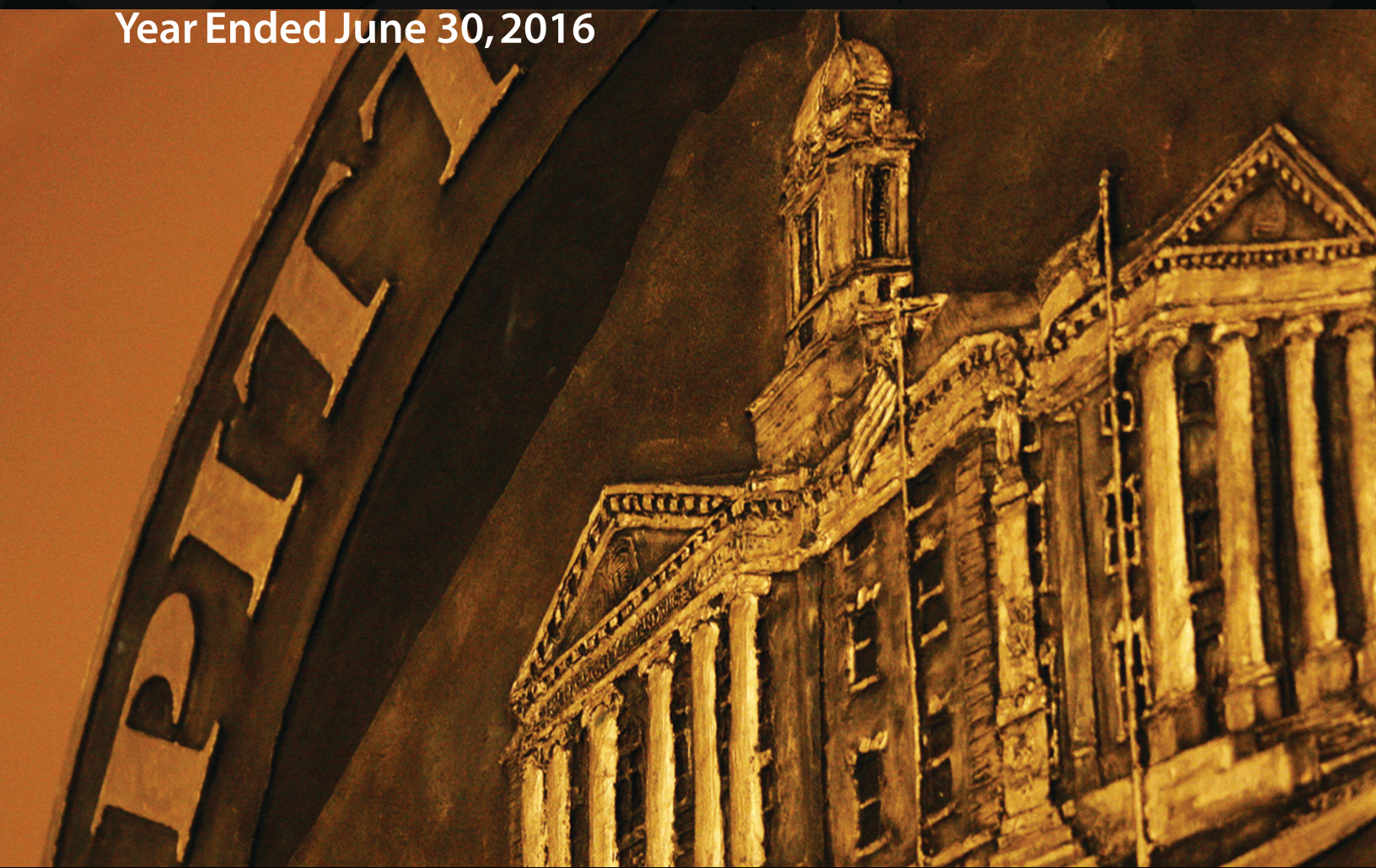




COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2016



CAFR

PITT COUNTY
NORTH CAROLINA

**Comprehensive Annual
Financial Report**

For Year Ended June 30, 2016

Prepared By:
Pitt County Financial Services

Duane Holder

Deputy County Manager – Financial Services

PITT COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2016

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I. INTRODUCTORY SECTION

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- Pitt County Profile
- GFOA Certificate of Achievement for Excellence in Financial Reporting
- List of Principal Officials
- Organizational Charts
- Mission, Values and Goals Statements

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December 16, 2016

The Honorable Chairman and Members of the Board of Commissioners
Pitt County Government
Greenville, NC 27834

Dear Board Members:

State law requires that a local government have its financial records audited as soon as possible after the close of the fiscal year by an independent, certified public accountant. Law also requires that the local government publish a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP). Pursuant to these requirements, it is our pleasure to present the Board of Commissioners and the citizens of Pitt County with the Comprehensive Annual Financial Report (CAFR) for Pitt County for the fiscal year ended June 30, 2016. This report is published to provide citizens, the Board of Commissioners, staff, and third party readers with information concerning the financial position of the County.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Pitt County Financial Services Department. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain a comprehensive understanding of the County's financial activity have been included. Specific attention should be given to the enclosed "Management's Discussion and Analysis" (MD&A) which provides staff commentary and additional information on the financial statements and condition of the County. The MD&A can be found in the Financial Section of the report, immediately following the Independent Auditor's Report.

Independent Audit

Martin Starnes & Associates, CPAs, P.A., a firm of independent certified public accountants, audited the financial records of the County and their opinion has been included in this report. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. Their audit was made in accordance with generally accepted auditing standards and, included examining on a test basis, evidence supporting the amounts and disclosures in the basic financial statements as well as assessing the accounting principles used and significant estimates made by management. Their opinion concluded that the accompanying financial statements for the fiscal year ended June 30, 2016

have been prepared in conformity with generally accepted accounting principles and supported the issuance of an unmodified opinion. Issuance of an unmodified opinion means an auditor, upon review of a county's financial statements and accompanying notes, certifies that the financial statements are reliable and represent the true financial condition of the county.

The financial statements have been prepared in compliance with applicable General Statutes of North Carolina and in conformance with standards set forth by:

- *The Government Accounting Standards Board (GASB)
- *The State Auditor, State of North Carolina
- *The Government Finance Officers Association of the United States & Canada (GFOA)
- *The American Institute of Certified Public Accountants and its Committee on Governmental Accounting and Auditing (AICPA)

There has been significant summarizing of financial detail to make the report easily readable and understandable.

In addition to the funds of the County, the combined financial statements include the discrete presentation of two legally separate entities: Pitt County ABC Board and the Pitt County Industrial Development Commission. These entities are component units of the County and are presented as such in the Government-wide financial statement of the report.

The CAFR includes all funds of the County in addition to all activities upon which the County exercises oversight responsibility. Financial support is also extended to certain boards, agencies, and commissions to assist their efforts in serving citizens. Among these are the Pitt County Board of Education and Pitt Community College both of which are supported financially but whose actions are governed by their respective boards. The County has evaluated its relationship with each of these entities according to criteria established by GASB Statement 14. However, as County allocations do not constitute a major portion of their revenues, or because the County has no authority to designate their management, none of these organizations have been included in the CAFR. Note 1 – Section B, and Note 15 of the Notes to the Basic Financial Statements provide detailed explanations of the County's relationship to each outside entity and the reasons for their inclusion or exclusion in this report.

Major Initiatives

During the year, the County was involved in a number of major projects and programs. These projects and programs directly impact the operational readiness and efficiency of the County, which may directly or indirectly affect the financial condition of the County. Highlights of these projects are discussed in the following paragraphs:

Education. Pitt County provided a \$950,000 increase in current expense funding to the Board of Education over the prior year with a total appropriation of \$37,276,287. Of that amount, \$36.5 million was appropriated for current expense while \$750,000 was appropriated for capital expense. The Board annually appropriates \$750,000 for pay-as-you-go Category I, II and III capital needs. Pitt Community College's current expense appropriation for operations increased by 3.29% over the prior year's appropriation. The Community College's annual appropriation for capital needs continues to be \$75,000.

Public Safety. The Sheriff's budget increased by 6.62% as compared to the FY 2014-2015 budget. This increase allowed for 4.00 fte additional positions, reinstatement of the certification incentive pay program and implementation of holiday pay (in lieu of banking compensatory time) for all law enforcement personnel who work during a paid holiday.

General Obligation Bonds. In November 2013, a majority of Pitt County voters supported a \$19.9 million bond referendum in order to provide more instructional space on the campus of Pitt Community College. Of the \$19.9 million, the college is utilizing \$18 million to build a 70,000 square foot science building on campus to house the biotechnology program and provide much-needed space for science and technology courses. The remaining bond funds are allowing PCC to purchase an existing facility close to the main campus in Winterville. This facility will be renovated to house the community college's basic law enforcement training program.

The County issued \$19.25 million of general obligation bonds in September 2015.

Pay-For-Performance. The County has a pay-for-performance system that has been in place for more than 16 years. Under this system, annual performance plans are created for each employee and then an annual evaluation is completed to measure work performance against the predefined plan. Each employee that satisfactorily meets their goals and makes the appropriate score is then eligible for an incremental increase. As a result of the recent economic recession, the County defunded the system during the FY 2011-2012 budget cycle. Funding for the system was added back during the FY 2015-2016 budget.

One-Time Expenditures. As a result of an improved fund balance position, and several years' pent up demand, the County invested significant resources into one-time expenditures during the year. Examples of capital investments included but were not limited to law enforcement vehicles, facility security improvements/upgrades, and employee health fund stabilization.

Financial Information

Internal Control. The County's internal control structure is designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met for both internal and external reporting purposes. Refining internal controls is an ongoing process that is necessary to provide these assurances.

Budget. Any internal control structure is only as good as the budget used to monitor compliance. North Carolina General Statutes require the adoption of an annual budget for all funds except fiduciary funds, internal service funds and those funds for which expenditures are authorized by project ordinance. The annual budget is adopted on the modified accrual basis of accounting, as mandated by the statutes, and is an integral part of the County's accounting system and daily operations.

Under modified accrual accounting, revenues are recorded when they are both measurable and available. The County makes every attempt to maintain a diverse and stable revenue base to shelter it from short and long-term fluctuations in any one revenue source. Aggressive collection policies are in place to ensure the highest collection percentage possible for County revenues. User charges and fees are reviewed annually to establish amounts that support the cost of services provided.

Expenditures are recorded when a liability is incurred, except for accrued vacation benefits. Governmental fund types, such as the County's General Fund, Special Revenue Funds and Capital Project Funds are reported on the modified accrual basis. Proprietary Funds of the County are reported on the accrual basis whereby revenues are recorded when earned and expenses are recorded when incurred. The Board of County Commissioners can only amend the budget since it creates a legal limit on spending authorizations. Once the budget or project ordinance is adopted, budgetary control is maintained to ensure compliance with the budget as adopted or amended. Department or function within each individual fund as deemed appropriate establishes the level of budgetary control. At the end of the fiscal year, encumbrances are reported as a reservation of fund balance. Unencumbered balances lapse for annually adopted budgets. It is believed that the County's internal accounting controls adequately protect assets and provide reasonable assurance of the proper recording of financial transactions.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting (CAFR) to the County of Pitt for its CAFR for the fiscal year ended June 30, 2015. This was the twenty-sixth (26th) consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is only valid for a period of one year. The County believes that our current CAFR continues to meet the Certificate of Achievement Program's requirements and it will be submitted to GFOA to determine its eligibility for another certificate.

In addition, the County has received GFOA's Distinguished Budget Presentation Award for its annual budget document for the Fiscal Year beginning July 1, 2016. This marks the twentieth (20th) consecutive fiscal year the County has received this companion award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and as a communications tool. The County has submitted the Fiscal Year 2016-2017 budget document to GFOA to determine its eligibility for another Certificate of Achievement.

Finally, the County published its inaugural Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2015 and was awarded the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting.

Acknowledgements

Thanks are given to Mr. Christopher McDaniel, Assistant Finance Director, and to each member of the Financial Services Department for their assistance in the preparation of this report. It is due to their professional competency and dedication that this CAFR was completed and contains full financial information about the County's operations. We would also like to recognize the cooperation of each County department as we work together to serve all of the residents of Pitt County. Additional thanks are due to the Board of Commissioners for their continued leadership and support. You have played a vital role in helping the County achieve and maintain a high degree of fiscal integrity. This report reflects the continued fiscal stability of Pitt County and we submit it to you with pride.

Respectfully submitted,



Duane T. Holder
Deputy County Manager-Chief Financial Officer



D. Scott Elliott
County Manager



HISTORY



Pitt County got its name from William Pitt, Earl of Chatham. William Pitt was an English statesman and orator, born in London, England, UK. He studied at Oxford University and in 1731, Pitt joined the army. Pitt led the young "Patriot" Whigs and in 1756 became secretary of state, where he was a pro-freedom speaker in British Colonial government. Pitt County was founded in 1760 under British Colonial government. Prior to 1760, there was one large county, Beaufort, which was split into five smaller counties, Pitt County being one of those smaller counties.

For over a century, Pitt County was recognized for being an important tobacco market and the home of a small State-supported college. By the mid 1960's, the new image began to evolve. The small college, East Carolina Teachers College, had become the third largest state-supported college, and enrollment approached 8,000 students – twice the 1960 enrollment figure. In 1967, it became East Carolina University. The ECU Medical School admitted its first four-year class in 1977. At the turn of the century, enrollment at ECU topped the 18,000 mark and current enrollment is nearly 29,000 students.

Vidant Medical Center was originally known as Pitt Community Hospital and was located near downtown Greenville. In 1934, it changed to Pitt General Hospital, and then again to Pitt County Memorial Hospital (PCMH) in 1949. The hospital moved to West Greenville in 1951, and then to its current location in 1977. Vidant Medical Center was transferred by Pitt County in 1998 for operation by Pitt County Memorial Hospital, Inc., as a private non-profit corporation and renamed Vidant Medical Center in 2011.



ORGANIZATIONAL OVERVIEW



The County operates under the Commissioner-Manager form of government with nine members of the Board of Commissioners being elected from districts on a partisan basis for staggered, four-year terms. The Chairman presides over all County Commissioner meetings (typically held on the first and third Mondays of each month) and has the ability to vote on any issue. The Commissioners enact all general and technical ordinances, approve the annual budget and set the accompanying tax rate,

approve contracts and originate general management policies. The Commissioners employ a County Manager, who serves at the Board's pleasure and directs the daily operations of the County with the assistance of two Deputy Managers.

Property taxes may be levied by the County without a vote of the people and are collected as an annual ad valorem tax (\$0.686 per \$100 valuation for fiscal year 2016-17) on the appraised value of all real and tangible personal property within its boundaries.

DEMOGRAPHICS & LOCAL ECONOMY

Pitt County has a land area of approximately 656 square miles. Located in the coastal plain, the County is in the heart of eastern North Carolina, approximately 90 miles east of the capital city of Raleigh, 75 miles west of the Atlantic Ocean, and 220 miles south of Washington, D. C. The Tar River runs through the center of the County. The land generally slopes toward the east and is level with low rolling hills in the west. The temperature averages from a daily high of 72 degrees to a daily low of 50 degrees. The average annual precipitation is 49.04 inches of rainfall with only occasional accumulations of snowfall.

Pitt County is a rapidly growing, well-diversified employment and service center for eastern North Carolina. As one of the fastest growing centers in the State, the population increased by 25.7% between 2000 and 2010 census reports. Pitt County ranks as the 14th most populated County in North Carolina. The Greenville Metropolitan Statistical Area (MSA), which encompasses all of Pitt County, was the fourth fastest growing MSA in the state during the 2000's.

The local economy is well diversified with industries in advanced manufacturing, pharmaceuticals, life science, and food processing. Agriculture is still a strong contributor to the economy – tobacco, corn, soybeans, wheat, peanuts, eggs, livestock, poultry and vegetables are the primary agricultural products. The diversity, quality, and availability of human resources in Pitt County are primary reasons



why such notable and diverse companies as DSM, NACCO Materials Handling Group, ASMO, Karastan, and Weyerhaeuser have established major manufacturing facilities in our communities and continued expansion of these industries. Every major manufacturer has expanded their operations in Pitt County since their initial location, regardless of whether they produce pharmaceuticals or textiles. Pitt County retains its position as the number one retail trade center in the central and northern areas of eastern North Carolina. Taxable sales activity for fiscal year ending June 2014 (\$1.85 billion) shows Pitt County ranked at 10th in the state with a .3% increase over the previous fiscal year.

Various industries are represented in Pitt County, such as: health care, pharmaceutical manufacturing, chemical manufacturing, fiberglass boat manufacturing, lift truck manufacturing, agriculture, metal fabrication, education, and retail to name a few. In 2015 Mayne Pharma announced a \$65 million pharmaceutical facility expansion. The expansion is credited for adding 110 new local jobs for Pitt County and the opportunity to add additional jobs at a later time. The new commercial facility is expected to be fully operational by 2018. Also, in October 2015 D R Burton Healthcare Products LLC purchased their global headquarter facility in Farmville, NC. July 2016 was the estimated completion time of the new corporate offices and manufacturing operations.

Top 10 Major County Employers

Major Non-Manufacturing Employers	Product	Established	# of Employees
Vidant Medical Center	Health Care	1951	6895
East Carolina University	Education	1907	5564
Pitt County Public Schools	Education	1885	2814
Pitt Community College	Education	1961	953
County of Pitt	Government	1760	979
Walmart*	Department Store	1989/2013	795
City of Greenville	Government	1956	764
Physicians East	Health Care	1965	535
Convergys	Customer Service Center	1999	530
Greenville Utilities Commission	Public Utilities	1905	422

*Two separate locations in the County

Major Manufacturing Employers	Product	Established	# of Employees
NACCO Materials Handling Group	Lift Trucks	1974	1,000
Patheon, Inc.	Pharmaceuticals	2000	900
Alliance One International	Tobacco Processing	1907	850
TRC, Inc. (The Roberts Company)	Metal Fabrication	1978	650
ASMO Greenville of North Carolina	Small Electric Motors	1995	535
DMS Dyneema, LLC	Chemicals	2001	350
Attends Healthcare Products	Paper Products	1999	300
Mayne Pharma, Inc.	Pharmaceuticals	1994	300
Grady-White Boats	Fiberglass Boats	1959	200
Eastern Carolina Vocational Center	Picture Frames & Battery Terminals	1965	193

COMMUNITY PROFILE



Greenville, the County seat and largest municipality in Pitt County, is centrally located within the County. There are nine other incorporated municipalities within Pitt County including Ayden, Bethel, Falkland, Farmville, Fountain, Grifton, Grimesland, Simpson and Winterville.

Municipal Population					
	2010 Census	2014 Estimated	Growth Amount	Percent Growth	Percent of Total 2014 County Population
Pitt County	168,148	174,424	6,276	3.94%	
Municipalities in Pitt County					
Ayden	4,932	5,018	86	1.74%	2.88%
Bethel	1,577	1,580	3	0.19%	0.91%
Falkland	96	97	1	1.04%	0.06%
Farmville	4,654	4,714	60	1.29%	2.70%
Fountain	427	430	3	0.70%	0.25%
Greenville	84,554	87,436	2,882	3.41%	50.13%
Grifton	2,431	2,471	40	1.65%	1.42%
Grimesland	441	451	10	2.27%	0.26%
Simpson	416	416	0	0.00%	0.24%
Winterville	9,269	9,435	166	1.79%	5.41%

Source: NC Office of State and Budget Management



EDUCATION

Pitt County is served by a public school system as well as many excellent private parochial and non-parochial schools. Advanced educational opportunities within the County are also abundant. Pitt County Schools, Pitt Community College and East Carolina University are preparing students to compete and succeed in the global economy.

Pitt County Schools



The area's educational system is the pride of eastern North Carolina! Pitt County Schools has 37 schools which serve Pitt County and its municipalities. The public school system receives extensive local support, reflected in modern classroom facilities, a wide range of extracurricular activities, and student performance above state and national averages on standardized achievement tests. The 2015 graduating class was offered \$24,855,970 in scholarships, the highest ever

for the district. The system expects to serve in excess of 23,600 students in the 2016-17 school year.

The Pitt County School Administrative Unit consists of a nine member governing Board of Education. It is made up of six districts. Members are elected on a nonpartisan basis and serve four-year staggered terms. The superintendent is appointed by the Board and serves as secretary to the Board.

Elementary Schools (K-5)	K-8 Schools	Middle Schools (6-8)	High Schools (9-12)
Ayden Elementary Belvoir Elementary Creekside Elementary Eastern Elementary Elmhurst Elementary Falkland Elementary H.B. Sugg Elementary Lakeforest Elementary Northwest Elementary Ridgewood Elementary Sam D. Bundy Elementary South Greenville Elementary W.H. Robinson Elementary Wahl-Coates Elementary Wintergreen Intermediate Wintergreen Primary	Bethel School Chicod School G.R. Whitfield School Grifton School Pactolus School Stokes School	A.G. Cox Middle Ayden Middle C.M. Eppes Middle E.B. Aycock Middle Farmville Middle Hope Middle Wellcome Middle	Ayden-Grifton High D. H. Conley High Farmville Central High J. H. Rose High North Pitt High South Central High

Other: Pitt County Pre-Kindergarten



The State provides funding for a basic minimum educational program which is supplemented by the County and Federal governments. This minimum program provides funds for operational costs only. The financing of public school facilities has been a joint State and County effort. Local financial support from the County is provided for capital and operating costs which are not provided for by the State or Federal governments.

Pitt Community College

Established in 1961, Pitt Community College (PCC) is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award Associate Degrees. PCC is governed by a 12-member Board of Trustees, four of whom are appointed by the Board of Commissioners, four by the County Board of Education



and four by the Governor to serve four-year, staggered terms. The State provides primary funding for the Community College. The remainder is shared by the Federal Government, Pitt County, and other funds such as grants. County funds may be used for both capital and operating costs.

PCC is a comprehensive two-year college offering approximately 48 Associate in Applied Science degree programs, 68 certificate programs, 27 diploma programs and 11 college transfer programs. More than 41 of these programs can be taken entirely over the internet. In terms of enrollment in curriculum programs, PCC is the seventh largest Community College in North Carolina's 58 campus community college system. PCC's educational programs and services are focused to meet the needs of local communities for higher education, employment skills, basic education skills, job retraining, personal growth and development, community workplace literacy, and community and economic development. PCC offers a wide variety of business/industrial curriculum programs (machining, electronic servicing, industrial maintenance, information systems, etc.). Special training programs are specifically designed to meet the start-up and up-grade skill needs of industry, regardless of the type of operation or employment size of the facility. PCC is well known in the North Carolina Community College System for its specialization in Health Sciences career and college transfer programs.



Pitt Community College is an active participant in Pitt County's continuum of education. The college works closely with Pitt County Schools and East Carolina University to improve the articulation of education in the county. PCC works with Pitt County Schools to offer one of the largest Career Tech programs in the state. Career Tech is a curriculum guide which prepares students for technical careers.

East Carolina University

East Carolina University (ECU), the third largest of North Carolina's 53 private and public four-year colleges and universities, has an enrollment of nearly 29,000.



Founded in 1907 as a state-supported teacher training school, it became a liberal arts college in 1941 and a state university in 1967. It is now a Research/Doctoral institution offering approximately 200 undergraduate, graduate, and doctoral degrees through its colleges and professional schools. ECU leads the state in distance education offering more than 60 degrees and certificate programs online. The University's Brody School of Medicine operates a family practice center, cancer

center, and outpatient clinics in several medical specialties. It is well-known for its groundbreaking work in telemedicine and robotic surgery. In 2011, the School of Dental Medicine was established at ECU to specifically address the shortage of dentists in rural regions of North Carolina.

ECU School of Dental Medicine

The ECU School of Dental Medicine enrolled its first class of pre-doctoral students in 2011. In 2014, pre-doctoral students joined the Community Service Learning Centers (CSLCs) to gain hands-on experience treating patients in rural, underserved areas across the state. The faculty, staff, student, and patient populations are growing rapidly as they live out the vision to educate the next generation of primary care dentists with a focus on serving rural and underserved areas of North Carolina.

Programs include the pre-doctoral program, leading to a doctor of dental medicine degree (DMD), and post graduate programs in advanced education in general dentistry (AEGD), general practice residency, and pediatric dentistry.



TRANSPORTATION

Access to the area is provided by an east-west Interstate-quality freeway, a north-south four-lane highway, two railroads, and three commercial airports. An international airport is within a two hour drive and Interstate 95 is within 30 miles of Pitt County. Thirty motor freight carriers provide regular service to the area, with eight operating terminals within the County. Three major deep water ports – Wilmington, NC, Morehead City, NC, and Norfolk, VA – are each within 120 miles of the area.

The County has approximately 1,800 linear miles of public roads and highways currently maintained by the North Carolina Department of Transportation.

The Pitt-Greenville Airport is a municipal facility owned jointly by the County and the City of Greenville and located adjacent to the Greenville Industrial Park in the northwest portion of Greenville. The Airport, just under 1,000 acres, is a non-hub Regional (Commuter) Airport currently served by American Airlines, with round trips daily to its hub in Charlotte. In addition to airline activity, the Airport serves as the portal of entry for a myriad of corporate and business aircraft serving such clients as DSM Pharmaceuticals, Grady-White Boats, Weyerhaeuser, and NACCO Materials Handling Group. Other services utilizing the Airport include air ambulance and air freight companies.



Daily rail service is provided to the County by CSX Transportation and Norfolk – Southern Railway, two of the nation's largest railroad systems. Interconnecting in Greenville, these systems allow for the transport of freight shipments to and from such cities as Atlanta, New Orleans, Miami, St. Louis, Chicago, Detroit, Philadelphia and Pittsburgh.

The County is served by two public transit systems – one that is operated by the City of Greenville (Greenville Area Transit – GREAT) and one that is operated by the County (Pitt Area Transit System – PATS). The City of Greenville operates an urban bus system within its corporate limits. The County has no financial responsibility for subsidizing this service. The County operates Pitt Area Transit as a department of County government with an appointed advisory board to oversee the operation of this department and general public transportation services.



HEALTH & WELFARE

Social Services



The Department of Social Services administers the following Public Assistance or Income Maintenance Programs: Medicaid, Work First Cash Assistance, Special Assistance to Adults, Food Stamps, and Energy Assistance. In addition to the public assistance programs, the Department of Social Service operates the child support enforcement program. The Department of Social Services provides protective services for abused and neglected children and adults, foster care for children and adults, adoption services, day care services for children, family

planning, employment counseling services, in-home services, and individual and family adjustment services. The Department also assists persons in securing health care consumer education and other informational services.

Mental Health

As a result of House Bill 381, adopted in the 2002 legislative session, Public Mental Health authorities in North Carolina changed from direct service providers to managers of service. While the transition was a multi-year process, Pitt County completed its transition to a Local Management Entity (LME) effective July 1, 2005. By taking a planned orderly approach, the citizens have continued to receive excellent care from private providers. In May 2006, Pitt County adopted a "Resolution of Intent" and actively pursued the creation of a 9-county LME to be made up of Pitt, Craven, Beaufort, Jones, Pamlico, Bertie, Gates, Northampton & Herford Counties. Effective July 1, 2010, the service area of the LME increased with the addition of 10 counties in the Northeastern portion of North Carolina creating a management entity overseeing 19 counties and close to 600,000 residents.

Effective July 1, 2015, Pitt County officially became one of 24 counties that make up Trillium Health Resources. Trillium Health Resources is an LME/MCO (Managed Care Organization) managing mental health, developmental disabilities and substance abuse services throughout the eastern NC region. Trillium Health Resources partnered with nonprofit Healing Transitions with plans to open a \$10 million, 200 bed substance abuse recovery center in Pitt County. The groundbreaking took place in May 2016 at Pitt County Government's North of the River Complex. The new facility is scheduled to open late 2017.

Pitt County continues to annually allocate local funds to provide services above and beyond those funded by the State or third party payor sources. For fiscal year 2016-17, the County's budgeted appropriation is \$487,500. In addition to these local dollars, Pitt County also passes through ABC revenue to Trillium Health Resources to support alcohol counseling and recovery services. The LME/MCO budget is supported by fees for services, County, State and Federal funds.



Public Health

The primary purpose of the Public Health Department is to ensure the health and well-being of the citizens of the County by means of various population based activities that fall into the general strategy of health promotion and disease prevention. This strategy distinguishes public health activities from other health care activities that are more curative in nature and more individualized in scope. The responsibility for administration of activities as assumed by County government is implemented through the County Board of Health.

The scope of Public Health Department activities falls into six broad categories: (1) control of communicable diseases, including environmental health activities, control of sexually transmitted diseases, tuberculosis and other childhood diseases in child care settings; (2) specific health care services to assure minimal preventive health services for the indigent, including immunization, family planning, prenatal care, well baby care and specialized services for children with special needs; (3) nutrition education



and food supplementation; (4) screening and early detection activities directed at the adult population; (5) support and follow-up services especially for high risk infants and pregnant women; and (6) health education and health promotion activities, including an on-going community diagnosis to identify specific community based health problems and develop appropriate interventions.

Food, Lodging and Institutional Sanitation

Protecting citizens from unnecessary environmental risks has always been a priority of Public Health. The Department of Environmental Health under the direction of Public Health, inspects all restaurants, food and drink stands, mobile food units, push carts, temporary food stands, stands at festivals, meat markets, hotels, motels, bed and breakfast establishments, schools, childcare facilities, residential care homes, and tattoo artists/establishments to ensure that they comply with the sanitation standards established by the state health department.



HEALTHCARE

Vidant Medical Center



Vidant Medical Center (formerly operated as Pitt County Memorial Hospital) is an 861-bed acute care hospital. Eleven of the twenty members of the Board of Trustees of the Corporation are appointed by the Pitt County Board of Commissioners. Vidant Medical Center is one of four academic medical teaching centers in the State and serves as a teaching hospital for the ECU Brody School of Medicine. Vidant Medical Center is a regional health care referral center serving over 1.3 million people in a 29-County area with a multitude of services that include organ transplant; a Level I Trauma Center; air ambulance service; neonatal intensive care; and centers for rehabilitation, diabetes, cancer, and cardiac care.

Cancer Center

Vidant Health officials broke ground on March 20, 2015 for a new cancer center and bed tower at Vidant Medical Center. The new center was designed to create a state-of-the-art medical destination for oncology patients and families. The new six-story, 418,000-square-foot cancer center and bed tower will be adjacent to the East Carolina Heart Institute on the Vidant Medical Center campus. The 96-bed facility will be designed so all inpatient beds can provide care at either intensive or intermediate care levels. Construction of the center began in April 2015 with an estimated completion in 2018.



James and Connie Maynard Children's Hospital

The James and Connie Maynard Children's Hospital at Vidant Medical Center officially opened in June 2013 with officials predicting that it will become a special healing place for the hundreds of thousands of children whose families live east of I-95. It is the first and only facility designed and built specifically for children in the 29-county region served by Vidant. The 78,000-foot addition to the existing hospital is brightly decorated in colors soothing to children. Officials said a key focus of the design was to provide an environment conducive to patient- and family-centered care. The facility has 130 inpatient beds, 67 outpatient beds and a special care nursery consisting of 21 beds, each in a private room. It also has the Kids Immunosuppressed Specialty Unit (KISU), a six-bed unit for children with cancer, blood disorders and other conditions that require treatments which compromise their immune systems.



Brody School of Medicine

Brody School of Medicine (BSOM) was established in 1975 by an act of the North Carolina General Assembly. Brody School of Medicine has a threefold mission: to produce primary care physicians—especially family doctors—to serve the State, to increase opportunities for minorities and disadvantaged students to pursue a medical education, and to enhance the system of health care in eastern North Carolina. In addition to educational programs, patient care and research are focal points of the Brody School of Medicine. The school is the principal source of advanced referral medical care for citizens of Eastern North Carolina, and is an important source of primary care for citizens of Pitt County.

East Carolina Heart Institute



The East Carolina Heart Institute opened in January 2009 as a partnership with Vidant and ECU along with cardiovascular experts in private practice, academic medicine and research. It is the first institute in NC devoted exclusively to education, research, treatment and prevention in cardiovascular diseases. The institute has set the standard for cardiovascular care in NC.



PARKS & RECREATION

Over the past thirty years, Pitt County Community Schools and Recreation has developed recreation programs and joint-use recreation facilities on school campuses throughout the county. In May 2016 Pitt County was the winner of the 'Great Place for Healthy Living' competition which is a People's Choice Award sponsored by the American Planning Association for the County Home Road complex.



The complex includes Alice F. Keene District Park, Pitt County Council on Aging, Making Pitt Fit Community Garden, Wintergreen School, Eastern Carolina Village and Farm Muesum, Leory James Farmers' Market, the Animal Shelter and Recycling Center.

In 2010, the County dedicated the district park as the Alice F. Keene Park. The Alice F. Keene Park includes 1.25 miles in walking trails, two lighted softball fields, 4 multipurpose fields, a playground, horseshoe and bocce courts and a concession stand with restrooms. The Making Pitt Fit Community Garden began operating in 2012. Located adjacent to the Farmer's Market, two elementary schools, Alice F. Keene District Park, the Council on Aging, the Community College Greenhouse and near several underserved neighborhoods, the garden is accessible to a cross section of the population.



The goal of the garden is to increase the consumption of fruits and vegetables and increase physical activity through work in the garden and use of the District Park. The garden includes an intergenerational component with students from the elementary schools working with seniors. Current participation reflects diversity of ages, races, cultural and socioeconomic backgrounds. Through the strong support, guidance and hard work of the Community Garden Advisory Committee, strategies

have been put in place to build a strong infrastructure and foundation that will ensure the quality of the community garden for years to come.

