



# County of Pitt

North Carolina



## Comprehensive Annual Financial Report

**For Fiscal Year Ended June 30, 2010**

Prepared By:  
Pitt County Financial Services Department

Melonie T. Bryan  
Deputy County Manager – Chief Financial Officer

**PITT COUNTY, NORTH CAROLINA**  
**General Purpose Financial Statements and Compliance Reports**  
**For The Year Ended June 30, 2010**

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





October 1, 2010

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

Dear Board Members:

It is our pleasure to present the Board and the Citizens of Pitt County with the Comprehensive Annual Financial Report (CAFR) of Pitt County for the fiscal year ended June 30, 2010. This report is published to provide the Board of Commissioners, staff, citizens 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" which provides staff commentary and additional information on the financial statements and condition of the County.

A Compliance/Single Audit is required under the provisions of the Single Audit Implementation Act and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." 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 a separately bound presentation available upon request at the County office. The Single Audit Act allows the use of an independent accounting firm to audit all grants, which eliminates the need to hire separate auditors for each grant.

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.

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, Note 16 and Note 17 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.

## **Major Initiatives**

During the year, the County was involved in a number of major projects and programs. Highlights of these projects are discussed in the following paragraphs:

**Education.** Actions over the past 10 years have been guided by the increased communication between the Board of Commissioners and the Board of Education that was a direct result of the Education Compact adopted by both Boards in 1999. While there is not a formal compact in place any longer, improving funding, student achievement and test scores – the purpose of the original compact - continue to be the leading goals of both Boards. To that end, the Board of Commissioners and the Board of Education adopted a joint resolution in 2006 which pledges their continued desire to move forward addressing the needs of the school system together. The Board of Commissioners also continues to increase funding for current expenses annually as the student enrollment grows.

The Board of Commissioners also recognizes the school system's construction needs due to strong enrollment growth, projected future population growth and the need to alleviate existing overcrowding. The Board of Commissioners is dedicates 30% of Article 40 and 60% of Article 42 - the one-half percent sales taxes - and 100% of the Public School Building Capital Funds and State Lottery Proceeds to a School Capital Reserve Fund for the purpose of retiring current school bonds and to build future facilities. Over the past 15 years, a number of bond issues have been consummated to address facility needs of the public school system including both new facilities and expansion/renovation of existing buildings.

In spite of these construction efforts, the County recognized that construction needs still existed for the school system. After several years of trying to obtain local legislation for a local tax for capital needs without success, the 2007 legislative session brought an opportunity for Pitt County to create a new funding stream for school construction. In that session, both the House of Representatives and the Senate approved state-wide authority to impose a new, additional ¼ percent sales tax after the successful passage of a voter referendum. The County held its Referendum on November 6, 2007 and received positive support from the voters to implement the new local option sales tax. This new tax was implemented effective April 1, 2008 and the County now has over \$8.3 million in a reserve account for repayment of school related debt service. While these funds can be used to address needs of the local public school system as well as the needs of Pitt Community College, they have been earmarked for “education” construction needs. Both the School System and the Community College will issue debt in November 2010

for projects approved by the Board of Commissioners this past year.

**Long Range Planning.** The County staff and the Board of Commissioners continue to improve the process of developing long range financial and capital improvement plans for the County. To this end, we continue to update our multi-year plan each budget cycle and review it annually as an integral part of the budget process. This plan allows the Board the opportunity to establish priorities and plan for their evolution in an orderly fashion. This plan is also reviewed and revised by the Board at least once per year.

Coupled with this endeavor is the establishment of annual work plans and benchmarks for each department. This makes both staff and elected officials aware of items that are facing the County and again, allows the County to plan for their implementation. This planning effort has helped improve communications among staff, elected officials and the general public. Quarterly reporting of results began in the 1<sup>st</sup> quarter of Fiscal Year 2004-2005 and both the mid-year and final reports are shared publicly with the Board of Commissioners and used by management throughout the year and during the budget process to help guide funding decisions.

In Fiscal Year 2010-2011, the County will participate in the Trailblazer program via a grant from the National Center for Civic Innovation to create more citizen participation in our long range planning process. The County will also be participant in the new benchmarking project being started this year through the School of Government at the University of North Carolina – Chapel Hill.

## **Financial Information**

**Internal Control.** The 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 will be reviewed annually to establish amounts that support the cost of

service provision.

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.

**Fund Balance.** The County, as per Local Government Commission (Department of State Treasurer) guidelines, must maintain, at a minimum, undesignated Fund Balance of 8.33% - an amount equal to one month of General Fund operations. It is the County's stated goal to respect the integrity of Fund Balance and use it sparingly. It is the County's stated intention to maintain a minimum undesignated Fund Balance in the 18-20% range. At June 30, 2010, the County had 15.49% undesignated fund balance.

Given the economic climate that enveloped the nation during the fiscal year under review, the County actually spent Fund Balance to cover operational costs. The budget was adopted with the planned expenditure of Fund Balance to cover the final debt service payment on the 1990 General Obligation (G.O.) bonds and coupled with the economic downturn caused the County to spend down more than originally intended. Unfortunately, in a tough economy, the demands for County services, especially in the areas of public safety and human services, greatly increase. This counter-cyclical nature of our service pattern makes it difficult to control costs and still serve the citizens.

The budget adopted for Fiscal Year 2010-2011 was developed with the intention of returning to a posture of no anticipated spend down of Fund Balance for operational needs. With continued economic recovery, the County would anticipate an increase in Fund Balance at June 30, 2011. However, staff will be vigilant throughout the 2010-2011 fiscal year to recommend actions the Board can take to ensure continued financial improvement.

**Grants.** As a recipient of Federal and State financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. The County's single audit for the fiscal year ended June 30, 2010 and the report, along with any areas of concern, are included in a separately bound presentation and available through the Financial Services Department.

**Debt.** The County's Capital Improvement Plan (CIP) and debt policies guide long-term decision making on facility and other capital needs. The County strives to confine long-term borrowing to capital improvements to terms 20-25 years paying attention to the essentiality of the facility and

the expected useful life of the project. Long-term debt is never used as a source of funding for current operations. The County will maintain a sound relationship with all bond rating agencies and lending institutions.

The County reviews its CIP on an annual basis and looks at a ten-year window of needs. This long range planning helps the County anticipate operational cost increases rather than react after the fact. It allows the elected officials to make better long term debt decisions when there is full disclosure of the impact – both in terms of debt service and new operating costs. The County will issue debt for public school facilities and for the community college in November 2010.

## **Independent Audit**

North Carolina General Statutes require an annual independent audit of all local government units in the State. Martin Starnes & Associates, CPAs, P.A., a firm of independent certified public accountants, has 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, 2010 have been prepared in conformity with generally accepted accounting principles and supported the issuance of an unqualified opinion.

## **Other Relevant Information**

The Federal and State Single Audit Acts require the County's auditors to study internal controls and perform additional tests on transactions involving grant funds. The auditors' reports on this work are included in a separately bound report – “Compliance Letters for the Year Ended June 30, 2010”. Copies are available through the Financial Services Department. Any findings or questioned costs reported in this report are subject to subsequent review by the appropriate grantor agencies. The review could result in refunds of grant moneys if some expenditures are deemed improper. Every effort has been made to insure all disbursements are in accordance with the grants' provisions. Required refunds, if any, should be immaterial.

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

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

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the County of Pitt for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. This was the twentieth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The County believes that our current Comprehensive Annual Financial Report (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 government has received the GFOA's Distinguished Budget Presentation Award for its annual budget document for Fiscal Year 2009-2010. This marks the thirteenth consecutive fiscal year the County has received this companion award. In order to qualify for the Distinguished Budget Presentation Award, the government'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.

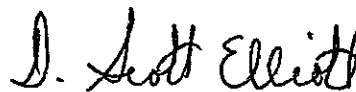
## **Acknowledgements**

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 Comprehensive Annual Financial Report 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 guidance 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 financial stability of Pitt County and we submit it to you with pride.

Respectfully submitted,



Melonie T. Bryan  
Deputy County Manager-CFO



D. Scott Elliott  
County Manager

# COMMUNITY PROFILE

## PITT COUNTY, NORTH CAROLINA

Pitt County, formed in 1760, celebrates its 250<sup>th</sup> Anniversary in 2010! The County has built a legacy of service to the community for the past two and a half centuries. To mark Pitt County's anniversary, the County will participate in a number of local events throughout the year to promote, celebrate, and discuss its birthday with the public.

The County has a land area of approximately 656 square miles. Pitt County's 2009 estimated population is 158,575 based on the North Carolina Office of State Budget and Management's provisional estimate. In the 2000 Census, the County's population was 133,798. Greenville, the County seat and largest city, is centrally located in the County. There are nine other incorporated municipalities within Pitt County.

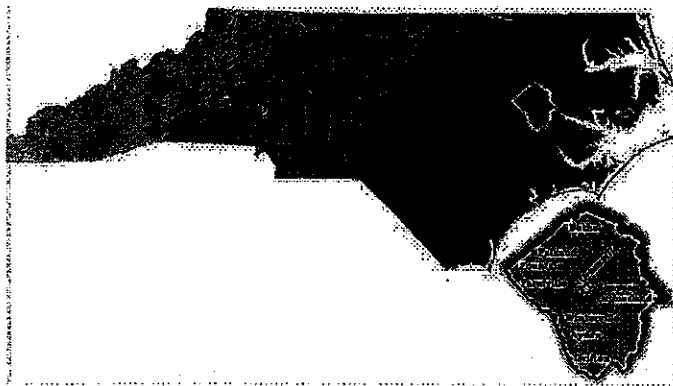
Serving Our Community



1760 - 2010

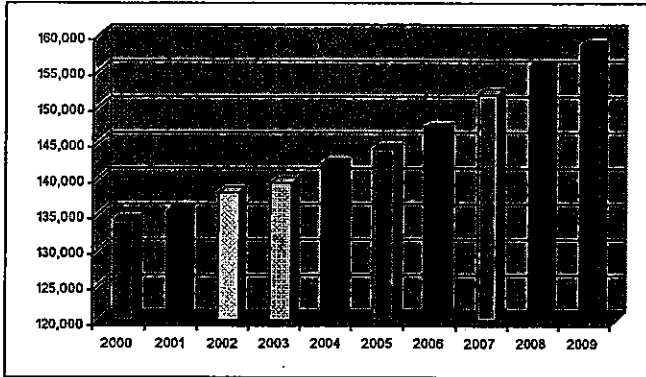
Celebrating Our History

## AREA INFORMATION



Located in the coastal plain, the County is in the eastern part of 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 73 degrees to a daily low of 50 degrees. The average annual precipitation is 47 inches of rainfall with only occasional accumulations of snowfall.

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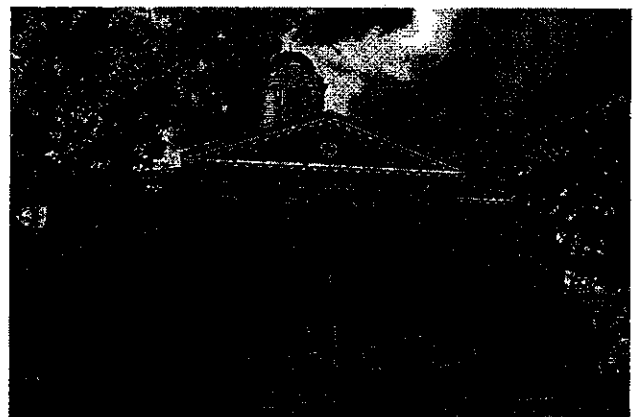
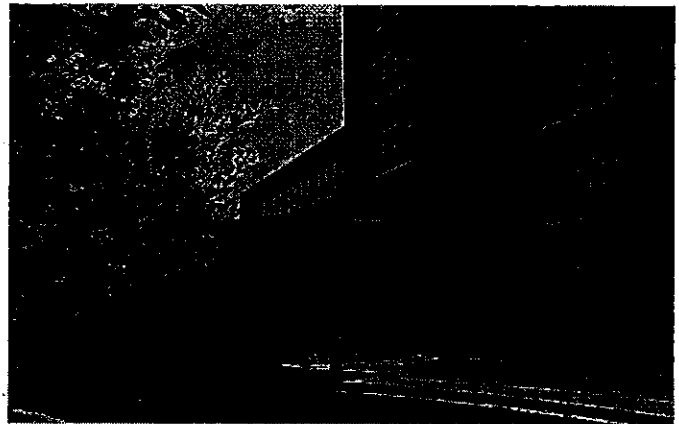


Pitt County is a rapidly growing, well-diversified employment and service center for eastern North Carolina. As one of the fastest growing centers in the State, the population is estimated to have an increase by 21% between the 2000 and 2010 census reports. Pitt County now ranks as the 15<sup>th</sup> most populous County in North Carolina. The Greenville Metropolitan Statistical Area (MSA), which encompasses all of Pitt County, was the fifth fastest growing MSA in the State.

## COUNTY GOVERNMENT

The County operates under the Commissioner-Manager form of government with a nine member Board of Commissioners elected from districts on a partisan basis for staggered, four-year terms. The Chairman presides over all County Commissioner meetings (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 who directs the daily operations of the County with the assistance of two Deputy Managers.

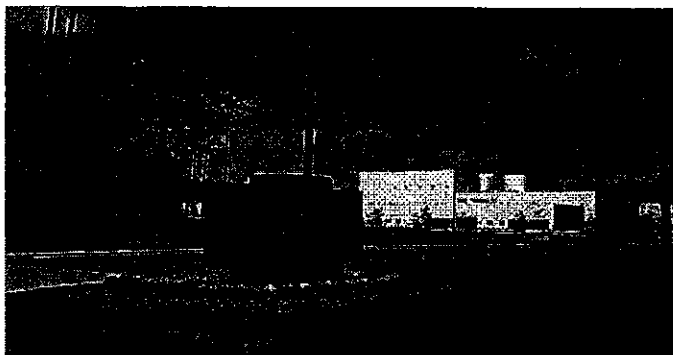
Property taxes may be levied by the County without a vote of the people and are collected as an annual ad valorem tax (\$0.665 per \$100 valuation for fiscal year 2010-11) on the appraised value of all real and tangible personal property within its boundaries.





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## LOCAL ECONOMY



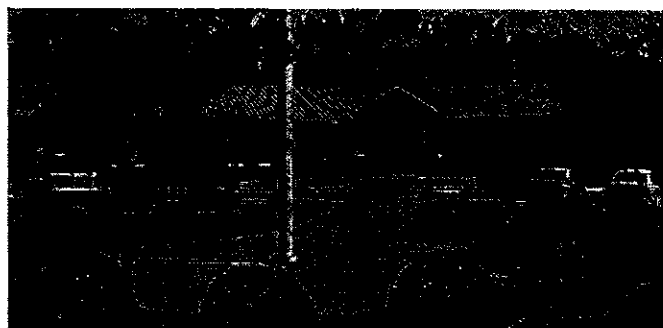
The Pitt County/Greenville area is one of the fastest growing urban centers in the State of North Carolina. It is a leading retail center in eastern North Carolina and ranks as one of only a dozen billion dollar retail markets in NC. The local economy is well diversified with government, wholesale/retail trade and manufacturing each accounting for approximately 25% of total employment. Agriculture is also a strong contributor to the economy; tobacco, corn, soybeans, wheat, peanuts, eggs, livestock, poultry and vegetables are the primary agricultural products. Major employers include: East Carolina University (education), Pitt County Memorial Hospital (health care), DSM (chemical manufacturing), NACCO (lift trucks), Grady-White (boats), ASMO (electric motors), Karastan - A Division of Mohawk (carpet yarn), Mestek (steam unit heaters), and TRC, Inc. (metal fabrication).

## 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

The area's educational system is the pride of eastern North Carolina! The public school system receives extensive local support, reflected in modern



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classroom facilities, a wide range of extra-curricular activities, and student performance above state and national averages on standardized achievement tests. One public school system serves Pitt County and its municipalities. The system expects to serve in excess of 23,000 students in the 2010-11 school year. The Pitt County School Administrative Unit is governed by a Board of Education consisting of twelve members, two each elected from six geographic districts. A school superintendent is appointed by the Board of Education.

## Pitt Community College

Established in 1961, Pitt Community College (PCC) is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award Associate Degrees. PCC is governed by a 12-member Board of Trustees, four of whom are appointed by the Board of Commissioners, four by the County Board of Education and four by the Governor to serve four-year, staggered terms. The State provides primary funding for the Community College. The remainder is shared by the Federal Government, Pitt County, and other funds such as grants. County funds may be used for both capital and operating costs.

PCC is a comprehensive two-year college offering approximately 55 associate degree programs, 69 certificate programs and 27 diploma programs. In terms of curriculum programs, PCC is the eighth largest Community College in North Carolina's 58 campus community college system. Enrollment for 2009-10 was over 21,000 students including over 11,000 curriculum students and over 10,000 continuing education and community development students. PCC's educational programs and services are focused to meet the needs of local com-

The State provides funding for a basic minimum educational program which is supplemented by the County and Federal government. 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 government.



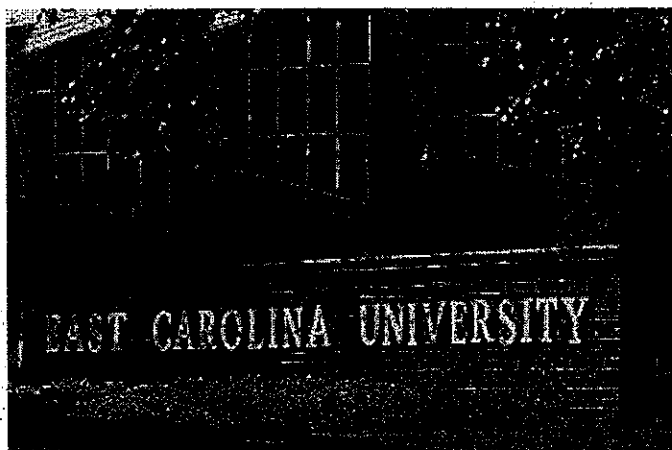
munities for higher education, employment skills, basic education skills, job retraining, personal growth and development, community workplace literacy, and community and economic development.

PCC is well-known in the North Carolina Community College System for its specialization in Health Sciences career and college transfer programs.

# 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 28,000.

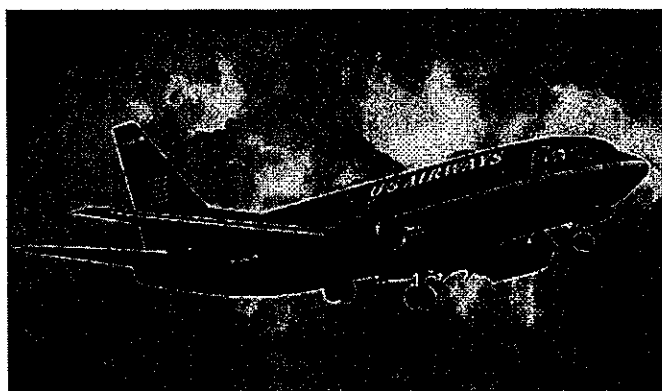


Founded in 1907 as a state-supported teacher training school, it became a liberal arts college in 1941 and a state university in 1967. It is now a Research/Doctoral institution offering approximately 200 undergraduate, graduate, and doctoral degrees through its colleges and professional schools. ECU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

## 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 two hours 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.



# COMMUNITY PROFILE

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The Pitt-Greenville Airport is an 872-acre 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 is a non-hub Regional (Commuter) Airport currently served by US Air Express, with round trips daily to its hub in Charlotte. In addition to airline activity, the Airport serves as the portal of entry for a myriad of corporate and business aircraft serving such clients as DSM Pharmaceuticals, Grady-White Boats, Weyerhaeuser, and NACCO Materials Handling Group. Other services utilizing the Airport include air ambulance and air freight companies.

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

The County is served by two public transit systems—one that is operated by the City of Greenville

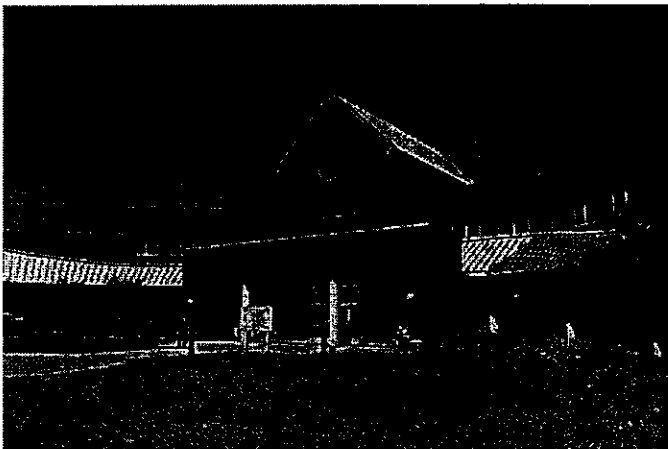
(Greenville Area Transit - GREAT) and one that is operated by the County (Pitt Area Transit System - PATS).



The City of Greenville operates an urban bus system within its corporate limits. The County has no financial responsibility for subsidizing this service. The County operates Pitt Area Transit as a department of County government with an appointed advisory board to oversee the operation of this agency and general public transportation services.

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## HUMAN SERVICES

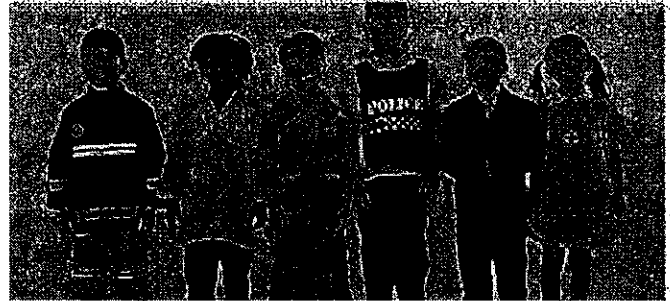


### Social Services

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 Services operates the child support enforcement program.

# COMMUNITY PROFILE

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.



## Public Health Department



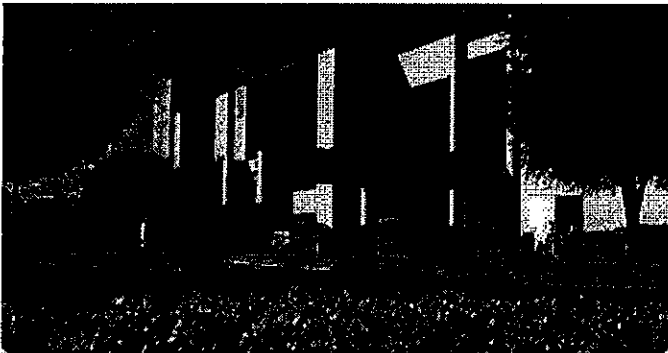
The primary purpose of the Public Health Department is to ensure the health and well being of the citizens of the County by means of various population based activities that fall into the general strategy of health promotion and disease prevention. This strategy distinguishes public health activities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



# COMMUNITY PROFILE

## MEDICAL FACILITIES



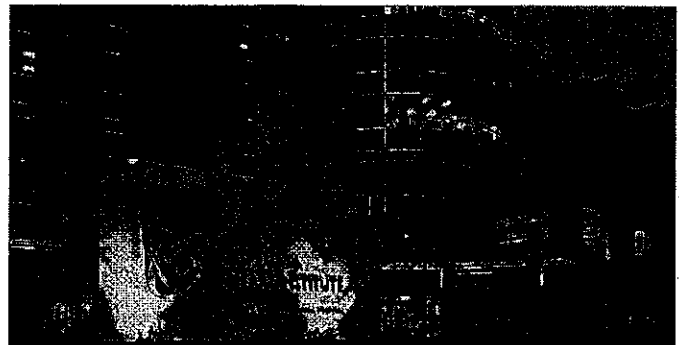
### Pitt County Memorial Hospital

Pitt County Memorial Hospital (PCMH) is an 861-bed acute care hospital. Located on the western border of Greenville, the hospital facilities were built in 1977. PCMH was transferred by Pitt County in 1998 for operation by Pitt County Memorial Hospital, Inc., as a private non-profit corporation. Eleven of the twenty members of the Board of Trustees of the Corporation are appointed by the Pitt County Board of Commissioners.



PCMH is one of four academic medical teaching centers in the State and serves as a teaching hospital for the ECU Brody School of Medicine. PCMH 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.

The East Carolina Heart Institute opened in January 2009 as a partnership with PCMH 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

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## ECU Brody School of Medicine

The ECU Brody School of Medicine was established in 1975 by an act of the North Carolina

General Assembly. The ECU 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.

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## 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 across Pitt County. This has been made possible through the strong support of the Pitt County Board of Commissioners and Pitt County Schools together with outstanding long term community partnerships.

In 2010, the County dedicated our recently completed district park as the Alice F. Keene Park.

The Park includes: over a mile in paved walking trails; 2 softball fields (one lighted); 4 multipurpose fields; restrooms and a concession stand; multifaceted playground with swings for all ages; horseshoe courts; bocce courts; and information kiosk. This park belongs to the citizens of Pitt County which was exemplified in the truest sense with the “community build” of the playground.



Over sixty volunteers, ranging in age from high school students to Senior Games participants, came together to build this tremendous playground.

# 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, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, likely belonging to the President of the GFOA.

President

A handwritten signature in black ink, reading "Jeffrey R. Egan".

Executive Director



## **PITT COUNTY, NORTH CAROLINA**

### **LIST OF PRINCIPAL OFFICIALS**

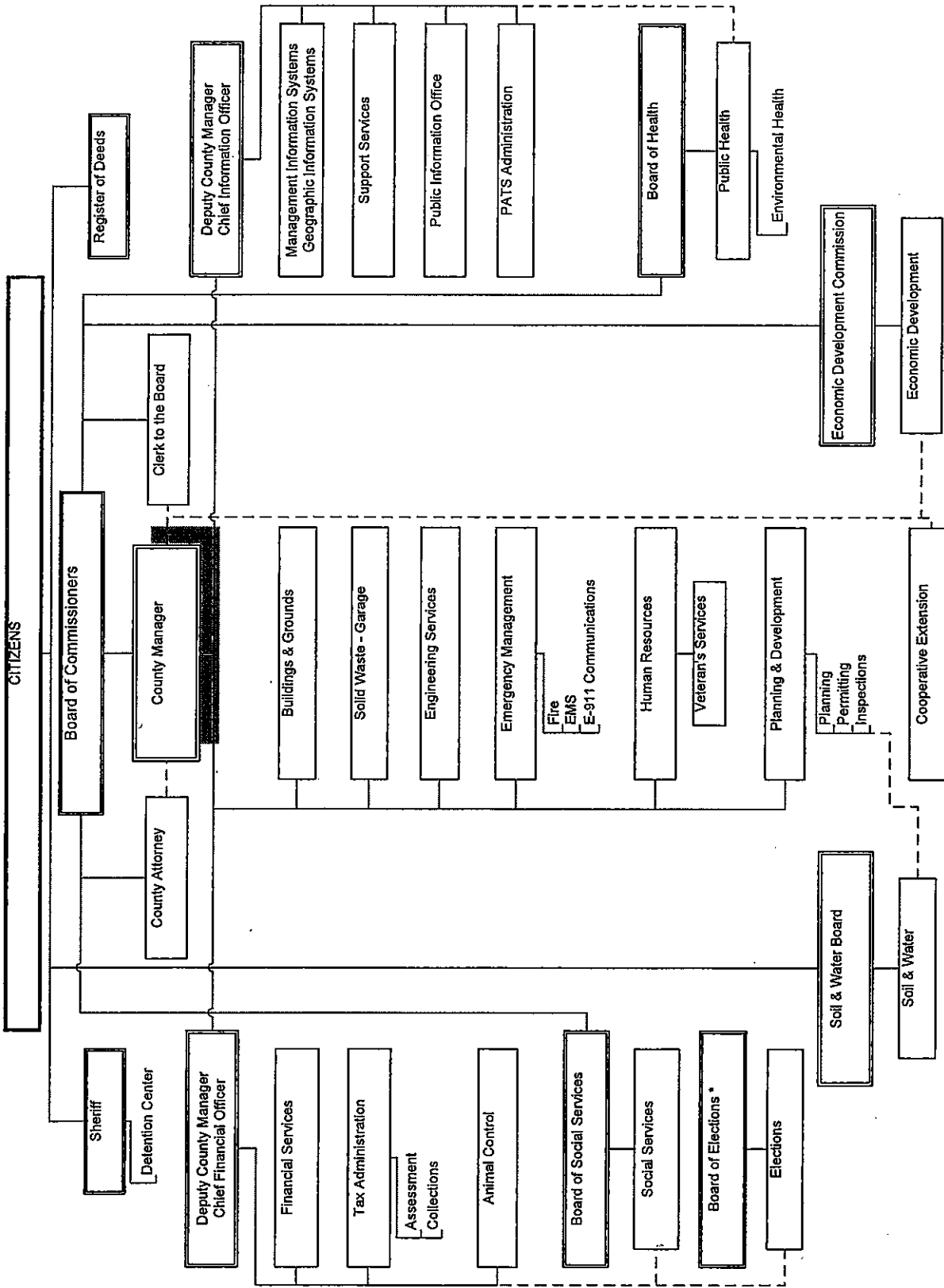
**For Year Ended June 30, 2010**

#### **BOARD OF COUNTY COMMISSIONERS**

KENNETH ROSS	Chair
DAVID HAMMOND	Vice-Chair
MELVIN C. MCLAWHORN	
EUGENE JAMES	
TOM JOHNSON, SR.	
JIMMY GARRIS	
MARK W. OWENS	
BETH B. WARD	
EPHRAIGM SMITH	

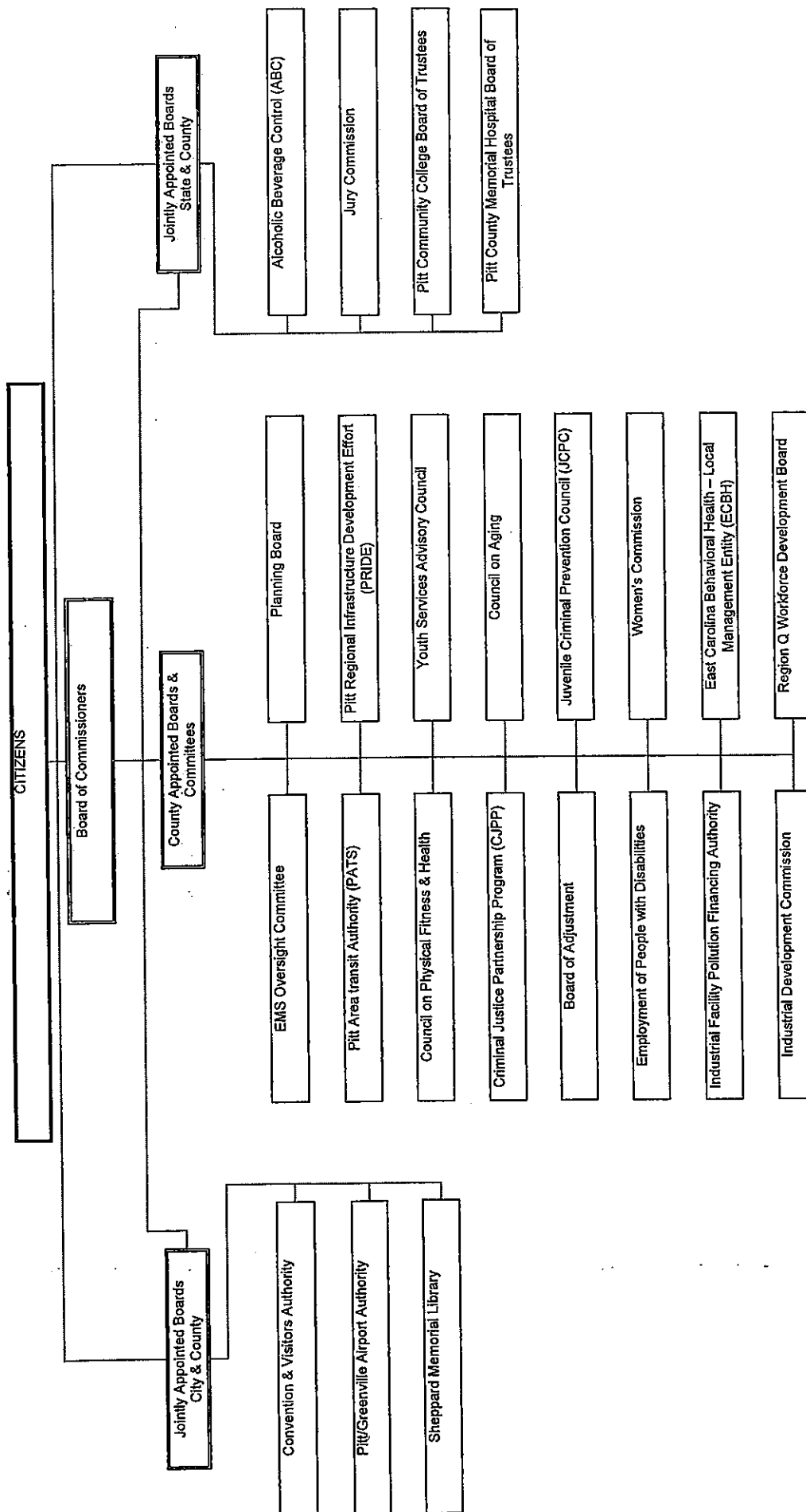
#### **COUNTY OFFICIALS**

D. SCOTT ELLIOTT	County Manager
MELONIE BRYAN	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
PHIL DICKERSON	County Engineer
DEBORAH T. BARRINGTON	Register of Deeds
MAC MANNING	Sheriff
WANDA YUHAS	Economic Developer
GEORGE PERRY	Social Services Director
DR. JOHN MORROW	Public Health Director
FLORIDA D. HARDY	Director of Human Resources
KIARA D. JONES	Director of Public Information & Media Relations



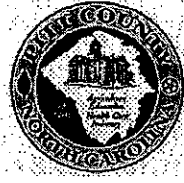
# Pitt County Organizational Chart

As of July 2010  
Dotted line denotes liaison  
\* State appointed



# Pitt County Appointed Boards & Committees

As of July 2008



# **COUNTY OF PITT**

## **MISSION STATEMENT**

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

## **VISION**

*A Leader in the State; Best in the East.*

## **VALUES**

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

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

## **GOALS FOR FY 2010-11**

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

## **II. FINANCIAL SECTION**

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information – Law Enforcement Officer's Special Separation Allowance
- Other Supplemental Schedules



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

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

## INDEPENDENT AUDITORS' REPORT

Board of County Commissioners  
Pitt County  
Greenville, North Carolina

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, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Pitt County, North Carolina's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pitt County ABC Board which represents 63 percent, 59 percent, and 89 percent, respectively, of the assets, net assets and revenues of the component unit column. Those financial statements were audited by another auditor whose report thereon has been furnished to us and, our opinion, insofar as it relates to the amounts included for the Pitt County ABC Board, is based solely on the report of the other auditor.

