



Comprehensive
Annual

Financial Report

For Fiscal Year Ended
June 30, 2011

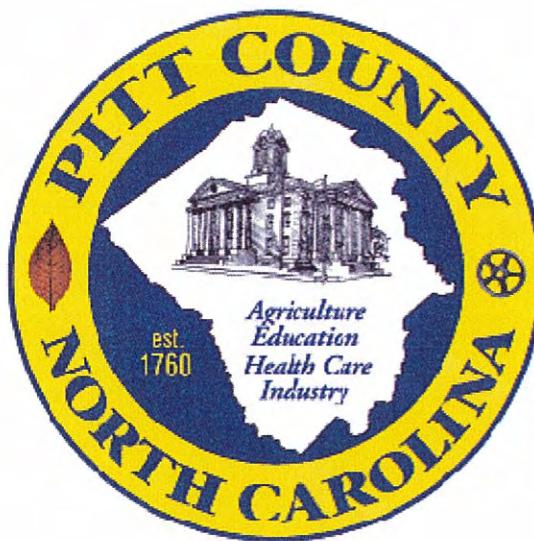


fitcommunity



County of Pitt

North Carolina



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2011

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, 2011

TABLE OF CONTENTS

<u>Exhibit</u>		<u>Page</u>
INTRODUCTORY SECTION		
County's Transmittal Letter		3-6
Pitt County Profile		7-14
GFOA's Certificate of Achievement for Excellence in Financial Reporting		15
List of Principal Officials		16
Organizational Charts		17-18
Mission, Vision, Values and Goals Statements		19
FINANCIAL SECTION		
Independent Auditors' Report		23-24
Management's Discussion and Analysis		25-34
Basic Financial Statements:		
Government-Wide Financial Statements:		
A Statement of Net Assets		35
B Statement of Activities		36-37
Fund Financial Statements:		
C Balance Sheet - Governmental Funds		37
D Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds		38
E Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities		40
F General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual		41
G Statement of Net Assets - Proprietary Funds		42
H Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds		43
I Statement of Cash Flows - Proprietary Funds		44
J Statement of Fiduciary Net Assets - Fiduciary Fund		45
K Statement of Changes in Fiduciary Net Assets - Fiduciary Fund		46
Notes to the Financial Statements		47-86
Supplemental Financial Data:		
Required Supplementary Information - Law Enforcement Officers' Special Separation Allowance (LEO) - Other Post Employment Benefits (OPEB)		89 90

PITT COUNTY, NORTH CAROLINA
General Purpose Financial Statements and Compliance Reports
For The Year Ended June 30, 2011

TABLE OF CONTENTS

<u>Schedule</u>	<u>Page</u>
Other Supplemental Schedules:	
A-1 Schedule of Ad Valorem Taxes Receivable	93
A-2 Analysis of Current Year Levy- County-Wide Levy	94
A-3 Analysis of Current Year Levy – Secondary Market Disclosures	95
A-4 Ten Largest Taxpayers	96
A-5 Combining Balance Sheet - Nonmajor Governmental Funds	97
A-6 Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	98
A-7 Debt Service Fund - Consolidated - Changes in Fund Balances - Nonmajor Governmental Funds	99
A-8 Debt Service Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	100
A-9 School Capital Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	101
A-10 County Capital Reserve Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	102
General Fund:	
B-1 Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (with Comparative Actual Amounts)	106-109
B-2 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - All Departments	110-111
B-3 General Services Department - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (with Comparative Actual Amounts)	112-119
B-4 Public Health Department - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (with Comparative Actual Amounts)	120-122
B-5 Social Services Department - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (with Comparative Actual Amounts)	123
B-6 Court Facility Department - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (with Comparative Actual Amounts)	124
B-7 Mental Health Department - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (with Comparative Actual Amounts)	125
Special Revenue Funds:	
C-1 Combining Balance Sheet – Nonmajor Special Revenue Funds	128-129
C-2 Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)- Nonmajor Special Revenue Funds	130-131
C-3 State/Federal Forfeiture Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Comparative Actual Amounts)	132
C-4 CDBG Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (with Comparative Actual Amounts)	133
C-5 State Grants Fund - Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Comparative Actual Amounts)	134
C-6 Pitt Area Transit Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual from Inception to Date	135
C-7 Fire Districts Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Comparative Actual Amounts)	136

PITT COUNTY, NORTH CAROLINA
General Purpose Financial Statements and Compliance Reports
For The Year Ended June 30, 2011

TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
C-8	EMS District Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Comparative Actual Amounts)	137
C-9	E911 Surcharge Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (with Comparative Actual Amounts)	138
 Capital Project Funds:		
D-1	Combining Balance Sheet- Nonmajor Capital Project Funds	140-141
D-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances- Nonmajor Capital Project Funds	142-143
D-3	Pitt Community College (PCC) Building Capital Project Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual From Inception to Date	144
D-4	Detention Center Capital Project Fund- Schedule of Revenues, Expenditures, and Changes in Fund Balance from Inception to Date	145
D-5	Pitt Community College (PCC) (Bowen Farm) Capital Project Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget and Actual from Inception to Date	146
D-6	Stokes/Pactolus ARRA Sewer Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual from Inception to Date	147
D-7	Chicod Sewer Capital Porject Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual from Inception to Date	148
D-8	2007 COPS Education Projects Capital Projects - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual from Inception to Date	149
D-9	2009 LOBS Education Projects Capital Project- Schedule for Revenues, Expenditures and Changes in Fund Balance- Budget and Actual from Inception to Date	150
D-10	Sadie Saulter Capital Project Fund- Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual from Inception to Date	151
D-11	Community Schools and Recreation Capital Project Fund- Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual	152
D-12	ECTC Building Capital Project Fund- Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual	153
D-13	School Improvement Capital Project Fund- Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual	154
D-14	Industrial Development Building Fund- Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual	155
D-15	Pitt Community College (PCC) 2010 Capital Project Fund- Schedule of Revenues, Expenditures and Changes in Fund Balance- Budget and Actual	156
 Enterprise Fund:		
E-1	Solid Waste – Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) – Budget and Actual (Non-GAAP)	161
 Internal Service Funds:		
F-1	Combining Balance Sheet – All Internal Service Funds	165
F-2	Combining Statement of Revenues, Expenses, and Changes in Net Assets – All Internal Service Funds	166
F-3	Combining Statement of Cash Flows – All Internal Service Funds	167

PITT COUNTY, NORTH CAROLINA
General Purpose Financial Statements and Compliance Reports
For The Year Ended June 30, 2011

TABLE OF CONTENTS

<u>Schedule</u>		<u>Page</u>
F-4	Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) – Plan and Actual (Non-GAAP) - Garage Internal Service Fund	168
F-5	Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) – Plan and Actual (Non-GAAP) - Employee Medical Insurance Internal Service Fund	169
F-6	Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) – Plan and Actual (Non-GAAP) - Retiree Medical Insurance Internal Service Fund	170
F-7	Schedule of Revenues, Expenditures, and Other Financing Sources (Uses) – Plan and Actual (Non-GAAP) - Workers' Compensation Internal Service Fund	171
 Trust and Agency Funds:		
G-1	Combining Balance Sheet- All Trust and Agency Funds	175
G-2	Combining Statement of Changes in Assets and Liabilities - All Trust and Agency Funds	176
 Table		
Statistical Section:		
1	Net Assets by Component	179
2	Changes in Net Assets	180-181
3	Fund Balances - Governmental Funds	182
4	Changes in Fund Balances - Governmental Funds	183
5	Assessed and Estimated Actual Value of Taxable Property	184
6	Direct and Overlapping Property Tax Rates	185
7	Principal Property Taxpayers	186
8	Property Tax Levies and Collections	187
9	Ratios of Outstanding Debt by Type	188
10	Ratios of Net General Bonded Debt Outstanding	189
11	Legal Debt Margin Information	190
12	Direct and Overlapping Governmental Activities Debt	191
13	Demographic and Economic Statistics	192
14	Principal Employers	193
15	Full-Time Equivalent County Government Employees by Function	194
16	Operating Indicators by Function	195
17	Capital Asset Statistics by Function	196

I. INTRODUCTORY SECTION

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



October 5, 2011

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, 2011. 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.

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. Education continues to be the number one priority of the Board of Commissioners. Over the past ten years, funding has increased dramatically for current expenses recognizing student growth and the need for increased annual operating funds in both the K-12 and community college settings. The County also continues to be committed to construction of new facilities and the renovation of existing structures as needed. During this past year, Limited Obligation Bonds were issued on behalf of Pitt Community College to construct three new facilities and Qualified School Construction Bonds were issued for the K-12 system to complete a major renovation/expansion project at Sadie Saulter School.

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. In Fiscal Year 2010-2011, the County participated in the Trailblazer program via a grant from the National Center for Civic Innovation with the goal to create more citizen participation in our long range planning process. A telephone survey was conducted and public forums were held across the County during the year to better understand what the citizens felt would be helpful in better understanding our operations. The end result was the publication of a “performance scorecard” brochure that is user friendly and easy to understand. The County also continues to be a participant in the benchmarking project currently underway through the School of Government at the University of North Carolina – Chapel Hill.

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 in the range of 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 continues to 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.

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, 2011 have been prepared in conformity with generally accepted accounting principles and supported the issuance of an unqualified opinion.

Other Relevant Information

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

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, 2010. This was the twenty-first 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 2010-2011. This marks the fourteenth 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

PITT COUNTY, NORTH CAROLINA

YEAR ENDING JUNE 30, 2011

AREA INFORMATION

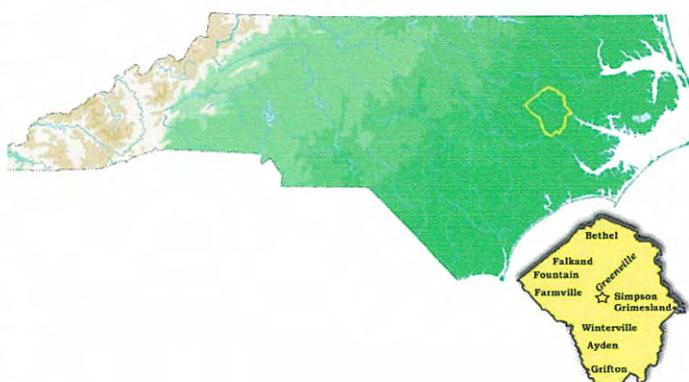
Pitt County was formed in 1760 and has a land area of approximately 656 square miles. In the 2010 Census, the County's population was 168,148. Greenville, the County seat and largest city, is centrally located in the County. There are nine other incorporated municipalities within Pitt County including Ayden, Bethel, Falkland, Farmville, Fountain, Grifton, Grimesland, Simpson and Winterville.

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.

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

Pitt County, NC is the commercial, cultural, educational, and medical hub of Eastern, NC.



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 2011-12) on the appraised value of all real and tangible personal property within its boundaries.



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 gov-

ernment, 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), Attends Healthcare products (paper products), 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 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 2011-12 school year. The Pitt County School Administrative Unit is governed by a Board of Education consisting of twelve members, two each elected from six

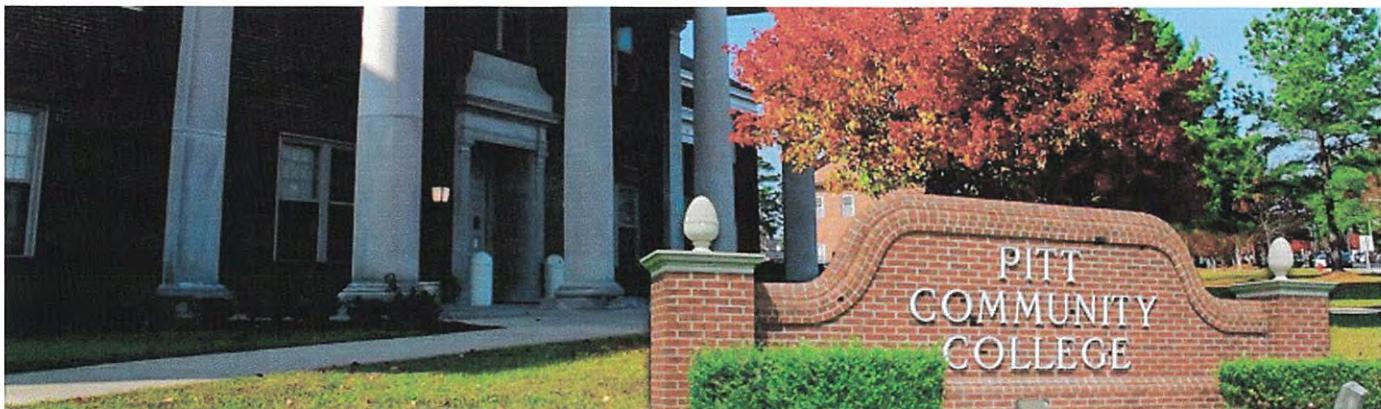
geographic districts. A school superintendent is appointed by the Board of Education.

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.

PITT COMMUNITY COLLEGE

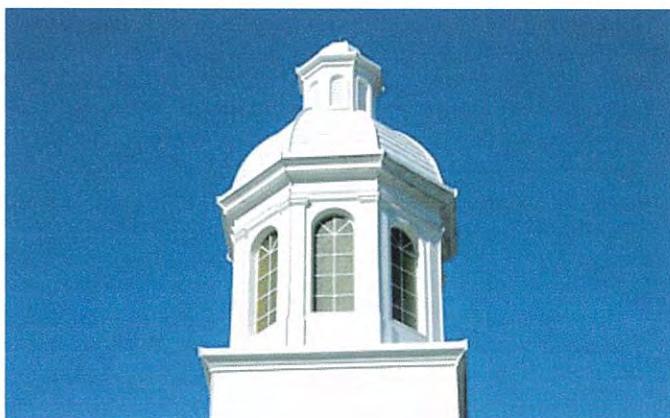
Established in 1961, Pitt Community College (PCC) is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools to award Associate Degrees. PCC is governed by a 12-member Board of Trustees, four of whom are appointed by the Board of Commissioners, four by the County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



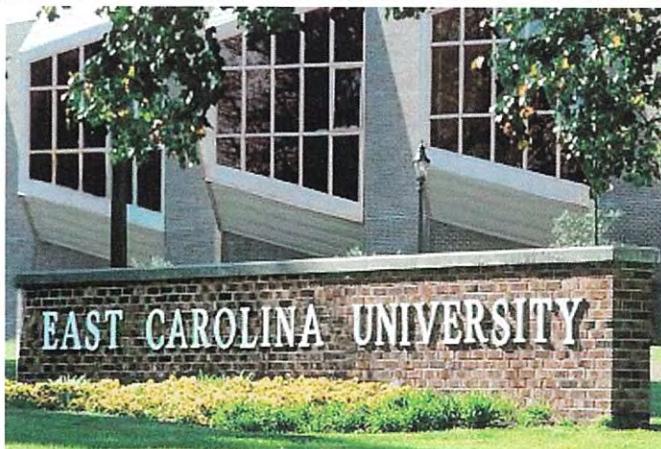


PCC is a comprehensive two-year college offering approximately 45 associate degree programs, 69 certificate programs, 27 diploma programs and 11 college transfer programs. More than 25 of these programs can be taken entirely over the internet. In terms of curriculum programs, PCC is the seventh largest Community College in North Carolina's 58 campus community college system. Enrollment for 2010-11 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 communities for higher education, employment skills, basic education skills, job retraining, personal growth and development, community work-

place 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.