COMMUNITY PROFILE



STATISTICAL INFORMATION

Government		
Date of Incorporation		1760
Form of Government	Commissioner-Manager	
County Seat	Greenville, NC	
Number of County Employees		978.75

Area Statistics		
Population (July 2015 Estimated)		175,390
Area in Square Miles		656.52

Taxes		
NC Retail Sales Tax		4.75%
Pitt County Local Sales Tax		2.25%
Pitt County Property Tax Rate Per \$100 Value		0.686

Climate		
Average Maximum Temperature		72 F
Average Minimum Temperature		50 F
Average Annual Precipitation		49.04"

Economic Indicators		
Population Increase (2000 - 2010)		25.7%
Employment Increase (2000-2010)		13.2%
Unemployment (2015)		6.1%
Median Family Income (2014)		\$57,600
Retail Sales (Fiscal Year Ended June 2014)		1.85 billion
Retail Sales Increase (FY 2014 over FY 2013)		0.3%
Average Cost of Housing Sold (2013)		\$146,307
Percentage of population 25 years and over (2000)		
High School Graduate or Higher		79.9%
Bachelor's Degree or Higher		26.4%

Population		
2010 Census		168,148
2014 Estimated, Office of State Budget & Management		174,414
2019 Projected Total Population (NC Department of Commerce)		181,722

Population - by Age (2010 Census)		
< 20	28.04%	47,144
20 - 24	12.83%	21,567
25 - 34	14.37%	24,165
35 - 49	18.41%	30,954
50 - 64	16.47%	27,699
65 & Over	9.88%	16,619

Population - by Gender (2010 Census)		
Male	47.20%	79,360
Female	52.80%	88,788



STATISTICAL INFORMATION CONTINUED

Population - Ethnicity / Race (2010 Census)		
White	57.12%	96,038
Black or African American	33.79%	56,813
Hispanic or Latino	5.47%	9,202
Identified by two or more	1.61%	2,699
Asian	1.52%	2,561
American Indian and Alaska Native	0.28%	474
Other	0.17%	290
Native Hawaiian and Pacific Islander	0.04%	71
Transportation		
Miles of Streets		Over 1,800
Airports (Pitt-Greenville (PGV))		1
Railways		2
Major 4-Lane Highways		2
Culture & Recreation		
Library Facilities		9
Bookmobiles		1
Book Circulation (Sheppard System Only)		477,647
Number of Books (Sheppard System Only)		231,900
Parks		30
Park Acreage		1,300
Golf Courses - Public & Private		7
Swimming Pools		6
Tennis Courts		36
Education		
Number of Public School Systems		1
Number of School Instructors		1,560
Number of Elementary/Middle Schools		29
Number of Secondary Schools		7
Community Colleges (Pitt Community College)		1
Universities (East Carolina University)		1
Medical		
Number of Hospitals (Vidant Medical Center)		1
Number of Patient Beds		909
Fire Protection & EMS Services (Non-Municipal)		
Number of Stations		30 (20 Fire, 10 EMS)
Fire & EMS Personnel (Officers, Volunteer, & Paid)		943
Fire & EMS Calls Dispatched (Both Municipal & Non-Municipal)		40,200
Number of Fire Inspections Conducted		454



STATISTICAL INFORMATION CONTINUED

Law Enforcement (Sheriff & Detention)	
Number of Stations	1
Number of Detention Centers	1
Number of Beds in Detention Center	500
Number of Personnel and Officers - Sheriff	149
Number of Personnel and Officers - Detention	175
Number of Patrol Units (Deputies)	44
Number of Calls for Service (CY 2015)	29,247

Sources of Information	
Departments of Pitt County Government	
Sheppard Memorial Library (Reports only main and satellite branches)	
City of Greenville - Recreation & Parks (Reports City facilities only)	
Pitt County Board of Education	
Vidant Medical Center	
North Carolina Department of Commerce	
Pitt County Development Commission	
North Carolina Office of State Budget & Management	
United States Census Bureau	



Government Finance Officers Association

**Certificate of
Achievement
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Reporting**

Presented to

**County of Pitt
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

PITT COUNTY, NORTH CAROLINA

LIST OF PRINCIPAL OFFICIALS For Year Ended June 30, 2016

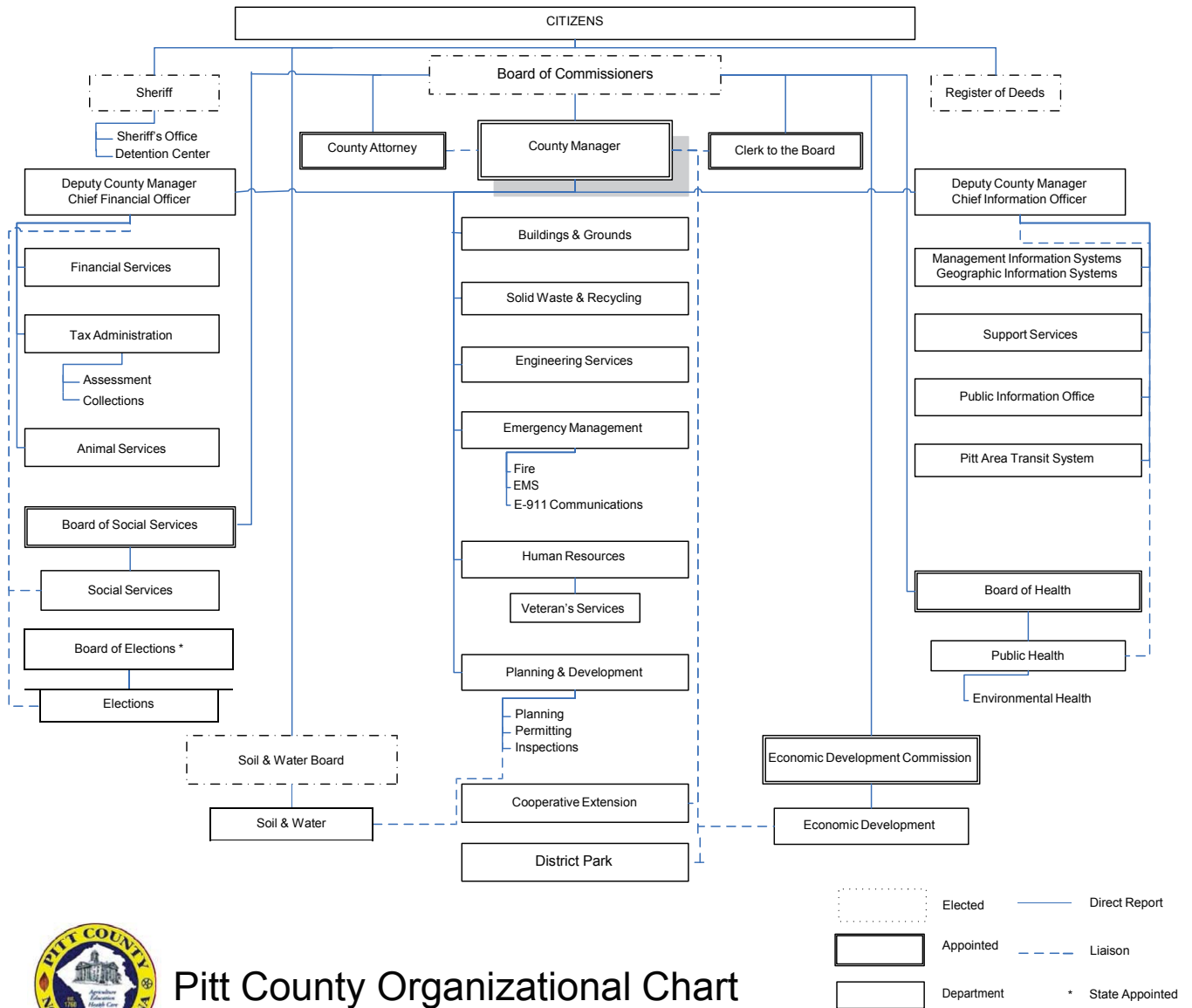
BOARD OF COUNTY COMMISSIONERS

BETH B. WARD	Chair
MELVIN C. MCLAWHORN	Vice-Chair
TOM COULSON	
CHARLES FARLEY	
JIMMY GARRIS	
DAVID HAMMOND	
MARK W. OWENS	
MARY PERKINS-WILLIAMS	
GLEN WEBB	

COUNTY OFFICIALS

D. SCOTT ELLIOTT	County Manager
DUANE T. HOLDER	Deputy County Manager – Chief Financial Officer
MICHAEL C. TAYLOR	Deputy County Manager – Chief Information Officer
KIMBERLY W. HINES	Clerk to the Board
JANIS GALLAGHER	County Attorney
TIM CORLEY	County Engineer
LISA NICHOLS	Register of Deeds
R. NEIL ELKS	Sheriff
WANDA YUHAS	Economic Developer
JAN ELLIOTT	Social Services Director
DR. JOHN MORROW	Public Health Director
FLORIDA D. HARDY	Director of Human Resources
MICHAEL EMORY	Director of Public Information & Media Relations

HUMAN RESOURCES SUMMARY



Pitt County Organizational Chart

HUMAN RESOURCES SUMMARY



Pitt County Appointed Boards & Committees

Jointly Appointed Boards		County Appointed Boards & Committees		Jointly Appointed Boards
City & County				State & County
➤ Convention & Visitors Authority		➤ Animal Services Advisory	➤ PC Child Fatality Prevention Team	➤ Alcoholic Beverage Control (ABC)
➤ Pitt-Greenville Airport Authority		➤ PC Board of Adjustment	➤ Pitt Area Transit System (PATS) Advisory Board	➤ Jury Commission
➤ Sheppard Memorial Library		➤ Board of Equalization & Review	➤ Pitt Regional Infrastructure Development Effort (PRIDE)	➤ Pitt Community College Board of Trustees
➤ Ayden Planning Board		➤ Pitt County Farm & Food Council	➤ PC Planning Board	➤ Vidant Medical Center Board of Trustees
➤ Bethel Board of Adjustment		➤ Committee for Employment of People with Disabilities	➤ Trillium Health Resources (ECBH – Local Mgmt Entity)	➤ NC Eastern Alliance
➤ Bethel Planning & Zoning Board		➤ EMS Oversight Committee	➤ Agricultural Advisory Board	➤ Social Services Board
➤ East Carolina Village of Yesteryear		➤ Industrial Revenue & Pollution Control Authority	➤ Board of Health	
➤ Farmville Planning & Zoning		➤ Juvenile Criminal Prevention Council (JCPC)	➤ Development Commission	
➤ Greenville Board of Adjustment		➤ Local Firemen's Relief Fund Board	➤ Domestic Violence Fatality Review Team	
➤ Greenville Planning & Zoning Commission		➤ Nursing Home/Advisory Adult Care Community Advisory	➤ Farmer's Market Policy Committee	
➤ Greenville Utilities Commission			➤ Fire District Commission	
➤ Grifton Planning & Zoning Board			➤ Home & Community Care Block Grant Committee	
➤ Grimesland Board of Adjustment				
➤ Grimesland Planning Board				
➤ Simpson Planning Board				
➤ Winterville Board of Adjustment				
➤ Winterville Planning & Zoning Board				

OTHER BOARDS: Mid-East Commission, Mid-East Regional Housing Authority, Region Q Workforce Development Board



COUNTY OF PITT

MISSION STATEMENT

The Mission of Pitt County Government is to enhance the health, safety, and well-being of our community by advocating for and providing quality services in a friendly, efficient and cost-effective manner.

VISION

A Leader in the State; Best in the East.

VALUES

Pitt County Government believes our purpose is public service. Thus, we adhere to the following:

- ☒ *Encourage honesty and behavior that is consistent with our mission;*
- ☒ *Recognize and promote competence, excellence, and open communication;*
- ☒ *Support each other in working toward our goals;*
- ☒ *Maintain an open government that is a good steward of public resources;*
- ☒ *Support decision making that is deliberate, conscientious, and based on fact.*

GOALS FOR FY 2016-17

- ☒ *To promote quality education;*
- ☒ *To promote community safety through enhanced emergency service programs;*
- ☒ *To advance economic development opportunities for Pitt County;*
- ☒ *To enrich the quality of life for Pitt County citizens through opportunities for improved health and welfare;*
- ☒ *To address the facility and space needs of all county government programs—general government, public schools and community college;*
- ☒ *To champion infrastructure improvements throughout the county; and*
- ☒ *To promote the provision of and access to recreational activities for county citizens.*

II. FINANCIAL SECTION

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information – Law Enforcement Officer's Special Separation Allowance, Other Post-Employment Benefits (OPEB), Proportionate Share of Net Pension Liability (Asset) and Schedule of County Contributions for the Local Government Employees' Retirement System and Register of Deed's Supplemental Pension Fund
- Other Supplemental Schedules

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MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Independent Auditor's Report

To the Board of County Commissioners
Pitt County
Greenville, North Carolina

Report On the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitt County, North Carolina, as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Pitt County ABC Board, which represents 3% percent, 10% percent, and 7% percent respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Pitt County ABC Board, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. The financial statements of Pitt County ABC Board were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based upon our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitt County, North Carolina, as of June 30, 2016, and the respective changes in financial position, and where applicable, cash flows, thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress, Other Post-Employment Benefits Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of the Net Pension Liability and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedules of the County's Proportionate Share of the Net Pension Asset and Schedule of County 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist 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.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pitt County's basic financial statements. The introductory section, combining and individual fund financial statements, budgetary schedules, other schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, and other schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the combining and individual fund financial statements, budgetary schedules, and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2016, on our consideration of Pitt County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that 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* in considering Pitt County's internal control over financial reporting and compliance. The report on internal control over financial reporting and on compliance and other matters will be published at a later date in Pitt County's Single Audit Report.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 16, 2016

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Management's Discussion and Analysis

As management of Pitt County, we offer readers of Pitt County's financial statements this narrative overview and analysis of the financial activities of Pitt County (the "County") for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of Pitt County's governmental activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$48,464,095.
- As of the close of the current fiscal year, Pitt County's General Fund reported an ending total fund balance of \$41,117,338, an increase of \$1,370,756 in comparison with the prior year. The majority of the increase was attributable to the increase in ad valorem tax revenues; it is also a reflection of the Board's continued commitment to monitoring expenditures and working to improve fund balance. 64.70% of this total amount, \$26,604,345 (unassigned fund balance), is available for spending at the government's discretion, while the difference is in non-spendable form, is restricted, or is assigned for a specific purpose.
- At the close of the current fiscal year, in the General Fund, the available fund balance as a percentage of expenditures and transfers out decreased to 21.36%, an increase over the prior fiscal year-end fund balance percentage of 20.64%.
- The tax rate remained constant at 68.00 cents per \$100 of valuation. The proceeds are split: 67.30 cents to the General Fund and 0.70 cents to the Industrial Development Commission.
- The County maintained its GO bond ratings:

Fitch	AA+
Standard & Poor's	AA
- The County received a GO bond rating upgrade for the following:

Moody's	Aa1
---------	-----
- The County maintained its COPs ratings:

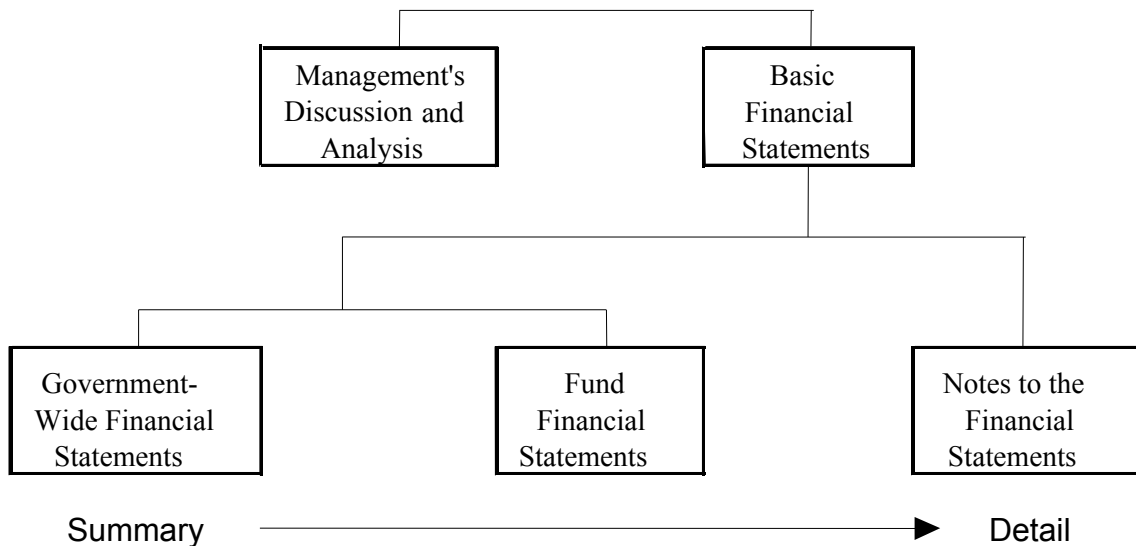
Fitch	AA
Standard & Poor's	AA-
- The County received a COPS rating upgrade for the following:

Moody's	Aa2
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Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Pitt County's basic financial statements. Pitt County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the fiscal condition of Pitt County.

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

The first four statements, Exhibits A through B, in the basic financial statements are the **Government-Wide Financial Statements**. They provide both short and long-term information concerning the County's financial status. Exhibit E is a reconciliation of the governmental fund changes for the period.

The next statements, Exhibits C through J, are the **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government, providing more detail than the government-wide statements. There are four parts to the fund financial statements: 1) the governmental funds statements, 2) the budgetary comparison statements, 3) the proprietary fund statements, and 4) the trust and agency fund statements.

The final section of the basic financial statements is the **Notes**. The notes to the financial statements offer a detailed examination about various information contained in the statements. After the notes, **Supplemental Information** provides details of the County's nonmajor governmental funds and internal service funds, which are combined in one column on the basic financial statements. Budgetary information required by the North Carolina General Statutes can also be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of Pitt County's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of Pitt County's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Pitt County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Pitt County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Pitt County include general government, public safety, public education, economic development, and general administration. The sole business-type activity of Pitt County is the solid waste (landfill) operation.

The government-wide financial statements include not only Pitt County itself (referred to as the primary government), but also the ABC Board and the Industrial Development Commission (referred to as component units) for which Pitt County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on Exhibits A and B of this report.

Fund Financial Statements

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. Pitt County, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Pitt County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Pitt County adopts an annual budget for its General Fund, as required by the North Carolina General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board of Commissioners about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget

as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for the difference between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities is shown at the end of the budgetary statement.

Proprietary Funds. Pitt County maintains two types of proprietary funds: Enterprise and Internal Service. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. Pitt County uses an enterprise fund to account for its solid waste operation. Internal service funds are an accounting device used to accumulate and allocate costs internally among Pitt County's various functions. Pitt County uses internal service funds to account for the financing of goods and services provided by the County Garage Fund, Employee Medical Insurance Fund, Retiree Medical Insurance Fund, and Workers' Compensation Fund on a cost-reimbursement basis. As all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for solid waste. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County maintains several agency funds for the benefit of other parties – Social Services Fund, Sheriff's Fund, Mental Health Trust Fund, Tax Collections Held for Municipalities Fund, 3% Interest Payable to State Agency Fund, and the Flexible Benefit Plan Fund. These accounts are truly held in a trust capacity, and no budget is included in the County's annual adoption for these entities.

Other Information. In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Pitt County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 102 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found directly after the basic financial statements of this report.

Government-Wide Financial Analysis

As noted earlier, net position, over time, may serve as a useful indicator of a government's financial position. For Pitt County, total assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$48,464,095 at the close of the most recent fiscal year.

Pitt County's Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 82,105,858	\$ 62,556,081	\$ 3,791,214	\$ 4,025,109	\$ 85,897,072	\$ 66,581,190
Capital assets: non-depreciable	35,177,317	56,976,578	708,669	642,829	35,885,986	57,619,407
Capital assets, net	106,831,551	84,305,252	3,478,425	3,097,221	110,309,976	87,402,473
Net pension asset	338,042	4,425,840	-	126,518	338,042	4,552,358
Investment in joint venture	22,774,772	21,081,490	-	-	22,774,772	21,081,490
Total assets	<u>247,227,540</u>	<u>229,345,241</u>	<u>7,978,308</u>	<u>7,891,677</u>	<u>255,205,848</u>	<u>237,236,918</u>
Deferred outflows of resources	<u>5,578,789</u>	<u>5,782,286</u>	<u>86,626</u>	<u>87,835</u>	<u>5,665,415</u>	<u>5,870,121</u>
Long-term liabilities outstanding	182,448,596	168,457,269	835,054	953,000	183,283,650	169,410,269
Other liabilities	19,845,337	19,684,029	596,674	618,101	20,442,011	20,302,130
Total liabilities	<u>202,293,933</u>	<u>188,141,298</u>	<u>1,431,728</u>	<u>1,571,101</u>	<u>203,725,661</u>	<u>189,712,399</u>
Deferred inflows of resources	<u>2,048,301</u>	<u>10,356,025</u>	<u>54,066</u>	<u>312,863</u>	<u>2,102,367</u>	<u>10,668,888</u>
Net position:						
Net investment in capital assets	17,210,123	7,404,524	4,187,094	3,740,050	21,397,217	11,144,574
Restricted	16,678,816	14,785,094	-	-	16,678,816	14,785,094
Unrestricted	14,575,156	14,440,586	2,392,046	2,355,498	16,967,202	16,796,084
Total net position	<u>\$ 48,464,095</u>	<u>\$ 36,630,204</u>	<u>\$ 6,579,140</u>	<u>\$ 6,095,548</u>	<u>\$ 55,043,235</u>	<u>\$ 42,725,752</u>

A portion of net position reflects Pitt County's net investment in capital assets (e.g., land, buildings, machinery, and equipment). Pitt County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Pitt County's net investment in capital assets at June 30, 2016 was \$21,397,217. Approximately 30% of Pitt County's net position represents resources that are subject to external restriction on how they may be used, with \$13,359,881 being restricted for stabilization by State statute.

At the end of the current fiscal year, Pitt County is able to report a positive balance in both governmental activities and business-type activities with an improvement in both the governmental and business-type activities over last year.

Pitt County's Changes in Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 18,534,604	\$ 14,767,676	\$ 8,764,954	\$ 8,543,848	\$ 27,299,558	\$ 23,311,524
Operating grants and contributions	29,136,211	33,525,014	16,811	13,411	29,153,022	33,538,425
Capital grants and contributions	2,838,816	1,318,696	-	-	2,838,816	1,318,696
General revenues:						
General revenues:						
Property taxes	86,795,644	84,354,263	-	-	86,795,644	84,354,263
Local option sales tax	28,843,710	26,698,824	-	-	28,843,710	26,698,824
Payment in lieu of taxes and other taxes	2,220,733	2,186,843	-	-	2,220,733	2,186,843
Interest revenue	2,013,878	1,648,230	44,598	14,295	2,058,476	1,662,525
Total revenues	<u>170,383,596</u>	<u>164,499,546</u>	<u>8,826,363</u>	<u>8,571,554</u>	<u>179,209,959</u>	<u>173,071,100</u>
Expenses:						
General government	15,016,731	16,508,916	-	-	15,016,731	16,508,916
Public safety	42,525,254	40,105,903	-	-	42,525,254	40,105,903
Environmental protection	285,467	186,589	-	-	285,467	186,589
Economic and physical development	54,011	3,630,825	-	-	54,011	3,630,825
Human services	44,531,856	40,654,477	-	-	44,531,856	40,654,477
Cultural and recreation	664,949	679,571	-	-	664,949	679,571
Education	49,421,608	46,080,991	-	-	49,421,608	46,080,991
Interest on long-term debt	6,444,049	7,251,638	-	-	6,444,049	7,251,638
Landfill	-	-	8,239,791	8,462,330	8,239,791	8,462,330
Total expenses	<u>158,943,925</u>	<u>155,098,910</u>	<u>8,239,791</u>	<u>8,462,330</u>	<u>167,183,717</u>	<u>163,561,240</u>
Increase (decrease) in net position before transfers	11,439,671	9,400,636	586,572	109,224	12,026,242	9,509,860
Transfers	<u>102,980</u>	<u>104,636</u>	<u>(102,980)</u>	<u>(104,636)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	<u>11,542,651</u>	<u>9,505,272</u>	<u>483,592</u>	<u>4,588</u>	<u>12,026,242</u>	<u>9,509,860</u>
Net position, beginning, previously reported	36,630,204	32,614,075	6,095,548	6,270,502	42,725,752	38,884,577
Restatement	<u>291,240</u>	<u>(5,489,143)</u>	<u>-</u>	<u>(179,542)</u>	<u>291,240</u>	<u>(5,668,685)</u>
Net position, beginning, restated	<u>36,921,444</u>	<u>27,124,932</u>	<u>6,095,548</u>	<u>6,090,960</u>	<u>43,016,992</u>	<u>70,141,924</u>
Net position, ending	<u>\$ 48,464,095</u>	<u>\$ 36,630,204</u>	<u>\$ 6,579,140</u>	<u>\$ 6,095,548</u>	<u>\$ 55,043,235</u>	<u>\$ 42,725,752</u>

Governmental Activities. The net position for governmental activities increased by \$11,542,651. Of total net position, governmental activities accounted for \$48,464,095 (88.05%).

Business-Type Activities. Business-type activities increased Pitt County's net position by \$483,592. Of total net position, business-type activities accounted for \$6,579,140 (11.95%). User charges continued to be collected at a high rate, and operations are stable. While expenses were slightly below budget, offsetting revenues that were collected at a rate higher than anticipated.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Pitt County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, fund balance available for appropriation can be a useful measure of a County's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Pitt County. At the end of the current fiscal year, Pitt County's fund balance available in the General Fund was \$30,353,707, while total fund balance was \$41,117,338. The County currently has an available fund balance of 21.36% of General Fund expenditures and transfers, while total fund balance represents 28.94% of that same amount.

As of the end of the current fiscal year, Pitt County's governmental funds reported combined ending fund balances of \$74,372,541, an increase of \$17,842,542 in comparison with the prior year. The bulk of this increase is directly related to the County's issuance of debt and its commitment to operating within a structurally balanced budget, thus, resulting in another increase of operating surplus.

Pitt County's Fund Balance
Figure 4

	<u>General</u>		<u>Other Governmental Funds</u>		<u>Total Governmental Funds</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Fund balance	\$ 41,117,338	\$ 39,455,342	\$ 33,255,203	\$ 16,783,417	\$ 74,372,541	\$ 56,238,759

Pitt County will continue to operate within a structurally balanced budget, with increases in expenditures kept to a minimum. Increases in expenditures will only occur as increases in revenues are identified.

The School Capital Reserve Fund is the County Capital Reserve Fund (one of the County's nonmajor capital project funds). The assets in this fund represent the proceeds generated by the ¼% local option sales tax implemented in April 2008 after successful passage by voter referendum in November 2007. The assets of this fund are to be used for education construction or the retirement of related debt – inclusive of both the public school system and the local community college. At June 30, 2016, this fund had an ending balance of \$4,572,202, as compared to \$2,423,112 at June 30, 2015. The majority of the difference \$2,149,090 relates to the receipt of sales tax distributions from the State.

Proprietary Funds. Pitt County's proprietary fund (Business-Type Activities – Solid) provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted Net Position for all proprietary funds at the end of the year was \$2,392,046, an increase of \$483,592 from the prior year. Total Net Position at year-end increased to \$6,579,140 from the prior year at \$6,095,548 for the year ended June 30, 2016. Revenues in the Solid Waste Fund were collected at a rate of 99.07% of budget, while expenses reflected 99.79% of budget.

Management also pays particular attention to the County's Active Employee Medical Insurance Fund (Internal Service Fund) as the County is self-funded. The ability to offer insurance coverage to staff at a reasonable cost is directly related to the performance of this fund and the actions of employees when seeking medical care. The County continues to invest considerable effort into educating staff on this fund's operation to help them understand how they can help preserve this benefit and contain costs. The contracted employee clinic has assisted in containing costs and continues to help produce a positive fund balance. This fund had an ending balance at June 30, 2016 of \$1,150,648, as compared to \$77,451 at June 30, 2015. While employee premiums remained constant for another year, the fund's recent performance will require that management further analyze those premiums for future adjustment.

General Fund Budgetary Highlights

During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into 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.

The County's General Fund revenue budget increased by \$1,060,622 throughout the year, while the expenditure budget increased by \$2,543,663. Other financing sources (uses) provided balancing entries to ensure that the County maintained a statutorily required balanced budget ordinance. In total, the County collected 100.05% of the General Fund's final budgeted revenues, but only spent 95.98% of budgeted expenditures.

Capital Asset and Debt Administration

Capital Assets. Pitt County's depreciable capital assets for its governmental and business-type activities as of June 30, 2016 totaled \$110,309,976 (net of accumulated depreciation). This investment in capital assets includes buildings and systems, improvements, machinery, and equipment. Land and construction in progress (not included above) is termed capital assets non-depreciable and totaled \$35,885,986.

Additional information on Pitt County's capital assets can be found in Note 6, "Capital Assets," of the notes to the financial statements of this report.

Pitt County's Capital Assets – Governmental Activities
(Net of Depreciation)
Figure 5

	Balance				Balance
	June 30, 2015	Additions	Retirements	Transfers	June 30, 2016
Non-Depreciable Assets:					
Land	\$ 3,271,712	\$ -	\$ -	\$ -	\$ 3,271,712
Construction in progress	53,704,866	5,125,212	-	(26,924,473)	31,905,605
Total non-depreciable capital assets	<u>56,976,578</u>	<u>5,125,212</u>	<u>-</u>	<u>(26,924,473)</u>	<u>35,177,317</u>
Depreciable Assets:					
Land improvements	1,228,927	-	-	-	1,228,927
Buildings	114,068,905	-	-	26,924,473	140,993,378
Furniture and equipment	9,955,624	200,541	(672,628)	-	9,483,537
Vehicles	9,233,262	593,891	(413,294)	-	9,413,859
Total depreciable capital assets	<u>134,486,718</u>	<u>794,432</u>	<u>(1,085,922)</u>	<u>26,924,473</u>	<u>161,119,701</u>
Subtotal	<u>191,463,296</u>	<u>5,919,644</u>	<u>(1,085,922)</u>	<u>-</u>	<u>196,297,018</u>
Less Accumulated Depreciation:					
Land improvements	1,190,225	4,340	-	-	1,194,565
Buildings	38,469,610	3,392,978	-	-	41,862,588
Furniture and equipment	4,066,507	611,025	(451,374)	-	4,226,158
Vehicles	6,455,124	939,043	(389,328)	-	7,004,839
Total accumulated depreciation	<u>50,181,466</u>	<u>\$ 4,947,386</u>	<u>\$ (840,702)</u>	<u>\$ -</u>	<u>54,288,150</u>
Depreciable capital assets, net	<u>84,305,252</u>				<u>106,831,551</u>
Governmental capital assets, net	<u>\$ 141,281,830</u>				<u>\$ 142,008,868</u>

Pitt County's Capital Assets – Business-Type Activities
(Net of Depreciation)
Figure 6

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2016</u>
Non-Depreciable Assets:				
Land and improvements	\$ 642,829	\$ -	\$ -	\$ 642,829
Construction in progress	-	65,840	-	65,840
Total non-depreciable capital assets	<u>642,829</u>	<u>65,840</u>	<u>-</u>	<u>708,669</u>
Depreciable Assets:				
Land improvements	88,393	213,845	-	302,238
Buildings and improvements	2,641,187	-	-	2,641,187
Furniture and equipment	4,161,619	86,119	(867,601)	3,380,137
Vehicles	863,087	422,934	-	1,286,021
Total depreciable capital assets	<u>7,754,286</u>	<u>722,898</u>	<u>(867,601)</u>	<u>7,609,583</u>
Less Accumulated Depreciation:				
Land improvements	88,393	5,201	-	93,594
Buildings and improvements	1,398,233	58,258	-	1,456,491
Furniture and equipment	2,415,489	200,467	(867,601)	1,748,355
Vehicles	754,950	77,768	-	832,718
Total accumulated depreciation	<u>4,657,065</u>	<u>\$ 341,694</u>	<u>\$ (867,601)</u>	<u>4,131,158</u>
Depreciable capital assets, net	<u>3,097,221</u>			<u>3,478,425</u>
Proprietary capital assets, net	<u>\$ 3,740,050</u>			<u>\$ 4,187,094</u>

Long-Term Debt. At June 30, 2016, the County had net debt outstanding in the amount of \$152,324,626 with \$37,875,000 in Certificates of Participation. At the end of the current fiscal year, Pitt County had general obligation bonds of \$19,250,000 bonded debt outstanding that is backed by the full faith and credit of the County.

The County's legal debt limit totaled approximately \$966,008,779; therefore, the County had a legal debt margin of approximately \$851,559,153. The legal debt limit is determined by the Municipal Finance Law of North Carolina, which limits the amount of net bonded debt a County may have outstanding to 8% of the appraised property value subject to taxation.

Net debt outstanding is calculated as total balance outstanding less the sum of Compensated Absences, Unfunded Law Enforcement Officers' (LEO) liability, Unfunded Other Post-Employment Benefits' (OPEB) liability, and Local Government Employee Retirement System (LGERS). The County's net debt outstanding increased by \$8,057,630 from the June 30, 2015 outstanding balance. Additional information on Pitt County's long-term debt can be found in Note 7, "Long Term Obligations," of the notes to the financial statements of this report.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for Pitt County, according to the United States Department of Labor Bureau of Labor Statistics, in June 2016 was 5.9%. This is slightly higher than the State of North Carolina's June 2016 unemployment rate of 4.9%, it is substantially lower than the June 2015 rate of 6.8%.
- The labor force expanded 21%, and employment grew by 13.2% between 2000 and 2010.
- County population of 174,424 (July 2014 certified estimate per NC Department of Commerce) – Region experienced an increase of 25.7% from 2000 – 2010
- The County continues to serve as the hub of eastern North Carolina in the healthcare, retail, and education sectors. Moderate growth and expansion in these areas are expected to have residual effects on service demands and revenue generation.
- Retail sales continue to grow in Pitt County as evidence by 18% growth since 2012 and 2016 retail sales being 6.2% higher than 2015.
- Continued period of moderate economic recovery as reflected in 2016 revaluation assessed value increase of 2.6% over 2015.
- Major expansion announcements of existing area pharmaceutical companies

Budget Highlights for Fiscal Year 2016-2017

The total budget for FY 2016-17 will total \$237,119,465, which represents an increase of 5.88% when compared to the 2015-16 budget. General Fund, the County's main control fund, is projected at \$168,212,226 or a 5.69% increase from the current year.

The adopted tax rate to support the budget will be increased to \$0.686 cents per \$100 valuation. The distribution of these funds is \$0.679 cents supporting general county operations and \$0.007 cents is directed to the Development Commission Fund.

Governmental Activities. General government operations will continue to experience minimal expansion in the coming budget year. Those items planned for considerable expansion are isolated and include the following:

- Community College General Obligation Bond – Tax rate will be adjusted to accommodate the first year of debt service on Pitt Community College General Obligation Bonds for the acquisition, renovation and construction of a new Science Classroom Building and Basic Law Enforcement Training Facility.
- Back-up 911 Center – In response to state legislation and operational needs, the County will appropriate one-time funds in the amount of \$681,000 for the local share of a \$1.4M Back-Up 911 Center.
- Staffing Increases – The adopted budget will increase staff for the sheriff's office, detention center, communications (911), social services, public health, engineering and the office of public information. Additionally, in an effort to adjust staff salaries to market, all County employees will be granted a market adjustment (COLA) of 2.6%. Law enforcement and detention center personnel will be eligible for additional increases based on position reclassifications and certifications obtained.
- Education Funding Increases – The adopted budget will significantly increase operating and capital appropriations for both Pitt County schools and Pitt Community College. Pitt County schools operating funds will increase by \$1.6M and capital funds will increase by \$250K. Pitt Community College operating funds will increase by \$275K and capital funds will increase by \$25K.

Business-Type Activities. The Solid Waste and Recycling Fund operating budget is projected to increase by more than 21% as compared to FY 2015-16 originally adopted budget. This significant increase is driven by the inclusion of \$1.8M for the construction of a new Construction & Demolition Recycling Facility.

Requests for Information

Requests for information provided in this report or requests for additional financial information should be addressed to the County of Pitt, Financial Services Department, 1717 West Fifth Street, Greenville, North Carolina 27834. All publications are also available on the County website @ www.pittcountync.gov.

BASIC FINANCIAL STATEMENTS

These basic financial statements provide a summary of the financial position of all funds and account groups as well as the operating results of all funds. They also serve as an introduction to the more detailed schedules that follow in subsequent sections.