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 of material misstatement. The financial statements of the Pitt County ABC Board and the Industrial Development Commission were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditor provide a reasonable basis for our opinions.

In our opinion, based upon our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective 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, 2010, and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund, School Capital Reserve Fund, and County Capital Reserve Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2010 on our consideration of Pitt County, North Carolina's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis, Law Enforcement Officers' Special Separation Allowance Schedule of Funding Progress and Schedule of Employer Contributions and related notes, Other Post-Employment Benefits Schedule of Funding Progress and Schedule of Employer Contributions and related notes are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements of Pitt County, North Carolina. The introductory section, combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax 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, budget and actual schedules, and supplemental ad valorem tax schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subject to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Martin Starnes & Associates, CPAs, P.A.*

Martin Starnes & Associates, CPAs, P.A.  
Hickory, NC  
September 28, 2010



## 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 for the fiscal year ended June 30, 2010. 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 of Pitt County's governmental activities exceeded its liabilities at the close of the most recent fiscal year by \$38,301,660.
- The County's net assets of governmental activities decreased by \$2,222,784; the majority of this decrease is attributable to the increase in net expenses of the Public Safety function of \$3,178,189 over the prior fiscal year.
- As of the close of the current fiscal year, Pitt County's General Fund reported an ending fund balance of \$25,573,897 a decrease of \$4,013,807 in comparison with the prior year. \$1.1 million of the decrease was a planned one-time expenditure while the balance was a reflection of the economy and the lower than anticipated sales tax collections coupled with the increased demand for services in the areas of public safety and human services. Approximately 77% of this total amount, \$19,625,099 is available for spending at the government's discretion while the difference is either reserved for a specific purpose or restricted by State statute.
- Tax rate was unchanged at 66.5 cent per \$100 valuation. The proceeds are split 65.40 cents General Fund and 1.10 cents Industrial Development Commission.
- The County holds the following GO bond ratings:

Fitch	AA+
Moody's	Aa2
Standard & Poor's	AA
- The County holds the following COPs ratings:

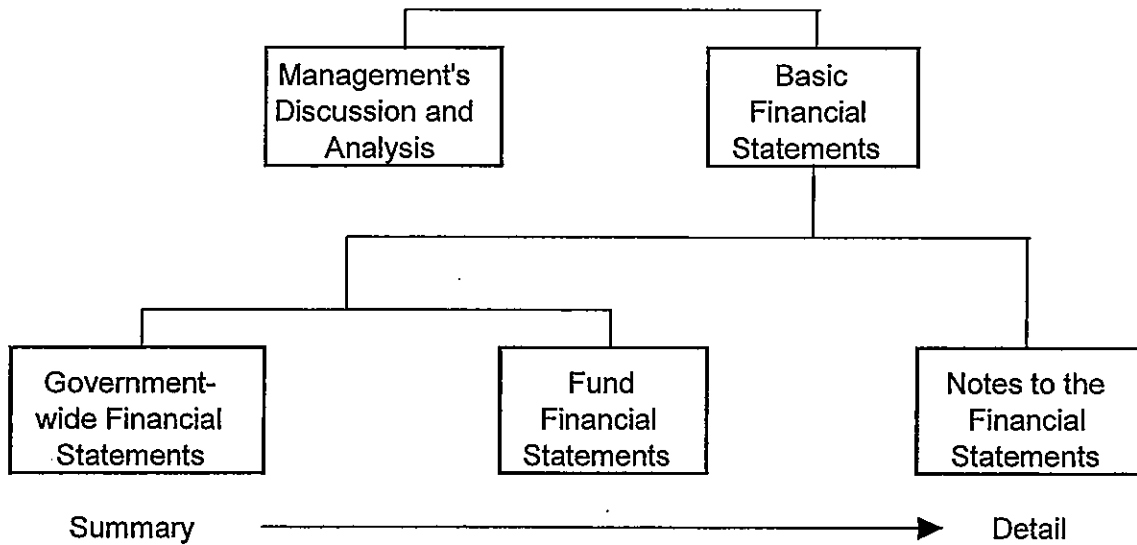
Fitch	AA
Moody's	Aa3
Standard & Poor's	AA-

## 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 D, 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 F through K, 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 non-major 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.

### 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 Assets presents information on all of Pitt County's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Pitt County is improving or deteriorating. Again this year, Pitt County had a significant increase in capital assets and long-term liabilities, respectively, as we built an addition to the Detention Center and one new school.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets 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 (known as the primary government), but also the ABC Board and the Industrial Development Commission 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 pages 41-43 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 two categories: governmental funds and proprietary funds.

**Governmental funds.** Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the 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 government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Pitt County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board 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. Pitt County has one fiduciary fund, the Law Enforcement Officers (LEO) Pension Trust Fund. The County also maintains several trust and agency funds for the benefit of other parties – Social Services, Sheriff and Mental Health Trust Funds, Tax Collections Held for Municipalities Fund and the Flexible Benefit Plan Fund. These accounts are truly held in a trust capacity and no budget is included in the County's annual adoption for these entities.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 55-93 of this report.

## Government-wide Financial Analysis

We are in the ninth year of the new reporting model featuring the government-wide financial statements. These statements mean that Pitt County no longer maintains governmental and proprietary fund groups as separate and distinct types of accounting without any type of consolidated statement that accurately reflects the operations and net assets of the County as a whole. In the past, a total column appeared on the financial statements, but only as a memorandum total. No attempt was made to adjust the statements in such a way that the total column would represent the overall financial condition of Pitt County. These statements were basically the equivalent of the fund financial statements that appear in this report with fiduciary funds and two account groups, the long-term debt and the general fixed assets, added in.

As noted earlier, net assets over time may serve as a useful indicator of a government's financial position. For Pitt County, total assets exceeded liabilities by \$42,001,420 at the close of the most recent fiscal year.

**Pitt County's Net Assets**  
**Figure 2**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 73,477,601	\$ 53,656,390	\$ 2,720,538	\$ 2,163,206	\$ 76,198,139	\$ 55,819,596
Capital assets: nondepreciable	13,443,267	43,544,831	664,329	752,722	14,107,596	44,297,553
Capital assets, net	124,936,851	89,421,197	2,157,100	1,937,632	127,093,951	91,358,829
Total assets	211,857,719	186,622,418	5,541,967	4,853,560	217,399,686	191,475,978
Long-term liabilities outstanding	159,977,134	130,287,204	1,210,550	1,526,679	161,187,684	131,813,883
Other liabilities	17,232,422	14,385,770	640,657	844,945	17,873,079	15,230,715
Total Liabilities	177,209,556	144,672,974	1,851,207	2,371,624	179,060,763	147,044,598
Net Assets:						
Invested in capital assets, net of related debt	26,867,920	8,588,940	2,621,429	2,290,354	29,489,349	10,879,294
Restricted	178,243	199,051	-	-	178,243	199,051
Unrestricted	7,602,000	33,161,453	1,078,331	191,582	8,680,331	33,353,035
Total net assets	\$ 34,648,163	\$ 41,949,444	\$ 3,699,760	\$ 2,481,936	\$ 38,347,923	\$ 44,431,380

By far, the largest portion of Pitt County's net assets reflects its investment in capital assets (e.g., land; buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. Pitt County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Pitt County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to repay these liabilities.

A small percentage, almost one percent of Pitt County's net assets, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted

net assets (governmental and business-type activities), \$8,480,331, may be used to meet the county's ongoing obligations to citizens and creditors.

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 the business-type activities over last year.

### Pitt County's Changes in Net Assets

Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$ 21,435,839	\$ 19,391,607	\$ 8,023,307	\$ 7,664,223	\$ 29,459,146	\$ 27,055,830
Operating grants and contributions	29,701,285	31,186,828	-	5,783	29,701,285	31,192,611
Capital grants and contributions	1,367,691	3,616,689	-	-	1,367,691	3,616,689
General revenues:						
Property taxes	78,618,324	77,862,674	-	-	78,618,324	77,862,674
Other taxes	14,166,657	29,980,884	-	-	14,166,657	29,980,884
Other	11,471,888	1,126,732	4,203	3,191	11,476,091	1,129,923
Total revenues	<u>156,761,684</u>	<u>163,165,414</u>	<u>8,027,510</u>	<u>7,673,197</u>	<u>164,789,194</u>	<u>170,838,611</u>
Expenses:						
General government	16,704,353	16,716,822	-	-	16,704,353	16,716,822
Public safety	37,623,678	34,445,489	-	-	37,623,678	34,445,489
Environmental protection	267,785	259,750	-	-	267,785	259,750
Economic and physical development	7,633,410	5,337,923	-	-	7,633,410	5,337,923
Human services	44,209,437	46,606,871	-	-	44,209,437	46,606,871
Cultural and recreation	718,401	608,328	-	-	718,401	608,328
Education	51,034,996	44,078,522	-	-	51,034,996	44,078,522
Interest on long-term debt	5,870,905	4,270,139	-	-	5,870,905	4,270,139
Landfill	-	-	6,809,686	6,737,540	6,809,686	6,737,540
Total expenses	<u>164,062,965</u>	<u>152,323,844</u>	<u>6,809,686</u>	<u>6,737,540</u>	<u>170,872,651</u>	<u>159,061,384</u>
Increase (decrease) in net assets	(7,301,281)	10,841,570	1,217,824	935,657	(6,083,457)	11,777,227
Net assets, July 1	41,949,444	31,107,874	2,481,936	1,546,279	44,431,380	32,654,153
Net assets, June 30	<u>\$ 34,648,163</u>	<u>\$ 41,949,444</u>	<u>\$ 3,699,760</u>	<u>\$ 2,481,936</u>	<u>\$ 38,347,923</u>	<u>\$ 44,431,380</u>

**Governmental activities.** Of total net assets, governmental activities accounted for \$34,648,163 (over 90 percent). Expenses for governmental activities increased due to the opening of the Detention Center expansion and school and community college facility project spending.

**Business-type activities.** Business-type activities increased Pitt County's net assets by \$1,217,824. Household Fee revenues collected were higher as compared to the prior fiscal year. Expenses were held to a minimal increase. This combination led to an increase in net assets.

## 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, unreserved fund balance may serve as a useful measure of a County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Pitt County's governmental funds reported combined ending fund balances of \$61,211,134 an increase of \$15,956,240 in comparison with the prior year. The bulk of this increase is directly related to the December 2009 issuance of construction funding for the public schools. Ad valorem taxes increased by \$891,364 due to natural growth in tax base and higher tax collections than prior year. Investment earnings were \$756,506 less than the prior year while Education and Public Safety expenditures were increased by \$20,242,947 and \$3,909,205, respectively. The Education increase reflects the payment of costs related to new construction while the public safety increases reflect the opening of a new 192-bed wing at the Detention Center. Principal repayments on debt were \$737,978 more in Fiscal Year 2010 when compared to Fiscal Year 2009.

**Pitt County's Fund Balance**  
**Figure 4**

<u>General</u>		<u>Other Governmental Funds</u>		<u>Total Governmental Funds</u>	
<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
\$ 25,573,897	\$ 29,587,704	\$ 35,637,237	\$ 15,667,190	\$ 61,211,134	\$ 45,254,894

Pitt County will strive to keep expenditure increases to a minimum while maintaining existing service levels. This challenge will be great given the ongoing recession which led to the county utilizing fund balance in Fiscal Year 2010. Other Governmental Funds saw an increase in Fiscal Year 2010 due to the issuance of debt.

Pitt County continues to have growth in its property tax base and revaluations are conducted every four years. The Fiscal Year 2010-2011 budget continues a posture of fund balance maintenance and should allow the County to begin to move towards returning its fund balance to the 18%-20% range. The adopted Fiscal Year 2010-2011 tax rate was kept at 66.5 cents per \$100 valuation mirroring the rate included within these financial statements.

The General Fund is the principal operating fund of Pitt County. At the end of the current fiscal year, fund balance was \$25,573,897 with \$19,625,099 noted as unreserved and available. As a measure of the General Fund's financial strength, it may be useful to compare both unreserved

fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 15.5 percent of total General Fund expenditures (\$126,621,736), while total fund balance represents 20.2 percent of that same amount.

It should be noted that the reduction in overall General Fund fund balance from 2009 to 2010 reflects the current general economic conditions being experienced by many governmental units as well as a planned \$1.1 million one-time expenditure. The County worked diligently to collect current revenues and minimize expenditures where possible to lessen the reliance on Fund Balance to cover current expenditures. The County had budgeted Fund Balance hoping, as is the usual practice, to use little to none but given the current economic climate, use was unavoidable during Fiscal Year 2009-2010.

Another fund that should be noted for fund balance review is the School Capital Reserve Fund (major special revenue fund) which had an ending balance at June 30, 2010 of \$6,051,617 as compared to \$5,584,989 at June 30, 2009. The assets of this fund are reserved for the construction of facilities or the retirement of related debt for the public school system. The funds accumulate from restricted sales tax proceeds earmarked for public schools, corporate income tax proceeds shared by the State and lottery proceeds distributed by the State.

Similar to the School Capital Reserve Fund is the County Capital Reserve Fund (major special revenue fund) which had an ending balance at June 30, 2010 of \$8,318,817 as compared to \$5,299,136 at June 30, 2009. The assets of this fund are to be used for education construction – both the public school system and the local community college. These funds represent the proceeds generated by the ¼ percent local option sales tax implemented in April 2008 after successful passage by voter referendum in November, 2007.

Management also pays particular attention to our Employee Health Insurance Fund (internal service fund) as the County is self-funded and our ability to offer insurance coverage to our staff at a reasonable cost is directly related to the performance of this fund and the actions of our employees when seeking medical care. The County continues to invest considerable effort to educate our staff on this fund's operation to help them understand how they can help preserve this benefit and contain costs. The implementation of an on-site employee clinic has assisted in containing costs and led to an increase in the fund balance. This fund had an ending balance at June 30, 2010 of \$2,308,062 as compared to \$979,729 at June 30, 2009. Management believes that our efforts are working as the County experienced another year of a lower rate of growth in medical costs than the industry average.

## **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.



Total amendments to the General Fund were just over \$3.4 million. The County increased revenues by \$3,265,959 or approximately 2.5 percent. The bulk of these revenue changes were in Restricted Intergovernmental Revenues. Human Service expenditure budgets were increased by \$2,625,406.

In total, the County collected 96.9 percent of the General Fund's final budgeted revenues which was coupled with under-spending in the General Fund of \$5.7 million or approximately 4.3 percent of the overall budget.

**Proprietary funds.** Pitt County's proprietary funds (both business-type activities, like Solid Waste, and governmental-type activities in the internal services funds) provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets for all proprietary funds at the end of the year had a positive balance of \$3,449,850, up \$1,734,006 from the prior year. Total net assets at year-end increased to \$6,271,279 from \$4,006,198 for the year ending June 30, 2010. The County's Solid Waste Fund saw revenues at 103% of budget, while expenses were at 93% of budget resulting in net revenue of \$1,217,824. Much of these improvements can be attributed to an increase in collection of solid waste fee revenues and lower contracted services expense for waste disposal.

## **Capital Asset and Debt Administration**

**Capital assets.** Pitt County's investment in depreciable capital assets for its governmental and business-type activities as of June 30, 2010 amounts to \$127,093,951 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment. Construction in Progress (not included above) is termed Capital Assets non-depreciable and represents \$8,852,171.

During Fiscal Year 2009-2010, the County issued \$35 million in Certificates of Participation for School Facilities upgrades and Stimulus Funds (ARRA) were awarded by the State Department of Environment and Natural Resources. The Stimulus Funds will be utilized to fund the Stokes/Pactolus sewer project in the amount of \$1.8 million. This funding was shown on the County's financials as \$902 thousand of new debt as the funding was awarded 50% in a no-interest loan and 50% as a grant. The building needs of the County have been forecast ten years into the future through the annual review and adoption of a Capital Improvement Plan.

Also for Fiscal Year 2011, new Limited Obligation Bond debt of approximately \$22 million will be issued for facilities at Pitt Community College and approximately \$6 million in Qualified School Construction Bonds while be issued for the public schools. Debt service payments will be covered with revenue streams outside the County's property tax rate. Minimal continuation funding for recurring capital outlay, MIS projects, Pitt County Schools and economic development projects are funded within the Fiscal Year 2010-2011 Budget.

Additional information on Pitt County's capital assets can be found in note 6.A on pages 70-72 of this report.

**Pitt County's Capital Assets**  
**(net of depreciation)**  
**Figure 5**

	<u>Governmental Activities</u>		<u>Business- Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land and improvements	\$ 5,828,496	\$ 5,828,496	\$ 752,722	\$ 752,722	\$ 6,581,218	\$ 6,581,218
Buildings	152,167,225	113,529,752	2,672,936	2,672,936	154,840,161	116,202,688
Furniture and equipment	7,141,732	6,757,077	2,895,931	2,691,444	10,037,663	9,448,521
Vehicles	6,366,238	6,239,055	697,357	609,557	7,063,595	6,848,612
Construction in progress	8,852,171	38,953,735	-	-	8,852,171	38,953,735
Subtotal	180,355,862	171,308,115	7,018,946	6,726,659	187,374,808	178,034,774
Accumulated depreciation	41,975,744	38,342,087	4,197,517	4,036,305	46,173,261	42,378,392
Capital assets, net	\$ 138,380,118	\$ 132,966,028	\$ 2,821,429	\$ 2,690,354	\$ 141,201,547	\$ 135,656,382

**Long-term debt.** At the end of the current fiscal year, Pitt County had total bonded debt outstanding of \$200,000, which is backed by the full faith and credit of the County.

**Pitt County's Outstanding Debt**  
**General Obligations Bonds**  
**Figure 6**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
General Obligation Bonds	-	1,080,000	200,000	400,000	200,000	1,480,000

This outstanding general obligation indebtedness of \$200,000 is out of a legal debt limit of approximately \$925,934,331. This 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 percent of the appraised value subject to taxation. Using this formula, Pitt County's net debt limit after reducing for bonded debt is \$925,734,331. However, a better analysis of debt is brought about by taking all outstanding debt, not just that secured by General Obligation bonds, (\$155,412,917 not including bonds in Enterprise fund of \$200,000) and subtracting it from the legal debt limit to arrive at the Net Legal Debt Margin of \$770,521,414.

Net debt outstanding increased \$25,689,799, from the June 30, 2009 balance of \$129,591,253. Additional information on Pitt County's long-term debt can be found in note 7 on pages 73-76 of this report.

**Economic Factors and Next Year's Budget and Rates**

- The unemployment rate for Pitt County according to the Employment Security Commission of NC in June, 2010 was 10.1 percent. This is slightly lower than the State's 2010 unemployment rate of 10.2 percent.

- Inflationary trends noted in the region are very similar to national indices.
- Population of 158,575 (2009 est.) – The region experienced an increase of 18.5 percent from 2000 - 2009.

All of these factors were considered in preparing Pitt County's budget for Fiscal Year 2010-2011.

## **Budget Highlights for the Fiscal Year 2010-2011**

**Governmental activities.** Growth in general government operations will be restricted with the exception of public safety and education. We will have limited growth in base property values in Fiscal Year 2010-2011. Taxable retail sales have remained fairly strong within the County as we enjoy regional hub status and the traffic attracted by University events and the presence of University Health Systems – Pitt County Memorial Hospital.

Budgeted expenditures in the General Fund will increase by 0.63% during the 2010-2011 year. The County held ad valorem taxes constant at 66.5 cents while opening the Detention Center expansion and increasing funding to both Pitt County Schools and Pitt Community College. The County was able to absorb a 1.55% increase in mandated employer retirement contribution. The costs for personnel services (employees) are generally the largest single expenditure category and the County strives to maintain the workforce without major expenditure increases.

**Business-type activities.** General operating expenses in these areas are expected to remain constant. Therefore, both the commercial and residential rates for solid waste disposal were held constant in Fiscal Year 2010-2011.

## **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.



## **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.



## PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
JUNE 30, 2010

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Commission	Pitt County ABC Board
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 40,428,100	\$ 1,835,930	\$ 42,264,030	\$ 2,920,030	\$ 1,489,998
Taxes receivable, net	1,333,251	-	1,333,251	58,849	-
Accounts receivable, net	1,204,073	884,608	2,088,681	-	1,627
Interest receivable, net	1,833,682	-	1,833,682	-	-
Due from other governments	6,449,179	-	6,449,179	-	-
Inventories	2,511	-	2,511	-	1,161,051
Prepaid items	337,256	-	337,256	2,700	10,665
Cash and investments, restricted	21,316,139	-	21,316,139	-	-
Bond issue costs, net	573,410	-	573,410	-	-
Total current assets	<u>73,477,601</u>	<u>2,720,538</u>	<u>76,198,139</u>	<u>2,981,579</u>	<u>2,663,341</u>
Capital assets:					
Capital assets, non-depreciable	13,443,267	664,329	14,107,596	-	682,256
Capital assets, net	<u>124,936,851</u>	<u>2,157,100</u>	<u>127,093,951</u>	<u>-</u>	<u>1,705,431</u>
Total capital assets	<u>138,380,118</u>	<u>2,821,429</u>	<u>141,201,547</u>	<u>-</u>	<u>2,387,687</u>
Total assets	<u>211,857,719</u>	<u>5,541,967</u>	<u>217,399,686</u>	<u>2,981,579</u>	<u>5,051,028</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued liabilities	4,911,172	365,657	5,276,829	3,628	747,381
Compensated absences, due in one year	350,000	15,000	365,000	24,193	49,510
Unearned revenues	1,777,683	-	1,777,683	-	-
Long-term debt - due within one year	<u>10,193,567</u>	<u>260,000</u>	<u>10,453,567</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>17,232,422</u>	<u>640,657</u>	<u>17,873,079</u>	<u>27,821</u>	<u>796,891</u>
Non-current liabilities:					
Compensated absences, due in more than one year	3,217,419	41,550	3,258,969	-	-
Due in more than one year	<u>156,759,715</u>	<u>1,160,000</u>	<u>157,919,715</u>	<u>-</u>	<u>45,527</u>
Total non-current liabilities	<u>159,977,134</u>	<u>1,201,550</u>	<u>161,178,684</u>	<u>-</u>	<u>45,527</u>
Total liabilities	<u>177,209,556</u>	<u>1,842,207</u>	<u>179,051,763</u>	<u>27,821</u>	<u>842,418</u>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	26,867,920	2,821,429	29,689,349	-	2,387,686
Restricted for:					
Register of Deeds	178,243	-	178,243	-	-
Law Enforcement	-	-	-	-	419,114
Unrestricted	<u>7,602,000</u>	<u>878,331</u>	<u>8,480,331</u>	<u>2,953,758</u>	<u>1,401,810</u>
Total net assets	<u>\$ 34,648,163</u>	<u>\$ 3,699,760</u>	<u>\$ 38,347,923</u>	<u>\$ 2,953,758</u>	<u>\$ 4,208,610</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, 2010

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs:</b>				
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 16,704,353	\$ 5,838,490	\$ 7,348	\$ 268,300
Public safety	37,623,678	8,631,804	100,592	157,578
Environmental protection	267,785	101,973	-	769,744
Economic and physical development	7,633,411	165,475	5,218,265	107,686
Human services	44,209,437	6,698,097	23,191,163	-
Education	51,034,996	-	1,183,917	64,383
Cultural and recreation	718,401	-	-	-
Interest on long-term debt	5,870,905	-	-	-
Total governmental activities	<u>164,062,965</u>	<u>21,435,839</u>	<u>29,701,285</u>	<u>1,367,691</u>
<b>Business-Type Activities:</b>				
Solid Waste Fund	<u>6,809,686</u>	<u>8,023,307</u>	-	-
Total business-type activities	<u>6,809,686</u>	<u>8,023,307</u>	-	-
Total primary government	<u>\$ 170,872,651</u>	<u>\$ 29,459,146</u>	<u>\$ 29,701,285</u>	<u>\$ 1,367,691</u>
<b>Component Units:</b>				
Industrial Development Commission	\$ 1,326,346	\$ 195,882	\$ 269,343	\$ -
ABC Board	<u>14,184,234</u>	<u>14,401,711</u>	-	-
Total component units	<u>\$ 15,510,580</u>	<u>\$ 14,597,593</u>	<u>\$ 269,343</u>	<u>\$ -</u>
<b>General Revenues:</b>				
Ad valorem taxes				
Local option sales tax				
Payment in lieu of taxes and other taxes				
Interest earned on investments				
Total general revenues				
Change in net assets				
<b>Net Assets:</b>				
Beginning of year - July 1				
End of year - June 30				

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



Exhibit B

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Industrial Development Commission	Pitt County ABC Board
\$ (10,590,215)	\$ -	\$ (10,590,215)		
(28,733,704)	-	(28,733,704)		
603,932	-	603,932		
(2,141,985)	-	(2,141,985)		
(14,320,177)	-	(14,320,177)		
(49,786,696)	-	(49,786,696)		
(718,401)	-	(718,401)		
(5,870,905)	-	(5,870,905)		
<u>(111,558,150)</u>	<u>-</u>	<u>(111,558,150)</u>		
-	1,213,621	1,213,621		
-	1,213,621	1,213,621		
<u>(111,558,150)</u>	<u>1,213,621</u>	<u>(110,344,529)</u>		
			\$ (861,121)	\$ -
			<u>-</u>	<u>217,477</u>
			<u>(861,121)</u>	<u>217,477</u>
78,618,324	-	78,618,324	1,254,700	-
14,166,657	-	14,166,657	-	-
11,109,775	-	11,109,775	-	-
362,113	4,203	366,316	(338)	8,716
<u>104,256,869</u>	<u>4,203</u>	<u>104,261,072</u>	<u>1,254,362</u>	<u>8,716</u>
(7,301,281)	1,217,824	(6,083,457)	393,241	226,193
<u>41,949,444</u>	<u>2,481,936</u>	<u>44,431,380</u>	<u>2,560,517</u>	<u>3,982,417</u>
<u>\$ 34,648,163</u>	<u>\$ 3,699,760</u>	<u>\$ 38,347,923</u>	<u>\$ 2,953,758</u>	<u>\$ 4,208,610</u>

