



Comprehensive Annual Financial Report

Year Ended June 30, 2017



Pitt County Court House

CAFR



PITT COUNTY
NORTH CAROLINA
Comprehensive Annual
Financial Report

For Year Ended June 30, 2017

Prepared By:
Pitt County Financial Services

Chris McDaniel

Interim Finance Director – Financial Services

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PITT COUNTY, NORTH CAROLINA

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I. INTRODUCTORY SECTION

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- 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 11, 2017

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, 2017. 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, 2017 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.

This independent audit was part of a federally mandated "Single Audit" designed to meet the legal requirements of federal grantor agencies. The auditors not only have to report on the fair presentation of the financial statements, but also on the government's internal controls. Results of the "Single Audit" disclosed no material internal control weaknesses or material violations of laws and regulations relative to its major federal programs. Information related to this single audit, including the "Schedule of Expenditures of Federal and State Awards", findings, recommendations, and applicable laws and regulations, are detailed in the separate report issued for Compliance.

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 \$1,887,053 increase in current expense funding to the Board of Education over the prior year with a total appropriation of \$39,213,340. Of that amount, \$38,213,340 was appropriated for current expense while \$1,000,000 was appropriated for capital expense. The Board had been annually appropriating \$750,000 for pay-as-you-go Category I, II and III capital needs, but that was increased by \$250,000. Pitt Community College's current expense appropriation for operations was increased by 5.46% to \$5,795,626. The Community College's annual appropriation for capital needs was increased to \$100,000 from \$75,000.

Public Safety. The Sheriff's budget increased by 5.39% as compared to the FY 2015-2016 budget. This increase allowed for 5.00 FTE additional positions, continuation of the certification incentive pay program and continuation of holiday pay (in lieu of banking compensatory time) for all law enforcement personnel who work during a paid holiday.

Limited Obligation Bonds. In July 2016, the County issued a total of \$17,795,000 in Limited Obligation Bonds for various capital, capital maintenance and facility renovation projects. In November 2016, the County issued a total of \$36,095,000 in Limited Obligation Bonds to partially refund Series 2009 LOB School Projects, Series 2010A LOB Pitt Community College Projects and to fund new projects including a Construction & Demolition Recycling Facility and Everett Building Renovations. In January 2017, the County issued \$13,515,000 to advance refund the Series 2007 LOB issued for the construction of a new school and completion of four school additions.

Personnel. A recommended market adjustment of 1.4% was implemented effective July 1, 2016. The County continued the pay-for-performance system that has been in place for more than 17 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.

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, 2016. This was the twenty-seventh (27th) 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, 2017. This marks the twenty-first (21st) 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 2017-2018 budget document to GFOA to determine its eligibility for another Certificate of Achievement.

Finally, the County published its Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2016 and was awarded its second GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting.

Acknowledgements

Thanks are given 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,



Chris McDaniel
Interim Finance Director



D. Scott Elliott
County Manager



COMMUNITY PROFILE

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



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(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 (\$0.696 per \$100 valuation for fiscal year 2017-18) 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,



COMMUNITY PROFILE

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, Hyster-Yale, 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.

Top 10 Major County Employers

Major Non-Manufacturing Employers	Product	Established	# of Employees
Vidant Medical Center	Health Care	1951	6,560
East Carolina University	Education	1907	5,750
Pitt County Public Schools	Education	1885	3,650
City of Greenville	Government	1956	1,132
Pitt Community College	Education	1961	1,100
County of Pitt	Government	1760	989
Walmart*	Department Store	1989/2013	795
Physicians East	Health Care	1965	615
Convergys	Customer Service Center	1999	530
Greenville Utilities Commission	Public Utilities	1905	456

*Two separate locations in the County

Major Manufacturing Employers	Product	Established	# of Employees
Hyster-Yale	Lift Trucks	1974	1,173
Patheon, Inc.	Pharmaceuticals	2000	1,040
Alliance One International	Tobacco Processing	1907	850
ASMO Greenville of North Carolina	Small Electric Motors	1995	624
Mayne Pharma, Inc.	Pharmaceuticals	1994	513
TRC, Inc. (The Roberts Company)	Metal Fabrication	1978	485
DSM Dyneema, LLC	Chemicals	2001	330
Attends Healthcare Products	Paper Products	1999	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	2015 Estimated	Growth Amount	Percent Growth	Percent of Total 2014 County Population
Pitt County	168,148	175,532	7,384	4.4%	
Municipalities in Pitt County					
Ayden	4,932	5,007	75	1.52%	2.85%
Bethel	1,577	1,570	-7	-0.44%	0.89%
Falkland	96	96	0	0%	0.05%
Farmville	4,654	4,702	48	1.03%	2.68%
Fountain	427	429	2	0.47%	0.24%
Greenville	84,554	87,960	3,406	4.03%	50.11%
Grifton	2,431	2,473	42	1.73%	1.41%
Grimesland	441	449	8	1.81%	0.26%
Simpson	416	414	-2	-0.48%	0.24%
Winterville	9,269	9,389	120	1.29%	5.35%

Source: NC Office of State and Budget Management July 2015 Municipal Estimates by County

HURRICANE MATTHEW

Hurricane Matthew passed through Pitt County on the night of October 8, 2016, causing flash flooding that necessitated the rescue of nearly 100 people in approximately 40 incidents. Several days later on October 14th, the Tar River crested at 24.5' (third highest on record) causing flooding to the Pitt-Greenville Airport and several roads throughout the County. Pitt County Planning and Inspections Departments' damage assessment deemed 55 structures as having sustained significant damage and 160 structures had minor damage. Two deaths in the County were attributed to the storm. The Planning Department is working to secure Hazard Mitigation funding for acquisition (buyout) of those flooded structures which sustained major flooding.

Hurricane Matthew by the Numbers

- o Tar River Crest Height – 24.5'
- o Pitt County Total Rainfall – 10.7"
- o Total Damage Assessments – 650
- o Significantly Damaged Structures – 55
- o Minor Damaged Structures – 160
- o Pitt County Roads Closed - 70



COMMUNITY PROFILE

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 2016 graduating class was offered \$25,887,690 in scholarships, the highest ever for the district. The system expects to serve in excess of 23,800 students in the 2017-18 school year.

The Pitt County School Administrative Unit consists of a nine member governing Board of Education. It is made up of nine 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 Pitt County Schools Early College High School

Other: Pitt County Pre-Kindergarten



COMMUNITY PROFILE

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 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.



COMMUNITY PROFILE

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. East Carolina's Graduate School enrolls over 5,000 students in more than 75 graduate programs.

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.



East Carolina University 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.





COMMUNITY PROFILE

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 Hyster-Yale. 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.



COMMUNITY PROFILE

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 & Hertford 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.



COMMUNITY PROFILE

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 2017-18, 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.

April 2017 marked the 100th Year Anniversary of Pitt County's Health Department. The county commemorated its anniversary in combination with National Public Health week. The celebration week kicked off with the 25th annual "Making Pitt's Babies Fit" Maternity Fair. A community panel event, "Pitt County Responds to the County Health Rankings" was held during the week with guest speakers from Access East, Pitt County Health Department, East Carolina University, Pitt Partners for Health, Vidant Health and Vidant Medical Center. The celebration week ended with a Community Reception commemorating the 100th Year Anniversary of protecting, promoting and assuring the health of all people in the community.



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.



COMMUNITY PROFILE

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.

Leo W. Jenkins 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.



COMMUNITY PROFILE

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



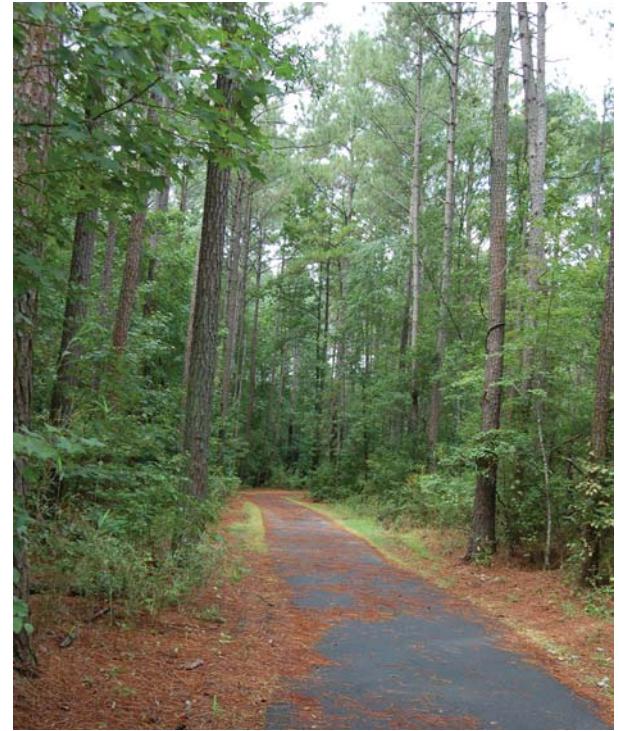
The East Carolina Heart Institute opened in January 2009 as a partnership with Vidant and ECU along with cardiovascular experts in private practice, academic medicine and research. It is the first institute in NC devoted exclusively to education, research, treatment and prevention in cardiovascular diseases.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



COMMUNITY PROFILE

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.





STATISTICAL INFORMATION

Government

Date of Incorporation	1760
Form of Government	Commission-Manager
County Seat	Greenville, NC
Number of County Employees	989

Area Statistics

Population (July 2016 Estimated, NC Assoc. of County Commissioners Budget & Tax Survey)	176,269
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	0.696

Climate

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

Economic Indicators

Population Increase (2000-2016)	32.5%
Employment Increase (2000-2010)	13.2%
Unemployment (2017)	5.0%
Median Family Income (2014)	\$56,239
Retail Sales (Fiscal Year Ended June 2016)	2.146 billion
Retail Sales Increase (Fiscal Year 2015 over Fiscal Year 2014)	6.0%
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
2015 Estimated Population (NC Office of State Budget & Management)	175,532
2020 Projected Total Population (NC Office of State Budget & Management)	179,437



STATISTICAL INFORMATION

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

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)	480,027
Number of Books (Sheppard System Only)	236,511
Parks	55
Park Acreage	1,053
Golf Courses - Public & Private	6
Swimming Pools	12
Tennis Courts	44



STATISTICAL INFORMATION

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)	856
Fire & EMS Calls Dispatched (Both Municipal & Non-Municipal)	43,500
Number of Fire Inspections Conducted	419

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	150
Number of Personnel and Officers - Detention	175
Number of Patrol Units (Deputies)	44
Number of Calls for Service (FY 2016-2017)	30,507

Sources of Information

- Pitt County Government Departments
- 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 for Excellence in Financial Reporting

Presented to

**County of Pitt
North Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

A handwritten signature in black ink that reads "Jeffrey P. Evans". The signature is fluid and cursive, with "Jeffrey" on the top line and "P. Evans" on the bottom line.

Executive Director/CEO

PITT COUNTY, NORTH CAROLINA

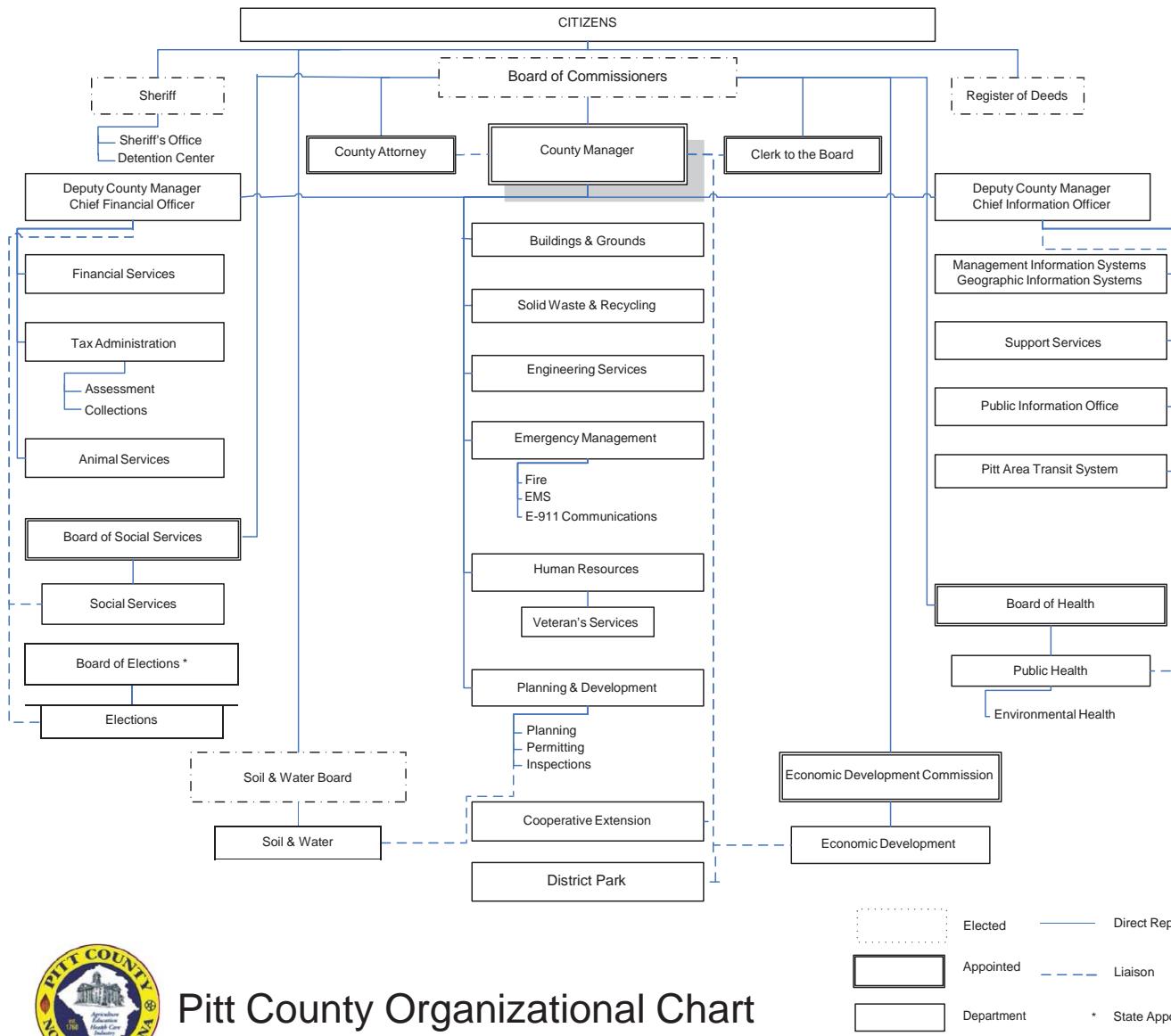
LIST OF PRINCIPAL OFFICIALS **For Year Ended June 30, 2017**

BOARD OF COUNTY COMMISSIONERS

MELVIN C. MCLAWHORN	Chair
MARK W. OWENS, JR.	Vice-Chair
TOM COULSON	
CHARLES FARLEY	
JIMMY GARRIS	
ANN FLOYD HUGGINS	
MARY PERKINS-WILLIAMS	
BETH B. WARD	
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



Pitt County Appointed Boards & Committees

Jointly Appointed Boards	County Appointed Boards & Committees	Jointly Appointed Boards
City & County		State & County
<ul style="list-style-type: none"> ➤ Convention & Visitors Authority ➤ Pitt-Greenville Airport Authority ➤ Sheppard Memorial Library ➤ Ayden Planning Board ➤ Bethel Board of Adjustment ➤ Bethel Planning & Zoning Board ➤ East Carolina Village of Yesteryear ➤ Farmville Planning & Zoning ➤ Greenville Board of Adjustment ➤ Greenville Planning & Zoning Commission ➤ Greenville Utilities Commission ➤ Grifton Planning & Zoning Board ➤ Grimesland Board of Adjustment ➤ Grimesland Planning Board ➤ Simpson Planning Board ➤ Winterville Board of Adjustment ➤ Winterville Planning & Zoning Board 	<ul style="list-style-type: none"> ➤ Animal Services Advisory ➤ PC Board of Adjustment ➤ Board of Equalization & Review ➤ Pitt County Farm & Food Council ➤ Committee for Employment of People with Disabilities ➤ EMS Oversight Committee ➤ Industrial Revenue & Pollution Control Authority ➤ Juvenile Criminal Prevention Council (JCPC) ➤ Local Firemen's Relief Fund Board ➤ Nursing Home/Advisory Adult Care Community Advisory 	<ul style="list-style-type: none"> ➤ PC Child Fatality Prevention Team ➤ Pitt Area Transit System (PATS) Advisory Board ➤ Pitt Regional Infrastructure Development Effort (PRIDE) ➤ PC Planning Board ➤ Trillium Health Resources (ECBH – Local Mgmt Entity) ➤ Agricultural Advisory Board ➤ Board of Health ➤ Development Commission ➤ Domestic Violence Fatality Review Team ➤ Farmer's Market Policy Committee ➤ Fire District Commission ➤ Home & Community Care Block Grant Committee

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



COUNTY OF PITTSBURGH

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 2017-18

- 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 – Schedule of Changes in Total Pension Liability, Law Enforcement Officer's Special Separation Allowance – Schedule of Changes in Total Pension Liability as a Percentage of Covered Payroll, Other Post-Employment Benefits – Required Supplementary Information, Local Government Employees' Retirement System - Proportionate Share of Net Pension Liability (Asset), Local Government Employees' Retirement System - Schedule of County Contributions, Register of Deed's Supplemental Pension Fund Proportionate Share of Net Pension Liability (Asset), and Register of Deed's Supplemental Pension Fund - Schedule of County Contributions
- 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, 2017 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, 13% percent, and 9% 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, 2017, 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.

Change in Accounting Principle

As discussed in Note 22 to the financial statements, for fiscal year ended June 30, 2017 the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, the 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 (Asset) and County Contributions, and the Registers of Deeds' Supplemental Pension Fund Schedules of the County's Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions, and 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 issued our report dated December 11, 2017, 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 solely 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 effectiveness of Pitt County's 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.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
December 11, 2017

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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, 2017. 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 \$38,888,365.
- As of the close of the current fiscal year, Pitt County's General Fund reported an ending total fund balance of \$37,213,683, decrease of \$3,903,655 in comparison with the prior year. The majority of the decrease was attributable to the increase in fund balance appropriated to balance the operating budget. The fund balance appropriated includes a one-time appropriation of \$681,000 for the Backup PSAP system for 911 as well as funding for several other capital items. 57.18% of this total amount, \$21,277,707 (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 is 18.10%, decrease from the prior fiscal year-end fund balance percentage of 21.36%.
- The tax rate increased to 68.60 cents per \$100 of valuation. The proceeds are split: 67.90 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
Moody's	Aa1
- The County maintained its COPs ratings:

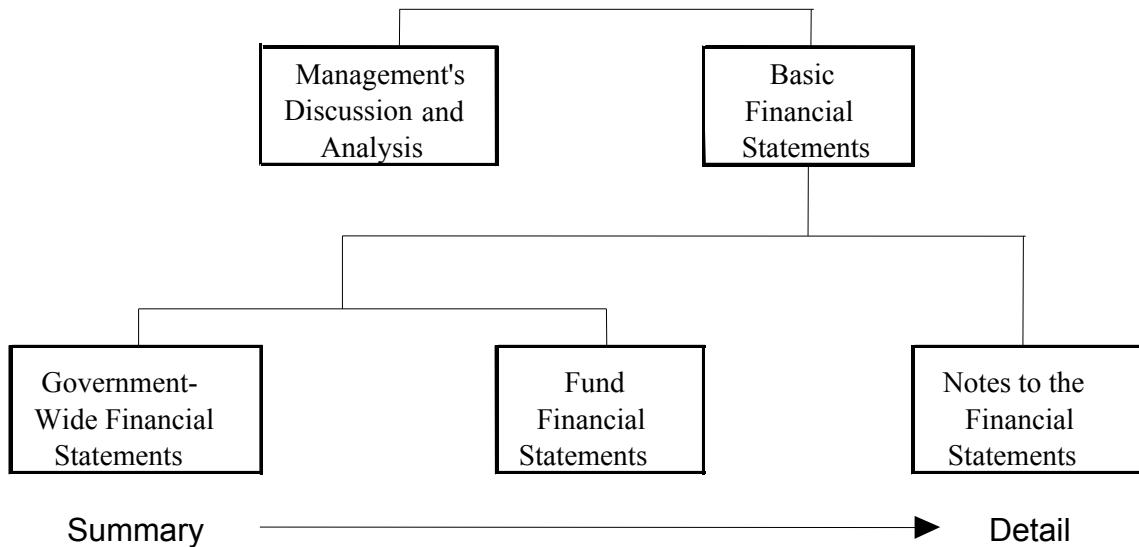
Fitch	AA
Standard & Poor's	AA-
Moody's	Aa2

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, Sheriff, and Other Agency Funds, Tax Collections Held for Municipalities Agency Fund, and the Flexible Benefit Plan Agency 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 103 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 \$38,888,365 at the close of the most recent fiscal year.

Pitt County's Net Position
Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 88,330,468	\$ 82,105,858	\$ 3,215,458	\$ 3,791,214	\$ 91,545,926	\$ 85,897,072
Capital assets: non-depreciable	22,020,551	35,177,317	708,669	708,669	22,729,220	35,885,986
Capital assets, net	128,692,473	106,831,551	3,461,940	3,478,425	132,154,413	110,309,976
Net pension asset	265,835	338,042	-	-	265,835	338,042
Investment in joint venture	23,290,694	22,774,772	-	-	23,290,694	22,774,772
Total assets	262,600,021	247,227,540	7,386,067	7,978,308	269,986,088	255,205,848
Deferred outflows of resources	19,797,255	5,578,789	384,094	86,626	20,181,349	5,665,415
Long-term liabilities outstanding	219,568,594	182,448,596	1,148,925	835,054	220,717,519	183,283,650
Other liabilities	22,779,707	19,845,337	633,228	596,674	23,412,935	20,442,011
Total liabilities	242,348,301	202,293,933	1,782,153	1,431,728	244,130,454	203,725,661
Deferred inflows of resources	1,160,610	2,048,301	19,815	54,066	1,180,425	2,102,367
Net position:						
Net investment in capital assets	82,314,633	17,210,123	4,170,609	4,187,094	86,485,242	21,397,217
Restricted	15,971,134	16,678,816	-	-	15,971,134	16,678,816
Unrestricted	(59,397,402)	14,575,156	1,797,584	2,392,046	(57,599,818)	16,967,202
Total net position	\$ 38,888,365	\$ 48,464,095	\$ 5,968,193	\$ 6,579,140	\$ 44,856,558	\$ 55,043,235

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, 2017 was \$86,485,242. Approximately 35.6% of Pitt County's net position represents resources that are subject to external restriction on how they may be used, with \$12,108,023 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	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 18,560,893	\$ 18,534,604	\$ 9,070,222	\$ 8,764,954	\$ 27,631,115	\$ 27,299,558
Operating grants and contributions	31,228,541	29,136,211	34,620	16,811	31,263,161	29,153,022
Capital grants and contributions	5,369,346	2,838,816	-	-	5,369,346	2,838,816
General revenues:						
General revenues:						
Property taxes	90,552,468	86,795,644	-	-	90,552,468	86,795,644
Local option sales tax	30,412,717	28,843,710	-	-	30,412,717	28,843,710
Payment in lieu of taxes						
and other taxes	2,264,174	2,220,733	-	-	2,264,174	2,220,733
Interest revenue	985,633	2,013,878	43,652	44,598	1,029,285	2,058,476
Total revenues	<u>179,373,772</u>	<u>170,383,596</u>	<u>9,148,494</u>	<u>8,826,363</u>	<u>188,522,266</u>	<u>179,209,959</u>
Expenses:						
General government	13,681,634	15,016,731	-	-	13,681,634	15,016,731
Public safety	48,042,994	42,525,254	-	-	48,042,994	42,525,254
Environmental protection	282,750	285,467	-	-	282,750	285,467
Economic and physical development	16,552,198	54,011	-	-	16,552,198	54,011
Human services	47,835,102	44,531,856	-	-	47,835,102	44,531,856
Cultural and recreation	822,133	664,949	-	-	822,133	664,949
Education	53,841,094	49,421,608	-	-	53,841,094	49,421,608
Interest on long-term debt	4,915,136	6,444,049	-	-	4,915,136	6,444,049
Landfill	-	-	9,626,750	8,239,791	9,626,750	8,239,791
Total expenses	<u>185,973,041</u>	<u>158,943,925</u>	<u>9,626,750</u>	<u>8,239,791</u>	<u>195,599,791</u>	<u>167,183,716</u>
Change in net position before transfers	(6,599,269)	11,439,671	(478,256)	586,572	(7,077,525)	12,026,243
Transfers	<u>132,691</u>	<u>102,980</u>	<u>(132,691)</u>	<u>(102,980)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>(6,466,578)</u>	<u>11,542,651</u>	<u>(610,947)</u>	<u>483,592</u>	<u>(7,077,525)</u>	<u>12,026,243</u>
Net position, beginning, previously reported	48,464,095	36,630,204	6,579,140	6,095,548	55,043,235	42,725,752
Restatement	(3,109,152)	291,240	-	-	(3,109,152)	291,240
Net position, beginning, restated	<u>45,354,943</u>	<u>36,921,444</u>	<u>6,579,140</u>	<u>6,095,548</u>	<u>51,934,083</u>	<u>88,855,527</u>
Net position, ending	<u>\$ 38,888,365</u>	<u>\$ 48,464,095</u>	<u>\$ 5,968,193</u>	<u>\$ 6,579,140</u>	<u>\$ 44,856,558</u>	<u>\$ 55,043,235</u>

Governmental Activities. The net position for governmental activities decreased by \$6,466,578. Of total net position, governmental activities accounted for \$38,888,365 (86.69%). The decrease is a result of law enforcement compensation level increases and changes from debt issuances and refinancing costs.

Business-Type Activities. Business-type activities decreased Pitt County's net position by \$610,947. Of total net position, business-type activities accounted for \$5,968,193 (13.31%). Disposal Fees for municipal solid waste was over budget by \$502,012 due to increase in waste received caused by economic rebound in FY 2017.

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 \$27,698,706, while total fund balance was \$37,213,683. The County currently has an available fund balance of 18.1% of General Fund expenditures and transfers, while total fund balance represents 24.3% of that same amount.

As of the end of the current fiscal year, Pitt County's governmental funds reported combined ending fund balances of \$78,798,997, an increase of \$4,426,456 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

	General		Other Governmental Funds		Total Governmental Funds	
	2017	2016	2017	2016	2017	2016
Fund balance	\$ 37,213,683	\$ 41,117,338	\$ 41,585,314	\$ 33,255,203	\$ 78,798,997	\$ 74,372,541

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, 2017, this fund had an ending balance of \$5,693,737, as compared to \$4,572,202 at June 30, 2016. The majority of the difference \$1,121,535 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 \$1,797,584, decrease of \$610,947 from the prior year. Total Net Position at year-end decreased to \$5,968,193 from the prior year at \$6,579,140 for the year ended June 30, 2017. Revenues in the Solid Waste Fund were collected at a rate of 99.3% of budget, while expenses reflected 104.5% 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, 2017 of \$962,563, as compared to \$1,150,648 at June 30, 2016. 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 \$667,655 throughout the year, while the expenditure budget increased by \$753,445. Other financing sources (uses) provided balancing entries to ensure that the County maintained a statutorily required balanced budget ordinance. In total, the County collected 101.1% of the General Fund's final budgeted revenues, but only spent 97.1% 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, 2017 totaled \$132,154,413 (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 \$22,729,220.