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PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Commission	Pitt County ABC Board
Assets:					
Current assets:					
Cash and cash equivalents	\$ 65,188,571	\$ 2,829,447	\$ 68,018,018	\$ 4,509,497	\$ 1,723,307
Taxes receivable, net	624,521	-	624,521	2,905	-
Accounts receivable, net	1,230,564	961,767	2,192,331	-	-
Due from other governments	11,795,618	-	11,795,618	-	-
Inventories	-	-	-	-	1,569,697
Prepaid items	616,584	-	616,584	1,488	71,583
Cash and investments, restricted	2,650,000	-	2,650,000	1,807,752	60,775
Total current assets	82,105,858	3,791,214	85,897,072	6,321,642	3,425,362
Non-current assets:					
Capital assets:					
Capital assets, non-depreciable	35,177,317	708,669	35,885,986	-	1,047,038
Capital assets, net	106,831,551	3,478,425	110,309,976	-	3,510,007
Total capital assets	142,008,868	4,187,094	146,195,962	-	4,557,045
Net pension asset	338,042	-	338,042	-	-
Investment in joint venture	22,774,772	-	22,774,772	-	-
Total non-current assets	165,121,682	4,187,094	169,308,776	-	4,557,045
Total assets	247,227,540	7,978,308	255,205,848	6,321,642	7,982,407
Deferred Outflows of Resources:					
Charge on refunding	2,751,953	-	2,751,953	-	-
Contributions to pension plan in current fiscal year	2,805,345	86,626	2,891,971	-	-
Pension related deferrals	21,491	-	21,491	-	2,969
Total deferred outflows of resources	5,578,789	86,626	5,665,415	-	2,969
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	5,286,871	515,179	5,802,050	30,715	845,033
Advances from grantors	376,325	-	376,325	-	-
Compensated absences, due in one year	1,858,956	36,495	1,895,451	-	-
Long-term debt, due within one year	12,323,185	45,000	12,368,185	-	129,305
Total current liabilities	19,845,337	596,674	20,442,011	30,715	974,338
Non-current liabilities:					
Net pension liability	3,040,520	94,037	3,134,557	-	-
Compensated absences, due in more than one year	1,818,575	36,494	1,855,069	-	-
Due in more than one year	177,589,501	704,523	178,294,024	-	446,062
Total non-current liabilities	182,448,596	835,054	183,283,650	-	446,062
Total liabilities	202,293,933	1,431,728	203,725,661	30,715	1,420,400
Deferred Inflows of Resources:					
Prepaid taxes	290,131	-	290,131	-	-
Pension deferrals	1,758,170	54,066	1,812,236	-	56,312
Total deferred inflows of resources	2,048,301	54,066	2,102,367	-	56,312
Net Position:					
Net investment in capital assets	17,210,123	4,187,094	21,397,217	-	4,557,045
Restricted for stabilization by State statute	13,359,881	-	13,359,881	-	-
Restricted for general government	187,512	-	187,512	-	-
Restricted for public safety	1,785,944	-	1,785,944	-	581,315
Restricted for education	1,342,215	-	1,342,215	-	-
Restricted for economic development	3,264	-	3,264	1,807,752	-
Restricted for working capital	-	-	-	-	531,720
Unrestricted	14,575,156	2,392,046	16,967,202	4,483,175	838,584
Total net position	\$ 48,464,095	\$ 6,579,140	\$ 55,043,235	\$ 6,290,927	\$ 6,508,664

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and Contributions	Grants and Contributions
Functions/Programs:				
Primary Government:				
Governmental Activities:				
General government	\$ 15,016,731	\$ 6,208,910	\$ (5)	\$ -
Public safety	42,525,254	7,606,744	2,156,752	-
Environmental protection	285,467	97,089	-	-
Economic and physical development	54,011	47,827	2,679,943	1,215,545
Human services	44,531,856	4,574,034	24,299,521	-
Education	49,421,608	-	-	1,623,271
Cultural and recreation	664,949	-	-	-
Interest on long-term debt	6,444,049	-	-	-
Total governmental activities	<u>158,943,925</u>	<u>18,534,604</u>	<u>29,136,211</u>	<u>2,838,816</u>
Business-Type Activities:				
Solid Waste Fund	<u>8,239,791</u>	<u>8,764,954</u>	<u>16,811</u>	<u>-</u>
Total primary government	<u>\$ 167,183,716</u>	<u>\$ 27,299,558</u>	<u>\$ 29,153,022</u>	<u>\$ 2,838,816</u>
Component Units:				
Industrial Development Commission	\$ 1,360,968	\$ 315,203	\$ 222,204	\$ -
ABC Board	<u>17,596,687</u>	<u>18,571,230</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$ 18,957,655</u>	<u>\$ 18,886,433</u>	<u>\$ 222,204</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Commission	Pitt County ABC Board
Functions/Programs:					
Primary Government:					
Governmental Activities:					
General government	\$ (8,807,826)	\$ -	\$ (8,807,826)		
Public safety	(32,761,758)	-	(32,761,758)		
Environmental protection	(188,378)	-	(188,378)		
Economic and physical development	3,889,304	-	3,889,304		
Human services	(15,658,301)	-	(15,658,301)		
Education	(47,798,337)	-	(47,798,337)		
Cultural and recreation	(664,949)	-	(664,949)		
Interest on long-term debt	(6,444,049)	-	(6,444,049)		
Total governmental activities	(108,434,294)	-	(108,434,294)		
Business-Type Activities:					
Solid Waste Fund	-	541,974	541,974		
Total primary government	(108,434,294)	541,974	(107,892,320)		
Component Units:					
Industrial Development Commission				\$ (823,561)	\$ -
ABC Board				-	974,543
Total component units				(823,561)	974,543
General Revenues:					
Taxes					
Ad valorem taxes	86,795,644	-	86,795,644	760,341	-
Local option sales tax	28,843,710	-	28,843,710	-	-
Payment in lieu of taxes and other taxes	2,220,733	-	2,220,733	-	-
Interest earned on investments	2,013,878	44,598	2,058,476	-	4,173
Total general revenues, excluding transfers	119,873,965	44,598	119,918,563	760,341	4,173
Transfers	102,980	(102,980)	-	-	-
Total general revenues, including transfers	119,976,945	(58,382)	119,918,563	760,341	4,173
Change in net position	11,542,651	483,592	12,026,243	(63,220)	978,716
Net Position:					
Net position, beginning, previously reported	36,630,204	6,095,548	42,725,752	6,354,147	5,529,948
Restatement	291,240	-	291,240	-	-
Net position, beginning, restated	36,921,444	6,095,548	43,016,992	6,354,147	5,529,948
Net position - June 30	\$ 48,464,095	\$ 6,579,140	\$ 55,043,235	\$ 6,290,927	\$ 6,508,664

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016

	Major				Non-Major	
	General Fund	Pitt Community College 2014 GO Bond Capital Project Fund	2016 Limited Obligation Bond Fund	Debt Service Fund	Other Governmental Funds	Total
Assets:						
Cash and cash equivalents	\$ 33,063,914	\$ 14,403,428	\$ -	\$ 172,577	\$ 14,644,692	\$ 62,284,611
Taxes receivable, net	449,852	-	-	-	174,669	624,521
Accounts receivable, net	564,040	-	-	-	666,223	1,230,263
Prepaid items	289,553	-	-	59,602	123,416	472,571
Due from other funds	845,874	-	-	-	-	845,874
Due from other governments	9,226,856	-	-	-	2,568,762	11,795,618
Cash and investments, restricted	-	-	-	-	2,650,000	2,650,000
Total assets	<u>\$ 44,440,089</u>	<u>\$ 14,403,428</u>	<u>\$ -</u>	<u>\$ 232,179</u>	<u>\$ 20,827,762</u>	<u>\$ 79,903,458</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ 2,046,251	\$ 538,364	\$ -	\$ 77,237	\$ 220,340	\$ 2,882,192
Advances from grantors, others	373,825	-	-	-	2,500	376,325
Due to other funds	-	-	701,915	-	143,959	845,874
Total liabilities	<u>2,420,076</u>	<u>538,364</u>	<u>701,915</u>	<u>77,237</u>	<u>366,799</u>	<u>4,104,391</u>
Deferred Inflows of Resources:						
Taxes receivable	449,852	-	-	-	174,669	624,521
Other receivables	162,692	-	-	-	349,182	511,874
Prepaid taxes	290,131	-	-	-	-	290,131
Total deferred inflows of resources	<u>902,675</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>523,851</u>	<u>1,426,526</u>
Fund Balances:						
Non-spendable - prepaid items	289,553	-	-	59,602	123,416	472,571
Restricted for:						
Stabilization by State statute	10,474,078	-	-	-	2,885,803	13,359,881
General government	187,512	-	-	-	-	187,512
Public safety	-	-	-	-	1,785,944	1,785,944
Education	-	-	-	-	3,992,215	3,992,215
Economic and physical development	-	-	-	-	3,264	3,264
Committed	373,825	13,865,064	-	95,340	10,169,645	24,503,874
Assigned	2,871,466	-	-	-	1,364,137	4,235,603
Unassigned	26,920,904	-	(701,915)	-	(387,312)	25,831,677
Total fund balances	<u>41,117,338</u>	<u>13,865,064</u>	<u>(701,915)</u>	<u>154,942</u>	<u>19,937,112</u>	<u>74,372,541</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 44,440,089</u>	<u>\$ 14,403,428</u>	<u>\$ -</u>	<u>\$ 232,179</u>	<u>\$ 20,827,762</u>	<u>\$ 79,903,458</u>

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016

	<u>Total</u>
Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:	
Total fund balance, governmental funds	\$ 74,372,541
Net pension asset	338,042
Net pensions liability	(3,040,520)
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	142,008,868
Charges related to advance refunding	2,751,953
Long-term liabilities, compensated absences, unfunded pension obligations, and unfunded Other Post-Employment Benefits are not due and payable in the current period and, therefore, are not reported in the funds.	(186,360,231)
Premiums related to debt issuance, net of accumulated amortization, are not a current use of resources and, therefore, are not reported in the funds.	(7,229,986)
Accrued interest related to debt is not due and payable from current financial resources and, therefore, is not reported in the funds.	(1,596,659)
Deferred inflows of resources are not considered available resources and are recorded as liabilities in the funds.	1,136,395
The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	2,240,254
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position.	2,805,345
Pension related deferrals	(1,736,679)
Investment in joint venture asset reported in governmental activities is not reported in the funds.	<u>22,774,772</u>
Net position of governmental activities, per Exhibit A	<u>\$ 48,464,095</u>

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Major				Non-Major	Total
	General Fund	Pitt Community College 2014 GO Bond Capital Project Fund	2016 Limited Obligation Bond Fund	Debt Service Fund	Other Governmental Funds	
Revenues:						
Ad valorem taxes	\$ 81,784,234	\$ -	\$ -	\$ -	\$ 5,165,058	\$ 86,949,292
Other taxes and licenses	19,861,836	-	-	-	11,202,608	31,064,444
Unrestricted intergovernmental revenues	1,885,337	-	-	-	-	1,885,337
Restricted intergovernmental revenues	28,832,725	-	-	-	4,422,528	33,255,253
Permits and fees	2,222,649	-	-	-	-	2,222,649
Sales and services	5,866,504	-	-	-	3,499,629	9,366,133
Interest earned on investments	189,046	35,699	-	210	79,390	304,345
Miscellaneous	1,514,768	-	-	692,803	123,965	2,331,536
Total revenues	142,157,099	35,699	-	693,013	24,493,178	167,378,989
Expenditures:						
Current:						
General government	12,398,418	-	-	-	-	12,398,418
Public safety	32,179,348	-	-	-	8,309,878	40,489,226
Environmental protection	260,578	-	-	-	-	260,578
Economic and physical development	1,266,301	-	701,915	-	3,041,558	5,009,774
Human services	43,744,551	-	-	-	-	43,744,551
Education	42,821,613	3,946,793	-	-	901,026	47,669,432
Cultural and recreation	664,949	-	-	-	-	664,949
Debt service:						-
Principal repayments	778,639	-	-	11,161,748	129,225	12,069,612
Interest and fees	6,192	-	-	6,252,544	-	6,258,736
Total expenditures	134,120,589	3,946,793	701,915	17,414,292	12,381,687	168,565,276
Revenues over (under) expenditures	8,036,510	(3,911,094)	(701,915)	(16,721,279)	12,111,491	(1,186,287)
Other Financing Sources (Uses):						
Transfers to other funds	(7,955,496)	(3,000,000)	-	-	(12,224,057)	(23,179,553)
Transfers from other funds	412,500	-	-	16,768,765	3,920,688	21,101,953
Installment debt issued	877,242	-	-	-	-	877,242
Debt obligation issued	-	19,250,000	-	-	-	19,250,000
Premium on debt obligation issued	-	979,187	-	-	-	979,187
Total other financing sources (uses)	(6,665,754)	17,229,187	-	16,768,765	(8,303,369)	19,028,829
Net change in fund balances	1,370,756	13,318,093	(701,915)	47,486	3,808,122	17,842,542
Fund Balances:						
Beginning of year - July 1	39,455,342	546,971	-	107,456	16,128,990	56,238,759
Restatement	291,240	-	-	-	-	291,240
Beginning of year, as restated	39,746,582	546,971	-	107,456	16,128,990	56,529,999
End of year - June 30	\$ 41,117,338	\$ 13,865,064	\$ (701,915)	\$ 154,942	\$ 19,937,112	\$ 74,372,541

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

Amounts reported for governmental activities in the Statement of Activities (Exhibit B)
are different because:

Net change in fund balances - total governmental funds (Exhibit D)	\$ 17,842,542
Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 60 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types:	
Property taxes	(153,648)
Sales and services	(5,950)
Expenses related to compensated absences and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(25,403)
Capital outlays are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, capital outlay is not an expense; rather, it is an increase in capital assets.	5,919,644
The sale/disposal of capital assets is reported as a revenue in the governmental funds statement without subtracting the net book value of the capital assets sold.	(245,220)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(4,947,386)
Amortization of certain debt issuance costs and premiums received on debt issuance allocates the cost of debt over the life of the instrument and reduces the interest cost over the same life. Amortization is not reported as an expenditure or revenue in the governmental funds statement.	(727,241)
Principal repayments are reported as expenditures in the governmental funds statement. However, in the Statement of Activities, these transactions are not an expense; rather, they are a decrease in liabilities. (This line includes debt refunding transactions.)	12,069,612
Proceeds from issuance of debt are reported as revenues in the governmental funds statement. However, in the Statement of Activities, it is not a revenue; rather, it is an increase in liabilities.	(20,127,242)
Increases in Other Post-Employment Benefits' accrued liability are reported as expenses in the entity-wide financial statements; however, it is not an expenditure in the governmental funds statement.	(2,955,534)
Increases in the accrued interest payable account are reported as expenses in the entity-wide financial statements; however, it is not an expenditure in the governmental funds.	541,928
Changes in the investment in joint venture asset is reported as investment income in the entity-wide financial statements, but not reported in the governmental funds.	1,693,282
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 the governmental funds.	
Pension expense	1,219,286
The net revenue of the internal service funds is reported with governmental activities.	<u>1,443,981</u>
Change in net position of governmental activities, per Exhibit B	<u>\$ 11,542,651</u>

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Variance with Final Budget Over/Under
	Original	Final	Actual	
Revenues:				
Ad valorem taxes	\$ 82,538,282	\$ 82,538,282	\$ 81,784,234	\$ (754,048)
Other taxes and licenses	18,219,574	18,219,574	19,861,836	1,642,262
Unrestricted intergovernmental revenues	1,735,809	1,909,457	1,885,337	(24,120)
Restricted intergovernmental revenues	29,319,643	30,116,505	28,832,725	(1,283,780)
Permits and fees	1,996,500	1,996,500	2,222,649	226,149
Sales and services	6,278,152	6,287,124	5,866,504	(420,620)
Interest earned on investments	76,000	76,000	189,046	113,046
Miscellaneous	863,601	944,741	1,514,768	570,027
Total revenues	<u>141,027,561</u>	<u>142,088,183</u>	<u>142,157,099</u>	<u>68,916</u>
Expenditures:				
General government	13,218,035	13,344,990	12,398,418	946,572
Public safety	33,068,846	33,780,334	32,179,348	1,600,986
Environmental protection	270,381	276,274	260,578	15,696
Economic and physical development	1,356,072	1,381,262	1,266,301	114,961
Human services	45,243,341	46,844,433	43,744,551	3,099,882
Education	42,821,613	42,821,613	42,821,613	-
Cultural and recreation	665,279	665,279	664,949	330
Debt service	549,001	622,046	784,831	(162,785)
Total expenditures	<u>137,192,568</u>	<u>139,736,231</u>	<u>134,120,589</u>	<u>5,615,642</u>
Revenues over (under) expenditures	<u>3,834,993</u>	<u>2,351,952</u>	<u>8,036,510</u>	<u>5,684,558</u>
Other Financing Sources (Uses):				
Transfers in	912,500	1,424,224	412,500	(1,011,724)
Transfers out	(7,719,879)	(7,937,202)	(7,955,496)	(18,294)
Installment debt issued	877,242	877,242	877,242	-
Appropriated fund balance	2,095,144	3,283,784	-	(3,283,784)
Total other financing sources (uses)	<u>(3,834,993)</u>	<u>(2,351,952)</u>	<u>(6,665,754)</u>	<u>(4,313,802)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,370,756	<u>\$ 1,370,756</u>
Fund Balance:				
Beginning of year - July 1			39,455,342	
Restatement			291,240	
Beginning of year, as restated			<u>39,746,582</u>	
End of year - June 30			<u>\$ 41,117,338</u>	

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2016

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
Assets:		
Current assets:		
Cash and cash equivalents	\$ 2,829,447	\$ 2,903,960
Receivables, net	961,767	301
Prepaid items	-	144,013
Total current assets	<u>3,791,214</u>	<u>3,048,274</u>
Non-current assets:		
Capital assets, non-depreciable	708,669	-
Capital assets, net	<u>3,478,425</u>	<u>-</u>
Total non-current assets	<u>4,187,094</u>	<u>-</u>
Total assets	<u>7,978,308</u>	<u>3,048,274</u>
Deferred Outflows of Resources:		
Contributions to pension plan in current fiscal year	<u>86,626</u>	<u>-</u>
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	515,179	808,020
Compensated absences	36,495	-
Current portion of post-closure costs	<u>45,000</u>	<u>-</u>
Total current liabilities	<u>596,674</u>	<u>808,020</u>
Non-current liabilities:		
Net pension liability	94,037	-
Non-current portion of compensated absences	36,494	-
Landfill closure/post-closure costs payable	<u>704,523</u>	<u>-</u>
Total non-current liabilities	<u>835,054</u>	<u>-</u>
Total liabilities	<u>1,431,728</u>	<u>808,020</u>
Deferred Inflows of Resources:		
Pension deferrals	<u>54,066</u>	<u>-</u>
Net Position:		
Investment in capital assets	4,187,094	-
Unrestricted	<u>2,392,046</u>	<u>2,240,254</u>
Total net position	<u>\$ 6,579,140</u>	<u>\$ 2,240,254</u>

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
Operating Revenues:		
Solid waste fees	\$ 7,684,059	\$ -
User charges	-	970,004
Interfund services	-	9,405,191
Miscellaneous revenues	1,080,895	-
Total operating revenues	8,764,954	10,375,195
Operating Expenses:		
Salaries and employee benefits	1,333,233	-
Supplies and materials	988,415	-
Contract labor and other services	1,341,502	-
Contracted services - waste disposal	4,234,947	-
Depreciation	341,694	-
Equipment maintenance	-	494,518
Medical claims costs	-	10,220,748
Claims reimbursement	-	412,779
Total operating expenses	8,239,791	11,128,045
Operating income (loss)	525,163	(752,850)
Non-Operating Revenues (Expenses):		
Interest earned on investments	44,598	16,251
Intergovernmental grants	16,811	-
Total non-operating revenues (expenses)	61,409	16,251
Income (loss) before contributions and transfers	586,572	(736,599)
Transfer in (out)	(102,980)	2,180,580
Change in net position	483,592	1,443,981
Net Position:		
Beginning of year - July 1	6,095,548	796,273
End of year - June 30	\$ 6,579,140	\$ 2,240,254

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from customers	\$ 8,629,684	\$ 970,016
Cash received from interfund services transactions	-	9,405,191
Cash paid to suppliers	(6,805,296)	(11,324,416)
Cash paid to employees	(1,363,244)	(119,712)
Net cash provided (used) by operating activities	<u>461,144</u>	<u>(1,068,921)</u>
Cash Flows from Non-Capital Financing Activities:		
Non-capital contributions/grants	16,811	-
Advances (to) from other funds	-	(98,565)
Transfers	(102,980)	2,180,580
Net cash provided (used) by non-capital financing activities	<u>(86,169)</u>	<u>2,082,015</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	<u>(788,738)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Investment income received	<u>44,598</u>	<u>16,251</u>
Net increase (decrease) in cash and cash equivalents	(369,165)	1,029,345
Cash and Cash Equivalents:		
Beginning of year - July 1	<u>3,198,612</u>	<u>1,874,615</u>
End of year - June 30	<u>\$ 2,829,447</u>	<u>\$ 2,903,960</u>
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:		
Operating income (loss)	\$ 525,163	\$ (752,850)
Depreciation	341,694	-
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(135,270)	12
(Increase) decrease in deferred outflows of resources for pension	1,209	-
Decrease in net pension asset	126,518	-
Increase in net pension liability	94,037	-
Decrease in deferred inflows of resources - pensions	(258,797)	-
(Increase) decrease in prepaid expenses	-	(11,943)
Increase (decrease) in accounts payable and accrued liabilities	(22,933)	(304,140)
Increase (decrease) in closure and post-closure costs payable	<u>(210,477)</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 461,144</u>	<u>\$ (1,068,921)</u>

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA**STATEMENT OF FIDUCIARY NET POSITION****FIDUCIARY FUNDS****JUNE 30, 2016**

	Agency Funds
	<u> </u>
Assets:	
Cash and cash equivalents	\$ 438,605
Total assets	<u>438,605</u>
 Liabilities:	
Deposits held in custody for others	404,552
Deferred compensation benefits payable	<u>34,053</u>
Total liabilities	<u>438,605</u>
 Net Position:	
Held in trust for pension benefits	<u><u>\$ -</u></u>

The accompanying notes are an integral part of the financial statements.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

1. Summary of Significant Accounting Policies

A. Nature of Operations

Pitt County, North Carolina (the “County”), governed by a nine-member Board of Commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10. The County was incorporated in 1760, and the County seat is located in Greenville, North Carolina. The County operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, health and mental health programs, social service programs, and community development.

The accounting policies of the County and its discretely presented component units conform to accounting principles generally accepted in the United States of America, as applicable to governments. The following is a summary of the more significant accounting policies:

B. Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, legally separate entities for which the County is financially accountable. The following discretely presented component units are reported in separate columns in the County’s combined financial statements in order to emphasize that they are legally separate from the County.

Pitt County Alcoholic Beverage Control Board

The Pitt County Alcoholic Beverage Control Board (“ABC Board”) is governed by a five-member Board appointed by the County Commissioners as ABC Board members’ terms expire. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund. Complete financial statements for the ABC Board may be obtained at 2305 South Memorial Drive, Greenville, North Carolina 27834.

Pitt County Industrial Development Commission

The Pitt County Industrial Development Commission (the “Commission”) is governed by a fifteen-member Board appointed by the Pitt County Commissioners. The County assesses and collects the property tax revenues of the Commission. The Commission was created to develop industry progress for Pitt County. The Commission, which has a June 30 year-end, is presented as if it were a governmental fund. Pitt County has no financial liability for the Commission. Complete financial statements for the Commission may be obtained at 1111 South Washington Street, Greenville, North Carolina 27834.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Pitt County Industrial Facility and Pollution Control Financial Authority

The Pitt County Industrial Facility and Pollution Control Financial Authority (the “Authority”) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority is governed by a seven-member Board of Commissioners, all of whom are appointed by the County Commissioners. The County can remove any Commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

C. Basis of Presentation, Basis of Accounting

Government-Wide Statements

The Statement of Net Position (Exhibit A) and the Statement of Activities (Exhibit B) display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include: (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County’s funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

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

The County reports the following major governmental funds for the year ended June 30, 2016:

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

Capital Project Fund – 2016 Limited Obligation Bonds Fund. This fund is used to account for the bonds issued in order to finance the costs of acquiring, constructing, renovating, expanding, and equipping various public school facilities.

Capital Project Fund – Pitt Community College 2014 GO Bond Fund. This fund is used to account for the bonds issued in order to maintain adequate facilities for the proper operation and management of the College, including construction of a new science building and new public services training facility.

Debt Service Fund. The Debt Service Fund is used to account for all expenditures of principal and interest for all long-term debt payments. The other governmental fund types provide the resources to the Debt Service Fund to make the payments through operating transfers.

The County reports the following major enterprise fund for the year ended June 30, 2016:

Solid Waste Fund. This fund accounts for the operation, maintenance, and development of various landfills and disposal sites.

The County reports the following fund types:

Special Revenue Funds. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to specified purposes. The State/Federal Forfeiture Fund, CDBG Special Revenue Fund, CDBG Single Family Rehab Special Revenue Fund, Grants Fund, Pitt Area Transit System Special Revenue Fund, Fire Districts Fund, Emergency Telephone System Fund, EMS District Fund and Hurricane Grant Program Fund are special revenue funds of the County.

Capital Projects Funds. Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The County's capital project funds are: Pitt Community College (Bowen Farm) Fund, Pitt Community College 2010 Fund, Vernon White Fund, Energy Savings Fund, Chicod Fund, 2009 LOBS Education Projects Fund, Sadie Saulter Fund, Communication Expansion Fund, Communication Expansion Phase II Fund,

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Community Schools and Recreation Fund, ECTC Building Fund, School Improvement Fund, Industrial Development Building Fund, School Capital Reserve Fund, the 2017 Limited Obligation Bonds Fund and County Capital Reserve Fund are capital projects funds of the County.

Internal Service Funds. Internal service funds are used to account for goods or services provided by one department to other departments of the County on a cost-reimbursement basis. The County Garage Fund, Active Employee Medical Insurance Fund, Retiree Medical Insurance Fund, and Workers' Compensation Fund are the internal service funds of the County.

Fiduciary Funds. Fiduciary funds are used for assets held in a trustee capacity by the County. The following are the fiduciary funds of the County:

Agency Funds. Agency funds are custodial in nature and do not involve measurement of results of operations. Agency funds are used to account for assets the County holds on behalf of others. The agency funds maintained by the County account for money deposited with the County through the Social Services Fund, Mental Health Fund, Sheriff Fund, and Jail Fund. The agency funds also include a Flexible Benefit Agency Fund and the fund used to account for tax collection held for other local municipalities.

Measurement Focus, Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting determines when the revenues and expenditures, or expenses and the related assets and liabilities, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All funds of the County are accounted for during the year using the modified accrual basis of accounting, in accordance with the North Carolina General Statutes. The financial statements are reported at year-end as discussed below.

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

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

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

Governmental Fund Financial Statements

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

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

The County considers all revenues available when they are collected within 60 days of June 30, 2016, except for property taxes. Ad valorem property taxes are not accrued as revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all Counties, municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

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

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund; the special revenue funds, with the exception of the CDBG funds and the Hurricane Grant Program Fund, which are project based; the School Improvement Capital Project Fund, Industrial Development Building Fund, The School Capital Reserve Fund, and the County Capital Reserve Fund (all other capital project funds adopt project budgets); the Debt Service Fund; and the Enterprise Fund. Project ordinances are adopted for the capital project funds. All annual appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the department level, as defined in the budget ordinance, for the General Fund, special revenue funds, the Enterprise Fund, and the capital project funds. The balances in the capital reserve funds will be appropriated when transferred to their respective capital project funds in accordance with the project ordinance adopted for the Reserve Fund. The County Manager is authorized by the budget ordinance to transfer appropriations between departments within a fund up to \$20,000, and the County Finance Director is authorized by the budget ordinance to transfer appropriations within a department; however, any revisions that alter total expenditures of any department 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, Deferred Outflows/Inflows of Resources, and Fund Equity

Deposits and Investments

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

State law [G.S. 159-30(c)] authorizes the County to invest in obligations of the United States of America or obligations fully guaranteed both as to principal and interest by the United States of America; 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).

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Through special legislation enacted in the 1999 legislative session, the County was granted expanded investment options for the funds related to the transfer of the Pitt County Memorial Hospital from the County to a private, not-for-profit entity. The legislation allows the County to invest and reinvest equity assets in one or more of the types of securities or other investments authorized by State law for the State Treasurer [G.S. 147-69.2].

The County's investments with a maturity of more than one year at acquisition and non-money market investments are carried at fair value as determined by quoted market prices. The NC Capital Management Trust Cash Portfolio, a SEC-registered 2a-7 external investment pool, is measured at amortized cost, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value. Money market investments that have a remaining maturity at the time of purchase of one year or less and non-participating interest earnings and investment contracts are reported at amortized cost.

Cash and Cash Equivalents

The County pools monies 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.

For purposes of the Statement of Cash Flows, the County considers all deposits and investments with an original maturity date of three months or less, which are not limited as to use, to be cash equivalents.

Restricted Assets

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

The unexpended debt proceeds of the capital project funds are classified as restricted assets (cash) within their respective funds, because their use is completely restricted to the purpose for which the debt was originally issued.

Governmental Activities:

Capital Project Funds

2009 LOBS Education Projects	<u>\$ 2,650,000</u>
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Total Restricted Cash	<u>\$ 2,650,000</u>
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PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Ad Valorem Taxes Receivable

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2015. As allowed by State law, the County has established a schedule of discounts that apply to taxes, which are paid prior to the due date. In the County's General Fund, ad valorem tax revenues are reported net of such discounts.

Allowances for Doubtful Accounts

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

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 expensed as the items are used.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (including infrastructure assets purchased prior to implementing GASB 34), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost greater than \$10,000 and an estimated useful life greater than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The County capitalizes buildings and land, purchased or constructed, for the Pitt County Board of Education in all instances where the County retains title to the property. The County transfers title of school property to the Board of Education after all installment debt collateralized by the property has been retired. Donated capital assets received prior to June 15, 2015 are recorded at estimated fair market value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or significantly extend the asset's life are not capitalized. The County capitalizes interest costs that are incurred during the construction period of capital assets.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Buildings and equipment are depreciated using the straight-line method over estimated useful lives, as shown below:

<u>Assets</u>	<u>Estimated Useful Lives</u>
Buildings	40 years
Furniture and fixtures	10 years
Equipment	5-10 years
Vehicles	5 years

Compensated Absences

County employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days up to a maximum of thirty days. All vacation pay is accrued when earned in the government-wide and proprietary fund financial statements. The County uses the first-in, first-out method to value accrued vacation pay and the current amount due. The portion of that time estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

The County's sick leave policy provides for unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave at the time of retirement may be used in the determination of length of service for retirement benefit purposes. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has three items that meet this criteria – contributions made to the pension plan in the current fiscal year, pension related deferrals and charge on refunding. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet the criteria for this category – prepaid taxes, other pension related deferrals, taxes receivable and other receivables.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Long-Term Obligations

In the government-wide financial statements and 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 Position. Debt issuance costs are recognized as other assets and amortized over the life of the debt using the effective interest method.

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

The bonds for the Solid Waste Fund are carried in the Enterprise Fund rather than in the governmental activities funds. The debt service requirements for that debt are met by solid waste revenues, but the taxing power of the County is pledged to make these payments if solid waste revenues should ever be insufficient.

Self-Insurance

The County is self-insured for employee medical benefits and workers' compensation, with third-party insurance coverage at specified levels. The self-insurance plan is administered by an insurance company. The liability for estimated claims that have been incurred but have not yet reported is accrued in the Internal Service Fund.

Net Position

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through State statute.

Fund Balances

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balance

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

Prepaid Items – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid items, which are not spendable resources.

Restricted Fund Balance

This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law. Restricted fund balance is summarized as follows:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<i>Restricted for Stabilization by State Statute</i> – portion of fund balance that is restricted by State statute [G.S. 159-8(a)].	\$ 10,474,078	\$ 317,041	\$2,568,762	\$ 13,359,881
<i>Restricted for General Government</i> – portion of fund balance that is restricted by revenue source for technology for the Register of Deeds' office.	187,512	-	-	187,512
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for fire protection expenditures.	-	38,834	-	38,834
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for EMS expenditures.	-	1,250,956	-	1,250,956
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for the Emergency Telephone System Fund.	-	496,154	-	496,154
<i>Restricted for Education</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for education.	-	-	1,342,215	1,342,215
<i>Restricted for Economic and Physical Development</i> – portion of fund balance that is restricted by revenue source for community development projects.	-	3,264	-	3,264
Total restricted net position (Exhibit A)	10,661,590	2,106,249	3,910,977	16,678,816
<i>Restricted for Education</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for education.	-	-	2,650,000	2,650,000
Total restricted fund balances (Exhibit C)	<u>\$ 10,661,590</u>	<u>\$2,106,249</u>	<u>\$6,560,977</u>	<u>\$ 19,328,816</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Committed Fund Balance

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Committed fund balance is summarized as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<i>Committed for General Government</i> – portion of fund balance that can only be used for general government debt service or projects.	\$ 57,266	\$ 95,340	\$ 3,460,670	\$ 3,613,276
<i>Committed for LEO Pension Obligation</i> – portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance obligations.	316,559	-	-	316,559
<i>Committed for Public Safety</i> – portion of fund balance that can only be used for public safety related projects.	-	-	86,306	86,306
<i>Committed for Education</i> – portion of fund balance that can only be used for education-related debt service or projects.	-	-	20,447,047	20,447,047
<i>Committed for Economic and Physical Development</i> – portion of fund balance that can only be used for economic development projects.	<u>-</u>	<u>-</u>	<u>40,686</u>	<u>40,686</u>
Total	<u>\$ 373,825</u>	<u>\$ 95,340</u>	<u>\$24,034,709</u>	<u>\$24,503,874</u>

Assigned Fund Balance

Assigned fund balance is the portion of fund balance that Pitt County intends to use for specific purposes. The County's governing body has the authority to assign fund balance. The Manager and Finance Officer, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Assigned fund balance is summarized as follows:

	<u>General Fund</u>	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Total</u>
<i>Subsequent Year's Expenditures</i> – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.	\$ 2,871,466	\$ -	\$ -	\$ 2,871,466
<i>Assigned for Public Safety</i> – State and federal asset forfeiture fund balance assigned by management for public safety.	-	448,904	-	448,904
<i>Assigned for Education</i> – portion of fund balance assigned by management for education purposes.	-	-	200,376	200,376
<i>Assigned for Economic Development</i> – portion of fund balance assigned by management for an industrial building.	<u>-</u>	<u>-</u>	<u>714,857</u>	<u>714,857</u>
Total	<u>\$ 2,871,466</u>	<u>\$ 448,904</u>	<u>\$ 915,233</u>	<u>\$ 4,235,603</u>

Unassigned Fund Balance

Unassigned fund balance is the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. The general fund is the only fund that may report a positive unassigned fund balance amount.

Fund Balance Available for Appropriation

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

Total fund balance - General Fund	\$ 41,117,338
Less:	
Prepaid items	(289,553)
Stabilization by State statute	<u>(10,474,078)</u>
Fund balance available for appropriation	<u>\$ 30,353,707</u>

Pitt County 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-County funds, and County funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and, lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the County. The County has not adopted a formal fund balance policy.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Defined Benefit Pension Plans

The County participates in two cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' Retirement System (LGERS) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "State-administered defined benefit pension plans"). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the State-administered defined benefit pension plans and additions to/deductions from the State-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the State-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the State-administered defined benefit pension plans. Investments are reported at fair value.

Interfund Transactions

Interfund services provided are accounted for as revenue or expenses in the government-wide financial statements, since they would be treated as such if they involved organizations external to the County. Transactions that constitute reimbursements to a fund, or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant areas where estimates are made are: allowance for doubtful accounts; depreciation lives; other post-employment benefit obligations; incurred, but not reported, claims; and post-closure landfill expenses.

F. Stewardship, Compliance, and Accountability

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

1. Deficit Fund Balances

For the fiscal year ended June 30, 2016, the County had deficit fund balances in the 2016 Limited Obligation Bond Fund and 2017 Limited Obligation Bond funds of \$701,915 and \$12,500. The bond sales occurred in the last week of the current fiscal year and proceeds for these sales were received by the County within two weeks of the close of the fiscal year, June 30th, 2016.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

2. Deposits and Investments

A. Deposits

All of the County's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with the securities held by the County's agents in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in its name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The State Treasurer enforces standards of minimum capitalization for all Pooling Method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness on any other financial institution used by the County. The County complies with the provisions G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

At June 30, 2016, the County's deposits had a carrying amount of \$27,986,192 and a bank balance of \$34,902,058. The County only has deposits in institutions that collateralize under the Pooling Method. Of the bank balance, \$264,912 was covered by federal depository insurance and \$34,637,146 was covered by collateral held by authorized escrow agents in the name of the State Treasurer. The County had \$104,467 of cash on hand at year-end.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

B. Investments

At June 30, 2016, the County's investment balances were as follows:

<u>Investment Type</u>	<u>Valuation Measurement Method</u>	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>2-3 Years</u>
NC Capital Management Trust				
Cash Portfolio	Amortized Cost	\$ 10,798,734	\$ 10,798,734	\$ -
Term Portfolio	Fair Value - Level 1	19,842,308	19,842,308	-
Commercial paper	Fair Value - Level 2	6,629,208	6,629,208	-
US Government Agencies:				
Federal Farm Credit	Fair Value - Level 1	2,000,190	2,000,190	-
Federal home loan banks	Fair Value - Level 1	3,745,524	1,745,334	2,000,190
Total		<u>\$43,015,964</u>	<u>\$41,015,774</u>	<u>\$2,000,190</u>

*Because the NC Capital Management Trust Term Portfolio has a weighted average maturity of less than 90 days, it was presented as an investment with a maturity of less than one year.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level Two debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. The County limits all securities to a final maturity of no more than three years.

The County has no formal policy for interest rate risk.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Credit Risk. The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County had no formal policy on managing credit risk. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the US government and agencies, and in high grade money market instruments as permitted under North Carolina General Statutes 159-30 as amended. As of June 30, 2016, the County's investments were rated as follows:

	<u>Standard Poor's</u>	<u>Moody's Investor Services</u>
North Carolina Capital Management Trust Cash Portfolio	AAAm	N/A
North Carolina Capital Management Term Portfolio	N/A	N/A
Commercial paper	A-1+	P-1
Federal Farm Credit	AA+	Aaa
Fannie Mae	AA	Aaa

Concentration of Credit Risk. The County places no limit on the amount that the County may invest in any one issuer. More than 5% of the County's investments were in the following securities: Federal Home Loan (8.7%) and Toyota Motor Credit commercial paper (15.4%).