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

## PITT COUNTY, NORTH CAROLINA

Exhibit C

BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2010

	General Fund	School Capital Reserve Fund	County Capital Reserve Fund	2009 COPS Education Capital Project Fund	Other Governmental Funds	Total
<b>Assets:</b>						
Cash and cash equivalents	\$ 21,948,873	\$ 5,386,368	\$ 7,336,198	\$ -	\$ 2,589,577	\$ 37,261,016
Taxes receivable, net	1,092,766	-	-	-	240,485	1,333,251
Accounts receivable, net	599,697	-	-	-	603,396	1,203,093
Interest receivable	1,833,682	-	-	-	-	1,833,682
Prepaid items	166,883	-	-	-	73,575	240,458
Due from other funds	-	-	381,426	-	715,866	1,097,292
Due from other governments	4,714,004	665,249	601,193	-	468,733	6,449,179
Cash and investments, restricted	-	-	-	21,269,159	46,980	21,316,139
<b>Total assets</b>	<b>\$ 30,355,905</b>	<b>\$ 6,051,617</b>	<b>\$ 8,318,817</b>	<b>\$ 21,269,159</b>	<b>\$ 4,738,612</b>	<b>\$ 70,734,110</b>
<b>Liabilities and Fund Balances:</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 1,324,436	\$ -	\$ -	\$ 1,887,356	\$ 293,982	\$ 3,505,774
Retainage payable	-	-	-	709,544	-	709,544
Due to other funds	-	-	-	-	1,097,292	1,097,292
Deferred revenue	3,457,572	-	-	-	752,794	4,210,366
<b>Total liabilities</b>	<b>4,782,008</b>	<b>-</b>	<b>-</b>	<b>2,596,900</b>	<b>2,144,068</b>	<b>9,522,976</b>
<b>Fund Balances:</b>						
Reserved by State statute	5,315,377	665,249	601,193	-	519,647	7,101,466
Reserved for prepaid items	166,883	-	-	-	73,575	240,458
Reserved for General Government - Register of Deeds	178,243	-	-	-	-	178,243
Reserved for Public Safety - Wireline	160,058	-	-	-	-	160,058
Reserved for Public Safety - Winterville Rural Fire Department	116,670	-	-	-	77,983	194,653
Reserved for Public Safety - Ayden Fire Department	11,567	-	-	-	-	11,567
Unreserved, reported in:						
General Fund	19,625,099	-	-	-	-	19,625,099
Special revenue funds	-	5,386,368	7,717,624	-	2,041,415	15,145,407
Debt service funds	-	-	-	-	41,635	41,635
Capital project funds	-	-	-	18,672,259	(159,711)	18,512,548
<b>Total fund balances</b>	<b>25,573,897</b>	<b>6,051,617</b>	<b>8,318,817</b>	<b>18,672,259</b>	<b>2,594,544</b>	<b>61,211,134</b>
<b>Total liabilities and fund balances</b>	<b>\$ 30,355,905</b>	<b>\$ 6,051,617</b>	<b>\$ 8,318,817</b>	<b>\$ 21,269,159</b>	<b>\$ 4,738,612</b>	

Amounts reported for governmental activities in the Statement of Net Assets (Exhibit A) are different because:

Capital assets, net of accumulated depreciation, used in governmental activities	
are not current financial resources and, therefore, are not reported in the funds.	138,380,118
The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	2,571,519
Debt issuance costs, net of accumulated amortization, are not financial resources and, therefore, are not reported in the funds.	573,410
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.	(170,520,701)
Premiums related to debt issuance, net of accumulated amortization, are not a current use of resources and, therefore, are not reported in the funds.	(1,236,542)
Deferred revenues in the governmental funds are used to offset accounts receivable not expected to be available within 60 days of year-end. These receivables are a component of net assets in the Statement of Net Assets.	3,669,225
<b>Net assets of governmental activities, per Exhibit A</b>	<b>\$ 34,648,163</b>

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

## PITT COUNTY, NORTH CAROLINA

Exhibit D

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	General Fund	School Capital Reserve Fund	County Capital Reserve Fund	2009 COPS Capital Reserve Fund	Other Governmental Funds	Total
<b>Revenues:</b>						
Ad valorem taxes	\$ 74,512,534	\$ -	\$ -	\$ -	\$ 4,119,371	\$ 78,631,905
Other taxes and licenses	16,055,561	4,905,117	4,315,754	-	-	25,276,432
Unrestricted intergovernmental revenues	1,646,208	-	-	-	107,686	1,753,894
Restricted intergovernmental revenues	28,833,377	1,183,917	-	-	4,511,801	34,529,095
Permits and fees	1,904,427	-	-	-	-	1,904,427
Sales and services	6,142,186	-	-	-	3,228,131	9,370,317
Interest earned on investments	326,444	-	9,458	17,520	6,169	359,591
Miscellaneous	717,758	1,648,511	-	-	501,921	2,868,190
<b>Total revenues</b>	<b>130,138,495</b>	<b>7,737,545</b>	<b>4,325,212</b>	<b>17,520</b>	<b>12,475,079</b>	<b>154,693,851</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	13,629,713	-	-	-	-	13,629,713
Public safety	28,667,612	-	-	-	7,290,950	35,958,562
Environmental protection	252,499	-	-	-	-	252,499
Economic and physical development	1,599,268	-	-	-	5,817,568	7,416,836
Human services	42,612,499	-	-	-	-	42,612,499
Education	39,075,676	-	-	16,537,824	2,706,763	58,320,263
Cultural and recreation	645,587	-	-	-	72,814	718,401
<b>Debt service:</b>						
Principal repayments	130,402	-	-	-	9,097,893	9,228,295
Interest	8,480	-	-	-	6,172,611	6,181,091
<b>Total expenditures</b>	<b>126,621,736</b>	<b>-</b>	<b>-</b>	<b>16,537,824</b>	<b>31,158,599</b>	<b>174,318,159</b>
<b>Revenues over (under) expenditures</b>	<b>3,516,759</b>	<b>7,737,545</b>	<b>4,325,212</b>	<b>(16,520,304)</b>	<b>(18,683,520)</b>	<b>(19,624,308)</b>
<b>Other Financing Sources (Uses):</b>						
Transfers to other funds	(8,019,967)	(7,270,917)	(1,305,531)	-	(71,160)	(16,667,575)
Transfers from other funds	60,000	-	-	-	15,796,415	15,856,415
Debt obligation issued	429,401	-	-	35,145,000	769,744	36,344,145
Premium received from issuance of debt	-	-	-	47,563	-	47,563
<b>Total other financing sources (uses)</b>	<b>(7,530,566)</b>	<b>(7,270,917)</b>	<b>(1,305,531)</b>	<b>35,192,563</b>	<b>16,494,999</b>	<b>35,580,548</b>
<b>Net change in fund balances</b>	<b>(4,013,807)</b>	<b>466,628</b>	<b>3,019,681</b>	<b>18,672,259</b>	<b>(2,188,521)</b>	<b>15,956,240</b>
<b>Fund Balances:</b>						
Beginning of year - July 1	29,587,704	5,584,989	5,299,136	-	4,783,065	45,254,894
End of year - June 30	\$ 25,573,897	\$ 6,051,617	\$ 8,318,817	\$ 18,672,259	\$ 2,594,544	\$ 61,211,134

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, 2010**

Amounts reported for governmental activities in the Statement of Net Assets (Exhibit A)  
are different because:

Net change in fund balances - total governmental funds (Exhibit D)	\$ 15,956,240
Exhibit D reports revenues using a current financial resources basis, which generally means revenue is recognized when collected, or is expected to be collected, within 60 days of year-end. Exhibit B reports revenues when the earning process is complete, regardless of when it is collected. This measurement difference causes timing of revenue recognition differences for the following revenue types:	
Property taxes	(13,581)
Sales and services	446,673
Expenses related to compensated absences and Law Enforcement Officers' Separation Allowance that do not require current financial resources are not reported as expenditures in the governmental funds statement.	(218,646)
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.	9,450,352
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.	(57,350)
Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement.	(3,978,912)
Amortization of 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.	165,782
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.)	9,229,346
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.	(36,344,145)
Increases in other post-employment benefits accrued liability are reported as expenses in the entity-wide financial statements; however, it is not an expenditure in the governmental funds statement.	(3,653,497)
Debt issuance costs paid and premiums received from issuance of debt are intangible assets and deferred items, respectively, on the Statement of Net Assets, rather than other financing sources and uses as presented on the governmental funds statement.	669,200
The net revenue of the internal service funds are reported with governmental activities.	<u>1,047,257</u>
Change in net assets of governmental activities, per Exhibit B	<u>\$ (7,301,281)</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, 2010**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over/Under
	Original	Final		
<b>Revenues:</b>				
Ad valorem taxes	\$ 74,227,355	\$ 74,227,355	\$ 74,512,534	\$ 285,179
Other taxes and licenses	18,003,286	18,003,286	16,055,561	(1,947,725)
Unrestricted intergovernmental revenues	1,742,500	1,588,500	1,646,208	57,708
Restricted intergovernmental revenues	27,512,231	30,837,278	28,833,377	(2,003,901)
Permits and fees	2,092,108	2,092,108	1,904,427	(187,681)
Sales and services	5,607,738	5,612,518	6,142,186	529,668
Interest earned on investments	1,200,252	1,200,252	326,444	(873,808)
Miscellaneous	546,210	636,342	717,758	81,416
Total revenues	130,931,680	134,197,639	130,138,495	(4,059,144)
<b>Expenditures:</b>				
General government	14,155,318	14,723,945	13,629,713	1,094,232
Public safety	30,059,984	30,344,308	28,667,612	1,676,696
Environmental protection	253,766	258,615	252,499	6,116
Economic and physical development	1,752,290	1,730,606	1,599,268	131,338
Human services	42,779,468	45,404,874	42,612,499	2,792,375
Education	39,075,676	39,075,676	39,075,676	-
Cultural and recreation	673,311	648,311	645,587	2,724
Debt service	145,354	145,354	138,882	6,472
Total expenditures	128,895,167	132,331,689	126,621,736	5,709,953
Revenues over (under) expenditures	2,036,513	1,865,950	3,516,759	1,650,809
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,124,280	1,184,280	60,000	(1,124,280)
Transfers out	(7,968,965)	(8,034,062)	(8,019,967)	14,095
Debt obligation issued	-	430,000	429,401	(599)
Appropriated fund balance	4,808,172	4,553,832	-	(4,553,832)
Total other financing sources (uses)	(2,036,513)	(1,865,950)	(7,530,566)	(5,664,616)
Net change in fund balance	\$ -	\$ -	(4,013,807)	\$ (4,013,807)
<b>Fund Balance:</b>				
Beginning of year - July 1			29,587,704	
End of year - June 30			\$ 25,573,897	

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

## 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, 2010

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Over/Under
<b>Revenues:</b>				
Other taxes and licenses	\$ 5,900,000	\$ 5,900,000	\$ 4,905,117	\$ (994,883)
Restricted intergovernmental revenues	1,183,917	1,183,917	1,183,917	-
Miscellaneous	-	-	1,648,511	1,648,511
Total revenues	<u>7,083,917</u>	<u>7,083,917</u>	<u>7,737,545</u>	<u>653,628</u>
Revenues over (under) expenditures	<u>7,083,917</u>	<u>7,083,917</u>	<u>7,737,545</u>	<u>653,628</u>
<b>Other Financing Sources (Uses):</b>				
Transfer out - Debt Service Fund	(6,333,917)	(6,333,917)	(6,333,917)	-
Transfer out - School Capital Project Fund	(750,000)	(937,000)	(937,000)	-
Fund balance appropriated	-	187,000	-	(187,000)
Total other financing sources (uses)	<u>(7,083,917)</u>	<u>(7,083,917)</u>	<u>(7,270,917)</u>	<u>(187,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	466,628	<u>\$ 466,628</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>5,584,989</u>	
End of year - June 30			<u>\$ 6,051,617</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, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Over/Under
<b>Revenues:</b>				
Local option sales tax - Article 46	\$ 4,500,000	\$ 4,500,000	\$ 4,315,754	\$ (184,246)
Investment earnings	30,000	30,000	9,458	(20,542)
Total revenues	<u>4,530,000</u>	<u>4,530,000</u>	<u>4,325,212</u>	<u>(204,788)</u>
Revenues over expenditures	<u>4,530,000</u>	<u>4,530,000</u>	<u>4,325,212</u>	<u>(204,788)</u>
<b>Other Financing Sources (Uses):</b>				
Transfer out	-	(1,305,531)	(1,305,531)	-
Contingency	<u>(4,530,000)</u>	<u>(3,224,469)</u>	<u>-</u>	<u>3,224,469</u>
Total other financing sources (uses)	<u>(4,530,000)</u>	<u>(4,530,000)</u>	<u>(1,305,531)</u>	<u>3,224,469</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	3,019,681	<u>\$ 3,019,681</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>5,299,136</u>	
End of year - June 30			<u>\$ 8,318,817</u>	

## PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	\$ 1,835,930	\$ 3,167,084
Receivables, net	884,608	980
Inventories	-	2,511
Prepaid items	-	96,798
Total current assets	<u>2,720,538</u>	<u>3,267,373</u>
Non-current assets:		
Capital assets, non-depreciable	664,329	-
Capital assets, net	<u>2,157,100</u>	-
Total non-current assets	<u>2,821,429</u>	-
Total assets	<u>5,541,967</u>	<u>3,267,373</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable and accrued liabilities	365,657	695,854
Compensated absences	15,000	-
Current portion of post-closure costs	60,000	-
Current maturities - general obligation bonds	<u>200,000</u>	-
Total current liabilities	<u>640,657</u>	<u>695,854</u>
Non-current liabilities:		
Non-current portion of compensated absences	41,550	-
Landfill closure/post-closure costs payable	<u>1,160,000</u>	-
Total non-current liabilities	<u>1,201,550</u>	-
Total liabilities	<u>1,842,207</u>	<u>695,854</u>
<b>Net Assets:</b>		
Invested in capital assets, net of related debt	2,621,429	-
Unrestricted	<u>1,078,331</u>	<u>2,571,519</u>
Total net assets	<u>\$ 3,699,760</u>	<u>\$ 2,571,519</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 ASSETS - PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
<b>Operating Revenues:</b>		
Solid waste fees	\$ 7,487,911	\$ -
User charges	-	1,626,399
Interfund services	-	8,225,516
Miscellaneous revenues	535,396	5,820
Total operating revenues	<u>8,023,307</u>	<u>9,857,735</u>
<b>Operating Expenses:</b>		
Salaries and employee benefits	1,020,167	33,616
Supplies and materials	581,046	-
Contract labor and other services	1,303,766	-
Contracted services - waste disposal	3,722,295	-
Depreciation	161,212	-
Equipment maintenance	-	714,375
Medical claims costs	-	8,000,326
Claims reimbursement	-	875,843
Total operating expenses	<u>6,788,486</u>	<u>9,624,160</u>
Operating income/(loss)	<u>1,234,821</u>	<u>233,575</u>
<b>Non-Operating Revenues (Expenses):</b>		
Transfer in (out)	-	811,160
Interest earned on investments	4,203	2,522
Interest expense	(21,200)	-
Total non-operating revenues (expenses)	<u>(16,997)</u>	<u>813,682</u>
Change in net assets	1,217,824	1,047,257
<b>Net Assets:</b>		
Beginning of year - July 1	<u>2,481,936</u>	<u>1,524,262</u>
End of year - June 30	<u>\$ 3,699,760</u>	<u>\$ 2,571,519</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, 2010

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 8,060,130	\$ 1,632,302
Cash received from interfund services transactions	-	8,225,516
Cash paid to suppliers	(5,946,395)	(9,639,873)
Cash paid to employees	(1,010,296)	(33,691)
Net cash provided (used) by operating activities	<u>1,103,439</u>	<u>184,254</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Transfers	-	811,160
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>811,160</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition and construction of capital assets	(292,287)	-
Hurricane Floyd clean-up expenses	(5)	-
Principal payments on long-term debt	(200,000)	-
Interest expense	(21,200)	-
Net cash provided (used) by capital and related financing activities	<u>(513,492)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>		
Investment income received	<u>4,203</u>	<u>2,522</u>
Net increase (decrease) in cash and cash equivalents	594,150	997,936
<b>Cash and Cash Equivalents:</b>		
Beginning of year - July 1	<u>1,241,780</u>	<u>2,169,148</u>
End of year - June 30	<u>\$ 1,835,930</u>	<u>\$ 3,167,084</u>
<b>Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:</b>		
Operating income (loss)	\$ 1,234,821	\$ 233,575
Depreciation and amortization	161,212	-
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	36,823	83
(Increase) decrease in prepaid expenses	-	(10,706)
Increase (decrease) in accounts payable and accrued liabilities	(209,417)	(38,698)
Increase (decrease) in closure and post-closure costs payable	(120,000)	-
Increase (decrease) in deferred revenues	<u>-</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ 1,103,439</u>	<u>\$ 184,254</u>

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

## PITT COUNTY, NORTH CAROLINA

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2010

	<u>Pension Trust Fund</u>	<u>Agency Funds</u>
<b>Assets:</b>		
Cash and cash equivalents	\$ 256,317	\$ 537,517
Total assets	<u>256,317</u>	<u>537,517</u>
<b>Liabilities:</b>		
Deposits held in custody for others	-	524,942
Deferred compensation benefits payable	<u>-</u>	<u>12,575</u>
Total liabilities	<u>-</u>	<u>537,517</u>
<b>Net Assets:</b>		
Held in trust for pension benefits and other purposes	<u>\$ 256,317</u>	<u>\$ -</u>

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

## PITT COUNTY, NORTH CAROLINA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010

	Pension Trust Fund
<b>Additions:</b>	
Employer contributions	\$ 180,203
<b>Deductions:</b>	
Benefits	<u>153,516</u>
Change in net assets	26,687
<b>Net Assets:</b>	
Beginning of year - July 1	<u>229,630</u>
End of year - June 30	<u>\$ 256,317</u>

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

**PITT COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**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 was a proprietary fund. Complete financial statements for the ABC Board may be obtained at 2305 S. 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 was a governmental fund. Pitt County has no financial liability for the Commission. Complete financial statements for the Commission may be obtained at 1111 S. Washington Street, Greenville, NC 27834.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

### **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**

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (Exhibit A - Statement of Net Assets and Exhibit B -Statement of Changes in Net Assets) report information on all of the non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements in all material areas. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. 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 demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds for the year ended June 30, 2010:

**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.

**PITT COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**School Capital Reserve Fund** - special revenue fund used to account for sales tax revenue specifically allocated for capital needs of Pitt County Board of Education.

**County Capital Reserve Fund** - special revenue fund used to account for governmental revenues designated for unspecified future capital needs of the County.

**2009 LOBS Education Capital Project Fund** - multi-year capital project fund used to account for various building projects funded by the issuance of 2009 certificates of participation debt (COPS).

The County reports the following major enterprise funds for the year ended June 30, 2010:

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

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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.

The government-wide financial statements, the proprietary fund, fiduciary fund, and the ABC Board financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, except for the agency funds which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Net assets are segregated into (1) investment in capital assets, net of related debt, (2) restricted net assets, and (3) unrestricted net assets. Operating statements for these funds present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

**PITT COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

As permitted by generally accepted accounting principles, the County has elected to apply only applicable FASB Statements and Interpretations issued before November 30, 1989 in its accounting and reporting practices for its proprietary operations.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of June 30, 2010. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

For modified accrual basis of accounting purposes, ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the subsequent year. Pitt County is responsible for billing and collecting the property taxes on all registered motor vehicles on behalf of all municipalities and special tax districts in the County. For registered motor vehicles, property taxes are due the first day of the fourth month after the vehicles are registered. The billed taxes are applicable to the fiscal year in which they become due. Therefore, taxes for vehicles registered from March 2009 through February 2010 apply to the fiscal year ended June 30, 2010. Uncollected taxes which were billed during this period are shown as a receivable on the fund financial statements.

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 are both restricted and unrestricted net assets 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.

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



# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

The effect of interfund activity has been eliminated from the government-wide financial statements, with the exception of payments in lieu of taxes and other charges between the County's Solid Waste Fund and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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. Internally dedicated resources are reported as general revenues; therefore, all taxes are reported as general revenues.

Proprietary funds distinguish between operating revenues/expenses and 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 Solid Waste Fund are charges to customers for services. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### **Basis of Presentation – Fund Accounting**

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues, and expenses or expenditures, as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related, legal, and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The County has the following fund categories:

**Governmental Funds.** Governmental funds are those used to account for the County's expendable financial resources and related liabilities (except those accounted for in proprietary or agency funds). The following are the County's governmental fund types:

**General Fund.** The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund for fund financial statement reporting purposes.

**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 School Capital Reserve Fund, County Capital Reserve Fund, State/Federal Forfeiture Fund, CDBG Fund, State Grants Fund, Pitt Area Transit Fund, Industrial Development Building Fund, Fire Districts Fund, Emergency Medical Services District Fund, and E911 Surcharge Fund are special revenue funds of the County.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

**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 Building Fund, Detention Center Capital Project Fund, Pitt Community College (Bowen Farm) Fund, Pitt Community College 2009 Capital Project Fund, Stokes/Pactolus ARRA Sewer Capital Project Fund, 2007 COPS Education Capital Project Fund, 2009 LOBS Education Capital Project Fund, Community Schools and Recreation Fund, ECTC Building Fund, and School Improvement Fund.

**Debt Service Fund.** The Debt Service Fund is used to account for all expenditures for 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.

**Proprietary Funds.** Proprietary funds are used to account for activities that are similar to those often found in the private sector. The following are the proprietary funds of the County:

**Enterprise Funds.** Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Solid Waste Fund is the only Enterprise Fund of the County. The Solid Waste Fund is a major fund for fund financial statement reporting purposes.

**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, 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. 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 Social Services, Mental Health, Sheriff, and Jail. The agency funds also include the 3% interest payable to the State Fund, Flexible Benefit Plan Agency Fund, and the fund used to account for tax collections held for other local municipalities.

**Pension Trust Fund.** The Pension Trust Fund is used to account for the assets held by the County for the payment of the Law Enforcement Officers' Special Separation Allowance pension benefits.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

### **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 Fund, which is project based; the School Capital Project Fund (all other capital project funds adopt project budgets); the Debt Service Fund; and the Enterprise Fund. Project ordinances are adopted for the capital project funds. All annual appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the department level, as defined in the budget ordinance, for the General Fund, special revenue funds, the Enterprise Fund, and the capital project funds. The balances in the capital reserve funds will be appropriated when transferred to their respective capital project funds in accordance with the project ordinance adopted for the reserve fund. The County Manager is authorized by the budget ordinance to transfer appropriations between departments within a fund up to \$20,000, and the County Finance Director is authorized by the budget ordinance to transfer appropriations within a department; however, any revisions that alter total expenditures of any department must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

### **E. Assets, Liabilities, 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 or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC-registered (2a-7) money market mutual fund.

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, 2010**

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 NCCMT's Cash Portfolio's securities are valued at fair value, 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 within their respective funds, because their use is completely restricted to the purpose for which the debt was originally issued.

**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, 2009. 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.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

### **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.

### **Inventories**

Inventories of the County consist primarily of gasoline and garage supplies and are valued at cost (first-in, first-out method). The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

### **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 \$5,000 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 are recorded at estimated fair market value at the date of donation. 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 which are incurred during the construction period of capital assets.

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

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

### **Unamortized Debt Issue Costs/Unamortized Premiums on Debt Issues**

The County reports unamortized debt issue costs as other assets in the government-wide Statement of Net Assets. The debt issue costs are amortized to general government expense over a five-year period. The County reports unamortized debt issue premiums received as unearned revenue in the government-wide Statement of Net Assets. The debt issue premiums are amortized against interest expense over a five-year period.

### **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 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.

### **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 Assets. 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.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

### **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, and not yet reported, is accrued in the Internal Service Fund.

### **Deferred/Unearned Revenues**

In the fund financial statements, ad valorem taxes receivable are not accrued as a revenue because they are not considered to be both "measurable and available." Ad valorem taxes receivable that are measurable, but not available, are recorded as deferred revenues in the fund financial statements. In addition, property taxes collected in advance of the fiscal year to which they apply are also recorded as unearned revenue in the government-wide financial statements and deferred revenue in the fund financial statements. Certain receivables are also recorded as deferred revenue in the fund financial statements because they are not considered to be available at year-end.

### **Fund Equity**

Reservations or restrictions of equity in the fund financial statements represent amounts that are not appropriable or are legally segregated for a specific purpose.

The governmental fund types classify fund balances as follows:

#### **Reserved**

**Reserved by State Statute** - portion of fund balance, in addition to other reserves, which is not available for appropriation under State law. State law restricts the appropriation of fund balance or fund equity to an amount not to exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts as those amounts stand at the close of the fiscal year preceding the budget year.

**Reserved for Prepaid Items** - portion of fund balance not available for appropriation because it represents the year-end fund balance of prepaid items, which are not expendable, available resources.

**Reserved for Register of Deeds** - portion of fund balance constituting the Automation Enhancement and Preservation Fund, funded by 10% of the fees collected and maintained by the Register of Deeds' office. The funds are available for appropriation but are legally restricted for computer and imaging technology in the Register of Deeds' office.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

**Reserved for Public Safety - Wireline** - portion of E911 landline (wireline) fees reserved for public safety expenditures based on changes to the E911 laws in FY2007-2008.

**Reserved for Public Safety - Winterville Rural Fire Department** - portion of Fire District Special Revenue Fund balance restricted for the Winterville Rural Fire Department.

**Reserved for Public Safety - Ayden Rural Fire Department** - portion of Fire District Special Revenue Fund balance restricted for the Ayden Rural Fire Department.

### **Designations of Fund Balance**

Designations of equity represent tentative management plans that are subject to change. The General Fund unreserved fund balance had the following designations at June 30, 2010.

#### **General Fund:**

Appropriated fund balance - General Services	\$ 4,523,000
Appropriated fund balance - Public Health	796,000
Appropriated fund balance - Court Facility	13,211
Appropriated fund balance - Mental Health	10,000

#### **Special Revenue Fund:**

E911 Surcharge	69,000
	<u>\$ 5,411,211</u>

### **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, 2010**

### **2. Stewardship, Compliance, and Accountability**

#### **Deficit Fund Balance or Net Assets of Individual Funds**

The following individual funds had deficit fund balances as of June 30, 2010:

	<u>Amount</u>
<b>Special Revenue:</b>	
CDBG Fund	\$ 8,800
State Grants Fund	44,997
Pitt Area Transit Fund	6,674
 <b>Capital Projects:</b>	
2009 Pitt Community College Capital Project	1,142,934

The County plans to properly capitalize these funds with approved debt issuance in the Pitt Community College Capital Project Fund, the receipt of pending reimbursements from the grantors in both the CDBG and State grant funds, or local transfers.

### **3. 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

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

verifying that deposits are properly secured. The County does not have a policy regarding custodial credit risk for deposits.

At June 30, 2010, the County's deposits had a carrying amount of \$40,712,793 and a bank balance of \$39,023,396. The County only has deposits in institutions that collateralize under the Pooling Method. Of the bank balance, \$2,966,757 was covered by federal depository insurance and \$36,056,639 was covered by collateral held by authorized escrow agents in the name of the State Treasurer. The County had \$34,265 of cash on hand at year-end.

### B. Investments

At June 30, 2010, the County's investment balances were as follows:

Investment Type	Fair Value	Less Than 1 Year	2-3 Years	4-7 Years	Greater Than 7 Years
NC Capital Management Trust - Cash Portfolio	\$ 21,626,945	\$ 21,626,945	\$ -	\$ -	\$ -
Federal Home Loan Bank	2,000,000	-	2,000,000	-	-
Total	<u>\$ 23,626,945</u>	<u>\$ 21,626,945</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ -</u>

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

**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. As of June 30, 2010, the County's investment in Federal Home Loan Bank was rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The County's investments in the NC Capital Management Trust (NCCMT) Cash Portfolio carried a credit rating of AAAm by Standard & Poor's as of June 30, 2010.

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 4. Property Tax - Use-Value Assessment On Certain Lands

In accordance with the general statutes, certain agricultural, horticultural, forest land, 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
2007	\$ 2,474,067	\$ 587,591	\$ 3,061,658
2008	2,839,401	418,811	3,258,212
2009	2,795,619	160,748	2,956,367
2010	2,796,427	-	2,796,427
Total	<u>\$ 10,905,514</u>	<u>\$ 1,167,150</u>	<u>\$ 12,072,664</u>

### 5. Accounts Receivable

#### Disaggregate Information

Type of Receivable	Amount (Net of Allowance)		
	Governmental Activities	Business-Type Activities	Total
<b>Accounts Receivable:</b>			
Customer/client billings	\$ 603,396	\$ -	\$ 603,396
Landfill fees assessed	-	884,608	884,608
Fees for services - due from other governments	599,697	-	599,697
Internal service funds - Garage Fund	980	-	980
Total	<u>\$ 1,204,073</u>	<u>\$ 884,608</u>	<u>\$ 2,088,681</u>
<b>Due from Other Governments:</b>			
Sales tax	\$ 3,055,322	\$ -	\$ 3,055,322
Sales tax refund	432,430	-	432,430
Other services and grants	2,961,427	-	2,961,427
Total	<u>\$ 6,449,179</u>	<u>\$ -</u>	<u>\$ 6,449,179</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### Allowances for Doubtful Accounts

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

<u>Fund</u>	<u>Allowance</u>
<b>General Fund:</b>	
Property taxes	\$ 3,126,832
Other - Public Health	453,850
Interest	<u>780,394</u>
Total	<u>\$ 4,361,076</u>
<b>Special Revenue Fund:</b>	
Ambulance services	<u>\$ 2,852,000</u>

### 6. Capital Assets

#### A. Governmental Capital Assets

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

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>Balance June 30, 2010</u>
<b>Non-Depreciable Assets:</b>					
Land	\$ 4,591,096	\$ -	\$ -	\$ -	\$ 4,591,096
Construction in progress	<u>38,953,735</u>	<u>8,535,909</u>	<u>-</u>	<u>(38,637,473)</u>	<u>8,852,171</u>
Total non-depreciable capital assets	<u>43,544,831</u>	<u>8,535,909</u>	<u>-</u>	<u>(38,637,473)</u>	<u>13,443,267</u>
<b>Depreciable Assets:</b>					
Land improvements	1,237,400	-	-	-	1,237,400
Buildings	113,529,752	-	-	38,637,473	152,167,225
Furniture and equipment	6,757,077	518,203	(133,548)	-	7,141,732
Vehicles	<u>6,239,055</u>	<u>396,240</u>	<u>(269,057)</u>	<u>-</u>	<u>6,366,238</u>
Total depreciable capital assets	<u>127,763,284</u>	<u>914,443</u>	<u>(402,605)</u>	<u>38,637,473</u>	<u>166,912,595</u>
<b>Less Accumulated Depreciation:</b>					
Land improvements	765,040	85,811	-	-	850,851
Buildings	29,156,962	2,674,207	-	-	31,831,169
Furniture and equipment	3,853,290	615,067	(87,217)	-	4,381,140
Vehicles	<u>4,566,795</u>	<u>603,827</u>	<u>(258,038)</u>	<u>-</u>	<u>4,912,584</u>
Total accumulated depreciation	<u>38,342,087</u>	<u>\$ 3,978,912</u>	<u>\$ (345,255)</u>	<u>\$ -</u>	<u>41,975,744</u>
Depreciable capital assets, net	<u>89,421,197</u>				<u>124,936,851</u>
Governmental capital assets, net	<u>\$ 132,966,028</u>				<u>\$ 138,380,118</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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

**Governmental Activities:**

General government	\$ 650,339
Public protection	1,166,802
Human services	320,713
Environmental protection	15,286
Education	1,583,946
Economic/physical development	241,829
<b>Total</b>	<b><u>\$ 3,978,915</u></b>

**Business-Type Activities:**

Solid Waste Fund	<u>\$ 161,213</u>
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**Internal Service Fund (governmental):**

Garage Fund	<u>\$ -</u>
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### B. Proprietary Capital Assets

The capital assets for the Enterprise Fund of the County at June 30, 2010 are as follows:

	<u>Balance July 1, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2010</u>
<b>Non-Depreciable Assets:</b>				
Land and improvements	\$ 664,329	\$ -	\$ -	\$ 664,329
Total non-depreciable capital assets	<u>664,329</u>	<u>-</u>	<u>-</u>	<u>664,329</u>
<b>Depreciable Assets:</b>				
Land improvements	88,393	-	-	-
Buildings and improvements	2,672,936	-	-	2,672,936
Furniture and equipment	2,691,444	204,487	-	2,895,931
Vehicles	609,557	87,800	-	697,357
Total depreciable capital assets	<u>6,062,330</u>	<u>292,287</u>	<u>-</u>	<u>6,354,617</u>
<b>Less Accumulated Depreciation:</b>				
Land improvements	88,393	-	-	88,393
Buildings and improvements	1,079,461	58,536	-	1,137,997
Furniture and equipment	2,399,277	60,696	-	2,459,973
Vehicles	469,173	41,981	-	511,154
Total accumulated depreciation	<u>4,036,304</u>	<u>\$ 161,213</u>	<u>\$ -</u>	<u>4,197,517</u>
Depreciable capital assets, net	<u>2,026,026</u>			<u>2,157,100</u>
Proprietary capital assets, net	<u>\$ 2,690,355</u>			<u>\$ 2,821,429</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### C. Invested in Capital Assets, Net of Related Debt

The total invested in capital assets, net of related debt, at June 30, 2010 is composed of the following elements:

	Governmental	Business-Type
	Activities	Activities
Capital assets, net of depreciation	\$ 138,380,118	\$ 2,821,429
Long-term debt	170,520,701	1,476,550
Less unspent debt proceeds	(21,316,139)	-
Less debt not tied to capital assets:		
Compensated absences	(3,567,419)	(56,550)
Unfunded LEO pension obligation	(660,418)	-
Unfunded OPEB liability	(11,011,812)	-
2007 COPS Capital Project debt, not associated with		
County assets, net of unspent debt proceeds	(10,999,378)	-
2009 COPS Capital Project debt, not associated with		
County assets, net of unspent debt proceeds	(8,385,377)	-
Engineering project debt	(1,901,903)	-
Sewer improvements debt	(769,744)	-
Global transpark debt	(396,313)	-
Closure and post-closure costs	-	(1,220,000)
Long-term debt related to capital assets	111,512,198	200,000
Invested in capital assets, net of related debt	\$ 26,867,920	\$ 2,621,429

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 7. Long-Term Obligations

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

#### A. Changes in Long-Term Debt

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

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010	Current Portion
<b>By Type:</b>					
Compensated absences	\$ 3,411,587	\$ 500,000	\$ (344,168)	\$ 3,567,419	\$ 350,000
Unfunded LEO	597,604	243,017	(180,203)	660,418	-
Unfunded OPEB	7,358,315	4,445,978	(792,481)	11,011,812	-
General obligation bonds	1,080,000	-	(1,080,000)	-	-
Certificates of participation/ limited obligation bonds	123,645,000	35,145,000	(7,455,000)	151,335,000	9,540,000
Notes payable	3,441,253	1,199,145	(694,346)	3,946,052	653,567
<b>Total</b>	<b>\$ 139,533,759</b>	<b>\$ 41,533,140</b>	<b>\$ (10,546,198)</b>	<b>\$ 170,520,701</b>	<b>\$ 10,543,567</b>

#### By Purpose:

Schools	\$ 113,992,000
General government	2,272,883
Public safety	19,017,089
Economic and physical development	396,336
Environmental protection	769,744
Human services	18,833,000
Compensated absences	3,567,419
Unfunded LEO	660,418
Unfunded OPEB	11,011,812
<b>Total</b>	<b>\$ 170,520,701</b>

The General Fund is typically used to liquidate the compensated absences and pension liabilities.