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, 2016	Additions	Retirements	Transfers	June 30, 2017
Non-Depreciable Assets:					
Land	\$ 3,271,712	\$ -	\$ -	\$ -	\$ 3,271,712
Construction in progress	31,905,605	11,434,237	- -	(24,591,003)	18,748,839
Total non-depreciable capital assets	<u>35,177,317</u>	<u>11,434,237</u>	<u>- -</u>	<u>(24,591,003)</u>	<u>22,020,551</u>
Depreciable Assets:					
Land improvements	1,228,927	- -	- -	- -	1,228,927
Buildings	140,993,378	197,700	- -	24,591,003	165,782,081
Furniture and equipment	9,483,537	1,135,367	(24,325)	- -	10,594,579
Vehicles	9,413,859	809,873	(185,048)	- -	10,038,684
Total depreciable capital assets	<u>161,119,701</u>	<u>2,142,940</u>	<u>(209,373)</u>	<u>24,591,003</u>	<u>187,644,271</u>
Subtotal	<u>196,297,018</u>	<u>13,577,177</u>	<u>(209,373)</u>	<u>- -</u>	<u>209,664,822</u>
Less Accumulated Depreciation:					
Land improvements	1,194,565	4,340	- -	- -	1,198,905
Buildings	41,862,588	3,277,709	- -	- -	45,140,297
Furniture and equipment	4,226,158	662,152	(2,431)	- -	4,885,879
Vehicles	7,004,839	897,573	(175,695)	- -	7,726,717
Total accumulated depreciation	<u>54,288,150</u>	<u>\$ 4,841,774</u>	<u>\$ (178,126)</u>	<u>\$ - -</u>	<u>\$ 58,951,798</u>
Depreciable capital assets, net	<u>106,831,551</u>				<u>128,692,473</u>
Governmental capital assets, net	<u><u>\$ 142,008,868</u></u>				<u><u>\$ 150,713,024</u></u>

Pitt County's Capital Assets – Business-Type Activities

(Net of Depreciation)

Figure 6

	Balance			Balance
	June 30, 2016	Additions	Retirements	June 30, 2017
Non-Depreciable Assets:				
Land and improvements	\$ 642,829	\$ -	\$ -	\$ 642,829
Construction in progress	<u>65,840</u>	<u>-</u>	<u>-</u>	<u>65,840</u>
Total non-depreciable capital assets	<u>708,669</u>	<u>-</u>	<u>-</u>	<u>708,669</u>
Depreciable Assets:				
Land improvements	302,238	-	-	302,238
Buildings and improvements	2,641,187	-	-	2,641,187
Furniture and equipment	3,380,137	167,722	-	3,547,859
Vehicles	<u>1,286,021</u>	<u>184,035</u>	<u>(49,222)</u>	<u>1,420,834</u>
Total depreciable capital assets	<u>7,609,583</u>	<u>351,757</u>	<u>(49,222)</u>	<u>7,912,118</u>
Less Accumulated Depreciation:				
Land improvements	93,594	10,692	-	104,286
Buildings and improvements	1,456,491	58,259	-	1,514,750
Furniture and equipment	1,748,355	221,393	-	1,969,748
Vehicles	<u>832,718</u>	<u>77,898</u>	<u>(49,222)</u>	<u>861,394</u>
Total accumulated depreciation	<u>4,131,158</u>	<u>\$ 368,242</u>	<u>\$ (49,222)</u>	<u>4,450,178</u>
Depreciable capital assets, net	<u>3,478,425</u>			<u>3,461,940</u>
Proprietary capital assets, net	<u>\$ 4,187,094</u>			<u>\$ 4,170,609</u>

Long-Term Debt. At June 30, 2017, the County had net debt outstanding in the amount of \$163,798,270 with \$17,590,000 in Certificates of Participation. At the end of the current fiscal year, Pitt County had general obligation bonds of \$18,235,000 bonded debt outstanding that is backed by the full faith and credit of the County.

The County's legal debt limit totaled approximately \$988,178,300; therefore, the County had a legal debt margin of approximately \$824,380,030. 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 \$11,473,644 from the June 30, 2016 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 2017 was 5.0%. This is higher than the State of North Carolina's June 2017 unemployment rate of 4.2%, it is slightly higher than the June 2016 rate of 4.9%.
- The labor force expanded 21%, and employment grew by 13.2% between 2000 and 2010.
- County population of 175,532 (2015 estimate per NC Office of State Budget & Management) – Region experienced an increase of 32.5% from 2000 – 2016
- The County continues to serve as the hub of eastern North Carolina in the healthcare, retail, entertainment and education sectors. 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 2016 retail sales being 6.0% higher than 2015.
- Continued period of moderate economic recovery as reflected in 2016 revaluation assessed value increase of 3.31%.

Budget Highlights for Fiscal Year 2017-2018

The total budget for FY 2017-18 will total \$245,977,633, which represents an increase of 3.70% when compared to the 2016-17 budget. General Fund, the County's main control fund, is projected at \$174,597,558 or a 3.80% increase from the current year.

The adopted tax rate to support the budget will be increased to \$0.696 cents per \$100 valuation. The distribution of these funds is \$0.689 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:

- Staffing Increases – The adopted budget will increase staff for public safety, human services and financial services by 13.50 FTE. Additionally, in an effort to adjust staff salaries to market, all County employees will be granted a market adjustment (COLA) of 2.0%. Law enforcement and detention center personnel will continue to be eligible for additional increases based on position reclassifications and certifications obtained.
- Education Funding Increases – The adopted budget will increase operating appropriations for both Pitt County schools and Pitt Community College. Pitt County schools operating funds will increase by \$757,467. Pitt Community College operating funds will increase by \$113,913.

Business-Type Activities. The Solid Waste and Recycling Fund operating budget is projected to decrease by more than 15% as compared to FY 2016-17 originally adopted budget. This significant decrease is due to the inclusion of \$1.8M for the construction of a new Construction & Demolition Recycling Facility in the Fiscal Year 2017 budget.

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.

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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, 2017

	Component Units				
	Primary Government			Industrial Development Commission	Pitt County ABC Board
	Governmental Activities	Business-Type Activities	Total		
Assets:					
Current assets:					
Cash and cash equivalents	\$ 56,418,372	\$ 2,440,825	\$ 58,859,197	\$ 2,861,428	\$ 2,197,618
Taxes receivable, net	563,044	-	563,044	2,882	-
Accounts receivable, net	1,408,443	774,633	2,183,076	-	-
Due from other governments	11,265,180	-	11,265,180	-	-
Inventories	-	-	-	-	1,665,004
Prepaid items	403,299	-	403,299	1,563	98,517
Cash and investments, restricted	18,272,130	-	18,272,130	1,009,080	60,866
Total current assets	<u>88,330,468</u>	<u>3,215,458</u>	<u>91,545,926</u>	<u>3,874,953</u>	<u>4,022,005</u>
Non-current assets:					
Capital assets:					
Capital assets, non-depreciable	22,020,551	708,669	22,729,220	-	1,047,038
Capital assets, net	<u>128,692,473</u>	<u>3,461,940</u>	<u>132,154,413</u>	<u>-</u>	<u>3,366,083</u>
Total capital assets	<u>150,713,024</u>	<u>4,170,609</u>	<u>154,883,633</u>	<u>-</u>	<u>4,413,121</u>
Net pension asset (ROD)	265,835	-	265,835	-	-
Investment in joint venture	<u>23,290,694</u>	<u>-</u>	<u>23,290,694</u>	<u>-</u>	<u>-</u>
Total non-current assets	<u>174,269,553</u>	<u>4,170,609</u>	<u>178,440,162</u>	<u>-</u>	<u>4,413,121</u>
Total assets	<u>262,600,021</u>	<u>7,386,067</u>	<u>269,986,088</u>	<u>3,874,953</u>	<u>8,435,126</u>
Deferred Outflows of Resources:					
Charge on refunding	7,156,907	-	7,156,907	-	-
Contributions to pension plan in current fiscal year	3,384,220	100,280	3,484,500	-	-
Pension related deferrals	<u>9,256,128</u>	<u>283,814</u>	<u>9,539,942</u>	<u>-</u>	<u>277,673</u>
Total deferred outflows of resources	<u>19,797,255</u>	<u>384,094</u>	<u>20,181,349</u>	<u>-</u>	<u>277,673</u>
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	6,035,583	554,533	6,590,116	85,610	761,961
Advances from grantors	376,657	-	376,657	-	-
Compensated absences, due in one year	1,865,881	38,695	1,904,576	-	-
Long-term debt, due within one year	<u>14,501,586</u>	<u>40,000</u>	<u>14,541,586</u>	<u>-</u>	<u>134,585</u>
Total current liabilities	<u>22,779,707</u>	<u>633,228</u>	<u>23,412,935</u>	<u>85,610</u>	<u>896,546</u>
Non-current liabilities:					
Net pension liability (LGERS)	14,335,101	443,354	14,778,455	-	-
Total pension liability (LEOSSA)	<u>4,905,318</u>	<u>-</u>	<u>4,905,318</u>	<u>-</u>	<u>-</u>
Compensated absences, due in more than one year	1,865,881	38,695	1,904,576	-	-
Due in more than one year	<u>198,462,294</u>	<u>666,876</u>	<u>199,129,170</u>	<u>-</u>	<u>786,992</u>
Total non-current liabilities	<u>219,568,594</u>	<u>1,148,925</u>	<u>220,717,519</u>	<u>-</u>	<u>786,992</u>
Total liabilities	<u>242,348,301</u>	<u>1,782,153</u>	<u>244,130,454</u>	<u>85,610</u>	<u>1,683,538</u>
Deferred Inflows of Resources:					
Prepaid taxes	421,564	-	421,564	-	-
Pension deferrals	<u>739,046</u>	<u>19,815</u>	<u>758,861</u>	<u>-</u>	<u>33,579</u>
Total deferred inflows of resources	<u>1,160,610</u>	<u>19,815</u>	<u>1,180,425</u>	<u>-</u>	<u>33,579</u>
Net Position:					
Net investment in capital assets	82,314,633	4,170,609	86,485,242	-	4,413,121
Restricted for stabilization by State statute	12,108,023	-	12,108,023	-	-
Restricted for Register of Deeds	188,703	-	188,703	-	-
Restricted for public safety	2,729,531	-	2,729,531	-	626,873
Restricted for education	468,725	-	468,725	-	-
Restricted for economic development	130,091	-	130,091	1,009,080	-
Restricted for working capital	-	-	-	-	556,534
Register of Deeds' Pension Plan	346,061	-	346,061	-	-
Unrestricted	<u>(59,397,402)</u>	<u>1,797,584</u>	<u>(57,599,818)</u>	<u>2,780,263</u>	<u>1,399,154</u>
Total net position	<u>\$ 38,888,365</u>	<u>\$ 5,968,193</u>	<u>\$ 44,856,558</u>	<u>\$ 3,789,343</u>	<u>\$ 6,995,682</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, 2017

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs:				
Primary Government:				
Governmental Activities:				
General government	\$ 13,681,634	\$ 6,058,408	\$ 21,836	\$ 75,160
Public safety	48,042,994	6,681,784	2,207,523	-
Environmental protection	282,750	92,189	-	-
Economic and physical development	16,552,198	64,955	3,486,757	2,668,269
Human services	47,835,102	5,663,557	25,512,425	-
Education	53,841,094	-	-	2,625,917
Cultural and recreation	822,133	-	-	-
Interest on long-term debt	4,915,136	-	-	-
Total governmental activities	<u>185,973,041</u>	<u>18,560,893</u>	<u>31,228,541</u>	<u>5,369,346</u>
Business-Type Activities:				
Solid Waste Fund	9,626,750	9,070,222	34,620	-
Total primary government	<u>\$ 195,599,791</u>	<u>\$ 27,631,115</u>	<u>\$ 31,263,161</u>	<u>\$ 5,369,346</u>
Component Units:				
Industrial Development Commission	\$ 3,732,171	\$ 369,164	\$ 60,891	\$ -
ABC Board	<u>18,315,161</u>	<u>18,921,409</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$ 22,047,332</u>	<u>\$ 19,290,573</u>	<u>\$ 60,891</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, 2017

	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	\$ (7,526,230)	\$ -	\$ (7,526,230)		
Public safety	(39,153,687)	-	(39,153,687)		
Environmental protection	(190,561)	-	(190,561)		
Economic and physical development	(10,332,217)	-	(10,332,217)		
Human services	(16,659,120)	-	(16,659,120)		
Education	(51,215,177)	-	(51,215,177)		
Cultural and recreation	(822,133)	-	(822,133)		
Interest on long-term debt	(4,915,136)	-	(4,915,136)		
Total governmental activities	(130,814,261)	-	(130,814,261)		
Business-Type Activities:					
Solid Waste Fund	-	(521,908)	(521,908)		
Total primary government	(130,814,261)	(521,908)	(131,336,169)		
Component Units:					
Industrial Development Commission			\$ (3,302,116)	\$ -	
ABC Board				-	606,248
Total component units			(3,302,116)		606,248
General Revenues:					
Taxes					
Ad valorem taxes	90,552,468	-	90,552,468	800,532	-
Local option sales tax	30,412,717	-	30,412,717	-	-
Payment in lieu of taxes and other taxes	2,264,174	-	2,264,174	-	-
Interest earned on investments	985,633	43,652	1,029,285	-	2,929
Total general revenues, excluding transfers	124,214,992	43,652	124,258,644	800,532	2,929
Transfers	132,691	(132,691)	-	-	-
Total general revenues, including transfers	124,347,683	(89,039)	124,258,644	800,532	2,929
Change in net position	(6,466,578)	(610,947)	(7,077,525)	(2,501,584)	609,177
Net Position:					
Net position, beginning, previously reported	48,464,095	6,579,140	55,043,235	6,290,927	6,386,505
Restatement	(3,109,152)	-	(3,109,152)	-	-
Net position, beginning, restated	45,354,943	6,579,140	51,934,083	6,290,927	6,386,505
Net position - June 30	\$ 38,888,365	\$ 5,968,193	\$ 44,856,558	\$ 3,789,343	\$ 6,995,682

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

PITT COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

	Major			Non-Major		
	General Fund	2016 Limited Obligation Bond Fund	Debt Service Fund	Other Governmental Funds		Total
Assets:						
Cash and cash equivalents	\$ 30,053,023	\$ 1,333,339	\$ 890,556	\$ 20,415,733	\$ 52,692,651	
Taxes receivable, net	403,550	-	-	159,494	563,044	
Accounts receivable, net	722,713	-	6,690	678,925	1,408,328	
Prepaid items	253,963	-	60,545	87,240	401,748	
Due from other funds	62,063	-	-	-	62,063	
Due from other governments	8,741,734	-	-	2,523,446	11,265,180	
Cash and investments, restricted	-	8,741,612	-	9,530,518	18,272,130	
Total assets	<u>\$ 40,237,046</u>	<u>\$ 10,074,951</u>	<u>\$ 957,791</u>	<u>\$ 33,395,356</u>	<u>\$ 84,665,144</u>	
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ 1,556,096	\$ 781,439	\$ 77,237	\$ 824,560	\$ 3,239,332	
Advances from grantors, others	376,657	-	-	-	376,657	
Retainage payable	-	491,090	-	84,849	575,939	
Due to other funds	-	-	-	62,063	62,063	
Total liabilities	<u>1,932,753</u>	<u>1,272,529</u>	<u>77,237</u>	<u>971,472</u>	<u>4,253,991</u>	
Deferred Inflows of Resources:						
Taxes receivable	403,550	-	-	159,494	563,044	
Other receivables	265,496	-	-	362,052	627,548	
Prepaid taxes	421,564	-	-	-	421,564	
Total deferred inflows of resources	<u>1,090,610</u>	<u>-</u>	<u>-</u>	<u>521,546</u>	<u>1,612,156</u>	
Fund Balances:						
Non-spendable - prepaid items	253,963		60,545	87,240	401,748	
Restricted for:						
Stabilization by State statute	9,261,014	-	6,690	2,840,319	12,108,023	
Register of Deeds	188,703	-	-	-	188,703	
Public safety	-	-	-	4,843,665	4,843,665	
Education	-	-	-	7,885,109	7,885,109	
Economic and physical development	-	8,741,612	-	130,091	8,871,703	
Committed	376,657	60,810	813,319	14,573,298	15,824,084	
Assigned	5,855,639	-	-	1,604,679	7,460,318	
Unassigned	21,277,707	-	-	(62,063)	21,215,644	
Total fund balances	<u>37,213,683</u>	<u>8,802,422</u>	<u>880,554</u>	<u>31,902,338</u>	<u>78,798,997</u>	
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 40,237,046</u>	<u>\$ 10,074,951</u>	<u>\$ 957,791</u>	<u>\$ 33,395,356</u>		

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

PITT COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>Total</u>
Amounts reported for governmental activities in the Statement of Net Position (Exhibit A) are different because:	
Total fund balance, governmental funds	\$ 78,798,997
Net pension asset	265,835
Net pension liability	(14,335,101)
Total pension liability	(4,905,318)
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	150,713,024
Charges related to advance refunding	7,156,907
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.	(200,272,868)
Premiums related to debt issuance, net of accumulated amortization, are not a current use of resources and, therefore, are not reported in the funds.	(16,422,774)
Accrued interest related to debt is not due and payable from current financial resources and, therefore, is not reported in the funds.	(964,238)
Deferred inflows of resources are not considered available resources and are recorded as liabilities in the funds.	1,190,592
The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	2,471,313
Deferred outflows of resources related to pensions are not reported in the funds.	12,640,348
Pension related deferrals	(739,046)
Investment in joint venture asset reported in governmental activities is not reported in the funds.	<u>23,290,694</u>
Net position of governmental activities, per Exhibit A	<u>\$ 38,888,365</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, 2017

	Major		Non-Major		
	General Fund	2016 Limited Obligation Bond Fund	Debt Service Fund	Other Governmental Funds	
Revenues:					
Ad valorem taxes	\$ 85,251,700	\$ -	\$ -	\$ 5,362,245	\$ 90,613,945
Other taxes and licenses	21,097,775	-	-	11,579,116	32,676,891
Unrestricted intergovernmental revenues	1,932,804	-	-	-	1,932,804
Restricted intergovernmental revenues	31,120,560	-	-	6,401,687	37,522,247
Permits and fees	2,318,497	-	-	-	2,318,497
Sales and services	5,433,934	-	-	3,185,004	8,618,938
Interest earned on investments	257,289	60,810	22,238	118,323	458,660
Miscellaneous	1,143,241	-	561,377	2,495,300	4,199,918
Total revenues	<u>148,555,800</u>	<u>60,810</u>	<u>583,615</u>	<u>29,141,675</u>	<u>178,341,900</u>
Expenditures:					
Current:					
General government	13,151,636	-	-	580,714	13,732,350
Public safety	33,856,656	-	-	11,981,255	45,837,911
Environmental protection	256,163	-	-	-	256,163
Economic and physical development	1,395,246	10,956,643	-	7,550,143	19,902,032
Human services	46,210,880	-	-	-	46,210,880
Education	45,008,966	-	-	12,085,573	57,094,539
Cultural and recreation	822,133	-	-	-	822,133
Debt service:					
Principal repayments	111,319	-	10,754,714	127,323	10,993,356
Interest and fees	2,656	-	6,699,246	1,904	6,703,806
Total expenditures	<u>140,815,655</u>	<u>10,956,643</u>	<u>17,453,960</u>	<u>32,326,912</u>	<u>201,553,170</u>
Revenues over (under) expenditures	<u>7,740,145</u>	<u>(10,895,833)</u>	<u>(16,870,345)</u>	<u>(3,185,237)</u>	<u>(23,211,270)</u>
Other Financing Sources (Uses):					
Transfers to other funds	(12,533,800)	-	(12,500)	(13,923,526)	(26,469,826)
Transfers from other funds	550,000	-	20,400,880	4,730,226	25,681,106
Insurance proceeds	-		-	15,363	15,363
Debt obligation issued	340,000	17,795,000	45,895,000	9,837,000	73,867,000
Premium on debt obligation issued	-	2,605,170	7,021,777	626,336	10,253,283
Payments to escrow agent, debt refunding payment	-	-	(55,709,200)	-	(55,709,200)
Total other financing sources (uses)	<u>(11,643,800)</u>	<u>20,400,170</u>	<u>17,595,957</u>	<u>1,285,399</u>	<u>27,637,726</u>
Net change in fund balances	<u>(3,903,655)</u>	<u>9,504,337</u>	<u>725,612</u>	<u>(1,899,838)</u>	<u>4,426,456</u>
Fund Balances:					
Beginning of year - July 1	<u>41,117,338</u>	<u>(701,915)</u>	<u>154,942</u>	<u>33,802,176</u>	<u>74,372,541</u>
End of year - June 30	<u>\$ 37,213,683</u>	<u>\$ 8,802,422</u>	<u>\$ 880,554</u>	<u>\$ 31,902,338</u>	<u>\$ 78,798,997</u>

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, 2017**

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)	\$ 4,426,456
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(54,197)
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.	13,577,177
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.	(31,247)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(4,841,774)
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.	(4,787,834)
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.)	62,393,356
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.	(73,867,000)
Change in deferred outflow - pension	9,676,609
Change in deferred inflows - pension	1,113,298
Change in net pension liability	(11,366,788)
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position.	136,903
Decreases 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.	603,912
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.	515,922
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.	
LEO	(205,280)
OPEB	(3,932,919)
Compensated absences	(54,231)
The net revenue of the internal service funds is reported with governmental activities.	<u>231,059</u>
Change in net position of governmental activities, per Exhibit B	\$ <u>(6,466,578)</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, 2017

	Budgeted Amounts			Variance with Final Budget Over/Under
	Original	Final	Actual	
Revenues:				
Ad valorem taxes	\$ 86,794,061	\$ 86,794,061	\$ 85,251,700	\$ (1,542,361)
Other taxes and licenses	18,909,153	18,909,153	21,097,775	2,188,622
Unrestricted intergovernmental revenues	1,793,906	1,833,971	1,932,804	98,833
Restricted intergovernmental revenues	31,019,878	31,719,190	31,120,560	(598,630)
Permits and fees	2,087,000	2,087,000	2,318,497	231,497
Sales and services	5,074,681	4,957,953	5,433,934	475,981
Interest earned on investments	101,000	101,000	257,289	156,289
Miscellaneous	470,877	515,883	1,143,241	627,358
Total revenues	146,250,556	146,918,211	148,555,800	1,637,589
Expenditures:				
General government	14,514,626	14,210,206	13,151,636	1,058,570
Public safety	34,691,782	35,009,731	33,856,656	1,153,075
Environmental protection	288,509	291,445	256,163	35,282
Economic and physical development	1,478,455	1,478,455	1,395,246	83,209
Human services	47,113,330	48,050,105	46,210,880	1,839,225
Education	45,008,966	45,008,966	45,008,966	-
Cultural and recreation	821,134	823,634	822,133	1,501
Debt service	377,584	175,289	113,975	61,314
Total expenditures	144,294,386	145,047,831	140,815,655	4,232,176
Revenues over (under) expenditures	1,956,170	1,870,380	7,740,145	5,869,765
Other Financing Sources (Uses):				
Transfers in	1,093,500	1,231,000	550,000	(681,000)
Transfers out	(8,485,417)	(12,533,800)	(12,533,800)	-
Installment debt issued	650,000	340,000	340,000	-
Appropriated fund balance	4,785,747	9,092,420	-	(9,092,420)
Total other financing sources (uses)	(1,956,170)	(1,870,380)	(11,643,800)	(9,773,420)
Net change in fund balance	\$ -	\$ -	\$ (3,903,655)	\$ (3,903,655)
Fund Balance:				
Beginning of year - July 1				41,117,338
End of year - June 30				\$ 37,213,683

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

PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Solid Waste Fund</u>	<u>Internal Service Funds</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 2,440,825	\$ 3,725,721
Receivables, net	774,633	115
Prepaid items	-	1,551
Total current assets	<u>3,215,458</u>	<u>3,727,387</u>
Non-current assets:		
Capital assets, non-depreciable	708,669	-
Capital assets, net	<u>3,461,940</u>	<u>-</u>
Total non-current assets	<u>4,170,609</u>	<u>-</u>
Total assets	<u>7,386,067</u>	<u>3,727,387</u>
Deferred Outflows of Resources:		
Contributions to pension plan in current fiscal year	100,280	-
Pension related deferrals	<u>283,814</u>	<u>-</u>
Total deferred outflows of resources	<u>384,094</u>	<u>-</u>
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	554,533	1,256,074
Compensated absences	38,695	-
Current portion of post-closure costs	40,000	-
Total current liabilities	<u>633,228</u>	<u>1,256,074</u>
Non-current liabilities:		
Net pension liability	443,354	-
Non-current portion of compensated absences	38,695	-
Landfill closure/post-closure costs payable	666,876	-
Total non-current liabilities	<u>1,148,925</u>	<u>-</u>
Total liabilities	<u>1,782,153</u>	<u>1,256,074</u>
Deferred Inflows of Resources:		
Pension deferrals	<u>19,815</u>	<u>-</u>
Net Position:		
Investment in capital assets	4,170,609	-
Unrestricted	<u>1,797,584</u>	<u>2,471,313</u>
Total net position	<u>\$ 5,968,193</u>	<u>\$ 2,471,313</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, 2017

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
Operating Revenues:		
Solid waste fees	\$ 8,030,474	-
User charges	-	988,426
Interfund services	-	9,572,382
Miscellaneous revenues	<u>1,039,748</u>	-
Total operating revenues	<u>9,070,222</u>	<u>10,560,808</u>
Operating Expenses:		
Salaries and employee benefits	1,550,089	-
Supplies and materials	1,258,529	-
Contract labor and other services	1,408,622	-
Contracted services - waste disposal	5,160,926	-
Depreciation	368,242	-
Equipment maintenance	-	553,087
Medical claims costs	-	10,293,763
Claims reimbursement	-	415,361
Total operating expenses	<u>9,746,408</u>	<u>11,262,211</u>
Operating income (loss)	<u>(676,186)</u>	<u>(701,403)</u>
Non-Operating Revenues (Expenses):		
Interest earned on investments	43,652	11,051
Intergovernmental grants	34,620	-
Gain (loss) on sale of capital assets	<u>119,658</u>	-
Total non-operating revenues (expenses)	<u>197,930</u>	<u>11,051</u>
Income (loss) before transfers	<u>(478,256)</u>	<u>(690,352)</u>
Transfer in (out)	<u>(132,691)</u>	<u>921,411</u>
Change in net position	<u>(610,947)</u>	<u>231,059</u>
Net Position:		
Beginning of year - July 1	<u>6,579,140</u>	<u>2,240,254</u>
End of year - June 30	<u>\$ 5,968,193</u>	<u>\$ 2,471,313</u>

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, 2017

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from customers	\$ 9,257,356	\$ 988,612
Cash received from interfund services transactions	-	9,572,382
Cash paid to suppliers	(7,831,370)	(10,671,695)
Cash paid to employees	(1,528,090)	-
Net cash provided (used) by operating activities	<u>(102,104)</u>	<u>(110,701)</u>
Cash Flows from Non-Capital Financing Activities:		
Non-capital contributions/grants	34,620	-
Transfers	<u>(132,691)</u>	<u>921,411</u>
Net cash provided (used) by non-capital financing activities	<u>(98,071)</u>	<u>921,411</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(351,757)	-
Proceeds from sale of capital assets	119,658	-
Net cash provided (used) by capital and related financing activities	<u>(232,099)</u>	-
Cash Flows from Investing Activities:		
Investment income received	<u>43,652</u>	<u>11,051</u>
Net increase (decrease) in cash and cash equivalents	(388,622)	821,761
Cash and Cash Equivalents:		
Beginning of year - July 1	<u>2,829,447</u>	<u>2,903,960</u>
End of year - June 30	<u>\$ 2,440,825</u>	<u>\$ 3,725,721</u>
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:		
Operating income (loss)	\$ (676,186)	\$ (701,403)
Depreciation	368,242	-
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	187,134	186
(Increase) decrease in deferred outflows of resources for pension	(297,468)	-
Increase in net pension liability	349,317	-
Decrease in deferred inflows of resources - pensions	(34,251)	-
(Increase) decrease in prepaid expenses	-	142,462
Increase (decrease) in accounts payable and accrued liabilities	43,755	448,054
Increase (decrease) in closure and post-closure costs payable	<u>(42,647)</u>	-
Net cash provided (used) by operating activities	<u>\$ (102,104)</u>	<u>\$ (110,701)</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, 2017**

	<u>Agency Funds</u>
Assets:	
Cash and cash equivalents	\$ 399,147
Total assets	<u>399,147</u>
Liabilities:	
Deposits held in custody for others	359,085
Deferred compensation benefits payable	<u>40,062</u>
Total liabilities	<u>399,147</u>
Net Position:	
Held in trust for pension benefits	\$ _____ -

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, 2017

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, 2017

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, 2017

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, 2017:

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.