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

In accordance with the General Statutes, certain agricultural, horticultural, forestland, and historical properties may be preferentially assessed for property taxes at present use-value rather than fair market value. The difference between taxes on such property at present use-value and taxes that would have been levied at fair market value may become collectible over the next three years. These taxes become due and payable when the property becomes ineligible for the preference. At the end of the fourth year, these taxes expire by operation of law. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 2,870,486	\$ 165,053	\$ 3,035,539
2014	3,149,384	182,310	3,331,694
2015	3,123,645	179,610	3,303,255
2016	<u>3,200,745</u>	<u>-</u>	<u>3,200,745</u>
Total	<u>\$ 12,344,260</u>	<u>\$ 526,973</u>	<u>\$ 12,871,233</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

4. Accounts Receivable

Disaggregate Information

Receivables at the government-wide level at June 30, 2016 were as follows:

<u>Type of Receivable</u>	<u>Amount (Net of Allowance)</u>		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Accounts Receivable:			
Customer/client billings	\$ 1,230,564	\$ 499,304	\$ 1,729,868
Landfill fees assessed	-	462,463	462,463
Total	<u>\$ 1,230,564</u>	<u>\$ 961,767</u>	<u>\$ 2,192,331</u>
Due from Other Governments:			
Sales tax	\$ 3,915,762	\$ -	\$ 3,915,762
Sales tax refund	471,442	-	471,442
Other services and grants	7,408,414	-	7,408,414
Total	<u>\$ 11,795,618</u>	<u>\$ -</u>	<u>\$ 11,795,618</u>

5. Allowances for Doubtful Accounts

For the County, the amounts presented in Exhibit A, the Statement of Net Position are net of the following allowances for doubtful accounts:

<u>Fund</u>	<u>Allowance</u>
General Fund:	
Property taxes	\$ 2,067,192
Other - public health	259,389
Total	<u>\$ 2,326,581</u>
Special Revenue Fund:	
Ambulance services	<u>\$ 650,000</u>
Solid Waste Fund:	
Landfill fees	<u>\$ 24,340</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

6. Capital Assets

A. Governmental Capital Assets

A summary of changes in the County's capital assets used in governmental activities follows:

	Balance June 30, 2015	Additions	Retirements	Transfers	Balance June 30, 2016
Non-Depreciable Assets:					
Land	\$ 3,271,712	\$ -	\$ -	\$ -	\$ 3,271,712
Construction in progress	53,704,866	5,125,212	-	(26,924,473)	31,905,605
Total non-depreciable capital assets	<u>56,976,578</u>	<u>5,125,212</u>	<u>-</u>	<u>(26,924,473)</u>	<u>35,177,317</u>
Depreciable Assets:					
Land improvements	1,228,927	-	-	-	1,228,927
Buildings	114,068,905	-	-	26,924,473	140,993,378
Furniture and equipment	9,955,624	200,541	(672,628)	-	9,483,537
Vehicles	9,233,262	593,891	(413,294)	-	9,413,859
Total depreciable capital assets	<u>134,486,718</u>	<u>794,432</u>	<u>(1,085,922)</u>	<u>26,924,473</u>	<u>161,119,701</u>
Subtotal	<u>191,463,296</u>	<u>5,919,644</u>	<u>(1,085,922)</u>	<u>-</u>	<u>196,297,018</u>
Less Accumulated Depreciation:					
Land improvements	1,190,225	4,340	-	-	1,194,565
Buildings	38,469,610	3,392,978	-	-	41,862,588
Furniture and equipment	4,066,507	611,025	(451,374)	-	4,226,158
Vehicles	6,455,124	939,043	(389,328)	-	7,004,839
Total accumulated depreciation	<u>50,181,466</u>	<u>\$ 4,947,386</u>	<u>\$ (840,702)</u>	<u>\$ -</u>	<u>54,288,150</u>
Depreciable capital assets, net	<u>84,305,252</u>				<u>106,831,551</u>
Governmental capital assets, net	<u>\$ 141,281,830</u>				<u>\$ 142,008,868</u>

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

Governmental Activities:

General government	\$ 678,368
Public protection	2,101,250
Human services	221,254
Education	1,752,176
Environmental protection	24,889
Economic/physical development	169,449
Total	<u>\$ 4,947,386</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

B. Proprietary Capital Assets

The capital assets for the Enterprise Fund of the County at June 30, 2016 are as follows:

	Balance June 30, 2015	Additions	Retirements	Balance June 30, 2016
Non-Depreciable Assets:				
Land and improvements	\$ 642,829	\$ -	\$ -	\$ 642,829
Construction in progress	<u>-</u>	<u>65,840</u>	<u>-</u>	<u>65,840</u>
Total non-depreciable capital assets	<u>642,829</u>	<u>65,840</u>	<u>-</u>	<u>708,669</u>
Depreciable Assets:				
Land improvements	88,393	213,845	-	302,238
Buildings and improvements	2,641,187	-	-	2,641,187
Furniture and equipment	4,161,619	86,119	(867,601)	3,380,137
Vehicles	<u>863,087</u>	<u>422,934</u>	<u>-</u>	<u>1,286,021</u>
Total depreciable capital assets	<u>7,754,286</u>	<u>722,898</u>	<u>(867,601)</u>	<u>7,609,583</u>
Less Accumulated Depreciation:				
Land improvements	88,393	5,201	-	93,594
Buildings and improvements	1,398,233	58,258	-	1,456,491
Furniture and equipment	2,415,489	200,467	(867,601)	1,748,355
Vehicles	<u>754,950</u>	<u>77,768</u>	<u>-</u>	<u>832,718</u>
Total accumulated depreciation	<u>4,657,065</u>	<u>\$ 341,694</u>	<u>\$ (867,601)</u>	<u>4,131,158</u>
Depreciable capital assets, net	<u>3,097,221</u>			<u>3,478,425</u>
Proprietary capital assets, net	<u>\$ 3,740,050</u>			<u>\$ 4,187,094</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

C. Net Investment In Capital Assets

The total net investment in capital assets at June 30, 2016 is composed of the following elements:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, net of depreciation	\$ 142,008,868	\$ 4,187,094
Long-term debt	196,630,737	916,549
Less debt not tied to capital assets:		
Compensated absences	(3,677,531)	(72,989)
Unfunded LEO pension obligation	(1,548,157)	-
Unfunded OPEB liability	(28,809,917)	-
Net pension liability (LGRS)	(3,040,520)	(94,037)
2007 COPS capital project debt, not associated with County assets	(4,129,650)	-
2015 general obligation debt, not associated with County assets	(19,250,000)	-
2009 COPS capital project debt, not associated with County assets	(10,296,000)	-
Engineering project debt	(476,190)	
Sewer improvements debt	(604,027)	
Closure and post-closure costs	-	(749,523)
Long-term debt related to capital assets	<u>124,798,745</u>	<u>-</u>
Net investment in capital assets	<u>\$ 17,210,123</u>	<u>\$ 4,187,094</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

7. Long-Term Obligations

The County records long-term debt of the governmental funds at face value in the government-wide Statement of Net Position. All general obligation bonds serviced by the County's General Fund are collateralized by the full faith credit and taxing power of the County. Principal and interest payments are appropriated when due.

A. Changes in Long-Term Debt

The following is a summary of changes in the County's governmental activities long-term debt:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2016</u>	<u>Current</u> <u>Portion</u>
By Type:					
Compensated absences	\$ 3,717,912	\$ 1,646,982	\$ (1,687,363)	\$ 3,677,531	\$ 1,858,956
Unfunded LEO	1,482,373	355,912	(290,128)	1,548,157	-
Unfunded OPEB	25,854,383	4,177,976	(1,222,442)	28,809,917	-
Net pension liability (LGERS)	-	3,040,520	-	3,040,520	-
Certificates					
of participation	43,210,000	-	(5,335,000)	37,875,000	5,290,000
Limited obligation bonds	84,365,000	-	(4,055,000)	80,310,000	4,110,000
Qualified school					
construction bonds	4,551,912	-	(350,147)	4,201,765	350,147
GO bonds	-	19,250,000	-	19,250,000	1,015,000
Notes payable	12,140,084	877,242	(2,329,465)	10,687,861	1,558,038
Unamortized					
bond premium	6,686,209	979,187	(435,410)	7,229,986	-
Total	<u>\$ 182,007,873</u>	<u>\$30,327,819</u>	<u>\$ (15,704,955)</u>	<u>\$ 196,630,737</u>	<u>\$14,182,141</u>

By Purpose:

Schools	\$ 99,781,765
Pitt Community College	20,760,000
General government	20,723,424
Public safety	5,272,323
Economic and physical development	5,647,671
Human services	139,443
Compensated absences	3,677,531
Net pension liability	3,040,520
Unfunded LEO	1,548,157
Unfunded OPEB	28,809,917
Unamortized bond premium	7,229,986
Total	<u>\$ 196,630,737</u>

The General Fund is typically used to liquidate the compensated absences, other post-employment benefits, and pension liabilities.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The following is a summary of changes in the County's business-type activities long-term debt:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2016</u>	<u>Current</u> <u>Portion</u>
By Type:					
Compensated absences	\$ 65,967	\$ 29,593	\$ (22,571)	\$ 72,989	\$ 36,495
Net pension liability (LIGERS)	-	94,037	-	94,037	-
Closure and post-closure	960,000	-	(210,477)	749,523	45,000
Total	<u>\$ 1,025,967</u>	<u>\$ 123,630</u>	<u>\$ (233,048)</u>	<u>\$ 916,549</u>	<u>\$ 81,495</u>

B. Certificates of Participation

A summary of the County's certificates of participation is as follows:

<u>Original Issue</u>			<u>Payment Information</u>		<u>Outstanding</u>	<u>Purpose and Collateral</u>
<u>Amount</u>	<u>Date</u>	<u>Rate</u>	<u>Period</u>	<u>Amount</u>	<u>Balance</u>	
\$ 4,264,500	March 2007	3.50%-5.00%	Annual	\$ 985,000	\$ 17,955,000	School projects, advance refund debt; secured by real estate
14,660,000	October 2007	4.44%	Annual	685,000	1,845,000	Construct Detention Center addition; secured by real estate
21,095,000	May 2012	3.00% - 4.70%	Annual	1,100,000 - 1,095,000	18,075,000	Current refunding of debt; secured by real estate
Total certificates of participation					<u>\$ 37,875,000</u>	

Annual debt service requirements to maturity for the County's Certificates of Participation are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 5,290,000	\$ 2,678,489	\$ 7,968,489
2018	4,310,000	2,465,899	6,775,899
2019	3,355,000	2,208,039	5,563,039
2020	3,340,000	2,012,039	5,352,039
2021	3,315,000	1,818,339	5,133,339
2022-2026	14,335,000	5,789,067	20,124,067
2027-2031	3,930,000	1,660,821	5,590,821
2032-2034	-	68,000	68,000
Total	<u>\$ 37,875,000</u>	<u>\$ 18,700,693</u>	<u>\$ 56,575,693</u>

PITT COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

C. Limited Obligation Bonds

Serviced by Governmental Activities:

Series 2009, payable in annual principal payments of \$825,000 -
\$1,430,000 with interest payable semi-annually at 3.5% - 5.00% \$ 25,740,000

Series 2010, payable in annual principal payments of \$895,000 -
\$900,000 with interest payable semi-annually at 2.0% - 4.0% 20,760,000

Series 2015, payable in annual principal payments of various
amounts with interest payable semi-annually at 2.0% - 5.0% 33,810,000

Total limited obligation bonds \$ 80,310,000

Annual debt service requirements to maturity for the County's limited obligation bonds are as follows:

Year Ending June 30	Debt Service Fund		
	Principal	Interest	Total
2017	\$ 4,110,000	\$ 2,779,913	\$ 6,889,913
2018	3,795,000	2,672,688	6,467,688
2019	4,670,000	2,563,588	7,233,588
2020	4,775,000	2,410,238	7,185,238
2021	4,865,000	2,242,388	7,107,388
2022-2026	26,420,000	8,532,363	34,952,363
2027-2031	22,290,000	3,744,119	26,034,119
2032-2036	9,385,000	781,944	10,166,944
2037-2041	-	181,500	181,500
Total	<u><u>\$ 80,310,000</u></u>	<u><u>\$ 25,908,740</u></u>	<u><u>\$ 106,218,740</u></u>

D. Qualified School Construction Bonds

Serviced by Governmental Activities:

Sadie Saulter Qualified School Construction bonds, Series 2010,
payable annually in the amount of \$350,147 with 0.00% interest \$ 4,201,765

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Annual debt service requirements to maturity for the County's Qualified School Construction bonds are as follows:

Year Ending June 30	Debt Service Fund		
	Principal	Interest	Total
2017	\$ 350,147	\$ -	\$ 350,147
2018	350,147	-	350,147
2019	350,147	-	350,147
2020	350,147	-	350,147
2021	350,147	-	350,147
2022-2026	1,750,735	-	1,750,735
2027-2029	700,295	-	700,295
Total	<u>\$ 4,201,765</u>	<u>\$ -</u>	<u>\$ 4,201,765</u>

E. General Obligation Bonds

Serviced by Governmental Activities:

Community College Series 2015, payable annually in the amount
of \$1,015,000 with interest payable semi-annually at 2.0 to 5.0% \$ 19,250,000

Annual debt service requirements to maturity for the County's Qualified School Construction bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2017	\$ 1,015,000	\$ 601,588	\$ 1,616,588
2018	1,015,000	581,288	1,596,288
2019	1,015,000	560,988	1,575,988
2020	1,015,000	540,688	1,555,688
2021	1,015,000	510,238	1,525,238
2022-2026	5,075,000	2,013,240	7,088,240
2027-2031	5,060,000	1,079,890	6,139,890
2032-2035	4,040,000	316,889	4,356,889
Total	<u>\$ 19,250,000</u>	<u>\$ 6,204,809</u>	<u>\$ 25,454,809</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

F. Notes Payables

A summary of the County's notes payables is as follows:

Original Issue		Payment Information		Outstanding	Security
Date	Rate	Period	Amount	Balance	
March 2000	4.25%	Quarterly	\$ 17,651	\$ 11,312	Global TransPark
January 2006	3.56%	Quarterly	209,476	476,190	Engineering project
May 2010	0.00%	Annual	45,046	604,027	Sewer improvements
October 2011	2.07%	Semi-annual	550,000	3,300,000	Compactor, radios, building
October 2011	2.07%	Quarterly	32,306	127,323	EMS equipment
September 2012	2.26%	Semi-annual	Variable	3,513,888	Energy savings
October 2012	2.00%	Annual	98,650	1,518,443	DENR project
September 2014	3.21%	Semi-annual	73,045	139,442	Equipment
April 2015	1.17%	Semi-annual	102,500	43,781	Vehicles
May 2014	0.00%	Annual	99,000	297,000	Economic development
Mar-16	0.72%	Semi-annual	112,415	656,455	Economic development
Total				<u>\$ 10,687,861</u>	

Annual debt service requirements to maturity for the County's notes payables are as follows:

Year Ending	Principal	Interest	Total
June 30			
2017	\$ 1,558,038	\$ 228,741	\$ 1,786,780
2018	1,435,001	198,614	1,633,615
2019	1,168,365	171,634	1,339,999
2020	971,622	150,139	1,121,761
2021	872,528	130,882	1,003,410
2022-2026	2,370,682	433,383	2,804,065
2027-2031	2,148,977	183,823	2,332,801
2032-2033	162,648	6,556	169,204
Total	<u>\$ 10,687,861</u>	<u>\$ 1,503,774</u>	<u>\$ 12,191,635</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

G. Statutory Debt Limitation

The County is subject to the Municipal Finance Law of North Carolina, which limits the amount of net bonded debt (exclusive of revenue and special assessment bonds) the County may have outstanding to 8% of the appraised value of property subject to taxation. At June 30, 2016, net debt outstanding was \$152,324,626 with \$37,875,000 in revenue bonds. The statutory limit at that date was approximately \$966,008,779 providing a debt margin of \$851,559,153.

H. Debt Related to Capital Assets

Of the total Governmental Activities debt listed, only \$124,798,745 relates to assets the County holds title. Unspent restricted cash related to this debt amounts to \$2,650,000.

8. Employee Retirement Systems

A. Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the State-wide Local Governmental Employees' Retirement System (LGERS), a cost-sharing, multiple-employer, defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. 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, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive monthly

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2016, was 7.15% of compensation for law enforcement officers and 6.74% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$2,887,537 for the year ended June 30, 2016.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By State law, refunds to members with at least five years of service include 4% interest. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the County reported a liability of \$3,134,557 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. The total pension liability was then rolled forward to the measurement date of June 30, 2015 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2015, the County's proportion was .69844%, which was a decrease of .01667% from its proportion measured as of June 30, 2014.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

For the year ended June 30, 2016, the County recognized pension expense of \$1,653,122. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 736,799
Net difference between projected and actual earnings on pension plan investments	-	892,398
Changes in proportion and differences between County contributions and proportionate share of contributions	-	173,026
County contributions subsequent to the measurement date	<u>2,887,537</u>	<u>-</u>
Total	<u><u>\$ 2,887,537</u></u>	<u><u>\$ 1,802,223</u></u>

\$2,887,537 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2017	\$ (1,093,276)
2018	(1,093,276)
2019	(1,091,772)
2020	1,476,101
2021	-
Thereafter	<u>-</u>
Total	<u><u>\$ (1,802,223)</u></u>

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	4.25 to 8.55 percent, including inflation and productivity factor
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are, therefore, not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	29.0%	2.2%
Global equity	42.0%	5.8%
Real estate	8.0%	5.2%
Alternatives	8.0%	9.8%
Credit	7.0%	6.8%
Inflation protection	6.0%	3.4%
Total	100.0%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2014 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
County's proportionate share of the net pension liability (asset)	\$ 21,857,703	\$ 3,134,557	\$ (12,639,279)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

B. Law Enforcement Officers' Special Separation Allowance

Plan Description. Pitt County administers a public employee retirement system (the "Separation Allowance"), a single-employer, defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to 0.85% of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2015, the Separation Allowance's membership consisted of:

Retirees currently receiving benefits and terminated employees entitled to, but not yet receiving, benefits	17
Active plan members	<u>131</u>
Total	<u><u>148</u></u>

A separate report was not issued for the plan.

Summary of Significant Accounting Policies

Basis of Accounting. The County has chosen to fund the Separation Allowance on a pay-as-you-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Employer contributions to the plan are recognized when due and when the County has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria, which are outlined in GASB Statements 67 and 68:

- contributions to the pension plan and earnings on those contributions are irrevocable
- pension plan assets are dedicated to providing benefits to plan members
- pension plan assets are legally protected from the creditors or employers, non-employer contributing entities, the plan administrator, and plan members.

Method Used To Value Investments. Investments are reported at fair value. Short-term money market debt instruments, deposits, and repurchase agreements, are reported at cost or amortized cost, which approximates fair value. Certain longer term United States Government and United States Agency securities are valued at the last reported sales price.

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. For the current year, the County contributed \$290,128, or 4.1%, of annual covered payroll. There were no contributions made by employees. The County's obligation to contribute to the plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The annual required contribution for the current year was determined as part of the December 31, 2014 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25% - 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2014 was 16 years.

Annual Pension Cost and Net Pension Obligation. The County's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Annual required contribution	\$ 412,058
Interest on net pension obligation	74,119
Adjustment to annual required contribution	<u>(130,265)</u>
Annual pension costs	355,912
Benefit payments made	<u>290,128</u>
Increase (decrease) in net pension obligation	65,784
Net pension obligation:	
Beginning of year - July 1	<u>1,482,373</u>
End of year - June 30	<u><u>\$ 1,548,157</u></u>

Three-Year Trend Information

Year Ended June 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2014	\$ 338,463	38.93%	\$ 1,402,252
2015	355,461	77.46%	1,482,373
2016	355,912	81.52%	1,548,157

Assets reserved to pay benefits are reported as committed fund balance in the General Fund. Benefit payments reduce the net pension obligation.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Funded Status and Funding Progress. As of December 31, 2015, the plan was 0.00% funded. The actuarial accrued liability for benefits was \$4,915,323 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$4,915,323. The covered payroll (annual payroll of active employees covered by the plan) was \$7,126,814, and the ratio of the UAAL to the covered payroll was 68.97%. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

C. Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2016 were \$415,527, which consisted of \$331,231 from the County and \$84,296 from the law enforcement officers.

D. Local 401(k) Retirement Plans

The County has a supplemental retirement plan for all County employees other than law enforcement officers. The County has no requirement or obligation under State statutes to contribute to this Plan; however, the County has adopted the Supplemental Retirement Plan of North Carolina 401(k) for its non-law enforcement employees. The County contributes 5.41% of participants' gross pay, and employees may make voluntary contributions to the Plan. The total contribution for the year ended June 30, 2016 was \$2,375,010, which consisted of \$1,869,773 from the County and \$505,237 from the employees.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

E. Registers of Deeds' Supplemental Pension Fund

Plan Description. Pitt County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Registers of Deeds' Supplemental Pension Fund is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$4,434 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the County reported an asset of \$338,042 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2015. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2014. The total pension liability was then rolled forward to the measurement date of June 30, 2015 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2015, the County's proportion was 1.459 %, which was a decrease of .020% from its proportion measured as of June 30, 2014.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

For the year ended June 30, 2016, the County recognized pension expense of (\$9,592). At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,655	\$ 5,596
Net difference between projected and actual earnings on pension plan investments	16,764	-
Changes in proportion and differences between County contributions and proportionate share of contributions	3,072	4,417
County contributions subsequent to the measurement date	4,434	-
Total	<u>\$ 25,925</u>	<u>\$ 10,013</u>

\$4,434 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2017	\$ 631
2018	2,472
2019	3,850
2020	4,525
2021	-
Thereafter	-
Total	<u>\$ 11,478</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	4.25 to 7.75 percent, including inflation and productivity factor
Investment rate of return	5.75 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are, therefore, not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2014 is 2.2%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2013 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that contributions from employers will be made at statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 7.25%, as well as what the County's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
County's proportionate share of the net pension liability (asset)	\$ (304,981)	\$ (338,042)	\$ (366,479)

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

9. Deferred Compensation Plan

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

The County has complied with changes in the laws which govern the County's deferred compensation plan, requiring all assets of the Plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. In accordance with GASB Statement 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans", the County's deferred compensation plan is not reported within the County's agency funds.

10. Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one- year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. The County has no liability beyond the payment of

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post-employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

Other Post-Employment Benefits – Healthcare Benefits

Plan Description. In addition to providing pension benefits, the County has elected to provide healthcare benefits to retirees of the County who have at least thirty years of service with the North Carolina Local Governmental Employees' Retirement System (System) or the North Carolina Law Enforcement Officers' Local Governmental Employees' Retirement System (LE System); and/or employees who are credited with at least twenty years of service with the System or the LE System and have reached their sixtieth birthday in service and have their last five years of continuous service with the County, at the time of retirement. If the retiree's hire date was January 1, 2009 or later, the continuous service requirement is fifteen years. Retired employees meeting the criteria discussed herein will be provided hospitalization in the same manner as the active County employees. Once a retiree reaches their sixty-fifth birthday, the retiree will be provided coverage in the form of a Medicare supplement policy purchased by the County. The County pays the full cost of coverage for these benefits. The plan is a single-employer defined benefit plan.

Retirees can purchase coverage for their dependents at the County's group rates until the retiree reaches age sixty-five. Currently, 225 retirees are eligible for post-retirement health benefits. For the year ended June 30, 2016, the County made payments for post-retirement health benefit premiums of \$1,222,442. The County is self-insured for healthcare coverage and purchases catastrophic loss coverage through private insurers. A separate report was not issued for the plan.

Membership of the Plan consisted of the following at December 31, 2015, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	208	17
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	760	126
Total	968	143

Funding Policy. The County pays the full cost of coverage for the healthcare benefits paid to qualified retirees under a County resolution that can be amended by the County Board. The County's members pay the current active employee rate for dependent coverage, if the retiree elects to purchase the coverage. The County has chosen to fund the healthcare benefits on a pay-as-you-go basis.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The current annual required contribution (ARC) rate is 10.1% of annual covered payroll. For the current year, the County contributed \$1,222,442 to the plan, consisting of \$1,222,442 from the County and no contribution from employees. The current year contribution is 3.0% of annual covered payroll. The County is self-insured for healthcare coverage and purchases catastrophic loss coverage through private insurers. The County's required contributions, under a County resolution, for employees not engaged in law enforcement and for law enforcement officers represented 9.3% of covered payroll, respectively. Retirees also contributed \$98,355 to the plan for dependent coverage, on a cost reimbursement basis. The County's obligation to contribute to the plan is established and may be amended by the County Board.

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

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

Annual required contribution	\$ 4,131,760
Valuation discount rate	4.00%
Interest on net OPEB obligation	1,034,175
Amortization factor	26.1695
Adjustments to annual required contribution	987,959
Annual OPEB cost (expense)	4,177,976
Contributions made	1,222,442
Increase (decrease) in net OPEB obligation	2,955,534
Net OPEB obligation:	
Beginning of year - July 1	25,854,383
End of year - June 30	<u>\$ 28,809,917</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2014-2016 were as follows:

Year Ended	Annual	Percentage of	Net
June 30	OPEB Cost	Annual OPEB	OPEB
		Cost Contributed	Obligation
2014	\$ 3,811,337	30.78%	\$22,979,013
2015	4,052,494	29.05%	25,854,383
2016	4,177,976	29.30%	28,809,917

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Fund Status and Funding Progress. As of December 31, 2015, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$67,716,639, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$67,716,639. The covered payroll (annual payroll of active employees covered by the Plan) was \$40,958,656, and the ratio of UAAL to the covered payroll was 165.3%.

Actuarial valuations of an ongoing Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. 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 to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

In the December 31, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 7.75 to 5.00% annually. Both rates included a 3.00% inflation assumption. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2015 was 30 years.

11. Closure and Post-Closure Care Costs - Landfill

Federal and State laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$749,523 reported as landfill post-closure care liability at June 30, 2016 represents a cumulative amount reported to date based on the use of 100% of the total estimated capacity of the landfill. These amounts are based on what it would cost to perform all post-closure care in 2016. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The County has met the requirements of a local government financial test that is one option under federal and State laws and regulations that help determine if a unit is financially able to meet closure and post-closure care requirements.

12. Deferred Inflows and Outflows of Resources

The balance in deferred outflows and deferred inflows of resources on the fund statements and government-wide statements at June 30, 2016, are composed of the following elements:

Source	Amount
Deferred Outflows:	
Charge on refunding	\$ 2,751,953
Pensions - difference between expected and actual experience	
Register of Deeds	1,655
Pensions - difference between projected and actual investment earnings	16,764
Contributions to pension plan in current fiscal year	2,891,971
Pension related deferrals (ROD)	3,072
Total	<u>\$ 5,665,415</u>
Deferred Inflows:	
Prepaid taxes not yet earned (general)	\$ 290,131
Taxes receivable (general)	449,852
Other receivable (general)	162,692
Taxes receivable (special revenue funds)	174,669
Other receivable (special revenue funds)	349,182
Pensions - difference between expected and actual experience	
LGERS	736,799
Register of Deeds	5,596
Pensions - difference between projected and actual investment earnings	892,398
Pensions - County contributions and proportionate share of contributions	
LGERS	173,026
Register of Deeds	4,417
Total	<u>\$ 3,238,762</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

13. Accounts Payable

Disaggregate Information

Type of Payable	Governmental Activities	Business-Type Activities	Total
Trade payables	\$ 2,882,192	\$ 515,179	\$ 3,397,371
Accrued interest	1,596,659	-	1,596,659
Internal service trade payables	72,468	-	72,468
IBNR estimate (incurred, but not reported)	735,552	-	735,552
Total	<u>\$ 5,286,871</u>	<u>\$ 515,179</u>	<u>\$ 5,802,050</u>

14. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employee; and natural disasters. The County purchases property and casualty insurance through various insurers on the open market for all risks. Property and casualty insurance coverage limits and deductibles are evaluated annually in order to balance the risk the County is willing to take on with the risk of a large loss, which could negatively impact the County's budget situation. Workers' compensation coverage is self-funded with an excess policy in place to protect the contact from high dollar claims. Workers' compensation limits, self-insured retention amounts, etc., are also evaluated annually and adjustments made depending on experience and the insurance market. The County's health insurance is self-insured using a third-party administrator and with catastrophic protection for the self-insured fund. The health insurance is also evaluated annually for potential changes in coverage, catastrophic protection limits, funding, etc.

The County purchases commercial insurance to protect against claims for property, general liability, auto liability, public officials/errors and omissions, and employee bonds. The property and casualty commercial coverage provides for coverage with a \$25,000 deductible per event. Claims have not exceeded coverage in recent years. There have been no significant reductions in insurance coverage from the previous year-end.

Workers' compensation exposure is covered by a self-funded program developed within the County budget. A third-party administrator was retained to process employee claims. In addition, an excess insurance policy covering losses exceeding \$400,000 per event up to \$1,000,000 was purchased to limit the impact of an individual catastrophic claim event on the fund. It is the intent that the Workers' Compensation Fund will evolve into a fund that will eventually allow the County to reduce annual appropriation to this exposure.

Health insurance coverage is self-insured through the County budget. The health insurance contract is with BlueCross BlueShield of North Carolina. BlueCross BlueShield of North Carolina acts as a third-party administrator for the Pitt County Health Insurance Fund and additionally provides stop-loss coverage for individual losses over \$75,000 and aggregate losses beyond 115% of expected claims. Additionally, the County maintains reserves to cover any losses for any claims that would result if a different administrator were retained and claims would need to be paid.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

The County does not carry flood insurance as it is not in an "A" area by the Federal Emergency Management Agency.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The coverage limits are \$500,000 per loss, subject to a \$1,000 deductible. The County carries a performance bond on the Finance Officer with a \$500,000 per loss coverage limit.

For the medical insurance internal service funds, a total of \$10,217,456 in claims and changes in estimates were incurred for benefits during fiscal year 2016. Changes in the fund's claims liability for the last three fiscal years were as follows:

Year Ended	Balance July 1	Claims and Changes in Estimates	Claim Payments	Balance June 30
2014	\$ 786,770	\$ 10,435,187	\$ (10,326,277)	\$ 895,680
2015	895,680	11,733,096	(11,578,032)	1,050,744
2016	1,050,744	10,217,456	(10,532,648)	735,552

15. Joint Ventures

The County, in conjunction with the State of North Carolina and the Pitt County Board of Education, participates in a joint venture to operate Pitt Community College (Community College). Each of the three participants appoints four members of the thirteen-member Board of Trustees of the Community College. The President of the Community College's Student Government Association serves as a non-voting, ex-officio member of the Board of Trustees. The Community College is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the Community College and also provides some financial support for the Community College's operations. In addition to providing annual appropriations for facilities, the County periodically issues long-term debt to provide financing for new and restructured facilities. The County contributed \$5,420,326 to the Community College for operating purposes and \$75,000 for capital outlay during the fiscal year ended June 30, 2016. In addition, the County made debt service payments of \$900,000 for principal and \$715,594 for interest during the fiscal year on limited obligation bonds issued for Community College capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2016. Complete financial statements for the community college may be obtained from the Community College's administrative offices, P.O. Drawer 7007, Greenville, North Carolina 27835.

The County also participates in a joint venture to operate the Sheppard Memorial Library (Library) with the County of Greenville. The County Board of Commissioners appoints three Board members to the 11-member Board of the Library. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflected in the financial statements at June 30, 2016. The County appropriated \$567,395 to the Library to supplement its activities.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Complete financial statements for the Library can be obtained from the County of Greenville offices at 201 W. 5th Street, Greenville, North Carolina 27834.

The County is a participant with the City of Greenville and other participants in a joint venture to operate Pitt-Greenville Airport Authority (the "Authority") for the joint benefit of all participants. Upon dissolution of the Authority, the assets would be shared in proportion to each sponsor's original contribution. The County's initial contribution totaled \$3,250, which represents one-half of the total contribution. The Authority is governed by an eight-member Board; four from the County and four from the City. All participants are obligated to contribute funds on an annual basis, as needed, to enable the Authority to operate the airport. The County contributed \$60,042 to the Authority during the fiscal year ended June 30, 2016. The County has a 50% equity interest in the joint venture; therefore an equity interest of \$22,774,772 has been reflected in the government wide financial statements at June 30, 2016. Complete financial statements for the Authority can be obtained from the Authority's Administrative Office at Airport Road, P.O. Box 671, Greenville, North Carolina, 27835.

16. Major Customers

The Solid Waste Fund has two major customers. The concentration of sales and accounts receivable to those two customers as of June 30, 2016 was:

	Percentage of Sales	Percentage of Receivables
Major customer 1	62%	56%
Major customer 2	8%	9%

17. Claims and Judgments

At June 30, 2016, the County was a defendant to various lawsuits. Management believes that the ultimate outcome of these legal matters will not have a material adverse effect on the financial position of the County.

18. Contingencies

The County participates in a number of federal and State grant programs. The amount, if any, of expenditures, which may be disallowed by the granting agencies resulting from such an audit cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

A potential groundwater contamination problem was identified at the Pitt County Landfill in March 1993. Since that time, the County has executed an Administrative Agreement on Consent with the State. The Agreement calls for the County to assess the problems and remediate if necessary. The County has filed the necessary plans with the State, and the State has approved an assessment plan. Groundwater monitoring was conducted in December 1995. Groundwater monitoring has been

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

completed; however, potentially responsible parties have yet to be identified. As of the balance sheet date, any costs that the County may be responsible for have been included in closure and post-closure costs. Remediation costs cannot be accurately estimated at this time. Potentially responsible parties will be asked to contribute to any costs incurred.

19. Summary Disclosure of Significant Commitments

The County has financial commitments of \$35,913 per year to area municipalities for sewer line improvements that will benefit the County as well as the municipalities.

20. Benefit Payments Issued by the State

Certain amounts were paid directly to individual recipients by the State from federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations, which cause benefit payments to be issued by the State. This additional financial aid to County recipients does not appear in the basic financial statements, because it does not represent revenues and expenditures of the County.

	<u>Federal</u>	<u>State</u>
Energy Assistance	\$ 1,955,842	\$ 9,524
Temporary Assistance to Needy Families (TANF)	3,276,769	562,851
Aid to Families with Dependent Children	-	-
Special Assistance to Adults	-	1,056,936
Adoption Subsidy Title IV-E	332,716	86,110
State Foster Home	-	505,937
Adoption Subsidy - State	-	269,383
Medicaid	167,803,229	77,687,161
Women, Infants, and Children	4,195,429	-
Supplemental Nutrition Assistance Program (SNAP)	1,483,023	-
Total	<u>\$ 179,047,008</u>	<u>\$ 80,177,902</u>

21. Component Unit Transactions

In fiscal year 2016, the County and its component units reported transactions between the entities as follows:

<u>Pitt County</u>	<u>Amount</u>	<u>Purpose</u>
Unrestricted Intergovernmental Revenues:		
From Pitt County ABC Board	<u>\$ 1,300,000</u>	Profit distribution

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

22. Interfund Balances and Transfers

In fiscal year 2016, the County made the following transfers within its fund structure. Transfers to the Debt Service Fund were made to fund required debt payments; transfers to other funds represent the local contribution by the County to fund certain activities and projects.

Fund Type	Fund Name	Transfers		Purpose
		From	To	
General	General	\$ 8,605,496	\$ -	
Special Revenue	State Grants	-	98,516	Local contribution/match
Special Revenue	Pitt Area Transit System	-	28,072	Local contribution/match
Debt Service	Debt Service	-	5,626,328	Annual debt service requirement
Capital Project	2016 Equipment	-	44,100	Local contribution/match
Internal Service	Workers' Compensation	-	650,000	Funding of workers' compensation
Internal Service	Employee Medical	-	1,300,000	Funding of active employee health insurance
Internal Service	Retiree Health Insurance	-	858,480	Funding of retiree health insurance
Total		<u>\$ 8,605,496</u>	<u>\$ 8,605,496</u>	
Capital Project	School Capital Reserve	\$ 6,420,114	\$ -	
Debt Service	Debt Service	-	5,670,114	Debt service school projects
Capital Project	School Improvement Projects	-	750,000	Capital improvements school projects
Total		<u>\$ 6,420,114</u>	<u>\$ 6,420,114</u>	
Capital Project	County Capital Reserve	\$ 5,794,343	\$ -	
Debt Service	Debt Service	-	5,381,843	Debt service school projects
General	General	-	412,500	Capital improvements school projects
Total		<u>\$ 5,794,343</u>	<u>\$ 5,794,343</u>	
Special Revenue	Pitt Transit	\$ 9,600	\$ -	
Internal Service	Workers' Compensation	-	9,600	Funding of worker's comp.
Total		<u>\$ 9,600</u>	<u>\$ 9,600</u>	
Capital Project	PCC GO Bond	\$ 3,000,000	\$ -	
Capital Project	County Capital Reserve	-	3,000,000	Reimbursement to fund from bond proceeds
Total		<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	
Enterprise	Solid Waste & Recycling	\$ 102,980	\$ -	
Debt Service	Debt Service	-	90,480	Debt service solid waste & recycling projects
Internal Service	Workers' Compensation	-	12,500	Funding of workers' compensation
Total		<u>\$ 102,980</u>	<u>\$ 102,980</u>	

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Interfund loans are summarized as follows:

Fund Type	Fund Name	Transfers		Purpose
		From	To	
Capital Project	PCC GO Bond	\$ 3,000,000	\$ -	
Capital Project	County Capital Reserve	-	3,000,000	Reimbursement to fund from bond proceeds
Total		<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	
Enterprise	Solid Waste & Recycling	\$ 102,980	\$ -	
Debt Service	Debt Service	-	90,480	Debt service solid waste & recycling projects
Internal Service	Workers' Compensation	-	12,500	Funding of workers' compensation
Total		<u>\$ 102,980</u>	<u>\$ 102,980</u>	

23. Change in Accounting Principles/Restatement

The County implemented Governmental Accounting Standards Board (GASB) Statement 73, the County reclassified the Law Enforcement Officers' Special Separation Allowance trust fund to the General Fund. As a result, net position for the governmental activities increased by \$291,240.

24. Subsequent Event

On July 14, 2016, the County signed a long term debt agreement to issue \$17,795,000 Limited Obligation Bonds, Series 2016. These proceeds will be used to for the acquisition, construction and equipping of various public school facilities in the County.

Damage in certain areas of the State of North Carolina resulting from Hurricane Matthew was of sufficient severity and magnitude to warrant a major disaster declaration by the president. Hurricane Matthew struck North Carolina and caused serious flooding in several counties including Pitt County. While there has been damage to buildings and other assets, as of the date of this report, it is unknown as to the extent of that damage.

REQUIRED SUPPLEMENTARY INFORMATION

This section contains information on the Law Enforcement Officers' (LEO) Special Separation Allowance and Other Post-Employment Benefits (OPEB), Proportionate Share of Net Pension Liability (Asset) and Schedule of County Contributions for the Local Government Employees' Retirement System and Register of Deed's Supplemental Pension Fund as required.

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PITT COUNTY, NORTH CAROLINA

**LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016**

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 Percentage Covered Payroll (B - A) / C
12/31/2015	\$ -	\$ 4,915,323	\$ 4,915,323	0.00%	\$ 7,126,814	68.97%
12/31/2014	283,138	3,359,440	3,076,302	8.43%	6,537,106	47.06%
12/31/2013	287,332	3,394,354	-	8.46%	6,515,426	47.69%
12/31/2012	254,485	3,219,603	2,965,118	7.90%	6,373,017	46.53%
12/31/2011	231,240	3,291,551	3,060,311	7.03%	6,796,055	45.03%
12/31/2010	266,527	3,055,533	2,789,006	8.72%	7,121,139	39.17%
12/31/2009	256,317	3,136,604	2,895,337	8.17%	6,635,702	43.63%
12/31/2008	242,933	2,353,496	2,110,563	10.32%	5,996,468	35.20%
12/31/2007	249,168	2,027,477	1,778,309	12.29%	5,555,672	32.01%

Notes to the Required Schedules:

The information presented above was determined as part of the actuarial valuation at the dates indicated.