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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

	Balance July 1, 2009	Additions	Retirements	Balance June 30, 2010	Current Portion
<b>By Type:</b>					
Compensated absences	\$ 46,679	\$ 25,000	\$ (15,129)	\$ 56,550	\$ 15,000
Closure and post-closure	1,340,000	-	(120,000)	1,220,000	60,000
General obligation bonds	400,000	-	(200,000)	200,000	200,000
<b>Total</b>	<b>\$ 1,786,679</b>	<b>\$ 25,000</b>	<b>\$ (335,129)</b>	<b>\$ 1,476,550</b>	<b>\$ 275,000</b>

### B. Certificates of Participation / Limited Obligation Bonds

A summary of the County's certificates of participation/limited obligation bonds is as follows:

Original Issue			Payment Information		Outstanding	Purpose and Collateral
Amount	Date	Rate	Period	Amount	Balance	
\$ 12,635,000	October 2001	4.50% - 5.75%	Annual	\$ 825,000 - \$1,100,000 - \$1,095,000	\$ 6,255,000	Phase II of courthouse, advance refund debt; secured by real estate
42,510,000	October 2004	3.00% - 4.70%	Annual		34,895,000	School projects, advance refund debt; secured by real estate
59,365,000	March 2007	3.50% - 5.00%	Annual	\$ 985,000	57,355,000	School projects, advance refund debt; secured by real estate
19,855,000	October 2007	4.44%	Annual	\$ 685,000	18,510,000	Construct Detention Center addition; secured by real estate
35,145,000	December 2009	3.50% - 5.00%	Annual	\$825,000 - \$1,430,000	34,320,000	School construction and renovation of existing schools; secured by real estate.
Total Certificates of Participation/Limited Obligation Bonds					<u>\$ 151,335,000</u>	



# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

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

Year Ended June 30	Principal	Interest	Total
2011	\$ 9,540,000	\$ 5,884,783	\$ 15,424,783
2012	7,765,000	5,576,983	13,341,983
2013	7,795,000	5,275,036	13,070,036
2014	8,280,000	4,960,709	13,240,709
2015	8,355,000	4,673,845	13,028,845
2016-2020	37,540,000	18,551,560	56,091,560
2021-2025	36,250,000	11,226,895	47,476,895
2025-2029	28,335,000	8,117,470	36,452,470
2030-2034	7,475,000	561,500	8,036,500
Total	<u>\$ 151,335,000</u>	<u>\$ 64,828,779</u>	<u>\$ 216,163,779</u>

### C. General Obligation Bonds

#### Serviced by the County's Enterprise Fund:

Sanitary Landfill Bonds, Series 1995, payable monthly from  
February 1998 through February 2001 in the amount of  
\$200,000; interest ranging from 5.25% to 5.30%

\$ 200,000

Total general obligation bonds

\$ 200,000

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

Year Ended June 30	Principal	Interest	Total
2011	\$ 200,000	\$ 10,600	\$ 210,600
Total	<u>\$ 200,000</u>	<u>\$ 10,600</u>	<u>\$ 210,600</u>

**PITT COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**D. Notes Payables**

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

<u>Date</u>	<u>Rate</u>	<u>Period</u>	<u>Amount</u>	<u>Balance</u>	<u>Security</u>
December 2004	2.55%	Annual	\$ 99,716	\$ 130,541	Global transpark
August 1997	6.30%	Quarterly	56,000	224,000	EMS Facility
March 2000	4.25%	Quarterly	17,651	131,020	Global transpark
July 2005	3.50%	Quarterly	24,484	134,752	Global transpark
January 2006	3.56%	Quarterly	209,476	1,901,903	Engineering project
June 2010	3.56%	Quarterly	64,908	283,092	Ambulances
November 2009	3.36%	Semi-annual	65,625	371,000	MIS Upgrade
May 2010	0.00%	Annual	45,046	769,744	Sewer Improvements
Total				<u>\$ 3,946,052</u>	

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

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30</u>			
2011	\$ 653,567	\$ 104,384	\$ 626,701
2012	592,712	82,370	543,832
2013	581,222	63,533	514,102
2014	466,436	46,176	512,612
2015	370,859	33,431	404,290
2016-2020	962,060	39,346	1,001,406
2021-2025	225,280	-	225,280
2026-2030	93,916	-	93,916
Total	<u>\$ 3,946,052</u>	<u>\$ 369,241</u>	<u>\$ 3,922,139</u>

**E. 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 percent of the appraised value of property subject to taxation. At June 30, 2010, net debt outstanding was \$155,481,052 including bonded debt of \$200,000. The statutory limit at that date was \$925,934,331 providing a debt margin of \$770,453,279.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

### **8. Employee Retirement Systems**

#### **A. Local Governmental Employees' Retirement System**

##### **Plan Description**

Pitt County contributes to the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The LGERS is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

##### **Funding Policy**

Plan members are required to contribute six percent of their annual covered salary. The County is required to contribute at an actuarially determined rate. For the County, the current rate for employees not engaged in law enforcement and for law enforcement officers is 4.88% and 4.86%, respectively, of annual covered payroll. The County's contributions, including the members' contributions, to LGERS for the years ended June 30, 2010, 2009, and 2008 were \$4,552,613, \$4,253,490, and \$3,973,042, respectively. The contributions made by the County equaled the required contributions for each year.

#### **B. Law Enforcement Officers' Special Separation Allowance**

##### **Plan Description**

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

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2010, the Separation Allowance's membership consisted of:

Retirees currently receiving benefits and terminated employees entitled to, but not yet receiving, benefits	13
Active plan members	138
Total	<u>151</u>

### **Summary of Significant Accounting Policies:**

#### **Basis of Accounting**

Financial statements for the Separation Allowance are prepared using the 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.

#### **Method Used To Value Investments**

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 by making contributions based on actuarial valuations. For the current year, the County contributed \$90,096, or 1.35% of annual covered payroll. There were no contributions made by employees. The County's obligation to contribute to the plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The annual required contribution for the current year was determined as part of the December 31, 2009 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.25% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.5% - 12.3% per year. Both (a) and (b) included an inflation component of 3.75%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2009 was 21 years.

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### Annual Pension Cost and Net Pension Obligation

The County's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Employer annual required contribution	\$ 237,336
Interest on net pension obligation	43,326
Adjustment to annual required contribution	<u>(37,645)</u>
Annual pension costs	243,017
Employer contributions made for fiscal year ended June 30, 2010	<u>180,203</u>
Increase (decrease) in net pension obligation	62,814
Net pension obligation, beginning of year	<u>597,604</u>
Net pension obligation, end of year	<u>\$ 660,418</u>

### Three-Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2008	\$ 175,679	57.0%	\$ 513,650
6/30/2009	210,465	60.0%	597,604
6/30/2010	243,017	37.0%	660,418

### Funded Status and Funding Progress

As of December 31 2009, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$3,136,604. The covered payroll (annual payroll of active employees covered by the plan) was \$6,635,702, and the ratio of the UAAL to the covered payroll was 43.63 percent. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**PITT COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

**C. Supplemental Retirement Income Plan for Law Enforcement Officers**

**Plan Description**

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

**Funding Policy**

Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. Contributions for the year ended June 30, 2010 were \$411,063, which consisted of \$319,880 from the County and \$91,183 from the law enforcement officers.

**D. Local 401(k) Retirement Plans**

The County has a supplemental retirement plan for all County employees other than law enforcement officers. The County has no requirement or obligation under State statutes to contribute to this Plan; however, the County has adopted the Supplemental Retirement Plan of North Carolina 401(k) for its non-law enforcement employees. The County contributes 4.98% of participants' gross pay, and employees may make voluntary contributions to the Plan. The total contribution for the year ended June 30, 2010 was \$2,323,912, which consisted of \$1,701,844 from the County and \$622,068 from the employees.

**E. Register of Deeds' Supplemental Pension Fund**

**Plan Description**

Pitt County also contributes to the Register of Deeds' Supplemental Pension Fund (Fund), a noncontributory, defined contribution plan administered by the North Carolina Department of State Treasurer. The Fund provides supplemental pension benefits to any 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

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The 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 Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

### **Funding Policy**

On a monthly basis, the County remits to the Department of State Treasurer an amount equal to four and one-half percent (1.5%) of the monthly receipts collected pursuant to Article I of G.S. 161. Immediately following January 1 of each year, the Department of State Treasurer divides ninety-three percent (93%) of the amount in the Fund at the end of the preceding calendar year into equal shares to be disbursed as monthly benefits. The remaining seven percent (7%) of the Fund's assets may be used by the State Treasurer in administering the Fund. For the fiscal year ended June 30, 2010, the County's required and actual contributions were \$11,669.

### **9. Deferred Compensation Plan**

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

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

### **10. Other Employment Benefits**

The County has elected to provide death benefits to employees through the Death Trust Plan for Members of the Local Governmental Employees' Retirement System (Death Trust Plan), a multiple-employer State-administered cost-sharing plan funded on a one-year term cost basis. 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 his/her death, but the benefit may not exceed \$50,000 and will be a minimum of \$25,000. All death benefit payments are made from the Death Trust

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

Plan. The County has no liability beyond the payment of monthly contributions. 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. Because the benefit payments are made by the Death Trust Plan and not by the County, the County does not determine the number of eligible participants. For the year ended June 30, 2010, the County made contributions to the State for death benefits of \$51,047. The County's required contributions for employees not engaged in law enforcement and for law enforcement officers represented .08% and .14% of covered payroll, respectively. The contributions to the Death Trust Plan cannot be separated between the post-employment benefit amount and the other benefit amount.

### **11. Other Post-Employment Benefits – Healthcare Benefits**

#### **Plan Description**

In addition to providing pension benefits, the County has elected to provide healthcare benefits to retirees of the County who have at least thirty years 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.

Retirees can purchase coverage for their dependents at the County's group rates until the retiree reaches age sixty-five. Currently, 135 retirees are eligible for post-retirement health benefits. For the year ended June 30, 2010, the County made payments for post-retirement health benefit premiums of \$792,481. 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.



# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

Membership of the Plan consisted of the following at December 31, 2009, the date of the latest actuarial valuation:

	<b>General Employees</b>	<b>Law Enforcement Officers</b>
Retirees and dependents receiving benefits	135	N/A
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	826	138
Total	<u>961</u>	<u>138</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 9.85% of annual covered payroll. For the current year, the County contributed \$792,481, or 1.89%, 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 9.85% and 9.85% of covered payroll, respectively. There were no contributions made by employees, except for dependent coverage in the amount of \$60,500. 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.

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### Annual OPEB Cost and Net Obligation

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

Annual required contribution	\$ 4,405,578
<i>Valuation discount rate</i>	4.00%
Interest on net OPEB obligation	294,333
<i>Amortization factor</i>	28.9774
Adjustments to annual required contribution	<u>(253,933)</u>
Annual OPEB cost (expense)	4,445,978
Contributions made	<u>(792,481)</u>
Increase (decrease) in net OPEB obligation	3,653,497
Net OPEB obligation, July 1, 2009	<u>7,358,315</u>
Net OPEB obligation, June 30, 2010	<u>\$ 11,011,812</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2008-2010 were as follows:

<u>Year Ended June 30</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2008	\$ 4,246,340	12.8%	\$ 3,826,889
2009	4,075,340	13.3%	7,358,315
2010	4,445,978	17.8%	11,011,812

### Fund Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$51,309,989, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$51,309,989. The covered payroll (annual payroll of active employees covered by the Plan) was \$41,736,298, and the ratio of UAAL to the covered payroll was 122.9 percent.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

Actuarial valuations of an ongoing Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents information about the actuarial value of Plan assets and the actuarial accrued liabilities for benefits.

### **Actuarial Methods and Assumptions**

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

In the December 31, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.00 percent investment rate of return (net of administrative expenses), which is the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual medical cost trend increase of 10.50 to 5.00 percent annually. Both rates included a 3.75 percent 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, 2009 was 30 years.

### **12. 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 \$1,220,000 reported as landfill post-closure care liability at June 30, 2010 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 2010. 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 State and federal laws and regulations that helps 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, 2010

### 13. Deferred/Unearned Revenues

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

	General Fund	Special Revenue Funds	Total
Prepaid taxes not yet earned	\$ 308,713	\$ -	\$ 308,713
Taxes receivable, net	1,092,766	240,485	1,333,251
Accounts receivable, net	275,592	503,970	779,562
Interest receivable, net	1,556,413	-	1,556,413
Health Department unearned grants	207,876	-	207,876
Other unearned revenues	16,212	8,339	24,551
Total	<u>\$ 3,457,572</u>	<u>\$ 752,794</u>	<u>\$ 4,210,366</u>

The balance in unearned items in the government-wide statements at year-end is composed of the following elements:

	Governmental Activities	Business-Type Activities	Total
Prepaid taxes	\$ 308,713	\$ -	\$ 308,713
Unearned public health fees and grants	207,876	-	207,876
Other unearned fees	24,551	-	24,551
Unamortized bond premium	1,236,543	-	1,236,543
Total	<u>\$ 1,777,683</u>	<u>\$ -</u>	<u>\$ 1,777,683</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 14. Accounts Payable and Interfund Balances

#### Disaggregate Information

Type of Payable	Governmental Activities	Business-Type Activities	Total
Trade payables	\$ 2,886,199	\$ 352,675	\$ 3,238,874
Accrued expenses	619,575	12,982	632,557
Retainage payable	709,544	-	709,544
Internal service trade payables	131,506	-	131,506
IBNR estimate (incurred, but not reported)	733,618	-	733,618
Total	<u>\$ 5,080,442</u>	<u>\$ 365,657</u>	<u>\$ 5,446,099</u>

### 15. 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 County from high dollar claims. Workers' compensation limits, self-insured retention amounts, etc., are also evaluated annually and adjustments made depending on experience and the insurance market. The County's health insurance is self-insured using a third-party administrator and with catastrophic protection for the self-insured fund. The health insurance is also evaluated annually for potential changes in coverage, catastrophic protection limits, funding, etc.

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

Workers' compensation exposure is covered by a self-funded program developed within the County budget. A sum of \$516,000 was set up to pay all workers' compensation claims received. A third-party administrator was retained to process employee claims. In addition, an excess insurance policy covering losses exceeding \$400,000 per event up to \$1,000,000 was purchased to limit the impact of an individual catastrophic claim event on the fund. It is the intent that the Workers' Compensation Fund will evolve into a fund that will eventually allow the County to reduce annual appropriation to this exposure.

# **PITT COUNTY, NORTH CAROLINA**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

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

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 Hospitalization Fund, a total of \$8,000,326 in claims and changes in estimates were incurred for benefits during fiscal year 2010. Changes in the Fund's claims liability amounts in fiscal 2001-2010 were as follows:

<b>Fiscal Year</b>	<b>Balance July 1, 2009</b>	<b>Changes in Estimates</b>	<b>Claim Payments</b>	<b>Balance June 30, 2010</b>
2001	\$ 744,226	\$ 4,479,717	\$ (4,722,943)	\$ 501,000
2002	501,000	4,989,610	(4,357,401)	1,133,209
2003	1,133,209	5,220,350	(5,082,000)	1,271,559
2004	1,271,559	5,351,642	(5,432,872)	1,190,329
2005	1,190,329	4,880,417	(5,085,003)	985,743
2006	985,743	5,064,307	(5,173,524)	876,526
2007	876,526	5,859,264	(6,061,445)	674,345
2008	674,345	5,651,916	(5,711,261)	615,000
2009	615,000	6,156,993	(6,042,754)	729,239
2010	729,239	8,000,326	(8,165,217)	564,348

### **16. Jointly Governed Organizations**

The County, in conjunction with four other counties and thirty-three municipalities, established the Mid-East Commission (Council). The participating governments established the Council to coordinate funding received from various federal and State agencies. Each participating government appoints one member to the Council's forty-four member governing board. The County paid membership fees of \$38,065 to the Council during the year ended June 30, 2010.

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010**

The County, in conjunction with the City of Greenville, established the Pitt-Greenville Convention and Visitors Authority to promote travel, tourism, and conventions in Pitt County. Both the County and the City appoint five members of the eleven-member board, with one member being appointed by the Pitt-Greenville Chamber of Commerce.

The County, in conjunction with twelve other counties, governs the North Carolina Eastern Region Development Commission (Commission). Its purpose is to allow participating counties, including Pitt County, which have the potential to derive direct economic benefits from the Commission, to create a special economic development district, known as the Global TransPark Development Zone. The Commission's primary responsibility is to promote economic development within the territorial jurisdiction of the Zone by fostering development projects to provide land, building, facilities, programs, information and data systems, and infrastructure requirements for business and industry in the Global TransPark Development Zone. The Commission is governed by forty-two voting members, consisting of three members from Pitt County and each of the twelve other participating counties and three members appointed by the Global TransPark Authority. The voting members from each of the counties are appointed by the Board of County Commissioners of the respective counties. The Commission is responsible for a non-expendable trust fund consisting of an initial State appropriation of \$7.5 million and 85% of the quarterly distributions of the \$5 motor vehicle license fees collected by the North Carolina Department of Transportation. The motor vehicle tax was adopted by the legislature and the participating counties and will be collected for a period of five years. The principal balance of the trust funds is non-expendable and will revolve as loans are made and repaid to the Commission. At June 30, 2010, the portion of the trust available to be loaned exclusively to Pitt County was \$2,146,330.

#### **17. 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. 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 \$4,110,835 to the community college for operating purposes and \$75,000 for capital outlay during the fiscal year ended June 30, 2010. In addition, the County made debt service payments of \$1,080,000 for principal and \$44,820 for interest during the fiscal year on general 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, 2010. 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, 2010**

The County also participates in a joint venture to operate the Sheppard Memorial Library with the City of Greenville. The County Board of Commissioners appoints three Board members to the eleven-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, 2010. The County appropriated \$550,196 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the City of Greenville offices at 201 W. 5<sup>th</sup> Street, Greenville, North Carolina 27834.

### **18. 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, 2010 were:

	<u>Percentage of Sales</u>	<u>Percentage of Receivables</u>
Major customer 1	47.0%	49.0%
Major customer 2	23.0%	22.0%

### **19. Claims and Judgments**

At June 30, 2010, 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.

### **20. Contingencies**

The County participates in a number of federal and State grant programs. For the year ended June 30, 2010, these programs were subject to audit in accordance with the Single Audit Act of 1984, the State Single Audit Implementation Act and the provisions of OMB Circular A-133. 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.



# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 21. Summary Disclosure of Significant Commitments

The County had commitments, as shown below, for construction contracts outstanding at June 30, 2010. The projects are accounted for in the capital projects funds and are mainly funded by debt proceeds.

<u>Project</u>	<u>Balance of Contract</u>
2009 COPS School Projects	\$ 15,958,142

The County has financial commitments of \$148,352 per year to area municipalities for sewer line improvements that will benefit the County as well as the municipalities.

### 22. Benefit Payments Issued by the State

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

	<u>Federal</u>	<u>State</u>
Energy Assistance	\$ 891,783	\$ -
Temporary Assistance to Needy Families (TANF)	1,254,281	286
Aid to Families with Dependent Children	(1,255)	(344)
Special Assistance to Adults	-	1,147,942
Adoption Subsidy Title IV-E	398,566	77,502
State Foster Home	-	220,509
Adoption Subsidy - State	-	113,334
Refugee Assistance payments	3,620	-
Medicaid	154,063,158	54,338,463
Women, Infants, and Children	3,403,655	
Food Stamp Program	38,587,232	-
Total	<u>\$ 198,601,039</u>	<u>\$ 55,897,691</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2010

### 23. Component Unit Transactions

In fiscal year 2010, the County and its component units reported transactions between the entities as follows:

<u>Pitt County</u>	<u>Amount</u>	<u>Purpose</u>
Unrestricted intergovernmental revenues:		
From Pitt County ABC Board	\$ 1,050,000	Profit distribution
Economic and physical development expenses:		
To Pitt County Industrial Development Commission	107,686	Direct expenses

### 24. Interfund Balances and Transfers

In fiscal year 2010, 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.

<u>Fund Type</u>	<u>Fund Name</u>	<u>Transfers</u>		<u>Purpose</u>
		<u>From</u>	<u>To</u>	
General	General	\$ 800,000	\$ -	
Internal Service	Hospitalization	-	800,000	Contribution to offset expenses
Special Revenue	Pitt Transit	11,160	-	
Special Revenue	State Grant Fund	-	11,160	Contribution to offset expenses
General	General	31,628	-	
Special Revenue	Pitt Transit	-	31,628	Local match/contribution
General	General	7,123,606	60,000	
Debt Service	Debt Service	60,000	7,123,606	Annual debt service requirement
Special Revenue	County Capital Reserve	1,305,531	-	
Debt Service	Debt Service	-	1,305,531	Annual debt service requirement
General	General	64,733	-	
Special Revenue	State Grant Fund	-	64,733	Local contribution
		<u>\$ 9,396,658</u>	<u>\$ 9,396,658</u>	
Special Revenue	School Capital Reserve	\$ 6,333,917	\$ -	
Debt Service	Debt Service	-	6,333,917	Debt Service - school projects
Special Revenue	School Capital Reserve	937,000	-	
Capital Project	School Improvement	-	937,000	Local contribution
		<u>\$ 7,270,917</u>	<u>\$ 7,270,917</u>	

**PITT COUNTY, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

Interfund loans are summarized as follows:

<u>Fund Name</u>	<u>Due From</u>	<u>Due To</u>	<u>Purpose</u>
2009 Pitt Community College			
Capital Project	\$ 1,097,292	\$ -	
County Capital Reserve			
Special Revenue Fund	-	381,426	Short-term loan in anticipation of debt issue
PCC Building Capital			
Project Fund	-	279,562	Short-term loan in anticipation of debt issue
PCC Bowen Farm Capital			
Project Fund	-	436,304	Short-term loan in anticipation of debt issue



## **REQUIRED SUPPLEMENTARY INFORMATION**

This section contains information on the Law Enforcement Officers' (LEO) Special Separation Allowance and Other Post Employment Benefits (OPEB) as required.



# PITT COUNTY, NORTH CAROLINA

## LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2010

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets A	Actuarial Accrued Liability (AAL) -Projected Unit Credit B	Unfunded AAL (UAAL) B - A	Funded Ratio A / B	Covered Payroll C	UAAL as a Percentage Covered Payroll (B - A) / C
12/31/2009	\$ 256,317	\$ 3,136,604	2,895,337	8.17%	\$ 6,635,702	43.63%
12/31/2008	242,933	2,353,496	2,110,563	10.32%	5,996,468	35.20%
12/31/2007	249,168	2,027,477	1,778,309	12.29%	5,555,672	32.01%
12/31/2006	245,428	1,631,054	1,385,625	15.05%	4,944,974	28.02%
12/31/2005	231,994	1,422,064	1,190,070	16.31%	4,865,725	24.46%
12/31/2004	200,787	1,473,679	1,272,892	13.62%	4,342,204	29.31%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution (ARC)	Amount Contributed By Employer	Percentage of ARC Contributed
2010	\$ 317,843	\$ 180,203	56.70%
2009	237,336	126,511	53.30%
2008	205,688	99,400	48.33%
2007	154,458	85,000	55.03%
2006	161,462	85,000	52.64%
2005	135,378	77,500	57.25%

### Notes to the Required Schedules:

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

Valuation date	12/31/2008
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	21 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	7.25%
Projected salary increases *	4.5 - 12.3%
Cost of living adjustments	N/A

\*Includes inflation at 3.75%

# **PITT COUNTY, NORTH CAROLINA**

## **OTHER POST-EMPLOYMENT BENEFITS REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2010**

### **Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets A</b>	<b>Actuarial Accrued Liability (AAL) - Projected Unit Credit B</b>	<b>Unfunded AAL (UAAL) B - A</b>	<b>Funded Ratio A / B</b>	<b>Covered Payroll C</b>	<b>UAAL as a Percentage Covered Payroll (B - A) / C</b>
12/31/2007	\$ -	\$ 47,859,702	\$ 47,859,702	0.00%	\$ 33,586,106	142.50%
12/31/2009	-	51,309,989	51,309,989	0.00%	41,736,298	122.94%

### **Schedule of Employer Contributions**

<b>Year Ended June 30</b>	<b>Annual Required Contribution (ARC)</b>	<b>Amount Contributed By Employer</b>	<b>Percentage of ARC Contributed</b>
2008	\$4,246,340	\$419,538	9.88%
2009	4,246,340	479,836	11.30%
2010	4,113,151	792,481	19.27%

#### **Notes to the Required Schedules:**

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

Valuation date	12/31/2009	
Actuarial cost method	Projected unit credit	
Amortization method	Level percent of pay open	
Remaining amortization period	30 years	
Asset valuation method	Market value	
Actuarial assumptions:		
Investment rate of return *	4.00%	* Includes inflation at 3.75%
Medical cost trend rate	5% - 10.50%	
Year of Ultimate trend rate	2017	



## **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, 2009.



## PITT COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE  
JUNE 30, 2010

<b>Fiscal Year</b>	<b>Uncollected Balance June 30, 2009</b>	<b>Additions</b>	<b>Collections and Credits</b>	<b>Uncollected Balance June 30, 2010</b>
2009-2010	\$ -	\$ 75,636,540	\$ 73,447,355	\$ 2,189,185
2008-2009	2,294,409	-	1,688,354	606,055
2007-2008	525,056	-	215,348	309,708
2006-2007	321,869	-	67,937	253,932
2005-2006	224,553	-	29,462	195,091
2004-2005	183,260	-	19,543	163,717
2003-2004	197,045	-	14,046	182,999
2002-2003	200,742	-	9,452	191,290
2001-2002	134,113	-	6,492	127,621
1999-2000	152,133	-	152,133	-
	<u>\$ 4,233,180</u>	<u>\$ 75,636,540</u>	<u>\$ 75,650,122</u>	<u>4,219,598</u>
Less: allowance for uncollectible ad valorem taxes receivable				<u>(3,126,832)</u>
				<u>\$ 1,092,766</u>
<b>Reconciling with revenues:</b>				
Taxes - ad valorem				\$ 74,512,534
<b>Reconciling items:</b>				
Interest and Cost				(479,837)
Discounts allowed				799,027
Refunds				31,059
Amounts written off for tax years per statute of limitations				152,132
Miscellaneous tax adjustments				<u>635,207</u>
Total collections and credits				<u>\$ 75,650,122</u>

## PITT COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2010

	County-Wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 11,554,751,000	\$ 0.6650	\$ 76,839,094	\$ 70,250,692	\$ 6,588,402
Penalties	-		19,186	19,186	-
Total	11,554,751,000		76,858,280	70,269,878	6,588,402
<b>Discoveries:</b>					
Current year taxes	70,322,956	0.6650	467,648	467,648	-
Penalties			39,466	39,466	-
<b>Abatements</b>	(1,131,129)		(458,319)	(458,319)	N/A
Total property valuation	<u>\$ 11,623,942,827</u>				
Net levy			76,907,075	70,318,673	6,588,402
Less: Tax rate attributed to Industrial Development Commission		0.0134	(1,270,535)	(1,270,535)	-
Net levy to County			75,636,540	69,048,138	<u>\$ 6,588,402</u>
Less: uncollected taxes at June 30, 2010			(2,189,185)	(2,189,185)	N/A
Current year's taxes collected			<u>\$ 73,447,355</u>	<u>\$ 66,858,953</u>	N/A
Percent current year collected			<u>97.11%</u>	<u>96.83%</u>	N/A
Prior year collection percentage			<u>96.97%</u>	<u>96.64%</u>	

Note: The Motor Vehicle Abatements and Accounts Receivable are not separable in the tax system utilized in fiscal year ending June 30, 2010