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.



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.



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.



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.

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

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, in-

cluding 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 ongoing community diagnosis to identify specific community based health problems and develop appropriate interventions.



PARKS & RECREATION

Over the past thirty years, Pitt County Community Schools and Recreation has developed recreation programs and joint-use recreation facilities on school campuses throughout the county. In 2010, the County dedicated our district park as the Alice F. Keene Park.

The Alice F. Keene Park includes 1.25 miles in walking trails, two lighted softball fields, 4 multipurpose fields, a playground, horseshoe and bocce courts and a concession stand with restrooms. New this past year is the Physical Activity Challenge which encourages people through an incentive program to use the trail and participate in other physical activity programs.



Also new this year is the Making Pitt Fit Community Garden. Located adjacent to the Farmer's Market, two elementary schools, Alice F. Keene District Park, the Council on Aging, the Community College Greenhouse and near several underserved neighborhoods, the garden is accessible to a cross section of the population.

The goal of the garden is to increase the consumption of fruits and vegetables and increase physical activity through work in the garden and use of the District Park. The garden includes an intergenerational component with students from the elementary schools working with seniors. Current participation reflects diversity of ages, races, cultural and socioeconomic backgrounds. Through the strong support, guidance and hard work of the Community Garden Advisory Committee, strategies have been put in place to build a strong infrastructure and foundation that will ensure the quality of the community garden for years to come.

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.

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.

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.



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, 2010

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.



President



Executive Director

PITT COUNTY, NORTH CAROLINA

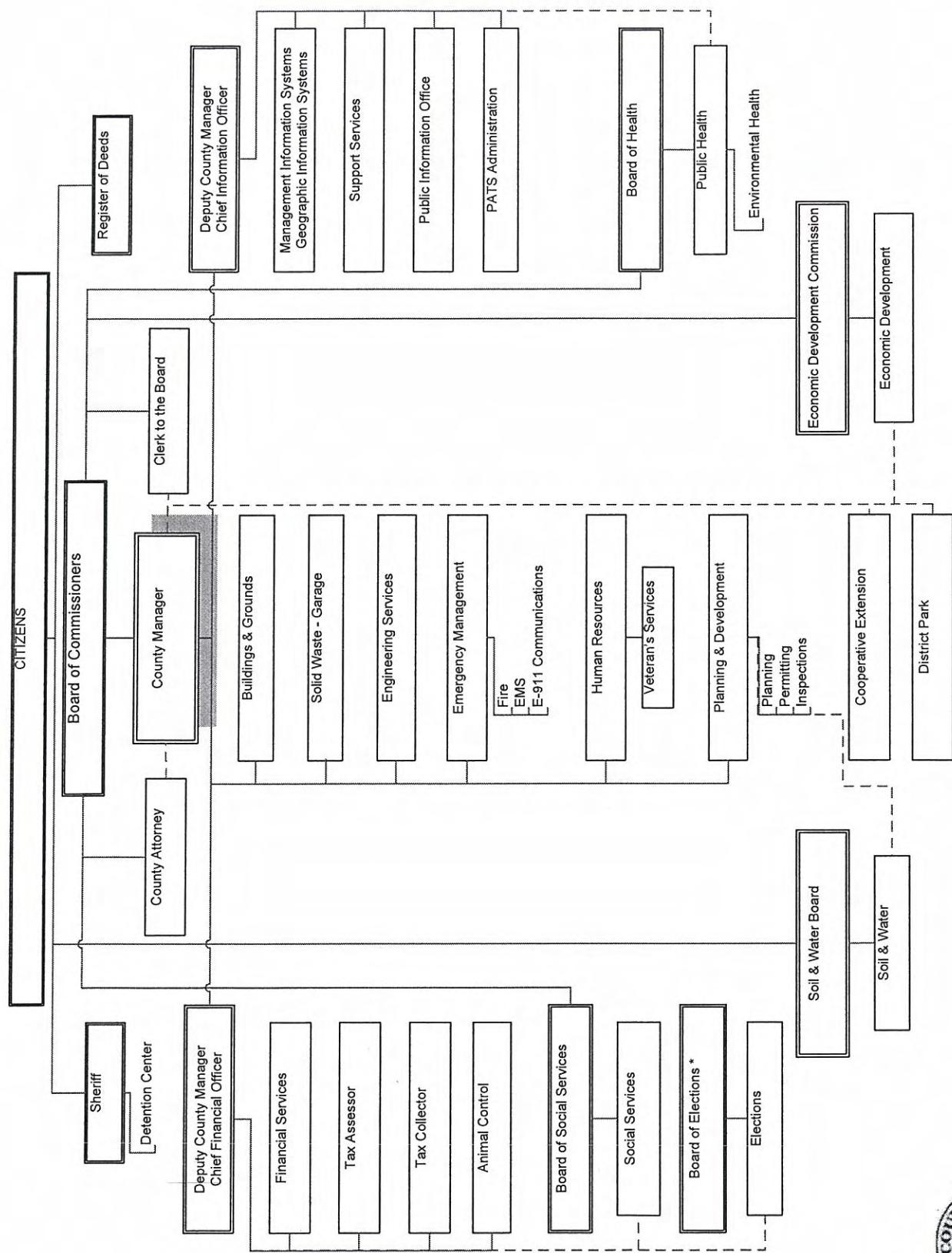
LIST OF PRINCIPAL OFFICIALS **For Year Ended June 30, 2011**

BOARD OF COUNTY COMMISSIONERS

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

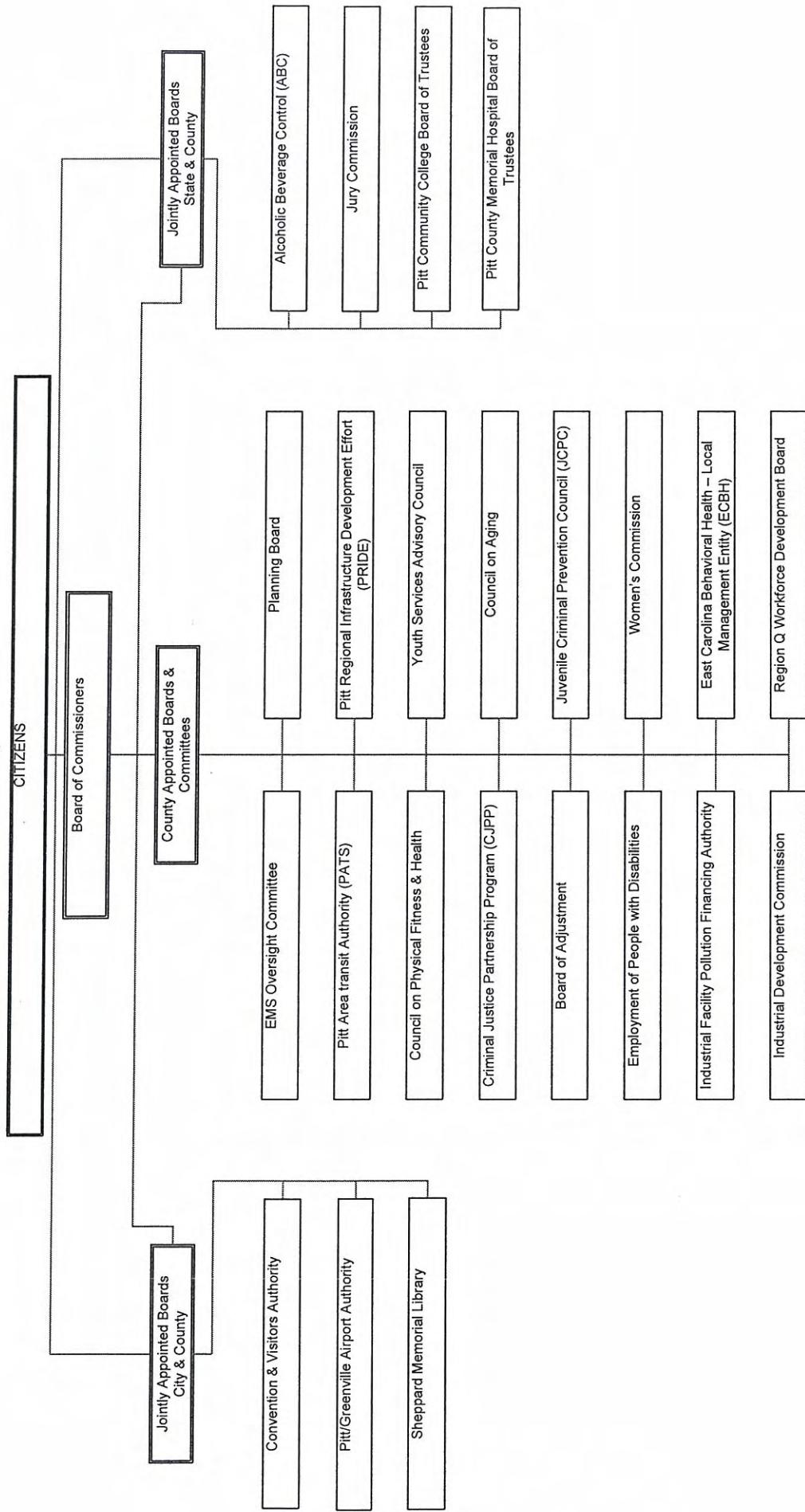
COUNTY OFFICIALS

D. SCOTT ELLIOTT	County Manager
MELONIE T. 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
R. NEIL ELKS	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





Pitt County Appointed Boards & Committees



COUNTY OF PITTSBURGH

MISSION STATEMENT

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

VISION

A Leader in the State; Best in the East.

VALUES

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

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

GOALS FOR FY 2011-12

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



II. FINANCIAL SECTION

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information – Law Enforcement Officer's Special Separation Allowance
- Other 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, 2011, 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 60 percent, 56 percent, and 87 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, 2011, and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2011 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, agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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 as a whole. 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 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information 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
October 5, 2011

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, 2011. 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 \$6,453,930.
- The County's net assets of governmental activities decreased by \$28,194,233; the majority of this decrease is attributable to the contribution of land and real estate to Pitt County Board of Education of \$32,480,155 due to the retirement of school related debt.
- As of the close of the current fiscal year, Pitt County's General Fund reported an ending fund balance of \$21,907,375 a decrease of \$3,666,522 in comparison with the prior year. The decrease is a reflection of the economy and lower than anticipated sales tax collections coupled with the increased demand for services in the areas of public safety and human services. Approximately 72% of this total amount, \$15,849,369 is available for spending at the government's discretion while the difference is either restricted, reserved, committed, or assigned for a specific purpose or for stabilization of State statute.
- Tax rate was unchanged at 66.5 cent per \$100 valuation. The proceeds are split 65.50 cents General Fund and 1.00 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:

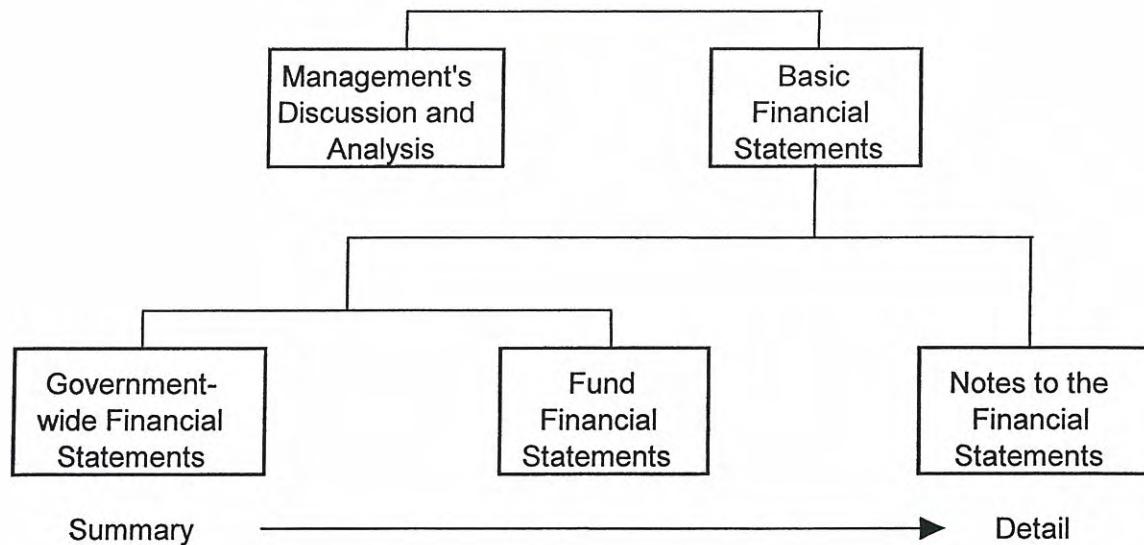
Fitch	AA
Moody's	Aa3
Standard & Poor's	AA-

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 35-37 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 47-86 of this report.

Government-wide Financial Analysis

We are in the tenth 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 \$10,964,053 at the close of the most recent fiscal year.

Pitt County's Net Assets

Figure 2

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 77,244,981	\$ 73,477,601	\$ 3,262,168	\$ 2,720,538	\$ 80,507,149	\$ 76,198,139
Capital assets: nondepreciable	37,795,160	13,443,267	664,329	664,329	38,459,489	14,107,596
Capital assets, net	<u>90,788,865</u>	<u>124,936,851</u>	<u>2,206,538</u>	<u>2,157,100</u>	<u>92,995,403</u>	<u>127,093,951</u>
Total assets	205,829,006	211,857,719	6,133,035	5,541,967	211,962,041	217,399,686
Long-term liabilities outstanding	183,948,286	159,977,134	1,144,353	1,210,550	185,092,639	161,187,684
Other liabilities	<u>15,426,790</u>	<u>17,232,422</u>	<u>478,559</u>	<u>640,657</u>	<u>15,905,349</u>	<u>17,873,079</u>
Total Liabilities	199,375,076	177,209,556	1,622,912	1,851,207	200,997,988	179,060,763
Net Assets:						
Invested in capital assets, net of related debt	3,313,440	26,867,920	2,870,867	2,621,429	6,184,307	29,489,349
Restricted	15,413,852	178,243	-	-	15,413,852	178,243
Unrestricted	<u>(12,273,362)</u>	<u>7,602,000</u>	<u>1,639,256</u>	<u>1,078,331</u>	<u>(10,634,106)</u>	<u>8,680,331</u>
Total net assets	\$ 6,453,930	\$ 34,648,163	\$ 4,510,123	\$ 3,699,760	\$ 10,964,053	\$ 38,347,923

A large portion of net assets (79%) reflects Pitt County's 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. Pitt County's investment in its capital assets is reported net of related debt. However, in this particular year, all of the new debt is reflected while the asset is still under construction so the full value of the new asset (school facilities) is not reflected as an offset. It should be noted that dedicated revenue streams (local option sales tax) are earmarked for funding this debt service. Over 100% of Pitt County's net assets, represents resources that are subject to external restriction on how they may be used, with \$13,973,268 representing restricted by Stabilization of State Statute.

