USDOL
<b>TOTAL</b>	<b>1,021,104.45</b>	<b>580,562.91</b>	<b>598,865.37</b>	<b>188,301.52</b>	



## COMPLIANCE SECTION







**CERTIFIED PUBLIC ACCOUNTANTS**

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

**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 the Mid-East Commission  
Washington, North Carolina

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mid East Commission as of and for the year ended June 30, 2012, which collectively comprises the Commission's basic financial statements, and have issued our report thereon dated October 22, 2012. 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.

Internal Control Over Financial Reporting

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

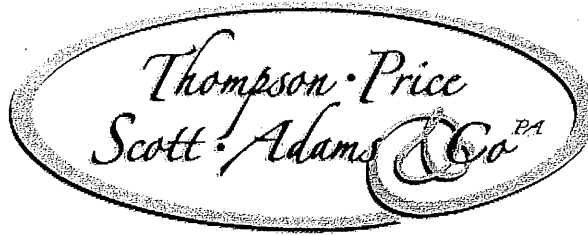
#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Commission'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 Board, 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 22, 2012



**CERTIFIED PUBLIC ACCOUNTANTS**

4024 Oleander Drive Suite 2

Wilmington, North Carolina 28403

Telephone (910) 799-4872

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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 the Mid-East Commission  
Washington, North Carolina

Compliance

We have audited the Mid-East Commission compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Mid-East Commission's major federal programs for the year ended June 30, 2012. Mid-East Commission'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 Mid-East Commission's management. Our responsibility is to express an opinion on Mid-East Commission'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 Mid-East Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Mid-East Commission's compliance with those requirements.

In our opinion, Mid-East Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of Mid-East Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Mid-East Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission'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.

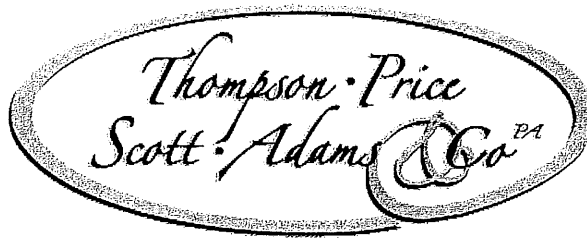
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did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

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*Thompson, Price, Scott, Adams & Co., P.A.*  
*October 22, 2012*



**CERTIFIED PUBLIC ACCOUNTANTS**

4024 Oleander Drive Suite 2

Wilmington, North Carolina 28403

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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 the Mid-East Commission  
Washington, North Carolina

Compliance

We have audited Mid-east Commission's, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Mid-East Commission's major State programs for the year ended June 30, 2012. Mid-East Commission'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 Mid-East Commission's management. Our responsibility is to express an opinion on Mid-East Commission'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 Mid-East Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Mid-East Commission's compliance with those requirements.

In our opinion, Mid-East Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2012.

Internal Control Over Compliance

Management of Mid-East Commission 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 Mid-East Commission's internal control over compliance with the requirements that could have a direct and material effect on a major State program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance with applicable section 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 Commission'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, 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.*

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*Thompson, Price, Scott, Adams & Co., P.A.*  
*October 22, 2012*

Mid-East Commission  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2012

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**Section I.      Summary of Auditor's Results**

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Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?      ☐ yes      ☒ no
- Significant Deficiency(s) identified  
that are not considered to be  
material weaknesses      ☐ yes      ☒ no

Noncompliance material to financial  
statements noted      ☐ yes      ☒ no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?      ☐ yes      ☒ no
- Significant Deficiency(s) identified  
that are not considered to be  
material weaknesses      ☐ yes      ☒ 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      ☒ no

Identification of major federal programs:

CFDA Numbers	Names of Federal Program or Cluster
93.044	Special Programs for the Aging – Title III B
93.045	Special Programs for the Aging – Title III C
17.258	WIA Adult Programs
17.259	WIA Youth Programs
17.278	WIA Dislocated Workers
11.307	Revolving Loan Fund
17.277	Dislocated Workers – National Energy Grant
17.275	SESP High Growth Green Jobs

Mid-East Commission  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2012

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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   none reported
- 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

In Home Services  
In Home Services – Caregiver Match  
Special Programs for the Aging – Title III B  
Special Programs for the Aging – Title III, C

The Title IIIB and IIIC Programs are a State match on federal programs.



Mid-East Commission  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2012

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**Section II – Financial Statement Findings**

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None reported.

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**Section III – Federal Award Findings and Questioned Costs**

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None reported.

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**Section IV – State Award Findings and Questioned Costs**

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None reported.

Mid-East Commission  
Corrective Action Plan  
For the Fiscal Year Ended June 30, 2012

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**Section II – Financial Statement Findings**

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None reported.

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**Section III – Federal Award Findings and Questioned Costs**

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None reported.

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**Section IV – State Award Findings and Questioned Costs**

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None reported.