## PITT COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
SECONDARY MARKET DISCLOSURES  
FOR THE YEAR ENDED JUNE 30, 2010Secondary Market Disclosures

## Assessed Valuation:

Assessment Ratio (1)	98.01%
Real Property	\$ 9,346,427,845
Personal Property	2,470,662,313
Public Service Companies (2)	109,460,104
Total Assessed Valuation	11,926,550,262
Tax Rate per \$100	0.6650
Levy (includes discoveries, releases and abatements) (3)	\$ 79,311,559

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 fiscal year ended June 30:

Fire Protection/Rescue Districts	\$ 4,139,740
----------------------------------	--------------

(1) Percentage of appraised value has been established by 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, 2010

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
DSM Pharmaceuticals	Manufacturer	\$ 213,697,866	1.79%
DSM Dyneema LLC	Manufacturer	211,909,666	1.78%
Carolina Telephone	Communications	62,000,000	0.52%
Asmo	Manufacturer	51,222,537	0.43%
North Campus Crossing LLC (I & II)	Apartments	45,418,511	0.38%
Weyerhaeuser Company	Manufacturer	45,330,654	0.38%
Attends Healthcare Products Inc	Manufacturer	44,715,520	0.38%
Copper Beech Townhome Communities	Apartments	43,132,107	0.36%
Marelda Greenville Mall (Colonial)	Mall	41,868,724	0.35%
PL Greenville LP (Bellamy)	Apartments	39,542,426	0.33%

## PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010

	<i>Schedule C-1</i> Special Revenue Funds	<i>Schedule A-7</i> Debt Service Fund	<i>Schedule D-1</i> Capital Projects Fund	Total
<b>Assets:</b>				
Cash, cash equivalents and investments	\$ 2,315,469	\$ 41,635	\$ 232,473	\$ 2,589,577
Taxes receivable, net	240,485	-	-	240,485
Accounts receivable, net	603,396	-	-	603,396
Prepaid items	73,575	-	-	73,575
Cash and investments, restricted	-	-	46,980	46,980
Due from other funds	-	-	715,866	715,866
Due from other governments	440,215	-	28,518	468,733
Total assets	<u>\$ 3,673,140</u>	<u>\$ 41,635</u>	<u>\$ 1,023,837</u>	<u>\$ 4,738,612</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 207,726	\$ -	\$ 86,256	\$ 293,982
Due to other funds	-	-	1,097,292	1,097,292
Deferred revenues	752,794	-	-	752,794
Total liabilities	<u>960,520</u>	<u>-</u>	<u>1,183,548</u>	<u>2,144,068</u>
<b>Fund Balances:</b>				
Reserved by State statute	519,647	-	-	519,647
Reserved for prepaid items	73,575	-	-	73,575
Reserved for Winterville Rural Fire Dept.	77,983	-	-	77,983
Unreserved	<u>2,041,415</u>	<u>41,635</u>	<u>(159,711)</u>	<u>1,923,339</u>
Total fund balances	<u>2,712,620</u>	<u>41,635</u>	<u>(159,711)</u>	<u>2,594,544</u>
Total liabilities and fund balances	<u>\$ 3,673,140</u>	<u>\$ 41,635</u>	<u>\$ 1,023,837</u>	<u>\$ 4,738,612</u>

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010

	<i>Schedule C-2</i> Special Revenue Funds	<i>Schedule A-7</i> Debt Service Fund	<i>Schedule D-2</i> Capital Projects Fund	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 4,119,371	\$ -	\$ -	\$ 4,119,371
Unrestricted intergovernmental revenues	-	107,686	-	107,686
Restricted intergovernmental revenues	3,677,894	-	833,907	4,511,801
Sales and services	3,228,131	-	-	3,228,131
Investment earnings	3,642	1,790	737	6,169
Miscellaneous	114,194	268,300	119,427	501,921
Total revenues	<u>11,143,232</u>	<u>377,776</u>	<u>954,071</u>	<u>12,475,079</u>
<b>Expenditures:</b>				
Current:				
Public safety	6,932,743	-	358,207	7,290,950
Economic and physical development	4,265,158	-	1,552,410	5,817,568
Education	-	-	2,706,763	2,706,763
Cultural and recreation	-	-	72,814	72,814
Debt service:				
Principal repayments	166,894	8,930,999	-	9,097,893
Interest	-	6,172,611	-	6,172,611
Total expenditures	<u>11,364,795</u>	<u>15,103,610</u>	<u>4,690,194</u>	<u>31,158,599</u>
Revenues over (under) expenditures	<u>(221,563)</u>	<u>(14,725,834)</u>	<u>(3,736,123)</u>	<u>(18,683,520)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	96,361	14,763,054	937,000	15,796,415
Transfers out	(11,160)	(60,000)	-	(71,160)
Debt obligation issued	-	-	769,744	769,744
Total other financing sources (uses)	<u>85,201</u>	<u>14,703,054</u>	<u>1,706,744</u>	<u>16,494,999</u>
Net change in fund balances	(136,362)	(22,780)	(2,029,379)	(2,188,521)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>2,848,982</u>	<u>64,415</u>	<u>1,869,668</u>	<u>4,783,065</u>
End of year - June 30	<u>\$ 2,712,620</u>	<u>\$ 41,635</u>	<u>\$ (159,711)</u>	<u>\$ 2,594,544</u>



## PITT COUNTY, NORTH CAROLINA

DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2010

	Final Budget	Actual	Variance Over/Under
<b>Revenues:</b>			
Unrestricted intergovernmental revenues:			
Pitt Industrial Development Commission	\$ 107,685	\$ 107,686	\$ 1
Miscellaneous	236,295	268,300	32,005
Interest earned on investments	-	1,790	1,790
Total revenues	<u>343,980</u>	<u>377,776</u>	<u>33,796</u>
<b>Expenditures:</b>			
Debt service:			
Principal payments - loans	-	8,930,999	-
Interest - loans	-	6,172,611	-
Total expenditures	<u>15,107,034</u>	<u>15,103,610</u>	<u>3,424</u>
Revenues over (under) expenditures	<u>(14,763,054)</u>	<u>(14,725,834)</u>	<u>37,220</u>
<b>Other Financing Sources (Uses):</b>			
Transfer in - General Fund	7,123,606	7,123,606	-
Transfer in - special revenue funds	7,639,448	7,639,448	-
Transfer (out) - General Fund	(60,000)	(60,000)	-
Appropriated fund balance	<u>60,000</u>	<u>-</u>	<u>(60,000)</u>
Total other financing sources (uses)	<u>14,763,054</u>	<u>14,703,054</u>	<u>(60,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>(22,780)</u>	<u>\$ (22,780)</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>64,415</u>	
End of year - June 30		<u>\$ 41,635</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.



## **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.

## PITT COUNTY, NORTH CAROLINA

GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 73,727,355	\$ 74,032,697	\$ 305,342	\$ 72,972,399
Penalties and interest	500,000	479,837	(20,163)	635,658
Total	74,227,355	74,512,534	285,179	73,608,057
<b>Other Taxes and Licenses:</b>				
Occupancy tax	21,500	20,904	(596)	20,461
Local option sales taxes	16,451,286	14,166,657	(2,284,629)	17,816,780
Payment in lieu of taxes	1,405,000	1,649,192	244,192	1,605,720
Privilege licenses	5,000	10,884	5,884	9,340
Marriage licenses	29,000	24,705	(4,295)	25,447
Gross receipts tax	91,500	183,219	91,719	384,516
Total	18,003,286	16,055,561	(1,947,725)	19,862,264
<b>Unrestricted Intergovernmental Revenues:</b>				
Alcohol, beer, and wine tax	80,000	71,738	(8,262)	230,369
Pitt County ABC Board	1,100,000	1,050,000	(50,000)	1,000,000
Social Services fees and grants	408,500	524,470	115,970	474,024
Total	1,588,500	1,646,208	57,708	1,704,393
<b>Restricted Intergovernmental Revenues:</b>				
Public Health fees and grants	6,362,426	5,821,400	(541,026)	5,097,044
Social Services fees and grants	23,820,586	22,200,780	(1,619,806)	20,326,118
Mental Health fees and grants	147,506	152,057	4,551	105,542
Jail fees	311,760	485,545	173,785	347,169
Automation E&P - Register of Deeds	95,000	73,003	(21,997)	76,999
Federal and State grants	100,000	100,592	592	120,165
Total	30,837,278	28,833,377	(2,003,901)	26,073,037
<b>Permits and Fees:</b>				
Building permits and inspection fees	415,120	391,391	(23,729)	361,027
Register of Deeds	717,960	643,995	(73,965)	679,629
Excise stamps	541,128	480,860	(60,268)	456,088
Rabies control fees	24,000	23,906	(94)	26,193
Animal fees	72,900	67,310	(5,590)	79,673
Court facility fees	321,000	296,965	(24,035)	316,762
Total	2,092,108	1,904,427	(187,681)	1,919,372

## PITT COUNTY, NORTH CAROLINA

## GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2010

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010		2009	
	Budget	Actual	Variance Over/Under	Actual
<b>Sales and Services:</b>				
Rents, concessions, and fees	4,442,891	4,684,565	241,674	4,722,210
State and federal prison inmate reimbursement	1,169,627	1,457,621	287,994	1,430,498
Total	5,612,518	6,142,186	529,668	6,152,708
<b>Investment Earnings</b>	1,200,252	326,444	(873,808)	965,062
<b>Miscellaneous:</b>				
Sale of capital assets	34,000	13,846	(20,154)	42,254
Other income	602,342	703,912	101,570	610,547
Total	636,342	717,758	81,416	652,801
<b>Total revenues</b>	134,197,639	130,138,495	(4,059,144)	130,937,694
<b>Expenditures:</b>				
<b>General Government:</b>				
Governing board, County Manager, legal, Public Information Officer	1,798,535	1,688,105	110,430	1,647,648
Finance, Tax Assessor, Tax Collector	3,166,035	2,892,415	273,620	2,998,027
Elections	678,307	674,761	3,546	594,115
Register of Deeds	849,995	713,336	136,659	799,185
Human resources	613,627	579,851	33,776	576,286
Print shop/mailroom, management information system, geographic information system	3,048,079	2,924,825	123,254	2,410,076
Buildings and grounds and housekeeping	3,026,125	2,737,754	288,371	2,885,770
Non-departmental - general administration	1,543,242	1,418,666	124,576	2,061,492
Total	14,723,945	13,629,713	1,094,232	13,972,599
<b>Public Safety:</b>				
Sheriff's Department, school security, other public safety	12,237,504	11,774,741	462,763	11,270,004
Detention Center, jail inmate services, jail health services	14,561,755	13,615,274	946,481	10,738,893
Emergency services	932,422	864,504	67,918	839,538
Communications	1,137,232	1,066,076	71,156	992,104
Planning E911	140,286	140,497	(211)	-
Animal and mosquito control	514,520	492,049	22,471	498,593
Inspections	389,309	299,961	89,348	382,146
Medical examiner	95,000	76,930	18,070	87,790
Transportation	4,500	5,059	(559)	4,557
Court facility	331,780	332,521	(741)	304,351
Total	30,344,308	28,667,612	1,676,696	25,117,976

PITT COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Environmental Protection:</b>				
Other environmental protection	1,000	1,000	-	1,000
Soil and water conservation	257,615	251,499	6,116	241,986
Total	258,615	252,499	6,116	242,986
<b>Economic and Physical Development:</b>				
Planning and zoning	794,788	764,733	30,055	742,385
Permitting center	188,495	154,416	34,079	176,971
Other economic development	156,438	156,351	87	148,351
Engineering	186,883	151,490	35,393	166,085
Cooperative extension	356,384	335,298	21,086	346,006
Farmers' Market	47,618	36,980	10,638	40,501
Total	1,730,606	1,599,268	131,338	1,620,299
<b>Human Services:</b>				
Other human services	225,202	224,494	708	258,080
Veterans affairs	116,707	114,500	2,207	112,674
Total	341,909	338,994	2,915	370,754
<b>Public Health:</b>				
Administration	2,326,290	2,221,991	104,299	2,208,957
Services and programs	8,991,586	8,058,084	933,502	7,212,699
Total	11,317,876	10,280,075	1,037,801	9,421,656
<b>Social Services:</b>				
Administration	12,155,002	11,686,849	468,153	11,273,205
Services and programs	10,078,131	10,043,787	34,344	4,974,325
Public assistance	8,322,482	7,198,833	1,123,649	15,463,640
Child support	2,401,968	2,291,136	110,832	2,241,314
Total	32,957,583	31,220,605	1,736,978	33,952,484
<b>Mental Health:</b>				
Services and programs	787,506	772,825	14,681	1,298,066
Total	787,506	772,825	14,681	1,298,066
Total human services	45,404,874	42,612,499	2,792,375	45,042,960
<b>Education:</b>				
Pitt County schools	34,889,841	34,889,841	-	34,147,566
Pitt Community College	4,185,835	4,185,835	-	3,929,750
Total	39,075,676	39,075,676	-	38,077,316



PITT COUNTY, NORTH CAROLINA

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
Cultural and Recreation	648,311	645,587	2,724	608,328
Debt Service	145,354	138,882	6,472	145,351
Total expenditures	132,331,689	126,621,736	5,709,953	124,827,815
Revenues over (under) expenditures	1,865,950	3,516,759	1,650,809	6,109,879
Other Financing Sources (Uses):				
Transfers in (out):				
Special revenue funds	(110,456)	(96,361)	14,095	(340,431)
Debt Service Fund	(7,123,606)	(7,123,606)	-	(7,400,066)
Debt Service Fund	60,000	60,000	-	-
Capital project funds	1,124,280	-	(1,124,280)	-
Capital project funds	(800,000)	(800,000)	-	-
Debt obligation issued	430,000	429,401	(599)	-
Appropriated fund balance	4,553,832	-	(4,553,832)	-
Total other financing sources (uses)	(1,865,950)	(7,530,566)	(5,664,616)	(7,740,497)
Net change in fund balance	\$ -	(4,013,807)	\$ (4,013,807)	(1,630,618)
Fund Balance:				
Beginning of year - July 1		29,587,704		31,218,322
End of year - June 30		\$ 25,573,897		\$ 29,587,704

# PITT COUNTY, NORTH CAROLINA

## GENERAL FUND - COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL DEPARTMENTS FOR THE YEAR ENDED JUNE 30, 2010

	<i>Schedule B-3</i> <b>General Services Department</b>	<i>Schedule B-4</i> <b>Public Health Department</b>	<i>Schedule B-5</i> <b>Social Services Department</b>
<b>Revenues:</b>			
Ad valorem taxes	\$ 74,512,534	\$ -	\$ -
Other taxes and licenses	16,055,561	-	-
Unrestricted intergovernmental revenues	1,121,738	-	524,470
Restricted intergovernmental revenues	586,137	5,821,400	22,200,780
Permits and fees	1,680,465	-	-
Sales and services	5,900,780	-	241,406
Investment earnings	325,758	-	-
Miscellaneous	645,308	-	72,450
Total revenues	<u>100,828,281</u>	<u>5,821,400</u>	<u>23,039,106</u>
<b>Expenditures:</b>			
General government	13,629,713	-	-
Public safety	28,335,091	-	-
Environmental protection	252,499	-	-
Economic and physical development	1,599,268	-	-
Human services	338,994	10,280,075	31,220,605
Education	39,075,676	-	-
Cultural and recreational	645,587	-	-
Debt service	138,882	-	-
Total expenditures	<u>84,015,710</u>	<u>10,280,075</u>	<u>31,220,605</u>
Revenues over (under) expenditures	<u>16,812,571</u>	<u>(4,458,675)</u>	<u>(8,181,499)</u>
<b>Other Financing Sources (Uses):</b>			
Debt obligation issued	429,401	-	-
Intrafund transfers in (out)	(12,982,622)	4,131,204	8,291,418
Transfers in (out):			
Out to special revenue funds	(96,361)	-	-
Out to Debt Service Fund	(7,123,606)	-	-
In from Debt Service Fund	60,000	-	-
Out to Capital Project Fund	(800,000)	-	-
Total other financing sources (uses)	<u>(20,513,188)</u>	<u>4,131,204</u>	<u>8,291,418</u>
Net change in fund balances	(3,700,617)	(327,471)	109,919
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>24,973,043</u>	<u>1,245,757</u>	<u>3,159,478</u>
End of year - June 30	<u>\$ 21,272,426</u>	<u>\$ 918,286</u>	<u>\$ 3,269,397</u>

**Schedule B-2**

<i>Schedule B-6</i> Court Facility Department	<i>Schedule B-7</i> Mental Health Department	Combined Total
\$ -	\$ -	\$ 74,512,534
-	-	16,055,561
-	-	1,646,208
-	152,057	28,760,374
296,965	-	1,977,430
-	-	6,142,186
686	-	326,444
-	-	717,758
<u>297,651</u>	<u>152,057</u>	<u>130,138,495</u>
-	-	13,629,713
332,521	-	28,667,612
-	-	252,499
-	-	1,599,268
-	772,825	42,612,499
-	-	39,075,676
-	-	645,587
-	-	138,882
<u>332,521</u>	<u>772,825</u>	<u>126,621,736</u>
<u>(34,870)</u>	<u>(620,768)</u>	<u>3,516,759</u>
-	-	429,401
-	560,000	-
-	-	(96,361)
-	-	(7,123,606)
-	-	60,000
-	-	(800,000)
<u>-</u>	<u>560,000</u>	<u>(7,530,566)</u>
(34,870)	(60,768)	(4,013,807)
<u>80,471</u>	<u>128,955</u>	<u>29,587,704</u>
<u>\$ 45,601</u>	<u>\$ 68,187</u>	<u>\$ 25,573,897</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, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 73,727,355	\$ 74,032,697	\$ 305,342	\$ 72,972,399
Penalties and interest	500,000	479,837	(20,163)	635,658
Total	74,227,355	74,512,534	285,179	73,608,057
<b>Other Taxes and Licenses:</b>				
Occupancy tax	21,500	20,904	(596)	20,461
Local options sales tax	16,451,286	14,166,657	(2,284,629)	17,816,780
Payment in lieu of tax	1,405,000	1,649,192	244,192	1,605,720
Privilege licenses	5,000	10,884	5,884	9,340
Marriage licenses	29,000	24,705	(4,295)	25,447
Gross receipts tax	91,500	183,219	91,719	384,516
Total	18,003,286	16,055,561	(1,947,725)	19,862,264
<b>Unrestricted Intergovernmental Revenues:</b>				
Alcohol, beer, and wine tax	80,000	71,738	(8,262)	230,369
Pitt County ABC Board	1,100,000	1,050,000	(50,000)	1,000,000
Total	1,180,000	1,121,738	(58,262)	1,230,369
<b>Restricted Intergovernmental Revenues:</b>				
Jail fees	311,760	485,545	173,785	347,169
Federal and State grants	100,000	100,592	592	120,165
Total	411,760	586,137	174,377	467,334
<b>Permits and Fees:</b>				
Building permits and inspection fees	415,120	391,391	(23,729)	361,027
Register of Deeds	717,960	643,995	(73,965)	679,629
Excise stamps	541,128	480,860	(60,268)	456,088
Automation E&P - Register of Deeds	95,000	73,003	(21,997)	76,999
Rabies control fees	24,000	23,906	(94)	26,193
Animal fees	72,900	67,310	(5,590)	79,673
Total	1,866,108	1,680,465	(185,643)	1,679,609
<b>Sales and Services:</b>				
Rents, concessions, and fees	4,174,812	4,443,159	268,347	3,937,104
Federal and State prison inmate reimbursement	1,169,627	1,457,621	287,994	1,430,498
Total	5,344,439	5,900,780	556,341	5,367,602
<b>Investment Earnings</b>	1,200,000	325,758	(874,242)	963,712

## 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, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010		2009
	Budget	Actual	Variance Over/Under
			Actual
<b>Miscellaneous:</b>			
Sale of fixed assets	34,000	13,846	(20,154)
Other income	545,708	631,462	85,754
Total	579,708	645,308	65,600
<b>Total revenues</b>	<b>102,812,656</b>	<b>100,828,281</b>	<b>(1,984,375)</b>
<b>Expenditures:</b>			
<b>General Government:</b>			
<b>Governing Body:</b>			
Salaries and employee benefits	196,889	191,627	5,262
Operating expenses	48,204	47,264	940
Total	245,093	238,891	6,202
<b>County Manager:</b>			
Salaries and employee benefits	423,459	407,814	15,645
Operating expenses	23,825	22,206	1,619
Total	447,284	430,020	17,264
<b>Financial Services:</b>			
Salaries and employee benefits	805,032	788,893	16,139
Operating expenses	33,282	26,239	7,043
Total	838,314	815,132	23,182
<b>Tax Assessor:</b>			
Salaries and employee benefits	1,929,376	1,784,924	144,452
Operating expenses	398,345	292,359	105,986
Total	2,327,721	2,077,283	250,438
<b>Tax Collector:</b>			
Salaries and employee benefits	-	-	530,395
Operating expenses	-	-	44,809
Total	-	-	575,204
<b>Legal:</b>			
Salaries and employee benefits	852,973	817,639	35,334
Operating expenses	53,488	43,870	9,618
Total	906,461	861,509	44,952

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, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Elections:</b>				
Salaries and employee benefits	410,882	404,169	6,713	412,133
Operating expenses	267,425	270,592	(3,167)	181,982
Total	678,307	674,761	3,546	594,115
<b>Register of Deeds:</b>				
Salaries and employee benefits	622,189	533,260	88,929	594,919
Operating expenses	227,806	180,076	47,730	204,266
Total	849,995	713,336	136,659	799,185
<b>Public Information Office:</b>				
Salaries and employee benefits	125,817	91,164	34,653	74,590
Operating expenses	73,880	66,521	7,359	71,149
Capital outlay	-	-	-	7,367
Total	199,697	157,685	42,012	153,106
<b>Human Resources:</b>				
Salaries and employee benefits	571,188	545,686	25,502	541,456
Operating expenses	42,439	34,165	8,274	34,830
Total	613,627	579,851	33,776	576,286
<b>Print Shop/Mail Room:</b>				
Salaries and employee benefits	128,517	125,062	3,455	122,060
Operating expenses	62,600	61,763	837	58,766
Reimbursement from other departments/funds	(50,000)	(56,217)	6,217	(31,889)
Total	141,117	130,608	10,509	148,937
<b>Management Information Systems:</b>				
Salaries and employee benefits	2,267,328	2,197,988	69,340	2,124,331
Operating expenses	960,275	1,016,109	(55,834)	822,096
Capital outlay	390,000	312,870	77,130	71,018
Reimbursement from other departments/funds	(1,091,668)	(1,105,696)	14,028	(1,079,811)
Total	2,525,935	2,421,271	104,664	1,937,634
<b>Geographical Information Systems:</b>				
Salaries and employee benefits	279,077	277,949	1,128	260,319
Operating expenses	201,950	202,475	(525)	163,685
Capital outlay	50,000	50,000	-	62,782
Reimbursement from other departments/funds	(150,000)	(157,478)	7,478	(163,281)
Total	381,027	372,946	8,081	323,505

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, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010		2009
	Budget	Actual	Variance Over/Under
			Actual
<b>Buildings and Grounds:</b>			
Salaries and employee benefits	1,263,961	1,108,538	155,423
Operating expenses	1,379,664	1,210,420	169,244
Capital outlay	9,500	10,440	(940)
Total	2,653,125	2,329,398	323,727
<b>Housekeeping:</b>			
Operating expenses	373,000	408,356	(35,356)
Total	373,000	408,356	(35,356)
<b>General Government Non-Allocated Expenditures:</b>			
Other employee insurance and benefits	132,150	120,487	11,663
Professional services	123,960	110,616	13,344
Insurance and bonding	575,000	510,395	64,605
Quasi-external workers' compensation	495,000	495,000	-
Miscellaneous items	217,132	182,168	34,964
Total	1,543,242	1,418,666	124,576
Total general government	14,723,945	13,629,713	1,094,232
<b>Public Safety:</b>			
<b>Sheriff:</b>			
Salaries and employee benefits	9,541,815	9,380,700	161,115
Operating expenses	1,462,020	1,411,758	50,262
Capital outlay	214,324	199,876	14,448
Total	11,218,159	10,992,334	225,825
<b>Detention Center:</b>			
Salaries and employee benefits	9,820,827	9,356,623	464,204
Operating expenses	2,840,983	2,558,019	282,964
Capital outlay	125,000	125,000	-
Total	12,786,810	12,039,642	747,168
<b>Jail Health Services:</b>			
Salaries and benefits	1,579,785	1,449,309	130,476
Operating expenses	145,200	76,383	68,817
Total	1,724,985	1,525,692	199,293
<b>Jail Inmate Coordinator:</b>			
Salaries and benefits	49,960	49,940	20
Total	49,960	49,940	20

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, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>School Security:</b>				
Salaries and benefits	643,419	561,631	81,788	618,004
Operating expenses	21,860	10,324	11,536	12,139
Total	665,279	571,955	93,324	630,143
<b>Emergency Services:</b>				
Salaries and benefits	461,952	456,775	5,177	441,491
Operating expenses	470,470	407,729	62,741	398,047
Total	932,422	864,504	67,918	839,538
<b>Communications:</b>				
Salaries and benefits	1,052,434	1,004,291	48,143	955,333
Operating expenses	84,451	61,439	23,012	36,771
Capital outlay	347	346	1	-
Total	1,137,232	1,066,076	71,156	992,104
<b>Planning E911:</b>				
Salaries and benefits	136,786	135,510	1,276	-
Operating expenses	3,500	4,987	(1,487)	-
Total	140,286	140,497	(211)	-
<b>Animal and Mosquito Control:</b>				
Salaries and employee benefits	363,726	347,712	16,014	364,642
Operating expenses	150,794	144,337	6,457	133,951
Total	514,520	492,049	22,471	498,593
<b>Inspections:</b>				
Salaries and employee benefits	358,099	284,950	73,149	346,661
Operating expenses	31,210	15,011	16,199	35,485
Total	389,309	299,961	89,348	382,146
<b>Medical Examiner:</b>				
Professional services	95,000	76,930	18,070	87,790
Total	95,000	76,930	18,070	87,790
<b>Other Public Safety:</b>				
Operating expenses	354,066	210,452	143,614	183,522
Total	354,066	210,452	143,614	183,522
<b>Transportation:</b>				
Operating expenses	4,500	5,059	(559)	4,557
Total	4,500	5,059	(559)	4,557
<b>Total public safety</b>	<b>30,012,528</b>	<b>28,335,091</b>	<b>1,677,437</b>	<b>24,813,625</b>



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, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Environmental Protection:</b>				
<b>Other Environmental Protection:</b>				
Contracts/grants	1,000	1,000	-	1,000
Total	1,000	1,000	-	1,000
<b>Pitt Soil and Water Conservation:</b>				
Salaries and benefits	236,270	234,861	1,409	226,097
Operating expenses	21,345	16,638	4,707	15,889
Total	257,615	251,499	6,116	241,986
Total environmental protection	258,615	252,499	6,116	242,986
<b>Economic and Physical Development:</b>				
<b>Planning and Zoning:</b>				
Salaries and employee benefits	679,188	675,257	3,931	646,436
Operating expenses	115,600	89,476	26,124	95,949
Total	794,788	764,733	30,055	742,385
<b>Permitting Center:</b>				
Salaries and benefits	175,295	147,228	28,067	167,692
Operating expenses	13,200	7,188	6,012	9,279
Total	188,495	154,416	34,079	176,971
<b>Other Economic Development:</b>				
Operating expenses	156,438	156,351	87	148,351
Total	156,438	156,351	87	148,351
<b>Engineering:</b>				
Salaries and employee benefits	178,692	144,839	33,853	159,767
Operating expenses	8,191	6,651	1,540	6,318
Total	186,883	151,490	35,393	166,085
<b>Cooperative Extension:</b>				
Operating expenses	123,169	104,965	18,204	98,156
Professional services	233,215	230,333	2,882	247,850
Total	356,384	335,298	21,086	346,006
<b>Farmers' Market:</b>				
Salaries and employee benefits	33,968	28,814	5,154	28,386
Professional services	13,650	8,166	5,484	12,115
Total	47,618	36,980	10,638	40,501
Total economic and physical development	1,730,606	1,599,268	131,338	1,620,299

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, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Human Services:</b>				
Other human services	225,202	224,494	708	258,080
Veterans affairs	116,707	114,500	2,207	112,674
Total human services	341,909	338,994	2,915	370,754
<b>Education:</b>				
<b>Pitt County Schools:</b>				
Current	34,139,841	34,139,841	-	33,397,566
Capital outlay	750,000	750,000	-	750,000
Total	34,889,841	34,889,841	-	34,147,566
<b>Pitt Community College:</b>				
Current	4,110,835	4,110,835	-	3,854,750
Capital outlay	75,000	75,000	-	75,000
Total	4,185,835	4,185,835	-	3,929,750
Total education	39,075,676	39,075,676	-	38,077,316
<b>Cultural and Recreational:</b>				
Cultural - contracts/grants	82,615	79,891	2,724	36,022
Recreational - contracts/grants	-	-	-	22,000
Libraries - contracts/grants	565,696	565,696	-	550,306
Total cultural and recreational	648,311	645,587	2,724	608,328
<b>Debt Service:</b>				
Principal repayments	139,199	130,402	8,797	139,078
Interest and fees	6,155	8,480	(2,325)	6,273
Total debt service	145,354	138,882	6,472	145,351
Total expenditures	86,936,944	84,015,710	2,921,234	79,851,258
Revenues over (under) expenditures	15,875,712	16,812,571	936,859	23,656,701

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, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010		2009
	Budget	Actual	Variance Over/Under
			Actual
<b>Other Financing Sources (Uses):</b>			
Intrafund transfers in (out):			
Public Health from General Fund	(4,131,204)	(4,131,204)	-
DSS from General Fund	(9,131,418)	(8,291,418)	840,000
Mental Health	(560,000)	(560,000)	-
Total	(13,822,622)	(12,982,622)	840,000
<b>Operating transfers in (out):</b>			
Special revenue funds	(110,456)	(96,361)	14,095
Debt Service Fund	(7,123,606)	(7,123,606)	-
Debt Service Fund	60,000	60,000	-
Capital project funds	1,124,280	-	(1,124,280)
Capital project funds	(800,000)	(800,000)	-
Total	(6,849,782)	(7,959,967)	(1,110,185)
<b>Budgetary Financing Sources (Uses):</b>			
Debt obligation issued	430,000	429,401	(599)
Appropriated fund balance - General Fund	4,366,692	-	(4,366,692)
Total	4,796,692	429,401	(4,367,291)
<b>Total other financing sources (uses)</b>	<b>(15,875,712)</b>	<b>(20,513,188)</b>	<b>(4,637,476)</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ (3,700,617)</b>	<b>\$ (3,700,617)</b>
			<b>\$ (1,357,931)</b>