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

Pitt County's Changes in Net Assets
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 21,631,091	\$ 21,435,839	\$ 8,145,483	\$ 8,023,307	\$ 29,776,574	\$ 29,459,146
Operating grants and contributions	30,675,177	29,701,285	12,248	-	30,687,425	29,701,285
Capital grants and contributions	1,002,885	1,367,691	-	-	1,002,885	1,367,691
General revenues:						
Property taxes	79,984,365	78,618,324	-	-	79,984,365	78,618,324
Local option sales tax	14,704,181	14,166,657	-	-	14,704,181	14,166,657
Other	10,794,036	11,471,888	885	4,203	10,794,921	11,476,091
Special items	(27,417,055)	-	-	-	(27,417,055)	-
Total revenues	131,374,680	156,761,684	8,158,616	8,027,510	139,533,296	164,789,194
Expenses:						
General government	16,768,759	16,704,353	-	-	16,768,759	16,704,353
Public safety	32,913,064	37,623,678	-	-	32,913,064	37,623,678
Environmental protection	245,159	267,785	-	-	245,159	267,785
Economic and physical development	6,728,810	7,633,410	-	-	6,728,810	7,633,410
Human services	41,740,952	44,209,437	-	-	41,740,952	44,209,437
Cultural and recreation	53,506,480	718,401	-	-	53,506,480	718,401
Education	698,384	51,034,996	-	-	698,384	51,034,996
Interest on long-term debt	6,967,304	5,870,905	-	-	6,967,304	5,870,905
Landfill	-	-	7,348,253	6,809,686	7,348,253	6,809,686
Total expenses	159,568,912	164,062,965	7,348,253	6,809,686	166,917,165	170,872,651
Increase (decrease) in net assets	(28,194,232)	(7,301,281)	810,363	1,217,824	(27,383,869)	(6,083,457)
Net assets, July 1	34,648,163	41,949,444	3,699,760	2,481,936	38,347,923	44,431,380
Net assets, June 30	\$ 6,453,931	\$ 34,648,163	\$ 4,510,123	\$ 3,699,760	\$ 10,964,054	\$ 38,347,923

Governmental activities. Of total net assets, governmental activities accounted for \$6,453,931 (59 percent). Contribution of land and real estate to Pitt County Board of Education due to the retirement of school related debt accounted for the decrease in net assets in governmental activities.

Business-type activities. Business-type activities increased Pitt County's net assets by \$810,363. 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, fund balance available for appropriation can be a useful measure of a County's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Pitt County. At the end of the current fiscal year, Pitt County's fund balance available in the General Fund was \$15,849,369, while total fund balance was \$21,907,375. The County currently has an available fund balance of 12.04% of general fund expenditures and transfers to debt service fund, while total fund balance represents 16.64% of that same amount.

As of the end of the current fiscal year, Pitt County's governmental funds reported combined ending fund balances of \$64,663,988 an increase of \$3,452,854 in comparison with the prior year. The bulk of this increase is directly related to the 2010 issuance of construction funding for the Pitt Community College. Ad valorem taxes increased by \$195,225 due to reducing the allocated tax rate to the Pitt County Industrial Development Commission from .015 to .010. Investment earnings were \$101,378 less than the prior year while Education expenditures were increased by \$7,676,055. The Education increase reflects the payment of costs related to new construction.

Pitt County's Fund Balance
Figure 4

	<u>General</u>		<u>Other Governmental Funds</u>		<u>Total Governmental Funds</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Fund Balance	\$ 21,907,375	\$ 25,573,897	\$ 42,756,613	\$ 35,637,237	\$ 64,663,988	\$ 61,211,134

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 2011. Other Governmental Funds saw an increase in Fiscal Year 2011 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 2011-2012 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 2011-2012 tax rate was kept at 66.5 cents per \$100 valuation mirroring the rate included within these financial statements.

It should be noted that the reduction in overall General Fund fund balance from 2010 to 2011 reflects the current general economic conditions being experienced by many governmental units. 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 2010-2011.

Another fund that should be noted for fund balance review is the School Capital Reserve Fund (included with debt service fund) which had an ending balance at June 30, 2011 of \$8,533,305 as compared to \$6,051,617 at June 30, 2010. 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 (included with debt service fund) which had an ending balance at June 30, 2011 of \$8,542,744 as compared to \$8,318,817 at June 30, 2010. 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 $\frac{1}{4}$ 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, 2011 of \$2,725,062 as compared to \$2,308,062 at June 30, 2010. 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 \$314,864 (.3%). The County increased budgeted revenues by \$155,674 (.1%). In total, the County collected 96.6 percent of the General Fund's final budgeted revenues which was coupled with under-spending in the General Fund of \$2.8 million or approximately 3.2 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 were \$4,745,820, an increase of \$1,095,970 from the prior year. Total net assets at year-end increased to \$7,616,687 from \$6,217,279 for the year ending June 30, 2011. The County's Solid Waste Fund saw revenues at 104% of budget, while expenses were at 95% of budget resulting in net revenue of

\$700,925. 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, 2011 amounts to \$92,995,403 (net of accumulated depreciation). This investment in capital assets includes buildings and systems, improvements, machinery and equipment. Land and construction in progress (not included above) is termed Capital Assets non-depreciable and represents \$38,459,489.

In fiscal year 2011, new Limited Obligation Bond debt of \$27,500,000 was issued for facilities at Pitt Community College and approximately \$5,952,500 in Qualified School Construction Bonds was 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 2011-2012 Budget.

Additional information on Pitt County's capital assets can be found in note 6.A on pages 63-64 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>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land and improvements	\$ 9,245,985	\$ 5,828,496	\$ 752,722	\$ 752,722	\$ 9,998,707	\$ 6,581,218
Buildings	113,875,496	152,167,225	2,672,936	2,672,936	116,548,432	154,840,161
Furniture and equipment	6,944,927	7,141,732	2,944,415	2,895,931	9,889,342	10,037,663
Vehicles	6,778,896	6,366,238	884,206	697,357	7,663,102	7,063,595
Construction in progress	29,786,575	8,852,171	-	-	29,786,575	8,852,171
Subtotal	166,631,879	180,355,862	7,254,279	7,018,946	173,886,158	187,374,808
Accumulated depreciation	38,047,854	41,975,744	4,383,412	4,197,517	42,431,266	46,173,261
Capital assets, net	\$ 128,584,025	\$ 138,380,118	\$ 2,870,867	\$ 2,821,429	\$ 131,454,892	\$ 141,201,547

Long-term debt. At the end of the current fiscal year, Pitt County had no bonded debt outstanding that is backed by the full faith and credit of the County.

The County has a legal debt limit of approximately \$925,209,841, of which there is \$0 general obligation debt outstanding at June 30, 2011. 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 \$925,209,841. However, a better analysis of debt is brought about by taking all outstanding debt, not just that secured by General Obligation bonds, (\$175,071,678) and subtracting it from the legal debt limit to arrive at the Net Legal Debt Margin of \$769,174,832.

Net debt outstanding increased \$19,329,875, from the June 30, 2010 balance of \$156,668,981. Additional information on Pitt County's long-term debt can be found in note 7 on pages 65-71 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, 2011 was 10.9 percent. This is slightly higher than the State's June, 2011 unemployment rate of 10.4 percent.
- Impact of 2012 revaluation of property which is anticipated to reduce taxable base.
- Impact of uncontrollable costs such as utilities, health insurance and fuel costs.
- Population of 168,148 (2010 census) – The region experienced an increase of 25.7 percent from 2000 - 2010.

These issues impact both the FY2011-2012 adopted budget and will carry into FY2012-2013.

Budget Highlights for the Fiscal Year 2011-2012

Governmental activities. General government operations will be decreased somewhat primarily to improve the fund balance position of the County. We will have a slight decrease in base property values in Fiscal Year 2011-2012 due to a drop in personal property, motor vehicles and public service values. Real property valuation continues to have growth. Taxable retail sales have remained fairly stable within the County as we enjoy regional hub status and the traffic attracted by East Carolina University events and University Health Systems.

Budgeted expenditures in the General Fund will decrease by 2.39% during the 2011-2012 year. The County held ad valorem taxes constant at 66.5 cents while maintaining service levels and preserving the County workforce. The County was able to absorb a 0.53% 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.

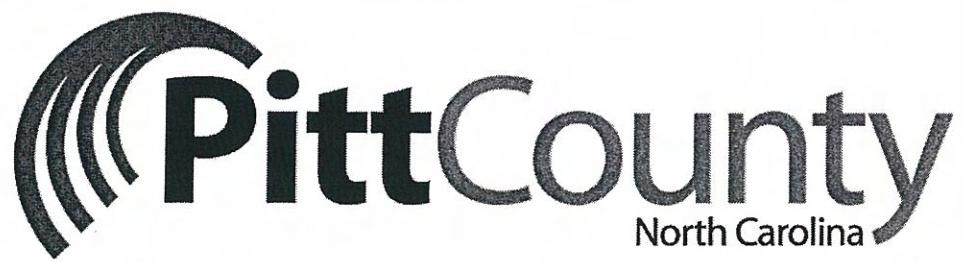
Business-type activities. General operating expenses in these areas are expected to increase minimally. Therefore, both the commercial and residential rates for solid waste disposal were held constant in Fiscal Year 2011-2012.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

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



PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS

JUNE 30, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Commission	Pitt County ABC Board
Assets:					
Current assets:					
Cash and cash equivalents	\$ 36,561,766	\$ 2,270,691	\$ 38,832,457	\$ 3,280,588	\$ 1,033,730
Taxes receivable, net	2,566,295	-	2,566,295	70,021	-
Accounts receivable, net	1,511,054	991,477	2,502,531	-	-
Interest receivable, net	1,584,601	-	1,584,601	-	-
Due from other governments	12,017,412	-	12,017,412	-	-
Inventories	2,511	-	2,511	-	1,587,685
Prepaid items	322,976	-	322,976	2,700	14,239
Cash and investments, restricted	22,248,309	-	22,248,309	-	-
Bond issue costs, net	430,057	-	430,057	-	-
Total current assets	<u>77,244,981</u>	<u>3,262,168</u>	<u>80,507,149</u>	<u>3,353,309</u>	<u>2,635,654</u>
Capital assets:					
Capital assets, non-depreciable	37,795,160	664,329	38,459,489	-	682,256
Capital assets, net	<u>90,788,865</u>	<u>2,206,538</u>	<u>92,995,403</u>	<u>-</u>	<u>1,738,172</u>
Total capital assets	<u>128,584,025</u>	<u>2,870,867</u>	<u>131,454,892</u>	<u>-</u>	<u>2,420,428</u>
Total assets	<u>205,829,006</u>	<u>6,133,035</u>	<u>211,962,041</u>	<u>3,353,309</u>	<u>5,056,082</u>
Liabilities:					
Current liabilities:					
Accounts payable and accrued liabilities	3,942,373	405,559	4,347,932	4,114	753,973
Compensated absences, due in one year	1,200,000	13,000	1,213,000	26,925	60,044
Unearned revenues	503,821	-	503,821	-	731
Long-term debt - due within one year	<u>9,780,596</u>	<u>60,000</u>	<u>9,840,596</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>15,426,790</u>	<u>478,559</u>	<u>15,905,349</u>	<u>31,039</u>	<u>814,748</u>
Non-current liabilities:					
Compensated absences, due in more than one year	2,364,797	44,353	2,409,150	-	-
Due in more than one year	<u>181,583,489</u>	<u>1,100,000</u>	<u>182,683,489</u>	<u>-</u>	<u>59,454</u>
Total non-current liabilities	<u>183,948,286</u>	<u>1,144,353</u>	<u>185,092,639</u>	<u>-</u>	<u>59,454</u>
Total liabilities	<u>199,375,076</u>	<u>1,622,912</u>	<u>200,997,988</u>	<u>31,039</u>	<u>874,202</u>
Net Assets:					
Invested in capital assets, net of related debt	3,313,440	2,870,867	6,184,307	-	2,420,428
Restricted by stabilization of State statute	13,973,268	-	13,973,268	-	424,087
Restricted	1,440,584	-	1,440,584	-	362,822
Unrestricted	<u>(12,273,362)</u>	<u>1,639,256</u>	<u>(10,634,106)</u>	<u>3,322,270</u>	<u>974,543</u>
Total net assets	<u>\$ 6,453,930</u>	<u>\$ 4,510,123</u>	<u>\$ 10,964,053</u>	<u>\$ 3,322,270</u>	<u>\$ 4,181,880</u>

PITT COUNTY, NORTH CAROLINA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

	Program Revenues			
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
	Expenses			
Functions/Programs:				
Primary Government:				
Governmental Activities:				
General government	\$ 16,768,759	\$ 5,308,955	\$ 20,334	\$ 207,368
Public safety	32,913,064	9,265,447	56,387	2,177
Environmental protection	245,159	73,019	-	126,903
Economic and physical development	6,728,810	584,174	4,367,361	307,686
Human services	41,740,952	6,323,684	21,147,178	-
Education	53,506,480	-	5,083,917	358,751
Cultural and recreation	698,384	-	-	-
Interest on long-term debt	6,967,304	-	-	-
Total governmental activities	<u>159,568,912</u>	<u>21,555,279</u>	<u>30,675,177</u>	<u>1,002,885</u>
Business-Type Activities:				
Solid Waste Fund	7,348,253	8,145,483	12,248	-
Total business-type activities	<u>7,348,253</u>	<u>8,145,483</u>	<u>12,248</u>	<u>-</u>
Total primary government	<u>\$ 166,917,165</u>	<u>\$ 29,700,762</u>	<u>\$ 30,687,425</u>	<u>\$ 1,002,885</u>
Component Units:				
Industrial Development Commission	\$ 1,215,014	\$ 181,872	\$ 243,992	\$ -
ABC Board	<u>11,090,868</u>	<u>11,056,163</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$ 12,305,882</u>	<u>\$ 11,238,035</u>	<u>\$ 243,992</u>	<u>\$ -</u>
General Revenues:				
Ad valorem taxes				
Local option sales tax				
Payment in lieu of taxes and other taxes				
Interest earned on investments				
Total general revenues, excluding special items				
Special Items:				
Gain from donation of real estate				
Loss on contribution of real estate to Board of Education				
Total general revenues and special items				
Change in net assets				
Net Assets:				
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	
\$ (11,232,102)	\$ -	\$ (11,232,102)			
(23,589,053)	-	(23,589,053)			
(45,237)	-	(45,237)			
(1,469,589)	-	(1,469,589)			
(14,270,090)	-	(14,270,090)			
(48,063,812)	-	(48,063,812)			
(698,384)	-	(698,384)			
(6,967,304)	-	(6,967,304)			
<u>(106,335,571)</u>	<u>-</u>	<u>(106,335,571)</u>			
	809,478	809,478			
<u>-</u>	<u>809,478</u>	<u>809,478</u>			
<u>(106,335,571)</u>	<u>809,478</u>	<u>(105,526,093)</u>			
			\$ (789,150)	\$ -	
			<u>-</u>	<u>(34,705)</u>	
			(789,150)	(34,705)	
80,060,176	-	80,060,176	1,157,991	-	
14,704,181	-	14,704,181	-	-	
10,655,050	-	10,655,050	-	-	
<u>138,986</u>	<u>885</u>	<u>139,871</u>	<u>(329)</u>	<u>7,975</u>	
<u>105,558,393</u>	<u>885</u>	<u>105,559,278</u>	<u>1,157,662</u>	<u>7,975</u>	
5,063,100	-	5,063,100	-	-	
(32,480,155)	-	(32,480,155)	-	-	
<u>78,141,338</u>	<u>885</u>	<u>78,142,223</u>	<u>1,157,662</u>	<u>7,975</u>	
(28,194,233)	810,363	(27,383,870)	368,512	(26,730)	
<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>	
<u>\$ 6,453,930</u>	<u>\$ 4,510,123</u>	<u>\$ 10,964,053</u>	<u>\$ 3,322,270</u>	<u>\$ 4,181,880</u>	