Additional information as of the latest valuation follows:

Valuation date	12/31/2015
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar closed
Remaining amortization period	15 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	3.57%
Projected salary increases *	3.5 - 7.35%
Cost of living adjustments	N/A

* Includes inflation at 3.00%

PITT COUNTY, NORTH CAROLINA

**OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016**

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 Percentage Covered Payroll (B - A) / C
12/31/2009	\$ -	\$ 51,309,989	\$ 51,309,989	0.00%	\$ 41,736,298	122.94%
12/31/2011	-	45,382,920	45,382,920	0.00%	41,042,634	110.58%
12/31/2013	-	51,684,729	51,684,729	0.00%	40,713,049	126.95%
12/31/2015	-	67,716,639	67,716,639	0.00%	40,958,656	165.30%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Amount Contributed by Employer	Percentage of ARC Contributed
2010	\$ 4,113,151	\$ 792,481	19.27%
2011	4,405,578	1,015,569	23.05%
2012	4,267,394	984,452	23.07%
2013	3,665,025	1,180,620	32.21%
2014	3,774,976	1,173,217	31.08%
2015	4,011,417	1,177,124	29.34%
2016	4,131,760	1,222,442	29.59%

Notes to the Required Schedules:

The information presented above was determined as part of the actuarial valuation at the dates indicated.
Additional information as of the latest valuation follows:

Valuation date	December 31, 2015
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Actuarial assumptions:	
Investment rate of return *	4.00%
Pre-medicare trend rates	7.75% - 5.00%
Post-medicare trend rates	5.75% - 5.00%
Year of ultimate trend rate	2019

* Includes inflation at 3.00%

PITT COUNTY, NORTH CAROLINA

PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) REQUIRED SUPPLEMENTARY INFORMATION LAST THREE FISCAL YEARS *

LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	0.6984%	0.7151%	0.7339%
County's proportion of the net pension liability (asset) (\$)	\$ 3,134,557	\$ (4,217,277)	\$ 8,846,313
County's covered-employee payroll	\$ 41,579,931	\$ 40,753,032	\$ 39,976,697
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	7.54%	(10.35%)	22.13%
Plan fiduciary net position as a percentage of the total pension liability**	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

** This will be the same percentage for all participant employers in the LGERS plan.

PITT COUNTY, NORTH CAROLINA

**SCHEDULE OF COUNTY CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST THREE FISCAL YEARS**

LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 2,887,537	\$ 2,927,826	\$ 2,861,567
Contributions in relation to the contractually required contribution	<u>2,887,537</u>	<u>2,927,826</u>	<u>2,861,567</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 42,779,482	\$ 41,579,931	\$ 40,753,032
Contributions as a percentage of covered-employee payroll	6.75%	7.04%	7.02%

PITT COUNTY, NORTH CAROLINA

PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) REQUIRED SUPPLEMENTARY INFORMATION LAST THREE FISCAL YEARS *

REGISTERS OF DEED'S SUPPLEMENTAL PENSION FUND

	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportion of the net pension liability (asset) (%)	1.4587%	1.4780%	1.4230%
County's proportion of the net pension liability (asset) (\$)	\$ (338,042)	\$ (335,081)	\$ (303,991)
County's covered-employee payroll	\$ 53,785	\$ 49,199	\$ 38,140
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-628.51%	-681.07%	-797.04%
Plan fiduciary net position as a percentage of the total pension liability	197.29%	193.88%	198.50%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

PITT COUNTY, NORTH CAROLINA

**SCHEDULE OF COUNTY CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
LAST THREE FISCAL YEARS**

REGISTERS OF DEED'S SUPPLEMENTAL PENSION FUND

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 4,434	\$ 3,803	\$ 13,346
Contributions in relation to the contractually required contribution	<u>4,434</u>	<u>3,803</u>	<u>13,346</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 65,781	\$ 53,785	\$ 49,199
Contributions as a percentage of covered-employee payroll	6.74%	7.07%	27.13%

OTHER SUPPLEMENTAL SCHEDULES

This section contains additional information on taxes receivable, tax levy, capital assets, the ten largest taxpayers and combining statements information for the fiscal year ended June 30, 2016.

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PITT COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2016

Fiscal Year	Uncollected Balance July 1, 2015	Additions	Collections and Credits	Uncollected Balance June 30, 2016
2015-2016	\$ -	\$ 81,357,318	\$ 80,665,237	\$ 692,081
2014-2015	834,925	-	480,452	354,473
2013-2014	470,742	-	179,865	290,877
2012-2013	380,453	-	103,462	276,991
2011-2012	292,386	-	69,254	223,132
2010-2011	261,493	-	45,500	215,993
2009-2010	195,125	-	28,433	166,692
2008-2009	206,216	-	26,910	179,306
2007-2008	130,158	-	12,659	117,499
2006-2007	152,692	-	152,692	-
Total	<u>\$ 2,924,190</u>	<u>\$ 81,357,318</u>	<u>\$ 81,764,464</u>	<u>2,517,044</u>
Less: Allowance for uncollectible ad valorem taxes receivable				<u>(2,067,192)</u>
Total				<u>\$ 449,852</u>
Reconciling with Revenues:				
Taxes - ad valorem				\$ 81,784,234
Reconciling items:				
Interest and cost				(356,183)
Amounts written off for tax years per Statute of Limitations				152,692
Miscellaneous tax adjustments				<u>183,721</u>
Total collections and credits				<u>\$ 81,764,464</u>

PITT COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
FOR THE YEAR ENDED JUNE 30, 2016

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 12,074,971,912	\$ 0.6800	\$ 82,109,809	\$ 73,606,547	\$ 8,503,262
Discoveries:					
Current year taxes	877,281	0.6800	596,551	596,551	-
Releases	(739,454)		(502,829)	(502,829)	-
Total property valuation	\$ 12,075,109,739				
Net Levy			82,203,531	73,700,269	8,503,262
Less: Tax rate attributed to Industrial Development Commission		0.0070	(846,213)	(846,213)	-
Net levy to County			81,357,318	72,854,056	8,503,262
Less: Uncollected taxes at June 30, 2016			(692,081)	(692,081)	-
Current Year's Taxes Collected			\$ 80,665,237	\$ 72,161,975	\$ 8,503,262
Percent Current Year Collected			99.15%	99.05%	100.00%
Prior Year Collection Percentage			98.93%	98.81%	100.00%

PITT COUNTY, NORTH CAROLINA**ANALYSIS OF CURRENT TAX LEVY
SECONDARY MARKET DISCLOSURES
FOR THE YEAR ENDED JUNE 30, 2016****Secondary Market Disclosures:**

Assessed valuation:

Assessment ratio (1) 100.00%

Real property	\$ 9,449,775,738
Personal property	2,454,881,901
Public service companies (2)	<u>170,452,100</u>
Total assessed valuation	<u>\$ 12,075,109,739</u>

Tax rate per \$100 0.6800

Levy (includes discoveries, releases, and abatements) (3) \$ 82,203,531

In addition to the County-wide rate, the following table lists the levy by the County on behalf of fire protection/rescue districts for the year ended June 30, 2016:

Fire protection/rescue districts	<u>\$ 4,530,657</u>
----------------------------------	---------------------

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

PITT COUNTY, NORTH CAROLINA**TEN LARGEST TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2016**

Taxpayer	Type of Business	Valuation	Percentage of Total Assessed Valuation
Patheon Manufacturing Services LLC	Manufacturer	\$ 249,654,598	2.07%
DSM Dyneema LLC	Manufacturer	181,014,354	1.50%
Attends Healthcare Products Inc.	Manufacturer	89,078,952	0.74%
Asmo Greenville of NC	Manufacturer	80,326,401	0.67%
Pep Core NCC LLC I & II	Student Housing	57,603,990	0.48%
Wal Mart Real Estate Business Trust	Retail	50,710,681	0.42%
Weyerhaeuser NR Company	Manufacturer	49,090,486	0.41%
RPI Greenville Mall LP	Mall	44,614,187	0.37%
Copper Beech Townhome Communities Thirty SPE LLC	Student Housing	37,505,180	0.31%
Carolina Telephone	Public Service	36,161,505	0.30%

GOVERNMENTAL FUNDS

- General Fund
- Special Revenue Funds
- Capital Projects Funds

The focus of Governmental Fund measurement is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income determination.

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PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016

	<i>Schedule C-1</i> Special Revenue Funds	<i>Schedule D-2</i> Capital Projects Fund	Total
Assets:			
Cash, cash equivalents, and investments	\$ 2,194,683	\$ 12,450,009	\$ 14,644,692
Taxes receivable, net	174,669	-	174,669
Accounts receivable, net	666,223	-	666,223
Prepaid items	123,416	-	123,416
Cash and investments, restricted	-	2,650,000	2,650,000
Due from other governments	-	2,568,762	2,568,762
Total assets	<u>\$ 3,158,991</u>	<u>\$ 17,668,771</u>	<u>\$ 20,827,762</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 199,924	\$ 20,416	\$ 220,340
Retainage payable	-	2,500	2,500
Due to other funds	131,459	12,500	143,959
Total liabilities	<u>331,383</u>	<u>35,416</u>	<u>366,799</u>
Deferred Inflows of Resources:			
Taxes receivable	174,669	-	174,669
Other receivables	349,182	-	349,182
Total deferred inflows of resources	<u>523,851</u>	<u>-</u>	<u>523,851</u>
Fund Balances:			
Non-spendable - prepaid items	123,416	-	123,416
Restricted for stabilization of State statute	317,041	2,568,762	2,885,803
Restricted	1,789,208	3,992,215	5,781,423
Committed	-	10,169,645	10,169,645
Assigned	448,904	915,233	1,364,137
Unassigned	(374,812)	(12,500)	(387,312)
Total fund balances	<u>2,303,757</u>	<u>17,633,355</u>	<u>19,937,112</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 3,158,991</u>	<u>\$ 17,668,771</u>	<u>\$ 20,827,762</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

	<i>Schedule C-2</i> Special Revenue Funds	<i>Schedule D-3</i> Capital Projects Fund	Total
Revenues:			
Ad valorem taxes	\$ 5,165,058	\$ -	\$ 5,165,058
Other taxes and licenses	-	11,202,608	11,202,608
Restricted intergovernmental revenues	2,822,528	1,600,000	4,422,528
Sales and services	3,499,629	-	3,499,629
Investment earnings	19,933	59,457	79,390
Miscellaneous	71,249	52,716	123,965
Total revenues	<u>11,578,397</u>	<u>12,914,781</u>	<u>24,493,178</u>
Expenditures:			
Current:			
Public safety	8,230,251	79,627	8,309,878
Economic and physical development	2,922,715	118,843	3,041,558
Education	-	901,026	901,026
Total expenditures	<u>11,282,191</u>	<u>1,099,496</u>	<u>12,381,687</u>
Revenues over (under) expenditures	<u>296,206</u>	<u>11,815,285</u>	<u>12,111,491</u>
Other Financing Sources (Uses):			
Transfers in	126,588	3,794,100	3,920,688
Transfers out	(9,600)	(12,214,457)	(12,224,057)
Total other financing sources (uses)	<u>116,988</u>	<u>(8,420,357)</u>	<u>(8,303,369)</u>
Net change in fund balances	413,194	3,394,928	3,808,122
Fund Balances:			
Beginning of year - July 1	<u>1,890,563</u>	<u>14,238,427</u>	<u>16,128,990</u>
End of year - June 30	<u>\$ 2,303,757</u>	<u>\$ 17,633,355</u>	<u>\$ 19,937,112</u>

GENERAL FUND

The General Fund accounts for resources traditionally associated with government that are not required to be accounted for in other funds.

This fund receives the major portion of ad valorem tax revenue, local option sales taxes, federal and state shared revenues, licenses, permits and fees. The major operating activities include general government, public safety and human services.

The fund is accounted for on the modified accrual basis of accounting.

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PITT COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes:				
Taxes	\$ 82,078,282	\$ 81,428,051	\$ (650,231)	\$ 79,486,289
Penalties and interest	460,000	356,183	(103,817)	446,469
Total	82,538,282	81,784,234	(754,048)	79,932,758
Other Taxes and Licenses:				
Occupancy tax	25,000	29,014	4,014	27,575
Local option sales taxes	16,036,401	17,641,102	1,604,701	16,544,961
Payment in lieu of taxes	1,897,273	1,880,224	(17,049)	1,878,488
Privilege licenses	9,000	9,022	22	8,475
Marriage licenses	35,100	25,020	(10,080)	26,100
Gross receipts tax	216,800	277,454	60,654	246,205
Total	18,219,574	19,861,836	1,642,262	18,731,804
Unrestricted Intergovernmental Revenues:				
Alcohol, beer, and wine tax	250,000	274,390	24,390	295,749
Pitt County ABC Board	1,300,000	1,300,000	-	1,300,000
Social Services fees and grants	359,457	310,947	(48,510)	390,056
Total	1,909,457	1,885,337	(24,120)	1,985,805
Restricted Intergovernmental Revenues:				
Public health fees and grants	5,120,807	4,574,034	(546,773)	5,204,862
Social services fees and grants	24,338,183	23,503,238	(834,945)	22,692,808
Mental health fees and grants	115,000	139,319	24,319	143,387
Jail fees	415,265	478,804	63,539	479,124
Automation E&P - Register of Deeds	50,000	77,466	27,466	77,815
Federal and State grants	77,250	59,864	(17,386)	71,966
Total	30,116,505	28,832,725	(1,283,780)	28,669,962
Permits and Fees:				
Building permits and inspection fees	414,000	492,655	78,655	431,083
Register of Deeds	536,000	633,254	97,254	633,626
Excise stamps	586,500	687,170	100,670	576,470
Rabies control fees	15,000	16,462	1,462	15,902
Animal fees	205,000	161,224	(43,776)	133,886
Court facility fees	240,000	231,884	(8,116)	240,680
Total	1,996,500	2,222,649	226,149	2,031,647
Sales and Services:				
Rents, concessions, and fees	4,294,224	4,057,840	(236,384)	4,089,976
Federal and State prison inmate reimbursement	1,992,900	1,808,664	(184,236)	2,076,282
Total	6,287,124	5,866,504	(420,620)	6,166,258
Investment Earnings	76,000	189,046	113,046	72,740

PITT COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Miscellaneous:				
Sale of capital assets	10,000	8,481	(1,519)	33,100
Employer contributions	290,128	290,128	-	-
Other income	644,613	1,216,159	571,546	599,447
Total	944,741	1,514,768	570,027	632,547
Total revenues	142,088,183	142,157,099	68,916	138,223,521
Expenditures:				
General Government:				
Governing board, County Manager, legal, Public Information Officer	1,383,656	1,354,583	29,073	1,298,316
Finance, Tax Assessor, Tax Collector	3,165,753	2,978,456	187,297	2,929,830
Elections	855,194	803,415	51,779	596,016
Register of Deeds	584,428	550,699	33,729	620,129
Human resources	596,721	586,448	10,273	574,133
Print shop/mailroom, management information system, geographic information system	2,373,161	2,256,182	116,979	2,367,851
Buildings and grounds and housekeeping	2,940,297	2,484,698	455,599	2,471,897
Non-departmental - general administration	1,445,780	1,383,937	61,843	2,056,660
Total	13,344,990	12,398,418	946,572	12,914,832
Public Safety:				
Sheriff's Department, school security, other public safety	13,764,203	13,262,232	501,971	12,730,714
Detention Center, jail inmate services, jail health services	15,719,912	15,034,887	685,025	14,558,028
Emergency services	879,813	767,615	112,198	757,191
Communications	1,475,425	1,318,799	156,626	1,171,112
Planning E911	89,127	83,343	5,784	92,119
Animal and mosquito control	813,663	718,688	94,975	807,223
Inspections	444,725	432,206	12,519	280,775
Medical examiner	93,000	131,890	(38,890)	100,500
Transportation	4,500	3,143	1,357	4,948
Court facility	495,966	426,545	69,421	341,249
Total	33,780,334	32,179,348	1,600,986	30,843,859
Environmental Protection:				
Soil and water conservation	276,274	260,578	15,696	248,599
Economic and Physical Development:				
Planning and zoning	715,718	692,539	23,179	626,539
Permitting center	-	-	-	134,902
Other economic development	174,000	173,913	87	173,913
Engineering	95,706	87,425	8,281	60,983
Cooperative extension	331,482	269,842	61,640	295,592
Farmers' Market	64,356	42,582	21,774	35,158
Total	1,381,262	1,266,301	114,961	1,327,087

PITT COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Human Services:				
Other human services	228,924	228,924	-	216,595
Veterans affairs	175,353	165,419	9,934	128,227
Total	404,277	394,343	9,934	344,822
Public Health:				
Administration	2,523,755	2,371,306	152,449	2,401,041
Services and programs	7,484,782	6,802,887	681,895	6,567,119
Total	10,008,537	9,174,193	834,344	8,968,160
Social Services:				
Administration	15,971,856	14,840,356	1,131,500	12,599,925
Services and programs	8,706,968	8,672,519	34,449	8,172,595
Public assistance	8,688,676	7,850,188	838,488	7,600,466
Child support	2,461,619	2,185,231	276,388	2,187,782
Total	35,829,119	33,548,294	2,280,825	30,560,768
Mental Health:				
Services and programs	602,500	627,721	(25,221)	631,472
Total human services	46,844,433	43,744,551	3,099,882	40,505,222
Education:				
Pitt County Schools	37,326,287	37,326,287	-	36,326,287
Pitt Community College	5,495,326	5,495,326	-	5,320,326
Total	42,821,613	42,821,613	-	41,646,613
Cultural and Recreation	665,279	664,949	330	679,571
Debt Service	622,046	784,831	(162,785)	621,375
Total expenditures	139,736,231	134,120,589	5,615,642	128,787,158
Revenues over (under) expenditures	2,351,952	8,036,510	5,684,558	9,436,363
Other Financing Sources (Uses):				
Transfers in (out):				
Special revenue funds	(1,460,671)	(1,462,412)	(1,741)	(172,002)
Solid waste	-	(8,276)	(8,276)	-
Solid waste	404,224	-	(404,224)	-
Debt Service Fund	(5,626,327)	(5,626,328)	(1)	(5,751,078)
Capital project funds	1,020,000	412,500	(607,500)	412,500
Internal service funds	(858,480)	(858,480)	-	(1,214,039)
Installment debt issued	877,242	877,242	-	893,828
Appropriated fund balance	3,283,784	-	(3,283,784)	-
Total other financing sources (uses)	(2,351,952)	(6,665,754)	(4,313,802)	(5,830,791)

PITT COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>2016</u>			<u>2015</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Net change in fund balance	\$ -	1,370,756	\$ 1,370,756	3,605,572
Fund Balance:				
Beginning of year - July 1		39,455,342		35,849,770
Restatement		291,240		-
Beginning of year, as restated		<u>39,746,582</u>		<u>35,849,770</u>
End of year - June 30		<u>\$ 41,117,338</u>		<u>\$ 39,455,342</u>

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PITT COUNTY, NORTH CAROLINA

GENERAL FUND - COMBINING SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL DEPARTMENTS
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Schedule B-3</i> General Services Department	<i>Schedule B-4</i> Public Health Department	<i>Schedule B-5</i> Social Services Department
Revenues:			
Ad valorem taxes	\$ 81,784,234	\$ -	\$ -
Other taxes and licenses	19,861,836	-	-
Unrestricted intergovernmental revenues	1,574,390	-	310,947
Restricted intergovernmental revenues	616,134	4,574,034	23,503,238
Permits and fees	1,990,765	-	-
Sales and services	5,619,930	-	246,574
Investment earnings	187,850	-	-
Miscellaneous	1,415,325	-	99,443
Total revenues	<u>113,050,464</u>	<u>4,574,034</u>	<u>24,160,202</u>
Expenditures:			
General government	12,398,418	-	-
Public safety	31,752,803	-	-
Environmental protection	260,578	-	-
Economic and physical development	1,266,301	-	-
Human services	394,343	9,174,193	33,548,294
Education	42,821,613	-	-
Cultural and recreational	664,949	-	-
Debt service	784,831	-	-
Total expenditures	<u>90,343,836</u>	<u>9,174,193</u>	<u>33,548,294</u>
Revenues over (under) expenditures	<u>22,706,628</u>	<u>(4,600,159)</u>	<u>(9,388,092)</u>
Other Financing Sources (Uses):			
Installment debt issued	-	-	877,242
Intrafund transfers in (out)	(13,880,641)	4,516,266	8,621,909
Transfers in (out):			
Out to special revenue funds	(1,462,412)	-	-
Out to solid waste	-	-	(8,276)
Out to Debt Service Fund	(5,626,328)	-	-
In from Capital Project Fund	412,500	-	-
Out to Internal Service Fund	(858,480)	-	-
Total other financing sources (uses)	<u>(21,415,361)</u>	<u>4,516,266</u>	<u>9,490,875</u>
Net change in fund balances	1,291,267	(83,893)	102,783
Fund Balances:			
Beginning of year - July 1	29,695,198	1,796,872	7,950,987
Restatement	291,240	-	-
Beginning of year, as restated	<u>29,986,438</u>	<u>1,796,872</u>	<u>7,950,987</u>
End of year - June 30	<u>\$ 31,277,705</u>	<u>\$ 1,712,979</u>	<u>\$ 8,053,770</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - COMBINING SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL DEPARTMENTS
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Schedule B-6</i> Court Facility Department	<i>Schedule B-7</i> Mental Health Department	Combined Total
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ 81,784,234
Other taxes and licenses	-	-	19,861,836
Unrestricted intergovernmental revenues	-	-	1,885,337
Restricted intergovernmental revenues	-	139,319	28,832,725
Permits and fees	231,884	-	2,222,649
Sales and services	-	-	5,866,504
Investment earnings	1,196	-	189,046
Miscellaneous	-	-	1,514,768
Total revenues	<u>233,080</u>	<u>139,319</u>	<u>142,157,099</u>
Expenditures:			
General government	-	-	12,398,418
Public safety	426,545	-	32,179,348
Environmental protection	-	-	260,578
Economic and physical development	-	-	1,266,301
Human services	-	627,721	43,744,551
Education	-	-	42,821,613
Cultural and recreational	-	-	664,949
Debt service	-	-	784,831
Total expenditures	<u>426,545</u>	<u>627,721</u>	<u>134,120,589</u>
Revenues over (under) expenditures	<u>(193,465)</u>	<u>(488,402)</u>	<u>8,036,510</u>
Other Financing Sources (Uses):			
Installment debt issued	-	-	877,242
Intrafund transfers in (out)	254,966	487,500	-
Transfers in (out):			
Out to special revenue funds	-	-	(1,462,412)
In from solid waste	-	-	(8,276)
Out to Debt Service Fund	-	-	(5,626,328)
In from Capital Project Fund	-	-	412,500
Out to Internal Service Fund	-	-	(858,480)
Total other financing sources (uses)	<u>254,966</u>	<u>487,500</u>	<u>(6,665,754)</u>
Net change in fund balances	61,501	(902)	1,370,756
Fund Balances:			
Beginning of year - July 1	7,399	4,886	39,455,342
Restatement	-	-	291,240
Beginning of year, as restated	<u>7,399</u>	<u>4,886</u>	<u>39,746,582</u>
End of year - June 30	<u>\$ 68,900</u>	<u>\$ 3,984</u>	<u>\$ 41,117,338</u>

PITT COUNTY, NORTH CAROLINA

**GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad Valorem Taxes:				
Taxes	\$ 82,078,282	\$ 81,428,051	\$ (650,231)	\$ 79,486,289
Penalties and interest	460,000	356,183	(103,817)	446,469
Total	82,538,282	81,784,234	(754,048)	79,932,758
Other Taxes and Licenses:				
Occupancy tax	25,000	29,014	4,014	27,575
Local options sales tax	16,036,401	17,641,102	1,604,701	16,544,961
Payment in lieu of tax	1,897,273	1,880,224	(17,049)	1,878,488
Privilege licenses	9,000	9,022	22	8,475
Marriage licenses	35,100	25,020	(10,080)	26,100
Gross receipts tax	216,800	277,454	60,654	246,205
Total	18,219,574	19,861,836	1,642,262	18,731,804
Unrestricted Intergovernmental Revenues:				
Alcohol, beer, and wine tax	250,000	274,390	24,390	295,749
Pitt County ABC Board	1,300,000	1,300,000	-	1,300,000
Total	1,550,000	1,574,390	24,390	1,595,749
Restricted Intergovernmental Revenues:				
Emergency management				
Jail fees	415,265	478,804	63,539	479,124
Automation E&P - Register of Deeds	50,000	77,466	27,466	77,815
Federal and State grants	77,250	59,864	(17,386)	71,966
Total	542,515	616,134	73,619	628,905
Permits and Fees:				
Building permits and inspection fees	414,000	492,655	78,655	431,083
Register of Deeds	536,000	633,254	97,254	633,626
Excise stamps	586,500	687,170	100,670	576,470
Rabies control fees	15,000	16,462	1,462	15,902
Animal fees	205,000	161,224	(43,776)	133,886
Total	1,756,500	1,990,765	234,265	1,790,967
Sales and Services:				
Rents, concessions, and fees	3,869,039	3,811,266	(57,773)	3,825,518
Federal and State prison inmate reimbursement	1,992,900	1,808,664	(184,236)	2,076,282
Total	5,861,939	5,619,930	(242,009)	5,901,800

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Investment Earnings	75,000	187,850	112,850	71,012
Miscellaneous:				
Sale of fixed assets	10,000	8,481	(1,519)	33,100
Employer contributions	290,128	290,128	-	-
Other income	547,011	1,116,716	569,705	517,139
Total	847,139	1,415,325	568,186	550,239
Total revenues	111,390,949	113,050,464	1,659,515	109,203,234
Expenditures:				
General Government:				
Governing Body:				
Salaries and employee benefits	203,495	202,634	861	190,466
Operating expenses	29,600	35,460	(5,860)	33,207
Total	233,095	238,094	(4,999)	223,673
County Manager:				
Salaries and employee benefits	408,630	415,519	(6,889)	474,472
Operating expenses	21,650	21,330	320	21,854
Total	430,280	436,849	(6,569)	496,326
Financial Services:				
Salaries and employee benefits	708,213	676,280	31,933	672,612
Operating expenses	25,090	26,789	(1,699)	28,659
Total	733,303	703,069	30,234	701,271
Tax Assessor:				
Salaries and employee benefits	2,014,970	1,941,668	73,302	1,913,024
Operating expenses	417,480	333,719	83,761	315,535
Total	2,432,450	2,275,387	157,063	2,228,559
Legal:				
Salaries and employee benefits	509,720	491,642	18,078	406,405
Operating expenses	14,900	13,740	1,160	11,393
Total	524,620	505,382	19,238	417,798

PITT COUNTY, NORTH CAROLINA

**GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Elections:				
Salaries and employee benefits	485,301	441,924	43,377	406,748
Operating expenses	369,893	361,491	8,402	189,268
Total	855,194	803,415	51,779	596,016
Register of Deeds:				
Salaries and employee benefits	444,738	426,472	18,266	461,673
Operating expenses	139,690	124,227	15,463	158,456
Total	584,428	550,699	33,729	620,129
Public Information Office:				
Salaries and employee benefits	133,337	141,095	(7,758)	126,358
Operating expenses	62,324	33,163	29,161	34,161
Total	195,661	174,258	21,403	160,519
Human Resources:				
Salaries and employee benefits	580,648	572,727	7,921	562,009
Operating expenses	16,073	13,721	2,352	12,124
Total	596,721	586,448	10,273	574,133
Print Shop/Mail Room:				
Salaries and employee benefits	128,985	128,793	192	124,933
Operating expenses	46,800	36,973	9,827	34,166
Reimbursement from other departments/funds	(41,000)	(42,850)	1,850	(34,047)
Total	134,785	122,916	11,869	125,052
Management Information Systems:				
Salaries and employee benefits	2,294,194	2,188,836	105,358	2,166,955
Operating expenses	846,955	808,539	38,416	731,025
Capital outlay	20,000	52,200	(32,200)	295,257
Reimbursement from other departments/funds	(1,212,916)	(1,159,320)	(53,596)	(1,190,697)
Total	1,948,233	1,890,255	57,978	2,002,540
Geographical Information Systems:				
Salaries and employee benefits	207,193	136,464	70,729	208,796
Operating expenses	192,950	191,267	1,683	169,857
Capital outlay	20,000	26,376	(6,376)	16,755
Reimbursement from other departments/funds	(130,000)	(111,096)	(18,904)	(155,149)
Total	290,143	243,011	47,132	240,259

PITT COUNTY, NORTH CAROLINA

**GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Buildings and Grounds:				
Salaries and employee benefits	930,572	773,725	156,847	704,940
Operating expenses	1,633,725	1,352,268	281,457	1,412,105
Total	2,564,297	2,125,993	438,304	2,117,045
Housekeeping:				
Operating expenses	376,000	358,705	17,295	354,852
General Government Non-Allocated Expenditures:				
Other employee insurance and benefits	130,166	82,741	47,425	121,446
Professional services	110,340	140,362	(30,022)	118,654
Insurance and bonding	606,061	572,367	33,694	552,538
Quasi-external workers' compensation	650,000	650,000	-	650,000
Capital outlay	-	-	-	614,700
Overhead allocated to other departments	(220,000)	(220,000)	-	(219,996)
Miscellaneous items	169,213	158,467	10,746	219,318
Total	1,445,780	1,383,937	61,843	2,056,660
Total general government	13,344,990	12,398,418	946,572	12,914,832
Public Safety:				
Sheriff:				
Salaries and employee benefits	10,582,280	10,069,206	513,074	9,818,735
Operating expenses	1,585,422	1,752,110	(166,688)	1,614,486
Benefits	290,128	264,809	25,319	-
Capital outlay	226,963	228,139	(1,176)	315,443
Total	12,684,793	12,314,264	370,529	11,748,664
Detention Center:				
Salaries and employee benefits	10,693,189	10,648,250	44,939	10,119,685
Operating expenses	2,868,239	2,421,452	446,787	2,425,117
Capital outlay	25,225	-	25,225	-
Total	13,586,653	13,069,702	516,951	12,544,802
Jail Health Services:				
Salaries and benefits	1,943,366	1,802,304	141,062	1,864,066
Operating expenses	135,000	108,007	26,993	95,363
Total	2,078,366	1,910,311	168,055	1,959,429

PITT COUNTY, NORTH CAROLINA

**GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Jail Inmate Coordinator:				
Salaries and benefits	54,893	54,874	19	53,797
School Security:				
Salaries and benefits	535,247	504,593	30,654	506,833
Operating expenses	64,271	44,221	20,050	48,383
Total	599,518	548,814	50,704	555,216
Emergency Services:				
Salaries and benefits	472,913	443,278	29,635	418,952
Operating expenses	406,900	324,337	82,563	338,239
Total	879,813	767,615	112,198	757,191
Communications:				
Salaries and benefits	1,255,836	1,157,289	98,547	1,125,219
Operating expenses	216,589	156,648	59,941	45,748
Capital outlay	3,000	4,862	(1,862)	145
Total	1,475,425	1,318,799	156,626	1,171,112
Planning E911:				
Salaries and benefits	61,627	62,386	(759)	64,714
Operating expenses	27,500	20,957	6,543	27,405
Total	89,127	83,343	5,784	92,119
Animal and Mosquito Control:				
Salaries and employee benefits	636,098	558,240	77,858	535,576
Operating expenses	177,565	160,448	17,117	263,982
Capital outlay	-	-	-	7,665
Total	813,663	718,688	94,975	807,223
Inspections:				
Salaries and employee benefits	410,687	407,859	2,828	267,008
Operating expenses	34,038	24,347	9,691	13,767
Total	444,725	432,206	12,519	280,775
Medical Examiner:				
Professional services	93,000	131,890	(38,890)	100,500

PITT COUNTY, NORTH CAROLINA

**GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Other Public Safety:				
Operating expenses	479,892	399,154	80,738	426,834
Transportation:				
Operating expenses	4,500	3,143	1,357	4,948
Total public safety	33,284,368	31,752,803	1,531,565	30,502,610
Environmental Protection:				
Pitt Soil and Water Conservation:				
Salaries and benefits	250,586	249,314	1,272	231,347
Operating expenses	25,688	11,264	14,424	17,252
Total	276,274	260,578	15,696	248,599
Total environmental protection	276,274	260,578	15,696	248,599
Economic and Physical Development:				
Planning and Zoning:				
Salaries and employee benefits	633,878	625,312	8,566	579,700
Operating expenses	72,790	58,177	14,613	46,839
Capital outlay	9,050	9,050	-	-
Total	715,718	692,539	23,179	626,539
Permitting Center:				
Salaries and benefits	-	-	-	128,267
Operating expenses	-	-	-	6,635
Total	-	-	-	134,902
Other Economic Development:				
Operating expenses	174,000	173,913	87	173,913
Engineering:				
Salaries and employee benefits	82,241	83,915	(1,674)	56,041
Operating expenses	13,465	3,510	9,955	4,942
Total	95,706	87,425	8,281	60,983
Cooperative Extension:				
Operating expenses	88,399	79,941	8,458	78,590
Professional services	243,083	189,901	53,182	217,002
Total	331,482	269,842	61,640	295,592

PITT COUNTY, NORTH CAROLINA

**GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Farmers' Market:				
Salaries and employee benefits	35,806	32,895	2,911	31,773
Professional services	28,550	9,687	18,863	3,385
Total	64,356	42,582	21,774	35,158
Total economic and physical development	1,381,262	1,266,301	114,961	1,327,087
Human Services:				
Other human services	228,924	228,924	-	216,595
Veterans affairs	175,353	165,419	9,934	128,227
Total human services	404,277	394,343	9,934	344,822
Education:				
Pitt County Schools:				
Current	36,576,287	36,576,287	-	35,576,287
Capital outlay	750,000	750,000	-	750,000
Total	37,326,287	37,326,287	-	36,326,287
Pitt Community College:				
Current	5,420,326	5,420,326	-	5,245,326
Capital outlay	75,000	75,000	-	75,000
Total	5,495,326	5,495,326	-	5,320,326
Total education	42,821,613	42,821,613	-	41,646,613
Cultural and Recreational:				
Cultural - contracts/grants	29,500	29,500	-	22,448
Recreational - contracts/grants	41,884	41,554	330	54,264
Libraries - contracts/grants	593,895	593,895	-	602,859
Total cultural and recreational	665,279	664,949	330	679,571
Debt Service:				
Principal repayments	604,389	778,639	(174,250)	606,847
Interest and fees	17,657	6,192	11,465	14,528
Total debt service	622,046	784,831	(162,785)	621,375
Total expenditures	92,800,109	90,343,836	2,456,273	88,285,509

PITT COUNTY, NORTH CAROLINA

**GENERAL FUND - GENERAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	18,590,840	22,706,628	4,115,788	20,917,725
Other Financing Sources (Uses):				
Intrafund transfers in (out):				
Public health from General Fund	(4,516,264)	(4,516,266)	(2)	(4,317,752)
DSS from General Fund	(9,613,633)	(8,621,909)	991,724	(9,214,908)
Court facilities from General Fund	(254,966)	(254,966)	-	(189,220)
Mental health	(487,500)	(487,500)	-	(487,500)
Total	(14,872,363)	(13,880,641)	991,722	(14,209,380)
Operating transfers in (out):				
Special revenue funds	(1,460,671)	(1,462,412)	(1,741)	(172,002)
From solid waste	412,500	-	(412,500)	-
Debt Service Fund	(5,626,327)	(5,626,328)	(1)	(5,751,078)
Capital project funds	1,020,000	412,500	(607,500)	412,500
Internal service funds	(858,480)	(858,480)	-	(1,214,039)
Total	(6,512,978)	(7,534,720)	(1,021,742)	(6,724,619)
Other:				
Installment debt issued	-	-	-	893,828
Appropriated fund balance - General Fund	2,794,501	-	(2,794,501)	-
Total	2,794,501	-	(2,794,501)	893,828
Total other financing sources (uses)	(18,590,840)	(21,415,361)	(2,824,521)	(20,040,171)
Net change in fund balance	\$ -	\$ 1,291,267	\$ 1,291,267	\$ 877,554