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, 2010  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
Administration	\$ 288,088	\$ 278,291	\$ (9,797)	\$ 139,596
Environmental health	133,663	95,782	(37,881)	115,620
Food and lodging	14,673	13,577	(1,096)	14,674
Vector control program	2,337	2,337	-	-
Tuberculosis	34,499	54,729	20,230	39,804
Tuberculosis CDC	56,997	39,133	(17,864)	39,133
Adolescent pregnancy grants	664	659	(5)	5,492
Healthy Start	161,296	159,330	(1,966)	159,731
Cardiovascular health	204,458	202,541	(1,917)	153,908
Smart Start	150,400	143,061	(7,339)	131,284
Adult health	9,330	3,651	(5,679)	9,086
Health promotion	43,590	41,876	(1,714)	44,462
AIDS	67,500	56,713	(10,787)	92,645
Epilepsy	-	-	-	16,486
Breast/cervical cancer prevention	43,281	44,015	734	49,875
Communicable disease	170,496	132,495	(38,001)	167,727
Community transition coordination	-	-	-	40,333
Infant mortality	50,000	50,000	-	51,880
Child health	352,959	188,040	(164,919)	166,826
Maternal health	664,700	631,261	(33,439)	618,769
Family planning	414,408	389,050	(25,358)	526,170
Maternity care coordination	349,380	324,728	(24,652)	426,693
Child services coordination	233,548	291,302	57,754	346,043
WIC administration	89,966	48,745	(41,221)	44,794
WIC nutrition	349,661	287,066	(62,595)	243,190
WIC breastfeeding	26,157	57,813	31,656	34,078
WIC client services	332,300	431,389	99,089	370,790
Immunization action plan	41,893	40,970	(923)	87,606
Mobile dental unit	180,730	140,084	(40,646)	139,681
Nurse family partnership	485,583	411,301	(74,282)	149,654
Emergency planning - HD	104,700	108,245	3,545	88,948
In-home breastfeeding	57,984	56,828	(1,156)	41,746
Public Health special projects	520,505	433,482	(87,023)	-
Bioterrorism team	501,434	488,105	(13,329)	373,802
DHHS Funds	76,099	59,087	(17,012)	47,701

## 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, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
WIC Peer Counseling	15,436	6,592	(8,844)	11,951
Public Health Ready	131,298	108,529	(22,769)	106,866
Diabetes Recognition Program	2,413	593	(1,820)	-
Total revenues	6,362,426	5,821,400	(541,026)	5,097,044
<b>Expenditures:</b>				
Administration	2,326,290	2,221,991	104,299	2,208,957
Environmental health	1,275,903	1,237,166	38,737	1,214,337
Food and lodging	22,400	14,068	8,332	15,151
Vector Control Program	80,483	68,935	11,548	57,657
Tuberculosis	100,687	88,382	12,305	86,892
Tuberculosis CDC	68,159	70,082	(1,923)	64,582
Adolescent pregnancy prevention	664	659	5	5,492
Healthy Start	163,476	158,170	5,306	160,976
Cardiovascular health	204,986	202,541	2,445	155,134
Smart Start	150,400	147,120	3,280	133,995
Project Assistance	-	-	-	(441)
Adult health	29,800	23,370	6,430	23,557
Health promotion	199,753	187,975	11,778	177,615
AIDS	329,227	318,555	10,672	328,611
Drugs and vaccines	-	-	-	15,833
Breast/cervical cancer prevention	43,281	38,388	4,893	38,517
Communicable disease	515,895	446,963	68,932	440,984
Community transition coordination	-	-	-	50,420
Infant mortality	70,449	69,509	940	69,800
Child health	353,181	304,757	48,424	315,047
Maternal health	896,327	770,817	125,510	826,115
Family planning	738,265	679,155	59,110	643,311
Maternity care coordination	313,766	295,412	18,354	267,648
Child services coordination	441,204	364,063	77,141	382,760
WIC administration	102,555	101,496	1,059	100,572
WIC nutrition	358,241	352,148	6,093	275,840
WIC breastfeeding	8,476	4,619	3,857	1,587
WIC client services	352,646	351,839	807	341,296
Immunization action plan	42,421	39,727	2,694	51,171
Mobile dental unit	186,333	154,494	31,839	142,366

## 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, 2010

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
ABCD project grant	78,400	77,955	445	75,890
March of Dimes outreach	530	530	-	-
Nurse family partnership	485,583	411,616	73,967	149,805
Emergency planning - HD	103,068	101,312	-	87,085
In-home breastfeeding	57,984	56,856	-	41,746
Public Health special projects	520,505	292,615	-	-
Bioterrorism team	501,434	485,346	16,088	351,148
DHHS funds	76,099	59,019	17,080	48,002
WIC Peer Counseling	15,436	6,592	8,844	11,951
BT team special projects	-	-	-	2,227
HIV STD NTT	52,932	30,500	22,432	29,530
Hispanic Peer	47,797	43,702	4,095	26,418
Diabetes Recognition Program	2,840	1,631	1,209	2,072
Total expenditures	11,317,876	10,280,075	807,027	9,421,656
Revenues over (under) expenditures	(4,955,450)	(4,458,675)	496,775	(4,324,612)
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer from General Fund	4,131,204	4,131,204	-	4,134,136
Appropriated fund balance	824,246	-	(824,246)	-
Total other financing sources (uses)	4,955,450	4,131,204	(824,246)	4,134,136
Net change in fund balance	\$ -	\$ (327,471)	\$ (327,471)	\$ (190,476)

## 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, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Unrestricted intergovernmental revenues:				
Fees and grants	\$ 408,500	\$ 524,470	\$ 115,970	\$ 474,024
Restricted intergovernmental revenues:				
Fees and grants	23,820,586	22,200,780	(1,619,806)	20,326,118
Sales and services	268,079	241,406	(26,673)	785,106
Miscellaneous	56,634	72,450	15,816	60,236
Total revenues	24,553,799	23,039,106	(1,514,693)	21,645,484
<b>Expenditures:</b>				
Social services administration	1,586,693	1,488,660	98,033	1,479,400
Other administration expenses	1,271,400	1,182,972	88,428	1,257,363
Regular services administration	5,214,592	5,058,001	156,591	4,857,482
Purchased services	9,733,133	9,749,378	(16,245)	8,193,436
Public assistance programs	5,096,852	4,202,205	894,647	9,337,660
Long-term screening	114,000	102,982	11,018	102,672
General assistance	163,632	116,921	46,711	101,162
Title IV D child support	2,401,968	2,291,136	110,832	2,241,314
Work first	1,506,965	1,440,990	65,975	1,423,308
Daycare	388,760	390,237	(1,477)	357,177
Income maintenance administration	4,082,317	3,957,216	125,101	3,678,760
Energy programs	864,475	748,076	116,399	646,462
Purchased services HCCBG	301,798	300,404	1,394	276,288
Homeless prevention	230,998	191,427	39,571	-
Total expenditures	32,957,583	31,220,605	1,736,978	33,952,484
Revenues over (under) expenditures	(8,403,784)	(8,181,499)	222,285	(12,307,000)
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer in - General Fund	9,131,418	8,291,418	(840,000)	12,569,999
Appropriated fund balance	(727,634)	-	727,634	-
Total other financing sources (uses)	8,403,784	8,291,418	(112,366)	12,569,999
Net change in fund balance	\$ -	\$ 109,919	\$ 109,919	\$ 262,999

## 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, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Permits and fees:				
Court facility fees	\$ 321,000	\$ 296,965	\$ (24,035)	\$ 316,762
Miscellaneous revenues	-	-	-	3,069
Investment earnings	252	686	434	1,350
Total revenues	<u>321,252</u>	<u>297,651</u>	<u>(23,601)</u>	<u>321,181</u>
<b>Expenditures:</b>				
Public safety:				
Salaries and employee benefits	58,680	57,721	-	56,044
Operating expenses	<u>273,100</u>	<u>274,800</u>	-	<u>248,307</u>
Total expenditures	<u>331,780</u>	<u>332,521</u>	<u>(741)</u>	<u>304,351</u>
Revenues over (under) expenditures	<u>(10,528)</u>	<u>(34,870)</u>	<u>(24,342)</u>	<u>16,830</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>10,528</u>	-	<u>(10,528)</u>	-
Total other financing sources (uses)	<u>10,528</u>	-	<u>(10,528)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (34,870)</u>	<u>\$ (34,870)</u>	<u>\$ 16,830</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, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
General agency - administration	\$ 147,506	\$ 152,057	\$ 4,551	\$ 8,644,001
Residential contracts	-	-	-	255,610
Adolescent Outreach	-	-	-	7,560
DD wait list	-	-	-	1,198,093
Adult DD contracts	-	-	-	208,710
Child DD contracts	-	-	-	46,062
MRMI contracts	-	-	-	21,815
Psychological rehabilitation	-	-	-	30
Adult MH/SA general	-	-	-	686
Child SA contracts	-	-	-	305,081
Adult SA contracts	-	-	-	280,217
Adult MH contracts	-	-	-	260,288
Total revenues	<u>147,506</u>	<u>152,057</u>	<u>4,551</u>	<u>11,228,153</u>
<b>Expenditures:</b>				
Mental Health area director	-	-	-	571,687
QI regulatory compliance	-	-	-	169,577
Administrative services	-	-	-	199,811
General agency	787,506	772,825	14,681	2,242,224
Provider relations	-	-	-	6,649
Residential contracts	-	-	-	151,696
DD wait list	-	-	-	7,509,116
Adult DD contracts	-	-	-	152,248
Care management	-	-	-	374,291
Child SA contracts	-	-	-	162,663
Adult MH contracts	-	-	-	67
Total expenditures	<u>787,506</u>	<u>772,825</u>	<u>14,681</u>	<u>11,540,029</u>
Revenues over (under) expenditures	<u>(640,000)</u>	<u>(620,768)</u>	<u>19,232</u>	<u>(311,876)</u>
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer in - General Fund	560,000	560,000	-	1,394,588
Transfer out - special revenue funds	-	-	-	(30,000)
Appropriated fund balance	<u>80,000</u>	<u>-</u>	<u>(80,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>640,000</u>	<u>560,000</u>	<u>(80,000)</u>	<u>1,364,588</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (60,768)</u>	<u>\$ (60,768)</u>	<u>\$ 1,052,712</u>



## **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:

- **School Capital Reserve Fund** – Accounts for the accumulation of resources to be used for the construction and renovation of Pitt County Schools. (Major Fund – see Exhibit G)
- **County Capital Reserve Fund** – Accounts for the accumulation of resources to be used for construction of educational facilities. (Major Fund – see Exhibit H)
- **State & Federal Asset Forfeiture Fund** – Accounts for the funds appropriated from seizure/forfeiture cases and restricted for the Sheriff's use.
- **CDBG Fund** – Accounts for proceeds of a multi-year Community Development Block Grant (CDBG) to improve substandard housing.
- **State Grants Fund** – Accounts for special purpose grant funding.
- **Pitt Area Transit Fund** – Accounts used to operate the County transportation system.
- **Industrial Development Building Reserve Fund** – Accounts for the accumulation of resources to be used for future capital improvements.
- **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.
- **E911 Surcharge Fund** – Established to account for the accumulation of telephone surcharge fees used to maintain the County's E911 Center.

# PITT COUNTY, NORTH CAROLINA

## COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2010

	<i>Schedule C-3</i>	<i>Schedule C-4</i>	<i>Schedule C-5</i>	<i>Schedule C-6</i>
	State/Federal	CDBG	State	Pitt Area
	Forfeiture	Special Revenue	Grants	Transit System
	Fund	Fund	Fund	Special Revenue
	Fund	Fund	Fund	Fund
<b>Assets:</b>				
Cash, cash equivalents, and investments	\$ 78,676	\$ (9,547)	\$ (317,916)	\$ (31,952)
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	36,152
Prepaid items	10,200	-	-	600
Due from other governments	-	11,653	428,562	-
<b>Total assets</b>	<b>\$ 88,876</b>	<b>\$ 2,106</b>	<b>\$ 110,646</b>	<b>\$ 4,800</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 189	\$ 10,906	\$ 155,643	\$ 3,190
Deferred revenues	-	-	-	8,284
<b>Total liabilities</b>	<b>189</b>	<b>10,906</b>	<b>155,643</b>	<b>11,474</b>
<b>Fund Balances:</b>				
Reserved by State statute	-	-	428,562	27,868
Reserved for prepaid items	10,200	-	-	600
Unreserved, Special Revenue Fund	78,487	(8,800)	(473,559)	(35,142)
<b>Total fund balances</b>	<b>88,687</b>	<b>(8,800)</b>	<b>(44,997)</b>	<b>(6,674)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 88,876</b>	<b>\$ 2,106</b>	<b>\$ 110,646</b>	<b>\$ 4,800</b>

Schedule C-1

<i>Schedule C-7</i> Industrial Development Building Reserve Fund	<i>Schedule C-8</i> Fire Districts Fund	<i>Schedule C-9</i> EMS District Fund	<i>Schedule C-10</i> E911 Surcharge Fund	Total
\$ 656,908	\$ 149,385	\$ 756,377	\$ 1,033,538	\$ 2,315,469
-	92,790	147,695	-	240,485
-	-	503,970	63,274	603,396
-	-	62,775	-	73,575
-	-	-	-	440,215
<u>\$ 656,908</u>	<u>\$ 242,175</u>	<u>\$ 1,470,817</u>	<u>\$ 1,096,812</u>	<u>\$ 3,673,140</u>
\$ -	\$ 21,153	\$ 8,294	\$ 8,351	\$ 207,726
-	92,788	651,665	57	752,794
-	113,941	659,959	8,408	960,520
-	-	-	63,217	519,647
-	-	62,775	-	73,575
656,908	128,234	748,083	1,025,187	2,119,398
<u>656,908</u>	<u>128,234</u>	<u>810,858</u>	<u>1,088,404</u>	<u>2,712,620</u>
<u>\$ 656,908</u>	<u>\$ 242,175</u>	<u>\$ 1,470,817</u>	<u>\$ 1,096,812</u>	<u>\$ 3,673,140</u>

# PITT COUNTY, NORTH CAROLINA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS FOR THE YEAR ENDED JUNE 30, 2010

	<i>Schedule C-3</i>	<i>Schedule C-4</i>	<i>Schedule C-5</i>	<i>Schedule C-6</i>
	State/Federal	CDBG	State	Pitt Area
	Forfeiture	Special Revenue	Grants	Transit System
	Fund	Fund	Fund	Special Revenue
	Fund	Fund	Fund	Fund
<b>Revenues:</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	108,140	29,829	2,554,202	985,723
Sales and services	-	-	-	80,189
Investment earnings	490	-	-	-
Miscellaneous	-	-	78,841	-
Total revenues	<u>108,630</u>	<u>29,829</u>	<u>2,633,043</u>	<u>1,065,912</u>
<b>Expenditures:</b>				
Current:				
Public safety	304,270	-	-	-
Economic and physical development	-	39,246	2,793,073	1,032,839
Debt service	-	-	-	-
Total expenditures	<u>304,270</u>	<u>39,246</u>	<u>2,793,073</u>	<u>1,032,839</u>
Revenues over (under) expenditures	<u>(195,640)</u>	<u>(9,417)</u>	<u>(160,030)</u>	<u>33,073</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	64,733	31,628
Transfers out	-	-	-	(11,160)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>64,733</u>	<u>20,468</u>
Net change in fund balances	(195,640)	(9,417)	(95,297)	53,541
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>284,327</u>	<u>617</u>	<u>50,300</u>	<u>(60,215)</u>
End of year - June 30	<u>\$ 88,687</u>	<u>\$ (8,800)</u>	<u>\$ (44,997)</u>	<u>\$ (6,674)</u>

Schedule C-2

<i>Schedule C-7</i> Industrial Development Building Reserve Fund	<i>Schedule C-8</i> Fire Districts Fund	<i>Schedule C-9</i> EMS District Fund	<i>Schedule C-10</i> E911 Surcharge Fund	Total
\$ -	\$ 1,623,723	\$ 2,495,648	\$ -	\$ 4,119,371
-	-	-	-	3,677,894
-	-	2,388,656	759,286	3,228,131
1,821	-	-	1,331	3,642
-	35,353	-	-	114,194
<u>1,821</u>	<u>1,659,076</u>	<u>4,884,304</u>	<u>760,617</u>	<u>11,143,232</u>
-	1,608,824	4,566,294	453,355	6,932,743
400,000	-	-	-	4,265,158
-	-	166,894	-	166,894
<u>400,000</u>	<u>1,608,824</u>	<u>4,733,188</u>	<u>453,355</u>	<u>11,364,795</u>
<u>(398,179)</u>	<u>50,252</u>	<u>151,116</u>	<u>307,262</u>	<u>(221,563)</u>
-	-	-	-	96,361
-	-	-	-	(11,160)
-	-	-	-	85,201
(398,179)	50,252	151,116	307,262	(136,362)
<u>1,055,087</u>	<u>77,982</u>	<u>659,742</u>	<u>781,142</u>	<u>2,848,982</u>
<u>\$ 656,908</u>	<u>\$ 128,234</u>	<u>\$ 810,858</u>	<u>\$ 1,088,404</u>	<u>\$ 2,712,620</u>

## PITT COUNTY, NORTH CAROLINA

STATE/FEDERAL FORFEITURE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
Federal asset seizure funds	\$ 38,372	\$ 38,371	\$ (1)	\$ -
State/federal excise tax	69,768	69,769	1	71,907
Investment earnings	-	490	490	2,553
Total revenues	<u>108,140</u>	<u>108,630</u>	<u>490</u>	<u>74,460</u>
<b>Expenditures:</b>				
Public safety	<u>392,467</u>	<u>304,270</u>	<u>88,197</u>	<u>264,362</u>
Total expenditures	<u>392,467</u>	<u>304,270</u>	<u>88,197</u>	<u>264,362</u>
Revenues over (under) expenditures	<u>(284,327)</u>	<u>(195,640)</u>	<u>88,687</u>	<u>(189,902)</u>
<b>Other Financing Sources (Uses):</b>				
Appropriated fund balance	<u>284,327</u>	-	<u>(284,327)</u>	-
Total other financing sources (uses)	<u>284,327</u>	-	<u>(284,327)</u>	-
Net change in fund balance	<u>\$ -</u>	<u>(195,640)</u>	<u>\$ (195,640)</u>	<u>\$ (189,902)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>284,327</u>		
End of year - June 30		<u>\$ 88,687</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, 2010

	Project	Actual		
	Authorization	Prior Years	Current Year	Total To Date
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
Federal grants	\$ 1,400,000	\$ 898,100	\$ 29,829	\$ 927,929
Total revenues	<u>1,400,000</u>	<u>898,100</u>	<u>29,829</u>	<u>927,929</u>
<b>Expenditures:</b>				
CDBG other	403,500	-	39,061	39,061
CDBG 2005-2006	600,000	501,207	-	501,207
CDBG 2007-2008	400,000	399,776	185	399,961
Total expenditures	<u>1,403,500</u>	<u>900,983</u>	<u>39,246</u>	<u>940,229</u>
Revenues over (under) expenditures	<u>(3,500)</u>	<u>(2,883)</u>	<u>(9,417)</u>	<u>(12,300)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 617</u>	<u>\$ (9,417)</u>	<u>\$ (8,800)</u>

## PITT COUNTY, NORTH CAROLINA

## STATE GRANTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2010

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
State grants	\$ 34,788,679	\$ 2,554,202	\$ (32,234,477)	\$ 1,747,787
Miscellaneous	95,552	78,841	(16,711)	50,741
Total revenues	<u>34,884,231</u>	<u>2,633,043</u>	<u>(32,251,188)</u>	<u>1,798,528</u>
<b>Expenditures:</b>				
Economic and physical development:				
Salaries and benefits	654,353	389,947	264,406	342,755
Operating expenses	<u>34,324,763</u>	<u>2,403,126</u>	<u>31,921,637</u>	<u>1,704,778</u>
Total expenditures	<u>34,979,116</u>	<u>2,793,073</u>	<u>32,186,043</u>	<u>2,047,533</u>
Revenues over (under) expenditures	<u>(94,885)</u>	<u>(160,030)</u>	<u>(65,145)</u>	<u>(249,005)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	107,504	64,733	(42,771)	299,776
Appropriated fund balance	<u>(12,619)</u>	<u>-</u>	<u>12,619</u>	<u>-</u>
Total other financing sources (uses)	<u>94,885</u>	<u>64,733</u>	<u>(30,152)</u>	<u>299,776</u>
Net change in fund balance	<u>\$ -</u>	<u>(95,297)</u>	<u>\$ (95,297)</u>	<u>\$ 50,771</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>50,300</u>		
End of year - June 30		<u>\$ (44,997)</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, 2010

## WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental revenues	\$ 1,230,005	\$ 985,723	\$ (244,282)	\$ 1,171,589
Sales and services	50,607	80,189	29,582	57,791
Total revenues	<u>1,280,612</u>	<u>1,065,912</u>	<u>(214,700)</u>	<u>1,229,380</u>
<b>Expenditures:</b>				
Economic and physical development:				
DOT Administrative Grant	<u>1,240,579</u>	<u>1,032,839</u>	<u>207,740</u>	<u>1,252,820</u>
Total expenditures	<u>1,240,579</u>	<u>1,032,839</u>	<u>207,740</u>	<u>1,252,820</u>
Revenues over (under) expenditures	<u>40,033</u>	<u>33,073</u>	<u>(6,960)</u>	<u>(23,440)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	31,628	31,628	-	30,772
Transfers out	(11,160)	(11,160)	-	-
Appropriated fund balance	<u>(60,501)</u>	<u>-</u>	<u>60,501</u>	<u>-</u>
Total other financing sources (uses)	<u>(40,033)</u>	<u>20,468</u>	<u>60,501</u>	<u>30,772</u>
Net change in fund balance	<u>\$ -</u>	<u>53,541</u>	<u>\$ 53,541</u>	<u>\$ 7,332</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>(60,215)</u>		
End of year - June 30		<u>\$ (6,674)</u>		

## PITT COUNTY, NORTH CAROLINA

INDUSTRIAL DEVELOPMENT BUILDING RESERVE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2010

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 1,821	\$ 1,821	\$ 1,275
<b>Expenditures:</b>				
General construction	400,000	400,000	-	-
Revenues over (under) expenditures	(400,000)	(398,179)	1,821	1,275
<b>Other Financing Sources (Uses):</b>				
Sale of capital assets	-	-	-	1,000,000
Appropriated fund balance	400,000	-	(400,000)	-
Total other financing sources (uses)	400,000	-	(400,000)	1,000,000
Net change in fund balance	\$ -	(398,179)	\$ (398,179)	\$ 1,001,275
<b>Fund Balance:</b>				
Beginning of year - July 1		1,055,087		
End of year - June 30		\$ 656,908		

## 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, 2010

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Ad valorem taxes	\$ 1,631,525	\$ 1,623,723	\$ (7,802)	\$ 1,645,725
Miscellaneous	-	35,353	35,353	-
Total revenues	<u>1,631,525</u>	<u>1,659,076</u>	<u>27,551</u>	<u>1,645,725</u>
<b>Expenditures:</b>				
Public safety	<u>1,631,525</u>	<u>1,608,824</u>	<u>22,701</u>	<u>1,676,473</u>
Total expenditures	<u>1,631,525</u>	<u>1,608,824</u>	<u>22,701</u>	<u>1,676,473</u>
Revenues over (under) expenditures	-	50,252	50,252	(30,748)
Net change in fund balance	<u>\$ -</u>	<u>50,252</u>	<u>\$ 50,252</u>	<u>\$ (30,748)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>77,982</u>		
End of year - June 30		<u>\$ 128,234</u>		

## PITT COUNTY, NORTH CAROLINA

## EMS DISTRICT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2010

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Ad valorem taxes	\$ 2,412,527	\$ 2,495,648	\$ 83,121	\$ 2,486,757
Investment income	-	-	-	77
Transport fees	2,153,000	2,388,656	235,656	2,351,475
Total revenues	<u>4,565,527</u>	<u>4,884,304</u>	<u>318,777</u>	<u>4,838,309</u>
<b>Expenditures:</b>				
Public safety	4,594,687	4,566,294	28,393	4,317,985
Debt service	175,675	166,894	8,781	129,817
Total expenditures	<u>4,770,362</u>	<u>4,733,188</u>	<u>37,174</u>	<u>4,447,802</u>
Revenues over (under) expenditures	<u>(204,835)</u>	<u>151,116</u>	<u>355,951</u>	<u>390,507</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	-	-	-	2,000
Contingency	204,835	-	(204,835)	-
Total other financing sources (uses)	<u>204,835</u>	<u>-</u>	<u>(204,835)</u>	<u>2,000</u>
Net change in fund balance	<u>\$ -</u>	<u>151,116</u>	<u>\$ 151,116</u>	<u>\$ 392,507</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>659,742</u>		
End of year - June 30		<u>\$ 810,858</u>		

## PITT COUNTY, NORTH CAROLINA

## E911 SURCHARGE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2010

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Sales and services - wireless fees	\$ 800,000	\$ 759,286	\$ (40,714)	\$ 828,145
Investment earnings	5,000	1,331	(3,669)	10,849
Total revenues	<u>805,000</u>	<u>760,617</u>	<u>(44,383)</u>	<u>838,994</u>
<b>Expenditures:</b>				
Public safety:				
E911 operations	908,529	453,355	455,174	486,566
Wireless operations	-	-	-	167,160
Total expenditures	<u>908,529</u>	<u>453,355</u>	<u>455,174</u>	<u>653,726</u>
Revenues over (under) expenditures	<u>(103,529)</u>	<u>307,262</u>	<u>410,791</u>	<u>185,268</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	-	-	-	7,883
Contingency	103,529	-	(103,529)	-
Total other financing sources (uses)	<u>103,529</u>	<u>-</u>	<u>(103,529)</u>	<u>7,883</u>
Net change in fund balance	<u>\$ -</u>	<u>307,262</u>	<u>\$ 307,262</u>	<u>\$ 193,151</u>
<b>Fund Balance:</b>				
Beginning of year - July 1		<u>781,142</u>		
End of year - June 30		<u>\$ 1,088,404</u>		





## CAPITAL PROJECT FUNDS

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

The following comprise the County's Capital Projects Funds:

- **Pitt Community College (PCC) Building Capital Project** – Established to account for funds used in construction of new facilities on the community college campus.
- **Detention Center Capital Project** – Established to account for funds used in the design and construction of either a jail expansion or new facility.
- **Pitt Community College (PCC – Bowen Farm) Capital Project** - Established to account for funds used in establishing the infrastructure needs on the Bowen Farm campus, renovate the Humber Building and establish local match for state bond funds.
- **2009 Pitt Community College (PCC) Capital Project** – Established to account for funds used in the construction of a new academic classroom building and an industrial tech/maintenance facility for the Community College.
- **2007 COPS Education Capital Project** – Established to account for funds used in the construction of a new elementary school and four school additions.
- **Stokes/Pactolus ARRA Sewer Capital Project** – Established to account for Federal funds used in the construction of sewer to Stokes and Pactolus schools.
- **Community Schools and Recreation Capital Project** – Accounts for funds appropriated to construct the Community Schools and Recreation Facility on County Home Road.
- **ECTC Building Capital Project** – Accounts for funds appropriated to construct a new facility on a community college campus.
- **School Improvement Projects** – Established to account for funds appropriated from local funds on a pay as you go basis over a period of five years to renovate and construct new school facilities.
- **2009 LOBS Education Projects** – Established to account for bond proceeds used in the construction/renovation at several local public school facilities. (Major fund – Schedule D-12).