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

PITT COUNTY, NORTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2011

	Pitt Community College 2010				
	General Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total
Assets:					
Cash and cash equivalents	\$ 18,058,905	\$ 11,257,894	\$ -	\$ 3,624,874	\$ 32,941,673
Taxes receivable, net	2,338,448	-	-	227,847	2,566,295
Accounts receivable, net	569,803	5,104	-	809,844	1,384,751
Interest receivable	1,584,601	-	-	-	1,584,601
Prepaid items	127,233	-	-	93,315	220,548
Due from other funds	-	-	-	919,000	919,000
Due from other governments	5,708,765	5,861,758	-	446,889	12,017,412
Cash and investments, restricted	-	-	14,497,474	7,750,835	22,248,309
Total assets	<u>\$ 28,387,755</u>	<u>\$ 17,124,756</u>	<u>\$ 14,497,474</u>	<u>\$ 13,872,604</u>	<u>\$ 73,882,589</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 1,991,316	\$ -	\$ -	\$ 260,493	\$ 2,251,809
Retainage payable	-	-	-	945,793	945,793
Due to other funds	-	-	-	919,000	919,000
Deferred revenues	4,489,064	-	-	612,935	5,101,999
Total liabilities	<u>\$ 6,480,380</u>	<u>-</u>	<u>-</u>	<u>2,738,221</u>	<u>9,218,601</u>
Fund Balances:					
Non-spendable - prepaid items	127,233	-	-	93,315	220,548
Restricted by stabilization of State statute	5,930,673	5,866,862	-	2,175,733	13,973,268
Restricted	249,769	-	14,497,474	8,281,508	23,028,751
Committed	-	11,257,894	-	365,233	11,623,127
Assigned	4,215,000	-	-	1,348,867	5,563,867
Unassigned	11,384,700	-	-	(1,130,273)	10,254,427
Total fund balances	<u>\$ 21,907,375</u>	<u>\$ 17,124,756</u>	<u>\$ 14,497,474</u>	<u>\$ 11,134,383</u>	<u>\$ 64,663,988</u>
Total liabilities and fund balances	<u>\$ 28,387,755</u>	<u>\$ 17,124,756</u>	<u>\$ 14,497,474</u>	<u>\$ 13,872,604</u>	
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.					128,584,025
The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.					3,106,564
Debt issuance costs, net of accumulated amortization, are not financial resources and, therefore, are not reported in the funds.					430,057
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.					(194,001,475)
Premiums related to debt issuance, net of accumulated amortization, are not a current use of resources and, therefore, are not reported in the funds.					(927,407)
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.					<u>4,598,178</u>
Net assets of governmental activities, per Exhibit A					<u>\$ 6,453,930</u>

PITT COUNTY, NORTH CAROLINA**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011**

	Pitt Community College 2010				
	General Fund	Debt Service Fund	Capital Project Fund	Other Governmental Funds	Total
Revenues:					
Ad valorem taxes	\$ 74,733,080	\$ -	\$ -	\$ 4,094,050	\$ 78,827,130
Other taxes and licenses	16,655,382	8,703,849	-	-	25,359,231
Unrestricted intergovernmental revenues	1,679,114	107,686	-	200,000	1,986,800
Restricted intergovernmental revenues	26,597,270	5,083,917	-	4,523,301	36,204,488
Permits and fees	1,759,371	-	-	-	1,759,371
Sales and services	6,629,509	-	-	3,544,793	10,174,302
Interest earned on investments	225,751	1,839	10,863	23,940	262,393
Miscellaneous	610,352	207,368	-	936,865	1,754,585
Total revenues	<u>128,889,829</u>	<u>14,104,659</u>	<u>10,863</u>	<u>13,322,949</u>	<u>156,328,300</u>
Expenditures:					
Current:					
General government	13,455,312	-	-	-	13,455,312
Public safety	30,130,739	-	-	7,133,859	37,264,598
Environmental protection	229,879	-	-	-	229,879
Economic and physical development	1,459,154	-	-	5,189,070	6,648,224
Human services	40,327,489	-	-	-	40,327,489
Education	39,835,676	-	6,807,445	19,353,197	65,996,318
Cultural and recreation	654,435	-	-	43,949	698,384
Debt service:					
Principal repayments	204,780	9,043,348	-	140,362	9,388,490
Interest	18,344	7,033,698	-	-	7,052,042
Total expenditures	<u>126,315,808</u>	<u>16,077,046</u>	<u>6,807,445</u>	<u>31,860,437</u>	<u>181,060,736</u>
Revenues over (under) expenditures	<u>2,574,021</u>	<u>(1,972,387)</u>	<u>(6,796,582)</u>	<u>(18,537,488)</u>	<u>(24,732,436)</u>
Other Financing Sources (Uses):					
Transfers to other funds	(6,915,543)	(1,180,805)	-	(14,200)	(8,110,548)
Transfers from other funds	60,000	5,915,880	-	1,365,468	7,341,348
Debt obligation issued	615,000	5,387,427	22,112,573	5,952,500	34,067,500
Payments to escrow agent, debt refunding payment	-	(5,040,000)	-	-	(5,040,000)
Discount paid from issuance of debt	-	(397,427)	324,417	-	(73,010)
Total other financing sources (uses)	<u>(6,240,543)</u>	<u>4,685,075</u>	<u>22,436,990</u>	<u>7,303,768</u>	<u>28,185,290</u>
Net change in fund balances	<u>(3,666,522)</u>	<u>2,712,688</u>	<u>15,640,408</u>	<u>(11,233,720)</u>	<u>3,452,854</u>
Fund Balances:					
Beginning of year - July 1	<u>25,573,897</u>	<u>14,412,068</u>	<u>(1,142,934)</u>	<u>22,368,103</u>	<u>61,211,134</u>
End of year - June 30	<u>\$ 21,907,375</u>	<u>\$ 17,124,756</u>	<u>\$ 14,497,474</u>	<u>\$ 11,134,383</u>	<u>\$ 64,663,988</u>

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

PITT COUNTY, NORTH CAROLINA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011**

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) \$ 3,452,854

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	1,233,046
Interest earned on investments	(123,967)
Sales and services	(180,126)

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. (239,909)

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. 22,477,867

Contributions of capital assets are not reported in the governmental funds statement. 5,063,100

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. (32,749,135)

Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement. (4,587,925)

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. 14,395

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.) 14,428,490

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. (34,067,500)

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. (3,450,468)

The net revenue of the internal service funds are reported with governmental activities. 535,045

Change in net assets of governmental activities, per Exhibit B \$ (28,194,233)

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, 2011

	Budgeted Amounts			Variance with Final Budget Over/Under	
	Original	Final	Actual		
Revenues:					
Ad valorem taxes	\$ 75,741,784	\$ 75,741,784	\$ 74,733,080	\$ (1,008,704)	
Other taxes and licenses	17,386,186	17,386,186	16,655,382	(730,804)	
Unrestricted intergovernmental revenues	1,607,500	1,607,500	1,679,114	71,614	
Restricted intergovernmental revenues	27,310,329	28,254,938	26,597,270	(1,657,668)	
Permits and fees	2,094,000	2,094,000	1,759,371	(334,629)	
Sales and services	6,985,086	7,196,322	6,629,509	(566,813)	
Interest earned on investments	650,400	650,400	225,751	(424,649)	
Miscellaneous	441,980	499,586	610,352	110,766	
Total revenues	<u>132,217,265</u>	<u>133,430,716</u>	<u>128,889,829</u>	<u>(4,540,887)</u>	
Expenditures:					
General government	14,474,634	14,536,005	13,455,312	1,080,693	
Public safety	31,432,372	31,665,462	30,130,739	1,534,723	
Environmental protection	264,098	269,021	229,879	39,142	
Economic and physical development	1,648,732	1,664,212	1,459,154	205,058	
Human services	42,213,644	43,661,591	40,327,489	3,334,102	
Education	39,835,676	39,835,676	39,835,676	-	
Cultural and recreation	662,076	662,076	654,435	7,641	
Debt service	226,252	226,252	223,124	3,128	
Total expenditures	<u>130,757,484</u>	<u>132,520,295</u>	<u>126,315,808</u>	<u>6,204,487</u>	
Revenues over (under) expenditures	<u>1,459,781</u>	<u>910,421</u>	<u>2,574,021</u>	<u>1,663,600</u>	
Other Financing Sources (Uses):					
Transfers in	-	60,000	60,000	-	
Transfers out	(6,822,880)	(6,915,543)	(6,915,543)	-	
Debt obligation issued	581,200	581,200	615,000	33,800	
Appropriated fund balance	4,781,899	5,363,922	-	(5,363,922)	
Total other financing sources (uses)	<u>(1,459,781)</u>	<u>(910,421)</u>	<u>(6,240,543)</u>	<u>(5,330,122)</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(3,666,522)</u>	<u>\$ (3,666,522)</u>	
Fund Balance:					
Beginning of year - July 1			<u>25,573,897</u>		
End of year - June 30			<u>\$ 21,907,375</u>		

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

PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Solid Waste Fund</u>	<u>Internal Service Funds</u>
Assets:		
Current assets:		
Cash and cash equivalents	\$ 2,270,691	\$ 3,620,093
Receivables, net	991,477	126,303
Inventories	-	2,511
Prepaid items	-	102,428
Total current assets	<u>3,262,168</u>	<u>3,851,335</u>
Non-current assets:		
Capital assets, non-depreciable	664,329	-
Capital assets, net	<u>2,206,538</u>	<u>-</u>
Total non-current assets	<u>2,870,867</u>	<u>-</u>
Total assets	<u>6,133,035</u>	<u>3,851,335</u>
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	405,559	744,771
Compensated absences	13,000	-
Current portion of post-closure costs	60,000	-
Total current liabilities	<u>478,559</u>	<u>744,771</u>
Non-current liabilities:		
Non-current portion of compensated absences	44,353	-
Landfill closure/post-closure costs payable	<u>1,100,000</u>	<u>-</u>
Total non-current liabilities	<u>1,144,353</u>	<u>-</u>
Total liabilities	<u>1,622,912</u>	<u>744,771</u>
Net Assets:		
Invested in capital assets	2,870,867	-
Unrestricted	<u>1,639,256</u>	<u>3,106,564</u>
Total net assets	<u>\$ 4,510,123</u>	<u>\$ 3,106,564</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, 2011

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Solid Waste Fund</u>	<u>Internal Service Funds</u>
Operating Revenues:		
Solid waste fees	\$ 7,590,974	\$ -
User charges	-	1,527,661
Interfund services	-	8,768,861
Miscellaneous revenues	554,509	6,260
Total operating revenues	<u>8,145,483</u>	<u>10,302,782</u>
Operating Expenses:		
Salaries and employee benefits	1,029,570	34,442
Supplies and materials	845,104	-
Contract labor and other services	1,385,494	-
Contracted services - waste disposal	4,129,053	-
Depreciation	196,957	-
Equipment maintenance	-	909,773
Medical claims costs	-	8,777,495
Claims reimbursement	-	815,787
Total operating expenses	<u>7,586,178</u>	<u>10,537,497</u>
Operating income (loss)	<u>559,305</u>	<u>(234,715)</u>
Non-Operating Revenues (Expenses):		
Interest earned on investments	885	560
Interest expense	(10,600)	-
Intergovernmental grants	12,248	-
Gain/(loss) on sale of capital assets	248,525	-
Total non-operating revenues (expenses)	<u>251,058</u>	<u>560</u>
Income (loss) before contributions and transfers	810,363	(234,155)
Transfer in (out)	<u>-</u>	<u>769,200</u>
Change in net assets	810,363	535,045
Net Assets:		
Beginning of year - July 1	<u>3,699,760</u>	<u>2,571,519</u>
End of year - June 30	<u>\$ 4,510,123</u>	<u>\$ 3,106,564</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, 2011

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from customers	\$ 8,038,606	\$ 1,408,598
Cash received from interfund services transactions	-	8,768,861
Cash paid to suppliers	(6,366,767)	(10,398,599)
Cash paid to employees	(1,028,767)	(95,612)
Net cash provided (used) by operating activities	<u>643,072</u>	<u>(316,752)</u>
Cash Flows from Non-Capital Financing Activities:		
Non-capital contributions/grants	12,248	-
Transfers	-	769,200
Net cash provided (used) by non-capital financing activities	<u>12,248</u>	<u>769,200</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(246,395)	-
Proceeds from sale of capital assets	248,525	-
Principal payments on long-term debt	(200,000)	-
Interest expense	(10,600)	-
Net cash provided (used) by capital and related financing activities	<u>(208,470)</u>	<u>-</u>
Cash Flows from Investing Activities:		
Investment income received	885	560
Net increase (decrease) in cash and cash equivalents	447,735	453,008
Cash and Cash Equivalents:		
Beginning of year - July 1	<u>1,822,956</u>	<u>3,167,085</u>
End of year - June 30	<u>\$ 2,270,691</u>	<u>\$ 3,620,093</u>
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:		
Operating income (loss)	\$ 559,305	\$ (234,715)
Depreciation and amortization	196,957	-
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(106,877)	(125,323)
(Increase) decrease in prepaid expenses	-	(5,630)
Increase (decrease) in accounts payable and accrued liabilities	53,687	48,916
Increase (decrease) in closure and post-closure costs payable	(60,000)	-
Net cash provided (used) by operating activities	<u>\$ 643,072</u>	<u>\$ (316,752)</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, 2011

	Pension Trust Fund	Agency Funds
Assets:		
Cash and cash equivalents	\$ 234,358	\$ 327,801
Total assets	<u>234,358</u>	<u>327,801</u>
 Liabilities:		
Deposits held in custody for others	- 311,141	
Deferred compensation benefits payable	<u>-</u> 16,660	
Total liabilities	<u>-</u>	<u>327,801</u>
 Net Assets:		
Held in trust for pension benefits and other purposes	<u>\$ 234,358</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, 2011

	Pension Trust Fund
Additions:	
Employer contributions	\$ 162,764
Total additions	<u>162,764</u>
Deductions:	
Benefits	<u>184,723</u>
Change in net assets	(21,959)
Net Assets:	
Beginning of year - July 1	<u>256,317</u>
End of year - June 30	<u>\$ 234,358</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, 2011

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, 2011

Pitt County Industrial Facility and Pollution Control Financial Authority

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

C. Basis of Presentation, Basis of Accounting

Government-wide Statements

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

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

Fund Financial Statements

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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

The County reports the following major governmental funds for the year ended June 30, 2011:

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.