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, 2017:

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, EMS District Fund, Emergency Telephone System Fund, Subdivision Street Improvements Fund and Hurricane Relief 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 Phase II Fund, Community Schools and Recreation Fund, ECTC Building Fund, School Improvement Fund, Industrial Development Building Fund, School Capital Reserve Fund, County Capital Reserve Fund, Pitt Community College 2014 GO Bond Fund, 2017 Limited Obligation Bonds Fund, Indigreen Improvements Fund, 2016B Limited Obligation Bond Fund, and Capital Reserve Fund are capital projects funds of the County.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 Plan Fund and the fund used to account for Tax collection held for 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.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2017, 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.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, the Subdivision Improvement Fund, and the Hurricane Relief 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. 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).

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].

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 Government 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

2016 Limited Obligation Bond	\$ 8,741,612
2009 LOBS Education Projects	2,650,122
Sadie Sauter	92,168
Communication Expansion Phase II	2,114,134
Pitt Community College 2014 GO Bond	2,363,183
2016B Limited Obligation Bond	<u>2,310,911</u>
 Total Restricted Cash	 <u>\$ 18,272,130</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2016. 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 30, 2015 are recorded at estimated fair market value at the date of donation. Donated capital assets received after June 30, 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, 2017

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, 2017

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.

The governmental fund types classify fund balances as follows:

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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:

	General Fund	Debt Service	Special Revenue	Capital Projects	Total
<i>Restricted for Stabilization by State Statute</i> – portion of fund balance that is restricted by State statute [G.S. 159-8(a)].	\$ 9,261,014	\$ 6,690	\$ 316,873	\$ 2,523,446	\$ 12,108,023
<i>Restricted for Register of Deeds</i> – portion of fund balance that is restricted by revenue source for technology for the Register of Deeds' office.	188,703	-	-	-	188,703
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for fire protection expenditures.	-	-	51,778	2,114,134	2,165,912
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for EMS expenditures.	-	-	1,609,353	-	1,609,353
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for the Emergency Telephone System Fund.	-	-	1,068,400	-	1,068,400
<i>Restricted for Education</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for education.	-	-	-	7,885,109	7,885,109
<i>Restricted for Economic and Physical Development</i> – portion of fund balance that is restricted by revenue source for community development projects.	-	-	130,091	8,741,612	8,871,703
Total restricted fund balance (Exhibit C)	<u>\$ 9,449,717</u>	<u>\$ 6,690</u>	<u>\$ 3,176,495</u>	<u>\$ 21,264,301</u>	<u>\$ 33,897,203</u>

Restricted net position on Exhibit A varies from restricted fund balance on Exhibit C by the amount of unspent debt proceeds of \$18,272,130 and the Register of Deeds Pension Plan of \$346,061 for a net difference of \$17,926,069.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 Fund</u>	<u>Debt Service</u>	<u>Obligation Bond Fund</u>	<u>Governmental Funds</u>	<u>Total</u>
<i>Committed for General Government – portion of fund balance that can only be used for general government debt service or projects.</i>	\$ 376,657	\$ 813,319	\$ -	\$ 4,549,682	\$ 5,739,658
<i>Committed for Public Safety – portion of fund balance that can only be used for public safety related projects.</i>	-	-	-	427,279	427,279
<i>Committed for Education – portion of fund balance that can only be used for education-related debt service or projects.</i>	-	-	-	9,456,056	9,456,056
<i>Committed for Economic and Physical Development – portion of fund balance that can only be used for economic development projects.</i>	-	-	60,810	140,281	201,091
Total	\$ 376,657	\$ 813,319	\$ 60,810	\$ 14,573,298	\$ 15,824,084

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, 2017

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.	\$ 5,855,639	\$ -	\$ -	\$ 5,855,639
<i>Assigned for Public Safety</i> – State and federal asset forfeiture fund balance assigned by management for public safety.	- 388,057			388,057
<i>Assigned for Education</i> – portion of fund balance assigned by management for education purposes.	-	- 492,204		492,204
<i>Assigned for Economic Development</i> – portion of fund balance assigned by management for an industrial building.	-	- 724,418		724,418
Total	<u>\$ 5,855,639</u>	<u>\$ 388,057</u>	<u>\$ 1,216,622</u>	<u>\$ 7,460,318</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	\$ 37,213,683
Less:	
Prepaid items	(253,963)
Stabilization by State statute	<u>(9,261,014)</u>
Fund balance available for appropriation	<u>\$ 27,698,706</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, 2017

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2017, the County had deficit fund balances in the CDBG Special Revenue Fund of \$62,063. The deficit was a result of timing at year end with the grant reimbursement for the fund.

2. Excess of Expenditures over Appropriations

Excess of expenditures over appropriations are in violation of State law. At June 30, 2017, the Solid Waste Fund's expenditures exceeded appropriation by \$195,051. The County plans closer monitoring of the expenditure process to ensure adequate appropriations prior to incurring expenditures.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

At June 30, 2017, the County's deposits had a carrying amount of \$32,947,724 and a bank balance of \$38,489,690. The County only has deposits in institutions that collateralize under the Pooling Method. Of the bank balance, \$264,970 was covered by federal depository insurance and \$38,224,720 was covered by collateral held by authorized escrow agents in the name of the State Treasurer. The County had \$115,815 of cash on hand at year-end.

B. Investments

At June 30, 2017, the County's investment balances were as follows:

Investment Type	Valuation Measurement Method	Fair Value		Less Than 1 Year
NCCMT				
Government Portfolio	Amortized Cost	\$ 14,442,665	\$ 14,442,665	
Term Portfolio	Fair Value - Level 1	10,598,167	10,598,167	
Wells Fargo-2016 Equipment Financing	Fair Value - Level 1	2,416,131	2,416,131	
US Bank LOBS 16	Fair Value - Level 1	12,476,316	12,476,316	
US Bank LOBS 16B	Fair Value - Level 1	4,533,656	4,533,656	
Total		<u>\$ 44,466,935</u>	<u>\$ 44,466,935</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.

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2017, the County's investments were rated as follows:

	Standard Poor's	Moody's Investor Services
North Carolina Capital Management Trust Government Portfolio	AAAm	N/A
North Carolina Capital Management Term Portfolio	N/A	N/A

Concentration of Credit Risk. The County places no limit on the amount that the County may invest in any one issuer.

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.

Year Levied	Tax	Interest	Total
2014	\$ 3,126,282	\$ 742,492	\$ 3,868,774
2015	3,124,006	460,791	3,584,797
2016	3,229,558	185,700	3,415,258
2017	<u>3,245,991</u>	-	<u>3,245,991</u>
Total	<u>\$ 12,725,837</u>	<u>\$ 1,388,983</u>	<u>\$ 14,114,820</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

4. Accounts Receivable

Disaggregate Information

Receivables at the government-wide level at June 30, 2017 were as follows:

Type of Receivable	Amount (Net of Allowance)		
	Governmental Activities	Business-Type Activities	Total
Accounts Receivable:			
Customer/client billings	\$ 1,408,443	\$ 341,956	\$ 1,750,399
Landfill fees assessed	-	432,677	432,677
Total	<u>\$ 1,408,443</u>	<u>\$ 774,633</u>	<u>\$ 2,183,076</u>
Due from Other Governments:			
Sales tax	\$ 3,923,979	\$ -	\$ 3,923,979
Sales tax refund	667,081	-	667,081
Other services and grants	6,674,120	-	6,674,120
Total	<u>\$ 11,265,180</u>	<u>\$ -</u>	<u>\$ 11,265,180</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:

Fund	Allowance
General Fund:	
Property taxes	\$ 1,750,505
Other - public health	309,366
Total	<u>\$ 2,059,871</u>
Special Revenue Fund:	
Ambulance services	<u>\$ 666,190</u>
Solid Waste Fund:	
Landfill fees	<u>\$ 22,773</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

6. Capital Assets

A. Governmental Capital Assets

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

	Balance				Balance
	June 30, 2016	Additions	Retirements	Transfers	June 30, 2017
Non-Depreciable Assets:					
Land	\$ 3,271,712	\$ -	\$ -	\$ -	\$ 3,271,712
Construction in progress	31,905,605	11,434,237	- -	(24,591,003)	18,748,839
Total non-depreciable capital assets	<u>35,177,317</u>	<u>11,434,237</u>	<u>- -</u>	<u>(24,591,003)</u>	<u>22,020,551</u>
Depreciable Assets:					
Land improvements	1,228,927	- -	- -	- -	1,228,927
Buildings	140,993,378	197,700	- -	24,591,003	165,782,081
Furniture and equipment	9,483,537	1,135,367	(24,325)	- -	10,594,579
Vehicles	9,413,859	809,873	(185,048)	- -	10,038,684
Total depreciable capital assets	<u>161,119,701</u>	<u>2,142,940</u>	<u>(209,373)</u>	<u>24,591,003</u>	<u>187,644,271</u>
Subtotal	<u>196,297,018</u>	<u>13,577,177</u>	<u>(209,373)</u>	<u>- -</u>	<u>209,664,822</u>
Less Accumulated Depreciation:					
Land improvements	1,194,565	4,340	- -	- -	1,198,905
Buildings	41,862,588	3,277,709	- -	- -	45,140,297
Furniture and equipment	4,226,158	662,152	(2,431)	- -	4,885,879
Vehicles	7,004,839	897,573	(175,695)	- -	7,726,717
Total accumulated depreciation	<u>54,288,150</u>	<u>\$ 4,841,774</u>	<u>\$ (178,126)</u>	<u>\$ - -</u>	<u>\$ 58,951,798</u>
Depreciable capital assets, net	<u>106,831,551</u>				<u>128,692,473</u>
Governmental capital assets, net	<u><u>\$ 142,008,868</u></u>				<u><u>\$ 150,713,024</u></u>

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

Governmental Activities:

General government	\$ 752,141
Public safety	1,759,721
Human services	228,287
Education	1,896,576
Environmental protection	26,587
Economic/physical development	178,462
Total	<u>\$ 4,841,774</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

B. Proprietary Capital Assets

The capital assets for the Enterprise Fund of the County at June 30, 2017 are as follows:

	Balance			Balance
	June 30, 2016	Additions	Retirements	June 30, 2017
Non-Depreciable Assets:				
Land and improvements	\$ 642,829	\$ -	\$ -	\$ 642,829
Construction in progress	65,840	-	-	65,840
Total non-depreciable capital assets	<u>708,669</u>	<u>-</u>	<u>-</u>	<u>708,669</u>
Depreciable Assets:				
Land improvements	302,238	-	-	302,238
Buildings and improvements	2,641,187	-	-	2,641,187
Furniture and equipment	3,380,137	167,722	-	3,547,859
Vehicles	1,286,021	184,035	(49,222)	1,420,834
Total depreciable capital assets	<u>7,609,583</u>	<u>351,757</u>	<u>(49,222)</u>	<u>7,912,118</u>
Less Accumulated Depreciation:				
Land improvements	93,594	10,692	-	104,286
Buildings and improvements	1,456,491	58,259	-	1,514,750
Furniture and equipment	1,748,355	221,393	-	1,969,748
Vehicles	832,718	77,898	(49,222)	861,394
Total accumulated depreciation	<u>4,131,158</u>	<u>\$ 368,242</u>	<u>\$ (49,222)</u>	<u>4,450,178</u>
Depreciable capital assets, net	<u>3,478,425</u>			<u>3,461,940</u>
Proprietary capital assets, net	<u>\$ 4,187,094</u>			<u>\$ 4,170,609</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

C. Net Investment In Capital Assets

The total net investment in capital assets at June 30, 2017 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets, net of depreciation	\$ 150,713,024	\$ 4,170,609
Long-term debt	235,936,061	1,227,620
Less unspent debt proceeds	(2,114,134)	-
Less debt not tied to capital assets:		
Compensated absences	(3,731,762)	(77,390)
Total pension liability (LEOSSA)	(4,905,318)	-
Unfunded OPEB liability	(32,742,836)	-
Net pension liability (LGERS)	(14,335,101)	(443,354)
Capital project debt, not associated with County assets	(109,708,519)	-
Closure and post-closure costs	-	(706,876)
Long-term debt related to capital assets	<u>68,398,391</u>	<u>-</u>
Net investment in capital assets	\$ 82,314,633	\$ 4,170,609

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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>Balance</u>		<u>Current</u>
	<u>June 30, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2017</u>	<u>Portion</u>
By Type:					
Compensated absences	\$ 3,677,531	\$ 1,648,237	\$ (1,594,006)	\$ 3,731,762	\$ 1,865,881
Total pension liability (LEOSSA)	1,548,157	3,357,161	-	4,905,318	-
Unfunded OPEB	28,809,917	5,176,044	(1,243,125)	32,742,836	-
Net pension liability (LGERS)	3,040,520	11,294,581	-	14,335,101	-
Certificates					
of participation	37,875,000	-	(20,285,000)	17,590,000	2,350,000
Limited obligation bonds	80,310,000	67,405,000	(38,445,000)	109,270,000	6,815,000
Qualified school					
construction bonds	4,201,765	-	(350,147)	3,851,618	350,147
GO bonds	19,250,000	-	(1,015,000)	18,235,000	1,015,000
Notes payable	10,687,861	6,462,000	(2,298,209)	14,851,652	2,910,944
Unamortized					
bond premium	7,229,986	10,253,283	(1,060,495)	16,422,774	\$ 1,060,495
Total	<u>\$ 196,630,737</u>	<u>\$ 105,596,306</u>	<u>\$ (66,290,982)</u>	<u>\$ 235,936,061</u>	<u>\$ 16,367,467</u>

By Purpose:

Schools	\$ 74,012,269
Pitt Community College	35,696,250
General government	23,821,298
Public safety	7,938,423
Economic and physical development	22,259,089
Human services	70,941
Compensated absences	3,731,762
Net pension liability (LGERS)	14,335,101
Total pension liability (LEOSSA)	4,905,318
Unfunded OPEB	32,742,836
Unamortized bond premium	16,422,774
Total	<u>\$ 235,936,061</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, 2017

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

	Balance			Balance June 30, 2017	Current Portion
	June 30, 2016	Additions	Retirements		
By Type:					
Compensated absences	\$ 72,989	\$ 30,367	\$ (25,966)	\$ 77,390	\$ 38,695
Net pension liability (LGERS)	94,037	349,317	-	443,354	-
Closure and post-closure	749,523	-	(42,647)	706,876	40,000
Total	<u>\$ 916,549</u>	<u>\$ 379,684</u>	<u>\$ (68,613)</u>	<u>\$ 1,227,620</u>	<u>\$ 78,695</u>

B. Certificates of Participation

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

Original Issue			Payment Information		Outstanding	
Amount	Date	Rate	Period	Amount	Balance	Purpose and Collateral
\$ 14,660,000	October 2007	4.44%	Annual	\$ 685,000	\$ 940,000	Construct Detention Center addition; secured by real estate
21,095,000	May 2012	3.00% - 4.70%	Annual	1,100,000 - 1,095,000	<u>16,650,000</u>	Current refunding of debt; secured by real estate
Total certificates of participation					<u>\$ 17,590,000</u>	

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

Year Ending	June 30	Principal	Interest	Total
2018	\$ 2,350,000	\$ 755,294	\$ 3,105,294	
2019	1,410,000	647,194	2,057,194	
2020	1,410,000	591,794	2,001,794	
2021	1,410,000	520,294	1,930,294	
2022	1,385,000	477,018	1,862,018	
2023-2027	6,925,000	1,372,992	8,297,992	
2028-2032	<u>2,700,000</u>	<u>133,478</u>	<u>2,833,478</u>	
Total	<u>\$ 17,590,000</u>	<u>\$ 4,498,064</u>	<u>\$ 22,088,064</u>	

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

C. Limited Obligation Bonds

Service 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%	\$ 4,290,000
Series 2010, payable in annual principal payments of \$895,000 - \$900,000 with interest payable semi-annually at 2.0% - 4.0%	6,035,000
Series 2015, payable in annual principal payments of various amounts with interest payable semi-annually at 2.0% - 5.0%	32,430,000
Series 2016, payable in annual principal payments of \$885,000 - \$890,000 with interest payable annually at 2.0% - 5.0%	16,905,000
Series 2016B, payable in annual principal payments of \$370,000 - \$2,630,000 with interest payable semi-annually at 3.0% - 5.0%	36,095,000
Series 2017, payable in annual principal payments of \$1,620,000 - 1755000 with interest payable annually at 5.0%	<u>13,515,000</u>
Total limited obligation bonds	<u><u>\$ 109,270,000</u></u>

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

Year Ending	Debt Service Fund			
	June 30	Principal	Interest	Total
2018	\$ 6,815,000	\$ 4,854,769	\$ 11,669,769	
2019	7,670,000	4,575,719	12,245,719	
2020	7,750,000	4,244,869	11,994,869	
2021	7,670,000	3,898,419	11,568,419	
2022	7,810,000	3,530,381	11,340,381	
2023-2027	37,570,000	11,813,919	49,383,919	
2028-2032	25,135,000	4,269,794	29,404,794	
2033-2037	8,850,000	630,900	9,480,900	
Total	<u><u>\$ 109,270,000</u></u>	<u><u>\$ 37,818,770</u></u>	<u><u>\$ 147,088,770</u></u>	

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 \$ 3,851,618

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

Year Ending	Debt Service Fund			
	June 30	Principal	Interest	Total
2018	\$ 350,147	\$ -	\$ 350,147	
2019	350,147	-	350,147	
2020	350,147	-	350,147	
2021	350,147	-	350,147	
2022	350,147	-	350,147	
2023-2027	1,750,735	-	1,750,735	
2028-2029	350,148	-	350,148	
Total	<u>\$ 3,851,618</u>	<u>\$ -</u>	<u>\$ 3,851,618</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% \$ 18,235,000

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

Year Ending				
	June 30	Principal	Interest	Total
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	1,015,000	479,788	1,494,788	
2023-2027	5,075,000	1,810,240	6,885,240	
2028-2032	5,055,000	928,090	5,983,090	
2033-2035	3,030,000	191,901	3,221,901	
Total	<u>\$ 18,235,000</u>	<u>\$ 5,603,221</u>	<u>\$ 23,838,221</u>	

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

F. Notes Payables

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

Original Issue Date	Rate	Payment Information		Outstanding Balance	Security
		Period	Amount		
January 2006	3.56%	Quarterly	\$ 209,476	\$ 207,703	Engineering project
May 2010	0.00%	Annual	45,046	560,883	Sewer improvements
October 2011	2.07%	Semi-annual	550,000	2,750,000	Compactor, radios, building
September 2012	2.26%	Semi-annual	Variable	3,373,413	Energy savings
October 2012	2.00%	Annual	98,650	1,419,793	DENR project
September 2014	3.21%	Semi-annual	73,045	70,941	Equipment
May 2014	0.00%	Annual	99,000	198,000	Economic development
March 2016	0.72%	Semi-annual	112,415	549,160	Economic development
September 2016	1.50%	Semi-annual	Variable	5,449,297	Radio/Paging Sys, Vehicles, Camera Sys, Voting Machines
February 2017	2.08%	Semi-annual	69,896	272,462	Computer Equipment
Total				<u>\$ 14,851,652</u>	

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

Year Ending June 30	Principal	Interest	Total
2018	\$ 2,910,944	\$ 280,313	\$ 3,191,257
2019	2,667,319	230,322	2,897,641
2020	2,168,826	186,180	2,355,006
2021	1,901,768	150,282	2,052,050
2022	1,405,980	116,028	1,522,008
2023-2027	1,895,469	378,984	2,274,453
2028-2032	1,901,346	130,680	2,032,026
2033	-	1,973	1,973
Total	<u>\$ 14,851,652</u>	<u>\$ 1,474,762</u>	<u>\$ 16,326,414</u>

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, 2017, net debt outstanding was \$163,798,270. The statutory limit at that date was approximately \$988,178,300 providing a debt margin of \$824,380,030.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

H. Advance Refunding

On November 10, 2016, the County issued \$36,095,000 Series 2016B Limited Obligation Refunding Bonds to refund Series 2009 and 2010A Limited Obligation Bonds. As a result, the refunded debt is considered defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The net proceeds of \$37,331,850 were deposited with an escrow agent to provide funds for the future debt service payment on the refunded bonds. The reacquisition price exceeded the net carrying amount of the debt by \$5,772,939. This amount is being netted against the new debt and amortized over the life of the new debt. The advanced refunding was undertaken to reduce the total debt service payments over the next 19 years by \$2,700,167 and resulted in an economic gain of \$2,107,881.

On January 10, 2017, the County issued \$13,515,000 Series 2017 Limited Obligation Refunding Bonds to refund Series 2007 Certificates of Participation. As a result, the refunded debt is considered defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The net proceeds of \$18,377,350 were deposited with an escrow agent to provide funds for the future debt service payment on the refunded bonds. The reacquisition price exceeded the net carrying amount of the debt by \$1,875,174. This amount is being netted against the new debt and amortized over the life of the new debt. The advanced refunding was undertaken to reduce the total debt service payments over the next 9 years by \$1,777,405 and resulted in an economic gain of \$1,623,555.

I. Debt Related to Capital Assets

Of the total Governmental Activities debt listed, only \$70,512,525 relates to assets the County holds title. Unspent restricted cash related to this debt amounts to \$2,114,134. The deferred charges are not included in the net investment in capital assets calculation, which relate to the schools' assets and the County does not hold title.

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 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, 2017, was 8.14% of compensation for law enforcement officers and 7.25% 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 \$3,342,657 for the year ended June 30, 2017.

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2017, the County reported a liability of \$14,778,455 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. The total pension liability was then rolled forward to the measurement date of June 30, 2016 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, 2016, the County's proportion was .69633%, which was a decrease of .00211% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the County recognized pension expense of \$3,929,232. At June 30, 2017, 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	\$ 277,662	\$ 517,854
Changes of assumptions	1,012,192	-
Net difference between projected and actual earnings on pension plan investments	8,170,625	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	142,656
County contributions subsequent to the measurement date	3,342,657	-
Total	<u>\$ 12,803,136</u>	<u>\$ 660,510</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

\$3,342,657 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, 2018. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2018	\$ 1,298,140
2019	1,299,641
2020	3,859,877
2021	2,342,311
2022	-
Thereafter	-
Total	<u>\$ 8,799,969</u>

Actuarial Assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	3.50 to 7.75 percent, including inflation and productivity factor
Investment rate of return	7.25 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, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	29.0%	1.4%
Global equity	42.0%	5.3%
Real estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation protection	6.0%	4.0%
Total	<u>100.0%</u>	

The information above is based on 30-year expectations developed with the consulting actuary for the 2016 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.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 <u>(6.25%)</u>	Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
County's proportionate share of the net pension liability (asset)	\$ <u>35,076,168</u>	\$ <u>14,778,455</u>	\$ <u>(2,175,704)</u>

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 under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. A separate report was not issued for the Plan.

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

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 73.

Actuarial Assumptions

The entry age actuarial cost method was used in the December 31, 2015 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	3.50 to 7.35 percent, including inflation and productivity factor
Discount Rate	3.86 percent

The discount rate used to measure the TPL is the weekly average of the Bond Buyer General Obligation 20-year Municipal Bond Index determined at the end of each month.

Deaths After Retirement (Healthy): RP-2014 Healthy Annuitant base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 104% for males and 100% for females.

Deaths Before Retirement: RP-2014 Employee base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015.

Deaths After Retirement (Beneficiary): RP-2014 Healthy Annuitant base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted by 123% for males and females.

Deaths After Retirement (Disabled): RP-2014 Disabled Retiree base rates projected to the valuation date using MP-2015, projected forward generationally from the valuation date using MP-2015. Rates are adjusted 103% for males and 99% for females.

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 operation budget. The County's obligation to contribute to this Plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$257,070 as benefits came due for the reporting period.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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

At June 30, 2017, the County reported a total pension liability of \$4,905,318. The total pension liability was measured as of December 31, 2016 based on a December 31, 2015 actuarial valuation. The total pension liability was rolled forward to December 31, 2016 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2017, the County recognized pension expense of \$342,183.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 94,174
County benefit payments and plan administrative expense made subsequent to the measurement date	136,903	-
Total	<u><u>\$ 136,903</u></u>	<u><u>\$ 94,174</u></u>

\$136,903 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	
June 30	Amount
2018	\$ 19,180
2019	19,180
2020	19,180
2021	19,180
2022	17,454
Thereafter	<u><u>-</u></u>
Total	<u><u>\$ 94,174</u></u>

\$136,394 paid as benefits came due and \$509 of administrative expenses subsequent to the measurement date are reported as deferred outflows of resources.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate. The following presents the County's total pension liability calculated using the discount rate of 3.86 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.86 percent) or 1-percentage-point higher (4.86 percent) than the current rate:

	1%	Discount	1%
	Decrease	Rate	Increase
	<u>(2.86%)</u>	<u>(3.86%)</u>	<u>(4.86%)</u>
Total pension liability	<u>\$ 5,308,172</u>	<u>\$ 4,905,318</u>	<u>\$ 4,535,553</u>

Schedule of Changes in Total Pension Liability Law Enforcement Officers' Special Separation Allowance

	<u>2017</u>
Beginning balance	\$ 4,915,323
Service cost	189,531
Interest on the total pension liability	170,888
Changes of assumptions or other inputs	(113,354)
Benefit payments	<u>(257,070)</u>
Ending balance of the total pension liability	<u>\$ 4,905,318</u>

The plan currently uses mortality tables that vary by age, 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, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2017 were \$448,920, which consisted of \$365,186 from the County and \$83,734 from the law enforcement officers. No amounts were forfeited.

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 5.68% of participants' gross pay, and employees may make voluntary contributions to the Plan. The total contribution for the year ended June 30, 2017 was \$2,650,098, which consisted of \$2,104,780 from the County and \$545,318 from the employees.

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 (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. 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 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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 \$4,940 for the year ended June 30, 2017.

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

At June 30, 2017, the County reported an asset of \$265,835 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2016. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2015. The total pension liability was then rolled forward to the measurement date of June 30, 2016 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, 2016, the County's proportion was 1.422 %, which was a decrease of .037% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the County recognized pension expense of \$12,825. At June 30, 2017, 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	\$ 284	\$ 3,441
Changes of assumptions	70,824	-
Net difference between projected and actual earnings on pension plan investments	455	-
Changes in proportion and differences between County contributions and proportionate share of contributions	7,900	736
County contributions subsequent to the measurement date	4,940	-
Total	<u>\$ 84,403</u>	<u>\$ 4,177</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

\$4,940 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, 2018. 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
2018	\$ 31,767
2019	33,100
2020	13,391
2021	(2,972)
2022	-
Thereafter	-
Total	<u>\$ 75,286</u>

Actuarial Assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increase	3.50 to 7.75 percent, including inflation and productivity factor
Investment rate of return	3.75 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, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2016 is 1.4%.

The information above is based on 30-year expectations developed with the consulting actuary for the 2016 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 3.05%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 3.75%. 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 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 3.75%, 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 (2.75%) or 1-percentage-point higher (4.75%) than the current rate:

	1% Decrease <u>(2.75%)</u>	Discount Rate <u>(3.75%)</u>	1% Increase <u>(4.75%)</u>
County's proportionate share of the net pension liability (asset)	\$ <u>(214,348)</u>	\$ <u>(265,835)</u>	\$ <u>(309,088)</u>

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 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 administers a single-employer defined benefit Healthcare Benefits Plan (the HCB Plan). 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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

Retirees can purchase coverage for their dependents at the County's group rates until the retiree reaches age sixty-five. For the year ended June 30, 2017, the County made payments for post-retirement health benefit premiums of \$1,243,125. 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 <u>Employees</u>	Enforcement <u>Officers</u>	Law
Retirees and dependents receiving benefits	208		17
Terminated plan members entitled to, but not yet receiving, benefits	-		-
Active plan members	<u>760</u>		<u>126</u>
Total	<u><u>968</u></u>		<u><u>143</u></u>

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.