**PITT COUNTY, NORTH CAROLINA**

**COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2010**

	<i>Schedule D-3</i>	<i>Schedule D-4</i>	<i>Schedule D-5</i>	<i>Schedule D-6</i>
	<b>Pitt Community College Building Capital Project Fund</b>	<b>Detention Center Capital Project Fund</b>	<b>Pitt Community College (Bowen Farm) Capital Project Fund</b>	<b>Pitt Community College 2009 Capital Project Fund</b>
<b>Assets:</b>				
Cash, cash equivalents and investments	\$ -	\$ 88,213	\$ -	\$ -
Cash and investments, restricted	-	-	-	-
Due from other funds	279,562	-	436,304	-
Due from other governments	-	-	-	-
<b>Total assets</b>	<b>\$ 279,562</b>	<b>\$ 88,213</b>	<b>\$ 436,304</b>	<b>\$ -</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 38,514	\$ 45,642
Due to other funds	-	-	-	1,097,292
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>38,514</b>	<b>1,142,934</b>
<b>Fund Balances (Deficit):</b>				
Unreserved for capital projects	279,562	88,213	397,790	(1,142,934)
<b>Total fund balances</b>	<b>279,562</b>	<b>88,213</b>	<b>397,790</b>	<b>(1,142,934)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 279,562</b>	<b>\$ 88,213</b>	<b>\$ 436,304</b>	<b>\$ -</b>

## Schedule D-1

<i>Schedule D-7</i>	<i>Schedule D-8</i>	<i>Schedule D-9</i>	<i>Schedule D-10</i>	<i>Schedule D-11</i>	
Stokes/Pactolus ARRA Sewer Capital Project Fund	2007 COPS Education Projects Capital Project Fund	Community Schools and Recreation Capital Project Fund	ECTC Building Capital Project Fund	School Improvement Capital Project Fund	Totals
\$ 12,333	\$ -	\$ 11,112	\$ 11,782	\$ 109,033	\$ 232,473
-	46,980	-	-	-	46,980
-	-	-	-	-	715,866
-	-	28,518	-	-	28,518
<u>\$ 12,333</u>	<u>\$ 46,980</u>	<u>\$ 39,630</u>	<u>\$ 11,782</u>	<u>\$ 109,033</u>	<u>\$ 1,023,837</u>
\$ -	\$ -	\$ 2,100	\$ -	\$ -	\$ 86,256
-	-	-	-	-	1,097,292
-	-	2,100	-	-	1,183,548
12,333	46,980	37,530	11,782	109,033	(159,711)
12,333	46,980	37,530	11,782	109,033	(159,711)
<u>\$ 12,333</u>	<u>\$ 46,980</u>	<u>\$ 39,630</u>	<u>\$ 11,782</u>	<u>\$ 109,033</u>	<u>\$ 1,023,837</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, 2010**

	<i>Schedule D-3</i>	<i>Schedule D-4</i>	<i>Schedule D-5</i>	<i>Schedule D-6</i>
	<b>Pitt Community College Building Capital Project Fund</b>	<b>Detention Center Capital Project Fund</b>	<b>Pitt Community College (Bowen Farm) Capital Project Fund</b>	<b>Pitt Community College 2009 Capital Project Fund</b>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 621	\$ -	\$ -
Restricted intergovernmental revenue	-	-	-	-
Miscellaneous	-	-	-	-
Sales tax refund	-	119,207	-	-
<b>Total revenues</b>	<b>-</b>	<b>119,828</b>	<b>-</b>	<b>-</b>
<b>Expenditures:</b>				
Public safety	-	358,207	-	-
Economic and physical development	-	-	-	-
Education	-	-	766,609	1,088,819
Cultural and recreation	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>358,207</b>	<b>766,609</b>	<b>1,088,819</b>
<b>Revenues over (under) expenditures</b>	<b>-</b>	<b>(238,379)</b>	<b>(766,609)</b>	<b>(1,088,819)</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Debt obligation issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>(238,379)</b>	<b>(766,609)</b>	<b>(1,088,819)</b>
<b>Fund Balances:</b>				
Beginning of year - July 1	279,562	326,592	1,164,399	(54,115)
<b>End of year - June 30</b>	<b>\$ 279,562</b>	<b>\$ 88,213</b>	<b>\$ 397,790</b>	<b>\$ (1,142,934)</b>

## Schedule D-2

<i>Schedule D-7</i>	<i>Schedule D-8</i>	<i>Schedule D-9</i>	<i>Schedule D-10</i>	<i>Schedule D-11</i>	
Stokes/Pactolus ARRA Sewer Capital Project Fund	2007 COPS Education Projects Capital Project Fund	Community Schools and Recreation Capital Project Fund	ECTC Building Capital Project Fund	School Improvement Capital Project Fund	Totals
\$ -	\$ 116	\$ -	\$ -	\$ -	\$ 737
769,744	-	64,163	-	-	833,907
-	-	218	-	-	218
-	2	-	-	-	119,209
<u>769,744</u>	<u>118</u>	<u>64,381</u>	<u>-</u>	<u>-</u>	<u>954,071</u>
-	-	-	-	-	358,207
1,527,155	-	-	25,255	-	1,552,410
-	862	-	-	850,473	2,706,763
-	-	72,814	-	-	72,814
<u>1,527,155</u>	<u>862</u>	<u>72,814</u>	<u>25,255</u>	<u>850,473</u>	<u>4,690,194</u>
<u>(757,411)</u>	<u>(744)</u>	<u>(8,433)</u>	<u>(25,255)</u>	<u>(850,473)</u>	<u>(3,736,123)</u>
-	-	-	-	937,000	937,000
<u>769,744</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>769,744</u>
<u>769,744</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>937,000</u>	<u>1,706,744</u>
12,333	(744)	(8,433)	(25,255)	86,527	(2,029,379)
-	47,724	45,963	37,037	22,506	1,869,668
<u>\$ 12,333</u>	<u>\$ 46,980</u>	<u>\$ 37,530</u>	<u>\$ 11,782</u>	<u>\$ 109,033</u>	<u>\$ (159,711)</u>

## PITT COUNTY, NORTH CAROLINA

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

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Investment earnings	\$ 469,617	\$ 521,699	\$ -	\$ 521,699
Easement proceeds	31,383	31,205	-	31,205
Total revenues	501,000	552,904	-	552,904
<b>Expenditures:</b>				
Capital outlay:				
Bond issue costs	124,833	127,049	-	127,049
Modular units	44,978	44,978	-	44,978
Interest expense	166,454	166,454	-	166,454
Land	2,069,645	2,069,645	-	2,069,645
General construction	8,610,780	8,581,669	-	8,581,669
Total expenditures	11,016,690	10,989,795	-	10,989,795
Revenues over (under) expenditures	(10,515,690)	(10,436,891)	-	(10,436,891)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	10,591,950	10,591,951	-	10,591,951
Transfers in	124,502	124,502	-	124,502
Contingency	(200,762)	-	-	-
Total other financing sources (uses)	10,515,690	10,716,453	-	10,716,453
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 279,562	\$ -	\$ 279,562

## 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

DETENTION CENTER CAPITAL PROJECT FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project	Actual		
	Authorization	Prior Years	Current Year	Total To Date
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 442,544	\$ 621	\$ 443,165
Local contribution	465,000	460,000	-	460,000
Sales tax refund	450,000	195,970	119,207	315,177
Total revenues	915,000	1,098,514	119,828	1,218,342
<b>Expenditures:</b>				
Capital outlay:				
General construction	19,085,000	18,496,746	330,954	18,827,700
Professional fees	2,000,000	1,721,302	27,253	1,748,555
Debt issuance costs	500,000	418,365	-	418,365
Total expenditures	21,585,000	20,636,413	358,207	20,994,620
Revenues over (under) expenditures	(20,670,000)	(19,537,899)	(238,379)	(19,776,278)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	20,885,000	19,855,000	-	19,855,000
Premiums received from issuance of debt	-	381,491	-	381,491
Transfers (out)	(415,000)	(372,000)	-	(372,000)
Transfers in	200,000	-	-	-
Total other financing sources (uses)	20,670,000	19,864,491	-	19,864,491
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 326,592	\$ (238,379)	\$ 88,213

## Note:

This project was capitalized as a capital asset under the category of Construction in Progress. During 2010, the project was completed and the related Construction in Progress was reclassified to buildings.

## 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, 2010

	Project Authorization	Prior Years	Actual Current Year	Total To Date
<b>Revenues:</b>				
Investment earnings	\$ 469,617	\$ -	\$ -	\$ -
Miscellaneous	31,205	-	-	-
Total revenues	500,822	-	-	-
<b>Expenditures:</b>				
Capital outlay:				
General construction	16,305,341	3,897,993	766,609	4,664,602
Total expenditures	16,305,341	3,897,993	766,609	4,664,602
Revenues over (under) expenditures	(15,804,519)	(3,897,993)	(766,609)	(4,664,602)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	10,591,950	-	-	-
Premium received from issuance of debt	178	-	-	-
Transfers in (out)	5,212,391	5,062,392	-	5,062,392
Total other financing sources (uses)	15,804,519	5,062,392	-	5,062,392
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 1,164,399	\$ (766,609)	\$ 397,790

## 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 - 2009 PROJECT  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
<b>Expenditures:</b>				
Capital outlay:				
General construction	\$ 1,800,000	\$ 54,115	\$ 1,088,819	\$ 1,142,934
Total expenditures	<u>1,800,000</u>	<u>54,115</u>	<u>1,088,819</u>	<u>1,142,934</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	<u>1,800,000</u>	-	-	-
Total other financing sources (uses)	<u>1,800,000</u>	-	-	-
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ (54,115)	\$ (1,088,819)	\$ (1,142,934)

**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

STOKES/PACTOLUS ARRA SEWER CAPITAL PROJECT FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project	Actual		
	Authorization	Prior Years	Current Year	Total To Date
<b>Revenues:</b>				
Restricted intergovernmental	\$ 901,132	\$ -	\$ 769,744	\$ 769,744
Total revenues	<u>901,132</u>	<u>-</u>	<u>769,744</u>	<u>769,744</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	1,802,264	-	1,527,155	1,527,155
Total expenditures	<u>1,802,264</u>	<u>-</u>	<u>1,527,155</u>	<u>1,527,155</u>
Revenues over (under) expenditures	<u>(901,132)</u>	<u>-</u>	<u>(757,411)</u>	<u>(757,411)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	901,132	-	769,744	769,744
Total other financing sources (uses)	<u>901,132</u>	<u>-</u>	<u>769,744</u>	<u>769,744</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,333</u>	<u>\$ 12,333</u>

**Note:**

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

## PITT COUNTY, NORTH CAROLINA

2007 COPS EDUCATION PROJECTS CAPITAL PROJECT FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project	Actual		
	Authorization	Prior Years	Current Year	Total To Date
<b>Revenues:</b>				
Sales tax refund	\$ 496,757	\$ 496,757	\$ 2	\$ 496,759
Investment income	1,112,802	1,115,798	116	1,115,914
Total revenues	1,609,559	1,612,555	118	1,612,673
<b>Expenditures:</b>				
Capital outlay:				
Ayden Elementary	4,080,000	4,010,762	-	4,010,762
Ridgewood Elementary	15,163,066	14,892,903	-	14,892,903
North Pitt	4,230,000	4,006,127	-	4,006,127
Farmville Middle School	1,955,000	1,770,694	(4,550)	1,766,144
JH Rose	3,331,000	3,178,547	-	3,178,547
Computer equipment	350,000	347,160	-	347,160
Land and sewer	2,515,000	3,429,808	5,412	3,435,220
Issuance fees	955,000	910,578	-	910,578
Total expenditures	32,579,066	32,546,579	862	32,547,441
Revenues over (under) expenditures	(30,969,507)	(30,934,024)	(744)	(30,934,768)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	29,117,808	29,117,808	-	29,117,808
Premiums received from issuance of debt	1,863,940	1,863,940	-	1,863,940
Contingency	(12,241)	-	-	-
Total other financing sources (uses)	30,969,507	30,981,748	-	30,981,748
Revenues and other financing sources over (under) expenditures and other financing uses	\$ -	\$ 47,724	\$ (744)	\$ 46,980

## Note:

Ridgewood Elementary and JH Rose projects are the only facilities owned by the County. The activity in those were 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

COMMUNITY SCHOOLS AND RECREATION CAPITAL PROJECT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

		Actual		
	Project Authorization	Prior Years	Current Year	Total To Date
<b>Revenues:</b>				
Restricted intergovernmental	\$ 904,000	\$ 816,607	\$ 64,163	\$ 880,770
Investment earnings	-	9,500	-	9,500
Miscellaneous revenue	211,000	184,196	218	184,414
Total revenues	1,115,000	1,010,303	64,381	1,074,684
<b>Expenditures:</b>				
Capital outlay:				
General construction	1,250,000	1,213,062	-	1,213,062
Site development	664,871	574,197	70,714	644,911
Athletic fields and recreation area	480,000	477,685	-	477,685
Professional fees	94,782	99,396	2,100	101,496
Total expenditures	2,489,653	2,364,340	72,814	2,437,154
Revenues over (under) expenditures	(1,374,653)	(1,354,037)	(8,433)	(1,362,470)
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	1,400,000	1,400,000	-	1,400,000
Contingency	(25,347)	-	-	-
Total other financing sources (uses)	1,374,653	1,400,000	-	1,400,000
Net change in fund balance	\$ -	\$ 45,963	\$ (8,433)	\$ 37,530

## 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, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Project</u> <u>Authorization</u>	<u>Prior</u> <u>Years</u>	<u>Actual</u> <u>Current</u> <u>Year</u>	<u>Total To</u> <u>Date</u>
<b>Revenues:</b>				
Sales tax refund	\$ -	\$ 9,053	\$ -	\$ 9,053
Investment earnings	20,449	20,854	-	20,854
Miscellaneous revenue	95,743	28,000	-	28,000
State share revenue	-	1,465	-	1,465
Other intergovernmental revenues	890,934	565,533	-	565,533
Federal and other grants	400,000	800,000	-	800,000
<b>Total revenues</b>	<u>1,407,126</u>	<u>1,424,905</u>	<u>-</u>	<u>1,424,905</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	<u>2,091,014</u>	<u>2,062,478</u>	<u>25,255</u>	<u>2,087,733</u>
<b>Total expenditures</b>				
<b>Revenues over (under) expenditures</b>	<u>(683,888)</u>	<u>(637,573)</u>	<u>(25,255)</u>	<u>(662,828)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	384,278	375,000	-	375,000
Transfers in (out)	<u>299,610</u>	<u>299,610</u>	<u>-</u>	<u>299,610</u>
<b>Total other financing sources (uses)</b>	<u>683,888</u>	<u>674,610</u>	<u>-</u>	<u>674,610</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ 37,037</u>	<u>\$ (25,255)</u>	<u>\$ 11,782</u>

**Note:**

Phase I of this project constructed a capital asset of \$1,020,843 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 BALANCES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2010

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Expenditures:</b>			
Capital outlay:			
Maintenance	\$ 185,000	\$ 186,427	\$ (1,427)
Land	152,000	151,156	844
Computer equipment	200,000	103,843	96,157
Roofing	422,506	409,047	13,459
Total expenditures	<u>959,506</u>	<u>850,473</u>	<u>109,033</u>
Revenues over (under) expenditures	<u>(959,506)</u>	<u>(850,473)</u>	<u>109,033</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in (out)	937,000	937,000	-
Fund balance appropriated	22,506	-	(22,506)
Total other financing sources (uses)	<u>959,506</u>	<u>937,000</u>	<u>(22,506)</u>
Net change in fund balance	<u>\$ -</u>	<u>86,527</u>	<u>\$ 86,527</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>22,506</u>	
End of year - June 30		<u>\$ 109,033</u>	

## Note:

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

## PITT COUNTY, NORTH CAROLINA

2009 LOBS EDUCATION PROJECTS CAPITAL PROJECT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2010

	Project		Actual	
	Authorization	Prior	Current	Total To
		Years	Year	Date
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 17,520	\$ 17,520
Total revenues	-	-	17,520	17,520
<b>Expenditures:</b>				
Capital outlay:				
New K-5 Elementary School	13,120,532	-	4,825,383	4,825,383
DH Conley	8,157,539	-	3,327,064	3,327,064
Eastern Elementary	9,819,549	-	5,784,113	5,784,113
Farmville Central High School	3,093,619	-	1,884,501	1,884,501
Issuance fees	720,000	-	716,763	716,763
Total expenditures	34,911,239	-	16,537,824	16,537,824
Revenues over (under) expenditures	(34,911,239)	-	(16,520,304)	(16,520,304)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	35,145,000	-	35,145,000	35,145,000
Premiums received from issuance of debt	47,563	-	47,563	47,563
Contingency	(281,324)	-	-	-
Total other financing sources (uses)	34,911,239	-	35,192,563	35,192,563
Net change in fund balance	\$ -	\$ -	\$ 18,672,259	\$ 18,672,259

## Note:

The New K-5 Elementary School and DH Conley are the only portion 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.





## **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.



## **ENTERPRISE FUND**

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



## PITT COUNTY, NORTH CAROLINA

ENTERPRISE FUND - SOLID WASTE  
 SCHEDULE OF REVENUES AND EXPENDITURES -  
 BUDGET AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2010  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2009

	2010			2009
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
User charges	\$ 7,347,850	\$ 7,487,911	\$ 140,061	\$ 7,311,135
Investment earnings	-	4,203	4,203	3,191
Restricted intergovernmental revenues	-	-	-	5,783
Other	481,200	535,396	54,196	353,088
Total revenues	<u>7,829,050</u>	<u>8,027,510</u>	<u>198,460</u>	<u>7,673,197</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from sale of capital assets	-	-	-	333,463
Total revenues and other financing sources (uses)	<u>7,829,050</u>	<u>8,027,510</u>	<u>198,460</u>	<u>8,006,660</u>
<b>Expenditures:</b>				
Salaries and employee benefits	1,090,606	1,020,167	-	993,104
Supplies and materials	718,527	701,046	-	693,607
Contract labor and other services	1,325,000	1,303,766	-	1,437,381
Contracted services - waste disposal	4,166,117	3,722,295	-	3,977,357
Hurricane clean up	-	-	-	(159,573)
Capital outlay	297,000	292,287	-	68,845
Principal repayment on long-term debt	200,000	200,000	-	200,000
Interest expense	31,800	21,200	-	31,800
Total expenditures	<u>7,829,050</u>	<u>7,260,761</u>	<u>568,289</u>	<u>7,242,521</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ 766,749</u>	<u>\$ 766,749</u>	<u>\$ 764,139</u>
<b>Reconciliation from Modified Accrual Basis to Full Accrual Basis:</b>				
Revenues over (under) expenditures		\$ 766,749		
Reconciling items:				
Capital outlay items capitalized		292,287		
Depreciation		(161,212)		
Change in closure and post-closure costs accrual		120,000		
Principal payments on long-term debt		<u>200,000</u>		
Change in net assets		<u>\$ 1,217,824</u>		



## **INTERNAL SERVICE FUNDS**

The Internal Service Funds are used 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.





## PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET - INTERNAL SERVICE FUNDS  
JUNE 30, 2010

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Totals
<b>Assets:</b>					
Current assets:					
Cash, cash equivalents, and investments	\$ 138,767	\$ 2,872,410	\$ 133,118	\$ 22,789	\$ 3,167,084
Accounts receivable	980	-	-	-	980
Inventories	2,511	-	-	-	2,511
Prepaid items	-	-	-	96,798	96,798
Total current assets	<u>142,258</u>	<u>2,872,410</u>	<u>133,118</u>	<u>119,587</u>	<u>3,267,373</u>
Total assets	<u>142,258</u>	<u>2,872,410</u>	<u>133,118</u>	<u>119,587</u>	<u>3,267,373</u>
<b>Liabilities and Fund Equity:</b>					
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued expenses	<u>66,407</u>	<u>564,348</u>	<u>65,099</u>	<u>-</u>	<u>695,854</u>
Total liabilities	<u>66,407</u>	<u>564,348</u>	<u>65,099</u>	<u>-</u>	<u>695,854</u>
<b>Fund Equity:</b>					
Net assets	<u>75,851</u>	<u>2,308,062</u>	<u>68,019</u>	<u>119,587</u>	<u>2,571,519</u>
Total fund equity	<u>\$ 75,851</u>	<u>\$ 2,308,062</u>	<u>\$ 68,019</u>	<u>\$ 119,587</u>	<u>\$ 2,571,519</u>

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET ASSETS - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Totals
<b>Operating Revenues:</b>					
User charges	\$ 757,738	\$ 868,661	\$ -	\$ -	\$ 1,626,399
Interfund services charges	-	7,720,516	-	505,000	8,225,516
Miscellaneous	-	5,820	-	-	5,820
Total operating revenues	<u>757,738</u>	<u>8,594,997</u>	<u>-</u>	<u>505,000</u>	<u>9,857,735</u>
<b>Operating Expenses:</b>					
Salaries and employee benefits	33,616	-	-	-	33,616
Equipment maintenance	714,375	-	-	-	714,375
Medical claims costs	-	7,268,345	731,981	-	8,000,326
Claims reimbursement	-	-	-	875,843	875,843
Total operating expenses	<u>747,991</u>	<u>7,268,345</u>	<u>731,981</u>	<u>875,843</u>	<u>9,624,160</u>
Operating income (loss)	<u>9,747</u>	<u>1,326,652</u>	<u>(731,981)</u>	<u>(370,843)</u>	<u>233,575</u>
<b>Non-Operating Revenues:</b>					
Transfer in (out)	-	-	800,000	11,160	811,160
Investment earnings	-	1,681	-	841	2,522
Total non-operating revenues	<u>-</u>	<u>1,681</u>	<u>80,000</u>	<u>12,001</u>	<u>813,682</u>
Change in net assets	<u>9,747</u>	<u>1,328,333</u>	<u>68,019</u>	<u>(358,842)</u>	<u>1,047,257</u>
<b>Net Assets:</b>					
Beginning of year - July 1	<u>66,104</u>	<u>979,729</u>	<u>-</u>	<u>478,429</u>	<u>1,524,262</u>
End of year - June 30	<u>\$ 75,851</u>	<u>\$ 2,308,062</u>	<u>\$ 68,019</u>	<u>\$ 119,587</u>	<u>\$ 2,571,519</u>

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Totals
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 757,821	\$ 874,481	\$ -	\$ -	\$ 1,632,302
Cash received from interfund services	-	7,720,516	-	505,000	8,225,516
Cash paid to suppliers	(653,205)	(7,433,237)	(666,882)	(886,549)	(9,639,873)
Cash paid to employees	(33,691)	-	-	-	(33,691)
Net cash provided (used) by operating activities	70,925	1,161,760	(666,882)	(381,549)	184,254
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Transfer in (out)	-	-	800,000	11,160	811,160
<b>Cash Flows from Investing Activities:</b>					
Investment earnings	-	1,681	-	841	2,522
Net increase (decrease) in cash and cash equivalents	70,925	1,163,441	133,118	(369,548)	997,936
<b>Cash and Cash Equivalents:</b>					
Beginning of year - July 1	67,842	1,708,969	-	392,337	2,169,148
End of year - June 30	\$ 138,767	\$ 2,872,410	\$ 133,118	\$ 22,789	\$ 3,167,084
<b>Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:</b>					
Operating income (loss)	\$ 9,747	\$ 1,326,652	\$ (731,981)	\$ (370,843)	\$ 233,575
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	83	-	-	-	83
(Increase) decrease in prepaids	-	-	-	(10,706)	(10,706)
Increase (decrease) in accounts payable and accrued expenses	61,095	(164,892)	65,099	-	(38,698)
Net cash provided (used) by operating activities	\$ 70,925	\$ 1,161,760	\$ (666,882)	\$ (381,549)	\$ 184,254

## 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, 2010

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Revenues:</b>			
User charges	\$ 899,244	\$ 757,738	\$ (141,506)
Total operating revenues	<u>899,244</u>	<u>757,738</u>	<u>(141,506)</u>
<b>Operating Expenses:</b>			
Salaries and employee benefits	32,758	33,616	(858)
Equipment maintenance	<u>868,986</u>	<u>714,375</u>	<u>154,611</u>
Total operating expenses	<u>901,744</u>	<u>747,991</u>	<u>153,753</u>
Operating income (loss)	(2,500)	9,747	12,247
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Change in net assets	<u>\$ -</u>	<u>\$ 9,747</u>	<u>\$ 9,747</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, 2010

	Plan	Actual	Variance Over/Under
<b>Operating Revenues:</b>			
User charges	\$ 675,400	\$ 868,661	\$ -
Miscellaneous revenues	-	5,820	-
Interfund services charges	7,658,756	7,720,516	-
Total operating revenues	8,334,156	8,594,997	260,841
<b>Operating Expenses:</b>			
Medical claims costs	8,161,156	7,268,345	892,811
Total operating expenses	8,161,156	7,268,345	892,811
Operating income (loss)	173,000	1,326,652	1,153,652
<b>Non-Operating Revenues:</b>			
Investment earnings	2,000	1,681	(319)
<b>Other Financing Sources (Uses):</b>			
Contingency	(175,000)	-	175,000
Change in net assets	\$ -	\$ 1,328,333	\$ 1,328,333

## 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, 2010

	<u>Plan</u>	<u>Actual</u>	<u>Variance Over/Under</u>
<b>Operating Expenses:</b>			
Medical claims costs	\$ 800,000	\$ 731,981	\$ 68,019
Operating income (loss)	<u>(800,000)</u>	<u>(731,981)</u>	<u>68,019</u>
<b>Non-Operating Revenues:</b>			
Transfer in (out)	<u>800,000</u>	<u>800,000</u>	<u>-</u>
Change in net assets	<u>\$ -</u>	<u>\$ 68,019</u>	<u>\$ 68,019</u>

## PITT COUNTY, NORTH CAROLINA

WORKERS' COMPENSATION INTERNAL SERVICE FUND  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 PLAN AND ACTUAL (NON-GAAP)  
 FOR THE YEAR ENDED JUNE 30, 2010

	Plan	Actual	Variance Over/Under
<b>Operating Revenues:</b>			
Interfund services charges	\$ 505,000	\$ 505,000	\$ -
Total operating revenues	<u>505,000</u>	<u>505,000</u>	<u>-</u>
<b>Operating Expenses:</b>			
Claims reimbursement	<u>894,160</u>	<u>875,843</u>	<u>18,317</u>
Operating income (loss)	<u>(389,160)</u>	<u>(370,843)</u>	<u>18,317</u>
<b>Non-Operating Revenues:</b>			
Transfer in	11,160	11,160	-
Investment earnings	<u>-</u>	<u>841</u>	<u>841</u>
Total non-operating revenues	<u>11,160</u>	<u>12,001</u>	<u>841</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>378,000</u>	<u>-</u>	<u>(378,000)</u>
Change in net assets	<u>\$ 11,160</u>	<u>\$ (346,841)</u>	<u>\$ (358,001)</u>





## 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 fund is the County's Trust Fund:

- **Law Enforcement Separation Allowance Trust Fund** – This fund accounts for assets held by the County to pay special retirement benefits to retired law enforcement officers.

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.
- **3%Interest Payable to the State** – This fund accounts for collections that are remitted to the State to fund the new state-wide vehicle tax collection system.
- **Flexible Benefit Plan Fund** – This fund accounts for assets held for the County's flexible benefit plan provided for employees.



## PITT COUNTY, NORTH CAROLINA

TRUST AND AGENCY FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2010

	Social Services, Sheriff, and Mental Health Agency Funds	Tax Collections Held for Municipalities Agency Fund	3% Interest Payable to State Agency Fund	Flexible Benefit Plan Agency Fund	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ 206,680	\$ 309,580	\$ 8,682	\$ 12,575	\$ 537,517
Total assets	<u>\$ 206,680</u>	<u>\$ 309,580</u>	<u>\$ 8,682</u>	<u>\$ 12,575</u>	<u>\$ 537,517</u>
<b>Liabilities:</b>					
Deposits held in custody for others	\$ 206,680	\$ 309,580	\$ 8,682	\$ -	\$ 524,942
Deferred compensation benefits payable	-	-	-	12,575	12,575
Total liabilities	<u>\$ 206,680</u>	<u>\$ 309,580</u>	<u>\$ 8,682</u>	<u>\$ 12,575</u>	<u>\$ 537,517</u>

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 TRUST AND AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2010

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Social Services, Sheriff, and Other Agency Funds</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 268,748	\$ 1,628,493	\$ (1,690,561)	\$ 206,680
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 268,748	\$ 1,628,493	\$ (1,690,561)	\$ 206,680
<b>Tax Collections Held for Municipalities Agency Fund</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 216,742	\$ 33,966,948	\$ (33,874,110)	\$ 309,580
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 216,742	\$ 33,966,948	\$ (33,874,110)	\$ 309,580
<b>3% Interest Payable to State Agency Fund</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 9,228	\$ 113,600	\$ (114,146)	\$ 8,682
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 9,228	\$ 113,600	\$ (114,146)	\$ 8,682
<b>Flexible Benefit Agency Fund</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 15,053	\$ 181,116	\$ (183,594)	\$ 12,575
<b>Liabilities:</b>				
Deferred compensation benefits payable	\$ 15,053	\$ 181,116	\$ (183,594)	\$ 12,575
<b>Total - All Agency Funds</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 509,771	\$ 35,890,157	\$ (35,862,411)	\$ 537,517
<b>Liabilities:</b>				
Deposits held in custody for others	\$ 494,718	\$ 35,709,041	\$ (35,678,817)	\$ 524,942
Deferred compensation benefits payable	15,053	181,116	(183,594)	12,575
Total liabilities	\$ 509,771	\$ 35,890,157	\$ (35,862,411)	\$ 537,517

### 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.



Pitt County  
Net Assets by Component,  
Last Nine Fiscal Years  
(accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Governmental activities</b>									
Invested in capital assets, net of related debt	\$ 15,590,666	\$ 16,198,658	\$ 19,624,295	\$ 17,058,305	\$ 9,656,803	\$ 9,052,628	\$ 7,199,732	\$ 8,588,940	\$ 26,867,920
Restricted	234,224	462,677	668,584	470,026	678,647	717,353	200,598	199,051	178,243
Unrestricted	47,129,909	42,005,679	34,792,725	40,825,049	37,971,412	30,517,987	23,707,535	33,161,453	11,255,497
<b>Total governmental activities net assets</b>	<b>\$ 62,954,799</b>	<b>\$ 58,667,014</b>	<b>\$ 55,085,604</b>	<b>\$ 58,353,380</b>	<b>\$ 48,306,862</b>	<b>\$ 40,287,968</b>	<b>\$ 31,107,865</b>	<b>\$ 41,949,444</b>	<b>\$ 38,301,660</b>
<b>Business-type activities</b>									
Invested in capital assets, net of related debt	\$ 1,243,163	\$ 1,264,879	\$ 1,469,683	\$ 1,723,354	\$ 1,818,984	\$ 2,070,609	\$ 2,170,579	\$ 2,290,354	\$ 2,821,429
Unrestricted	(1,060,439)	(1,143,357)	(1,259,552)	(1,898,732)	(1,634,988)	(689,280)	(623,834)	191,582	878,331
<b>Total business-type activities</b>	<b>\$ 182,724</b>	<b>\$ 121,522</b>	<b>\$ 210,131</b>	<b>\$ (175,378)</b>	<b>\$ 183,996</b>	<b>\$ 1,381,329</b>	<b>\$ 1,546,745</b>	<b>\$ 2,481,936</b>	<b>\$ 3,699,760</b>
<b>Primary government</b>									
Invested in capital assets, net of related debt	\$ 16,833,829	\$ 17,463,537	\$ 21,093,978	\$ 18,781,659	\$ 11,475,787	\$ 11,123,237	\$ 9,370,311	\$ 9,454,294	\$ 29,689,349
Restricted	234,224	462,677	668,584	470,026	678,647	717,353	200,598	199,051	178,243
Unrestricted	46,069,470	40,862,322	33,533,173	38,926,317	36,336,424	29,828,707	23,083,701	33,353,035	12,133,828
<b>Total primary government net assets</b>	<b>\$ 63,137,523</b>	<b>\$ 58,788,536</b>	<b>\$ 55,295,735</b>	<b>\$ 58,178,002</b>	<b>\$ 48,490,858</b>	<b>\$ 41,669,297</b>	<b>\$ 32,654,610</b>	<b>\$ 43,006,380</b>	<b>\$ 42,001,420</b>

Note: Reporting format changed in Fiscal Year ending 2002. Chart will be added to each year until a 10-year window of data is reflected.