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. The School Capital Reserve Fund and the County Capital Reserve Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54 they are consolidated in the Debt Service Fund.

Pitt Community College 2010 Capital Project Fund – a multi-year capital project fund used to account for a building project funded by the issuance of 2010 limited obligation bonds.

The County reports the following major enterprise funds for the year ended June 30, 2011:

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

The County reports the following fund types:

Special Revenue Funds. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to specified purposes. The State/Federal Forfeiture Fund, CDBG Fund, State Grants Fund, Pitt Area Transit Fund, Fire Districts Fund, Emergency Medical Services District Fund, and E911 Surcharge Fund are special revenue funds of the County.

Capital Projects Funds. Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The County's capital project funds are: Pitt Community College Building Fund, Detention Center Fund, Pitt Community College (Bowen Farm) Fund, Pitt Community College 2010 Fund, Stokes/Pactolus ARRA Sewer Fund, Chicod Sewer Fund, 2007 COPS Education Fund, Community Schools and Recreation Fund, 2009 LOBS Education Fund, Sadie Saulter Fund, ECTC Building Fund, School Improvement Fund, and Industrial Development Building Fund.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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.

Measurement Focus, Basis of Accounting

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

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

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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

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

Governmental Fund Financial Statements

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

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

The County considers all revenues available when they are collected within 60 days of June 30, 2011, except for property taxes. 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 current 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 2010 through February 2011 apply to the fiscal year ended June 30, 2011. Uncollected taxes which were billed during this period are shown as a receivable on the fund financial statements.

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, 2011

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.

All governmental and business-type activities and enterprise funds of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgetary Data

The 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.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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].

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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.

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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

Assets	Estimated Useful Lives
Buildings	40 years
Furniture and fixtures	10 years
Equipment	5-10 years
Vehicles	5 years

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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

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

Self-Insurance

The County is self-insured for employee medical benefits and workers' compensation with third-party insurance coverage at specified levels. The self-insurance plan is administered by an insurance company. The liability for estimated claims that have been incurred, 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.

Net Assets

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

Fund Balances

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

The governmental fund types classify fund balances as follows:

Non-Spendable Fund Balance

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

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

Restricted Fund Balance

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

	General	Debt	Special	Capital	Total
	Fund	Service	Revenue	Projects	
<i>Restricted for Stabilization of State Statute</i> – portion of fund balance that is restricted by State statute [G.S. 159-8(a)].	\$ 5,930,673	\$ 5,866,862	\$ 1,825,237	\$ 350,496	\$ 14,103,043
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for fire protection expenditures.	\$ -	\$ -	\$ 14,240	\$ -	\$ 14,240
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for EMS and E911 expenditures.	109,458	-	1,176,575	-	1,286,033
<i>Restricted for Register of Deeds</i> – portion of fund balance that is restricted by revenue source for technology for the Register of Deeds' office.	140,311	-	-	-	140,311
Total restricted net assets (Exhibit A)	249,769	-	1,190,815	-	1,440,584
<i>Restricted for Education</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds and/or grants) source for education.	-	-	-	18,999,314	18,999,314
<i>Restricted for Environmental Protection</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds and/or grants) source for sewer projects.	-	-	-	2,588,853	2,588,853
Total restricted fund balances (Exhibit C)	<u>\$ 249,769</u>	<u>\$ -</u>	<u>\$ 1,190,815</u>	<u>\$ 21,588,167</u>	<u>\$ 23,028,751</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

Committed Fund Balance

Committed fund balance is the portion of fund balance that can only be used for specific purpose imposed by majority vote of Pitt County's governing body. Any changes or removal of specific purposes requires majority action by the governing body. Committed fund balance is summarized as follows:

	Debt Service	Capital Projects	Total
<i>Committed for Public Safety</i> – portion of fund balance that can only be used for public safety.	\$ -	\$ 90,390	90,390
<i>Committed for Debt Service</i> – portion of fund balance that can only be used for repaying of governmental debt obligations.	48,707	-	48,707
<i>Committed for Education</i> – portion of fund balance that can only be used for education.	3,487,556	274,843	3,762,399
<i>Committed for General Government</i> – portion of fund balance that can only be used for general government capital needs.	7,721,631	-	7,721,631
Total	\$ 11,257,894	\$ 365,233	\$ 11,623,127

Assigned Fund Balance

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

	General Fund	Special Revenue	Capital Project	Total
<i>Subsequent Year's Expenditures</i> – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.	\$ 4,215,000	\$ 165,777	\$ -	\$ 4,380,777
<i>Assigned for Public Safety</i> – Farmville Rural Fire Department - portion of fund balance assigned by management for the Farmville Rural Fire Department.	-	2,673	-	2,673
<i>Assigned for Economic Development</i> – portion of fund balance assigned by management for an Industrial Building.	-	-	1,007,158	1,007,158
<i>Assigned for Education</i> – portion of fund balance assigned by management for education purposes.	-	-	173,259	173,259
Total	\$ 4,215,000	\$ 168,450	\$ 1,180,417	\$ 5,563,867

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

Unassigned Fund Balance

Unassigned fund balance is the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

Fund Balance Available for Appropriation

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

Total fund balance - General Fund	\$ 21,907,375
Less:	
Prepaid items	(127,233)
Stabilization by State statute	<u>(5,930,673)</u>
Fund balance available for appropriation	\$ <u>15,849,369</u>

Pitt County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-County funds, and County funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and, lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it's in the best interest of the County. The County has not adopted a formal fund balance policy.

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, 2011

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, 2011:

	<u>Amount</u>
Special Revenue:	
Pitt Area Transit Fund	\$ 105,444
Capital Projects:	
Stokes/Pactolus ARRA Sewer Fund	54,717
Chicod Sewer Fund	228,533

The County plans to properly capitalize these funds with the receipt of pending reimbursements from the grantors in the Capital Project funds and with local transfers to the Pitt Area Transit Fund.

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

At June 30, 2011, the County's deposits had a carrying amount of \$24,121,939 and a bank balance of \$25,532,300. The County only has deposits in institutions that collateralize under the Pooling Method. Of the bank balance, \$1,513,591 was covered by federal depository insurance and \$24,018,709 was covered by collateral held by authorized escrow agents in the name of the State Treasurer. The County had \$61,265 of cash on hand at year-end.

B. Investments

At June 30, 2011, the County's investment balances were as follows:

Investment Type	Fair Value	Less Than	2-3	4-7	Greater Than 7
		1 Year	Years	Years	Years
NC Capital Management Trust -					
Cash Portfolio	\$ 22,458,295	\$ 22,458,295	\$ -	\$ -	\$ -
Farm Credit	3,997,220	-	3,997,220	-	-
FNMA	2,001,200	-	2,001,200	-	-
General Electric Commercial Paper	2,000,000	-	2,000,000	-	-
Federal Home Loan Bank	7,003,006	-	4,997,392	2,005,614	-
Total	\$ 37,459,721	\$ 22,458,295	\$ 12,995,812	\$ 2,005,614	\$ -

Interest Rate Risk. The County limits all securities to a final maturity of no more than five 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, 2011, the County's investments were rated as follows:

	Standard	Moody's Investor Services
	Poor's	
North Carolina Capital Management Trust Cash Portfolio	AAAm	N/A
Farm Credit	AAA	Aaa
FNMA	AAA	Aaa
General Electric	A-1+	P-1
Federal Home Loan Bank	AAA	Aaa

Subsequent to June 30, 2011, Standard and Poor's downgraded Farm Credit, FNMA, and Federal Home Loan Bank to AA+.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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
2008	\$ 2,840,461	\$ 539,687	\$ 3,380,148
2009	2,782,897	410,477	3,193,374
2010	2,842,889	163,466	3,006,355
2011	<u>2,799,687</u>	-	<u>2,799,687</u>
Total	<u>\$ 11,265,934</u>	<u>\$ 1,113,630</u>	<u>\$ 12,379,564</u>

5. Accounts Receivable

Disaggregate Information

Type of Receivable	Amount (Net of Allowance)		
	Governmental		Business-Type
	Activities	Activities	Total
Accounts Receivable:			
Customer/client billings	\$ 1,334,751	\$ -	\$ 1,334,751
Landfill fees assessed	-	991,477	991,477
Industrial development building	50,000	-	50,000
Claims refund due to Workers' Compensation Fund	125,051	-	125,051
Internal service funds - Garage Fund	1,252	-	1,252
Total	\$ 1,511,054	\$ 991,477	\$ 2,502,531
Due from Other Governments:			
Sales tax	\$ 8,909,782	\$ -	\$ 8,909,782
Sales tax refund	430,579	-	430,579
Other services and grants	2,677,051	-	2,677,051
Total	\$ 12,017,412	\$ -	\$ 12,017,412

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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>
General Fund:	
Property taxes	\$ 3,126,832
Other - Public Health	429,665
Interest	780,394
Total	<u>\$ 4,336,891</u>
Special Revenue Fund:	
Ambulance services	<u>\$ 3,740,055</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</u>				<u>Balance</u>
	<u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>June 30, 2011</u>
Non-Depreciable Assets:					
Land	\$ 4,591,096	\$ 5,063,100	\$ (1,645,611)	\$ -	\$ 8,008,585
Construction in progress	8,852,171	20,934,404	- -	- -	29,786,575
Total non-depreciable capital assets	<u>13,443,267</u>	<u>25,997,504</u>	<u>(1,645,611)</u>	<u>- -</u>	<u>37,795,160</u>
Depreciable Assets:					
Land improvements	1,237,400	- -	- -	- -	1,237,400
Buildings	152,167,225	- -	(38,291,729)	- -	113,875,496
Furniture and equipment	7,141,732	467,728	(664,533)	- -	6,944,927
Vehicles	6,366,238	1,075,735	(663,077)	- -	6,778,896
Total depreciable capital assets	<u>166,912,595</u>	<u>1,543,463</u>	<u>(39,619,339)</u>	<u>- -</u>	<u>128,836,719</u>
Less Accumulated Depreciation:					
Land improvements	850,851	85,813	- -	- -	936,664
Buildings	31,831,169	3,241,144	(7,277,185)	- -	27,795,128
Furniture and equipment	4,381,140	593,077	(575,553)	- -	4,398,664
Vehicles	4,912,584	667,891	(663,077)	- -	4,917,398
Total accumulated depreciation	<u>41,975,744</u>	<u>\$ 4,587,925</u>	<u>\$ (8,515,815)</u>	<u>\$ - -</u>	<u>38,047,854</u>
Depreciable capital assets, net	<u>124,936,851</u>				<u>90,788,865</u>
Governmental capital assets, net	<u>\$ 138,380,118</u>				<u>\$ 128,584,025</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

During the year the County received donated land valued at \$5,063,100 from Pitt Community College. The County donated land of \$1,645,611 and buildings \$38,111,729 with accumulated depreciation of \$7,277,185 to the Pitt County Board of Education.

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

Governmental Activities:	
General government	\$ 655,972
Public protection	1,716,965
Human services	320,426
Environmental protection	15,280
Education	1,637,121
Economic/physical development	242,161
Total	\$ 4,587,925

Business-Type Activities:	
Solid Waste Fund	\$ 196,957

B. Proprietary Capital Assets

The capital assets for the Enterprise Fund of the County at June 30, 2011 are as follows:

	Balance			Balance
	July 1, 2010	Additions	Retirements	June 30, 2011
Non-Depreciable Assets:				
Land and improvements	\$ 664,329	\$ -	\$ -	\$ 664,329
Total non-depreciable capital assets	664,329	-	-	664,329
Depreciable Assets:				
Land improvements	88,393	-	-	88,393
Buildings and improvements	2,672,936	-	-	2,672,936
Furniture and equipment	2,887,915	56,500	-	2,944,415
Vehicles	705,373	189,895	(11,062)	884,206
Total depreciable capital assets	6,354,617	246,395	(11,062)	6,589,950
Less Accumulated Depreciation:				
Land improvements	88,393	-	-	88,393
Buildings and improvements	1,137,997	58,535	-	1,196,532
Furniture and equipment	2,459,973	55,931	-	2,515,904
Vehicles	511,154	82,491	(11,062)	582,583
Total accumulated depreciation	4,197,517	\$ 196,957	\$ (11,062)	4,383,412
Depreciable capital assets, net	2,157,100			2,206,538
Proprietary capital assets, net	\$ 2,821,429			\$ 2,870,867

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

C. Invested in Capital Assets, Net of Related Debt

The total invested in capital assets, net of related debt, at June 30, 2011 is composed of the following elements:

	Governmental Activities	Business-Type Activities
Capital assets, net of depreciation	\$ 128,584,025	\$ 2,870,867
Long-term debt	194,928,882	1,217,353
Less unspent debt proceeds	(22,248,309)	-
Less debt not tied to capital assets:		
Compensated absences	(3,564,797)	(57,353)
Unfunded LEO pension obligation	(902,949)	-
Unfunded OPEB liability	(14,462,280)	-
2007 COPS Capital Project debt, not associated with		
County assets, net of unspent debt proceeds	(12,535,000)	-
2009 COPS Capital Project debt, not associated with		
County assets, net of unspent debt proceeds	(13,156,000)	-
Engineering project debt	(1,684,849)	-
Sewer improvements debt	(856,075)	-
Global TransPark debt	(248,038)	
Closure and post-closure costs	- 125,270,585	(1,160,000) -
Long-term debt related to capital assets	125,270,585	-
Invested in capital assets, net of related debt	<u>\$ 3,313,440</u>	<u>\$ 2,870,867</u>

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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

A. Changes in Long-Term Debt

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

	Balance			Balance	Current
	July 1, 2010	Additions	Retirements	June 30, 2011	Portion
By Type:					
Compensated absences	\$ 3,567,419	\$ 1,180,732	\$ (1,183,354)	\$ 3,564,797	\$ 1,200,000
Unfunded LEO	660,418	405,295	(162,764)	902,949	-
Unfunded OPEB	11,011,812	4,466,037	(1,015,569)	14,462,280	-
Certificates of participation	117,035,000	-	(11,705,000)	105,330,000	6,335,000
Limited obligation bonds	34,320,000	27,500,000	(1,985,000)	59,835,000	2,330,000
Qualified School Construction bonds					
Notes payable	4,077,439	615,000	(738,490)	3,953,949	765,449
Unamortized bond premium	1,236,542	-	(309,135)	927,407	-
Total	<u>\$ 171,908,630</u>	<u>\$ 40,119,564</u>	<u>\$ (17,099,312)</u>	<u>\$ 194,928,882</u>	<u>\$ 10,980,596</u>
By Purpose:					
Schools				\$ 114,713,500	
Pitt Community College				26,945,000	
General government				1,936,067	
Public safety				18,183,669	
Economic and physical development				1,104,136	
Human services				530,077	
Court house				11,659,000	
Compensated absences				3,564,797	
Unfunded LEO				902,949	
Unfunded OPEB				14,462,280	
Unamortized bond premium				927,407	
Total				<u>\$ 194,928,882</u>	