The current annual required contribution (ARC) rate is 12.5% of annual covered payroll. For the current year, the County contributed \$1,243,125 to the plan, consisting of \$1,243,125 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 \$91,532 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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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	\$ 5,124,544
<i>Valuation discount rate</i>	4.00%
Interest on net OPEB obligation	1,152,397
<i>Amortization factor</i>	26.1695
Adjustments to annual required contribution	<u>1,100,897</u>
Annual OPEB cost (expense)	<u>5,176,044</u>
Contributions made	<u>1,243,125</u>
Increase (decrease) in net OPEB obligation	3,932,919
Net OPEB obligation:	
Beginning of year - July 1	28,809,917
End of year - June 30	<u><u>\$ 32,742,836</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2017 were as follows:

Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB		Net OPEB Obligation
		Cost Contributed		
2015	\$ 4,052,494	29.05%		\$25,854,383
2016	4,177,976	29.30%		28,809,917
2017	5,176,044	24.02%		32,742,836

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 pre-Medicare medical cost trend rate of 7.75 to 5.00% annually and Medicare medical cost trend rate of 5.75 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 \$706,876 reported as landfill post-closure care liability at June 30, 2017 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 2017. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2017, are composed of the following elements:

Source	Amount
Deferred Outflows:	
Charge on refunding	\$ 7,156,907
Pension - difference between expected and actual experience (LGERS, ROD)	277,946
Contributions to pension plan subsequent to measurement date (LGERS, ROD)	3,347,597
Pensions - difference between projected and actual investment earnings (LGERS, ROD)	8,171,080
Pensions - change in assumptions (LGERS, ROD)	1,083,016
Pensions - change in proportion and difference between County contributions and proportionate share of contributions (LGERS, ROD)	7,900
Benefit payments/administration costs paid subsequent to the measurement date (LEOSSA)	<u>136,903</u>
Total	<u><u>\$ 20,181,349</u></u>
Deferred Inflows:	
Prepaid taxes not yet earned (general)	\$ 421,564
Taxes receivable (general)	403,550
Other receivable (general)	265,496
Taxes receivable (special revenue funds)	159,494
Other receivable (special revenue funds)	362,052
Pension - difference between expected and actual experience (LGERS, ROD)	521,295
Pensions - change in assumptions (LEOSSA)	94,174
Pensions - change in proportion and difference between County contributions and proportionate share of contributions (LGERS, ROD)	<u>143,392</u>
Total	<u><u>\$ 2,371,017</u></u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

13. Accounts Payable

Disaggregate Information

Payables at the government-wide level at June 30, 2017 were as follows:

Type of Payable	Governmental Activities	Business-Type Activities	Total
Trade payables	\$ 3,239,332	\$ 554,533	\$ 3,793,865
Accrued interest	964,238	-	964,238
Retainage payable	575,939	-	575,939
Internal service trade payables	54,574	-	54,574
IBNR estimate (incurred, but not reported)	1,201,500	-	1,201,500
Total	<u>\$ 6,035,583</u>	<u>\$ 554,533</u>	<u>\$ 6,590,116</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 \$50,000 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 \$500,000 per event 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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 \$240,000. 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. 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 2017. Changes in the fund's claims liability for the last three fiscal years were as follows:

Year Ended	Claims and				Balance June 30
	Balance July 1	Changes in Estimates	Claim Payments		
2015	\$ 895,680	\$ 11,733,096	\$ (11,578,032)	\$ 1,050,744	
2016	1,050,744	10,217,456	(10,532,648)	735,552	
2017	735,552	10,546,634	(10,080,686)	1,201,500	

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 \$5,695,626 to the Community College for operating purposes and \$100,000 for capital outlay during the fiscal year ended June 30, 2017. In addition, the County made debt service payments of \$900,000 for principal and \$447,978 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, 2017. 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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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, 2017. The County appropriated \$581,096 to the Library to supplement its activities. 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 \$61,021 to the Authority during the fiscal year ended June 30, 2017. The County has a 50% equity interest in the joint venture; therefore an equity interest of \$23,290,694 has been reflected in the government wide financial statements at June 30, 2017. 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, 2017 was:

	<u>Percentage of Sales</u>	<u>Percentage of Receivables</u>
Major customer 1	63%	57%
Major customer 2	10%	8%

17. Claims and Judgments

At June 30, 2017, 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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

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 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. Also, the County has commitments of \$138,000 for water treatment and distribution that will benefit the County as well as the municipalities.

20. Component Unit Transactions

In fiscal year 2017, the County and its component units reported transactions between the entities as follows:

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

21. Interfund Balances and Transfers

In fiscal year 2017, 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.

Transfers				
Fund Type	Fund Name	From	To	Purpose
General	General	\$ 9,933,800	\$ -	
Special Revenue	Grants Fund	-	222,615	Local contribution/match
Special Revenue	Pitt Area Transit System	-	34,111	Local contribution/match
Debt Service	Debt Service	-	7,666,074	Annual debt service requirement
Capital Project	Communication Expansion	-	210,000	Local contribution/match
Special Revenue	Emergency Telephone System	-	681,000	Contribution for backup PSAP
Special Revenue	Subdivision Improvement	-	220,000	Initial funding requirement
Internal Service	Retiree Health Insurance	-	900,000	Funding of retiree health insurance
Total		<u>\$ 9,933,800</u>	<u>\$ 9,933,800</u>	
Capital Project	School Capital Reserve	\$ 7,153,224	\$ -	
Debt Service	Debt Service	-	6,403,224	Debt service school projects
Capital Project	School Improvement Projects	<u>-</u>	<u>750,000</u>	Capital improvements school projects
Total		<u>\$ 7,153,224</u>	<u>\$ 7,153,224</u>	
Capital Project	County Capital Reserve	\$ 6,736,877	\$ -	
Debt Service	Debt Service	-	6,186,877	Debt service school projects
General	General	<u>-</u>	<u>550,000</u>	Capital improvements school projects
Total		<u>\$ 6,736,877</u>	<u>\$ 6,736,877</u>	
Debt Service	Debt Service	\$ 12,500	\$ -	
Capital Project	2017 Limited Obligation Bond	<u>-</u>	<u>12,500</u>	Initial bond costs that finalized in Debt Service
Total		<u>\$ 12,500</u>	<u>\$ 12,500</u>	
Capital Project	Chicod Capital Project	\$ 27,264	\$ -	
Debt Service	Debt Service	-	27,264	Debt service for project
Total		<u>\$ 27,264</u>	<u>\$ 27,264</u>	
Special Revenue	Pitt Transit	\$ 6,161	\$ -	
Internal Service	Workers' Compensation	<u>-</u>	<u>6,161</u>	Funding of worker's comp.
Total		<u>\$ 6,161</u>	<u>\$ 6,161</u>	
General	General	\$ 2,600,000	\$ -	
Capital Project	County Capital Reserve	<u>-</u>	<u>2,600,000</u>	Transfer of excess bond proceeds
Total		<u>\$ 2,600,000</u>	<u>\$ 2,600,000</u>	
Enterprise	Solid Waste & Recycling	\$ 132,691	\$ -	
Debt Service	Debt Service	-	117,441	Debt service solid waste & recycling projects
Internal Service	Workers' Compensation	<u>-</u>	<u>15,250</u>	Funding of worker's comp.
Total		<u>\$ 132,691</u>	<u>\$ 132,691</u>	

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

Interfund loans are summarized as follows:

<u>Fund Name</u>	<u>Due To</u>	<u>Due From</u>	<u>Purpose</u>
General Fund:			
General Fund	\$ 62,063	\$ -	
Nonmajor Funds:			
CDBG	<u>-</u>	<u>62,063</u>	Short-term loan in anticipation of grant reimbursement
Total	<u>\$ 62,063</u>	<u>\$ 62,063</u>	

22. Change In Accounting Principles/Restatement

The County implemented Governmental Accounting Standards Board (GASB) No. Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, in the fiscal year ending June 30, 2017. The implementation of the statement required the County to record beginning total pension liability and the effects on net position of benefit payments and administrative expenses paid by the County to the Law Enforcement Officers' Special Separation Allowance during the measurement period (fiscal year ending December 31, 2016). As a result, net position for governmental activities decreased \$3,109,152.

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

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE FOR THE YEAR ENDED JUNE 30,2017

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

	<u>2017</u>
Beginning balance	\$ 4,915,323
Service cost	189,531
Interest on the total pension liability	170,888
Changes of assumptions or other inputs	(113,354)
Benefit payments	(257,070)
Ending balance of the total pension liability	<u>\$ 4,905,318</u>

The amounts presented for each fiscal year were determined as of the prior December 31.

PITT COUNTY, NORTH CAROLINA

SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE FOR THE YEAR ENDED JUNE 30,2017

LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE

	2017
Total pension liability as a percentage of covered payroll	\$ 4,905,318
Covered payroll	7,126,814
Total pension liability as a percentage of covered payroll	68.83%

Notes to the Schedules:

Pitt County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

PITT COUNTY, NORTH CAROLINA

**OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial			Unfunded AAL (UAAL) B - A	Funded Ratio A / B	Covered Payroll C	UAAL as a Percentage (B - A) / C
	Actuarial Value of Assets A	Liability (AAL) - Projected Unit Credit B	Accrued				
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)			Percentage of ARC Contributed
			Amount Contributed by Employer	
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%
2017	5,124,544		1,243,125	24.26%

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%
Medicare trend rates	5.75% - 5.00%
Year of ultimate trend rate	2022

* Includes inflation at 3.00%

PITT COUNTY, NORTH CAROLINA**PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)****REQUIRED SUPPLEMENTARY INFORMATION****LAST FOUR FISCAL YEARS *****LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**

	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.6963%	0.6984%	0.7151%	0.7339%
County's proportion of the net pension liability (asset) (\$)	\$ 14,778,455	\$ 3,134,557	\$ (4,217,277)	\$ 8,846,313
County's covered-employee payroll	\$ 42,779,482	\$ 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	34.55%	7.54%	(10.35%)	22.13%
Plan fiduciary net position as a percentage of the total pension liability**	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

** 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 FOUR FISCAL YEARS****LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,342,657	\$ 2,887,537	\$ 2,927,826	\$ 2,861,567
Contributions in relation to the contractually required contribution	<u>3,342,657</u>	<u>2,887,537</u>	<u>2,927,826</u>	<u>2,861,567</u>
Contribution deficiency (excess)	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ -</u>
Covered-employee payroll	\$ 45,468,574	\$ 42,779,482	\$ 41,579,931	\$ 40,753,032
Contributions as a percentage of covered-employee payroll	7.35%	6.75%	7.04%	7.02%

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

PITT COUNTY, NORTH CAROLINA

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

REGISTERS OF DEEDS' SUPPLEMENTAL PENSION FUND

	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	1.4219%	1.4587%	1.4780%	1.4230%
County's proportion of the net pension liability (asset) (\$)	\$ (265,835)	\$ (338,042)	\$ (335,081)	\$ (303,991)
County's covered-employee payroll	\$ 65,781	\$ 53,785	\$ 49,199	\$ 38,140
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-404.12%	-628.51%	-681.07%	-797.04%
Plan fiduciary net position as a percentage of the total pension liability**	160.17%	197.29%	193.88%	198.50%

* 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.

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

PITT COUNTY, NORTH CAROLINA

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

REGISTERS OF DEEDS' SUPPLEMENTAL PENSION FUND

	2017	2016	2015	2014
Contractually required contribution	\$ 4,940	\$ 4,434	\$ 3,803	\$ 13,346
Contributions in relation to the contractually required contribution	4,940	4,434	3,803	13,346
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 67,492	\$ 65,781	\$ 53,785	\$ 49,199
Contributions as a percentage of covered-employee payroll	7.32%	6.74%	7.07%	27.13%

Pension schedules in the required supplementary information are intended to show information for ten years and that additional years' information will be displayed as it becomes available.

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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, 2017.

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PITT COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2017

Fiscal Year	Uncollected Balance July 1, 2016		Collections and Credits	Uncollected Balance June 30, 2017	
	\$	84,926,223		\$	84,305,375
2016-2017	\$ -	\$ 84,926,223	\$ 84,305,375	\$ 620,848	
2015-2016	\$ 692,081	\$ -	\$ 372,533	\$ 319,548	
2014-2015	\$ 354,473	\$ -	\$ 132,334	\$ 222,139	
2013-2014	\$ 290,877	\$ -	\$ 69,763	\$ 221,114	
2012-2013	\$ 276,991	\$ -	\$ 94,558	\$ 182,433	
2011-2012	\$ 223,132	\$ -	\$ 49,704	\$ 173,428	
2010-2011	\$ 215,993	\$ -	\$ 57,384	\$ 158,609	
2009-2010	\$ 166,692	\$ -	\$ 26,964	\$ 139,728	
2008-2009	\$ 179,306	\$ -	\$ 63,098	\$ 116,208	
2007-2008	\$ 117,499	\$ -	\$ 117,499	\$ -	
Total	\$ 2,517,044	\$ 84,926,223	\$ 85,289,212	\$ 2,154,055	
Less: Allowance for uncollectible ad valorem taxes receivable				<u>(1,750,505)</u>	
Total				<u>\$ 403,550</u>	
Reconciling with Revenues:					
Taxes - ad valorem				\$ 85,251,700	
Reconciling items:					
Interest and cost				(329,810)	
Amounts written off for tax years per Statute of Limitations				117,499	
Miscellaneous tax adjustments				<u>249,823</u>	
Total collections and credits				<u>\$ 85,289,212</u>	

PITT COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
FOR THE YEAR ENDED JUNE 30, 2017

					Total Levy
	County-Wide				Property Excluding Registered Motor Vehicles
	Property Valuation	Rate	Amount of Levy	Registered Motor Vehicles	
Original Levy:					
Property taxed at current year's rate	\$ 12,350,659,913	\$ 0.6860	\$ 84,725,527	\$ 75,814,156	\$ 8,911,371
Discoveries:					
Current year taxes	4,308,009	0.6860	2,955,294	2,955,294	-
Releases	(2,739,169)		(1,879,070)	(1,879,070)	-
Total property valuation	<u>\$ 12,352,228,753</u>				
Net Levy					
Less: Tax rate attributed to Industrial Development Commission	0.0070		(875,528)	(875,528)	-
Net levy to County			84,926,223	76,014,852	8,911,371
Less: Uncollected taxes at June 30, 2017			(620,848)	(620,848)	-
Current Year's Taxes Collected	<u>\$ 84,305,375</u>		<u>\$ 75,394,004</u>	<u>\$ 8,911,371</u>	
Percent Current Year Collected			<u>99.27%</u>	<u>99.18%</u>	<u>100.00%</u>
Prior Year Collection Percentage			<u>99.15%</u>	<u>99.05%</u>	<u>100.00%</u>

PITT COUNTY, NORTH CAROLINA

**ANALYSIS OF CURRENT TAX LEVY
SECONDARY MARKET DISCLOSURES
FOR THE YEAR ENDED JUNE 30, 2017**

Secondary Market Disclosures:

Assessed valuation:

Assessment ratio (1) 100.00%

Real property	\$ 9,762,032,415
Personal property	2,437,716,258
Public service companies (2)	<u>152,480,080</u>
Total assessed valuation	<u>\$ 12,352,228,753</u>

Tax rate per \$100	0.6860
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Levy (includes discoveries, releases, and abatements) (3)	<u>\$ 85,801,751</u>
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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, 2017:

Fire protection/rescue districts	<u>\$ 5,027,549</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, 2017**

Taxpayer	Type of Business	Valuation	Percentage of Total Assessed Valuation
Patheon Manufacturing Services LLC	Manufacturer	\$ 262,435,545	2.12%
DSM Dyneema LLC	Manufacturer	175,263,183	1.42%
Attends Healthcare Products Inc.	Manufacturer	85,746,840	0.69%
Asmo Greenville of NC	Manufacturer	81,378,706	0.66%
Weyerhaeuser NR Company	Manufacturer	51,898,139	0.42%
Wal Mart Real Estate Business Trust	Retail	46,951,953	0.38%
RPI Greenville Mall LP	Mall	44,614,187	0.36%
Copper Beech Townhome Communities Thirty SPE LLC	Student Housing	37,505,180	0.30%
Pep ECU LLC	Student Housing	34,038,022	0.28%
401 Moye Boulevard Realty Dst	Builder	31,901,462	0.26%

PITT COUNTY, NORTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<i>Schedule C-1</i>	<i>Schedule D-2</i>	
	Special Revenue Funds	Capital Projects Fund	Total
Assets:			
Cash, cash equivalents, and investments	\$ 3,501,825	\$ 16,913,908	\$ 20,415,733
Taxes receivable, net	159,494	-	159,494
Accounts receivable, net	678,925	-	678,925
Prepaid items	87,240	-	87,240
Cash and investments, restricted	-	9,530,518	9,530,518
Due from other governments	-	2,523,446	2,523,446
Total assets	<u>\$ 4,427,484</u>	<u>\$ 28,967,872</u>	<u>\$ 33,395,356</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 254,146	\$ 570,414	\$ 824,560
Retainage payable	-	84,849	84,849
Due to other funds	62,063	-	62,063
Total liabilities	<u>316,209</u>	<u>655,263</u>	<u>971,472</u>
Deferred Inflows of Resources:			
Taxes receivable	159,494	-	159,494
Other receivables	<u>362,052</u>	<u>-</u>	<u>362,052</u>
Total deferred inflows of resources	<u>521,546</u>	<u>-</u>	<u>521,546</u>
Fund Balances:			
Non-spendable - prepaid items	87,240	-	87,240
Restricted for stabilization of State statute	316,873	2,523,446	2,840,319
Restricted	2,859,622	9,999,243	12,858,865
Committed	-	14,573,298	14,573,298
Assigned	388,057	1,216,622	1,604,679
Unassigned	(62,063)	-	(62,063)
Total fund balances	<u>3,589,729</u>	<u>28,312,609</u>	<u>31,902,338</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 4,427,484</u>	<u>\$ 28,967,872</u>	<u>\$ 33,395,356</u>

PITT COUNTY, NORTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<i>Schedule C-2</i>	<i>Schedule D-3</i>	
	Special Revenue Funds	Capital Projects Fund	<i>Total</i>
Revenues:			
Ad valorem taxes	\$ 5,362,245	\$ -	\$ 5,362,245
Other taxes and licenses	-	11,579,116	11,579,116
Restricted intergovernmental revenues	3,700,609	2,701,078	6,401,687
Sales and services	3,185,004	-	3,185,004
Investment earnings	17,407	100,916	118,323
Miscellaneous	652,800	1,842,500	2,495,300
Total revenues	<u>12,918,065</u>	<u>16,223,610</u>	<u>29,141,675</u>
Expenditures:			
Current:			
General government	580,714	-	580,714
Public safety	8,104,362	3,876,893	11,981,255
Economic and physical development	3,969,355	3,580,788	7,550,143
Education	-	12,085,573	12,085,573
Debt service:			
Principal repayments	127,323	-	127,323
Interest	1,904	-	1,904
Total expenditures	<u>12,783,658</u>	<u>19,543,254</u>	<u>32,326,912</u>
Revenues over (under) expenditures	<u>134,407</u>	<u>(3,319,644)</u>	<u>(3,185,237)</u>
Other Financing Sources (Uses):			
Transfers in	1,157,726	3,572,500	4,730,226
Transfers out	(6,161)	(13,917,365)	(13,923,526)
Sale of assets	-	15,363	15,363
Debt obligation issued	-	9,837,000	9,837,000
Premium received from issuance of debt	-	626,336	626,336
Total other financing sources (uses)	<u>1,151,565</u>	<u>133,834</u>	<u>1,285,399</u>
Net change in fund balances	<u>1,285,972</u>	<u>(3,185,810)</u>	<u>(1,899,838)</u>
Fund Balances:			
Beginning of year - July 1	<u>2,303,757</u>	<u>31,498,419</u>	<u>33,802,176</u>
End of year - June 30	<u>\$ 3,589,729</u>	<u>\$ 28,312,609</u>	<u>\$ 31,902,338</u>

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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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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes:				
Taxes	\$ 86,334,061	\$ 84,921,890	\$ (1,412,171)	\$ 81,428,051
Penalties and interest	460,000	329,810	(130,190)	356,183
Total	<u>86,794,061</u>	<u>85,251,700</u>	<u>(1,542,361)</u>	<u>81,784,234</u>
Other Taxes and Licenses:				
Occupancy tax	30,000	34,418	4,418	29,014
Local option sales taxes	16,677,857	18,833,601	2,155,744	17,641,102
Payment in lieu of taxes	1,916,246	1,897,146	(19,100)	1,880,224
Privilege licenses	9,000	8,561	(439)	9,022
Marriage licenses	34,050	27,315	(6,735)	25,020
Gross receipts tax	242,000	296,734	54,734	277,454
Total	<u>18,909,153</u>	<u>21,097,775</u>	<u>2,188,622</u>	<u>19,861,836</u>
Unrestricted Intergovernmental Revenues:				
Alcohol, beer, and wine tax	300,000	285,343	(14,657)	274,390
Pitt County ABC Board	1,300,000	1,300,000	-	1,300,000
Social Services fees and grants	233,971	347,461	113,490	310,947
Total	<u>1,833,971</u>	<u>1,932,804</u>	<u>98,833</u>	<u>1,885,337</u>
Restricted Intergovernmental Revenues:				
Public health fees and grants	5,285,532	5,663,557	378,025	4,574,034
Social services fees and grants	25,663,393	24,664,224	(999,169)	23,503,238
Mental health fees and grants	230,000	189,793	(40,207)	139,319
Jail fees	434,265	457,755	23,490	478,804
Automation E&P - Register of Deeds	50,000	84,055	34,055	77,466
Federal and State grants	56,000	61,176	5,176	59,864
Total	<u>31,719,190</u>	<u>31,120,560</u>	<u>(598,630)</u>	<u>28,832,725</u>
Permits and Fees:				
Building permits and inspection fees	459,000	523,873	64,873	492,655
Register of Deeds	600,000	687,512	87,512	633,254
Excise stamps	584,500	746,434	161,934	687,170
Rabies control fees	13,000	11,333	(1,667)	16,462
Animal fees	190,500	140,693	(49,807)	161,224
Court facility fees	240,000	208,652	(31,348)	231,884
Total	<u>2,087,000</u>	<u>2,318,497</u>	<u>231,497</u>	<u>2,222,649</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Sales and Services:				
Rents, concessions, and fees	3,961,503	3,885,946	(75,557)	4,057,840
Federal and State prison inmate reimbursement	996,450	1,547,988	551,538	1,808,664
Total	<u>4,957,953</u>	<u>5,433,934</u>	<u>475,981</u>	<u>5,866,504</u>
Investment Earnings	101,000	257,289	156,289	189,046
Miscellaneous:				
Sale of capital assets	10,000	13,109	3,109	8,481
Other income	505,883	1,130,132	624,249	1,216,159
Total	<u>515,883</u>	<u>1,143,241</u>	<u>627,358</u>	<u>1,224,640</u>
Total revenues	<u>146,918,211</u>	<u>148,555,800</u>	<u>1,637,589</u>	<u>141,866,971</u>
Expenditures:				
General Government:				
Governing board, County Manager, legal,				
Public Information Officer	1,423,026	1,378,454	44,572	1,354,583
Finance, Tax Assessor, Tax Collector	3,259,073	2,970,740	288,333	2,978,456
Elections	719,858	723,966	(4,108)	803,415
Register of Deeds	683,951	629,325	54,626	550,699
Human resources	631,804	570,999	60,805	586,448
Print shop/mailroom, management information system, geographic information system	2,952,923	2,983,803	(30,880)	2,256,182
Buildings and grounds and housekeeping	3,074,916	2,613,186	461,730	2,484,698
Non-departmental - general administration	<u>1,464,655</u>	<u>1,281,163</u>	<u>183,492</u>	<u>1,383,937</u>
Total	<u>14,210,206</u>	<u>13,151,636</u>	<u>1,058,570</u>	<u>12,398,418</u>
Public Safety:				
Sheriff's Department, school security, other public safety	14,046,141	13,844,142	201,999	12,972,104
Detention Center, jail inmate services, jail health services	16,343,245	15,898,373	444,872	15,034,887
Emergency services	986,271	861,385	124,886	767,615
Communications	1,634,183	1,361,737	272,446	1,318,799
Planning E911	91,062	72,465	18,597	83,343
Animal and mosquito control	860,694	780,640	80,054	718,688
Inspections	452,413	417,971	34,442	432,206
Medical examiner	154,000	175,500	(21,500)	131,890
Transportation	4,500	5,357	(857)	3,143
Court facility	<u>437,222</u>	<u>439,086</u>	<u>(1,864)</u>	<u>426,545</u>
Total	<u>35,009,731</u>	<u>33,856,656</u>	<u>1,153,075</u>	<u>31,889,220</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Environmental Protection:				
Soil and water conservation	291,445	256,163	35,282	260,578
Economic and Physical Development:				
Planning and zoning	761,418	718,975	42,443	692,539
Other economic development	231,075	226,790	4,285	173,913
Engineering	113,736	108,749	4,987	87,425
Cooperative extension	314,561	289,384	25,177	269,842
Farmers' Market	57,665	51,348	6,317	42,582
Total	1,478,455	1,395,246	83,209	1,266,301
Human Services:				
Other human services	250,400	250,400	-	228,924
Veterans affairs	190,280	188,823	1,457	165,419
Total	440,680	439,223	1,457	394,343
Public Health:				
Administration	2,672,267	2,535,178	137,089	2,371,306
Services and programs	8,000,392	7,183,167	817,225	6,802,887
Total	10,672,659	9,718,345	954,314	9,174,193
Social Services:				
Administration	16,213,019	14,716,757	1,496,262	14,840,356
Services and programs	8,791,555	9,472,575	(681,020)	8,672,519
Public assistance	8,410,403	8,497,040	(86,637)	7,850,188
Child support	2,804,289	2,688,717	115,572	2,185,231
Total	36,219,266	35,375,089	844,177	33,548,294
Mental Health:				
Services and programs	717,500	678,223	39,277	627,721
Total human services	48,050,105	46,210,880	1,839,225	43,744,551
Education:				
Pitt County Schools	39,213,340	39,213,340	-	37,326,287
Pitt Community College	5,795,626	5,795,626	-	5,495,326
Total	45,008,966	45,008,966	-	42,821,613

PITT COUNTY, NORTH CAROLINA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017			2016
	Budget	Actual	Variance Over/Under	Actual
Cultural and Recreation	823,634	822,133	1,501	664,949
Debt Service	175,289	113,975	61,314	784,831
Total expenditures	145,047,831	140,815,655	4,232,176	133,830,461
Revenues over (under) expenditures	1,870,380	7,740,145	5,869,765	8,036,510
Other Financing Sources (Uses):				
Transfers in (out):				
Special revenue funds	(3,967,726)	(3,967,726)	-	(1,462,412)
Solid waste	550,000	-	(550,000)	(8,276)
Debt Service Fund	(7,666,074)	(7,666,074)	-	(5,626,328)
Capital project funds	681,000	550,000	(131,000)	412,500
Internal service funds	(900,000)	(900,000)	-	(858,480)
Installment debt issued	340,000	340,000	-	877,242
Appropriated fund balance	9,092,420	-	(9,092,420)	-
Total other financing sources (uses)	(1,870,380)	(11,643,800)	(9,773,420)	(6,665,754)
Net change in fund balance	\$ -	(3,903,655)	\$ (3,903,655)	1,370,756
Fund Balance:				
Beginning of year - July 1		41,117,338		39,746,582
End of year - June 30		\$ 37,213,683		\$ 41,117,338

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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, 2017**