**Plitt County**  
**Changes in Net Assets,**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>										
Governmental activities:										
General government	\$ 9,931,234	\$ 10,140,976	\$ 13,430,499	\$ 12,562,758	\$ 13,501,699	\$ 16,037,941	\$ 15,101,864	\$ 18,117,235	\$ 16,716,822	\$ 16,704,353
Public safety	16,760,458	17,019,635	20,023,173	22,512,817	23,580,577	25,212,358	27,464,405	30,147,280	34,445,489	37,623,678
Economic & physical development	1,213,109	1,127,975	4,341,765	4,174,365	4,335,915	3,274,182	5,156,590	4,924,122	5,337,923	7,633,411
Environmental protection	216,951	225,021	446,545	213,282	208,524	4,469	245,484	248,179	259,750	267,785
Human Services	54,896,386	56,812,353	51,568,224	54,915,560	58,880,092	67,135,085	54,707,785	48,987,705	46,806,871	44,209,437
Cultural and recreation	580,000	583,205	589,259	491,838	505,161	457,692	583,843	645,517	608,328	718,401
Education	24,530,732	25,981,099	30,462,631	33,489,829	38,679,407	37,016,790	48,738,593	47,639,044	44,078,522	51,034,996
Debt Service	8,510,711	9,751,237	4,628,278	4,205,707	4,556,482	4,976,804	-	-	-	-
Capital Outlay	31,439,197	21,377,256	-	-	-	-	-	-	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>148,078,778</u>	<u>143,018,757</u>	<u>125,491,374</u>	<u>132,568,136</u>	<u>142,247,857</u>	<u>154,115,311</u>	<u>157,702,294</u>	<u>157,640,782</u>	<u>152,323,844</u>	<u>164,082,966</u>
Business-type activities:										
Solid Waste	-	-	6,979,190	6,381,866	7,072,121	6,917,906	6,719,860	7,714,185	6,737,540	6,809,686
Total primary government expenses	<u>\$ 148,078,778</u>	<u>\$ 143,018,757</u>	<u>\$ 132,470,564</u>	<u>\$ 138,948,002</u>	<u>\$ 149,319,978</u>	<u>\$ 161,033,217</u>	<u>\$ 164,422,154</u>	<u>\$ 165,354,967</u>	<u>\$ 159,061,384</u>	<u>\$ 170,872,652</u>
<b>Program Revenues</b>										
Governmental activities	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Charges for services:										
General government	-	-	7,919,703	6,715,836	4,590,236	4,185,463	3,889,222	4,140,725	4,622,467	5,838,490
Public safety	-	-	3,802,017	4,552,552	7,603,330	7,291,508	8,752,760	8,484,120	8,611,068	8,631,804
Economic & physical development	-	-	265,000	14,064	2,635	3,015	3,245	3,825	115,237	165,475
Environmental protection	-	-	-	-	137,937	243,384	265,127	192,034	115,497	101,973
Human Services	-	-	37,938,931	38,900,115	5,177,386	5,127,900	3,134,045	5,661,649	5,927,338	6,698,097
Cultural and recreation	-	-	-	-	-	8,945	34,717	23,003	-	-
Education	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
General government	-	-	14,297	255,485	-	-	-	-	2,426	7,348
Public safety	-	-	-	37,736	32,200	25,800	25,800	283,037	120,165	100,592
Economic & physical development	-	-	3,139,347	1,935,588	2,621,715	263,177	293,962	788,756	2,279,470	5,218,285
Environmental protection	-	-	-	-	73,156	91,610	98,086	227,341	-	-
Human Services	-	-	-	-	35,944,964	42,757,967	30,318,848	19,540,492	21,751,026	23,191,163
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	1,130,018	-	789,760	7,033,741	1,183,917
Capital grants and contributions:										
General government	-	-	-	-	-	-	-	-	235,915	288,300
Public safety	-	-	9,391	-	64,074	57,358	111,854	98,719	1,293,371	157,578
Economic & physical development	-	-	-	-	-	-	2,920,434	1,672,867	1,969,407	107,686
Environmental protection	-	-	-	-	-	-	-	-	0	769,744
Education	-	-	-	-	-	-	1,462,000	1,921,032	117,996	64,383
Cultural and recreation	-	-	-	-	-	-	37,524	-	-	-
Social services	-	-	606,763	2,709,408	331,781	1,273,940	-	-	-	-



	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Total governmental activities program revenues</b>	0	-	53,695,449	55,120,584	56,579,414	62,480,085	51,347,624	43,727,360	54,195,124	52,504,815
Business-type activities:										
Charge for services - Solid Waste			6,270,374	6,275,664	6,686,238	7,277,190	7,916,793	7,851,102	7,664,223	8,023,307
Capital grants and contributions - Solid Waste			742,205	194,705	-	-	-	-	5,783	-
Total business-type activities program revenues	0	-	7,012,579	6,470,369	6,686,238	7,277,190	7,916,793	7,851,102	7,670,006	8,023,307
Total primary government program revenues	0	-	60,708,028	61,590,953	63,265,652	69,757,275	59,264,417	51,578,462	61,865,130	60,528,122
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (148,078,778)	\$ (143,018,757)	\$ (71,795,925)	\$ (77,445,552)	\$ (85,568,443)	\$ (91,655,226)	\$ (106,354,670)	\$ (113,913,422)	\$ (98,128,720)	\$ (111,558,151)
Business-type activities	0	-	(61,511)	88,503	(385,883)	359,284	1,196,933	136,917	932,466	1,213,621
Total primary government net (expense)/revenue	\$ (148,078,778)	\$ (143,018,757)	\$ (71,857,436)	\$ (77,357,049)	\$ (86,054,326)	\$ (91,295,942)	\$ (105,157,737)	\$ (113,776,505)	\$ (97,196,254)	\$ (110,344,530)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Property taxes	\$ 41,642,098	\$ 42,801,929	\$ 46,507,395	\$ 49,795,001	\$ 60,786,481	\$ 64,079,131	\$ 65,841,771	\$ 70,155,690	\$ 77,862,674	\$ 78,618,324
Local option sales tax	1,829,819	1,992,472	20,288,367	23,262,295	26,639,641	26,425,763	28,162,325	29,660,569	17,816,780	14,166,657
Payment in lieu of taxes and other taxes	50,512,687	45,751,672	-	-	-	1,614,982	1,683,750	1,752,849	12,194,104	11,109,775
Interest earned on investments	4,629,751	5,638,779	763,470	806,846	1,510,066	2,054,907	2,647,891	3,164,210	1,126,732	362,113
Loss on disposal of capital assets	-	-	(51,092)	-	-	(12,566,106)	-	-	-	-
Total governmental activities:	98,614,355	96,184,852	67,508,140	73,864,142	88,936,168	81,608,677	98,335,737	104,733,318	108,970,290	104,256,869
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	28,499	3,191	4,203
Miscellaneous	-	-	309	106	371	90	-	-	-	-
Transfers	-	-	-	-	-	-	400	-	-	-
Total business-type activities	0	0	309	106	371	90	400	28,499	3,191	4,203
Total primary government	\$ 98,614,355	\$ 96,184,852	\$ 67,508,449	\$ 73,864,248	\$ 88,936,539	\$ 81,608,767	\$ 98,336,137	\$ 104,761,817	\$ 108,973,481	\$ 104,261,072
<b>Change in Net Assets</b>										
Governmental activities	\$ (49,464,423)	\$ (46,833,905)	\$ (4,287,785)	\$ (3,581,410)	\$ 3,267,725	\$ (10,046,549)	\$ (8,018,933)	\$ (9,180,104)	\$ 10,841,570	\$ (7,301,282)
Business-type activities	0	-	(61,202)	88,609	(385,512)	359,374	1,197,333	165,416	935,657	1,217,824
Total primary government	\$ (49,464,423)	\$ (46,833,905)	\$ (4,348,987)	\$ (3,492,801)	\$ 2,882,213	\$ (9,687,175)	\$ (6,821,600)	\$ (9,014,688)	\$ 11,777,227	\$ (6,083,458)

Table 3

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

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>General Fund</b>										
Reserved for:										
State statute	\$ 7,417,919	\$ 6,926,392	\$ 7,188,049	\$ 8,121,763	\$ 10,630,636	\$ 10,148,617	\$ 7,890,551	\$ 7,275,450	\$ 5,723,686	\$ 5,315,377
Prepaid items	265,083	180,478	88,904	72,871	75,128	189,070	169,571	125,818	106,552	166,883
Future wireline E-911/Public Safety expenditures	-	-	-	-	-	-	-	291,941	209,058	160,058
For Registrar of Deeds	-	46,295	151,431	254,354	155,028	233,586	190,924	200,598	199,051	178,243
Public Safety - Winterville Rural Fire Department	-	-	-	-	-	-	-	-	-	116,870
Public Safety - Ayden Fire Department	-	-	-	-	-	-	-	-	-	11,567
For Mental Health	-	-	-	-	-	-	2,271,269	450,000	-	-
Total reserved	7,683,002	7,153,165	7,418,384	8,448,988	10,880,792	10,571,273	10,522,315	8,344,807	6,240,357	5,846,796
Unreserved										
Designated for subsequent year's expenditures	6,886,285	9,078,614	10,793,300	4,668,953	5,800,011	4,968,202	7,038,044	5,485,442	6,753,916	5,342,211
Designated for Potential TSR Refund (MH)	870,000	615,000	850,000	-	-	-	-	-	-	-
Undesignated	36,234,757	31,160,613	22,987,774	20,005,649	16,631,302	18,075,910	17,805,686	17,387,068	16,593,431	19,625,099
<b>Total General Fund</b>	<b>\$ 51,474,044</b>	<b>\$ 49,007,392</b>	<b>\$ 42,049,458</b>	<b>\$ 33,123,490</b>	<b>\$ 33,292,105</b>	<b>\$ 33,615,385</b>	<b>\$ 35,366,045</b>	<b>\$ 31,215,315</b>	<b>\$ 29,587,704</b>	<b>\$ 30,916,108</b>
<b>All Other Governmental Funds</b>										
Reserved for:										
State statute	\$ -	\$ 25,720	\$ 1,636,585	\$ 824,916	\$ 582,561	\$ 1,211,152	\$ 1,465,594	\$ 2,520,470	\$ 2,361,080	\$ 1,786,089
Prepaid items	-	-	31,955	31,485	46,538	31,228	23,780	106,705	80,544	73,575
Wireless 911 Operations	-	187,929	311,246	414,230	314,988	445,061	526,429	-	-	-
Winterville Rural Fire Dept	-	-	-	-	-	24,204	73,973	104,814	77,983	77,983
Total reserved	-	213,649	1,979,786	1,270,631	944,097	1,711,645	2,089,756	2,731,989	2,519,607	1,937,647
Unreserved										
Undesignated/(deficit)										
Special revenue funds	-	3,585,806	821,069	-	-	24,958	251,477	1,312,430	1,904,621	2,041,415
Debt Service Fund	-	12,100	27,658	24,227	64,521	63,212	42,022	(8,068)	64,415	41,635
Capital Project Funds	-	6,915,540	3,641,422	14,427,087	4,814,295	1,567,175	-	1,746,264	1,847,085	(158,711)
All other special revenue funds	-	-	-	-	-	-	-	-	-	-
Designated for capital projects	-	-	-	-	-	-	22,495,815	9,749,419	9,331,452	-
<b>Total all other governmental funds</b>	<b>\$ 0</b>	<b>\$ 10,727,085</b>	<b>\$ 6,469,935</b>	<b>\$ 15,721,945</b>	<b>\$ 5,822,913</b>	<b>\$ 3,366,990</b>	<b>\$ 24,879,070</b>	<b>\$ 15,532,034</b>	<b>\$ 15,667,190</b>	<b>\$ 3,860,986</b>

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

Table 4

FISCAL YEARS

	2001	2002	2003	2004	2005	2005	2007	2008	2009	2010
<b>Revenues</b>										
<b>Taxes:</b>										
Property	\$ 41,642,098	\$ 42,801,929	\$ 45,888,511	\$ 50,404,485	\$ 60,831,879	\$ 64,024,879	\$ 66,158,617	70,960,636	77,740,541	78,631,905
Sales	12,983,885	13,160,287	12,776,890	17,689,675	19,238,192	21,232,409	22,304,132	23,072,981	25,129,031	22,632,862
Other	7,576,497	6,667,930	6,708,635	6,595,093	7,401,449	6,815,814	7,541,028	8,319,157	4,918,193	2,643,570
Total taxes	62,202,480	62,630,146	65,374,036	74,789,253	87,471,320	92,073,102	96,003,777	102,352,774	107,787,765	103,908,337
Intergovernmental	42,791,857	45,751,672	42,666,245	44,968,727	44,645,599	50,615,252	41,059,040	31,479,203	38,583,757	36,282,989
Sales & Services / Permits & Fees	6,459,570	7,631,251	8,547,699	8,870,143	9,390,266	9,575,595	10,891,873	10,956,768	11,309,491	11,274,744
Interest	3,166,566	2,087,938	628,145	649,682	1,346,044	1,883,583	2,432,376	3,142,597	1,116,097	359,591
Miscellaneous	1,682,934	2,334,542	2,251,069	759,786	1,124,314	2,021,470	1,592,836	1,259,163	2,903,009	2,863,190
Total Revenues	116,303,407	120,435,649	119,467,194	130,037,591	143,978,143	156,169,002	151,779,702	149,180,505	161,700,119	154,693,851
<b>Expenditures</b>										
General Government	9,931,234	10,140,976	11,268,950	10,527,303	11,779,455	15,507,763	13,183,808	14,224,253	13,972,599	13,629,713
Public Safety	16,760,458	17,019,535	19,609,050	22,413,203	23,090,104	24,828,006	26,791,432	28,796,563	32,049,357	35,958,562
Environmental Protection	216,951	225,021	418,229	213,262	211,435	219,636	246,652	231,415	242,986	252,499
Economic Development	1,213,109	1,127,975	1,209,016	3,928,355	4,100,580	4,263,373	4,916,623	4,667,773	5,090,345	7,416,836
Human Services (Health, DSS, Mental Health)	54,844,789	56,812,353	54,516,121	54,489,313	58,852,913	66,949,101	54,384,801	48,688,953	45,042,960	42,612,499
Culture and Recreation	580,000	583,205	589,259	491,838	505,161	535,972	583,843	645,517	608,328	718,401
Education	24,530,732	25,981,099	28,293,249	30,222,455	31,385,448	32,948,342	34,983,965	58,517,353	38,077,316	58,320,263
Capital Outlay	81,785	21,377,256	3,992,017	4,741,819	2,669,908	8,911,587	11,677,400	13,792,689	13,964,836	-
Debt Service:										
Principal	-	5,010,115	5,768,119	6,535,495	6,831,820	7,932,098	8,112,363	7,470,752	10,134,329	9,228,295
Interest	0	4,741,122	4,628,278	4,205,707	4,407,418	5,000,322	4,647,862	5,906,402	4,360,526	6,181,091
Total Expenditures	108,159,058	143,018,757	130,292,288	137,768,550	143,834,242	167,097,200	159,518,749	182,921,770	165,543,582	174,318,159
Excess of revenues over (under) expenditures	# 8,144,349	# (22,583,108)	# (10,825,094)	# (7,730,959)	# 143,901	# (10,928,198)	# (7,739,047)	(33,731,265)	(1,843,463)	(19,624,308)
<b>Other Financing Sources (Uses)</b>										
Transfers in	8,282,174	(15,174,352)	(13,285,380)	(16,616,406)	(13,940,284)	(13,634,787)	(13,617,578)	(16,532,170)	(17,167,904)	(15,667,575)
Transfers out	(8,562,888)	15,174,352	13,285,380	16,613,406	25,897,409	13,634,787	13,617,578	16,532,170	17,167,904	15,856,415
Bonds issued	-	8,425,000	-	8,060,000	150,000	-	-	19,855,000	-	-
Refunding bonds issued	-	4,210,000	-	-	-	-	-	-	-	-
Payment to refunding escrow agent	-	(4,362,844)	610,000	-	(11,675,000)	3,422,002	1,863,940	-	-	-
Payment to escrow agent, debt refunding pmt	-	-	-	-	-	-	(28,995,000)	-	-	-
Payment to escrow agent, advance interest pmt	-	-	-	-	-	-	(1,252,192)	-	-	-
Proceeds from capital lease	-	-	-	-	-	-	-	-	-	-
Advance payments from debt refunding	-	-	-	-	-	-	-	-	-	-
Debt Obligation Issued	-	-	-	-	-	-	59,385,000	-	348,000	36,344,145
Appropriated Fund Balances	-	-	-	-	-	-	-	-	-	-
Premium on issued debt	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(280,714)	8,272,156	610,000	8,057,000	432,125	3,422,002	30,981,748	20,236,491	348,000	35,580,548
Net change in fund balances	\$ 7,863,635	\$ (14,310,952)	\$ (10,215,094)	\$ 326,041	\$ 576,026	\$ (7,508,196)	\$ 23,242,701	(13,494,774)	(1,495,463)	15,956,240
Debt service as a percentage of noncapital expenditures	0.00%	8.02%	8.23%	8.07%	7.96%	8.18%	8.63%	7.91%	9.69%	8.84%

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

Fiscal Year	Real Property			Present-use Value	Personal Property	Public Service Companies	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
	Residential Property	Commercial Property	Industrial Property							
2001	\$ 4,235,799,233	-	-	-	\$ 1,792,535,186	\$ 91,555,227	\$ 6,119,889,646	0.6800	\$ 6,553,231,462	93.4%
2002	4,448,947,386	-	-	-	1,800,472,859	95,280,352	6,344,680,597	0.6800	7,312,031,465	86.8%
2003	4,735,604,553	-	-	-	1,785,969,330	88,706,936	6,610,280,819	0.6800	7,606,653,922	86.9%
2004	4,966,254,102	-	-	-	1,924,461,891	84,043,983	6,974,759,976	0.7000	7,753,603,202	90.0%
2005	6,435,605,771	-	-	-	1,913,780,456	100,466,296	8,449,852,523	0.7000	8,543,787,515	98.9%
2006	6,716,994,823	-	-	-	2,068,236,052	106,987,984	8,892,218,859	0.7000	9,412,272,973	94.5%
2007	7,084,226,847	-	-	-	1,998,812,513	105,553,248	9,188,592,608	0.7100	9,439,255,440	97.3%
2008	7,450,555,025	-	-	-	2,588,090,556	108,434,679	10,127,180,260	0.6650	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%

Note: Pitt County is currently undergoing a new software implementation process. Upon completion, information will be documented using the above format.

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									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Pitt County	\$ 0.6800	\$ 0.6800	\$ 0.6800	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7100	\$ 0.6650	\$ 0.6650	\$ 0.6650
<u>Municipality Rates:</u>										
Town of Ayden	0.5000	0.5000	0.5500	0.5500	0.5200	0.5200	0.5200	0.5000	0.5000	0.5000
Town of Bethel	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900
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	0.4800	0.4900	0.4900
Town of Fountain	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
City of Greenville	0.5500	0.6150	0.6150	0.6150	0.5600	0.5600	0.5600	0.5200	0.5200	0.5200
Town of Grifton	0.5700	0.5700	0.5700	0.5700	0.5500	0.5500	0.5500	0.5500	0.5500	0.6000
Town of Grimesland	0.3900	0.3900	0.4500	0.4500	0.4500	0.4500	0.4500	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	0.4000	0.4000	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500
<u>Fire Districts:</u>										
Ayden Fire District	0.0400	0.0400	0.0400	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0300
Ayden Rescue District	0.0450	-	-	-	-	-	-	-	-	-
Bell Arthur Fire District	0.0375	0.0375	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Black Jack Fire District	0.0250	0.0250	0.0300	0.0300	0.0300	0.0300	0.0450	0.0540	0.0540	0.0540
Clarks Neck Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.4500	0.4500	0.4500
Eastern Pines Fire District	0.0250	0.0250	0.0250	0.0250	0.0250	0.0350	0.0350	0.0500	0.0500	0.0500
Eastern Pines Rescue District	0.0273	-	-	-	-	-	-	-	-	-
Falkland Fire District	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Farmville Fire District	0.0400	0.0400	0.0400	0.0400	0.0360	0.0360	0.0360	0.0360	0.0360	0.0360
Fountain Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Gardnersville Fire District	0.0500	0.0500	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750
Grifton Fire District	0.0450	0.0450	0.0450	0.0475	0.0475	0.0499	0.0499	0.0499	0.0499	0.0499
Grimesland Fire District	0.0400	0.0400	0.0400	0.0400	0.0400	0.0450	0.0550	0.0650	0.0650	0.0650
Pactolus Fire District	0.0465	0.0465	0.0465	0.0465	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425
Red Oak Fire District	0.0400	0.0400	0.0400	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
Simpson Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Staton House Fire District	0.0150	0.0150	0.0175	0.0175	0.0175	0.0175	0.0190	0.0190	0.0190	0.0200
Stokes Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Winterville Fire District	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250	0.0250
EMS District	-	-	0.0300	0.0400	0.0400	0.0400	0.0400	0.0440	0.0440	0.0440

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

Source: Pitt County Tax Assessor

## Table 7

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Source: Pitt County Tax Assessor

Table 8

Pitt County  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Collected within the Fiscal Year of the Levy					Collections for Prior Years	Total Amount Collected
		Adjustments	Total Adjusted Levy	Total		Percentage of Adjusted Levy		
				Amount Collected	Percentage of Original Levy			
2001	40,063,103	590,508	40,653,611	38,635,849	96.44%	95.04%	2,017,762	40,653,611
2002	42,027,498	(105,719)	41,921,779	39,827,571	94.77%	95.00%	2,026,488	41,854,059
2003	43,757,070	300,283	44,057,353	41,821,376	95.58%	94.92%	2,201,880	44,023,256
2004	46,472,963	75,893	46,548,856	44,508,879	95.77%	95.62%	2,142,142	46,651,021
2005	57,727,485	(1,458,773)	56,268,712	54,237,137	93.95%	96.39%	2,017,033	56,254,170
2006	60,295,684	698,616	60,994,300	58,743,657	97.43%	96.31%	2,516,958	61,260,615
2007	62,756,579	1,580,524	64,337,103	60,454,677	96.33%	93.97%	2,661,557	63,116,234
2008	70,118,338	713,268	70,831,606	67,321,263	96.01%	95.04%	1,838,681	69,159,944
2009	77,210,700	(68,103)	77,142,597	73,335,531	94.98%	95.06%	2,116,311	75,451,842
2010	76,839,094	67,981	76,907,075	73,447,355	95.59%	95.50%	2,202,767	75,650,122

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.

Ratios of Outstanding Debt by Type,  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government	Per Capita	Percentage of Personal Income
	General Obligation Bonds	Revenue Bonds	Installment Loans	Capital Leases	General Obligation Bonds	Revenue Bonds	Installment Loans				
2001	18,325,000	0	70,517,862	0	2,000,000	0	0	90,842,862	679	2.83%	
2002	15,850,000	0	76,540,545	0	1,800,000	0	0	94,190,545	698	2.88%	
2003	13,385,000	0	73,846,925	0	1,600,000	0	0	88,831,925	644	2.50%	
2004	10,885,000	0	77,871,430	0	1,400,000	0	0	90,156,430	649	2.42%	
2005	8,310,000	0	97,806,640	0	1,200,000	0	0	107,316,640	758	2.69%	
2006	6,655,000	0	95,993,458	0	1,000,000	0	0	103,648,458	698	2.40%	
2007	3,295,000	0	120,611,096	0	800,000	0	0	124,706,096	852	2.75%	
2008	2,340,000	0	135,328,440	0	600,000	0	0	138,268,440	910	2.77%	
2009	1,080,000	0	128,511,253	0	400,000	0	0	129,991,253	835	N/A	
2010	0	0	155,281,052	0	200,000	0	0	155,481,052	980	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				
		Principal	Total			
2001	18,325,000	-	18,325,000	0.57%	0.2994%	137
2002	15,850,000	-	15,850,000	0.49%	0.2498%	117
2003	13,385,000	-	13,385,000	0.38%	0.2025%	97
2004	10,885,000	-	10,885,000	0.29%	0.1561%	78
2005	8,310,000	-	8,310,000	0.21%	0.0983%	59
2006	6,655,000	-	6,655,000	0.15%	0.0748%	45
2007	4,095,000	-	4,095,000	0.09%	0.0446%	28
2008	2,940,000	-	2,940,000	N/A	0.0290%	19
2009	1,480,000	-	1,480,000	N/A	0.0125%	10
2010	200,000	-	200,000	N/A	0.0017%	1

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)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Assessed Value of Property	\$ 5,119,890	\$ 6,344,681	\$ 6,610,281	\$ 6,974,760	\$ 8,449,853	\$ 8,892,219	\$ 9,188,593	\$ 10,127,180	\$ 11,796,580	\$ 11,926,550
Debt Limit, 8% of Assessed Value (Statutory Limitation)	489,591	507,574	528,822	557,981	675,988	711,378	735,087	810,174	943,726	954,124
Amount of Debt Applicable to Limit										
Gross debt	90,843	94,191	88,832	90,156	107,317	103,648	124,706	138,268	129,991	155,481
Less: Amount available for repayment of general obligation bonds	0	0	0	0	0	0	0	0	0	0
Debt outstanding serviced by Enterprise Fund (solid waste)	2,000	1,800	1,600	1,400	1,200	1,000	800	600	400	200
Revenue bonds	0	0	0	0	0	0	0	0	0	0
Total net debt applicable to limit	88,843	92,391	87,232	88,756	106,117	102,648	123,906	137,868	129,591	155,281
Legal Debt Margin	\$ 400,748	\$ 415,184	\$ 441,591	\$ 469,224	\$ 559,872	\$ 608,729	\$ 611,181	\$ 672,506	\$ 814,135	\$ 798,843
Total net debt applicable to the limit as a percentage of debt limit	18.15%	18.20%	16.50%	15.91%	15.70%	14.43%	16.86%	16.99%	13.73%	16.27%

Source: Annual audited financial reports of this entity.

Pitt County

Direct and Overlapping Governmental Activities Debt

As of June 30, 2010

Table 12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
CITY OF GREENVILLE	\$ 16,595,000	100.00%	\$ 16,595,000
TOWN OF AYDEN	\$ 0	100.00%	\$ 0
TOWN OF BETHEL	\$ 1,259,000	100.00%	\$ 1,259,000
TOWN OF FARMVILLE	\$ 0	100.00%	\$ 0
TOWN OF FOUNTAIN	\$ 132,500	100.00%	\$ 132,500
TOWN OF GRIMESLAND	\$ 261,500	100.00%	\$ 261,500
TOWN OF WINTERVILLE	\$ 1,004,500	100.00%	\$ 1,004,500
CONTENTNEA METROPOLITAN SEWAGE DISTRICT (1)	\$ 213,000	0.00%	\$ 0
Total direct debt			155,281,052
Total overlapping debt			<u>19,252,500</u>
Total direct and overlapping debt			<u>\$ 174,533,552</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.

Source: Local Government Commission

**Pitt County**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

**Table 13**

<u>Year</u>	<u>Population(1)</u>	<u>Personal Income (2) (thousands of dollars)</u>	<u>Per Capita Personal Income (2)</u>	<u>Public School Enrollment(3)</u>	<u>Unemployment Rate(4)</u>
2001	133,798	3,207,941	23,976	19,817	5.9%
2002	134,936	3,267,070	24,212	20,292	6.6%
2003	137,901	3,550,399	25,746	20,691	6.5%
2004	138,922	3,719,914	26,777	21,229	5.7%
2005	141,499	3,990,272	28,200	21,582	5.8%
2006	148,493	4,310,900	29,031	22,030	5.2%
2007	146,398	4,535,996	30,984	22,498	5.1%
2008	151,996	4,996,717	32,874	22,994	6.6%
2009	155,607	*	*	23,235	10.3%
2010	158,575	*	*	22,886	*

\* 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 Ten Years Ago

Table 14

Employer	2008-2009 (1)			1998-1999 (2)		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Pitt County Memorial Hospital	7,373	1	10.28%	4,150	1	6.20%
East Carolina University	5,253	2	7.32%	3,700	2	5.53%
Pitt County Public Schools	3,111	3	4.34%	2,500	3	3.73%
NACCO Material Handling Group	900	6	1.25%	1,000	5	1.49%
DSM Pharmaceuticals	1,100	4	1.53%	1,400	4	2.09%
County of Pitt	968	5	1.35%	963	6	1.44%
Alliance One International	850	8	1.18%	555	7	0.83%
Pitt Community College	861	7	1.20%	270	10	0.40%
City of Greenville	743	9	1.04%	550	8	0.82%
The Roberts Company Physician East	500	10	0.70%	300	9	0.45%

Source: (1) Pitt County Industrial Development Commission - most current year available.  
 (2) 1998-1999 budget/financial documents of the Pitt County Financial Services Department.

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

Table 15

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government	130.00	131.75	135.75	139.50	139.50	141.50	142.50	142.00	144.00	143.50
Public safety	268.05	268.25	285.75	295.35	299.35	312.25	321.50	326.56	372.00	399.75
Social services	214.00	217.00	217.00	221.00	219.00	223.00	225.00	227.00	232.00	234.00
Economic and physical dev	15.60	16.60	16.10	18.60	18.60	19.60	18.60	18.60	19.10	21.35
Environmental protection	21.25	22.25	22.25	22.25	21.25	21.25	21.00	21.50	21.50	21.75
Health	120.50	126.60	119.60	116.90	117.70	119.50	124.60	129.10	131.90	137.90
Mental Health	202.25	203.50	197.65	199.80	191.40	54.75	21.25	0.00	0.00	0.00
Veteran's Services	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Total	972.65	986.95	995.10	1014.40	1007.80	892.85	876.45	866.76	922.50	960.25

Source: County Financial Services Department

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

**Pitt County**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental Activities:</b>										
<b>General Government</b>										
Number of registered voters	81,059	82,243	83,544	94,613	92,753	96,244	90,676	96,416	102,049	103,700
Number of marriage licenses issued	1,009	1,037	1,064	1,006	1,163	1,146	1,039	1,222	1,131	1,098
<b>Public Safety</b>										
Number of 911 dispatch/calls	23,445	26,481	19,526	11,313	11,400	12,230	32,000	35,843	36,695	36,630
Number of law violations	13,473	12,669	18,500	19,577	19,388	19,388	26,427	26,505	26,212	28,181
<b>Environmental Protection</b>										
Number of Soil & Water customers served	385	568	1,332	692	1,587	2,109	N/A	822	958	801
<b>Economic and Physical Development</b>										
Number of commercial permits issued	66	157	155	145	134	145	107	61	32	65
Number of residential permits issued	483	1,893	1,699	2,639	1,656	2,122	1,671	1,299	508	570
<b>Human Services</b>										
Households that received assistance with energy bills	N/A	N/A	2,528	2,320	2,519	2,380	2,721	2,880	3,848	4,211
Medicaid clients receiving transportation assistance	N/A	N/A	986	1,254	2,199	2,320	2,386	2,242	2,272	2,309
Number of child support collection cases	N/A	N/A	8,550	8,280	8,198	7,692	7,660	9,679	7,944	8,087
Average number of Public Health WIC cases	N/A	N/A	4,362	4,432	4,257	4,505	4,525	4,598	4,811	4,881
Restaurant/Lodging inspections, consults & permitting activities	N/A	N/A	4,402	3,747	5,156	5,891	7,500	8,929	10,801	9,592
<b>Culture and Recreation</b>										
Total circulation for library system	428,000	409,942	394,125	389,620	409,184	409,184	452,011	460,478	460,500	552,116
<b>Education</b>										
Public school student enrollment K-12	19,817	20,292	20,691	21,229	21,582	22,030	22,498	22,994	23,235	22,886
<b>Business-type Activities:</b>										
<b>Solid Waste &amp; Recycling</b>										
Tons of garbage processed	N/A	N/A	130,000	131,000	138,000	133,100	134,500	135,530	126,000	140,000
Tons of recycled material	N/A	N/A	35,000	35,000	35,506	35,150	35,700	36,000	36,000	36,000

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Governmental Activities:</b>										
<b>General Government</b>										
Buildings	5	5	5	5	5	5	5	5	5	15
Vehicles	N/A	N/A	31	31	31	35	35	30	30	42
<b>Public Safety</b>										
Buildings	3	3	3	3	3	3	3	3	3	4
Vehicles	N/A	N/A	177	177	178	181	181	175	183	193
<b>Environmental Protection</b>										
Buildings	0	0	0	0	0	0	0	0	0	1
Vehicles	N/A	N/A	3	3	3	3	3	7	7	7
<b>Economic and Physical Development</b>										
Buildings	0	0	0	0	0	0	0	0	0	3
Vehicles	N/A	N/A	7	7	7	7	7	11	12	7
<b>Human Services</b>										
Buildings	5	5	5	5	5	5	5	5	5	3
Vehicles	N/A	N/A	72	72	72	71	73	67	72	70
<b>Culture and Recreation</b>										
Buildings	0	0	0	0	0	1	1	1	1	1
Vehicles	0	0	0	0	0	0	0	0	0	0
<b>Education</b>										
Buildings	3	3	5	5	6	7	7	8	8	8
Vehicles	0	0	0	0	0	0	0	0	0	0
<b>Business-type Activities:</b>										
<b>Solid Waste &amp; Recycling</b>										
Buildings	2	2	2	2	2	2	2	2	2	4
Vehicles	N/A	N/A	14	14	14	14	14	16	16	14

Source: Records within the Pitt County Financial Services Department.