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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

	<u>Balance</u>			<u>Balance</u>	
	<u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2011</u>	<u>Current Portion</u>
By Type:					
Compensated absences	\$ 56,550	\$ 13,390	\$ (12,587)	\$ 57,353	\$ 13,000
Closure and post-closure	1,220,000	-	(60,000)	1,160,000	60,000
General obligation bonds	200,000	-	(200,000)	-	-
Total	\$ 1,476,550	\$ 13,390	\$ (272,587)	\$ 1,217,353	\$ 73,000

B. Certificates of Participation

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

Original Issue			Payment Information		Outstanding	
Amount	Date	Rate	Period	Amount	Balance	Purpose and Collateral
\$ 12,635,000	October 2001	4.50% - 5.75%	Annual	\$ 825,000	\$ 365,000	Phase II of courthouse, advance refund debt; secured by real estate
42,510,000	October 2004	3.00% - 4.70%	Annual	1,100,000 - 1,095,000	32,665,000	School projects, advance refund debt; secured by real estate
59,365,000	March 2007	3.50% - 5.00%	Annual	985,000	54,500,000	School projects, advance refund debt; secured by real estate
19,855,000	October 2007	4.44%	Annual	685,000	<u>17,800,000</u>	Construct Detention Center addition; secured by real estate
Total Certificates of Participation					<u>\$ 105,330,000</u>	

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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

Year Ending			
June 30	Principal	Interest	Total
2012	\$ 6,335,000	\$ 5,472,808	\$ 11,807,808
2013	6,025,000	5,186,271	11,211,271
2014	6,490,000	4,883,309	11,373,309
2015	6,565,000	4,610,845	11,175,845
2016	6,685,000	4,320,433	11,005,433
2017-2021	28,530,000	17,002,690	45,532,690
2022-2026	27,905,000	9,658,607	37,563,607
2027-2031	15,195,000	3,061,475	18,256,475
2032-2036	1,600,000	282,500	1,882,500
Total	<u>\$ 105,330,000</u>	<u>\$ 54,478,937</u>	<u>\$ 159,808,937</u>

C. Limited Obligation Bonds

Serviced by Governmental Activities:	
Series 2009, payable in annual principal payments of \$825,000- \$1,430,000	
with interest payable semi-annually at 3.5% - 5.00%	\$ 32,890,000
Series 2010, payable in annual principal payments of \$895,000 - \$900,000	
with interest payable semi-annually at 2.0% - 4.0%	<u>26,945,000</u>
Total limited obligation bonds	<u>\$ 59,835,000</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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

Year Ending June 30	Debt Service Fund		
	Principal	Interest	Total
2012	\$ 2,330,000	\$ 1,499,144	\$ 3,829,144
2013	2,330,000	1,456,119	3,786,119
2014	2,330,000	1,413,094	3,743,094
2015	2,330,000	1,361,069	3,691,069
2016	2,330,000	1,309,044	3,639,044
2017-2021	11,645,000	5,734,395	17,379,395
2022-2026	11,625,000	4,237,894	15,862,894
2027-2031	11,625,000	2,563,600	14,188,600
2032-2036	7,870,000	680,400	8,550,400
2037-2041	3,580,000	163,100	3,743,100
2042-2046	1,840,000	27,850	1,867,850
Total	<u>\$ 59,835,000</u>	<u>\$ 20,445,709</u>	<u>\$ 80,280,709</u>

D. Qualified School Construction Bonds

Serviced by Governmental Activities:	
Sadie Saulter Qualified School Construction Bonds, Series 2010, payable annually in the amount of \$350,147 with 0.00% interest	<u>\$ 5,952,500</u>

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

Year Ending June 30	Debt Service Fund		
	Principal	Interest	Total
2012	\$ 350,147	\$ -	\$ 350,147
2013	350,147	-	350,147
2014	350,147	-	350,147
2015	350,147	-	350,147
2016	350,147	-	350,147
2017-2021	1,750,735	-	1,750,735
2022-2026	1,750,735	-	1,750,735
2027-2031	700,295	-	700,295
Total	<u>\$ 5,952,500</u>	<u>\$ -</u>	<u>\$ 5,952,500</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

E. Notes Payables

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

Original Issue		Payment Information		Outstanding	
Date	Rate	Period	Amount	Balance	Security
December 2004	2.55%	Quarterly	\$ 99,716	\$ 26,647	Global TransPark
August 1997	6.30%	Quarterly	56,000	168,000	EMS Facility
March 2000	4.25%	Quarterly	17,651	111,553	Global TransPark
July 2005	3.50%	Quarterly	24,484	109,838	Global TransPark
January 2006	3.56%	Quarterly	209,476	1,684,849	Engineering project
June 2010	3.56%	Quarterly	64,908	215,672	Ambulances
November 2009	3.36%	Semi-annual	65,625	251,238	MIS upgrade
May 2010	0.00%	Annual	45,046	856,075	Sewer improvements
August 2010	2.26%	Semi-annual	91,873	530,077	Vehicles
Total				<u>\$ 3,953,949</u>	

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

Year Ending	Principal	Interest	Total
June 30			
2012	\$ 765,449	\$ 85,949	\$ 851,398
2013	757,884	67,381	825,265
2014	647,114	49,244	696,358
2015	370,871	33,431	404,302
2016	305,045	22,244	327,289
2017-2021	702,070	17,103	719,173
2022-2026	225,280	-	225,280
2027-2031	180,235	-	180,235
Total	<u>\$ 3,953,949</u>	<u>\$ 275,351</u>	<u>\$ 4,229,300</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

F. 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, 2011, net debt outstanding was \$175,071,449 with no bonded debt. The statutory limit at that date was \$944,246,281 providing a debt margin of \$769,174,832.

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 6.43% and 6.41%, respectively, of annual covered payroll. The County's contributions, including the members' contributions, to LGERS for the years ended June 30, 2011, 2010, and 2009 were \$5,325,895, \$4,559,346, and \$4,088,491 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, 2011

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2011, the Separation Allowance's membership consisted of:

Retirees currently receiving benefits and terminated employees entitled to, but not yet receiving, benefits	10
Active plan members	128
Total	138

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

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned by making contributions based on actuarial valuations. For the current year, the County contributed \$162,764, or 2.29% 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) 5.00% investment rate of return (net of administrative expenses) and (b) projected salary increases of 4.25% - 7.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include post-retirement benefit increases. The actuarial value of assets was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2010 was 20 years.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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	\$ 317,843
Interest on net pension obligation	37,526
Adjustment to annual required contribution	<u>49,926</u>
Annual pension costs	405,295
Employer contributions made for fiscal year ended June 30, 2011	<u>(162,764)</u>
Increase (decrease) in net pension obligation	242,531
Net Pension Obligation:	
Beginning of year - July 1	<u>660,418</u>
End of year - June 30	<u><u>\$ 902,949</u></u>

Three-Year Trend Information			
Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2009	\$ 210,465	60.0%	\$ 597,604
6/30/2010	243,017	74.2%	660,418
6/30/2011	405,295	40.2%	902,949

Funded Status and Funding Progress. As of December 31, 2010, the most recent actuarial valuation date, the plan was 8.7% funded. The actuarial accrued liability for benefits was \$3,055,533 and the actuarial value of assets was \$266,527, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,789,006. The covered payroll (annual payroll of active employees covered by the plan) was \$7,121,139, and the ratio of the UAAL to the covered payroll was 39.17 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, 2011

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, 2011 were \$425,206, which consisted of \$330,382 from the County and \$94,824 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, 2011 was \$2,324,155, which consisted of \$1,738,503 from the County and \$585,652 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 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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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, 2011, the County's required and actual contributions were \$11,467.

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 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, 2011, the County made contributions to the State for death benefits of \$66,470. 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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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. The plan is a single-employer defined benefit plan.

Retirees can purchase coverage for their dependents at the County's group rates until the retiree reaches age sixty-five. Currently, 135 retirees are eligible for post-retirement health benefits. For the year ended June 30, 2011, the County made payments for post-retirement health benefit premiums of \$754,969. The County is self-insured for healthcare coverage and purchases catastrophic loss coverage through private insurers. A separate report was not issued for the plan.

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

	Law	
	General	Enforcement
	Employees	Officers
Retirees and dependents receiving benefits	135	N/A
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	<u>826</u>	<u>138</u>
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.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

The current annual required contribution (ARC) rate is 10.56% of annual covered payroll. For the current year, the County contributed \$1,015,569 to the plan, consisting of \$754,969 from the County and \$260,260 from employees. The current year contribution is 2.43% 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 14.20% and 14.20% of covered payroll, respectively. Retirees also contributed \$284,883 to the plan for dependent coverage, on a cost reimbursement basis. The County's obligation to contribute to the plan is established and may be amended by the County Board.

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

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

Annual required contribution	\$ 4,405,578
<i>Valuation discount rate</i>	4.00%
Interest on net OPEB obligation	440,472
<i>Amortization factor</i>	28.9774
Adjustments to annual required contribution	(380,014)
Annual OPEB cost (expense)	4,466,037
Contributions made	(1,015,569)
Increase (decrease) in net OPEB obligation	3,450,468
Net OPEB Obligation:	
Beginning of year - July 1, 2010	11,011,812
End of year - June 30, 2011	\$ 14,462,280

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2008-2011 were as follows:

Year Ended June 30	Annual OBEP Cost	Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 4,075,340	13.3%	\$ 7,358,315
2010	4,445,978	17.8%	11,011,812
2011	4,466,037	22.7%	14,462,280

Fund 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 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.

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, 2010 was 29 years.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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 \$1,160,000 reported as landfill post-closure care liability at June 30, 2011 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 2011. 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 help determine if a unit is financially able to meet closure and post-closure care requirements.

13. Deferred/Unearned Revenues

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

	Special		
	General	Revenue	
	Fund	Funds	Total
Prepaid taxes not yet earned	\$ 278,772	\$ -	\$ 278,772
Taxes receivable, net	2,338,449	227,847	2,566,296
Accounts receivable, net	218,120	381,316	599,436
Interest receivable, net	1,432,446	-	1,432,446
Health Department unearned grants	221,277	-	221,277
Other unearned revenues	-	3,772	3,772
Total	<u>\$ 4,489,064</u>	<u>\$ 612,935</u>	<u>\$ 5,101,999</u>

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

	Governmental		
	Activities	Business-Type	
	Activities	Activities	Total
Prepaid taxes	\$ 278,772	\$ -	\$ 278,772
Unearned public health fees and grants	221,277	-	221,277
Other unearned revenues	3,772	-	3,772
Total	<u>\$ 503,821</u>	<u>\$ -</u>	<u>\$ 503,821</u>

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

14. Accounts Payable and Interfund Balances

Disaggregate Information

Type of Payable	Governmental	Business-Type	
	Activities	Activities	Total
Trade payables	\$ 2,165,379	\$ 389,958	\$ 2,555,337
Accrued expenses	86,430	15,601	102,031
Retainage payable	945,793	-	945,793
Internal service trade payables	97,662	-	97,662
IBNR estimate (incurred, but not reported)	647,109	-	647,109
Total	\$ 3,942,373	\$ 405,559	\$ 4,347,932

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

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

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

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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 \$8,022,526 in claims and changes in estimates were incurred for benefits during fiscal year 2011. Changes in the Fund's claims liability amounts in fiscal 2002-2011 were as follows:

Year Ended	Balance July 1	Changes in Estimates	Claim Payments	Balance June 30
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
2011	564,348	8,022,526	(7,939,765)	647,109

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, 2011.

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

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, 2011, the portion of the trust available to be loaned exclusively to Pitt County was \$2,293,852.

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 (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 \$4,370,835 to the Community College for operating purposes and \$75,000 for capital outlay during the fiscal year ended June 30, 2011. In addition, the County made debt service payments of \$555,000 for principal and \$301,723 for interest during the fiscal year on limited obligation bonds issued for Community College capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2011. 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, 2011

The County also participates in a joint venture to operate the Sheppard Memorial Library (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, 2011. The County appropriated \$558,194 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. 5th 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, 2011 was:

	Percentage of Sales	Percentage of Receivables
Major customer 1	14%	34%
Major customer 2	7%	42%

19. Claims and Judgments

At June 30, 2011, 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, 2011, 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, 2011

21. Summary Disclosure of Significant Commitments

The County had commitments, as shown below, for construction contracts outstanding at June 30, 2011. The projects are accounted for in the capital projects funds and are mainly funded by debt proceeds.

Project	Balance of Contract
2009 COPS School Projects	\$ 1,368,139
Sadie Saulter Project	2,389,287
Chicod School Project	13,554
Total	\$ 3,770,980

The County has financial commitments of \$83,132 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.