	<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	\$ 85,251,700	\$ -	\$ -
Other taxes and licenses	21,097,775	-	-
Unrestricted intergovernmental revenues	1,585,343	-	347,461
Restricted intergovernmental revenues	602,986	5,663,557	24,664,224
Permits and fees	2,109,845	-	-
Sales and services	5,186,834	-	247,100
Investment earnings	253,992	-	-
Miscellaneous	1,079,394	-	63,847
Total revenues	<u>117,167,869</u>	<u>5,663,557</u>	<u>25,322,632</u>
Expenditures:			
General government	13,151,636	-	-
Public safety	33,417,570	-	-
Environmental protection	256,163	-	-
Economic and physical development	1,395,246	-	-
Human services	439,223	9,718,345	35,375,089
Education	45,008,966	-	-
Cultural and recreational	822,133	-	-
Debt service	113,975	-	-
Total expenditures	<u>94,604,912</u>	<u>9,718,345</u>	<u>35,375,089</u>
Revenues over (under) expenditures	<u>22,562,957</u>	<u>(4,054,788)</u>	<u>(10,052,457)</u>
Other Financing Sources (Uses):			
Installment debt issued	340,000	-	-
Intrafund transfers in (out)	(14,639,264)	4,056,805	9,898,737
Transfers in (out):			
Out to special revenue funds	(3,967,726)	-	-
Out to Debt Service Fund	(7,666,074)	-	-
In from Capital Project Fund	550,000	-	-
Out to Internal Service Fund	(900,000)	-	-
Total other financing sources (uses)	<u>(26,283,064)</u>	<u>4,056,805</u>	<u>9,898,737</u>
Net change in fund balances	<u>(3,720,107)</u>	<u>2,017</u>	<u>(153,720)</u>
Fund Balances:			
Beginning of year - July 1	<u>31,277,705</u>	<u>1,712,979</u>	<u>8,053,770</u>
End of year - June 30	<u>\$ 27,557,598</u>	<u>\$ 1,714,996</u>	<u>\$ 7,900,050</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, 2017**

	<i>Schedule B-6</i>	<i>Schedule B-7</i>	
	Court Facility Department	Mental Health Department	Combined Total
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ 85,251,700
Other taxes and licenses	-	-	21,097,775
Unrestricted intergovernmental revenues	-	-	1,932,804
Restricted intergovernmental revenues	-	189,793	31,120,560
Permits and fees	208,652	-	2,318,497
Sales and services	-	-	5,433,934
Investment earnings	3,297	-	257,289
Miscellaneous	-	-	1,143,241
Total revenues	211,949	189,793	148,555,800
Expenditures:			
General government	-	-	13,151,636
Public safety	439,086	-	33,856,656
Environmental protection	-	-	256,163
Economic and physical development	-	-	1,395,246
Human services	-	678,223	46,210,880
Education	-	-	45,008,966
Cultural and recreational	-	-	822,133
Debt service	-	-	113,975
Total expenditures	439,086	678,223	140,815,655
Revenues over (under) expenditures	(227,137)	(488,430)	7,740,145
Other Financing Sources (Uses):			
Installment debt issued	-	-	340,000
Intrafund transfers in (out)	196,222	487,500	-
Transfers in (out):			
Out to special revenue funds	-	-	(3,967,726)
Out to Debt Service Fund	-	-	(7,666,074)
In from Capital Project Fund	-	-	550,000
Out to Internal Service Fund	-	-	(900,000)
Total other financing sources (uses)	196,222	487,500	(11,643,800)
Net change in fund balances	(30,915)	(930)	(3,903,655)
Fund Balances:			
Beginning of year - July 1	68,900	3,984	41,117,338
End of year - June 30	\$ 37,985	\$ 3,054	\$ 37,213,683

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad Valorem Taxes:				
Taxes	\$ 86,334,061	\$ 84,921,890	\$ (1,412,171)	\$ 81,428,051
Penalties and interest	460,000	329,810	(130,190)	356,183
Total	<u>86,794,061</u>	<u>85,251,700</u>	<u>(1,542,361)</u>	<u>81,784,234</u>
Other Taxes and Licenses:				
Occupancy tax	30,000	34,418	4,418	29,014
Local options sales tax	16,677,857	18,833,601	2,155,744	17,641,102
Payment in lieu of tax	1,916,246	1,897,146	(19,100)	1,880,224
Privilege licenses	9,000	8,561	(439)	9,022
Marriage licenses	34,050	27,315	(6,735)	25,020
Gross receipts tax	242,000	296,734	54,734	277,454
Total	<u>18,909,153</u>	<u>21,097,775</u>	<u>2,188,622</u>	<u>19,861,836</u>
Unrestricted Intergovernmental Revenues:				
Alcohol, beer, and wine tax	300,000	285,343	(14,657)	274,390
Pitt County ABC Board	1,300,000	1,300,000	-	1,300,000
Total	<u>1,600,000</u>	<u>1,585,343</u>	<u>(14,657)</u>	<u>1,574,390</u>
Restricted Intergovernmental Revenues:				
Emergency management				
Jail fees	434,265	457,755	23,490	478,804
Automation E&P - Register of Deeds	50,000	84,055	34,055	77,466
Federal and State grants	56,000	61,176	5,176	59,864
Total	<u>540,265</u>	<u>602,986</u>	<u>62,721</u>	<u>616,134</u>
Permits and Fees:				
Building permits and inspection fees	459,000	523,873	64,873	492,655
Register of Deeds	600,000	687,512	87,512	633,254
Excise stamps	584,500	746,434	161,934	687,170
Rabies control fees	13,000	11,333	(1,667)	16,462
Animal fees	190,500	140,693	(49,807)	161,224
Total	<u>1,847,000</u>	<u>2,109,845</u>	<u>262,845</u>	<u>1,990,765</u>
Sales and Services:				
Rents, concessions, and fees	3,689,378	3,638,846	(50,532)	3,811,266
Federal and State prison inmate reimbursement	996,450	1,547,988	551,538	1,808,664
Total	<u>4,685,828</u>	<u>5,186,834</u>	<u>501,006</u>	<u>5,619,930</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

	2017		2016	
	Budget		Variance Over/Under	
	Actual		Actual	
Investment Earnings	100,000	253,992	153,992	187,850
Miscellaneous:				
Sale of fixed assets	10,000	13,109	3,109	8,481
Employer contributions	-	-	-	-
Other income	464,988	1,066,285	601,297	1,116,716
Total	474,988	1,079,394	604,406	1,125,197
 Total revenues	 114,951,295	 117,167,869	 2,216,574	 112,760,336
 Expenditures:				
General Government:				
Governing Body:				
Salaries and employee benefits	206,720	204,648	2,072	202,634
Operating expenses	30,100	28,131	1,969	35,460
Total	236,820	232,779	4,041	238,094
 County Manager:				
Salaries and employee benefits	435,481	422,888	12,593	415,519
Operating expenses	24,050	23,452	598	21,330
Total	459,531	446,340	13,191	436,849
 Financial Services:				
Salaries and employee benefits	730,242	683,885	46,357	676,280
Operating expenses	26,390	26,842	(452)	26,789
Total	756,632	710,727	45,905	703,069
 Tax Assessor:				
Salaries and employee benefits	2,101,442	1,956,240	145,202	1,941,668
Operating expenses	400,999	303,773	97,226	333,719
Total	2,502,441	2,260,013	242,428	2,275,387
 Legal:				
Salaries and employee benefits	526,171	512,751	13,420	491,642
Operating expenses	19,321	15,744	3,577	13,740
Total	545,492	528,495	16,997	505,382

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

		2017		2016
		Budget	Actual	Variance Over/Under
Elections:				
Salaries and employee benefits		469,604	498,106	(28,502)
Operating expenses		250,254	225,860	24,394
Total		<u>719,858</u>	<u>723,966</u>	(4,108)
Register of Deeds:				
Salaries and employee benefits		465,461	452,071	13,390
Operating expenses		218,490	177,254	41,236
Total		<u>683,951</u>	<u>629,325</u>	54,626
Public Information Office:				
Salaries and employee benefits		102,251	101,885	366
Operating expenses		48,932	40,337	8,595
Capital outlay		30,000	28,618	1,382
Total		<u>181,183</u>	<u>170,840</u>	10,343
Human Resources:				
Salaries and employee benefits		606,331	549,547	56,784
Operating expenses		25,473	21,452	4,021
Total		<u>631,804</u>	<u>570,999</u>	60,805
Print Shop/Mail Room:				
Salaries and employee benefits		135,408	135,365	43
Operating expenses		45,640	43,104	2,536
Reimbursement from other departments/funds		(38,000)	(29,739)	(8,261)
Total		<u>143,048</u>	<u>148,730</u>	(5,682)
Management Information Systems:				
Salaries and employee benefits		2,402,036	2,410,995	(8,959)
Operating expenses		948,800	870,687	78,113
Capital outlay		365,000	387,114	(22,114)
Reimbursement from other departments/funds		(1,207,029)	(1,164,939)	(42,090)
Total		<u>2,508,807</u>	<u>2,503,857</u>	4,950
Geographical Information Systems:				
Salaries and employee benefits		193,118	187,930	5,188
Operating expenses		197,950	208,095	(10,145)
Capital outlay		25,000	37,364	(12,364)
Reimbursement from other departments/funds		(115,000)	(102,173)	(12,827)
Total		<u>301,068</u>	<u>331,216</u>	(30,148)

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

		2017		2016
		Budget	Actual	Variance Over/Under
Buildings and Grounds:				
Salaries and employee benefits		929,626	805,229	124,397
Operating expenses		1,580,466	1,441,417	139,049
Capital outlay		198,824	-	198,824
Total		<u>2,708,916</u>	<u>2,246,646</u>	<u>462,270</u>
Housekeeping:				
Operating expenses		366,000	366,540	(540)
General Government Non-Allocated Expenditures:				
Other employee insurance and benefits		140,166	102,260	37,906
Professional services		141,240	163,741	(22,501)
Insurance and bonding		606,061	458,365	147,696
Quasi-external workers' compensation		650,000	650,000	-
Overhead allocated to other departments		(220,000)	(220,000)	(220,000)
Miscellaneous items		147,188	126,797	20,391
Total		<u>1,464,655</u>	<u>1,281,163</u>	<u>183,492</u>
Total general government		<u>14,210,206</u>	<u>13,151,636</u>	<u>1,058,570</u>
Public Safety:				
Sheriff:				
Salaries and employee benefits		11,096,886	10,836,352	260,534
Operating expenses		2,013,509	2,074,892	(61,383)
Benefits		-	-	-
Capital outlay		44,700	40,182	4,518
Total		<u>13,155,095</u>	<u>12,951,426</u>	<u>203,669</u>
Detention Center:				
Salaries and employee benefits		11,493,322	11,266,531	226,791
Operating expenses		2,763,362	2,541,319	222,043
Total		<u>14,256,684</u>	<u>13,807,850</u>	<u>448,834</u>
Jail Health Services:				
Salaries and benefits		1,925,667	1,908,060	17,607
Operating expenses		103,500	125,086	(21,586)
Total		<u>2,029,167</u>	<u>2,033,146</u>	<u>(3,979)</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Jail Inmate Coordinator:				
Salaries and benefits	<u>57,394</u>	<u>57,377</u>	<u>17</u>	<u>54,874</u>
School Security:				
Salaries and benefits	<u>422,260</u>	<u>471,454</u>	<u>(49,194)</u>	<u>504,593</u>
Operating expenses	<u>75,000</u>	<u>72,696</u>	<u>2,304</u>	<u>44,221</u>
Total	<u>497,260</u>	<u>544,150</u>	<u>(46,890)</u>	<u>548,814</u>
Emergency Services:				
Salaries and benefits	<u>481,171</u>	<u>387,598</u>	<u>93,573</u>	<u>443,278</u>
Operating expenses	<u>505,100</u>	<u>473,787</u>	<u>31,313</u>	<u>324,337</u>
Total	<u>986,271</u>	<u>861,385</u>	<u>124,886</u>	<u>767,615</u>
Communications:				
Salaries and benefits	<u>1,545,251</u>	<u>1,327,052</u>	<u>218,199</u>	<u>1,157,289</u>
Operating expenses	<u>76,207</u>	<u>26,547</u>	<u>49,660</u>	<u>156,648</u>
Capital outlay	<u>12,725</u>	<u>8,138</u>	<u>4,587</u>	<u>4,862</u>
Total	<u>1,634,183</u>	<u>1,361,737</u>	<u>272,446</u>	<u>1,318,799</u>
Planning E911:				
Salaries and benefits	<u>56,562</u>	<u>55,519</u>	<u>1,043</u>	<u>62,386</u>
Operating expenses	<u>34,500</u>	<u>16,946</u>	<u>17,554</u>	<u>20,957</u>
Total	<u>91,062</u>	<u>72,465</u>	<u>18,597</u>	<u>83,343</u>
Animal and Mosquito Control:				
Salaries and employee benefits	<u>672,344</u>	<u>614,425</u>	<u>57,919</u>	<u>558,240</u>
Operating expenses	<u>184,508</u>	<u>163,839</u>	<u>20,669</u>	<u>160,448</u>
Capital outlay	<u>3,842</u>	<u>2,376</u>	<u>1,466</u>	<u>-</u>
Total	<u>860,694</u>	<u>780,640</u>	<u>80,054</u>	<u>718,688</u>
Inspections:				
Salaries and employee benefits	<u>428,603</u>	<u>398,123</u>	<u>30,480</u>	<u>407,859</u>
Operating expenses	<u>23,810</u>	<u>19,848</u>	<u>3,962</u>	<u>24,347</u>
Total	<u>452,413</u>	<u>417,971</u>	<u>34,442</u>	<u>432,206</u>
Medical Examiner:				
Professional services	<u>154,000</u>	<u>175,500</u>	<u>(21,500)</u>	<u>131,890</u>
Other Public Safety:				
Operating expenses	<u>393,786</u>	<u>348,566</u>	<u>45,220</u>	<u>399,154</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

		2017		2016
		Budget	Actual	Variance Over/Under
Transportation:				
Operating expenses		4,500	5,357	(857)
Total public safety		<u>34,572,509</u>	<u>33,417,570</u>	<u>1,154,939</u>
Environmental Protection:				
Pitt Soil and Water Conservation:				
Salaries and benefits		264,164	235,140	29,024
Operating expenses		21,281	21,023	258
Capital outlay		6,000	-	6,000
Total		<u>291,445</u>	<u>256,163</u>	<u>35,282</u>
Total environmental protection		<u>291,445</u>	<u>256,163</u>	<u>35,282</u>
Economic and Physical Development:				
Planning and Zoning:				
Salaries and employee benefits		682,218	669,585	12,633
Operating expenses		79,200	49,390	29,810
Capital outlay		-	-	9,050
Total		<u>761,418</u>	<u>718,975</u>	<u>42,443</u>
Other Economic Development:				
Operating expenses		231,075	226,790	4,285
Engineering:				
Salaries and employee benefits		105,436	102,612	2,824
Operating expenses		8,300	6,137	2,163
Total		<u>113,736</u>	<u>108,749</u>	<u>4,987</u>
Cooperative Extension:				
Operating expenses		76,556	67,073	9,483
Professional services		238,005	222,311	15,694
Total		<u>314,561</u>	<u>289,384</u>	<u>25,177</u>
Farmers' Market:				
Salaries and employee benefits		38,465	37,286	1,179
Professional services		19,200	14,062	5,138
Total		<u>57,665</u>	<u>51,348</u>	<u>6,317</u>
Total economic and physical development		<u>1,478,455</u>	<u>1,395,246</u>	<u>83,209</u>
				1,266,301

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

		2017	2016			
		Budget	Actual	Variance	Over/Under	
Human Services:						
Other human services		250,400	250,400		-	228,924
Veterans affairs		<u>190,280</u>	<u>188,823</u>		1,457	<u>165,419</u>
Total human services		<u>440,680</u>	<u>439,223</u>		1,457	<u>394,343</u>
Education:						
Pitt County Schools:						
Current		38,213,340	38,213,340		-	36,576,287
Capital outlay		<u>1,000,000</u>	<u>1,000,000</u>		-	<u>750,000</u>
Total		<u>39,213,340</u>	<u>39,213,340</u>		-	<u>37,326,287</u>
Pitt Community College:						
Current		5,695,626	5,695,626		-	5,420,326
Capital outlay		<u>100,000</u>	<u>100,000</u>		-	<u>75,000</u>
Total		<u>5,795,626</u>	<u>5,795,626</u>		-	<u>5,495,326</u>
Total education		<u>45,008,966</u>	<u>45,008,966</u>		-	<u>42,821,613</u>
Cultural and Recreational:						
Cultural - contracts/grants		35,500	35,500		-	29,500
Recreational - contracts/grants		80,538	79,037		1,501	41,554
Libraries - contracts/grants		<u>707,596</u>	<u>707,596</u>		-	<u>593,895</u>
Total cultural and recreational		<u>823,634</u>	<u>822,133</u>		1,501	<u>664,949</u>
Debt Service:						
Principal repayments		163,543	111,319		52,224	778,639
Interest and fees		<u>11,746</u>	<u>2,656</u>		9,090	<u>6,192</u>
Total debt service		<u>175,289</u>	<u>113,975</u>		61,314	<u>784,831</u>
Total expenditures		<u>97,001,184</u>	<u>94,604,912</u>		2,396,272	<u>90,053,708</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

	2017		2016	
	Budget	Actual	Variance	
			Over/Under	Actual
Revenues over (under) expenditures	<u>17,950,111</u>	<u>22,562,957</u>	<u>4,612,846</u>	<u>22,706,628</u>
Other Financing Sources (Uses):				
Intrafund transfers in (out):				
Public health from General Fund	(4,602,816)	(4,056,806)	546,010	(4,516,266)
DSS from General Fund	(9,898,737)	(9,898,736)	1	(8,621,909)
Court facilities from General Fund	(196,222)	(196,222)	-	(254,966)
Mental health	<u>(487,500)</u>	<u>(487,500)</u>	<u>-</u>	<u>(487,500)</u>
Total	<u>(15,185,275)</u>	<u>(14,639,264)</u>	<u>546,011</u>	<u>(13,880,641)</u>
Operating transfers in (out):				
Special revenue funds	(3,967,726)	(3,967,726)	-	(1,462,412)
From solid waste	550,000	-	(550,000)	-
Debt Service Fund	(7,666,074)	(7,666,074)	-	(5,626,328)
Capital project funds	681,000	550,000	(131,000)	412,500
Internal service funds	<u>(900,000)</u>	<u>(900,000)</u>	<u>-</u>	<u>(858,480)</u>
Total	<u>(11,302,800)</u>	<u>(11,983,800)</u>	<u>(681,000)</u>	<u>(7,534,720)</u>
Other:				
Installment debt issued	340,000	340,000	-	-
Appropriated fund balance - General Fund	<u>8,197,964</u>	<u>-</u>	<u>(8,197,964)</u>	<u>-</u>
Total	<u>8,537,964</u>	<u>340,000</u>	<u>(8,197,964)</u>	<u>-</u>
Total other financing sources (uses)	<u>(17,950,111)</u>	<u>(26,283,064)</u>	<u>(8,332,953)</u>	<u>(21,415,361)</u>
Net change in fund balance	<u>\$</u> <u>-</u>	<u>\$</u> <u>(3,720,107)</u>	<u>\$</u> <u>(3,720,107)</u>	<u>\$</u> <u>1,291,267</u>

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		Variance Over/Under	2016	
	Budget	Actual		Actual	
Revenues:					
Restricted intergovernmental revenues:					
Administration	\$ 416,130	\$ 806,815	\$ 390,685	\$ 338,852	
Environmental health	130,000	160,729	30,729	140,584	
Food and lodging	73,473	77,448	3,975	26,125	
Vector control program	-	-	-	2,941	
Maternal & Child Health Cap Building	76,250	74,838	(1,412)	200,394	
Tuberculosis	76,965	78,048	1,083	53,699	
Nutrition and physical activities	2,000	1,362	(638)	-	
Minority diabetes prevention	264,930	296,380	31,450	-	
Vector surveillance	30,833	21,677	(9,156)	-	
Adolescent pregnancy grants	1,800	1,800	-	1,000	
Healthy Start	217,315	224,863	7,548	220,577	
Cardiovascular health	117,820	118,473	653	89,829	
Project assistance	66,906	44,266	(22,640)	65,778	
Adult health	15,650	15,261	(389)	(4,474)	
Health promotion	27,708	29,323	1,615	36,022	
Breast/cervical cancer prevention	49,326	54,684	5,358	54,849	
Farmers' Market nutritional program	5,946	5,042	(904)	4,463	
Communicable disease	225,527	219,800	(5,727)	156,707	
WFU Diabetes Prevention	1,900	541	(1,359)	712	
Infant mortality	80,000	77,822	(2,178)	69,766	
Child health	194,735	191,922	(2,813)	162,970	
Maternal health	298,706	360,547	61,841	236,753	
Family planning	405,675	381,344	(24,331)	301,769	
Maternity care coordination	392,000	398,927	6,927	387,074	
Child services coordination	358,743	359,334	591	370,689	
WIC administration	55,419	31,767	(23,652)	26,783	
WIC nutrition	375,393	277,843	(97,550)	309,897	
WIC breastfeeding	7,000	81,937	74,937	53,069	
WIC client services	397,949	442,659	44,710	374,470	
Immunization action plan	13,830	29,541	15,711	27,832	
Mobile dental unit	35,500	36,290	790	26,690	
In-home breastfeeding	61,910	42,712	(19,198)	45,582	
Nurse family partnership	533,044	479,192	(53,852)	504,255	
Emergency planning - HD	95,000	87,065	(7,935)	97,466	
Public health special projects	92,600	70,606	(21,994)	100,034	
WIC peer counseling	37,752	25,715	(12,037)	32,897	
Diabetes Recognition Program	49,797	56,984	7,187	57,980	
Total revenues	<u>5,285,532</u>	<u>5,663,557</u>	<u>378,025</u>	<u>4,574,034</u>	

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Expenditures:				
Administration	2,672,267	2,535,178	137,089	2,371,306
Environmental health	1,303,987	1,258,083	45,904	1,109,342
Food and lodging	56,313	59,400	(3,087)	10,871
Vector Control Program	74,261	74,268	(7)	73,029
Tuberculosis	90,075	84,079	5,996	38,257
Maternal & Child Health Cap Building	76,250	74,837	1,413	200,395
Nutrition and physical activities	2,000	1,363	637	-
Minority diabetes prevention	264,930	260,177	4,753	-
Vector surveillance	30,833	21,678	9,155	-
Adolescent pregnancy prevention	3,300	2,050	1,250	688
Healthy Start	239,614	217,539	22,075	216,069
Smart Start	120,325	119,108	1,217	89,580
Project assistance	68,191	43,973	24,218	62,793
Adult health	32,177	30,120	2,057	27,948
Health promotion	226,869	224,382	2,487	205,160
Breast/cervical cancer prevention	83,242	88,602	(5,360)	75,533
Farmers' Market nutritional program	5,946	5,042	904	4,243
Communicable disease	848,201	616,516	231,685	774,159
WFU diabetes prevention	900	-	900	-
Infant mortality	91,818	78,167	13,651	69,878
Child health	291,560	238,453	53,107	165,663
Maternal health	680,089	633,690	46,399	620,800
Family planning	718,049	659,539	58,510	633,129
Maternity care coordination	392,000	384,402	7,598	390,172
Child services coordination	390,742	312,014	78,728	340,867
WIC administration	93,369	91,487	1,882	90,225
WIC nutrition	374,759	335,094	39,665	347,087
WIC breastfeeding	22,397	14,334	8,063	5,645
WIC client services	425,858	405,647	20,211	331,122
Immunization action plan	22,866	19,355	3,511	21,317
Mobile dental unit	82,392	70,330	12,062	78,740
Nurse family partnership	543,179	479,356	63,823	504,146
Emergency planning - HD	97,053	84,330	12,723	91,703
In-home breastfeeding	63,102	42,712	20,390	61,003
Public health special projects	92,600	76,081	16,519	94,521
WIC peer counseling	39,405	25,714	13,691	17,478
Private well water program	600	450	150	-
Diabetes Recognition Program	51,140	50,795	345	51,324
Total expenditures	10,672,659	9,718,345	954,314	9,174,193

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		2016
	Budget	Actual	Variance Over/Under
Revenues over (under) expenditures	<u>(5,387,127)</u>	<u>(4,054,788)</u>	<u>1,332,339</u>
Other Financing Sources (Uses):			
Intrafund transfer from General Fund	4,602,816	4,056,805	(546,011)
Appropriated fund balance	<u>784,311</u>	<u>-</u>	<u>(784,311)</u>
Total other financing sources (uses)	<u>5,387,127</u>	<u>4,056,805</u>	<u>(1,330,322)</u>
Net change in fund balance	\$ -	\$ 2,017	\$ 2,017
			\$ (83,893)

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Unrestricted intergovernmental revenues:				
Fees and grants	\$ 233,971	\$ 347,461	\$ 113,490	\$ 310,947
Restricted intergovernmental revenues	25,663,393	24,664,224	(999,169)	23,503,238
Sales and services	272,125	247,100	(25,025)	246,574
Miscellaneous	40,895	63,847	22,952	99,443
Total revenues	<u>26,210,384</u>	<u>25,322,632</u>	<u>(887,752)</u>	<u>24,160,202</u>
Expenditures:				
Social services administration	1,564,599	1,589,285	(24,686)	1,479,525
Other administration expenses	2,016,135	1,969,885	46,250	2,804,415
Regular services administration	6,299,078	5,509,699	789,379	5,533,115
Purchased services	8,697,555	9,415,448	(717,893)	8,604,435
Public assistance programs	3,861,584	4,115,419	(253,835)	4,099,732
Long-term screening	94,000	57,127	36,873	68,084
General assistance	96,424	101,664	(5,240)	66,181
Title IV D Child Support	2,804,289	2,688,717	115,572	2,185,231
WorkFirst	1,989,367	1,856,111	133,256	1,245,209
Daycare	369,822	369,509	313	315,672
Income maintenance administration	6,333,207	5,647,888	685,319	5,023,301
Energy programs	1,791,408	1,766,767	24,641	1,843,991
Purchased services HCCBG	<u>301,798</u>	<u>287,570</u>	<u>14,228</u>	<u>279,403</u>
Total expenditures	<u>36,219,266</u>	<u>35,375,089</u>	<u>844,177</u>	<u>33,548,294</u>
Revenues over (under) expenditures	<u>(10,008,882)</u>	<u>(10,052,457)</u>	<u>(43,575)</u>	<u>(9,388,092)</u>
Other Financing Sources (Uses):				
Intrafund transfer in - General Fund	9,898,737	9,898,737	-	8,621,909
Transfer to solid waste	-	-	-	(8,276)
Debt obligation issued	-	-	-	877,242
Appropriated fund balance	110,145	-	(110,145)	-
Total other financing sources (uses)	<u>10,008,882</u>	<u>9,898,737</u>	<u>(110,145)</u>	<u>9,490,875</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>(153,720)</u>	\$ <u>(153,720)</u>	\$ <u>102,783</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		Variance Over/Under	2016	
	Budget	Actual		Actual	Actual
Revenues:					
Permits and fees:					
Court facility fees	\$ 240,000	\$ 208,652	\$ (31,348)	\$ 231,884	
Investment earnings	1,000	3,297	2,297		1,196
Total revenues	<u>241,000</u>	<u>211,949</u>	<u>(29,051)</u>		<u>233,080</u>
Expenditures:					
Public safety:					
Salaries and employee benefits	64,978	64,397	581		62,188
Operating expenses	<u>372,244</u>	<u>374,689</u>	<u>(2,445)</u>		<u>364,357</u>
Total expenditures	<u>437,222</u>	<u>439,086</u>	<u>(1,864)</u>		<u>426,545</u>
Revenues over (under) expenditures	(196,222)	(227,137)	(30,915)		(193,465)
Other Financing Sources (Uses):					
Intrafund transfer in - General Fund	<u>196,222</u>	<u>196,222</u>	-		<u>254,966</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (30,915)</u>	<u>\$ (30,915)</u>		<u>\$ 61,501</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		Variance Over/Under	2016	
	Budget	Actual			Actual
Revenues:					
Restricted intergovernmental revenues:					
General agency - administration	\$ 230,000	\$ 189,793	\$ (40,207)	\$ 139,319	
Expenditures:					
General agency	<u>717,500</u>	<u>678,223</u>	<u>39,277</u>	<u>627,721</u>	
Revenues over (under) expenditures	(487,500)	(488,430)	(930)	(488,402)	
Other Financing Sources (Uses):					
Intrafund transfer in - General Fund	<u>487,500</u>	<u>487,500</u>	<u>-</u>	<u>487,500</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ (930)</u>	<u>\$ (930)</u>	<u>\$ (902)</u>	

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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 Special Revenue Fund** – Accounts for proceeds of a multi-year Community Development Block Grant (CDBG) to improve substandard housing.
- **CDBG Single Family Rehabilitation Fund** – Accounts for proceeds of a multi-year Community Development Block Grant (CDBG) to improve single family houses.
- **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.
- **Subdivision Improvements Fund** – Accounts established to track the subdivision road improvements.
- **Hurricane Relief Fund** – Accounts established to track funds used for hurricane related spending.