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - PUBLIC HEALTH DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental revenues:				
Administration	\$ 367,630	\$ 338,852	\$ (28,778)	\$ 397,679
Environmental health	129,000	140,584	11,584	143,685
Food and lodging	40,886	26,125	(14,761)	54,002
Vector control program	2,941	2,941	-	-
Maternal & Child Health Cap Building	203,750	200,394	(3,356)	-
Tuberculosis	93,845	53,699	(40,146)	113,208
Adolescent pregnancy grants	1,000	1,000	-	3,250
Healthy Start	235,793	220,577	(15,216)	183,814
Cardiovascular health	97,907	89,829	(8,078)	94,408
Project assistance	68,421	65,778	(2,643)	53,602
Adult health	27,600	(4,474)	(32,074)	31,763
Health promotion	47,992	36,022	(11,970)	32,737
Breast/cervical cancer prevention	40,905	54,849	13,944	45,111
Farmers' Market nutritional program	5,854	4,463	(1,391)	5,185
Communicable disease	216,939	156,707	(60,232)	280,792
WFU Diabetes Prevention	2,650	712	(1,938)	-
Infant mortality	71,843	69,766	(2,077)	60,895
Child health	200,485	162,970	(37,515)	214,078
Maternal health	406,214	236,753	(169,461)	445,848
Family planning	433,429	301,769	(131,660)	514,272
Maternity care coordination	320,000	387,074	67,074	434,494
Child services coordination	347,244	370,689	23,445	366,226
WIC administration	52,069	26,783	(25,286)	33,917
WIC nutrition	381,011	309,897	(71,114)	329,337
WIC breastfeeding	6,200	53,069	46,869	49,324
WIC client services	342,679	374,470	31,791	374,837
Immunization action plan	23,899	27,832	3,933	44,893
Mobile dental unit	61,500	26,690	(34,810)	52,466
In-home breastfeeding	61,842	45,582	(16,260)	61,823
Nurse family partnership	513,291	504,255	(9,036)	445,577
Emergency planning - HD	95,000	97,466	2,466	82,803
Public health special projects	134,480	100,034	(34,446)	130,991
State diabetes recognition program	-	-	-	6,000
DHHS funds	-	-	-	31,180
WIC peer counseling	34,771	32,897	(1,874)	35,435
Diabetes Recognition Program	51,737	57,980	6,243	51,230
Total revenues	5,120,807	4,574,034	(546,773)	5,204,862

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - PUBLIC HEALTH DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Expenditures:				
Administration	2,523,755	2,371,306	152,449	2,401,041
Environmental health	1,182,414	1,109,342	73,072	1,081,757
Food and lodging	36,226	10,871	25,355	27,131
Vector Control Program	75,809	73,029	2,780	67,744
Tuberculosis	61,839	38,257	23,582	103,181
2016 NEW	203,750	200,395	3,355	-
Adolescent pregnancy prevention	2,500	688	1,812	1,850
Healthy Start	237,233	216,069	21,164	169,161
Smart Start	98,627	89,580	9,047	94,156
Project assistance	68,781	62,793	5,988	59,061
Adult health	27,672	27,948	(276)	26,222
Health promotion	221,769	205,160	16,609	196,283
Breast/cervical cancer prevention	70,509	75,533	(5,024)	34,038
Farmers' Market nutritional program	5,854	4,243	1,611	4,792
Communicable disease	813,883	774,159	39,724	740,009
Infant mortality	79,768	69,878	9,890	59,666
Child health	233,715	165,663	68,052	269,540
Maternal health	788,640	620,800	167,840	624,593
Family planning	680,982	633,129	47,853	591,981
Maternity care coordination	386,865	390,172	(3,307)	340,243
Child services coordination	364,363	340,867	23,496	297,825
WIC administration	90,192	90,225	(33)	95,351
WIC nutrition	386,371	347,087	39,284	375,383
WIC breastfeeding	6,200	5,645	555	5,552
WIC client services	343,499	331,122	12,377	334,257
Immunization action plan	26,271	21,317	4,954	51,846
Mobile dental unit	88,153	78,740	9,413	78,017
Nurse family partnership	515,811	504,146	11,665	445,132
Emergency planning - HD	96,360	91,703	4,657	77,968
In-home breastfeeding	62,562	61,003	1,559	61,824
Public health special projects	134,480	94,521	39,959	131,244
State diabetes recognition program	-	-	-	5,989
DHHS funds	-	-	-	30,459
WIC peer counseling	39,937	17,478	22,459	36,531
Private well water program	1,650	-	1,650	-
Diabetes Recognition Program	52,097	51,324	773	48,333
Total expenditures	10,008,537	9,174,193	834,344	8,968,160

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - PUBLIC HEALTH DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	(4,887,730)	(4,600,159)	287,571	(3,763,298)
Other Financing Sources (Uses):				
Intrafund transfer from General Fund	4,516,264	4,516,266	2	4,317,752
Appropriated fund balance	371,466	-	(371,466)	-
Total other financing sources (uses)	4,887,730	4,516,266	(371,464)	4,317,752
Net change in fund balance	\$ -	\$ (83,893)	\$ (83,893)	\$ 554,454

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - SOCIAL SERVICES DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Unrestricted intergovernmental revenues:				
Fees and grants	\$ 359,457	\$ 310,947	\$ (48,510)	\$ 390,056
Restricted intergovernmental revenues	24,338,183	23,503,238	(834,945)	22,692,808
Sales and services	425,185	246,574	(178,611)	264,458
Miscellaneous	97,602	99,443	1,841	82,308
Total revenues	<u>25,220,427</u>	<u>24,160,202</u>	<u>(1,060,225)</u>	<u>23,429,630</u>
Expenditures:				
Social services administration	1,464,170	1,479,525	(15,355)	1,329,326
Other administration expenses	3,015,876	2,804,415	211,461	1,167,283
Regular services administration	5,929,217	5,533,115	396,102	5,259,623
Purchased services	8,592,968	8,604,435	(11,467)	8,107,695
Public assistance programs	4,700,792	4,099,732	601,060	3,879,518
Long-term screening	114,000	68,084	45,916	64,900
General assistance	125,345	66,181	59,164	41,787
Title IV D Child Support	2,461,619	2,185,231	276,388	2,187,782
WorkFirst	1,367,217	1,245,209	122,008	1,180,348
Daycare	333,418	315,672	17,746	304,017
Income maintenance administration	5,562,593	5,023,301	539,292	4,843,693
Energy programs	1,859,956	1,843,991	15,965	1,860,469
Purchased services HCCBG	301,948	279,403	22,545	334,327
Total expenditures	<u>35,829,119</u>	<u>33,548,294</u>	<u>2,280,825</u>	<u>30,560,768</u>
Revenues over (under) expenditures	<u>(10,608,692)</u>	<u>(9,388,092)</u>	<u>1,220,600</u>	<u>(7,131,138)</u>
Other Financing Sources (Uses):				
Intrafund transfer in - General Fund	9,621,909	8,621,909	(1,000,000)	9,214,908
Transfer to solid waste	(8,276)	(8,276)	-	-
Debt obligation issued	877,242	877,242	-	-
Appropriated fund balance	117,817	-	(117,817)	-
Total other financing sources (uses)	<u>10,608,692</u>	<u>9,490,875</u>	<u>(1,117,817)</u>	<u>9,214,908</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 102,783</u>	<u>\$ 102,783</u>	<u>\$ 2,083,770</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - COURT FACILITY DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Permits and fees:				
Court facility fees	\$ 240,000	\$ 231,884	\$ (8,116)	\$ 240,680
Investment earnings	1,000	1,196	196	1,728
Total revenues	<u>241,000</u>	<u>233,080</u>	<u>(7,920)</u>	<u>242,408</u>
Expenditures:				
Public safety:				
Salaries and employee benefits	62,975	62,188	787	61,432
Operating expenses	<u>432,991</u>	<u>364,357</u>	<u>68,634</u>	<u>279,817</u>
Total expenditures	<u>495,966</u>	<u>426,545</u>	<u>69,421</u>	<u>341,249</u>
Revenues over (under) expenditures	(254,966)	(193,465)	61,501	(98,841)
Other Financing Sources (Uses):				
Intrafund transfer in - General Fund	<u>254,966</u>	<u>254,966</u>	<u>-</u>	<u>189,220</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 61,501</u>	<u>\$ 61,501</u>	<u>\$ 90,379</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - MENTAL HEALTH DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental revenues:				
General agency - administration	\$ 115,000	\$ 139,319	\$ 24,319	\$ 143,387
Expenditures:				
General agency	602,500	627,721	(25,221)	631,472
Revenues over (under) expenditures	(487,500)	(488,402)	(902)	(488,085)
Other Financing Sources (Uses):				
Intrafund transfer in - General Fund	487,500	487,500	-	487,500
Net change in fund balance	\$ -	\$ (902)	\$ (902)	\$ (585)

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SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specified revenue sources that are legally restricted to be expended for specific purposes. These funds are accounted for on the modified accrual basis of accounting.

The following comprise the County's Special Revenue Funds:

- **State & Federal Asset Forfeiture Fund** – Accounts for the funds appropriated from seizure/forfeiture cases and restricted for the Sheriff's use.
- **CDBG Fund** – Accounts for proceeds of a multi-year Community Development Block Grant (CDBG) to improve substandard housing.
- **CDBG Single Family Rehab Fund** – Accounts for proceeds of a multi-year Community Development Block Grant (CDBG) to improve single family houses.
- **State Grants Fund** – Accounts for special purpose grant funding.
- **Pitt Area Transit System (PATs) Fund** – Accounts used to operate the County transportation system.
- **Fire Districts Fund** – Approved by voter referendum to provide additional funds for capital improvements to ensure better fire protection.
- **EMS District Fund** – Accounts for the funds used to operate the County's Emergency Medical Services.
- **Emergency Telephone System Fund** – Established to account for the accumulation of telephone surcharge fees used to maintain the County's E911 Center.
- **Hurricane Grant Program Fund** – Accounts established to track funds used for hurricane related spending.

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

	<i>Schedule C-3</i>	<i>Schedule C-4</i>	<i>Schedule C-5</i>	<i>Schedule C-6</i>	<i>Schedule C-7</i>
	State/Federal	CDBG	CDBG Single		Pitt Area
	Forfeiture	Special	Family Rehab	Grants	Transit System
	Fund	Revenue	Special Revenue	Fund	Special Revenue
	Fund	Fund	Fund	Fund	Fund
Assets:					
Cash, cash equivalents, and investments	\$ 269,346	\$ -	\$ 3,264	\$ 105,883	\$ -
Taxes receivable, net	-	-	-	-	-
Accounts receivable, net	-	94,500	-	153,499	32,100
Prepaid items	-	-	-	-	25,562
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,562</u>
Total assets	<u>\$ 269,346</u>	<u>\$ 94,500</u>	<u>\$ 3,264</u>	<u>\$ 259,382</u>	<u>\$ 57,662</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 166,901	\$ 2,777
Due to other funds	-	93,804	-	-	37,655
Total liabilities	<u>-</u>	<u>93,804</u>	<u>-</u>	<u>166,901</u>	<u>40,432</u>
Deferred Inflows of Resources:					
Taxes receivable	-	-	-	-	-
Other receivables	-	-	-	-	4,948
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,948</u>
Fund Balances:					
Non-spendable - prepaid items	-	-	-	-	25,562
Restricted for stabilization of State statute	-	94,500	-	153,499	27,152
Restricted	-	-	3,264	-	-
Assigned	269,346	-	-	(745)	180,303
Unassigned	-	(93,804)	-	(60,273)	(220,735)
Total fund balances	<u>269,346</u>	<u>696</u>	<u>3,264</u>	<u>92,481</u>	<u>12,282</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 269,346</u>	<u>\$ 94,500</u>	<u>\$ 3,264</u>	<u>\$ 259,382</u>	<u>\$ 57,662</u>

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

	<i>Schedule C-8</i>	<i>Schedule C-9</i>	<i>Schedule C-10</i>	<i>Schedule C-11</i>	
	Fire Districts Fund	EMS District Fund	Emergency Telephone System Fund	Hurricane Grant Program Fund	Total
Assets:					
Cash, cash equivalents, and investments	\$ 67,225	\$ 1,252,581	\$ 496,384	\$ -	\$ 2,194,683
Taxes receivable, net	75,332	99,337	-	-	174,669
Accounts receivable, net	-	344,177	41,947	-	666,223
Prepaid items	-	97,854	-	-	123,416
Total assets	<u>\$ 142,557</u>	<u>\$ 1,793,949</u>	<u>\$ 538,331</u>	<u>\$ -</u>	<u>\$ 3,158,991</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ 28,391	\$ 1,625	\$ 230	\$ -	\$ 199,924
Due to other funds	-	-	-	-	131,459
Total liabilities	<u>28,391</u>	<u>1,625</u>	<u>230</u>	<u>-</u>	<u>331,383</u>
Deferred Inflows of Resources:					
Taxes receivable	75,332	99,337	-	-	174,669
Other receivables	-	344,177	57	-	349,182
Total deferred inflows of resources	<u>75,332</u>	<u>443,514</u>	<u>57</u>	<u>-</u>	<u>523,851</u>
Fund Balances:					
Non-spendable - prepaid items	-	97,854	-	-	123,416
Restricted for stabilization of State statute	-	-	41,890	-	317,041
Restricted	38,834	1,250,956	496,154	-	1,789,208
Assigned	-	-	-	-	448,904
Unassigned	-	-	-	-	(374,812)
Total fund balances	<u>38,834</u>	<u>1,348,810</u>	<u>538,044</u>	<u>-</u>	<u>2,303,757</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 142,557</u>	<u>\$ 1,793,949</u>	<u>\$ 538,331</u>	<u>\$ -</u>	<u>\$ 3,158,991</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Schedule C-3</i>	<i>Schedule C-4</i>	<i>Schedule C-5</i>	<i>Schedule C-6</i>	<i>Schedule C-7</i>
	State/Federal	CDBG	CDBG Single		Pitt Area
	Forfeiture	Special	Family Rehab	Grants	Transit System
	Fund	Revenue	Special Revenue	Fund	Special Revenue
	Fund	Fund	Fund	Fund	Fund
Revenues:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	81,346	151,100	55,813	1,839,247	695,022
Sales and services	-	-	-	-	38,097
Investment earnings	368	-	-	-	-
Miscellaneous	-	-	-	55,674	-
Total revenues	<u>81,714</u>	<u>151,100</u>	<u>55,813</u>	<u>1,894,921</u>	<u>733,119</u>
Expenditures:					
Current:					
Public safety	64,200	-	-	-	-
Economic and physical development	-	155,337	27,119	2,022,598	717,661
Debt service	-	-	-	-	-
Total expenditures	<u>64,200</u>	<u>155,337</u>	<u>27,119</u>	<u>2,022,598</u>	<u>717,661</u>
Revenues over (under) expenditures	<u>17,514</u>	<u>(4,237)</u>	<u>28,694</u>	<u>(127,677)</u>	<u>15,458</u>
Other Financing Sources (Uses):					
Transfers in	-	-	-	98,516	28,072
Transfers (out)	-	-	-	-	(9,600)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,516</u>	<u>18,472</u>
Net change in fund balances	17,514	(4,237)	28,694	(29,161)	33,930
Fund Balances:					
Beginning of year - July 1	<u>251,832</u>	<u>4,933</u>	<u>(25,430)</u>	<u>121,642</u>	<u>(21,648)</u>
End of year - June 30	<u>\$ 269,346</u>	<u>\$ 696</u>	<u>\$ 3,264</u>	<u>\$ 92,481</u>	<u>\$ 12,282</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Schedule C-8</i>	<i>Schedule C-9</i>	<i>Schedule C-10</i>	<i>Schedule C-11</i>	
	Fire Districts Fund	EMS District Fund	Emergency Telephone System Fund	Hurricane Grant Program Fund	Total
Revenues:					
Ad valorem taxes	\$ 2,373,108	\$ 2,791,950	\$ -	\$ -	\$ 5,165,058
Restricted intergovernmental revenues	-	-	-	-	2,822,528
Sales and services	-	2,958,162	503,370	-	3,499,629
Investment earnings	-	16,109	3,456	-	19,933
Miscellaneous	-	15,500	75	-	71,249
Total revenues	<u>2,373,108</u>	<u>5,781,721</u>	<u>506,901</u>	<u>-</u>	<u>11,578,397</u>
Expenditures:					
Current:					
Public safety	2,358,687	5,168,869	638,495	-	8,230,251
Economic and physical development	-	-	-	-	2,922,715
Debt service	-	129,225	-	-	129,225
Total expenditures	<u>2,358,687</u>	<u>5,298,094</u>	<u>638,495</u>	<u>-</u>	<u>11,282,191</u>
Revenues over (under) expenditures	<u>14,421</u>	<u>483,627</u>	<u>(131,594)</u>	<u>-</u>	<u>296,206</u>
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	126,588
Transfers (out)	-	-	-	-	(9,600)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,988</u>
Net change in fund balances	14,421	483,627	(131,594)	-	413,194
Fund Balances:					
Beginning of year - July 1	<u>24,413</u>	<u>865,183</u>	<u>669,638</u>	<u>-</u>	<u>1,890,563</u>
End of year - June 30	<u>\$ 38,834</u>	<u>\$ 1,348,810</u>	<u>\$ 538,044</u>	<u>\$ -</u>	<u>\$ 2,303,757</u>

PITT COUNTY, NORTH CAROLINA

STATE/FEDERAL FORFEITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental revenues:				
Federal asset seizure funds	\$ 11,669	\$ 19,128	\$ 7,459	\$ 137,351
Federal/State excise tax	58,495	62,218	3,723	47,198
Investment earnings	-	368	368	87
Total revenues	<u>70,164</u>	<u>81,714</u>	<u>11,550</u>	<u>184,636</u>
Expenditures:				
Public safety	<u>330,689</u>	<u>64,200</u>	<u>266,489</u>	<u>42,907</u>
Revenues over (under) expenditures	(260,525)	17,514	278,039	141,729
Other Financing Sources (Uses):				
Appropriated fund balance	<u>260,525</u>	<u>-</u>	<u>(260,525)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>17,514</u>	<u>\$ 17,514</u>	<u>\$ 141,729</u>
Fund Balance:				
Beginning of year - July 1		<u>251,832</u>		
End of year - June 30		<u>\$ 269,346</u>		

PITT COUNTY, NORTH CAROLINA**CDBG SPECIAL REVENUE FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL - FROM INCEPTION AND****FOR THE YEAR ENDED JUNE 30, 2016**

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental revenues:				
CDBG prior years	\$ 1,400,000	\$ 1,297,855	\$ -	\$ 1,297,855
CDBG 2013-2014	225,000	150,764	-	150,764
CDBG 2014-2015	3,000,000	-	151,100	151,100
Total revenues	4,625,000	1,448,619	151,100	1,599,719
Expenditures:				
CDBG prior years	1,403,500	1,300,927	-	1,300,927
CDBG 2013-2014	225,000	146,259	1,991	148,250
CDBG 2014-2015	3,018,500	-	153,346	153,346
Total expenditures	4,647,000	1,447,186	155,337	1,602,523
Revenues over (under) expenditures	(22,000)	1,433	(4,237)	(2,804)
Other Financing Sources (Uses):				
Transfers in	22,000	3,500	-	3,500
Net change in fund balance	\$ -	\$ 4,933	\$ (4,237)	\$ 696

PITT COUNTY, NORTH CAROLINA

CDBG SINGLE FAMILY REHABILITATION FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2016

		Actual		
	<u>Project</u>	<u>Prior</u>	<u>Current</u>	<u>Total</u>
	<u>Authorization</u>	<u>Years</u>	<u>Year</u>	<u>To Date</u>
Revenues:				
Restricted intergovernmental revenues:				
Federal grants	\$ 493,263	\$ 318,946	\$ 55,813	\$ 374,759
Expenditures:				
Single family rehabilitation	<u>493,263</u>	<u>344,376</u>	<u>27,119</u>	<u>371,495</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (25,430)</u>	<u>\$ 28,694</u>	<u>\$ 3,264</u>

PITT COUNTY, NORTH CAROLINA**GRANTS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental revenues:				
Grants	\$ 3,082,922	\$ 1,839,247	\$ (1,243,675)	\$ 2,173,020
Miscellaneous	76,176	55,674	(20,502)	99,885
Total revenues	<u>3,159,098</u>	<u>1,894,921</u>	<u>(1,264,177)</u>	<u>2,272,905</u>
Expenditures:				
Economic and physical development:				
Salaries and benefits	689,857	404,123	285,734	487,074
Operating expenses	2,627,812	1,618,475	1,009,337	1,877,934
Contingency	(2,397)	-	(2,397)	-
Total expenditures	<u>3,315,272</u>	<u>2,022,598</u>	<u>1,292,674</u>	<u>2,365,008</u>
Revenues over (under) expenditures	<u>(156,174)</u>	<u>(127,677)</u>	<u>28,497</u>	<u>(92,103)</u>
Other Financing Sources (Uses):				
Transfers in (out)	97,887	98,516	629	61,125
Appropriated fund balance	<u>58,287</u>	<u>-</u>	<u>(58,287)</u>	<u>-</u>
Total other financing sources (uses)	<u>156,174</u>	<u>98,516</u>	<u>(57,658)</u>	<u>61,125</u>
Net change in fund balance	<u>\$ -</u>	<u>(29,161)</u>	<u>\$ (29,161)</u>	<u>\$ (30,978)</u>
Fund Balance:				
Beginning of year - July 1		<u>121,642</u>		
End of year - June 30		<u>\$ 92,481</u>		

PITT COUNTY, NORTH CAROLINA

PITT AREA TRANSIT SYSTEM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental revenues	\$ 738,679	\$ 695,022	\$ (43,657)	\$ 766,690
Sales and services	34,400	38,097	3,697	38,411
Total revenues	<u>773,079</u>	<u>733,119</u>	<u>(39,960)</u>	<u>805,101</u>
Expenditures:				
Economic and physical development:				
DOT Administrative Grant	<u>791,551</u>	<u>717,661</u>	<u>73,890</u>	<u>885,458</u>
Revenues over (under) expenditures	<u>(18,472)</u>	<u>15,458</u>	<u>33,930</u>	<u>(80,357)</u>
Other Financing Sources (Uses):				
Transfers in	28,072	28,072	-	110,877
Transfers (out)	<u>(9,600)</u>	<u>(9,600)</u>	-	<u>(14,196)</u>
Total other financing sources (uses)	<u>18,472</u>	<u>18,472</u>	-	<u>96,681</u>
Net change in fund balance	<u>\$ -</u>	<u>33,930</u>	<u>\$ 33,930</u>	<u>\$ 16,324</u>
Fund Balance:				
Beginning of year - July 1		<u>(21,648)</u>		
End of year - June 30		<u>\$ 12,282</u>		

PITT COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>2016</u>			<u>2015</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Ad valorem taxes	\$ 2,353,028	\$ 2,373,108	\$ 20,080	\$ 2,238,147
Expenditures:				
Public safety	<u>2,353,028</u>	<u>2,358,687</u>	<u>(5,659)</u>	<u>2,256,675</u>
Net change in fund balance	<u>\$ -</u>	<u>14,421</u>	<u>\$ 14,421</u>	<u>\$ (18,528)</u>
Fund Balance:				
Beginning of year - July 1		<u>24,413</u>		
End of year - June 30		<u>\$ 38,834</u>		

PITT COUNTY, NORTH CAROLINA**EMS DISTRICT FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015**

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes	\$ 2,736,206	\$ 2,791,950	\$ 55,744	\$ 2,720,897
Investment income	-	16,109	16,109	17,629
Transport fees	2,403,845	2,958,162	554,317	2,373,994
Miscellaneous	-	15,500	15,500	-
Total revenues	<u>5,140,051</u>	<u>5,781,721</u>	<u>641,670</u>	<u>5,112,520</u>
Expenditures:				
Public safety	5,284,562	5,168,869	115,693	4,991,102
Debt service	<u>129,225</u>	<u>129,225</u>	-	<u>129,226</u>
Total expenditures	<u>5,413,787</u>	<u>5,298,094</u>	<u>115,693</u>	<u>5,120,328</u>
Revenues over (under) expenditures	(273,736)	483,627	757,363	(7,808)
Other Financing Sources (Uses):				
Appropriated fund balance	<u>273,736</u>	-	<u>(273,736)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>483,627</u>	<u>\$ 483,627</u>	<u>\$ (7,808)</u>
Fund Balance:				
Beginning of year - July 1		<u>865,183</u>		
End of year - June 30		<u>\$ 1,348,810</u>		

PITT COUNTY, NORTH CAROLINA

EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
FOR THE YEAR ENDED JUNE 30, 2016
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Sales and services - wireless fees	\$ 503,405	\$ 503,370	\$ (35)	\$ 594,248
Investment earnings	-	3,456	3,456	1,082
Sale of materials	-	75	75	-
Total revenues	<u>503,405</u>	<u>506,901</u>	<u>3,496</u>	<u>595,330</u>
Expenditures:				
Public safety:				
E911 operations	171,930	-	171,930	-
Implementation functions	221,559	221,559	-	239,801
Telephone	177,375	177,375	-	97,855
Software maintenance	199,658	199,658	-	94,065
Hardware maintenance	32,295	32,295	-	125,338
Training	<u>7,608</u>	<u>7,608</u>	<u>-</u>	<u>2,527</u>
Total expenditures	<u>810,425</u>	<u>638,495</u>	<u>171,930</u>	<u>559,586</u>
Revenues over (under) expenditures	(307,020)	(131,594)	175,426	35,744
Other Financing Sources (Uses):				
Appropriated fund balance	<u>307,020</u>	<u>-</u>	<u>(307,020)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(131,594)</u>	<u>\$ (131,594)</u>	<u>\$ 35,744</u>
Fund Balance:				
Beginning of year - July 1		<u>669,638</u>		
End of year - June 30		<u>\$ 538,044</u>		

PITT COUNTY, NORTH CAROLINA

HURRICANE GRANT PROGRAM FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2016

		Actual		
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Restricted intergovernmental revenues:				
Federal grants	\$ 225,787	\$ 154,139	\$ -	\$ 154,139
Expenditures:				
Hurricane mitigation program expenditures	<u>225,787</u>	<u>154,139</u>	<u>-</u>	<u>154,139</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CAPITAL PROJECT FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities. The capital projects shown in the accompanying supplementary information are adopted for the life of the project.

The following comprise the County's Capital Projects Funds:

- **2016 Limited Obligation Bonds (Major)** – Established to account for funds used to acquire, construct, renovate, expand and equip various public school facilities in the County.
- **Pitt Community College 2014 GO Bond (Major)** – Established to account for funds used to construct, renovate, expand and improve facilities for the Community College including a new science building and a law enforcement training facility.
- **Pitt Community College (PCC) Bowen Farm Capital Project** - Established to account for funds used in establishing the infrastructure needs on the Bowen Farm campus, renovate the Humber Building and establish local match for state bond funds.
- **Pitt Community College (PCC) 2010 Capital Project** – Established to account for bond proceeds issued in 2010 to build three new facilities on the college campus.
- **Pitt Community College (PCC) Vernon White Capital Project** – Established to account for work done to the Vernon White facility.
- **Guaranteed Energy Savings Project** – Established to account for funds used to make Pitt County Government facilities more energy efficient.
- **Chicod Capital Project** – Established to account for the local and grant funds being used for improvements on the Chicod School campus.
- **2009 LOBS Education Projects** – Established to account for bond proceeds used in the construction/renovation at several local public school facilities.
- **Sadie Saulter Capital Project** - Established to account for proceeds of Qualified School Construction Bonds (QSCBs) which are funding work on this school campus.
- **Communication Expansion Project Fund** – Established to account for proceeds of bank loan for upgrading county-wide communications system to P25 compliance per FCC mandate.
- **Community Expansion Phase II Project Fund** – Established to account for proceeds of bank loan for the improvement and enhancement of county-wide communications system.
- **Community Schools and Recreation Capital Project** – Accounts for funds appropriated to construct the Community Schools and Recreation Facility on County Home Road.
- **ECTC Building Capital Project** – Accounts for funds appropriated to construct a new facility on a community college campus.
- **School Improvement Projects** – Established to account for funds appropriated from local funds on a pay as you go basis over a period of five years to renovate and construct new school facilities.
- **Industrial Development Building Projects** – Established to account for building projects by the Development Commission.
- **School Capital Reserve Fund** – Accounts for funds appropriated from local sales tax proceeds and used to cover costs associated with school capital outlay and school debt service.
- **County Capital Reserve Fund** – Accounts for funds appropriated from local sales tax proceeds and used to cover costs associated with outlay and debt service used for both schools and community college.
- **2017 LOBS Fund** – Established to account for proceeds to be used for refunding of the outstanding Series 2007 School COPs. This refunding occurred on a forward delivery basis.

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PITT COUNTY, NORTH CAROLINA

**2016 LIMITED OBLIGATION BONDS - MAJOR
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

		<u>Actual</u>		
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital outlay:				
General construction	\$ 27,500,000	\$ -	\$ 664,600	\$ 664,600
Issuance fees	-	-	37,315	37,315
Total expenditures	<u>27,500,000</u>	<u>-</u>	<u>701,915</u>	<u>701,915</u>
Other Financing Sources (Uses):				
Debt obligation issued	<u>27,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (701,915)</u>	<u>\$ (701,915)</u>

Note:

This project was not capitalized as a capital asset under the category of "Construction In Progress".

PITT COUNTY, NORTH CAROLINA

**PITT COMMUNITY COLLEGE - MAJOR
2014 GO BOND CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2016**

	Project Authorization	Actual		Total To Date
		Prior Years	Current Year	
Revenues:				
Investment earnings	\$ -	\$ -	\$ 35,699	\$ 35,699
Expenditures:				
Capital outlay:				
Buildings	2,667,735	1,411,073	-	1,411,073
Architect/engineering	332,265	1,041,956	614,214	1,656,170
General construction	-	-	3,020,514	3,020,514
Issuance fees	-	-	307,065	307,065
Contracted services	-	-	5,000	5,000
Total expenditures	<u>3,000,000</u>	<u>2,453,029</u>	<u>3,946,793</u>	<u>6,399,822</u>
Revenues over (under) expenditures	<u>(3,000,000)</u>	<u>(2,453,029)</u>	<u>(3,911,094)</u>	<u>(6,364,123)</u>
Other Financing Sources (Uses):				
Debt obligation issued	-	-	19,250,000	19,250,000
Premium	-	-	979,187	979,187
Transfers in (out)	<u>3,000,000</u>	<u>3,000,000</u>	<u>(3,000,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>3,000,000</u>	<u>3,000,000</u>	<u>17,229,187</u>	<u>20,229,187</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 546,971</u>	<u>\$ 13,318,093</u>	<u>\$ 13,865,064</u>

Note:

This project was capitalized as a capital asset under the category of "Construction in Progress".

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PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2016

	<i>Schedule D-5</i> Pitt Community College (Bowen Farm) Capital Project Fund	<i>Schedule D-6</i> Pitt Community College 2010 Capital Project Fund	<i>Schedule D-7</i> Vernon White Capital Project Fund	<i>Schedule D-8</i> Energy Savings Capital Project Fund	<i>Schedule D-9</i> Chicod Capital Project Fund	<i>Schedule D-10</i> 2009 LOBS Education Projects Capital Project Fund	<i>Schedule D-11</i> Sadie Saulter Capital Project Fund	<i>Schedule D-12</i> Communication Expansion Capital Project Fund	<i>Schedule D-13</i> Communication Expansion Phase II Capital Project Fund
Assets:									
Cash, cash equivalents, and investments	\$ 297,053	\$ 468,725	\$ 28,452	\$ 3,125	\$ 29,445	\$ 873,490	\$ 92,168	\$ -	\$ 99,880
Cash and investments, restricted	-	-	-	-	-	2,650,000	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 297,053</u>	<u>\$ 468,725</u>	<u>\$ 28,452</u>	<u>\$ 3,125</u>	<u>\$ 29,445</u>	<u>\$ 3,523,490</u>	<u>\$ 92,168</u>	<u>\$ -</u>	<u>\$ 99,880</u>
Liabilities and Fund Balances:									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,574
Due to other funds	-	-	-	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,574</u>
Fund Balances:									
Restricted for stabilization of State statute	-	-	-	-	-	-	-	-	-
Restricted	-	468,725	-	-	-	3,523,490	-	-	-
Committed	297,053	-	28,452	3,125	29,445	-	92,168	-	86,306
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>297,053</u>	<u>468,725</u>	<u>28,452</u>	<u>3,125</u>	<u>29,445</u>	<u>3,523,490</u>	<u>92,168</u>	<u>-</u>	<u>86,306</u>
Total liabilities and fund balances	<u>\$ 297,053</u>	<u>\$ 468,725</u>	<u>\$ 28,452</u>	<u>\$ 3,125</u>	<u>\$ 29,445</u>	<u>\$ 3,523,490</u>	<u>\$ 92,168</u>	<u>\$ -</u>	<u>\$ 99,880</u>

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2016

	<i>Schedule D-14 Community Schools and Recreation Capital Project Fund</i>	<i>Schedule D-15 ECTC Building Capital Project Fund</i>	<i>Schedule D-16 School Improvement Capital Project Fund</i>	<i>Schedule D-17 Industrial Development Building Fund</i>	<i>Schedule D-18 School Capital Reserve Fund</i>	<i>Schedule D-19 County Capital Reserve Fund</i>	<i>Schedule D-20 2017 Limited Obligation Bond Fund</i>	<i>Total</i>
Assets:								
Cash, cash equivalents, and investments	\$ 24,897	\$ 8,116	\$ 200,376	\$ 714,857	\$ 6,148,755	\$ 3,460,670	\$ -	\$ 12,450,009
Cash and investments, restricted	-	-	-	-	-	-	-	2,650,000
Due from other governments	-	-	-	-	1,457,230	1,111,532	-	2,568,762
Total assets	<u>\$ 24,897</u>	<u>\$ 8,116</u>	<u>\$ 200,376</u>	<u>\$ 714,857</u>	<u>\$ 7,605,985</u>	<u>\$ 4,572,202</u>	<u>\$ -</u>	<u>\$ 17,668,771</u>
Liabilities and Fund Balances:								
Liabilities:								
Accounts payable	\$ 6,842	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,416
Due to other funds	-	-	-	-	-	-	12,500	12,500
Retainage payable	2,500	-	-	-	-	-	-	2,500
Total liabilities	<u>9,342</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,500</u>	<u>35,416</u>
Fund Balances:								
Restricted for stabilization of State statute	-	-	-	-	1,457,230	1,111,532	-	2,568,762
Restricted	-	-	-	-	-	-	-	3,992,215
Committed	15,555	8,116	-	-	6,148,755	3,460,670	-	10,169,645
Assigned	-	-	200,376	714,857	-	-	-	915,233
Unassigned	-	-	-	-	-	-	(12,500)	(12,500)
Total fund balances	<u>15,555</u>	<u>8,116</u>	<u>200,376</u>	<u>714,857</u>	<u>7,605,985</u>	<u>4,572,202</u>	<u>(12,500)</u>	<u>17,633,355</u>
Total liabilities and fund balances	<u>\$ 24,897</u>	<u>\$ 8,116</u>	<u>\$ 200,376</u>	<u>\$ 714,857</u>	<u>\$ 7,605,985</u>	<u>\$ 4,572,202</u>	<u>\$ -</u>	<u>\$ 17,668,771</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Schedule D-5</i> Pitt Community College (Bowen Farm) Capital Project Fund	<i>Schedule D-6</i> Pitt Community College 2010 Capital Project Fund	<i>Schedule D-7</i> Vernon White Capital Project Fund	<i>Schedule D-8</i> Energy Savings Capital Project Fund	<i>Schedule D-9</i> Chicod Capital Project Fund	<i>Schedule D-10</i> 2009 LOBS Education Projects Capital Project Fund	<i>Schedule D-11</i> Sadie Saulter Capital Project Fund	<i>Schedule D-12</i> Communication Expansion Capital Project Fund
Revenues:								
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,822	\$ -	\$ -
Other taxes and licenses	-	-	-	-	-	-	-	-
Restricted intergovernmental revenues	-	-	-	-	-	-	-	-
Sales tax refund	-	21,291	-	-	29,445	1,980	-	-
Total revenues	-	21,291	-	-	29,445	7,802	-	-
Expenditures:								
Public safety	-	-	-	-	-	-	-	-
Economic and physical development	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	5,227	-
Total expenditures	-	-	-	-	-	-	5,227	-
Revenues over (under) expenditures	-	21,291	-	-	29,445	7,802	(5,227)	-
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	-	21,291	-	-	29,445	7,802	(5,227)	-
Fund Balances:								
Beginning of year - July 1	297,053	447,434	28,452	3,125	-	3,515,688	97,395	-
End of year - June 30	\$ 297,053	\$ 468,725	\$ 28,452	\$ 3,125	\$ 29,445	\$ 3,523,490	\$ 92,168	\$ -

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<i>Schedule D-13</i> Communication Expansion Phase II Capital Project Fund	<i>Schedule D-14</i> Community Schools and Recreation Capital Project Fund	<i>Schedule D-15</i> ECTC Building Capital Project Fund	<i>Schedule D-16</i> School Improvement Capital Project Fund	<i>Schedule D-17</i> Industrial Development Building Fund	<i>Schedule D-18</i> School Capital Reserve Fund	<i>Schedule D-19</i> County Capital Reserve Fund	<i>Schedule D-20</i> 2017 Limited Obligation Bond Fund	Total
Revenues:									
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ 7,221	\$ -	\$ 46,414	\$ -	\$ 59,457
Other taxes and licenses	-	-	-	-	-	6,305,589	4,897,019	-	11,202,608
Restricted intergovernmental revenues	-	-	-	-	-	1,600,000	-	-	1,600,000
Sales tax refund	-	-	-	-	-	-	-	-	52,716
Total revenues	-	-	-	-	7,221	7,905,589	4,943,433	-	12,914,781
Expenditures:									
Public safety	79,627	-	-	-	-	-	-	-	79,627
Economic and physical development	-	-	-	-	106,343	-	-	12,500	118,843
Education	-	-	-	895,799	-	-	-	-	901,026
Total expenditures	79,627	-	-	895,799	106,343	-	-	12,500	1,099,496
Revenues over (under) expenditures	(79,627)	-	-	(895,799)	(99,122)	7,905,589	4,943,433	(12,500)	11,815,285
Other Financing Sources (Uses):									
Transfers in	44,100	-	-	750,000	-	-	3,000,000	-	3,794,100
Transfers (out)	-	-	-	-	-	(6,420,114)	(5,794,343)	-	(12,214,457)
Total other financing sources (uses)	44,100	-	-	750,000	-	(6,420,114)	(2,794,343)	-	(8,420,357)
Net change in fund balances	(35,527)	-	-	(145,799)	(99,122)	1,485,475	2,149,090	(12,500)	3,394,928
Fund Balances:									
Beginning of year - July 1	121,833	15,555	8,116	346,175	813,979	6,120,510	2,423,112	-	14,238,427
End of year - June 30	\$ 86,306	\$ 15,555	\$ 8,116	\$ 200,376	\$ 714,857	\$ 7,605,985	\$ 4,572,202	\$ (12,500)	\$ 17,633,355

PITT COUNTY, NORTH CAROLINA

PITT COMMUNITY COLLEGE (PCC) CAPITAL PROJECT FUND
BOWEN FARM - SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2016

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Investment earnings	\$ 521,523	\$ -	\$ -	\$ -
Miscellaneous	31,205	-	-	-
Total revenues	<u>552,728</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital outlay:				
General construction	16,355,914	4,765,339	-	4,765,339
Contingency	1,333	-	-	-
Total expenditures	<u>16,357,247</u>	<u>4,765,339</u>	<u>-</u>	<u>4,765,339</u>
Revenues over (under) expenditures	<u>(15,804,519)</u>	<u>(4,765,339)</u>	<u>-</u>	<u>(4,765,339)</u>
Other Financing Sources (Uses):				
Debt obligation issued	10,591,950	-	-	-
Premium received from issuance of debt	178	-	-	-
Transfers in (out)	<u>5,212,391</u>	<u>5,062,392</u>	<u>-</u>	<u>5,062,392</u>
Total other financing sources (uses)	<u>15,804,519</u>	<u>5,062,392</u>	<u>-</u>	<u>5,062,392</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 297,053</u>	<u>\$ -</u>	<u>\$ 297,053</u>

Note:

The expenditures of this project are not accounted for in "Construction in Progress".
The project is not constructing an asset the County will own.