	Federal	State
Energy Assistance	\$ 1,148,118	\$ -
Temporary Assistance to Needy Families (TANF)	1,391,643	-
Aid to Families with Dependent Children	(133)	(37)
Special Assistance to Adults	-	1,215,877
Adoption Subsidy Title IV-E	420,026	91,811
State Foster Home	-	131,319
Adoption Subsidy - State	-	118,773
Refugee Assistance payments	1,267	-
Medicaid	154,063,158	54,338,463
Women, Infants, and Children	3,246,171	-
Food Stamp Program	43,668,330	-
Total	\$ 203,938,580	\$ 55,896,206

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

23. Component Unit Transactions

In fiscal year 2011, 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	\$ 1,150,000	Profit distribution
Debt Service:		
From Pitt County Industrial Development Commission	107,686	IDC debt service

24. Interfund Balances and Transfers

In fiscal year 2011, 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	\$ 6,915,543	\$ -	
Special Revenue	E911 Surcharge Fund	-	20,388	Local match/contribution
Internal Service	Retiree Health Insurance	-	815,000	Local contribution
Special Revenue	Pitt Transit	-	52,000	Local match/contribution
Debt Service	Debt Service	-	5,915,880	Annual debt service requirement
Special Revenue	State Grant Fund	-	112,275	Local contribution
		<u>\$ 6,915,543</u>	<u>\$ 6,915,543</u>	
Debt Service	School Capital Reserve	\$ 1,180,805	\$ -	
Capital Project	Chicod Sewer	-	30,805	Local contribution
Capital Project	School Improvement	-	1,150,000	Local contribution
		<u>\$ 1,180,805</u>	<u>\$ 1,180,805</u>	
Debt Service	School Capital Reserve	\$ 6,179,141		Debt service - school projects
Debt Service	County Capital Reserve	3,723,873		Debt service local projects
Debt Service	Debt Service	-	9,903,014	
		<u>\$ 9,903,014</u>	<u>\$ 9,903,014</u>	
Special Revenue	Pitt Transit	<u>\$ 14,200</u>		
Internal Service	Workers' Compensation		<u>\$ 14,200</u>	Local contribution
Internal Service	Garage	<u>\$ 60,000</u>		
General	General		<u>\$ 60,000</u>	Transfer accumulation of assets
Internal Service	Medical Insurance	<u>\$ 250,000</u>		
Internal Service	Workers' Compensation		<u>\$ 250,000</u>	Transfer accumulation of assets

PITT COUNTY, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011

Interfund loans are summarized as follows:

Fund Name	Due From	Due To	Purpose
Stokes/Pactolus ARRA			
Sewer Capital Project	\$ 54,717		Short-term loan in anticipation of debt issue
Chicod Sewer Capital Project	226,255		Short-term loan in anticipation of debt issue
PCC Bowen Farm			
Capital Project Fund		\$ 280,972	Short-term loan in anticipation of debt issue
CDBG Special Revenue Fund	\$ 51,404		Short-term loan in anticipation of grant award
State Grants Special Fund	174,185		Short-term loan in anticipation of grant award
Pitt Area Transit			
Special Revenue Fund	412,439		Short-term loan in anticipation of grant award
E911 Surcharge Fund		\$ 638,028	

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, 2011**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Accrued			Funded Ratio A / B	Covered Payroll C	UAAL as a Percentage (B - A) / C
	Actuarial Value of Assets A	Liability (AAL) -Projected Unit Credit B	Unfunded (UAAL) B - A			
12/31/2010	\$ 266,527	\$ 3,055,533	\$ 2,789,006	8.72%	\$ 7,121,139	39.17%
12/31/2009	256,317	3,136,604	2,895,337	8.17%	6,635,702	43.63%
12/31/2008	242,933	2,353,496	2,110,563	10.32%	5,996,468	35.20%
12/31/2007	249,168	2,027,477	1,778,309	12.29%	5,555,672	32.01%
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%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution		Amount Contributed By Employer	Percentage of ARC Contributed
	(ARC)			
2011	\$ 317,843		\$ 162,764	51.21%
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%

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	12/31/2010
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	20 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return *	5.00%
Projected salary increases *	4.25 - 7.85%
Cost of living adjustments	N/A

*Includes inflation at 3.00%

PITT COUNTY, NORTH CAROLINA

OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2011

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Accrued			Funded Ratio A / B	Covered Payroll C	UAAL as a Percentage (B - A) / C
	Actuarial Value of Assets A	Liability (AAL) - Projected Unit Credit B	Unfunded AAL (UAAL) B - A			
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

Year Ended June 30	Annual		
	Required Contribution (ARC)	Amount Contributed By Employer	Percentage of ARC Contributed
2008	\$ 4,246,340	\$ 419,538	9.88%
2009	4,246,340	479,836	11.30%
2010	4,113,151	792,481	19.27%
2011	4,405,578	1,015,569	23.05%

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%
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, 2011.



PITT COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2011

Fiscal Year	Uncollected Balance		Collections and Credits	Uncollected Balance	
	June 30, 2010	Additions		June 30, 2011	
2010-2011	\$ -	\$ 74,742,612	\$ 72,098,919	\$ 2,643,693	
2009-2010	2,189,185	343,613	1,836,858	695,940	
2008-2009	606,055	-	201,926	404,129	
2007-2008	309,708	-	76,506	233,202	
2006-2007	253,932	-	39,910	214,022	
2005-2006	195,091	-	22,144	172,947	
2004-2005	163,717	-	14,756	148,961	
2003-2004	182,999	-	11,228	171,771	
2002-2003	191,290	-	10,067	181,223	
2001-2002	127,621	-	127,621	-	
	<u>\$ 4,219,598</u>	<u>\$ 75,086,225</u>	<u>\$ 74,439,935</u>	<u>4,865,888</u>	

Registered motor vehicle tax for year ending June 30, 2011	599,392
Less: allowance for uncollectible ad valorem taxes receivable	<u>(3,126,832)</u>
	<u>\$ 2,338,448</u>

Reconciling with revenues:

Taxes - ad valorem	\$ 74,733,080
--------------------	---------------

Reconciling items:

Interest and Cost	(448,888)
Discounts allowed	831,294
Refunds	17,036
Amounts written off for tax years per statute of limitations	127,621
Miscellaneous tax adjustments	<u>(820,208)</u>

Total collections and credits	<u>\$ 74,439,935</u>
-------------------------------	----------------------

PITT COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY
COUNTY-WIDE LEVY
FOR THE YEAR ENDED JUNE 30, 2011

	Total Levy				
	County-Wide			Property excluding Registered	Registered
	Property Valuation	Rate	Amount of Levy	Motor Vehicles	Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 11,607,697,444	\$ 0.6650	77,149,471	\$ 70,642,451	\$ 6,507,020
Penalties	-		41,717	41,717	-
Total	11,607,697,444		77,191,188	70,684,168	6,507,020
Discoveries:					
Current year taxes	65,212,932	0.6650	381,634	433,666	-
Penalties			52,032	52,032	-
Abatements					
Total property valuation	(261,824,460)	0.6650	(1,741,133)	(1,639,968)	(101,165)
Net levy			75,883,721	69,529,898	6,405,855
Less: Tax rate attributed to Industrial Development Commission	0.0100		(1,141,109)	(1,044,780)	(96,329)
Net levy to County			74,742,612	68,485,118	6,405,855
Less: uncollected taxes at June 30, 2011			(2,643,693)	(1,522,217)	(1,121,476)
Current year's taxes collected	\$ 72,098,919		\$ 66,962,901	\$ 5,284,379	
Percent current year collected			<u>96.46%</u>	<u>97.78%</u>	<u>82.49%</u>
Prior year collection percentage			<u>97.11%</u>	<u>96.83%</u>	

PITT COUNTY, NORTH CAROLINA**ANALYSIS OF CURRENT TAX LEVY
SECONDARY MARKET DISCLOSURES
FOR THE YEAR ENDED JUNE 30, 2011****Secondary Market Disclosures**

Assessed Valuation:

Assessment Ratio (1)	98.67%
Real Property	\$ 9,652,528,904
Personal Property	2,045,396,018
Public Service Companies (2)	<u>105,153,588</u>
Total Assessed Valuation	11,803,078,510
Tax Rate per \$100	0.6650
Levy (includes discoveries, releases and abatements) (3)	<u>\$ 78,490,472</u>

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	\$ <u>3,971,136</u>
----------------------------------	---------------------

- (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, 2011**

Taxpayer	Type of Business	Valuation	Percentage of Total Assessed Valuation
DSM Dyneema LLC	Manufacturer	\$ 262,018,187	2.22%
DSM Pharmaceuticals	Manufacturer	211,430,150	1.79%
Carolina Telephone	Communications	57,728,335	0.49%
Asmo	Manufacturer	56,196,982	0.48%
Attends Healthcare Products Inc	Manufacturer	51,509,574	0.44%
Weyerhaeuser Company	Manufacturer	46,966,121	0.40%
North Campus Crossing LLC (I & II)	Apartments	45,418,511	0.38%
Copper Beech Townhome Communities	Apartments	43,156,107	0.37%
Marelda Greenville Mall (Colonial)	Mall	41,858,620	0.35%
PL Greenville LP (Bellamy)	Apartments	39,542,426	0.34%

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	<i>Schedule C-1</i>	<i>Schedule D-1</i>	
	Special Revenue Funds	Capital Projects Fund	Total
Assets:			
Cash, cash equivalents and investments	\$ 1,797,720	\$ 1,827,154	\$ 3,624,874
Taxes receivable, net	227,847	-	227,847
Accounts receivable, net	759,844	50,000	809,844
Prepaid items	93,315	-	93,315
Cash and investments, restricted	-	7,750,835	7,750,835
Due from other funds	638,028	280,972	919,000
Due from other governments	427,365	19,524	446,889
 Total assets	 <u>\$ 3,944,119</u>	 <u>\$ 9,928,485</u>	 <u>\$ 13,872,604</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 258,393	\$ 2,100	\$ 260,493
Retainage payable	-	945,793	945,793
Due to other funds	638,028	280,972	919,000
Deferred revenues	612,935	-	612,935
Total liabilities	<u>1,509,356</u>	<u>1,228,865</u>	<u>2,738,221</u>
Fund Balances:			
Non-spendable - prepaid items	93,315	-	93,315
Restricted for stabilization of State statute	1,825,237	350,496	2,175,733
Restricted	1,190,815	7,090,693	8,281,508
Committed	-	365,233	365,233
Assigned	168,450	1,180,417	1,348,867
Unassigned	(843,054)	(287,219)	(1,130,273)
Total fund balances	<u>2,434,763</u>	<u>8,699,620</u>	<u>11,134,383</u>
 Total liabilities and fund balances	 <u>\$ 3,944,119</u>	 <u>\$ 9,928,485</u>	 <u>\$ 13,872,604</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	<i>Schedule C-2</i>	<i>Schedule D-2</i>	
	Special Revenue Funds	Capital Projects Fund	<i>Total</i>
Revenues:			
Ad valorem taxes	\$ 4,094,050	\$ -	\$ 4,094,050
Unrestricted intergovernmental revenues	-	200,000	200,000
Restricted intergovernmental revenues	4,501,327	21,974	4,523,301
Sales and services	3,544,793	-	3,544,793
Investment earnings	7,410	16,530	23,940
Miscellaneous	71,008	865,857	936,865
Total revenues	<u>12,218,588</u>	<u>1,104,361</u>	<u>13,322,949</u>
Expenditures:			
Current:			
Public safety	7,133,859	-	7,133,859
Economic and physical development	4,735,779	453,291	5,189,070
Education	-	19,353,197	19,353,197
Cultural and recreation	-	43,949	43,949
Debt service:			
Principal repayments	<u>140,362</u>	<u>-</u>	<u>140,362</u>
Total expenditures	<u>12,010,000</u>	<u>19,850,437</u>	<u>31,860,437</u>
Revenues over (under) expenditures	<u>208,588</u>	<u>(18,746,076)</u>	<u>(18,537,488)</u>
Other Financing Sources (Uses):			
Transfers in	184,663	1,180,805	1,365,468
Transfers out	(14,200)	-	(14,200)
Debt obligation issued	-	5,952,500	5,952,500
Total other financing sources (uses)	<u>170,463</u>	<u>7,133,305</u>	<u>7,303,768</u>
Net change in fund balances	379,051	(11,612,771)	(11,233,720)
Fund Balances:			
Beginning of year - July 1	<u>2,055,712</u>	<u>20,312,391</u>	<u>22,368,103</u>
End of year - June 30	<u>\$ 2,434,763</u>	<u>\$ 8,699,620</u>	<u>\$ 11,134,383</u>

PITT COUNTY, NORTH CAROLINA

DEBT SERVICE FUND - CONSOLIDATED
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	<i>Schedule A-8</i>	<i>Schedule A-9</i>	<i>Schedule A-10</i>		
	Debt Service Fund	School Capital Reserve Fund	County Capital Reserve Fund	Eliminations	Total
Revenues:					
Other taxes and licenses	\$ -	\$ 4,757,717	\$ 3,946,132	\$ -	\$ 8,703,849
Unrestricted intergovernmental revenues	107,686	-	-	-	107,686
Restricted intergovernmental revenues	-	5,083,917	-	-	5,083,917
Investment earnings	171	-	1,668	-	1,839
Miscellaneous	207,368	-	-	-	207,368
Total revenues	315,225	9,841,634	3,947,800	-	14,104,659
Expenditures:					
Debt service:					
Principal repayments	9,043,348	-	-	-	9,043,348
Interest	7,033,698	-	-	-	7,033,698
Total expenditures	16,077,046	-	-	-	16,077,046
Revenues over (under) expenditures	(15,761,821)	9,841,634	3,947,800	-	(1,972,387)
Other Financing Sources (Uses):					
Transfers in	15,818,894	-	-	(9,903,014)	5,915,880
Transfers out	-	(7,359,946)	(3,723,873)	9,903,014	(1,180,805)
Debt obligation issued	5,387,427	-	-	-	5,387,427
Payments to escrow agent, debt refunding payment	(5,040,000)	-	-	-	(5,040,000)
Discount paid from issuance of debt	(397,427)	-	-	-	(397,427)
Total other financing sources (uses)	15,768,894	(7,359,946)	(3,723,873)	-	4,685,075
Net change in fund balances	7,073	2,481,688	223,927	-	2,712,688
Fund Balances:					
Beginning of year - July 1	41,634	6,051,617	8,318,817	-	14,412,068
End of year - June 30	\$ 48,707	\$ 8,533,305	\$ 8,542,744	\$ -	\$ 17,124,756

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, 2011

	Final Budget	Actual	Variance Over/Under
Revenues:			
Unrestricted intergovernmental revenues:			
Pitt Industrial Development Commission	\$ 107,685	\$ 107,686	\$ 1
Miscellaneous	175,363	207,368	32,005
Interest earned on investments	-	171	171
Total revenues	<u>283,048</u>	<u>315,225</u>	<u>32,177</u>
Expenditures:			
Debt service:			
Principal payments - loans	-	9,043,348	-
Interest - loans	-	7,033,698	-
Total expenditures	<u>16,091,942</u>	<u>16,077,046</u>	<u>14,896</u>
Revenues over (under) expenditures	<u>(15,808,894)</u>	<u>(15,761,821)</u>	<u>47,073</u>
Other Financing Sources (Uses):			
Transfer in - General Fund	5,915,880	5,915,880	-
Transfer in - special revenue funds	9,903,014	9,903,014	-
Debt obligation issued	5,387,427	5,387,427	-
Payments to escrow agent, debt refunding payment	(5,040,000)	(5,040,000)	-
Payments to escrow agent, debt refunding discount	(397,427)	(397,427)	-
Appropriated fund balance	40,000	-	(40,000)
Total other financing sources (uses)	<u>15,808,894</u>	<u>15,768,894</u>	<u>(40,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>7,073</u>	<u>\$ 7,073</u>
Fund Balance:			
Beginning of year - July 1			41,634
End of year - June 30	<u>\$ -</u>	<u>48,707</u>	

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, 2011

	Final Budget	Actual	Variance Over/Under
Revenues:			
Other taxes and licenses	\$ 5,745,224	\$ 4,757,717	\$ (987,507)
Restricted intergovernmental revenues	1,183,917	5,083,917	3,900,000
Total revenues	<u>6,929,141</u>	<u>9,841,634</u>	<u>2,912,493</u>
Revenues over (under) expenditures	<u>6,929,141</u>	<u>9,841,634</u>	<u>2,912,493</u>
Other Financing Sources (Uses):			
Transfer out - Debt Service Fund	(6,179,141)	(6,179,141)	-
Transfer out - other funds	(1,180,805)	(1,180,805)	-
Appropriated fund balance	<u>430,805</u>	<u>-</u>	<u>(430,805)</u>
Total other financing sources (uses)	<u>(6,929,141)</u>	<u>(7,359,946)</u>	<u>(430,805)</u>
Net change in fund balance	<u>\$ -</u>	<u>2,481,688</u>	<u>\$ 2,481,688</u>
Fund Balance:			
Beginning of year - July 1		<u>6,051,617</u>	
End of year - June 30		<u>\$ 8,533,305</u>	