PITT COUNTY, NORTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017**

	<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 Forfeiture Fund	CDBG Special Revenue Fund	CDBG Single Family Rehab Special Revenue Fund	Grants Fund	Pitt Area Transit System Special Revenue Fund
Assets:					
Cash, cash equivalents, and investments	\$ 305,668	\$ -	\$ 13,719	\$ 234,460	\$ 7,835
Taxes receivable, net	-	-	-	-	-
Accounts receivable, net	-	-	-	181,817	72,174
Prepaid items	-	-	-	-	-
Total assets	\$ 305,668	\$ -	\$ 13,719	\$ 416,277	\$ 80,009
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 189,827	\$ 4,616
Due to other funds	-	62,063	-	-	-
Total liabilities	-	62,063	-	189,827	4,616
Deferred Inflows of Resources:					
Taxes receivable	-	-	-	-	-
Other receivables	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances:					
Non-spendable - prepaid items	-	-	-	-	-
Restricted for stabilization of State statute	-	-	-	181,817	72,174
Restricted	-	-	13,719	-	-
Assigned	305,668	-	-	44,633	3,219
Unassigned	-	(62,063)	-	-	-
Total fund balances	305,668	(62,063)	13,719	226,450	75,393
Total liabilities, deferred inflows of resources, and fund balance	\$ 305,668	\$ -	\$ 13,719	\$ 416,277	\$ 80,009

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

	<i>Schedule C-8</i>	<i>Schedule C-9</i>	<i>Schedule C-10</i>	<i>Schedule C-11</i>	<i>Schedule C-12</i>	
	Fire Districts Fund	EMS District Fund	Emergency Telephone System Fund	Subdivision Street Improvements Fund	Hurricane Relief Fund	Total
Assets:						
Cash, cash equivalents, and investments	\$ 82,023	\$ 1,629,885	\$ 1,077,326	\$ 116,372	\$ 34,537	\$ 3,501,825
Taxes receivable, net	70,407	89,087	-	-	-	159,494
Accounts receivable, net	-	378,184	46,750	-	-	678,925
Prepaid items	-	87,240	-	-	-	87,240
Total assets	\$ 152,430	\$ 2,184,396	\$ 1,124,076	\$ 116,372	\$ 34,537	\$ 4,427,484
Liabilities, Deferred Inflows of Resources, and Fund Balances:						
Liabilities:						
Accounts payable	\$ 30,245	\$ 20,532	\$ 8,926	\$ -	\$ -	\$ 254,146
Due to other funds	-	-	-	-	-	62,063
Total liabilities	\$ 30,245	\$ 20,532	\$ 8,926	\$ -	\$ -	\$ 316,209
Deferred Inflows of Resources:						
Taxes receivable	70,407	89,087	-	-	-	159,494
Other receivables	-	361,995	57	-	-	362,052
Total deferred inflows of resources	\$ 70,407	\$ 451,082	\$ 57	\$ -	\$ -	\$ 521,546
Fund Balances:						
Non-spendable - prepaid items	-	87,240	-	-	-	87,240
Restricted for stabilization of State statute	-	16,189	46,693	-	-	316,873
Restricted	51,778	1,609,353	1,068,400	116,372	-	2,859,622
Assigned	-	-	-	-	\$ 34,537	388,057
Unassigned	-	-	-	-	-	(62,063)
Total fund balances	\$ 51,778	\$ 1,712,782	\$ 1,115,093	\$ 116,372	\$ 34,537	\$ 3,589,729
Total liabilities, deferred inflows of resources, and fund balance	\$ 152,430	\$ 2,184,396	\$ 1,124,076	\$ 116,372	\$ 34,537	\$ 4,427,484

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	<i>Schedule C-3</i> State/Federal Forfeiture Fund	<i>Schedule C-4</i> CDBG Special Revenue Fund	<i>Schedule C-5</i> CDBG Single Family Rehab Special Revenue Fund	<i>Schedule C-6</i> Grants Fund	<i>Schedule C-7</i> Pitt Area Transit System Special Revenue Fund
Revenues:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	34,910	116,060	95,170	2,723,386	731,083
Sales and services	-	-	-	-	56,690
Investment earnings	1,412	-	-	-	-
Miscellaneous	-	-	-	37,549	-
Total revenues	36,322	116,060	95,170	2,760,935	787,773
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Economic and physical development	-	178,819	84,715	2,849,581	752,612
Debt service	-	-	-	-	-
Total expenditures	-	178,819	84,715	2,849,581	752,612
Revenues over (under) expenditures	36,322	(62,759)	10,455	(88,646)	35,161
Other Financing Sources (Uses):					
Transfers in	-	-	-	222,615	34,111
Transfers (out)	-	-	-	-	(6,161)
Total other financing sources (uses)	-	-	-	222,615	27,950
Net change in fund balances	36,322	(62,759)	10,455	133,969	63,111
Fund Balances:					
Beginning of year - July 1	269,346	696	3,264	92,481	12,282
End of year - June 30	\$ 305,668	\$ (62,063)	\$ 13,719	\$ 226,450	\$ 75,393

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	<i>Schedule C-8</i>	<i>Schedule C-9</i>	<i>Schedule C-10</i>	<i>Schedule C-11</i>	<i>Schedule C-12</i>	
	Fire Districts Fund	EMS District Fund	Emergency Telephone System Fund	Subdivision Improvements Fund	Hurricane Relief Fund	Total
Revenues:						
Ad valorem taxes	\$ 2,481,246	\$ 2,880,999	\$ -	\$ -	\$ -	\$ 5,362,245
Restricted intergovernmental revenues	-	-	-	-	-	3,700,609
Sales and services	-	2,567,310	561,004	-	-	3,185,004
Investment earnings	-	12,376	3,619	-	-	17,407
Miscellaneous	-	-	-	-	615,251	652,800
Total revenues	2,481,246	5,460,685	564,623	-	615,251	12,918,065
Expenditures:						
Current:						
General government	-	-	-	-	580,714	580,714
Public safety	2,468,302	4,967,486	668,574	-	-	8,104,362
Economic and physical development	-	-	-	103,628	-	3,969,355
Debt service	-	129,227	-	-	-	129,227
Total expenditures	2,468,302	5,096,713	668,574	103,628	580,714	12,783,658
Revenues over (under) expenditures	12,944	363,972	(103,951)	(103,628)	34,537	134,407
Other Financing Sources (Uses):						
Transfers in	-	-	681,000	220,000	-	1,157,726
Transfers (out)	-	-	-	-	-	(6,161)
Total other financing sources (uses)	-	-	681,000	220,000	-	1,151,565
Net change in fund balances	12,944	363,972	577,049	116,372	34,537	1,285,972
Fund Balances:						
Beginning of year - July 1	38,834	1,348,810	538,044	-	-	2,303,757
End of year - June 30	\$ 51,778	\$ 1,712,782	\$ 1,115,093	\$ 116,372	\$ 34,537	\$ 3,589,729

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		Variance	2016	
	Budget	Actual	Over/Under		Actual
Revenues:					
Restricted intergovernmental revenues:					
Federal asset seizure funds	\$ 8,217	\$ -	\$ (8,217)	\$ 19,128	
Federal/State excise tax	23,463	34,910	11,447	62,218	
Investment earnings	-	1,412	1,412	368	
Total revenues	<u>31,680</u>	<u>36,322</u>	<u>4,642</u>	<u>81,714</u>	
Expenditures:					
Public safety	<u>301,019</u>	<u>-</u>	<u>301,019</u>	<u>64,200</u>	
Revenues over (under) expenditures	(269,339)	36,322	305,661	17,514	
Other Financing Sources (Uses):					
Appropriated fund balance	<u>269,339</u>	<u>-</u>	<u>(269,339)</u>	<u>-</u>	
Net change in fund balance	\$ <u>-</u>	<u>36,322</u>	<u>\$ 36,322</u>	<u>\$ 17,514</u>	
Fund Balance:					
Beginning of year - July 1			<u>269,346</u>		
End of year - June 30			<u>\$ 305,668</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, 2017

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
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	<u>3,000,000</u>	<u>151,100</u>	<u>116,060</u>	<u>267,160</u>
Total revenues	<u>4,625,000</u>	<u>1,599,719</u>	<u>116,060</u>	<u>1,715,779</u>
Expenditures:				
CDBG prior years	1,403,500	1,300,927	-	1,300,927
CDBG 2013-2014	225,000	148,250	26	148,276
CDBG 2014-2015	<u>3,018,500</u>	<u>153,346</u>	<u>178,793</u>	<u>332,139</u>
Total expenditures	<u>4,647,000</u>	<u>1,602,523</u>	<u>178,819</u>	<u>1,781,342</u>
Revenues over (under) expenditures	(22,000)	(2,804)	(62,759)	(65,563)
Other Financing Sources (Uses):				
Transfers in	<u>22,000</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 696</u>	<u>\$ (62,759)</u>	<u>\$ (62,063)</u>

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, 2017

	<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Restricted intergovernmental revenues:				
Federal grants	\$ 493,263	\$ 374,759	\$ 95,170	\$ 469,929
Expenditures:				
Single family rehabilitation	<u>493,263</u>	<u>371,495</u>	<u>84,715</u>	<u>456,210</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,264</u>	<u>\$ 10,455</u>	<u>\$ 13,719</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016**

	2017		Variance Over/Under	2016	
	Budget	Actual		Actual	
Revenues:					
Restricted intergovernmental revenues:					
Grants	\$ 3,917,588	\$ 2,723,386	\$ (1,194,202)	\$ 1,839,247	
Miscellaneous	32,781	37,549	4,768	55,674	
Total revenues	<u>3,950,369</u>	<u>2,760,935</u>	<u>(1,189,434)</u>	<u>1,894,921</u>	
Expenditures:					
Economic and physical development:					
Salaries and benefits	794,247	518,397	275,850	404,123	
Operating expenses	3,432,796	2,331,184	1,101,612	1,618,475	
Total expenditures	<u>4,227,043</u>	<u>2,849,581</u>	<u>1,377,462</u>	<u>2,022,598</u>	
Revenues over (under) expenditures	<u>(276,674)</u>	<u>(88,646)</u>	<u>188,028</u>	<u>(127,677)</u>	
Other Financing Sources (Uses):					
Transfers in (out)	222,615	222,615	-	98,516	
Appropriated fund balance	54,059	-	(54,059)	-	
Total other financing sources (uses)	<u>276,674</u>	<u>222,615</u>	<u>(54,059)</u>	<u>98,516</u>	
Net change in fund balance	\$ -	\$ 133,969	\$ 133,969	\$ (29,161)	
Fund Balance:					
Beginning of year - July 1			92,481		
End of year - June 30			<u>\$ 226,450</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		Variance Over/Under	2016	
	Budget	Actual		Actual	Actual
Revenues:					
Restricted intergovernmental revenues	\$ 704,520	\$ 731,083	\$ 26,563	\$ 695,022	
Sales and services	34,000	56,690	22,690	38,097	
Total revenues	<u>738,520</u>	<u>787,773</u>	<u>49,253</u>	<u>733,119</u>	
Expenditures:					
Economic and physical development:					
DOT Administrative Grant	766,470	752,612	13,858	717,661	
Revenues over (under) expenditures	(27,950)	35,161	63,111	15,458	
Other Financing Sources (Uses):					
Transfers in	34,111	34,111	-	28,072	
Transfers (out)	(6,161)	(6,161)	-	(9,600)	
Total other financing sources (uses)	<u>27,950</u>	<u>27,950</u>	<u>-</u>	<u>18,472</u>	
Net change in fund balance	\$ -	\$ 63,111	\$ 63,111	\$ 33,930	
Fund Balance:					
Beginning of year - July 1			12,282		
End of year - June 30		\$ 75,393			

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>2017</u>		<u>2016</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>	<u>Actual</u>
Revenues:				
Ad valorem taxes	\$ 2,476,655	\$ 2,481,246	\$ 4,591	\$ 2,373,108
Expenditures:				
Public safety	2,476,655	2,468,302	8,353	2,358,687
Net change in fund balance	\$ -	12,944	\$ 12,944	\$ 14,421
Fund Balance:				
Beginning of year - July 1		38,834		
End of year - June 30	\$ 51,778			

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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes	\$ 2,866,879	\$ 2,880,999	\$ 14,120	\$ 2,791,950
Investment income	-	12,376	12,376	16,109
Transport fees	2,463,053	2,567,310	104,257	2,958,162
Miscellaneous	-	-	-	15,500
Total revenues	<u>5,329,932</u>	<u>5,460,685</u>	<u>130,753</u>	<u>5,781,721</u>
Expenditures:				
Public safety	5,388,094	4,967,486	420,608	5,168,869
Debt service	<u>129,226</u>	<u>129,227</u>	<u>(1)</u>	<u>129,225</u>
Total expenditures	<u>5,517,320</u>	<u>5,096,713</u>	<u>420,607</u>	<u>5,298,094</u>
Revenues over (under) expenditures	(187,388)	363,972	551,360	483,627
Other Financing Sources (Uses):				
Appropriated fund balance	<u>187,388</u>	<u>-</u>	<u>(187,388)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>363,972</u>	<u>\$ 363,972</u>	<u>\$ 483,627</u>
Fund Balance:				
Beginning of year - July 1			<u>1,348,810</u>	
End of year - June 30			<u>\$ 1,712,782</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, 2017
WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2016

	2017		2016	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Sales and services - wireless fees	\$ 1,181,808	\$ 561,004	\$ (620,804)	\$ 503,370
Investment earnings	-	3,619	3,619	3,456
Sale of materials	-	-	-	75
Total revenues	<u>1,181,808</u>	<u>564,623</u>	<u>(617,185)</u>	<u>506,901</u>
Expenditures:				
Public safety:				
E911 operations	1,429,517	-	1,429,517	-
Implementation functions	230,483	230,483	-	221,559
Telephone and furniture	328,494	328,494	-	177,375
Software maintenance	69,206	69,206	-	199,658
Hardware maintenance	27,626	27,626	-	32,295
Training	12,765	12,765	-	7,608
Total expenditures	<u>2,098,091</u>	<u>668,574</u>	<u>1,429,517</u>	<u>638,495</u>
Revenues over (under) expenditures	<u>(916,283)</u>	<u>(103,951)</u>	<u>812,332</u>	<u>(131,594)</u>
Other Financing Sources (Uses):				
Transfers in (out)	681,000	681,000	-	-
Appropriated fund balance	235,283	-	(235,283)	-
Total other financing sources (uses)	<u>916,283</u>	<u>681,000</u>	<u>(235,283)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>577,049</u>	<u>\$ 577,049</u>	<u>\$ (131,594)</u>
Fund Balance:				
Beginning of year - July 1			<u>538,044</u>	
End of year - June 30			<u>\$ 1,115,093</u>	

PITT COUNTY, NORTH CAROLINA

SUBDIVISION IMPROVEMENTS FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2017

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Expenditures:				
Woodmoor Paving	\$ 220,000	\$ -	\$ 103,628	\$ 103,628
Other Financing Sources (Uses):				
Transfers in	220,000	-	220,000	220,000
Net change in fund balance	\$ -	\$ -	\$ 116,372	\$ 116,372

PITT COUNTY, NORTH CAROLINA

HURRICANE RELIEF FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2017

		Actual		
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Miscellaneous	\$ 614,539	\$ -	\$ 615,251	\$ 615,251
Expenditures:				
Hurricane mitigation program expenditures	574,539	-	580,714	580,714
Revenues over (under) expenditures	40,000	-	34,537	34,537
Other Financing Sources (Uses):				
Transfers (out)	(40,000)	-	-	-
Net change in fund balance	\$ -	\$ -	\$ 34,537	\$ 34,537

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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 (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.
- **Vernon White Capital Project** – Established to account for work done to the Vernon White facility.
- **Energy Savings Capital 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.
- **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 Capital Project** – 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.
- **Pitt Community College 2014 GO Bond** – 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.
- **2017 Limited Obligation Bond 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.
- **Indigreen Improvements Fund** - Established to account for street improvements and sewer extension in the Indigreen corporate park
- **2016B Limited Obligation Bond Fund** - Established to account for proceeds for partial refunding of Series 2009 & 2010A LOBS and new money to improve PCC Everette Building and construction of the Construction & Demolition Recycling Facility for Solid Waste.
- **Capital Reserve Fund** - Accounts for funds appropriated from sales of capital assets and funding of capital improvements.

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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, 2017

	Actual		
	Project Authorization	Prior Years	Current Year
			Total To Date
Revenues:			
Investment income	\$ -	\$ -	60,810 \$ 60,810
Expenditures:			
Capital outlay:			
General construction	\$ 20,025,170	\$ 664,600	\$ 10,631,343 \$ 11,295,943
Issuance fees	375,000	37,315	325,300 362,615
Total expenditures	<u>20,400,170</u>	<u>701,915</u>	<u>10,956,643</u> <u>11,658,558</u>
Revenues over (under) expenditures	<u>(20,400,170)</u>	<u>(701,915)</u>	<u>(10,895,833)</u> <u>(11,597,748)</u>
Other Financing Sources (Uses):			
Debt obligation issued	17,795,000	-	17,795,000 17,795,000
Premium	2,605,170	-	2,605,170 2,605,170
Total other financing sources (uses)	<u>20,400,170</u>	<u>-</u>	<u>20,400,170</u> <u>20,400,170</u>
Net change in fund balance	\$ -	\$ (701,915)	\$ 9,504,337 \$ 8,802,422

Note:

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

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2017

	<i>Schedule D-4</i> Pitt Community College (Bowen Farm) Capital Project Fund	<i>Schedule D-5</i> Pitt Community College 2010 Capital Project Fund	<i>Schedule D-6</i> Vernon White Capital Project Fund	<i>Schedule D-7</i> Energy Savings Capital Project Fund	<i>Schedule D-9</i> 2009 LOBS Education Projects Capital Project Fund	<i>Schedule D-10</i> Sadie Saulter Capital Project Fund	<i>Schedule D-11</i> Communication Expansion Phase II Capital Project Fund	<i>Schedule D-12</i> Community Schools and Recreation Capital Project Fund	<i>Schedule D-13</i> ECTC Building Capital Project Fund
Assets:									
Cash, cash equivalents, and investments	\$ 297,053	\$ 468,725	\$ 28,452	\$ 3,125	\$ 873,368	\$ -	\$ 429,396	\$ 37,194	\$ 8,116
Cash and investments, restricted	-	-	-	-	2,650,122	92,168	2,114,134	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 297,053</u>	<u>\$ 468,725</u>	<u>\$ 28,452</u>	<u>\$ 3,125</u>	<u>\$ 3,523,490</u>	<u>\$ 92,168</u>	<u>\$ 2,543,530</u>	<u>\$ 37,194</u>	<u>\$ 8,116</u>
Liabilities and Fund Balances:									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,117	\$ 19,764	\$ -
Retainage payable	-	-	-	-	-	-	-	1,875	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,117</u>	<u>21,639</u>	<u>-</u>
Fund Balances:									
Restricted for stabilization of State statute	-	-	-	-	-	-	-	-	-
Restricted	-	468,725	-	-	2,650,122	92,168	2,114,134	-	-
Committed	297,053	-	28,452	3,125	873,368	-	427,279	15,555	8,116
Assigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>297,053</u>	<u>468,725</u>	<u>28,452</u>	<u>3,125</u>	<u>3,523,490</u>	<u>92,168</u>	<u>2,541,413</u>	<u>15,555</u>	<u>8,116</u>
Total liabilities and fund balances	<u>\$ 297,053</u>	<u>\$ 468,725</u>	<u>\$ 28,452</u>	<u>\$ 3,125</u>	<u>\$ 3,523,490</u>	<u>\$ 92,168</u>	<u>\$ 2,543,530</u>	<u>\$ 37,194</u>	<u>\$ 8,116</u>

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2017

	<i>Schedule D-14</i> School Improvement Capital Project Fund	<i>Schedule D-15</i> Industrial Development Building Fund	<i>Schedule D-16</i> School Capital Reserve Fund	<i>Schedule D-17</i> County Capital Reserve Fund	<i>Schedule D-18</i> Pitt Community College 2014 GO Bond Capital Project Fund	<i>Schedule D-20</i> Indigreen Improvements Fund	<i>Schedule D-21</i> 2016B Limited Obligation Bond Fund	<i>Schedule D-22</i> Capital Reserve Fund	
Assets:									
Cash, cash equivalents, and investments	\$ 492,204	\$ 1,036,718	\$ 7,043,751	\$ 4,534,319	\$ 1,492,786	\$ 130,748	\$ 22,590	\$ 15,363	\$ 16,913,908
Cash and investments, restricted	-	-	-	-	2,363,183	-	2,310,911	-	9,530,518
Due from other governments	-	-	1,364,028	1,159,418	-	-	-	-	2,523,446
Total assets	<u>\$ 492,204</u>	<u>\$ 1,036,718</u>	<u>\$ 8,407,779</u>	<u>\$ 5,693,737</u>	<u>\$ 3,855,969</u>	<u>\$ 130,748</u>	<u>\$ 2,333,501</u>	<u>\$ 15,363</u>	<u>\$ 28,967,872</u>
Liabilities and Fund Balances:									
Liabilities:									
Accounts payable	\$ -	\$ 229,326	\$ -	\$ -	\$ 309,326	\$ 1,708	\$ 8,173	\$ -	\$ 570,414
Retainage payable	-	82,974	-	-	-	-	-	-	84,849
Total liabilities	<u>-</u>	<u>312,300</u>	<u>-</u>	<u>-</u>	<u>309,326</u>	<u>1,708</u>	<u>8,173</u>	<u>-</u>	<u>655,263</u>
Fund Balances:									
Restricted for stabilization of State statute	-	-	1,364,028	1,159,418	-	-	-	-	2,523,446
Restricted	-	-	-	-	2,363,183	-	2,310,911	-	9,999,243
Committed	-	-	7,043,751	4,534,319	1,183,460	129,040	14,417	15,363	14,573,298
Assigned	492,204	724,418	-	-	-	-	-	-	1,216,622
Total fund balances	<u>492,204</u>	<u>724,418</u>	<u>8,407,779</u>	<u>5,693,737</u>	<u>3,546,643</u>	<u>129,040</u>	<u>2,325,328</u>	<u>15,363</u>	<u>28,312,609</u>
Total liabilities and fund balances	<u>\$ 492,204</u>	<u>\$ 1,036,718</u>	<u>\$ 8,407,779</u>	<u>\$ 5,693,737</u>	<u>\$ 3,855,969</u>	<u>\$ 130,748</u>	<u>\$ 2,333,501</u>	<u>\$ 15,363</u>	<u>\$ 28,967,872</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, 2017

	<i>Schedule D-4</i> Pitt Community College (Bowen Farm) Capital Project Fund	<i>Schedule D-5</i> Pitt Community College 2010 Capital Project Fund	<i>Schedule D-6</i> Vernon White Capital Project Fund	<i>Schedule D-7</i> Energy Savings Capital Project Fund	<i>Schedule D-8</i> Chicod Capital Project Fund	<i>Schedule D-9</i> 2009 LOBS Education Projects Capital Project Fund	<i>Schedule D-10</i> Sadie Saulter Capital Project Fund	<i>Schedule D-11</i> Communication Expansion Phase II Capital Project Fund	<i>Schedule D-12</i> Community Schools and Recreation Capital Project Fund	<i>Schedule D-13</i> ECTC Building Capital Project Fund
Revenues:										
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes and licenses	-	-	-	-	-	-	-	-	-	-
Restricted intergovernmental revenues	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-	-	-	-
Expenditures:										
Public safety	-	-	-	-	-	-	-	3,876,893	-	-
Economic and physical development	-	-	-	-	2,181	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	2,181	-	-	3,876,893	-	-
Revenues over (under) expenditures	-	-	-	-	(2,181)	-	-	(3,876,893)	-	-
Other Financing Sources (Uses):										
Transfers in	-	-	-	-	-	-	-	210,000	-	-
Transfers (out)	-	-	-	-	(27,264)	-	-	-	-	-
Sale of assets	-	-	-	-	-	-	-	-	-	-
Debt obligation issued	-	-	-	-	-	-	-	6,122,000	-	-
Premiums received from issuance of debt	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(27,264)	-	-	6,332,000	-	-
Net change in fund balances	-	-	-	-	(29,445)	-	-	2,455,107	-	-
Fund Balances:										
Beginning of year - July 1	297,053	468,725	28,452	3,125	29,445	3,523,490	92,168	86,306	15,555	8,116
End of year - June 30	\$ 297,053	\$ 468,725	\$ 28,452	\$ 3,125	\$ -	\$ 3,523,490	\$ 92,168	\$ 2,541,413	\$ 15,555	\$ 8,116

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Schedule D-14	Schedule D-15	Schedule D-16	Schedule D-17	Schedule D-18	Schedule D-19	Schedule D-20	Schedule D-21	Schedule D-22	
	School Improvement Capital Project Fund	Industrial Development Building Fund	School Capital Reserve Fund	County Capital Reserve Fund	Pitt Community College 2014 GO Bond Capital Project Fund	2017 Limited Obligation Bond Fund	Indigreen Improvements Fund	2016B Limited Obligation Bond Fund	Capital Reserve Fund	Total
Revenues:										
Investment earnings	\$ -	\$ 5,502	\$ -	\$ 34,314	\$ 46,683	\$ -	\$ 14,417	\$ -	\$ -	\$ 100,916
Other taxes and licenses	-	-	6,355,018	5,224,098	-	-	-	-	-	11,579,116
Restricted intergovernmental revenues	-	-	1,600,000	-	1,101,078	-	-	-	-	2,701,078
Miscellaneous	-	1,700,000	-	-	-	142,500	-	-	-	1,842,500
Total revenues	-	1,705,502	7,955,018	5,258,412	1,147,761	-	142,500	14,417	-	16,223,610
Expenditures:										
Public safety	-	-	-	-	-	-	-	-	-	3,876,893
Economic and physical development	-	1,695,941	-	-	-	-	13,460	1,869,206	-	3,580,788
Education	458,172	-	-	-	11,466,182	-	-	161,219	-	12,085,573
Total expenditures	458,172	1,695,941	-	-	11,466,182	-	13,460	2,030,425	-	19,543,254
Revenues over (under) expenditures	(458,172)	9,561	7,955,018	5,258,412	(10,318,421)	-	129,040	(2,016,008)	-	(3,319,644)
Other Financing Sources (Uses):										
Transfers in	750,000	-	-	2,600,000	-	12,500	-	-	-	3,572,500
Transfers (out)	-	-	(7,153,224)	(6,736,877)	-	-	-	-	-	(13,917,365)
Sale of assets	-	-	-	-	-	-	-	15,363	15,363	
Debt obligation issued	-	-	-	-	-	-	-	3,715,000	-	9,837,000
Premiums received from issuance of debt	-	-	-	-	-	-	-	626,336	-	626,336
Total other financing sources (uses)	750,000	-	(7,153,224)	(4,136,877)	-	12,500	-	4,341,336	15,363	133,834
Net change in fund balances	291,828	9,561	801,794	1,121,535	(10,318,421)	12,500	129,040	2,325,328	15,363	(3,185,810)
Fund Balances:										
Beginning of year - July 1	200,376	714,857	7,605,985	4,572,202	13,865,064	(12,500)	-	-	-	31,498,419
End of year - June 30	492,204	724,418	8,407,779	5,693,737	3,546,643	\$ -	\$ 129,040	\$ 2,325,328	\$ 15,363	\$ 28,312,609

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, 2017

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

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, 2017

	Actual			
	Project Authorization	Prior Years	Current Year	Total to Date
Revenues:				
Sales tax refund	\$ -	\$ 235,309	\$ -	\$ 235,309
Investment earnings	- -	17,198	- -	17,198
Total revenues	- -	252,507	- -	252,507
Expenditures:				
Capital outlay:				
General construction	<u>22,436,990</u>	<u>22,220,772</u>	- -	<u>22,220,772</u>
Revenues over (under) expenditures	<u>(22,436,990)</u>	<u>(21,968,265)</u>	- -	<u>(21,968,265)</u>
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)	<u>22,436,990</u>	<u>22,436,990</u>	- -	<u>22,436,990</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 468,725</u>	<u>\$ -</u>	<u>\$ 468,725</u>