Mid-East Commission  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For The Fiscal Year Ended June 30, 2012

Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Federal Direct and Pass Through Expenditures	State Expenditures
<b>Federal Programs</b>			
<u>U.S. Dept. of Agriculture</u>			
Direct Program			
Rural Rental Assistance Payments (MEDC)			
Interest subsidies	10.427	\$ 24,138	\$ -
Rental subsidies	10.427	98,973	-
		123,111	-
Passed through State Dept. of Health and Human Services			
USDA Supplement	10.570	63,385	-
Total U. S. Dept. of Agriculture		\$ 186,496	\$ -
<u>U.S. Dept. of Health and Human Services</u>			
Passed through State Dept. of Health and Human Services			
Special Programs for the Aging - Title III B			
Planning and Administration	93.044	\$ 58,157	\$ 3,187
In-Home Services	93.044	203,528	11,972
Ombudsman Program	93.044	52,911	3,112
Legal Services	93.044	18,060	1,062
Access	93.044	144,415	8,495
		477,071	27,828
Special Programs for the Aging - Title III C			
Congregate Nutrition	93.045	197,876	11,640
Home Delivered Meals	93.045	144,665	8,510
Planning and Administration	93.045	78,509	4,302
		421,050	24,452
Special Programs for the Aging			
Title VII - B - Elder Abuse	93.041	5,690	335
Title VII - E - Ombudsman Program	93.042	9,179	540
Preventive Health	93.043	23,265	1,369
Disaster Assistance	93.048	18,428	
Project Care	93.051	117,713	
Family Caregiver Support	93.052	178,307	11,887
Title III-E Planning and Administration	93.052	16,702	915
MIPPA Medicare Enrollment Assistance Program	93.518	17,249	
SSBG	93.667	69,306	1,980
CRC/LCA	93.791	13,509	-
		469,348	17,026
Special Programs for the Aging - ARRA			
Chronic Disease Self Management Program-ARRA	93.723	14,482	-
Passed through State Dept. of Insurance			
SHIIP	93.048	9,300	-
Total U. S. Health and Human Services		\$ 1,391,251	\$ 69,306
<u>U.S. Dept. of Commerce</u>			
Direct Program			
Economic Development Administration-Revolving Loan Fund	11.307	431,096	-
Economic Development Administration-Planning Program	11.302	57,700	-
Total U. S. Dept. of Commerce		\$ 488,796	\$ -

Mid-East Commission  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For The Fiscal Year Ended June 30, 2012

Workforce Investment Act				
WIA	Adult	17.258	859,421	-
WIA	Youth	17.259	1,028,250	-
WIA	Dislocated Worker	17.260	4,645	-
WIA	Dislocated Worker-National Energy Grant	17.277	331,545	-
WIA	Dislocated Worker	17.278	837,927	-
			<u>3,061,788</u>	-
WIA ARRA	SESP High Growth Green Jobs	17.275	315,000	-
			<u>315,000</u>	-
	Total WIA		<u>3,376,788</u>	-
	Total U. S. Dept. of Labor		<u>\$ 3,376,788</u>	<u>\$ -</u>

U.S. Dept. of Transportation				
Passed through State Dept. of Transportation				
	Rural Transportation Planning	20.205-8	\$ 81,264	-
	Total Federal Assistance		<u>\$ 5,524,595</u>	<u>-</u>

Mid-East Commission  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For The Fiscal Year Ended June 30, 2012

State Programs

<u>Department of Administration (OSBM)</u>		
State Technical Assistance	N/A	\$ 21,449
<u>Department of Health and Human Services</u>		
AAA Administration	N/A	45,423
Access	N/A	156,299
Congregate nutrition	N/A	18,603
Fans Program	N/A	2,968
Home delivered meals	N/A	127,713
In-Home Services	N/A	647,796
In-Home Services-Caregiver Match	N/A	219,369
Ombudsman	N/A	20,719
Ombudsman (CMP)	N/A	8,959
Senior Center Development	N/A	52,891
Project Care 100%	N/A	40,502
Total Department of Health and Human Services		<u>\$ 1,341,242</u>
Total State programs		\$ 1,362,691
Total State Assistance		<u>\$ 1,431,997</u>

Mid-East Commission  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
For The Fiscal Year Ended June 30, 2012

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

1. Basis of Presentation - The accompanying schedule of expenditures of Federal and State awards includes the Federal and State grant activity of Mid-East Commission 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 Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

2. Subrecipients - Of the Federal and State expenditures presented in the schedule, Mid-East Commission provided federal and state awards to subrecipients as follows:

Program Title	CFDA Number	Federal Expenditures	State Expenditures
USDA Supplement	10.570	\$ 63,385	\$ -
WIA Adult	17.258	859,421	-
WIA Youth	17.259	1,028,250	-
WIA Dislocated Worker	17.260	4,645	-
WIA ARRA SESP High Growth Green Jobs	17.275	315,000	-
WIA Dislocated Worker-National Energy Grant	17.277	331,545	-
WIA Dislocated Worker	17.278	837,927	-
Preventive Health	93.043	23,265	1,369
Access Services	93.044	144,415	8,495
In-home Services	93.044	203,528	11,972
Legal Services	93.044	18,060	1,062
Congregate Nutrition	93.045	197,876	11,640
Home Delivered Meals	93.045	144,665	8,510
Disaster Assistance	93.048	18,428	-
Project Care	93.051	117,713	-
SSBG	93.667	69,306	1,980
CRC/LCA	93.791	13,509	-
Access	N/A	-	156,299
Congregate Nutrition	N/A	-	18,603
Fans Program	N/A	-	2,968
Home delivered meals	N/A	-	127,713
In-Home Services	N/A	-	647,796
Senior Center Development	N/A	-	52,891
Totals		<u>\$ 4,390,938</u>	<u>\$ 1,051,298</u>