PITT COUNTY, NORTH CAROLINA**PITT COMMUNITY COLLEGE (PCC) CAPITAL PROJECT FUND****2010 PROJECT - CAPITAL PROJECT FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL - FROM INCEPTION AND****FOR THE YEAR ENDED JUNE 30, 2016**

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Sales tax refund	\$ -	\$ 214,018	\$ 21,291	\$ 235,309
Investment earnings	-	17,198	-	17,198
Total revenues	-	231,216	21,291	252,507
Expenditures:				
Capital outlay:				
General construction	22,436,990	22,220,772	-	22,220,772
Revenues over (under) expenditures	(22,436,990)	(21,989,556)	21,291	(21,968,265)
Other Financing Sources (Uses):				
Debt obligation issued	22,112,573	22,112,573	-	22,112,573
Premium received from issuance of debt	324,417	324,417	-	324,417
Total other financing sources (uses)	22,436,990	22,436,990	-	22,436,990
Net change in fund balance	\$ -	\$ 447,434	\$ 21,291	\$ 468,725

Note:

This project was capitalized as a capital asset under the category of "Construction in Progress".

PITT COUNTY, NORTH CAROLINA

VERNON WHITE CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2016

		Actual		
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Expenditures:				
Capital outlay:				
General construction	\$ 806,437	\$ 251,110	\$ -	\$ 251,110
Other Financing Sources (Uses):				
Debt obligation issued	526,875	-	-	-
Transfers in (out)	279,562	279,562	-	279,562
Total other financing sources (uses)	806,437	279,562	-	279,562
Net change in fund balance	\$ -	\$ 28,452	\$ -	\$ 28,452

Note:

The expenditures of this project are not accounted for in "Construction in Progress."
The project is not constructing an asset the County will own.

PITT COUNTY, NORTH CAROLINA

ENERGY SAVINGS CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2016

		Actual		
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Investment earnings	\$ -	\$ 3,125	\$ -	\$ 3,125
Expenditures:				
Capital outlay:				
General construction	<u>3,776,000</u>	<u>3,775,913</u>	<u>-</u>	<u>3,775,913</u>
Revenues over (under) expenditures	(3,776,000)	(3,772,788)	-	(3,772,788)
Other Financing Sources (Uses):				
Debt obligation issued	<u>3,776,000</u>	<u>3,775,913</u>	<u>-</u>	<u>3,775,913</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,125</u>	<u>\$ -</u>	<u>\$ 3,125</u>

Note:

The expenditures of this project are accounted for in "Construction in Progress."

PITT COUNTY, NORTH CAROLINA**CHICOD CAPITAL PROJECT FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
Sales tax refund	-	36,695	29,445	66,140
Miscellaneous	512,440	474,320	-	474,320
Total revenues	<u>1,012,440</u>	<u>1,011,015</u>	<u>29,445</u>	<u>1,040,460</u>
Expenditures:				
Capital outlay:				
General construction	5,111,550	5,035,113	-	5,035,113
Issuance fees	39,460	39,460	-	39,460
Contingency	492,448	-	-	-
Total expenditures	<u>5,643,458</u>	<u>5,074,573</u>	<u>-</u>	<u>5,074,573</u>
Revenues over (under) expenditures	<u>(4,631,018)</u>	<u>(4,063,558)</u>	<u>29,445</u>	<u>(4,034,113)</u>
Other Financing Sources (Uses):				
Insurance settlement	107,213	159,724	-	159,724
Debt obligation issued	1,973,000	1,814,393	-	1,814,393
Transfers out	-	(461,364)	-	(461,364)
Transfers in	2,550,805	2,550,805	-	2,550,805
Total other financing sources (uses)	<u>4,631,018</u>	<u>4,063,558</u>	<u>-</u>	<u>4,063,558</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,445</u>	<u>\$ 29,445</u>

Note:

The expenditures of this project are not accounted for in "Construction In Progress".

The project is not constructing an asset the County will own.

PITT COUNTY, NORTH CAROLINA

2009 LOBS EDUCATION PROJECTS CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Sales tax refund	\$ -	\$ 830,690	\$ 1,980	\$ 832,670
Investment income	-	34,876	5,822	40,698
Total revenues	-	865,566	7,802	873,368
Expenditures:				
Capital outlay:				
New K-5 Elementary School	13,120,532	11,214,147	-	11,214,147
DH Conley	8,157,539	8,642,705	-	8,642,705
Eastern Elementary	9,819,549	9,015,754	-	9,015,754
Farmville Central High School	3,093,619	2,953,072	-	2,953,072
Issuance fees	720,000	716,763	-	716,763
Contingency	281,324	-	-	-
Total expenditures	35,192,563	32,542,441	-	32,542,441
Revenues over (under) expenditures	(35,192,563)	(31,676,875)	7,802	(31,669,073)
Other Financing Sources (Uses):				
Debt obligation issued	35,145,000	35,145,000	-	35,145,000
Premiums received from issuance of debt	47,563	47,563	-	47,563
Total other financing sources (uses)	35,192,563	35,192,563	-	35,192,563
Net change in fund balance	\$ -	\$ 3,515,688	\$ 7,802	\$ 3,523,490

Note:

The New K-5 Elementary School and DH Conley are the only portions of the project constructing an asset owned by the County. The activity in that project was capitalized as "Construction In Progress". The remainder of the projects are for properties not owned by the County and will not be reported as "Construction in Progress".

PITT COUNTY, NORTH CAROLINA**SADIE SAULTER CAPITAL PROJECT FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Investment income	\$ -	\$ 4,502	\$ -	\$ 4,502
Sales tax refund	-	149,985	-	149,985
Total revenues	-	154,487	-	154,487
Expenditures:				
Capital outlay:				
General construction	5,836,500	5,665,233	5,227	5,670,460
Issuance fees	116,000	51,341	-	51,341
Total expenditures	5,952,500	5,716,574	5,227	5,721,801
Revenues over (under) expenditures	(5,952,500)	(5,562,087)	(5,227)	(5,567,314)
Other Financing Sources (Uses):				
Debt obligation issued	5,952,500	5,952,500	-	5,952,500
Transfer (out)	-	(293,018)	-	(293,018)
Total other financing sources (uses)	5,952,500	5,659,482	-	5,659,482
Net change in fund balance	\$ -	\$ 97,395	\$ (5,227)	\$ 92,168

Note:

This project was capitalized as a capital asset under the category of "Construction In Progress".

PITT COUNTY, NORTH CAROLINA**COMMUNICATION EXPANSION CAPITAL PROJECT FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Investment income	\$ -	\$ 2,481	\$ -	\$ 2,481
Sales tax refund	216,095	235,355	-	235,355
Total revenues	216,095	237,836	-	237,836
Expenditures:				
Capital outlay:				
General construction	5,500,000	5,564,657	-	5,564,657
Revenues over (under) expenditures	(5,283,905)	(5,326,821)	-	(5,326,821)
Other Financing Sources (Uses):				
Debt obligation issued	5,500,000	5,500,000	-	5,500,000
Transfers out	(216,095)	(173,179)	-	(173,179)
Total other financing sources (uses)	5,283,905	5,326,821	-	5,326,821
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

Note:

This project was not capitalized as a capital asset under the category of "Construction In Progress".

PITT COUNTY, NORTH CAROLINA

COMMUNICATION EXPANSION PHASE II CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total To Date</u>
Expenditures:				
Capital outlay:				
General construction	\$ 216,095	\$ 51,346	\$ 79,627	\$ 130,973
Other Financing Sources (Uses):				
Transfers in	<u>216,095</u>	<u>173,179</u>	<u>44,100</u>	<u>217,279</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 121,833</u>	<u>\$ (35,527)</u>	<u>\$ 86,306</u>

Note:

This project was not capitalized as a capital asset under the category of "Construction In Progress."

PITT COUNTY, NORTH CAROLINA

COMMUNITY SCHOOLS AND RECREATION CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016

	Project Authorization	Actual		
		Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental	\$ 904,000	\$ 902,744	\$ -	\$ 902,744
Investment earnings	-	9,500	-	9,500
Miscellaneous revenue	211,000	184,414	-	184,414
Total revenues	<u>1,115,000</u>	<u>1,096,658</u>	<u>-</u>	<u>1,096,658</u>
Expenditures:				
Capital outlay:				
General construction	1,250,000	1,213,062	-	1,213,062
Site development	664,871	688,860	-	688,860
Athletic fields and recreation area	480,000	477,685	-	477,685
Professional fees	94,782	101,496	-	101,496
Contingency	25,347	-	-	-
Total expenditures	<u>2,515,000</u>	<u>2,481,103</u>	<u>-</u>	<u>2,481,103</u>
Revenues over (under) expenditures	(1,400,000)	(1,384,445)	-	(1,384,445)
Other Financing Sources (Uses):				
Transfers in (out)	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>	<u>1,400,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 15,555</u>	<u>\$ -</u>	<u>\$ 15,555</u>

Note:

This project was capitalized as a capital asset in 2006. The remainder of the project is for improvements and will not be capitalized as Construction In Progress.

PITT COUNTY, NORTH CAROLINA**ECTC BUILDING CAPITAL PROJECT FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Sales tax refund	\$ 20,449	\$ 9,053	\$ -	\$ 9,053
Investment earnings	-	20,854	-	20,854
Miscellaneous revenue	95,743	28,000	-	28,000
State share revenue	-	1,465	-	1,465
Other intergovernmental revenues	1,212,659	817,258	-	817,258
Federal and other grants	400,000	800,000	-	800,000
Total revenues	<u>1,728,851</u>	<u>1,676,630</u>	<u>-</u>	<u>1,676,630</u>
Expenditures:				
Capital outlay:				
General construction	<u>2,432,739</u>	<u>2,363,124</u>	<u>-</u>	<u>2,363,124</u>
Revenues over (under) expenditures	<u>(703,888)</u>	<u>(686,494)</u>	<u>-</u>	<u>(686,494)</u>
Other Financing Sources (Uses):				
Debt obligation issued	404,278	395,000	-	395,000
Transfers in (out)	299,610	299,610	-	299,610
Total other financing sources (uses)	<u>703,888</u>	<u>694,610</u>	<u>-</u>	<u>694,610</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 8,116</u>	<u>\$ -</u>	<u>\$ 8,116</u>

Note:

Phase I of this project constructed a capital asset that has been added to buildings.

Phase II expenditures were capitalized as a capital asset under the category of "Construction In Progress".

PITT COUNTY, NORTH CAROLINA

SCHOOL IMPROVEMENT CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Expenditures:			
Mobile units	\$ 255,418	\$ 255,418	\$ -
Maintenance	336,476	329,100	7,376
Roofing	507,120	311,281	195,839
Total expenditures	<u>1,099,014</u>	<u>895,799</u>	<u>203,215</u>
Other Financing Sources (Uses):			
Transfers in (out)	750,000	750,000	-
Appropriated fund balance	<u>349,014</u>	<u>-</u>	<u>(349,014)</u>
Total other financing sources (uses)	<u>1,099,014</u>	<u>750,000</u>	<u>(349,014)</u>
Net change in fund balance	<u>\$ -</u>	<u>(145,799)</u>	<u>\$ (145,799)</u>
Fund Balance:			
Beginning of year - July 1		<u>346,175</u>	
End of year - June 30		<u>\$ 200,376</u>	

Note:

The expenditures of this fund are not accounted for in Construction In Progress. The fund is not constructing any assets the County will own.

PITT COUNTY, NORTH CAROLINA
**INDUSTRIAL DEVELOPMENT BUILDING FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Investment earnings	\$ -	\$ 7,221	\$ 7,221
Expenditures:			
Economic development	<u>813,980</u>	<u>106,343</u>	<u>707,637</u>
Revenues over (under) expenditures	(813,980)	(99,122)	714,858
Other Financing Sources (Uses):			
Appropriated fund balance	<u>813,980</u>	<u>-</u>	<u>(813,980)</u>
Net change in fund balance	<u>\$ -</u>	<u>(99,122)</u>	<u>\$ (99,122)</u>
Fund Balance:			
Beginning of year - July 1		<u>813,979</u>	
End of year - June 30		<u>\$ 714,857</u>	

Note:

This project was not capitalized as a capital asset under the category of Construction In Progress.

PITT COUNTY, NORTH CAROLINA

SCHOOL CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Other taxes and licenses	\$ 4,500,000	\$ 6,305,589	\$ 1,805,589
Restricted intergovernmental revenues	<u>1,600,000</u>	<u>1,600,000</u>	<u>-</u>
Total revenues	<u>6,100,000</u>	<u>7,905,589</u>	<u>1,805,589</u>
Other Financing Sources (Uses):			
Transfer (out)	(6,420,113)	(6,420,114)	(1)
Appropriated fund balance	<u>320,113</u>	<u>-</u>	<u>(320,113)</u>
Total other financing sources (uses)	<u>(6,100,000)</u>	<u>(6,420,114)</u>	<u>(320,114)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,485,475</u>	<u>\$ 1,485,475</u>
Fund Balance:			
Beginning of year - July 1		<u>6,120,510</u>	
End of year - June 30		<u>\$ 7,605,985</u>	

PITT COUNTY, NORTH CAROLINA
**COUNTY CAPITAL RESERVE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Local option sales tax - Article 46	\$ 3,605,000	\$ 4,897,019	\$ 1,292,019
Investment earnings	-	46,414	46,414
Total revenues	<u>3,605,000</u>	<u>4,943,433</u>	<u>1,338,433</u>
Expenditures:			
Contingency	<u>810,657</u>	<u>-</u>	<u>810,657</u>
Revenues over expenditures	<u>2,794,343</u>	<u>4,943,433</u>	<u>2,149,090</u>
Other Financing Sources (Uses):			
Transfer out	(5,794,343)	(5,794,343)	-
Transfer in	<u>3,000,000</u>	<u>3,000,000</u>	-
Total other financing sources (uses)	<u>(2,794,343)</u>	<u>(2,794,343)</u>	-
Net change in fund balance	<u>\$ -</u>	2,149,090	<u>\$ 2,149,090</u>
Fund Balance:			
Beginning of year - July 1		<u>2,423,112</u>	
End of year - June 30		<u>\$ 4,572,202</u>	

PITT COUNTY, NORTH CAROLINA**2017 LIMITED OBLIGATION BONDS****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2016**

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental	\$ 904,000	\$ -	\$ -	\$ -
Miscellaneous revenue	211,000	-	-	-
Total revenues	1,115,000	-	-	-
Expenditures:				
Issuance Fees	1,250,000	-	12,500	12,500
Site development	664,871	-	-	-
Athletic fields and recreation area	480,000	-	-	-
Professional fees	94,782	-	-	-
Contingency	25,347	-	-	-
Total expenditures	2,515,000	-	12,500	12,500
Revenues over (under) expenditures	(1,400,000)	-	(12,500)	(12,500)
Other Financing Sources (Uses):				
Transfers in (out)	1,400,000	-	-	-
Net change in fund balance	\$ -	\$ -	\$ (12,500)	\$ (12,500)

Note:

This project was not capitalized as a capital asset under the category of "Construction In Progress".

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DEBT SERVICE FUND

The Debt Service Fund is used to account for payments of the majority of the debt held by the County.

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PITT COUNTY, NORTH CAROLINA**MAJOR FUND****DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Revenues:			
Unrestricted intergovernmental revenues:			
Pitt Industrial Development Commission	\$ 90,000	\$ 90,000	\$ -
Miscellaneous	377,743	288,246	(89,497)
Qualified School Construction Bond refund	312,869	314,557	1,688
Interest earned on investments	-	210	210
Total revenues	<u>780,612</u>	<u>693,013</u>	<u>(87,599)</u>
Expenditures:			
Debt service:			
Principal payments - loans	11,287,408	11,161,748	125,660
Interest and fees - loans	<u>6,261,967</u>	<u>6,252,544</u>	<u>9,423</u>
Total expenditures	<u>17,549,375</u>	<u>17,414,292</u>	<u>135,083</u>
Revenues over (under) expenditures	<u>(16,768,763)</u>	<u>(16,721,279)</u>	<u>47,484</u>
Other Financing Sources (Uses):			
Transfer in - General Fund	5,626,327	5,626,328	1
Transfer in - special revenue funds	11,051,956	11,051,957	1
Transfer in - Solid waste	<u>90,480</u>	<u>90,480</u>	<u>-</u>
Total other financing sources (uses)	<u>16,768,763</u>	<u>16,768,765</u>	<u>2</u>
Net change in fund balance	<u>\$ -</u>	<u>47,486</u>	<u>\$ 47,486</u>
Fund Balance:			
Beginning of year - July 1		<u>107,456</u>	
End of year - June 30		<u>\$ 154,942</u>	

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ENTERPRISE FUND

The Enterprise Fund is used to account for solid waste and recycling operations in Pitt County that are financed through user charges.

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PITT COUNTY, NORTH CAROLINA

ENTERPRISE FUND - SOLID WASTE

SCHEDULE OF REVENUES AND EXPENDITURES -

BUDGET AND ACTUAL (NON-GAAP)

FOR THE YEAR ENDED JUNE 30, 2016

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015

	2016			2015
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Operating revenues:				
User charges	\$ 8,118,153	\$ 7,684,059	\$ (434,094)	\$ 7,716,863
Investment earnings	-	44,598	44,598	14,295
Restricted intergovernmental revenues	12,000	16,811	4,811	13,411
Other	779,400	1,080,895	301,495	826,985
Total operating revenues	8,909,553	8,826,363	(83,190)	8,571,554
Non-operating revenues:				
Proceeds from sale of capital assets	100	-	(100)	32,696
Total revenues	8,909,653	8,826,363	(83,290)	8,604,250
Expenditures:				
Salaries and employee benefits	1,406,633	1,370,266	36,367	1,345,622
Supplies and materials	1,398,040	914,065	483,975	1,145,825
Contract labor and other services	1,462,000	1,341,502	120,498	1,358,752
Contracted services - waste disposal	3,935,000	4,234,946	(299,946)	4,129,108
Capital outlay	505,000	788,738	(283,738)	452,325
Contingency	97,250	-	97,250	-
Total expenditures	8,803,923	8,649,517	154,406	8,431,632
Revenues over (under) expenditures	105,730	176,846	71,116	172,618
Other Financing Sources (Uses):				
Transfer (to) Debt Service Fund	(105,730)	(102,980)	2,750	(104,636)
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 73,866	\$ 73,866	\$ 67,982
Reconciliation from Modified Accrual Basis to Full Accrual Basis:				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 73,866		
Reconciling items:				
Capital outlay items capitalized		788,738		
Depreciation		(341,694)		
Pension expense		37,032		
Change in closure and post-closure costs accrual		(74,350)		
Change in net position		\$ 483,592		

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INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for the financing of goods and services provided by the County Garage Fund, Active Employee Medical Insurance Fund, Retiree Medical Insurance Fund and Workers' Compensation Fund on a cost reimbursement basis.

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PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
JUNE 30, 2016

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
Assets:					
Current assets:					
Cash, cash equivalents, and investments	\$ 77,875	\$ 1,887,869	\$ 751,410	\$ 186,806	\$ 2,903,960
Accounts receivable	301	-	-	-	301
Prepaid items	-	1,623	12,861	129,529	144,013
Total current assets	<u>78,176</u>	<u>1,889,492</u>	<u>764,271</u>	<u>316,335</u>	<u>3,048,274</u>
Liabilities:					
Current liabilities:					
Accounts payable and accrued expenses	<u>46,175</u>	<u>738,844</u>	<u>-</u>	<u>23,001</u>	<u>808,020</u>
Total net position	<u>\$ 32,001</u>	<u>\$ 1,150,648</u>	<u>\$ 764,271</u>	<u>\$ 293,334</u>	<u>\$ 2,240,254</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
Operating Revenues:					
User charges	\$ 494,518	\$ 475,486	\$ -	\$ -	\$ 970,004
Interfund services charges	-	8,755,191	-	650,000	9,405,191
Total operating revenues	494,518	9,230,677	-	650,000	10,375,195
Operating Expenses:					
Equipment maintenance	494,518	-	-	-	494,518
Medical claims costs	-	9,471,663	749,085	-	10,220,748
Claims reimbursement	-	-	-	412,779	412,779
Total operating expenses	494,518	9,471,663	749,085	412,779	11,128,045
Operating income (loss)	-	(240,986)	(749,085)	237,221	(752,850)
Non-Operating Revenues:					
Investment earnings	-	14,183	-	2,068	16,251
Total non-operating revenues	-	14,183	-	2,068	16,251
Income (loss) before contributions and transfers	-	(226,803)	(749,085)	239,289	(736,599)
Transfer in (out)	-	1,300,000	858,480	22,100	2,180,580
Change in net position	-	1,073,197	109,395	261,389	1,443,981
Net Position:					
Beginning of year - July 1	32,001	77,451	654,876	31,945	796,273
End of year - June 30	\$ 32,001	\$ 1,150,648	\$ 764,271	\$ 293,334	\$ 2,240,254

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
Cash Flows from Operating Activities:					
Cash received from customers	\$ 494,530	\$ 475,486	\$ -	\$ -	\$ 970,016
Cash received from interfund services	-	8,755,191	-	650,000	9,405,191
Cash paid to suppliers	(388,487)	(9,785,186)	(761,946)	(388,797)	(11,324,416)
Cash paid to employees	(119,712)	-	-	-	(119,712)
Net cash provided (used) by operating activities	(13,669)	(554,509)	(761,946)	261,203	(1,068,921)
Cash Flows from Non-Capital Financing Activities:					
Advances (to) from other funds	-	-	-	(98,565)	(98,565)
Transfer in (out)	-	1,300,000	858,480	22,100	2,180,580
Net cash provided (used) by non-capital financing activities	-	1,300,000	858,480	(76,465)	2,082,015
Cash Flows from Investing Activities:					
Investment earnings	-	14,183	-	2,068	16,251
Net increase (decrease) in cash and cash equivalents	(13,669)	759,674	96,534	186,806	1,029,345
Cash and Cash Equivalents:					
Beginning of year - July 1	91,544	1,128,195	654,876	-	1,874,615
End of year - June 30	<u>\$ 77,875</u>	<u>\$ 1,887,869</u>	<u>\$ 751,410</u>	<u>\$ 186,806</u>	<u>\$ 2,903,960</u>
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:					
Operating income (loss)	\$ -	\$ (240,986)	\$ (749,085)	\$ 237,221	\$ (752,850)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	12	-	-	-	12
(Increase) decrease in prepaids	-	(1,623)	(12,861)	2,541	(11,943)
Increase (decrease) in accounts payable and accrued expenses	(13,681)	(311,900)	-	21,441	(304,140)
Net cash provided (used) by operating activities	<u>\$ (13,669)</u>	<u>\$ (554,509)</u>	<u>\$ (761,946)</u>	<u>\$ 261,203</u>	<u>\$ (1,068,921)</u>

PITT COUNTY, NORTH CAROLINA

COUNTY GARAGE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
User charges	\$ 965,575	\$ 494,518	\$ (471,057)
Operating Expenses:			
Equipment maintenance	<u>965,575</u>	<u>494,518</u>	<u>471,057</u>
Change in net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

PITT COUNTY, NORTH CAROLINA

ACTIVE EMPLOYEE MEDICAL INSURANCE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
User charges	\$ 415,000	\$ 475,486	\$ 60,486
Miscellaneous revenues	(57,140)	-	57,140
Interfund services charges	<u>8,559,679</u>	<u>8,755,191</u>	<u>195,512</u>
Total operating revenues	<u>8,917,539</u>	<u>9,230,677</u>	<u>313,138</u>
Operating Expenses:			
Medical claims costs	<u>10,708,351</u>	<u>9,471,663</u>	<u>1,236,688</u>
Operating income (loss)	<u>(1,790,812)</u>	<u>(240,986)</u>	<u>1,549,826</u>
Non-Operating Revenues:			
Investment earnings	<u>3,000</u>	<u>14,183</u>	<u>11,183</u>
Other Financing Sources (Uses):			
Transfer in (out)	1,300,000	1,300,000	-
Appropriated fund balance	<u>487,812</u>	<u>-</u>	<u>(487,812)</u>
Total other financing sources (uses)	<u>1,787,812</u>	<u>1,300,000</u>	<u>(487,812)</u>
Change in net position	<u>\$ -</u>	<u>\$ 1,073,197</u>	<u>\$ 1,073,197</u>

PITT COUNTY, NORTH CAROLINA**RETIREE MEDICAL INSURANCE INTERNAL SERVICE FUND****SCHEDULE OF REVENUES AND EXPENDITURES****PLAN AND ACTUAL (NON-GAAP)****FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Expenses:			
Medical claims costs	\$ 858,480	\$ 749,085	\$ 109,395
Other Financing Sources (Uses):			
Transfer in (out)	<u>858,480</u>	<u>858,480</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>\$ 109,395</u>	<u>\$ 109,395</u>

PITT COUNTY, NORTH CAROLINA

WORKERS' COMPENSATION INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
Interfund services charges	\$ 650,000	\$ 650,000	\$ -
Operating Expenses:			
Claims reimbursement	<u>674,850</u>	<u>412,779</u>	<u>262,071</u>
Operating income (loss)	(24,850)	237,221	262,071
Non-Operating Revenues:			
Investment earnings	-	2,068	2,068
Other Financing Sources (Uses):			
Transfer in	<u>24,850</u>	<u>22,100</u>	<u>(2,750)</u>
Change in net position	<u>\$ -</u>	<u>\$ 261,389</u>	<u>\$ 261,389</u>

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**FIDUCIARY FUND
(TRUST AND AGENCY FUNDS)**

Trust and Agency Funds serve primarily as clearing mechanisms for cash resources which are collected by a governmental unit, held as such for a brief period, and then distributed to authorized recipients.

The following comprise the County's Agency Funds:

- **Social Services, Sheriff and Mental Health Fund** – This fund accounts for assets held by the County for private individuals that are received through these agencies to be expended for these individuals.
- **Tax Collections Held for Municipalities Fund** – This fund accounts for tax levies collected on behalf of other local governments.
- **Flexible Benefit Plan Fund** – This fund accounts for assets held for the County's flexible benefit plan provided for employees.

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PITT COUNTY, NORTH CAROLINA

AGENCY FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 2016

	Social Services, Sheriff, and Other Agency Funds	Tax Collections Held for Municipalities Agency Fund	3% Interest Payable to State Agency Fund	Flexible Benefit Plan Agency Fund	Total
Assets:					
Cash and cash equivalents	\$ 236,895	\$ 167,654	\$ 3	\$ 34,053	\$ 438,605
Total assets	<u>\$ 236,895</u>	<u>\$ 167,654</u>	<u>\$ 3</u>	<u>\$ 34,053</u>	<u>\$ 438,605</u>
Liabilities:					
Deposits held in custody for others	\$ 236,895	\$ 167,654	\$ 3	\$ -	\$ 404,552
Deferred compensation benefits payable	-	-	-	34,053	34,053
Total liabilities	<u>\$ 236,895</u>	<u>\$ 167,654</u>	<u>\$ 3</u>	<u>\$ 34,053</u>	<u>\$ 438,605</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2016</u>
Social Services, Sheriff, and Other Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 245,270	\$ 1,824,473	\$ (1,832,848)	\$ 236,895
Liabilities:				
Deposits held in custody for others	\$ 245,270	\$ 1,824,473	\$ (1,832,848)	\$ 236,895
Tax Collections Held for Municipalities Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 204,245	\$ (36,749,616)	\$ 36,713,025	\$ 167,654
Liabilities:				
Deposits held in custody for others	\$ 204,245	\$ (36,749,616)	\$ 36,713,025	\$ 167,654
3% Interest Payable to State Agency Fund:				
Assets:				
Cash and cash equivalents	\$ -	\$ 3	\$ -	\$ 3
Liabilities:				
Deposits held in custody for others	\$ -	\$ 3	\$ -	\$ 3
Flexible Benefit Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 29,847	\$ 103,403	\$ (99,197)	\$ 34,053
Liabilities:				
Deferred compensation benefits payable	\$ 29,847	\$ 103,403	\$ (99,197)	\$ 34,053
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 479,362	\$ (34,821,737)	\$ 34,780,980	\$ 438,605
Liabilities:				
Deposits held in custody for others	\$ 449,515	\$ (34,925,140)	\$ 34,880,177	\$ 404,552
Deferred compensation benefits payable	29,847	103,403	(99,197)	34,053
Total liabilities	\$ 479,362	\$ (34,821,737)	\$ 34,780,980	\$ 438,605

III. STATISTICAL SECTION

The Statistical Section includes unaudited schedules showing relevant information on Pitt County presented in the following five categories:

- **Financial Trend Data – Tables 1-4**
These tables contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.
- **Revenue Capacity Data – Tables 5-8**
These tables contain information to help the reader assess the government's most significant local revenue source – the property tax.
- **Debt Capacity Data – Tables 9-12**
These tables present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.
- **Demographic and Economic Information – Tables 13-14**
These tables offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.
- **Operating Information – Tables 15-17**
These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Where possible and relevant, ten years of data is included as extracted from current and prior years' financial reports and other supplemental information relevant to the County. The data is rounded to significant digits to more clearly illustrate existing trends.

The information presented in this section does not provide full and adequate disclosure of financial information for prior years required by generally accepted accounting principles. Such information is provided for supplementary analysis purposes and should be relied on only for the purpose specified.

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Table 1

Pitt County
Net Position by Component
Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in										
capital assets										
Restricted	\$ 9,052,628	\$ 7,199,732	\$ 7,163,940	\$ 26,867,920	\$ 3,313,440	\$ -2,393,761	\$ 2,947,086	\$ 8,363,163	\$ 7,404,524	\$ 17,210,123
Unrestricted	717,353	200,598	199,051	178,243	15,413,852	10,949,019	12,335,800	17,176,068	14,785,094	16,678,816
	30,517,987	23,707,535	33,161,453	7,602,000	-12,273,362	-5,966,584	9,777,730	7,074,844	14,440,586	14,575,156
Total governmental activities net position	\$ 40,287,968	\$ 31,107,865	\$ 40,524,444	\$ 34,648,163	\$ 6,453,930	\$ 2,588,674	\$ 25,060,616	\$ 32,614,075	\$ 36,630,204	\$ 48,464,095
Business-type activities										
Net investment in										
capital assets										
Unrestricted	\$ 2,070,609	\$ 2,170,579	\$ 2,290,354	\$ 2,821,429	\$ 2,870,867	\$ 2,901,091	\$ 3,563,524	\$ 3,770,246	\$ 3,740,050	\$ 4,187,094
	(689,280)	(623,834)	191,582	878,331	1,639,256	2,444,272	2,895,804	2,500,256	2,355,498	2,392,046
Total business-type activities	\$ 1,381,329	\$ 1,546,745	\$ 2,481,936	\$ 3,699,760	\$ 4,510,123	\$ 5,345,363	\$ 6,459,328	\$ 6,270,502	\$ 6,095,548	\$ 6,579,140
Primary government										
Net investment in										
capital assets										
Restricted	\$ 11,123,237	\$ 9,370,311	\$ 9,454,294	\$ 29,689,349	\$ 6,184,307	\$ 507,330	\$ 6,510,610	\$ 12,133,409	\$ 11,144,574	\$ 21,397,217
Unrestricted	717,353	200,598	199,051	178,243	15,413,852	10,949,019	12,335,800	17,176,068	14,785,094	16,678,816
	29,828,707	23,083,701	33,353,035	8,480,331	-10,634,106	-3,522,312	12,673,534	9,575,100	16,796,084	16,967,202
Total primary government net position	\$ 41,669,297	\$ 32,654,610	\$ 43,006,380	\$ 38,347,923	\$ 10,964,053	\$ 7,934,037	\$ 31,519,944	\$ 38,884,577	\$ 42,725,752	\$ 55,043,235

Pitt County
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 15,101,864	\$ 18,117,235	\$ 16,716,822	\$ 16,704,353	\$ 16,768,759	\$ 19,876,656	\$ 16,297,756	\$ 18,833,804	\$ 16,508,916	\$ 15,016,731
Public safety	27,464,405	30,147,280	34,445,489	37,623,678	32,913,064	43,251,794	42,976,133	39,562,880	40,105,903	42,525,254
Economic & physical development	5,156,590	4,924,122	5,337,923	7,633,411	6,728,810	9,625,223	10,116,946	7,068,054	3,630,825	54,011
Environmental protection	245,464	248,179	259,750	267,785	245,159	230,549	200,253	216,114	186,589	285,467
Human Services	54,707,785	48,987,705	46,606,871	44,209,437	41,740,952	40,545,062	38,623,179	36,848,621	40,654,477	44,531,856
Cultural and recreation	583,843	645,517	608,328	718,401	698,384	618,966	590,667	606,785	679,571	664,949
Education	48,738,593	47,639,044	44,078,522	51,034,996	53,506,480	38,098,594	33,948,819	45,338,884	46,080,991	49,421,608
Debt Service	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Interest on long term debt	5,703,750	6,931,700	4,270,139	5,870,905	6,967,304	9,001,235	6,952,420	8,605,897	7,251,638	6,444,049
Total governmental activities	157,702,294	157,640,782	152,323,844	164,062,966	159,568,912	161,248,079	149,706,173	157,081,039	155,098,910	158,943,925
Business-type activities:										
Solid Waste	6,719,860	7,714,185	6,737,540	6,809,686	7,348,253	8,361,494	7,763,554	8,357,565	8,462,330	8,239,791
Total primary government expenses	164,422,154	165,354,967	159,061,384	170,872,652	166,917,165	169,609,573	157,469,727	165,438,604	163,561,240	167,183,716
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 3,889,222	\$ 4,140,725	\$ 4,622,467	\$ 5,838,490	\$ 5,308,955	\$ 5,903,519	\$ 5,635,527	\$ 4,971,244	\$ 4,546,258	\$ 6,208,910
Public safety	8,752,760	8,484,120	8,611,068	8,631,804	9,341,259	10,237,128	9,987,128	6,607,559	7,307,031	7,606,744
Economic & physical development	3,245	3,825	115,237	165,475	584,174	183,709	168,709	59,294	569,379	47,827
Environmental protection	285,127	192,034	115,497	101,973	73,019	50,504	38,004	65,453	0	97,089
Human Services	3,134,045	5,661,649	5,927,338	6,698,097	6,323,684	5,694,120	5,169,120	4,946,415	2,345,008	4,574,034
Cultural and recreation	34,717	23,003	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
General government	-	-	2,426	7,348	20,334	3,269	8,501	1,410	149,781	-5
Public safety	25,800	283,037	120,165	100,592	56,387	263,750	228,750	2,230,832	674,984	2,156,752
Economic & physical development	293,962	788,756	2,279,470	5,218,265	4,367,361	3,764,654	3,514,654	3,759,697	4,659,192	2,679,943
Environmental protection	98,086	227,341	-	-	-	-	-	-	-	-
Human Services	30,318,848	19,540,492	21,751,026	23,191,163	21,147,178	21,157,852	20,505,352	20,465,760	28,041,057	24,299,521
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Education	-	789,760	7,033,741	1,183,917	5,083,917	725,706	600,706	-	-	-
Capital grants and contributions:										
General government	-	-	235,915	288,300	207,368	-	-	-	-	-
Public safety	111,854	98,719	1,293,371	157,578	2,177	37,758	16,758	190,314	-	-
Economic & physical development	2,920,434	1,672,867	1,969,407	107,686	307,686	51,725	40,680	303,311	1,318,696	1,215,545
Environmental protection	-	-	0	769,744	126,903	96,977	65,977	-	-	-
Education	1,462,000	1,821,032	117,996	64,383	358,751	1,548,346	1,418,346	1,533,622	-	1,623,271
Cultural and recreation	37,524	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	19,049	-	-
Total gov activities program revenues	51,347,624	43,727,360	54,195,124	52,504,815	53,309,153	49,719,017	47,398,212	45,153,960	49,611,386	50,509,631