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, 2017

	Project Authorization	Actual		
		Prior Years	Current Year	Total to Date
Expenditures:				
Capital outlay:				
General construction	\$ 806,437	\$ 251,110	\$ -	\$ 251,110
Revenues over (under) expenditures	(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
SCHEDEULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2017

	Actual			
	Project Authorization	Prior Years	Current Year	Total To Date
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, 2017

	<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Restricted intergovernmental	\$ 500,000	\$ 500,000	\$ -	\$ 500,000
Sales tax refund	- 66,140	66,140	- -	66,140
Miscellaneous	512,440	474,320	- -	474,320
Total revenues	1,012,440	1,040,460	- -	1,040,460
Expenditures:				
Capital outlay:				
General construction	5,111,550	5,035,113	2,181	5,037,294
Issuance fees	39,460	39,460	- -	39,460
Contingency	492,448	- -	- -	- -
Total expenditures	5,643,458	5,074,573	2,181	5,076,754
Revenues over (under) expenditures	(4,631,018)	(4,034,113)	(2,181)	(4,036,294)
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)	(27,264)	(488,628)
Transfers in	2,550,805	2,550,805	- -	2,550,805
Total other financing sources (uses)	4,631,018	4,063,558	(27,264)	4,036,294
Net change in fund balance	\$ - 29,445	\$ (29,445)	\$ - -	\$ - -

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, 2017

	Project Authorization	Actual		
		Prior Years	Current Year	Total To Date
Revenues:				
Sales tax refund	\$ -	\$ 832,670	\$ -	\$ 832,670
Investment income	<u>-</u>	<u>40,698</u>	<u>-</u>	<u>40,698</u>
Total revenues	<u>-</u>	<u>873,368</u>	<u>-</u>	<u>873,368</u>
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	<u>281,324</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>35,192,563</u>	<u>32,542,441</u>	<u>-</u>	<u>32,542,441</u>
Revenues over (under) expenditures	<u>(35,192,563)</u>	<u>(31,669,073)</u>	<u>-</u>	<u>(31,669,073)</u>
Other Financing Sources (Uses):				
Debt obligation issued	35,145,000	35,145,000	-	35,145,000
Premiums received from issuance of debt	<u>47,563</u>	<u>47,563</u>	<u>-</u>	<u>47,563</u>
Total other financing sources (uses)	<u>35,192,563</u>	<u>35,192,563</u>	<u>-</u>	<u>35,192,563</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 3,523,490</u>	<u>\$ -</u>	<u>\$ 3,523,490</u>

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, 2017

	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	<u>-</u>	<u>154,487</u>	<u>-</u>	<u>154,487</u>
Expenditures:				
Capital outlay:				
General construction	5,836,500	5,670,460	- -	5,670,460
Issuance fees	116,000	51,341	- -	51,341
Total expenditures	<u>5,952,500</u>	<u>5,721,801</u>	<u>- -</u>	<u>5,721,801</u>
Revenues over (under) expenditures	<u>(5,952,500)</u>	<u>(5,567,314)</u>	<u>- -</u>	<u>(5,567,314)</u>
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)	<u>5,952,500</u>	<u>5,659,482</u>	<u>- -</u>	<u>5,659,482</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 92,168</u>	<u>\$ -</u>	<u>\$ 92,168</u>

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, 2017

	Project Authorization	Actual		
		Prior Years	Current Year	Total To Date
Revenues:				
Rents	\$ 590,000	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Communication equipment	\$ 5,590,000	\$ -	\$ 2,805,075	\$ 2,805,075
Vehicles	650,000	-	606,724	606,724
Other equipment	310,000	-	-	-
Fire/security systems	337,000	-	337,000	337,000
Contracted services	260,195	130,973	94,744	225,717
Issuance fees	35,000	-	33,350	33,350
Total expenditures	<u>7,182,195</u>	<u>130,973</u>	<u>3,876,893</u>	<u>4,007,866</u>
Revenues over (under) expenditures	<u>(6,592,195)</u>	<u>(130,973)</u>	<u>(3,876,893)</u>	<u>(4,007,866)</u>
Other Financing Sources (Uses):				
Debt obligation issued	6,122,000	-	6,122,000	6,122,000
Transfers in	470,195	217,279	210,000	427,279
Total other financing sources (uses)	<u>6,592,195</u>	<u>217,279</u>	<u>6,332,000</u>	<u>6,549,279</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 86,306</u>	<u>\$ 2,455,107</u>	<u>\$ 2,541,413</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, 2017

				Actual		
	Project Authorization	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	29,644	-	-	-		
Total expenditures	<u>2,519,297</u>	<u>2,481,103</u>	<u>-</u>	<u>2,481,103</u>		
Revenues over (under) expenditures	<u>(1,404,297)</u>	<u>(1,384,445)</u>	<u>-</u>	<u>(1,384,445)</u>		
Other Financing Sources (Uses):						
Transfers in (out)	1,400,000	1,400,000	-	1,400,000		
Appropriated fund balance	4,297	-	-	-		
Total other financing sources (uses)	<u>1,404,297</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, 2017

	<u>Project Authorization</u>		<u>Prior Years</u>		<u>Current Year</u>		<u>Actual</u>
							<u>Total To Date</u>
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>1,676,630</u>
Expenditures:							
Capital outlay:							
General construction	2,432,739	2,363,124			-		2,363,124
Total expenditures	<u>2,432,739</u>	<u>2,363,124</u>			-		<u>2,363,124</u>
Revenues over (under) expenditures	<u>(703,888)</u>	<u>(686,494)</u>			-		<u>(686,494)</u>
Other Financing Sources (Uses):							
Debt obligation issued	404,278	395,000			-		395,000
Transfers in (out)	<u>299,610</u>	<u>299,610</u>			-		<u>299,610</u>
Total other financing sources (uses)	<u>703,888</u>	<u>694,610</u>			-		<u>694,610</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 8,116</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, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Over/Under
Expenditures:			
Capital outlay:			
Maintenance	\$ 257,376	\$ 278,091	\$ (20,715)
Roofing	<u>695,839</u>	<u>180,081</u>	<u>515,758</u>
Total expenditures	<u>953,215</u>	<u>458,172</u>	<u>495,043</u>
Revenues over (under) expenditures	<u>(953,215)</u>	<u>(458,172)</u>	<u>495,043</u>
Other Financing Sources (Uses):			
Transfers in (out)	753,215	750,000	(3,215)
Appropriated fund balance	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Total other financing sources (uses)	<u>953,215</u>	<u>750,000</u>	<u>(203,215)</u>
Net change in fund balance	\$ <u>-</u>	<u>291,828</u>	<u>\$ 291,828</u>
Fund Balance:			
Beginning of year - July 1		<u>200,376</u>	
End of year - June 30		<u>\$ 492,204</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, 2017

	<u>Budget</u>	<u>Actual</u>	Variance Over/Under
Revenues:			
Miscellaneous revenue	\$ 1,700,000	\$ 1,700,000	-
Investment earnings	<u>-</u>	5,502	5,502
Total revenues	<u>1,700,000</u>	<u>1,705,502</u>	<u>5,502</u>
Expenditures:			
Economic development	<u>2,490,130</u>	<u>1,695,941</u>	<u>(794,189)</u>
Revenues over (under) expenditures	(790,130)	9,561	799,691
Other Financing Sources (Uses):			
Appropriated fund balance	<u>790,130</u>	<u>-</u>	<u>(790,130)</u>
Net change in fund balance	<u>\$ -</u>	<u>9,561</u>	<u>\$ 9,561</u>
Fund Balance:			
Beginning of year - July 1		<u>714,857</u>	
End of year - June 30		<u>\$ 724,418</u>	

Note:

This project was 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, 2017

	Budget	Actual	Variance Over/Under
Revenues:			
Other taxes and licenses	\$ 4,500,000	\$ 6,355,018	\$ 1,855,018
Restricted intergovernmental revenues	1,600,000	1,600,000	-
Total revenues	<u>6,100,000</u>	<u>7,955,018</u>	<u>1,855,018</u>
Revenues over (under) expenditures	<u>6,100,000</u>	<u>7,955,018</u>	<u>1,855,018</u>
Other Financing Sources (Uses):			
Transfer (out)	(7,153,224)	(7,153,224)	-
Appropriated fund balance	1,053,224	-	(1,053,224)
Total other financing sources (uses)	<u>(6,100,000)</u>	<u>(7,153,224)</u>	<u>(1,053,224)</u>
Net change in fund balance	<u>\$ -</u>	<u>801,794</u>	<u>\$ 801,794</u>
Fund Balance:			
Beginning of year - July 1		<u>7,605,985</u>	
End of year - June 30		<u>\$ 8,407,779</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, 2017

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Over/Under</u>
Revenues:			
Local option sales tax - Article 46	\$ 4,000,000	\$ 5,224,098	\$ 1,224,098
Investment earnings	<u>-</u>	<u>34,314</u>	<u>34,314</u>
Total revenues	<u>4,000,000</u>	<u>5,258,412</u>	<u>1,258,412</u>
Other Financing Sources (Uses):			
Transfer out	(6,736,877)	(6,736,877)	-
Transfer in	<u>2,736,877</u>	<u>2,600,000</u>	<u>(136,877)</u>
Total other financing sources (uses)	<u>(4,000,000)</u>	<u>(4,136,877)</u>	<u>(136,877)</u>
Net change in fund balance	<u>\$ -</u>	<u>1,121,535</u>	<u>\$ 1,121,535</u>
Fund Balance:			
Beginning of year - July 1		<u>4,572,202</u>	
End of year - June 30		<u>\$ 5,693,737</u>	

PITT COUNTY, NORTH CAROLINA**PITT COMMUNITY COLLEGE -****2014 GO BOND CAPITAL PROJECT FUND****SCHEDULE OF REVENUES AND EXPENDITURES -****BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2017**

				Actual
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental	\$ 2,000,000	\$ -	\$ 1,101,078	\$ 1,101,078
Investment earnings	642	35,699	46,683	82,382
Total revenues	<u>2,000,642</u>	<u>35,699</u>	<u>1,147,761</u>	<u>1,183,460</u>
Expenditures:				
Capital outlay:				
Buildings	1,411,074	1,411,073	-	1,411,073
Architect/engineering	1,721,746	1,656,170	360,803	2,016,973
General construction	18,362,513	3,020,514	11,090,379	14,110,893
Issuance fees	307,066	307,065	-	307,065
Contracted services	5,000	5,000	15,000	20,000
Contingency	422,430	-	-	-
Total expenditures	<u>22,229,829</u>	<u>6,399,822</u>	<u>11,466,182</u>	<u>17,866,004</u>
Revenues over (under) expenditures	<u>(20,229,187)</u>	<u>(6,364,123)</u>	<u>(10,318,421)</u>	<u>(16,682,544)</u>
Other Financing Sources (Uses):				
Debt obligation issued	19,250,000	19,250,000	-	19,250,000
Premium	979,187	979,187	-	979,187
Total other financing sources (uses)	<u>20,229,187</u>	<u>20,229,187</u>	<u>-</u>	<u>20,229,187</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 13,865,064</u>	<u>\$ (10,318,421)</u>	<u>\$ 3,546,643</u>

Note:

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

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

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, 2017

		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	-	12,500	12,500
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".

PITT COUNTY, NORTH CAROLINA

INDIGREEN IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual		
		Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental	\$ 773,822	\$ -	\$ -	\$ -
Miscellaneous revenue	396,420	-	142,500	142,500
Total revenues	1,170,242	-	142,500	142,500
Expenditures:				
Roadway improvements	666,500	-	13,460	13,460
Sewer improvements	503,742	-	-	-
Total expenditures	1,170,242	-	13,460	13,460
Net change in fund balance	\$ -	\$ -	\$ 129,040	\$ 129,040

Note:

This project was not capitalized as a capital asset under the category of "Construction In Progress".
The project is not constructing an asset the County will own.

PITT COUNTY, NORTH CAROLINA

2016B LIMITED OBLIGATION BOND FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL - FROM INCEPTION AND
FOR THE YEAR ENDED JUNE 30, 2017

	Actual			
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Investment earnings	\$ _____ -	\$ _____ -	\$ 14,417	\$ 14,417
Expenditures:				
Capital outlay:				
C&D recycling building	1,800,000	-	1,634,655	1,634,655
PCC Everett building	2,500,000	-	161,219	161,219
Issuance fees	-	-	234,551	234,551
Total expenditures	<u>4,300,000</u>	<u>-</u>	<u>2,030,425</u>	<u>2,030,425</u>
Revenues over (under) expenditures	<u>(4,300,000)</u>	<u>-</u>	<u>(2,016,008)</u>	<u>(2,016,008)</u>
Other Financing Sources (Uses):				
Debt obligation issued	4,300,000	-	3,715,000	3,715,000
Premium	-	-	626,336	626,336
Total other financing sources (uses)	<u>4,300,000</u>	<u>-</u>	<u>4,341,336</u>	<u>4,341,336</u>
Net change in fund balance	\$ _____ -	\$ _____ -	\$ 2,325,328	\$ 2,325,328

Note:

The C&D recycling building will be an asset of the County. It was capitalized as a capital asset under the category of "The PCC Everett building will not be owned by the County. It was not capitalized as a capital asset under the category

PITT COUNTY, NORTH CAROLINA

CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Project Authorization	Actual		
		Prior Years	Current Year	Total To Date
Expenditures:				
Capital outlay	\$ 15,000	\$ -	\$ -	\$ -
Revenues over (under) expenditures		(15,000)		-
Other Financing Sources (Uses):				
Sale of assets	15,000	-	15,363	15,363
Net change in fund balance	\$ -	\$ -	\$ 15,363	\$ 15,363

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, 2017

	Final Budget	Actual	Variance Over/Under
Revenues:			
Unrestricted intergovernmental revenues:			
Miscellaneous	\$ 365,151	\$ 247,158	\$ (117,993)
Qualified School Construction Bond refund	314,557	314,219	(338)
Interest earned on investments	22,239	22,238	(1)
Total revenues	<u>701,947</u>	<u>583,615</u>	<u>(118,332)</u>
Expenditures:			
Debt service:			
Principal payments - loans	10,775,147	10,754,714	20,433
Interest and fees - loans	7,464,206	6,699,246	764,960
Total expenditures	<u>18,239,353</u>	<u>17,453,960</u>	<u>785,393</u>
Revenues over (under) expenditures	<u>(17,537,406)</u>	<u>(16,870,345)</u>	<u>667,061</u>
Other Financing Sources (Uses):			
Transfer in - General Fund	7,666,074	7,666,074	-
Transfer in - special revenue funds	12,590,101	12,590,101	-
Transfer in - capital project funds	-	27,264	27,264
Transfer in - Solid waste	117,441	117,441	-
Transfer (out) - General Fund	-	(12,500)	(12,500)
Debt obligation issued	45,895,000	45,895,000	-
Premium on debt obligation issued	7,021,777	7,021,777	-
Payments to escrow agent, debt refunding payment	<u>(55,752,987)</u>	<u>(55,709,200)</u>	<u>43,787</u>
Total other financing sources (uses)	<u>17,537,406</u>	<u>17,595,957</u>	<u>58,551</u>
Net change in fund balance	<u>\$ -</u>	<u>725,612</u>	<u>\$ 725,612</u>
Fund Balance:			
Beginning of year - July 1			<u>154,942</u>
End of year - June 30			<u>\$ 880,554</u>

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PROPRIETARY FUNDS

- **Enterprise Funds**
- **Internal Service Funds**

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles used here are those applicable to similar businesses in the private sector.

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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, 2017****WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016**

	2017		Variance	2016
	Budget	Actual	Over/Under	Actual
Revenues:				
Operating revenues:				
User charges	\$ 8,219,711	\$ 8,030,474	\$ (189,237)	\$ 7,684,059
Other	<u>814,500</u>	<u>1,039,748</u>	<u>225,248</u>	<u>1,080,895</u>
Total operating revenues	<u>9,034,211</u>	<u>9,070,222</u>	<u>36,011</u>	<u>8,764,954</u>
Non-operating revenues:				
Investment earnings	-	43,652	43,652	44,598
Restricted intergovernmental revenues	12,000	34,620	22,620	16,811
Proceeds from sale of capital assets	-	119,658	119,658	-
Total non-operating revenues	<u>12,000</u>	<u>197,930</u>	<u>185,930</u>	<u>61,409</u>
Total revenues	<u>9,046,211</u>	<u>9,268,152</u>	<u>221,941</u>	<u>8,826,363</u>
Expenditures:				
Salaries and employee benefits	1,449,733	1,528,091	(78,358)	1,333,234
Supplies and materials	1,480,343	1,301,174	179,169	914,065
Contract labor and other services	1,412,000	1,408,622	3,378	1,341,502
Contracted services - waste disposal	4,513,405	5,160,927	(647,522)	4,234,946
Capital outlay	425,000	351,757	73,243	788,738
Principal repayment on long-term debt	175,039	-	175,039	-
Contingency	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>9,555,520</u>	<u>9,750,571</u>	<u>(195,051)</u>	<u>8,612,485</u>
Revenues over (under) expenditures	<u>(509,309)</u>	<u>(482,419)</u>	<u>26,890</u>	<u>213,878</u>
Other Financing Sources (Uses):				
Appropriated fund balance	602,000	-	(602,000)	-
Transfer from special revenue fund	40,000	-	(40,000)	-
Transfer (to) Debt Service Fund	<u>(132,691)</u>	<u>(132,691)</u>	<u>-</u>	<u>(102,980)</u>
Total other financing sources (uses)	<u>509,309</u>	<u>(132,691)</u>	<u>(642,000)</u>	<u>(102,980)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (615,110)</u>	<u>\$ (615,110)</u>	<u>\$ 110,898</u>
Reconciliation from Modified Accrual Basis to Full Accrual Basis:				
Revenues and other financing sources over (under) expenditures and other financing uses			\$ (615,110)	
Reconciling items:				
Capital outlay items capitalized		351,757		
Depreciation		(368,242)		
Increase deferred outflows - pension		297,468		
Increase in net pension liability		(349,317)		
Decrease deferred inflows - pension		34,251		
Change in closure and post-closure costs accrual		42,647		
Change in compensated absences		(4,401)		
Change in net position		<u>\$ (610,947)</u>		

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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, 2017

	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	\$ 76,751	\$ 2,162,912	\$ 925,101	\$ 560,957	\$ 3,725,721
Accounts receivable	115	-	-	-	115
Prepaid items	-	1,193	358	-	1,551
Total current assets	<u>76,866</u>	<u>2,164,105</u>	<u>925,459</u>	<u>560,957</u>	<u>3,727,387</u>
Liabilities:					
Current liabilities:					
Accounts payable and accrued expenses	44,865	1,201,542	-	9,667	1,256,074
Net Position:					
Unrestricted net position	<u>32,001</u>	<u>962,563</u>	<u>925,459</u>	<u>551,290</u>	<u>2,471,313</u>
Total net position	<u>\$ 32,001</u>	<u>\$ 962,563</u>	<u>\$ 925,459</u>	<u>\$ 551,290</u>	<u>\$ 2,471,313</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	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	\$ 553,087	\$ 435,339	\$ -	\$ -	\$ 988,426
Interfund services charges	-	8,922,382	-	650,000	9,572,382
Total operating revenues	<u>553,087</u>	<u>9,357,721</u>	<u>-</u>	<u>650,000</u>	<u>10,560,808</u>
Operating Expenses:					
Equipment maintenance	553,087	-	-	-	553,087
Medical claims costs	-	9,554,951	738,812	-	10,293,763
Claims reimbursement	-	-	-	415,361	415,361
Total operating expenses	<u>553,087</u>	<u>9,554,951</u>	<u>738,812</u>	<u>415,361</u>	<u>11,262,211</u>
Operating income (loss)	<u>-</u>	<u>(197,230)</u>	<u>(738,812)</u>	<u>234,639</u>	<u>(701,403)</u>
Non-Operating Revenues:					
Investment earnings	<u>-</u>	<u>9,145</u>	<u>-</u>	<u>1,906</u>	<u>11,051</u>
Income (loss) before contributions and transfers	<u>-</u>	<u>(188,085)</u>	<u>(738,812)</u>	<u>236,545</u>	<u>(690,352)</u>
Transfer in (out)	<u>-</u>	<u>-</u>	<u>900,000</u>	<u>21,411</u>	<u>921,411</u>
Change in net position	<u>-</u>	<u>(188,085)</u>	<u>161,188</u>	<u>257,956</u>	<u>231,059</u>
Net Position:					
Beginning of year - July 1	<u>32,001</u>	<u>1,150,648</u>	<u>764,271</u>	<u>293,334</u>	<u>2,240,254</u>
End of year - June 30	<u>\$ 32,001</u>	<u>\$ 962,563</u>	<u>\$ 925,459</u>	<u>\$ 551,290</u>	<u>\$ 2,471,313</u>

PITT COUNTY, NORTH CAROLINA**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	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	\$ 553,273	\$ 435,339	\$ -	\$ -	\$ 988,612
Cash received from interfund services	-	8,922,382	-	650,000	9,572,382
Cash paid to suppliers	(554,397)	(9,091,823)	(726,309)	(299,166)	(10,671,695)
Net cash provided (used) by operating activities	(1,124)	265,898	(726,309)	350,834	(110,701)
Cash Flows from Non-Capital Financing Activities:					
Transfer in (out)	-	-	900,000	21,411	921,411
Net cash provided (used) by non-capital financing activities	-	-	900,000	21,411	921,411
Cash Flows from Investing Activities:					
Investment earnings	-	9,145	-	1,906	11,051
Net increase (decrease) in cash and cash equivalents	(1,124)	275,043	173,691	374,151	821,761
Cash and Cash Equivalents:					
Beginning of year - July 1	77,875	1,887,869	751,410	186,806	2,903,960
End of year - June 30	\$ 76,751	\$ 2,162,912	\$ 925,101	\$ 560,957	\$ 3,725,721
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:					
Operating income (loss)	\$ -	\$ (197,230)	\$ (738,812)	\$ 234,639	\$ (701,403)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	186	-	-	-	186
(Increase) decrease in prepaids	-	430	12,503	129,529	142,462
Increase (decrease) in accounts payable and accrued expenses	(1,310)	462,698	-	(13,334)	448,054
Net cash provided (used) by operating activities	\$ (1,124)	\$ 265,898	\$ (726,309)	\$ 350,834	\$ (110,701)

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, 2017

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
Operating Revenues:			
User charges	\$ 715,575	\$ 553,087	\$ (162,488)
Operating Expenses:			
Equipment maintenance	<u>715,575</u>	<u>553,087</u>	<u>162,488</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, 2017

	<u>Plan</u>	<u>Actual</u>	Variance Over/Under
Operating Revenues:			
User charges	\$ 415,000	\$ 435,339	\$ 20,339
Miscellaneous revenues	6,000	-	(6,000)
Interfund services charges	<u>9,252,831</u>	<u>8,922,382</u>	<u>(330,449)</u>
Total operating revenues	<u>9,673,831</u>	<u>9,357,721</u>	<u>(316,110)</u>
Operating Expenses:			
Medical claims costs	<u>9,954,500</u>	<u>9,554,951</u>	<u>399,549</u>
Operating income (loss)	<u>(280,669)</u>	<u>(197,230)</u>	<u>83,439</u>
Non-Operating Revenues:			
Investment earnings	<u>5,000</u>	<u>9,145</u>	<u>4,145</u>
Other Financing Sources (Uses):			
Appropriated fund balance	<u>275,669</u>	<u>-</u>	<u>(275,669)</u>
Change in net position	<u>\$ -</u>	<u>\$ (188,085)</u>	<u>\$ (188,085)</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, 2017

	<u>Plan</u>	<u>Actual</u>	Variance Over/Under
Operating Expenses:			
Medical claims costs	\$ 900,000	\$ 738,812	\$ 161,188
Other Financing Sources (Uses):			
Transfer in (out)	<u>900,000</u>	<u>900,000</u>	<u>-</u>
Change in net position	\$ -	\$ 161,188	\$ 161,188

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, 2017

	<u>Plan</u>	<u>Actual</u>	Variance Over/Under
Operating Revenues:			
Interfund services charges	\$ 650,000	\$ 650,000	\$ -
Operating Expenses:			
Claims reimbursement	<u>671,411</u>	<u>415,361</u>	<u>256,050</u>
Operating income (loss)	(21,411)	234,639	256,050
Non-Operating Revenues:			
Investment earnings	-	1,906	1,906
Other Financing Sources (Uses):			
Transfer in	<u>21,411</u>	<u>21,411</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>\$ 257,956</u>	<u>\$ 257,956</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, 2017

	Social Services, Sheriff, and Other Agency Funds	Tax Collections Held for Municipalities Agency Fund	Flexible Benefit Plan Agency Fund	Total
Assets:				
Cash and cash equivalents	\$ 253,706	\$ 105,379	\$ 40,062	\$ 399,147
Total assets	<u>\$ 253,706</u>	<u>\$ 105,379</u>	<u>\$ 40,062</u>	<u>\$ 399,147</u>
Liabilities:				
Deposits held in custody for others	\$ 253,706	\$ 105,379	\$ -	\$ 359,085
Deferred compensation benefits payable	<u>-</u>	<u>-</u>	<u>40,062</u>	<u>40,062</u>
Total liabilities	<u>\$ 253,706</u>	<u>\$ 105,379</u>	<u>\$ 40,062</u>	<u>\$ 399,147</u>

PITT COUNTY, NORTH CAROLINA**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Social Services, Sheriff, and Other Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 236,895	\$ 1,644,630	\$ (1,627,819)	\$ 253,706
Liabilities:				
Deposits held in custody for others	<u>\$ 236,895</u>	<u>\$ 1,644,630</u>	<u>\$ (1,627,819)</u>	<u>\$ 253,706</u>
Tax Collections Held for Municipalities Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 167,654	\$ 39,172,359	\$ (39,234,634)	\$ 105,379
Liabilities:				
Deposits held in custody for others	<u>\$ 167,654</u>	<u>\$ 39,172,359</u>	<u>\$ (39,234,634)</u>	<u>\$ 105,379</u>
3% Interest Payable to State Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 3	\$ (6)	\$ 3	\$ -
Liabilities:				
Deposits held in custody for others	<u>\$ 3</u>	<u>\$ (6)</u>	<u>\$ 3</u>	<u>\$ -</u>
Flexible Benefit Plan Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 34,053	\$ 139,692	\$ (133,683)	\$ 40,062
Liabilities:				
Deferred compensation benefits payable	\$ 34,053	\$ 139,692	\$ (133,683)	\$ 40,062
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 438,605	\$ 40,956,675	\$ (40,996,133)	\$ 399,147
Liabilities:				
Deposits held in custody for others	\$ 404,552	\$ 40,816,983	\$ (40,862,450)	\$ 359,085
Deferred compensation benefits payable	34,053	139,692	(133,683)	40,062
Total liabilities	<u>\$ 438,605</u>	<u>\$ 40,956,675</u>	<u>\$ (40,996,133)</u>	<u>\$ 399,147</u>

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

Table 1

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$ 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	\$ 82,314,633
Restricted	200,598	199,051	178,243	15,413,852	10,949,019	12,335,800	17,176,068	14,785,094	16,678,816	15,971,134
Unrestricted	<u>23,707,535</u>	<u>33,161,453</u>	<u>7,602,000</u>	<u>-12,273,362</u>	<u>-5,966,584</u>	<u>9,777,730</u>	<u>7,074,844</u>	<u>14,440,586</u>	<u>14,575,156</u>	<u>-59,397,402</u>
Total governmental activities net position	<u>\$ 31,107,865</u>	<u>\$ 40,524,444</u>	<u>\$ 34,648,163</u>	<u>\$ 6,453,930</u>	<u>\$ 2,588,674</u>	<u>\$ 25,060,616</u>	<u>\$ 32,614,075</u>	<u>\$ 36,630,204</u>	<u>\$ 48,464,095</u>	<u>\$ 38,888,365</u>
Business-type activities										
Net investment in capital assets	\$ 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	\$ 4,170,609
Unrestricted	<u>(623,834)</u>	<u>191,582</u>	<u>878,331</u>	<u>1,639,256</u>	<u>2,444,272</u>	<u>2,895,804</u>	<u>2,500,256</u>	<u>2,355,498</u>	<u>2,392,046</u>	<u>1,797,584</u>
Total business-type activities	<u>\$ 1,546,745</u>	<u>\$ 2,481,936</u>	<u>\$ 3,699,760</u>	<u>\$ 4,510,123</u>	<u>\$ 5,345,363</u>	<u>\$ 6,459,328</u>	<u>\$ 6,270,502</u>	<u>\$ 6,095,548</u>	<u>\$ 6,579,140</u>	<u>\$ 5,968,193</u>
Primary government										
Net investment in capital assets	\$ 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	\$ 86,485,242
Restricted	200,598	199,051	178,243	15,413,852	10,949,019	12,335,800	17,176,068	14,785,094	16,678,816	15,971,134
Unrestricted	<u>23,083,701</u>	<u>33,353,035</u>	<u>8,480,331</u>	<u>-10,634,106</u>	<u>-3,522,312</u>	<u>12,673,534</u>	<u>9,575,100</u>	<u>16,796,084</u>	<u>16,967,202</u>	<u>-57,599,818</u>
Total primary government net position	<u>\$ 32,654,610</u>	<u>\$ 43,006,380</u>	<u>\$ 38,347,923</u>	<u>\$ 10,964,053</u>	<u>\$ 7,934,037</u>	<u>\$ 31,519,944</u>	<u>\$ 38,884,577</u>	<u>\$ 42,725,752</u>	<u>\$ 55,043,235</u>	<u>\$ 44,856,558</u>

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

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	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
General government	\$ 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	\$ 13,681,634
Public safety	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	48,042,994
Economic & physical development	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	16,552,198
Environmental protection	248,179	259,750	267,785	245,159	230,549	200,253	216,114	186,589	285,467	282,750
Human Services	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	47,835,102
Cultural and recreation	645,517	608,328	718,401	698,384	618,966	590,667	606,785	679,571	664,949	822,133
Education	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	53,841,094
Debt Service	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Interest on long term debt	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	4,915,136
Total governmental activities	<u>157,640,782</u>	<u>152,323,844</u>	<u>164,062,966</u>	<u>159,568,912</u>	<u>161,248,079</u>	<u>149,706,173</u>	<u>157,081,039</u>	<u>155,098,910</u>	<u>158,943,925</u>	<u>185,973,041</u>
Business-type activities:										
Solid Waste	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	9,626,750
Total primary government expenses	<u>\$ 165,354,967</u>	<u>\$ 159,061,384</u>	<u>\$ 170,872,652</u>	<u>\$ 166,917,165</u>	<u>\$ 169,609,573</u>	<u>\$ 157,469,727</u>	<u>\$ 165,438,604</u>	<u>\$ 163,561,240</u>	<u>\$ 167,183,716</u>	<u>\$ 195,599,791</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 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	\$ 6,058,408
Public safety	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	6,681,784
Economic & physical development	3,825	115,237	165,475	584,174	183,709	168,709	59,294	569,379	47,827	64,955
Environmental protection	192,034	115,497	101,973	73,019	50,504	38,004	65,453	0	97,089	92,189
Human Services	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	5,663,557
Cultural and recreation	23,003	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
General government	-	2,426	7,348	20,334	3,269	8,501	1,410	149,781	-5	21,836
Public safety	283,037	120,165	100,592	56,387	263,750	228,750	2,230,832	674,984	2,156,752	2,207,523
Economic & physical development	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	3,486,757
Environmental protection	227,341	-	-	-	-	-	-	-	-	-
Human Services	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	25,512,425
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	268,300	207,368	-	-	-	-	-	75,160
Public safety	98,719	1,293,371	157,578	2,177	37,758	16,758	190,314	-	-	-
Economic & physical development	1,672,867	1,969,407	107,686	307,686	51,725	40,680	303,311	1,318,696	1,215,545	2,668,269
Environmental protection	-	0	769,744	126,903	96,977	65,977	-	-	-	-
Education	1,821,032	117,996	64,383	358,751	1,548,346	1,418,346	1,533,622	-	1,623,271	2,625,917
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	19,049	-	-	-
Total govt activities program revenues	<u>43,727,360</u>	<u>54,195,124</u>	<u>52,504,815</u>	<u>53,309,153</u>	<u>49,719,017</u>	<u>47,398,212</u>	<u>45,153,960</u>	<u>49,611,386</u>	<u>50,509,631</u>	<u>55,158,780</u>

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

Table 2
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	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-type activities:										
Charge for services - Solid Waste	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	9,070,222
Capital grants and contrib - Solid Waste	-	5,783	-	12,248	755,856	700,247	79,728	13,411	16,811	34,620
Total business-type activities prog revenues	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	9,104,842
Total primary government program revenues	\$ 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	\$ 64,263,622
Net (Expense)/Revenue										
Governmental activities	\$ (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)	\$ (130,814,261)
Business-type activities	136,917	932,466	1,213,621	809,478	855,906	1,203,081	116,476	94,929	541,974	(521,908)
Total primary government net (expense)/revenue	\$ (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)	\$ (131,336,169)
General Revenues and Other Changes in Net Positon										
Governmental activities:										
Property taxes	\$ 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	\$ 90,552,468
Local option sales tax	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	30,412,717
Payment in lieu of taxes and other taxes	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	2,264,174
Interest earned on investments	3,164,210	1,126,732	362,113	138,986	140,704	89,550	2,036,371	1,648,230	2,013,878	985,633
Loss on disposal of capital assets	-	-	-	(27,417,055)	-	-	-	-	-	-
Gain on Bond Defeasance	-	-	-	-	-	-	7,423,910	-	-	-
Transfers	-	-	-	-	-	-	-	-	102,980	132,691
Total governmental activities:	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	124,347,683
Business-type activities:										
Investment earnings	28,499	3,191	4,203	885	89	18,889	20,980	14,295	44,598	43,652
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	(102,980)	(132,691)
Total business-type activities	28,499	3,191	4,203	885	89	18,889	20,980	14,295	(58,382)	(89,039)
Total primary government	\$ 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	\$ 124,258,644
Change in Net Position										
Governmental activities	\$ (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	\$ (6,466,578)
Business-type activities	165,416	935,657	1,217,824	810,363	855,995	1,221,970	137,456	109,224	483,592	(610,947)
Total primary government	\$ (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	\$ (7,077,525)

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

Table 3

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved for:										
State statute	\$ 7,276,450	\$ 5,723,696	\$ 5,315,377	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Items	125,818	108,552	166,883	-	-	-	-	-	-	-
Future wireline E-911/Public Safety expenditures	291,941	209,058	160,058	-	-	-	-	-	-	-
For Register of Deeds	200,598	199,051	178,243	-	-	-	-	-	-	-
Public Safety - Winterville Rural Fire Department	-	-	116,670	-	-	-	-	-	-	-
Public Safety - Ayden Fire Dept	-	-	11,567	-	-	-	-	-	-	-
For Mental Health	450,000	-	-	-	-	-	-	-	-	-
Total reserved	8,344,807	6,240,357	5,948,798	-	-	-	-	-	-	-
Unreserved										
Designated for subsequent year's expenditures	5,486,442	6,753,916	5,342,211	-	-	-	-	-	-	-
Designated for Potential TSR Refund (MH)	-	-	-	-	-	-	-	-	-	-
Undesignated	17,387,066	16,593,431	19,625,099	-	-	-	-	-	-	-
Nonspendable - prepaid items	-	-	-	127,233	96,021	150,981	194,008	171,896	289,553	253,963
Restricted by Stabilization of State Statute	-	-	-	5,930,673	6,859,363	7,792,727	8,878,007	9,243,210	10,474,078	9,261,014
Restricted	-	-	-	249,769	130,713	153,970	186,041	187,512	187,512	188,703
Committed	-	-	-	-	-	-	-	395,492	690,384	376,657
Assigned	-	-	-	4,215,000	2,288,000	2,288,000	2,786,466	2,871,466	2,871,466	5,855,639
Unassigned	-	-	-	11,384,700	14,846,239	16,922,805	23,805,248	26,585,766	26,604,345	21,277,707
Total General Fund	\$ 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	\$ 37,213,683
All Other Governmental Funds										
Reserved for:										
State statute	\$ 2,520,470	\$ 2,361,080	\$ 1,786,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Items	106,705	80,544	73,575	-	-	-	-	-	-	-
Wireless 911 Operations	-	-	-	-	-	-	-	-	-	-
Winterville Rural Fire Dept	104,814	77,983	77,983	-	-	-	-	-	-	-
Total reserved	2,731,989	2,519,607	1,937,647	-	-	-	-	-	-	-
Unreserved										
Undesignated/(deficit)										
Special revenue Funds	1,312,430	1,904,621	2,041,415	-	-	-	-	-	-	-
Debt Service Fund	(8,068)	64,415	41,635	-	-	-	-	-	-	-
Capital Project Funds	1,746,264	1,847,095	(159,711)	-	-	-	-	-	-	-
All other special revenue funds	-	-	-	-	-	-	-	-	-	-
Designated for capital projects	9,749,419	9,331,452	-	-	-	-	-	-	-	-
Nonspendable - prepaid items	-	-	-	93,315	114,571	139,920	84,668	153,579	183,018	147,785
Restricted by Stabilization of State Statute	-	-	-	7,661,279	3,301,873	1,484,819	2,688,524	2,622,299	2,885,803	2,847,009
Restricted	-	-	-	23,074,203	8,566,117	12,812,428	7,233,292	5,382,073	5,781,423	21,600,477
Committed	-	-	-	11,623,127	12,407,122	7,427,612	9,822,537	7,460,390	24,130,049	15,447,427
Assigned	-	-	-	1,434,962	1,789,875	1,505,723	1,647,750	1,411,986	1,364,137	1,604,679
Unassigned	-	-	-	(1,130,273)	(975,612)	(265,605)	(2,191,980)	(246,910)	(1,089,227)	(62,063)
Total all other governmental funds	\$ 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	\$ 41,585,314

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.

Table 4

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes:										
Property	\$ 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	\$ 90,613,945
Sales	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	18,831,700
Other	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	13,845,191
Total taxes	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	123,290,836
Intergovernmental	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	39,455,051
Sales & Services / Permits & Fees	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	10,937,435
Interest	3,142,597	1,116,097	359,591	262,393	140,633	83,754	451,726	110,704	304,345	458,660
Miscellaneous	1,259,163	2,903,009	2,868,190	1,754,585	2,154,058	1,566,417	1,679,320	1,891,679	2,331,536	4,199,918
Total Revenues	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	178,341,900
Expenditures										
General Government	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	13,732,350
Public Safety	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	45,837,911
Environmental Protection	231,415	242,986	252,499	229,879	217,076	200,253	216,114	248,599	260,578	256,163
Economic Development	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	19,902,032
Human Services (Health, DSS, Mental Health)	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	46,210,880
Culture and Recreation	645,517	608,328	718,401	698,384	618,966	590,667	606,785	679,571	664,949	822,133
Education	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	57,094,539
Capital Outlay	13,792,689	13,964,836	-	-	-	-	-	-	-	-
Debt Service:										
Principal	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	10,993,356
Interest	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	6,703,806
Total Expenditures	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	201,553,170
Excess of revenues over (under) expenditures	(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)	(23,211,270)
Other Financing Sources (Uses)										
Transfers in	(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)	(26,469,826)
Transfers out	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	25,681,106
Insurance Proceeds	-	-	-	-	-	-	20,489	139,235	-	15,363
Bonds issued	19,855,000	-	-	-	-	-	-	-	-	-
Revenue Anticipation Notes issued	-	-	-	-	-	-	54,295,000	-	-	-
Refunding bonds issued	-	-	-	-	-	-	-	-	-	-
Payment to refunding escrow agent	-	-	-	(5,040,000)	-	-	-	-	-	-
Payment to escrow agent, debt refunding pmt	-	-	-	-	(21,230,000)	-	-	(39,421,164)	-	(55,709,200)
Payment to escrow agent, advance interest pmt	-	-	-	-	-	-	-	-	-	-
Payment to bondholders, bond redemption	-	-	-	-	-	-	(54,372,710)	-	-	-
Payment from escrow agent	-	-	-	-	-	-	61,796,620	-	-	-
Payment to retire revenue anticipation notes	-	-	-	-	-	-	(54,295,000)	-	-	-
Proceeds from capital lease	-	-	-	-	-	-	-	-	-	-
Advance payments from debt refunding	-	-	-	-	-	-	-	-	-	-
Debt Obligation issued	-	348,000	36,344,145	33,994,490	26,711,977	6,025,835	1,594,353	35,135,000	19,250,000	63,690,000
Installment Debt issued	-	-	-	-	-	-	-	893,828	877,242	10,177,000
Premium on issued debt	381,491	-	47,563	-	2,383,047	-	-	4,723,699	979,187	10,253,283
Total other financing sources (uses)	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	27,637,726
Net change in fund balances	(13,494,774)	(1,495,463)	15,956,240	3,452,854	(15,239,707)	989,098	4,721,181	1,104,198	17,842,542	4,426,456
Debt service as a percentage of noncapital expenditures	7.91%	9.69%	9.35%	10.37%	12.47%	11.89%	11.83%	11.82%	11.27%	9.41%

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

Table 5

Fiscal Year	Real Property				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	Present-use Value						
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%
2017	9,762,032,415	-	-	-	2,437,716,258	152,480,080	12,352,228,753	0.6860	12,475,751,041	99.0%

Source: Annual County Report of Valuation and Property Tax Levies

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

Table 6

	Year Taxes Are Payable									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Pitt County - Total	\$ 0.7150	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6800	\$ 0.6800	\$ 0.6800	\$ 0.6860	\$ 0.6960
General Fund	0.7000	0.6516	0.6540	0.6550	0.6560	0.6730	0.6730	0.6730	0.6790	0.6890
Industrial Development	0.0150	0.0134	0.0110	0.0100	0.0090	0.0070	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	0.5000	0.5000	0.5000	0.5000	0.5400	0.5400	0.5400	0.5400	0.5400	0.5400
Town of Bethel	0.5900	0.5900	0.5900	0.5900	0.6600	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	0.5875	0.5875
City of Greenville	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5200	0.5300	0.5200	0.5200
Town of Grifton	0.5500	0.5500	0.6000	0.6000	0.6000	0.6000	0.6000	0.6300	0.6300	0.6300
Town of Grimesland	0.4800	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	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750
<u>Fire Districts:</u>										
Ayden Fire District	0.0375	0.0375	0.0300	0.0425	0.0475	0.0475	0.0475	0.0599	0.0599	0.0724
Bell Arthur Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0885	0.0885	0.0885	0.0885	0.0885
Belvoir Fire District	0.0000	0.0000	0.0000	0.0000	0.0189	0.0189	0.0225	0.0225	0.0225	0.0225
Bethel Fire District	0.0000	0.0000	0.0000	0.0000	0.0675	0.0675	0.0675	0.0675	0.0675	0.0675
Black Jack Fire District	0.0540	0.0540	0.0540	0.0540	0.0640	0.0740	0.0740	0.0740	0.0740	0.0740
Clarks Neck Fire District	0.4500	0.4500	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450	0.0450
Eastern Pines Fire District	0.0500	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	0.0800	0.0800	0.0800
Farmville Fire District	0.0360	0.0360	0.0360	0.0365	0.0389	0.0389	0.0389	0.0400	0.0500	0.0500
Fountain Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0675	0.0675	0.0875	0.0875
Gardnersville Fire District	0.0750	0.0750	0.0750	0.0800	0.0800	0.0940	0.0940	0.0940	0.0940	0.0940
Grifton Fire District	0.0499	0.0499	0.0499	0.0499	0.0599	0.0599	0.0599	0.0599	0.0599	0.0599
Grimesland Fire District	0.0650	0.0650	0.0650	0.0700	0.0700	0.0700	0.0700	0.0700	0.0750	0.0750
Pactolus Fire District	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0625	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	0.0650	0.0650	0.0650	0.0650	0.0650	0.0650
Staton House Fire District	0.0190	0.0190	0.0200	0.0215	0.0250	0.0275	0.0275	0.0275	0.0290	0.0290
Stokes Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0700	0.0700	0.0700	0.0700	0.0700
Winterville Fire District	0.0250	0.0250	0.0250	0.0250	0.0440	0.0440	0.0440	0.0440	0.0440	0.0440
EMS District	0.0440	0.0440	0.0440	0.0440	0.0460	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

Table 7

Taxpayer	Type of Business	Fiscal Year 2017				Fiscal Year 2016				Fiscal Year 2015				Fiscal Year 2014				Fiscal Year 2013	
		Assessed Valuation		% of Total Assessed Valuation		Assessed Valuation		% of Total Assessed Valuation		Assessed Valuation		% of Total Assessed Valuation		Assessed Valuation		% of Total Assessed Valuation		Assessed Valuation	
		Rank		Rank		Rank		Rank		Rank		Rank		Rank		Rank		Rank	
Patheon Manufacturing Services, LLC	Manufacturer	\$ 262,435,545	1	2.13%	\$ 249,654,598	1	2.12%	\$ 222,254,063	1	1.88%	\$ 216,120,211	2	1.88%	\$ 212,764,918	2				
DSM Dyneema, LLC	Manufacturer	175,263,183	2	1.42%	181,014,354	2	1.53%	187,370,888	2	1.59%	195,205,363	1	1.70%	243,042,824	1				
DSM Biomedical, Inc.	Manufacturer			0.00%			0.00%			0.00%			0.25%					-	
Carolina Telephone	Communications	36,161,505	10	0.29%	36,161,505	10	0.31%	41,254,220	6	0.35%	46,460,620	6	0.40%	28,638,317	10				
Asmo	Manufacturer	81,378,706	4	0.66%	80,326,401	4	0.68%	77,101,007	4	0.65%	73,499,068	4	0.64%	54,232,103	4				
Weyerhauser Company	Manufacturer	51,898,139	5	0.42%	49,090,486	7	0.42%	49,828,654	5	0.42%	75,769,394	3	0.66%	46,665,251	5				
North Campus Crossing LLC (I&II)	Apartments	-		0.00%	-		0.00%	-		0.00%	-		0.00%	-		0.00%	-		
RPI Greenville Mall, LP	Mall	44,614,187	7	0.36%	44,614,187	8	0.38%	40,428,933	7	0.34%	40,428,933	7	0.35%	40,480,296	6				
Copper Beech Townhome Communities	Apartments	37,505,180	8	0.30%	37,505,180	9	0.32%	34,605,790	8	0.29%	34,605,790	8	0.30%	34,605,790	7				
PL Greenville LP (Bellamy)	Apartments	0		0.00%	0		0.00%	29,073,633	10	0.25%	29,073,633	9	0.25%	29,073,633	8				
NACCO	Manufacturer	-		0.00%	-		0.00%	-		0.00%	-		0.00%	-		0.00%	-		
Attends Healthcare	Manufacturer	85,746,840	3	0.70%	89,078,952	3	0.75%	90,970,829	3	0.77%	72,835,039	5	0.63%	72,760,202	3				
USCOC of Greater NC LLC	Communications	-		0.00%	-		0.00%	-		0.00%	-		0.00%	-		0.00%	28,776,812	9	
Wal Mart Real Estate Business Trust	Retail	46,951,953	6	0.38%	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	0.47%	57,603,990	5	0.49%	-		0.00%	-		0.00%	-		0.00%	-		
Pep ECU LLC	Apartments	34,038,022	9	0.28%	-		-	-		-	-		-		-	-	-		
401 Moye Boulevard Realty Dst	Builder	31,901,462	10	0.26%	-		-	-		-	-		-		-	-	-		
<hr/>		<hr/>		<hr/>		<hr/>		<hr/>		<hr/>		<hr/>		<hr/>		<hr/>			
Totals		\$ 945,498,712		7.68%	\$ 875,760,334		7.42%	\$ 802,160,650		6.80%	\$ 812,211,823		7.06%	\$ 791,040,146					

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

Pitt County
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 8

Fiscal Year	Taxes Levied for the			Collected within the Fiscal Year of the Levy				Collections for Prior Years	Total Amount Collected	Total Percentage Collected
	Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Total Amount Collected	Percentage of Original Levy	Percentage of Adjusted Levy				
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%	
2017	84,725,527	1,076,224	85,801,751	84,305,375	99.50%	98.26%	976,112	85,281,487	100.66%	

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 Obligation Bonds	COPs	LOBs	QSCBs	Notes Payable	General Obligation Bonds	Revenue Bonds	Installment Loans			
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	-	-	3,946,052	200,000	-	-	155,481,052	980	2.88%
2011	-	105,330,000	59,835,000	5,952,500	3,953,949	-	-	-	175,071,449	1,034	3.12%
2012	-	98,860,000	57,450,000	5,602,353	8,691,345	-	-	-	170,603,698	1,002	2.77%
2013	-	92,715,000	54,705,000	5,252,206	11,761,922	-	-	-	164,434,128	953	2.76%
2014	-	86,225,000	51,965,000	4,902,059	13,089,040	-	-	-	156,181,099	898	2.52%
2015	-	43,210,000	84,365,000	4,551,912	12,140,084	-	-	-	144,266,996	827	2.21%
2016	19,250,000	37,875,000	80,310,000	4,201,765	10,687,861	-	-	-	152,324,626	868	2.27%
2017	18,235,000	17,590,000	109,270,000	3,851,618	14,851,652	-	-	-	163,798,270	931	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			\$	19
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	0.29%	0.1594%		110
2017	18,235,000	-	18,235,000	N/A	0.0000%		104

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.

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

Table 11

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed Value of Property	\$ 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	\$ 12,352,229
Debt Limit, 8% of Assessed Value (Statutory Limitation)	810,174	943,726	954,124	944,246	939,986	918,719	956,103	943,919	966,009	988,178
Amount of Debt Applicable to Limit										
Gross debt	138,268	129,991	155,481	175,071	170,604	164,434	156,181	144,267	152,325	163,798
Less: Amount available for repayment of general obligation bonds	-	-	-	-	-	-	-	-	-	-
Debt outstanding serviced by Enterprise Fund (solid waste)	600	400	200	-	-	-	-	-	-	-
Revenue bonds	130,195	123,645	151,335	105,330	98,860	92,715	86,225	43,210	37,875	-
Total net debt applicable to limit	7,473	5,946	3,946	69,741	71,744	71,719	69,956	101,057	114,450	163,798
Legal Debt Margin	\$ 802,701	\$ 937,780	\$ 950,178	\$ 874,505	\$ 868,243	\$ 847,000	\$ 886,147	\$ 842,862	\$ 851,559	\$ 824,380
Total net debt applicable to the limit as a percentage of debt limit	0.92%	0.63%	0.41%	7.39%	7.63%	7.81%	7.32%	10.71%	11.85%	16.58%

Source: Annual audited financial reports of this entity.

Pitt County
Direct and Overlapping Governmental Activities Debt
As of June 30, 2017

Table 12

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
CITY OF GREENVILLE	\$ 19,325,000	100.00%	\$ 19,325,000
TOWN OF AYDEN	\$ -	100.00%	\$ -
TOWN OF BETHEL	\$ 1,121,000	100.00%	\$ 1,121,000
TOWN OF FARMVILLE	\$ -	100.00%	\$ -
TOWN OF FOUNTAIN	\$ 2,000	100.00%	\$ 2,000
TOWN OF GRIFTON	\$ 1,386,000	100.00%	\$ 1,386,000
TOWN OF GRIMESLAND	\$ 229,500	100.00%	\$ 229,500
TOWN OF WINTERVILLE	\$ -	100.00%	\$ -
CONTENTNEA METROPOLITAN SEWAGE DISTRICT (1)	\$ -	0.00%	\$ -
General Obligation Debt			18,235,000
Certificates of Participation			17,590,000
Limited Obligation Bonds			109,270,000
Notes Payable			14,851,652
Qualified School Construction Bonds			<u>3,851,618</u>
Total direct debt			\$ 163,798,270
Total overlapping debt			<u>22,063,500</u>
Total direct and overlapping debt			\$ <u>185,861,770</u>

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

Year	Population(1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Public School Enrollment(3)	Unemployment Rate(4)
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	5.7%
2016	175,532	6,724,276	37,943	23,600	5.3%
2017	175,885	*	*	23,800	*

* 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**

Table 14

Employer	2016-2017 (1)			2007-2008 (2)		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Vidant Medical Center	6,560	1	7.49%	6,297	1	4.40%
East Carolina University	5,750	2	6.56%	4,936	2	3.45%
Pitt County Schools	3,650	3	4.17%	2,940	3	2.05%
Hyster-Yale	1,173	4	1.34%	1,200	4	0.84%
City of Greenville	1,132	5	1.29%	704	9	0.49%
Pitt Community College	1,100	6	1.26%	850	8	0.59%
Patheon, Inc	1,040	7	1.19%			
County of Pitt	989	8	1.13%	922	6	0.64%
Alliance One	850	9	0.97%	850	7	0.59%
Wal Mart	795	10	0.91%			
DSM Pharmaceuticals				1,200	5	0.84%

Source: (1) Pitt County Industrial Development Commission - most current year available.

(2) 2008 CAFR Financial Services Department.

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

Table 15

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	142.00	144.00	143.50	138.00	128.60	123.00	123.00	122.00	121.50	121.50
Public safety	326.56	372.00	399.75	426.50	383.50	382.50	389.00	393.25	406.38	409.38
Social services	227.00	232.00	234.00	229.00	233.30	226.30	258.00	259.00	271.50	276.50
Economic and physical dev	18.60	19.10	21.35	20.35	39.35	30.60	30.60	24.35	23.98	22.98
Environmental protection	21.50	21.50	21.75	21.75	22.25	25.25	26.25	26.25	27.00	27.00
Health	129.10	131.90	137.90	138.90	130.55	120.65	119.65	121.65	125.40	128.65
Mental Health	0.00	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	3.00	3.00	3.00
Total	866.76	922.50	960.25	976.50	939.55	910.30	948.50	949.50	978.75	989.00

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

Table 16

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	119,038
Number of marriage licenses issued	1,222	1,131	1,098	1,123	1,158	1,200	1,191	1,160	1,112	1,214
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	108,453
Number of law violations	26,505	26,212	28,181	29,578	32,077	34,187	29,255	29,952	29,756	30,507
Environmental Protection										
Technical assistance provided to agricultural customers	371	428	367	400	302	306	353	350	414	323
Economic and Physical Development										
Number of commercial permits issued	61	32	65	29	21	18	19	17	9	51
Number of residential permits issued	1,299	508	570	115	107	282	106	138	66	329
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	6,225
Medicaid clients receiving transportation assistance	2,242	2,272	2,309	3,851	1,599	1,448	1,045	1,691	1,797	1,882
Number of child support collection cases	9,679	7,944	8,087	7,462	7,539	7,503	7,560	7,708	7,910	8,149
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	4,408
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	10,936
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	480,027
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	23,800
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	168,956
Tons of recycled material	36,000	36,000	36,000	54,872	75,908	46,597	44,980	53,883	44,758	62,724

Pitt County
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 17

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities:										
General Government										
Buildings	5	5	15	15	15	15	15	15	15	15
Vehicles	30	30	42	49	55	55	58	58	57	56
Public Safety										
Buildings	3	3	4	4	4	4	4	4	4	4
Vehicles	175	183	193	201	210	211	222	214	212	226
Environmental Protection										
Buildings	0	0	1	1	1	1	1	1	1	1
Vehicles	7	7	7	6	6	6	6	10	10	11
Economic and Physical Development										
Buildings	0	0	3	3	3	3	3	3	3	3
Vehicles	11	12	7	8	9	9	8	11	11	9
Human Services										
Buildings	5	5	3	3	3	3	3	3	3	3
Vehicles	67	72	70	70	69	69	73	71	69	73
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	8	8	8	5	5	5	5	5	5	11
Vehicles	0	0	0	0	0	0	0	0	0	0
Business-Type Activities:										
Solid Waste & Recycling										
Buildings	2	2	4	5	5	5	5	5	5	6
Vehicles	16	16	14	19	20	20	21	16	20	23

Source: Records within the Pitt County Financial Services Department.