Pitt County
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Business-type activities:										
Charge for services - Solid Waste	7,916,793	7,851,102	7,664,223	8,023,307	8,145,483	8,461,544	8,266,388	8,394,313	8,543,848	8,764,954
Capital grants and contrib - Solid Waste	-	-	5,783	-	12,248	755,856	700,247	79,728	13,411	16,811
Total business-type activities prog revenues	7,916,793	7,851,102	7,670,006	8,023,307	8,157,731	9,217,400	8,966,635	8,474,041	8,557,259	8,781,765
Total primary government program revenues	\$ 59,264,417	\$ 51,578,462	\$ 61,865,130	\$ 60,528,122	\$ 61,466,884	\$ 58,936,417	\$ 56,364,847	\$ 53,628,001	\$ 58,168,645	\$ 59,291,396
Net (Expense)/Revenue										
Governmental activities	\$ (106,354,670)	\$ (113,913,422)	\$ (98,128,720)	\$ (111,558,151)	\$ (106,259,759)	\$ (111,529,062)	\$ (102,307,961)	\$ (111,927,079)	\$ (105,487,524)	\$ (108,434,294)
Business-type activities	1,196,933	136,917	932,466	1,213,621	809,478	855,906	1,203,081	116,476	94,929	541,974
Total primary government net (expense)/revenue	\$ (105,157,737)	\$ (113,776,505)	\$ (97,196,254)	\$ (110,344,530)	\$ (105,450,281)	\$ (110,673,156)	\$ (101,104,880)	\$ (111,810,603)	\$ (105,392,595)	\$ (107,892,320)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 65,841,771	\$ 70,155,690	\$ 77,862,674	\$ 78,618,324	\$ 79,984,365	\$ 82,303,935	\$ 81,542,495	\$ 84,456,744	\$ 84,354,263	\$ 86,795,644
Local option sales tax	28,162,325	29,660,569	17,816,780	14,166,657	14,704,181	14,321,819	15,401,125	23,118,577	26,698,824	28,843,710
Payment in lieu of taxes and other taxes	1,683,750	1,752,849	12,164,104	11,109,775	10,655,050	10,876,593	11,493,571	2,118,654	2,186,843	2,220,733
Interest earned on investments	2,647,891	3,164,210	1,126,732	362,113	138,986	140,704	89,550	2,036,371	1,648,230	2,013,878
Loss on disposal of capital assets	-	-	-	-	(27,417,055)	-	-	-	-	-
Gain on Bond Defeasance	-	-	-	-	-	-	-	7,423,910	-	-
Transfers	-	-	-	-	-	-	-	-	-	102,980
Total governmental activities:	\$ 98,335,737	\$ 104,733,318	\$ 108,970,290	\$ 104,256,869	\$ 78,065,527	\$ 107,643,051	\$ 108,526,741	\$ 119,154,256	\$ 114,888,160	\$ 119,976,945
Business-type activities:										
Investment earnings	-	28,499	3,191	4,203	885	89	18,889	20,980	14,295	44,598
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	400	-	-	-	-	-	-	-	-	(102,980)
Total business-type activities	\$ 400	\$ 28,499	\$ 3,191	\$ 4,203	\$ 885	\$ 89	\$ 18,889	\$ 20,980	\$ 14,295	\$ (58,382)
Total primary government	\$ 98,336,137	\$ 104,761,817	\$ 108,973,481	\$ 104,261,072	\$ 78,066,412	\$ 107,643,140	\$ 108,545,630	\$ 119,175,236	\$ 114,902,455	\$ 119,918,563
Change in Net Position										
Governmental activities	\$ (8,018,933)	\$ (9,180,104)	\$ 10,841,570	\$ (7,301,282)	\$ (28,194,232)	\$ (3,886,011)	\$ 6,218,780	\$ 7,227,177	\$ 9,400,636	\$ 11,542,651
Business-type activities	1,197,333	165,416	935,657	1,217,824	810,363	855,995	1,221,970	137,456	109,224	483,592
Total primary government	\$ (6,821,600)	\$ (9,014,688)	\$ 11,777,227	\$ (6,083,458)	\$ (27,383,869)	\$ (3,030,016)	\$ 7,440,750	\$ 7,364,633	\$ 9,509,860	\$ 12,026,243

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

	Fiscal Year										
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
General Fund											
Reserved for:											
State statute	\$ 7,890,551	\$ 7,276,450	\$ 5,723,696	\$ 5,315,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Prepaid items	169,571	125,818	108,552	166,883	-	-	-	-	-	-	
Future wireline E-911/Public Safety expenditures	-	291,941	209,058	160,058	-	-	-	-	-	-	
For Register of Deeds	190,924	200,598	199,051	178,243	-	-	-	-	-	-	
Public Safety - Winterville Rural Fire Department	-	-	-	116,670	-	-	-	-	-	-	
Public Safety - Ayden Fire Department	-	-	-	11,567	-	-	-	-	-	-	
For Mental Health	2,271,269	450,000	-	-	-	-	-	-	-	-	
Total reserved	10,522,315	8,344,807	6,240,357	5,948,798	-	-	-	-	-	-	
Unreserved	7,038,044	5,486,442	6,753,916	5,342,211	-	-	-	-	-	-	
Designated for subsequent year's expenditures	-	-	-	-	-	-	-	-	-	-	
Designated for Potential TSR Refund (MH)	-	-	-	-	-	-	-	-	-	-	
Undesignated	17,805,686	17,387,066	16,593,431	19,625,099	-	-	-	-	-	-	
Nonspendable - prepaid items	-	-	-	-	127,233	96,021	150,981	194,008	171,896	289,553	
Restricted by Stabilization of State Statute	-	-	-	-	5,930,673	6,859,363	7,792,727	8,878,007	9,243,210	10,474,078	
Restricted	-	-	-	-	249,769	130,713	153,970	186,041	187,512	187,512	
Committed	-	-	-	-	-	-	-	-	395,492	690,384	
Assigned	-	-	-	-	4,215,000	2,288,000	2,288,000	2,786,466	2,871,466	2,871,466	
Unassigned	-	-	-	-	11,384,700	14,846,239	16,922,805	23,805,248	26,585,766	26,604,345	
Total General Fund	\$ 35,366,045	\$ 31,218,315	\$ 29,587,704	\$ 30,916,108	\$ 21,907,375	\$ 24,220,336	\$ 27,308,483	\$ 35,849,770	\$ 39,455,342	\$ 41,117,338	
All Other Governmental Funds											
Reserved for:											
State statute	\$ 1,465,594	\$ 2,520,470	\$ 2,361,080	\$ 1,786,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Prepaid items	23,760	106,705	80,544	73,575	-	-	-	-	-	-	
Wireless 911 Operations	526,429	-	-	-	-	-	-	-	-	-	
Winterville Rural Fire Dept	73,973	104,814	77,983	77,983	-	-	-	-	-	-	
Total reserved	2,089,756	2,731,989	2,519,607	1,937,647	-	-	-	-	-	-	
Unreserved	-	-	-	-	-	-	-	-	-	-	
Undesignated/(deficit)	-	-	-	-	-	-	-	-	-	-	
Special revenue Funds	251,477	1,312,430	1,904,621	2,041,415	-	-	-	-	-	-	
Debt Service Fund	42,022	(8,069)	64,415	41,635	-	-	-	-	-	-	
Capital Project Funds	-	1,746,264	1,847,095	(159,711)	-	-	-	-	-	-	
All other special revenue funds	-	-	-	-	-	-	-	-	-	-	
Designated for capital projects	22,495,815	9,749,419	9,331,452	-	-	-	-	-	-	-	
Nonspendable - prepaid items	-	-	-	-	93,315	114,571	139,920	84,668	153,579	183,018	
Restricted by Stabilization of State Statute	-	-	-	-	7,661,279	3,301,873	1,484,819	2,688,524	2,622,299	2,885,803	
Restricted	-	-	-	-	23,074,203	8,566,117	12,812,428	7,233,292	5,382,073	5,781,423	
Committed	-	-	-	-	11,623,127	12,407,122	7,427,612	9,822,537	7,460,390	24,130,049	
Assigned	-	-	-	-	1,434,962	1,789,875	1,505,723	1,647,750	1,411,986	1,364,137	
Unassigned	-	-	-	-	(1,130,273)	(975,612)	(265,605)	(2,191,980)	(246,910)	(1,089,227)	
Total all other governmental funds	\$ 24,879,070	\$ 15,532,034	\$ 15,667,190	\$ 3,860,986	\$ 42,756,613	\$ 25,203,946	\$ 23,104,897	\$ 19,284,791	\$ 16,783,417	\$ 33,255,203	

Note: Fiscal Year 2011 reflects implementation of GASB Statement 54, prior year amounts have not been restated. Classifications of fund balances are discussed in the Notes to the Financial Statements.

Pitt County

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

Table 4

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes:										
Property	\$ 66,158,617	70,960,636	77,740,541	78,631,905	78,827,130	82,355,998	81,339,280	85,735,784	84,891,802	86,949,292
Sales	22,304,132	23,072,981	25,129,031	22,632,862	14,428,378	14,380,502	15,677,039	13,809,165	16,638,841	17,635,460
Other	7,541,028	8,319,157	4,918,193	2,643,570	10,930,853	10,817,910	11,217,657	11,428,066	12,246,826	13,428,984
Total taxes	96,003,777	102,352,774	107,787,765	103,908,337	104,186,361	107,554,410	108,233,976	110,973,015	113,777,469	118,013,736
Intergovernmental	41,059,040	31,479,203	38,583,757	36,282,989	38,191,288	33,859,590	32,355,138	32,239,169	36,042,326	35,140,590
Sales & Services / Permits & Fees	10,691,673	10,956,768	11,309,491	11,274,744	11,933,673	12,270,529	11,976,737	10,832,855	11,204,558	11,588,782
Interest	2,432,376	3,142,597	1,116,097	359,591	262,393	140,633	83,754	451,726	110,704	304,345
Miscellaneous	1,592,836	1,259,163	2,903,009	2,868,190	1,754,585	2,154,058	1,586,417	1,679,320	1,891,679	2,331,536
Total Revenues	151,779,702	149,190,505	161,700,119	154,693,851	156,328,300	155,979,220	154,216,022	156,176,085	163,026,736	167,378,989
Expenditures										
General Government	13,183,808	14,224,253	13,972,599	13,629,713	13,455,312	12,712,923	12,178,377	14,855,647	12,914,832	12,398,418
Public Safety	26,791,432	28,796,663	32,049,357	35,958,562	37,264,598	41,181,005	39,894,354	37,939,525	38,790,924	40,489,226
Environmental Protection	246,652	231,415	242,986	252,499	229,879	217,076	200,253	216,114	248,599	260,578
Economic Development	4,916,623	4,667,773	5,090,345	7,416,836	6,648,224	8,998,731	9,469,340	6,916,650	5,485,544	5,009,774
Human Services (Health, DSS, Mental Health)	54,364,801	48,668,953	45,042,960	42,612,499	40,327,489	39,276,818	37,486,478	37,911,830	40,505,222	43,744,551
Culture and Recreation	583,843	645,517	608,328	718,401	698,384	618,966	590,667	606,785	679,571	664,949
Education	34,993,965	58,517,353	38,077,316	58,320,263	65,996,318	55,350,580	40,720,188	42,996,018	45,001,927	47,669,432
Capital Outlay	11,677,400	13,792,689	-	-	-	-	-	-	-	-
Debt Service:										
Principal	8,112,363	7,470,752	10,134,329	9,228,295	9,388,490	9,949,728	10,670,107	11,372,680	10,611,931	12,069,612
Interest	4,647,862	5,906,402	4,360,526	6,181,091	7,052,042	9,786,979	7,092,600	6,967,738	8,018,483	6,258,736
Total Expenditures	159,518,749	182,921,770	163,543,582	174,318,159	181,060,736	178,092,806	158,302,364	159,782,987	162,257,033	168,565,276
Excess of revenues over (under) expenditures	(7,739,047)	(33,731,265)	(1,843,463)	(19,624,308)	(24,732,436)	(22,113,586)	(4,086,342)	(3,606,902)	769,703	(1,186,287)
Other Financing Sources (Uses)										
Transfers in	(13,617,578)	(16,532,170)	(17,167,904)	(16,667,575)	(8,110,548)	(10,070,906)	(18,911,293)	(18,948,152)	(22,912,919)	(23,179,553)
Transfers out	13,617,578	16,532,170	17,167,904	15,856,415	7,341,348	9,079,761	17,960,898	18,237,483	21,776,816	21,101,953
Insurance Proceeds	-	-	-	-	-	-	-	20,489	139,235	-
Bonds issued	-	19,855,000	-	-	-	-	-	-	-	-
Revenue Anticipation Notes issued	-	-	-	-	-	-	-	54,295,000	-	-
Refunding bonds issued	-	-	-	-	-	-	-	-	-	-
Payment to refunding escrow agent	1,863,940	-	-	-	(5,040,000)	-	-	-	-	-
Payment to escrow agent, debt refunding pmt	(28,995,000)	-	-	-	-	(21,230,000)	-	-	(39,421,164)	-
Payment to escrow agent, advance interest pmt	(1,252,192)	-	-	-	-	-	-	-	-	-
Payment to bondholders, bond redemption	-	-	-	-	-	-	-	-	-	-
Payment from escrow agent	-	-	-	-	-	-	-	(54,372,710)	-	-
Payment to retire revenue anticipation notes	-	-	-	-	-	-	-	61,796,620	-	-
Proceeds from capital lease	-	-	-	-	-	-	-	(54,295,000)	-	-
Advance payments from debt refunding	-	-	-	-	-	-	-	-	-	-
Debt Obligation issued	59,365,000	-	348,000	36,344,145	33,994,490	26,711,977	6,025,835	1,594,353	35,135,000	19,250,000
Installment Debt issued	-	-	-	-	-	-	-	-	893,828	877,242
Premium on issued debt	-	381,491	-	47,563	-	2,383,047	-	-	4,723,699	979,187
Total other financing sources (uses)	30,981,748	20,236,491	348,000	35,580,548	28,185,290	6,873,879	5,075,440	8,328,083	334,495	19,028,829
Net change in fund balances	\$ 23,242,701	(13,494,774)	(1,495,463)	15,956,240	3,452,864	(15,239,707)	989,098	4,721,181	1,104,198	17,842,542
Debt service as a percentage of noncapital expenditures	8.63%	7.91%	9.69%	9.35%	10.37%	12.47%	11.89%	11.83%	11.82%	11.27%

Pitt County
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Table 5

Fiscal Year	Real Property			Present-use Value	Personal Property	Public Service Companies	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
	Residential Property	Commercial Property	Industrial Property							
2007	\$ 7,084,226,847	\$ -	\$ -	\$ -	\$ 1,998,812,513	\$ 105,553,248	\$ 9,188,592,608	\$ 0.7000	\$ 9,439,255,440	97.3%
2008	7,450,655,025	-	-	-	2,568,090,556	108,434,679	10,127,180,260	0.7150	10,427,180,260	97.1%
2009	9,099,185,257	-	-	-	2,587,970,546	109,424,469	11,796,580,272	0.6650	11,914,546,075	99.0%
2010	9,346,427,845	-	-	-	2,470,662,313	109,460,104	11,926,550,262	0.6650	12,045,815,765	99.0%
2011	9,652,528,904	-	-	-	2,045,396,018	105,153,588	11,803,078,510	0.6650	11,921,109,295	99.0%
2012	9,554,186,028	-	-	-	2,091,154,625	104,488,137	11,749,828,790	0.6650	11,867,327,078	99.0%
2013	9,113,031,060	-	-	-	2,266,724,289	104,234,635	11,483,989,984	0.6800	11,598,829,884	99.0%
2014	9,206,945,276	-	-	-	2,643,301,152	101,041,838	11,951,288,266	0.6800	12,070,801,149	99.0%
2015	9,410,339,621	-	-	-	2,285,610,536	103,039,401	11,798,989,558	0.6800	11,916,979,454	99.0%
2016	9,449,775,738	-	-	-	2,454,881,901	170,452,100	12,075,109,739	0.6800	12,195,860,836	99.0%

Source: Annual County Report of Valuation and Property Tax Levies

Table 6

Pitt County
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years

	Year Taxes Are Payable									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Pitt County - Total	\$ 0.7000	\$ 0.7150	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6800	\$ 0.6800	\$ 0.6800	\$ 0.6860
General Fund	0.6850	0.7000	0.6516	0.6540	0.6550	0.6560	0.6730	0.6730	0.6730	0.6790
Industrial Development	0.0150	0.0150	0.0134	0.0110	0.0100	0.0090	0.0070	0.0070	0.0070	0.0070
County Capital Reserve	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
<u>Municipality Rates:</u>										
Town of Ayden	0.5200	0.5000	0.5000	0.5000	0.5000	0.5400	0.5400	0.5400	0.5400	0.5400
Town of Bethel	0.5900	0.5900	0.5900	0.5900	0.5900	0.6600	0.6600	0.6600	0.6600	0.6600
Town of Falkland	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500
Town of Farmville	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900
Town of Fountain	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.5875
City of Greenville	0.5600	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5300	0.5200
Town of Grifton	0.5500	0.5500	0.5500	0.6000	0.6000	0.6000	0.6000	0.6000	0.6300	0.6300
Town of Grimesland	0.4500	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800
Village of Simpson	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500
Town of Winterville	0.4500	0.4500	0.4500	0.4500	0.4500	0.4750	0.4750	0.4750	0.4750	0.4750
<u>Fire Districts:</u>										
Ayden Fire District	0.0375	0.0375	0.0375	0.0300	0.0425	0.0475	0.0475	0.0475	0.0599	0.0599
Bell Arthur Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0885	0.0885	0.0885	0.0885
Belvoir Fire District	0.0000	0.0000	0.0000	0.0000	0.0000	0.0189	0.0189	0.0225	0.0225	0.0225
Bethel Fire District	0.0000	0.0000	0.0000	0.0000	0.0000	0.0675	0.0675	0.0675	0.0675	0.0675
Black Jack Fire District	0.0450	0.0540	0.0540	0.0540	0.0540	0.0640	0.0740	0.0740	0.0740	0.0740
Clarks Neck Fire District	0.0500	0.4500	0.4500	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450
Eastern Pines Fire District	0.0350	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Falkland Fire District	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0800	0.0800
Farmville Fire District	0.0360	0.0360	0.0360	0.0360	0.0365	0.0389	0.0389	0.0389	0.0400	0.0500
Fountain Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0675	0.0675	0.0875
Gardnersville Fire District	0.0750	0.0750	0.0750	0.0750	0.0800	0.0800	0.0940	0.0940	0.0940	0.0940
Grifton Fire District	0.0499	0.0499	0.0499	0.0499	0.0499	0.0599	0.0599	0.0599	0.0599	0.0599
Grimesland Fire District	0.0550	0.0650	0.0650	0.0650	0.0700	0.0700	0.0700	0.0700	0.0700	0.0750
Pactolus Fire District	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0625	0.0625	0.0625
Red Oak Fire District	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Sharp Point Fire District	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Simpson Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0650	0.0650	0.0650	0.0650	0.0650
Staton House Fire District	0.0190	0.0190	0.0190	0.0200	0.0215	0.0250	0.0275	0.0275	0.0275	0.0290
Stokes Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0700	0.0700	0.0700	0.0700
Winterville Fire District	0.0250	0.0250	0.0250	0.0250	0.0250	0.0440	0.0440	0.0440	0.0440	0.0440
EMS District	0.0400	0.0440	0.0440	0.0440	0.0440	0.0460	0.0460	0.0460	0.0460	0.0460

Note: Tax rates are based on \$100 per assessed valuation for Pitt County and all overlapping governments.

Source: Pitt County Tax Assessor

Pitt County
Principal Property Tax Payers,
Current and 4 Prior Years

Taxpayer	Type of Business	Fiscal Year 2016			Fiscal Year 2015			Fiscal Year 2014			Fiscal Year 2013			Fiscal Year 2012		
		Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Pathon Manufacturing Services, LLC	Manufacturer	\$ 249,654,588	1	2.12%	\$ 222,254,063	1	1.88%	\$ 216,120,211	2	1.88%	\$ 212,764,918	2	1.88%	\$ 136,653,968	2	1.88%
DSM Dyneema, LLC	Manufacturer	181,014,354	2	1.53%	187,370,888	2	1.59%	195,205,363	1	1.70%	243,042,824	1	1.70%	251,195,207	1	1.70%
DSM Biomedical, Inc.	Manufacturer	-	-	0.00%	-	-	0.00%	28,213,772	10	0.25%	-	-	-	-	-	-
Carolina Telephone	Communications	36,161,505	10	0.31%	41,254,220	6	0.35%	46,460,620	6	0.40%	28,638,317	10	0.40%	54,425,412	3	0.40%
Asmo	Manufacturer	80,326,401	4	0.68%	77,101,007	4	0.65%	73,499,068	4	0.64%	54,232,103	4	0.64%	52,427,361	4	0.64%
Weyerhaeuser Company	Manufacturer	49,090,486	7	0.42%	49,828,654	5	0.42%	75,769,394	3	0.66%	46,665,251	5	0.66%	47,836,270	6	0.66%
North Campus Crossing LLC (I&II)	Apartments	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	23,978,251	10	0.00%
RPI Greenville Mall, LP	Mall	44,614,187	8	0.38%	40,428,933	7	0.34%	40,428,933	7	0.35%	40,480,296	6	0.35%	39,833,585	7	0.35%
Copper Beech Townhome Communities	Apartments	37,505,180	9	0.32%	34,605,790	8	0.29%	34,605,790	8	0.30%	34,605,790	7	0.30%	34,605,790	8	0.30%
PL Greenville LP (Bellamy)	Apartments	0	-	0.00%	29,073,633	10	0.25%	29,073,633	9	0.25%	29,073,633	8	0.25%	29,073,633	9	0.25%
NACCO	Manufacturer	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	-
Attends Healthcare	Manufacturer	89,078,952	3	0.75%	90,970,829	3	0.77%	72,835,039	5	0.63%	72,760,202	3	0.63%	49,028,757	5	0.63%
USCOC of Greater NC LLC	Communications	-	-	0.00%	-	-	0.00%	-	-	0.00%	28,776,812	9	0.00%	-	-	0.00%
Wal Mart Real Estate Business Trust	Retail	50,710,681	6	0.43%	29,272,633	9	0.25%	-	-	0.00%	-	-	-	-	-	0.00%
Pep Core NCC LLC (I&II)	Apartments	57,603,990	5	0.49%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	0.00%
Totals		\$ 875,760,334		7.42%	\$ 802,160,650		6.80%	\$ 812,211,823		7.06%	\$ 791,040,146		7.06%	\$ 719,058,234		7.06%

Note: This data was not presented prior to changes in the reporting requirements in 2006. Data being built as years post implementation are completed.

Source: Pitt County Tax Assessor

Table 8

Pitt County
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Collected within the Fiscal Year of the Levy										Total Percentage Collected	
		Adjustments		Total Adjusted Levy	Total Amount Collected		Percentage of Original Levy		Percentage of Adjusted Levy		Collections for Prior Years		Total Amount Collected
2007	\$ 62,756,579	\$ 1,580,524	\$ 64,337,103	\$ 60,454,677	96.33%	93.97%	\$ 2,301,902	\$ 62,756,579	100.00%				
2008	70,118,338	713,268	70,831,606	67,321,263	96.01%	95.04%	1,838,681	69,159,944	98.63%				
2009	77,210,700	(68,103)	77,142,597	73,335,531	94.98%	95.06%	2,116,311	75,451,842	97.72%				
2010	76,839,094	67,981	76,907,075	73,447,355	95.59%	95.50%	2,202,767	75,650,122	98.45%				
2011	77,149,471	(1,265,750)	75,883,721	72,098,919	93.45%	95.01%	2,341,016	74,439,935	96.49%				
2012	78,720,265	(282,444)	78,437,821	74,447,693	94.57%	94.91%	2,615,285	77,062,978	97.89%				
2013	77,910,953	(685,609)	77,225,344	73,415,329	94.23%	95.07%	2,116,475	75,531,804	96.95%				
2014	81,273,137	(437,679)	80,835,458	78,657,337	96.78%	97.31%	2,018,752	80,676,089	99.27%				
2015	80,239,327	(610,817)	79,628,510	77,964,973	97.17%	97.91%	1,668,821	79,633,794	99.25%				
2016	82,109,809	93,722	82,203,531	80,665,237	98.24%	98.13%	1,099,227	81,764,464	99.58%				

Note: The presentation of this schedule includes data from the county-wide property tax levy only. Levy pertaining to the Industrial Development Commission (component unit) is reported in the original levy but reflected separately in the Financial Statements.

Source: Annual audited financial reports of this entity and the entity's Tax Assessor and Tax Collector.

Pitt County
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Table 9

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	Per Capita	Percentage of Personal Income
	General		Notes Payable			General		Revenue Bonds		Installment Loans			
	Obligation Bonds	COPs	LOBs	QSCBs	Notes Payable	Obligation Bonds	Revenue Bonds						
2007	\$ 3,295,000	\$ 116,115,000	\$ -	\$ -	\$ 4,496,096	\$ 800,000	\$ -	\$ -	-	\$ 124,706,096	\$ 852	2.75%	
2008	2,340,000	130,195,000	-	-	5,133,440	600,000	-	-	-	138,268,440	910	2.77%	
2009	1,080,000	123,645,000	-	-	4,866,253	400,000	-	-	-	129,991,253	835	2.47%	
2010	-	151,335,000	-	-	-	200,000	-	-	-	155,481,052	980	2.88%	
2011	-	105,330,000	-	59,835,000	5,952,500	-	-	-	-	175,071,449	1,034	3.12%	
2012	-	98,860,000	-	57,450,000	5,602,353	-	-	-	-	170,603,698	1,002	2.77%	
2013	-	92,715,000	-	54,705,000	5,252,206	-	-	-	-	164,434,128	953	2.76%	
2014	-	86,225,000	-	51,965,000	4,902,059	-	-	-	-	156,181,099	898	2.52%	
2015	-	43,210,000	-	84,365,000	4,551,912	-	-	-	-	144,266,996	827	2.21%	
2016	19,250,000	37,875,000	-	80,310,000	4,201,765	-	-	-	-	152,324,626	868	N/A	

Source: Audited financial reports of this entity.

Pitt County
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Table 10

Fiscal Year	General Bonded Debt Outstanding			Percentage of Personal Income(1)	Percentage of Actual Taxable Value of Property(2)	Per Capita(1)
	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total			
2007	4,095,000	-	4,095,000	0.09%	0.0446%	\$ 28
2008	2,940,000	-	2,940,000	0.06%	0.0290%	19
2009	1,480,000	-	1,480,000	0.03%	0.0125%	10
2010	200,000	-	200,000	0.00%	0.0017%	1
2011	-	-	-	0.00%	0.0000%	-
2012	-	-	-	0.00%	0.0000%	-
2013	-	-	-	0.00%	0.0000%	-
2014	-	-	-	0.00%	0.0000%	-
2015	-	-	-	0.00%	0.0000%	-
2016	19,250,000	-	19,250,000	N/A	0.0000%	-

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

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

(2) See Schedule 5 for property value data.

Source: Audited financial reports of this entity.

Table 11

Pitt County
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed Value of Property	\$ 9,188,593	\$ 10,127,180	\$ 11,796,580	\$ 11,926,550	\$ 11,803,079	\$ 11,749,829	\$ 11,483,990	\$ 11,951,288	\$ 11,798,990	\$ 12,075,110
Debt Limit, 8% of Assessed Value (Statutory Limitation)	735,087	810,174	943,726	954,124	944,246	939,986	918,719	956,103	943,919	966,009
Amount of Debt Applicable to Limit										
Gross debt	124,706	138,268	129,991	155,481	175,071	170,604	164,434	156,181	144,267	152,325
Less: Amount available for repayment of general obligation bonds	-	-	-	-	-	-	-	-	-	-
Debt outstanding serviced by Enterprise Fund (solid waste)	800	600	400	200	-	-	-	-	-	-
Revenue bonds	116,115	130,195	123,645	151,335	105,330	98,860	92,715	86,225	43,210	37,875
Total net debt applicable to limit	7,791	7,473	5,946	3,946	69,741	71,744	71,719	69,956	101,057	114,450
Legal Debt Margin	\$ 727,296	\$ 802,701	\$ 937,780	\$ 950,178	\$ 874,505	\$ 868,243	\$ 847,000	\$ 886,147	\$ 842,862	\$ 851,559
Total net debt applicable to the limit as a percentage of debt limit	1.06%	0.92%	0.63%	0.41%	7.39%	7.63%	7.81%	7.32%	10.71%	11.85%

Source: Annual audited financial reports of this entity.

Pitt County

Direct and Overlapping Governmental Activities Debt
As of June 30, 2016

Table 12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
CITY OF GREENVILLE	\$ 12,505,000	100.00%	\$ 12,505,000
TOWN OF AYDEN	\$ -	100.00%	\$ -
TOWN OF BETHEL	\$ 1,143,000	100.00%	\$ 1,143,000
TOWN OF FARMVILLE	\$ -	100.00%	\$ -
TOWN OF FOUNTAIN	\$ 16,000	100.00%	\$ 16,000
TOWN OF GRIFTON	\$ 1,463,000	100.00%	\$ 1,463,000
TOWN OF GRIMESLAND	\$ 234,500	100.00%	\$ 234,500
TOWN OF WINTERVILLE	\$ -	100.00%	\$ -
CONTENTNEA METROPOLITAN SEWAGE DISTRICT (1)	\$ -	0.00%	\$ -
General Obligation Debt			19,250,000
Certificates of Participation			37,875,000
Limited Obligation Bonds			80,310,000
Notes Payable			10,687,861
Qualified School Construction Bonds			4,201,765
Total direct debt			\$ 152,324,626
Total overlapping debt			15,361,500
Total direct and overlapping debt			\$ 167,686,126

Note: (1) Debt Obligations of the Contentnea Metropolitan Sewage District are paid from revenues of the system; therefore, no taxes are being levied for the payment thereof.

(2) Overlapping is defined as debt that is financed via a tax levied on the same asset - in this case, real and personal property base value subject to taxation by each municipal unit.

(3) Total overlapping debt is the total of estimated share of debt outstanding for all governmental units.

Source: Local Government Commission

Pitt County
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 13

<u>Year</u>	<u>Population(1)</u>	<u>Personal Income (2) (thousands of dollars)</u>	<u>Per Capita Personal Income (2)</u>	<u>Public School Enrollment(3)</u>	<u>Unemployment Rate(4)</u>
2007	\$ 146,398	\$ 4,535,996	\$ 30,984	\$ 22,498	5.1%
2008	151,996	4,996,717	32,874	22,994	6.6%
2009	155,607	5,263,078	33,089	23,235	10.3%
2010	158,575	5,400,169	32,001	22,886	10.1%
2011	169,378	5,620,218	32,841	23,240	10.8%
2012	170,263	6,167,597	35,743	23,300	9.6%
2013	172,569	5,965,589	34,216	23,495	6.5%
2014	173,938	6,209,314	35,410	23,852	6.3%
2015	174,424	6,513,624	37,042	23,348	*
2016	175,532	*	*	23,600	*

* Information not yet available.

Notes:

- (1) Provided by the North Carolina Office of State Budget and Management.
- (2) Bureau of Economic Analysis, U. S. Department of Commerce. Figures are for the prior calendar year.
- (3) Provided by Pitt County Board of Education.
- (4) N.C. Employment Security Commission. Annual Average for prior calendar year.

**Pitt County
Principal Employers
Current Year and Nine Years Ago**

Employer	2015-2016 (1)			2006-2007 (2)		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Vidant Medical Center	6,560	1	7.44%	6,297	1	4.40%
East Carolina University	5,750	2	6.52%	4,936	2	3.45%
Pitt County Schools	3,650	3	4.14%	2,940	3	2.05%
NACCO	1,173	4	1.33%	1,200	4	0.84%
City of Greenville	1,132	5	1.28%	704	9	0.49%
Pitt Community College	1,100	6	1.25%	850	8	0.59%
Patheon, Inc	1,040	7	1.18%			
County of Pitt	901	8	1.02%	865	6	0.60%
Alliance One	850	9	0.96%	850	7	0.50%
ASMO	624	10	0.71%	535	10	0.37%
DSM Pharmaceuticals				1,200	5	0.84%

Source: (1) Pitt County Industrial Development Commission - most current year available.
(2) 2007 CAFR Financial Services Department.

Pitt County
Full-Time Equivalent County Government Employees by Function,
Last Ten Fiscal Years

Table 15

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government	142.50	142.00	144.00	143.50	138.00	128.60	123.00	123.00	122.00	121.50
Public safety	321.50	326.56	372.00	399.75	426.50	383.50	382.50	389.00	393.25	406.38
Social services	225.00	227.00	232.00	234.00	229.00	233.30	226.30	258.00	259.00	271.50
Economic and physical dev	18.60	18.60	19.10	21.35	20.35	39.35	30.60	30.60	24.35	23.98
Environmental protection	21.00	21.50	21.50	21.75	21.75	22.25	25.25	26.25	26.25	27.00
Health	124.60	129.10	131.90	137.90	138.90	130.55	120.65	119.65	121.65	125.40
Mental Health	21.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Veteran's Services	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00
Total	876.45	866.76	922.50	960.25	976.50	939.55	910.30	948.50	949.50	978.75

Source: County Financial Services Department

Note: This schedule represents the number of persons employed as of June 30 of each year.
Full-time personnel work 2,080 hours per year (less vacation and sick leave).

Pitt County
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	
Governmental Activities:										
General Government										
Number of registered voters	96,416	102,049	103,700	104,079	106,801	113,251	115,842	112,202	116,032	
Number of marriage licenses issued	1,222	1,131	1,098	1,123	1,158	1,200	1,191	1,160	1,112	
Public Safety										
Number of 911 dispatch/calls	35,843	36,695	36,630	85,584	83,657	82,286	83,828	85,273	91,447	
Number of law violations	26,505	26,212	28,181	29,578	32,077	34,187	29,255	29,952	29,756	
Environmental Protection										
Technical assistance provided to agricultural customers	371	428	367	400	302	306	353	350	414	
Economic and Physical Development										
Number of commercial permits issued	61	32	65	29	21	18	19	17	9	
Number of residential permits issued	1,299	508	570	115	107	282	106	138	66	
Human Services										
Households that received assistance with energy bills	2,880	3,848	4,211	4,338	3,755	1,222	1,745	2,573	3,818	
Medicaid clients receiving transportation assistance	2,242	2,272	2,309	3,851	1,599	1,448	1,045	1,691	1,797	
Number of child support collection cases	9,679	7,944	8,087	7,462	7,539	7,503	7,560	7,708	7,910	
Average number of Public Health WIC cases	4,598	4,811	4,881	4,785	4,887	4,635	4,385	4,417	4,525	
Restaurant/Lodging inspections, consults, and permitting activities	8,929	10,801	9,592	8,567	8,591	9,554	9,277	9,753	8,639	
Culture and Recreation										
Total circulation for library system	460,478	460,478	486,559	475,126	507,522	502,322	492,143	477,403	477,647	
Education										
Public school student enrollment K-12	22,994	23,235	22,886	23,240	23,300	23,495	23,852	23,348	23,600	
Business-Type Activities:										
Solid Waste & Recycling										
Tons of garbage processed	135,530	126,000	140,000	152,556	205,708	155,674	177,120	172,589	153,246	
Tons of recycled material	36,000	36,000	36,000	54,872	75,908	46,597	44,980	53,883	44,758	

**Pitt County
Capital Asset Statistics by Function
Last Ten Fiscal Years**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities:										
General Government										
Buildings	5	5	5	15	15	15	15	15	15	15
Vehicles	35	30	30	42	49	55	55	58	58	57
Public Safety										
Buildings	3	3	3	4	4	4	4	4	4	4
Vehicles	181	175	183	193	201	210	211	222	214	212
Environmental Protection										
Buildings	0	0	0	1	1	1	1	1	1	1
Vehicles	3	7	7	7	6	6	6	6	10	10
Economic and Physical Development										
Buildings	0	0	0	3	3	3	3	3	3	3
Vehicles	7	11	12	7	8	9	9	8	11	11
Human Services										
Buildings	5	5	5	3	3	3	3	3	3	3
Vehicles	73	67	72	70	70	69	69	73	71	69
Culture and Recreation										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	0	0	0	0	0	0	0	0	0	0
Education										
Buildings	7	8	8	8	5	5	5	5	5	5
Vehicles	0	0	0	0	0	0	0	0	0	0
Business-Type Activities:										
Solid Waste & Recycling										
Buildings	2	2	2	4	5	5	5	5	5	5
Vehicles	14	16	16	14	19	20	20	21	16	20

Source: Records within the Pitt County Financial Services Department.