PITT COUNTY, NORTH CAROLINA

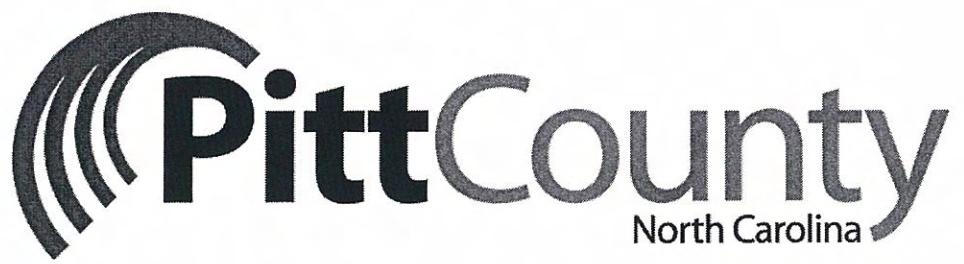
COUNTY CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance Over/Under
Revenues:			
Local option sales tax - Article 46	\$ 4,500,000	\$ 3,946,132	\$ (553,868)
Investment earnings	12,000	1,668	(10,332)
Total revenues	<u>4,512,000</u>	<u>3,947,800</u>	<u>(564,200)</u>
Revenues over expenditures	<u>4,512,000</u>	<u>3,947,800</u>	<u>(564,200)</u>
Other Financing Sources (Uses):			
Transfer out	(3,723,873)	(3,723,873)	-
Contingency	(788,127)	-	788,127
Total other financing sources (uses)	<u>(4,512,000)</u>	<u>(3,723,873)</u>	<u>788,127</u>
Net change in fund balance	<u>\$ -</u>	<u>223,927</u>	<u>\$ 223,927</u>
Fund Balance:			
Beginning of year - July 1			8,318,817
End of year - June 30			<u>\$ 8,542,744</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad Valorem Taxes:				
Taxes	\$ 75,341,784	\$ 74,284,192	\$ (1,057,592)	\$ 74,032,697
Penalties and interest	400,000	448,888	48,888	479,837
Total	<u>75,741,784</u>	<u>74,733,080</u>	<u>(1,008,704)</u>	<u>74,512,534</u>
Other Taxes and Licenses:				
Occupancy tax	21,500	22,093	593	20,904
Local option sales taxes	15,586,286	14,704,181	(882,105)	14,166,657
Payment in lieu of taxes	1,606,000	1,683,183	77,183	1,649,192
Privilege licenses	7,000	10,564	3,564	10,884
Marriage licenses	29,000	25,267	(3,733)	24,705
Gross receipts tax	136,400	210,094	73,694	183,219
Total	<u>17,386,186</u>	<u>16,655,382</u>	<u>(730,804)</u>	<u>16,055,561</u>
Unrestricted Intergovernmental Revenues:				
Alcohol, beer, and wine tax	234,000	226,416	(7,584)	71,738
Pitt County ABC Board	1,100,000	1,150,000	50,000	1,050,000
Social Services fees and grants	273,500	302,698	29,198	524,470
Total	<u>1,607,500</u>	<u>1,679,114</u>	<u>71,614</u>	<u>1,646,208</u>
Restricted Intergovernmental Revenues:				
Public Health fees and grants	5,644,645	5,628,961	(15,684)	5,821,400
Social Services fees and grants	21,883,100	20,389,245	(1,493,855)	22,200,780
Mental Health fees and grants	120,000	107,041	(12,959)	152,057
Jail fees	448,125	344,231	(103,894)	485,545
Automation E&P - Register of Deeds	50,000	71,405	21,405	73,003
Federal and State grants	109,068	56,387	(52,681)	100,592
Total	<u>28,254,938</u>	<u>26,597,270</u>	<u>(1,657,668)</u>	<u>28,833,377</u>
Permits and Fees:				
Building permits and inspection fees	415,500	370,390	(45,110)	391,391
Register of Deeds	720,000	628,394	(91,606)	643,995
Excise stamps	545,000	361,997	(183,003)	480,860
Rabies control fees	24,000	29,616	5,616	23,906
Animal fees	69,500	81,796	12,296	67,310
Court facility fees	320,000	287,178	(32,822)	296,965
Total	<u>2,094,000</u>	<u>1,759,371</u>	<u>(334,629)</u>	<u>1,904,427</u>
Sales and Services:				
Rents, concessions, and fees	4,629,184	4,805,565	176,381	4,684,565
State and federal prison inmate reimbursement	2,567,138	1,823,944	(743,194)	1,457,621
Total	<u>7,196,322</u>	<u>6,629,509</u>	<u>(566,813)</u>	<u>6,142,186</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Investment Earnings	650,400	225,751	(424,649)	326,444
Miscellaneous:				
Sale of capital assets	15,000	90,744	75,744	13,846
Other income	484,586	519,608	35,022	703,912
Total	499,586	610,352	110,766	717,758
Total revenues	133,430,716	128,889,829	(4,540,887)	130,138,495
Expenditures:				
General Government:				
Governing board, County Manager, legal, Public Information Officer	1,757,507	1,689,504	68,003	1,688,105
Finance, Tax Assessor, Tax Collector	3,182,327	2,881,362	300,965	2,892,415
Elections	575,412	539,349	36,063	674,761
Register of Deeds	744,560	729,143	15,417	713,336
Human resources	583,325	545,284	38,041	579,851
Print shop/mailroom, management information system, geographic information system	2,569,302	2,393,906	175,396	2,924,825
Buildings and grounds and housekeeping	2,941,273	2,603,784	337,489	2,737,754
Non-departmental - general administration	2,182,299	2,072,980	109,319	1,418,666
Total	14,536,005	13,455,312	1,080,693	13,629,713
Public Safety:				
Sheriff's Department, school security, other public safety	12,278,351	12,145,590	132,761	11,774,741
Detention Center, jail inmate services, jail health services	15,928,152	14,671,251	1,256,901	13,615,274
Emergency services	913,241	869,939	43,302	864,504
Communications	1,164,319	1,104,748	59,571	1,066,076
Planning E911	123,776	126,691	(2,915)	140,497
Animal and mosquito control	492,396	472,960	19,436	492,049
Inspections	310,316	303,044	7,272	299,961
Medical examiner	121,800	118,540	3,260	76,930
Transportation	4,500	4,259	241	5,059
Court facility	328,611	313,717	14,894	332,521
Total	31,665,462	30,130,739	1,534,723	28,667,612
Environmental Protection:				
Other environmental protection	1,000	1,000	-	1,000
Soil and water conservation	268,021	228,879	39,142	251,499
Total	269,021	229,879	39,142	252,499

PITT COUNTY, NORTH CAROLINA

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2011

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

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Economic and Physical Development:				
Planning and zoning	763,267	674,501	88,766	764,733
Permitting center	160,136	158,361	1,775	154,416
Other economic development	156,438	91,132	65,306	156,351
Engineering	187,314	158,093	29,221	151,490
Cooperative extension	351,551	330,505	21,046	335,298
Farmers' Market	45,506	46,562	(1,056)	36,980
Total	1,664,212	1,459,154	205,058	1,599,268
Human Services:				
Other human services	219,890	219,890	-	224,494
Veterans affairs	118,439	117,581	858	114,500
Total	338,329	337,471	858	338,994
Public Health:				
Administration	2,291,642	2,188,368	103,274	2,221,991
Services and programs	8,349,641	7,735,817	613,824	8,058,084
Total	10,641,283	9,924,185	717,098	10,280,075
Social Services:				
Administration	12,038,732	11,660,952	377,780	11,686,849
Services and programs	9,393,758	8,627,937	765,821	10,043,787
Public assistance	8,281,239	6,937,260	1,343,979	7,198,833
Child support	2,327,250	2,217,063	110,187	2,291,136
Total	32,040,979	29,443,212	2,597,767	31,220,605
Mental Health:				
Services and programs	641,000	622,621	18,379	772,825
Total	641,000	622,621	18,379	772,825
Total human services	43,661,591	40,327,489	3,334,102	42,612,499
Education:				
Pitt County schools	35,389,841	35,389,841	-	34,889,841
Pitt Community College	4,445,835	4,445,835	-	4,185,835
Total	39,835,676	39,835,676	-	39,075,676
Cultural and Recreation				
	662,076	654,435	7,641	645,587
Debt Service	226,252	223,124	3,128	138,882
Total expenditures	132,520,295	126,315,808	6,204,487	126,621,736

PITT COUNTY, NORTH CAROLINA

GENERAL FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Revenues over (under) expenditures	910,421	2,574,021	1,663,600	3,516,759
Other Financing Sources (Uses):				
Transfers in (out):				
Special revenue funds	(184,663)	(184,663)	-	(96,361)
Debt Service Fund	(5,915,880)	(5,915,880)	-	(7,123,606)
Debt Service Fund	-	-	-	60,000
Capital project funds	(815,000)	(815,000)	-	(800,000)
Debt obligation issued	581,200	615,000	33,800	429,401
Appropriated fund balance	5,363,922	-	(5,363,922)	-
Total other financing sources (uses)	(910,421)	(6,240,543)	(5,330,122)	(7,530,566)
Net change in fund balance	\$ -	(3,666,522)	\$ (3,666,522)	(4,013,807)
Fund Balance:				
Beginning of year - July 1		25,573,897		29,587,704
End of year - June 30	\$ 21,907,375		\$ 25,573,897	

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL DEPARTMENTS
FOR THE YEAR ENDED JUNE 30, 2011

	<i>Schedule B-3</i>	<i>Schedule B-4</i>	<i>Schedule B-5</i>
	General Services Department	Public Health Department	Social Services Department
Revenues:			
Ad valorem taxes	\$ 74,733,080	\$ -	\$ -
Other taxes and licenses	16,655,382	-	-
Unrestricted intergovernmental revenues	1,376,416	-	302,698
Restricted intergovernmental revenues	400,618	5,628,961	20,389,245
Permits and fees	1,543,598	-	-
Sales and services	6,341,738	-	287,771
Investment earnings	224,380	-	-
Miscellaneous	549,929	-	60,423
Total revenues	<u>101,825,141</u>	<u>5,628,961</u>	<u>21,040,137</u>
Expenditures:			
General government	13,455,312	-	-
Public safety	29,817,022	-	-
Environmental protection	229,879	-	-
Economic and physical development	1,459,154	-	-
Human services	337,471	9,924,185	29,443,212
Education	39,835,676	-	-
Cultural and recreational	654,435	-	-
Debt service	223,124	-	-
Total expenditures	<u>86,012,073</u>	<u>9,924,185</u>	<u>29,443,212</u>
Revenues over (under) expenditures	<u>15,813,068</u>	<u>(4,295,224)</u>	<u>(8,403,075)</u>
Other Financing Sources (Uses):			
Debt obligation issued	580,800	-	34,200
Intrafund transfers in (out)	(14,106,262)	4,197,967	9,433,295
Transfers in (out):			
Out to special revenue funds	(184,663)	-	-
In from special revenue funds	60,000	-	-
Out to Debt Service Fund	(5,915,880)	-	-
Out to Retiree Health Insurance Fund	(815,000)	-	-
Total other financing sources (uses)	<u>(20,381,005)</u>	<u>4,197,967</u>	<u>9,467,495</u>
Net change in fund balances	(4,567,937)	(97,257)	1,064,420
Fund Balances:			
Beginning of year - July 1	<u>21,272,426</u>	<u>918,286</u>	<u>3,269,397</u>
End of year - June 30	<u>\$ 16,704,489</u>	<u>\$ 821,029</u>	<u>\$ 4,333,817</u>

Schedule B-2

<i>Schedule B-6</i>	<i>Schedule B-7</i>	
Court Facility Department	Mental Health Department	Combined Total
\$ -	\$ -	\$ 74,733,080
-	-	16,655,382
-	-	1,679,114
-	107,041	26,525,865
287,178	-	1,830,776
-	-	6,629,509
1,371	-	225,751
-	-	610,352
<u>288,549</u>	<u>107,041</u>	<u>128,889,829</u>
-	-	13,455,312
313,717	-	30,130,739
-	-	229,879
-	-	1,459,154
-	622,621	40,327,489
-	-	39,835,676
-	-	654,435
-	-	223,124
<u>313,717</u>	<u>622,621</u>	<u>126,315,808</u>
(25,168)	(515,580)	2,574,021
-	-	615,000
-	475,000	-
-	-	(184,663)
-	-	60,000
-	-	(5,915,880)
<u>-</u>	<u>-</u>	<u>(815,000)</u>
<u>-</u>	<u>475,000</u>	<u>(6,240,543)</u>
(25,168)	(40,580)	(3,666,522)
<u>45,601</u>	<u>68,187</u>	<u>25,573,897</u>
<u>\$ 20,433</u>	<u>\$ 27,607</u>	<u>\$ 21,907,375</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad Valorem Taxes:				
Taxes	\$ 75,341,784	\$ 74,284,192	\$ (1,057,592)	\$ 74,032,697
Penalties and interest	400,000	448,888	48,888	479,837
Total	<u>75,741,784</u>	<u>74,733,080</u>	<u>(1,008,704)</u>	<u>74,512,534</u>
Other Taxes and Licenses:				
Occupancy tax	21,500	22,093	593	20,904
Local options sales tax	15,586,286	14,704,181	(882,105)	14,166,657
Payment in lieu of tax	1,606,000	1,683,183	77,183	1,649,192
Privilege licenses	7,000	10,564	3,564	10,884
Marriage licenses	29,000	25,267	(3,733)	24,705
Gross receipts tax	136,400	210,094	73,694	183,219
Total	<u>17,386,186</u>	<u>16,655,382</u>	<u>(730,804)</u>	<u>16,055,561</u>
Unrestricted Intergovernmental Revenues:				
Alcohol, beer, and wine tax	234,000	226,416	(7,584)	71,738
Pitt County ABC Board	1,100,000	1,150,000	50,000	1,050,000
Total	<u>1,334,000</u>	<u>1,376,416</u>	<u>42,416</u>	<u>1,121,738</u>
Restricted Intergovernmental Revenues:				
Jail fees	448,125	344,231	(103,894)	485,545
Federal and State grants	109,068	56,387	(52,681)	100,592
Total	<u>557,193</u>	<u>400,618</u>	<u>(156,575)</u>	<u>586,137</u>
Permits and Fees:				
Building permits and inspection fees	415,500	370,390	(45,110)	391,391
Register of Deeds	720,000	628,394	(91,606)	643,995
Excise stamps	545,000	361,997	(183,003)	480,860
Automation E&P - Register of Deeds	50,000	71,405	21,405	73,003
Rabies control fees	24,000	29,616	5,616	23,906
Animal fees	69,500	81,796	12,296	67,310
Total	<u>1,824,000</u>	<u>1,543,598</u>	<u>(280,402)</u>	<u>1,680,465</u>
Sales and Services:				
Rents, concessions, and fees	4,314,555	4,517,794	203,239	4,443,159
Federal and State prison inmate reimbursement	2,567,138	1,823,944	(743,194)	1,457,621
Total	<u>6,881,693</u>	<u>6,341,738</u>	<u>(539,955)</u>	<u>5,900,780</u>
Investment Earnings	<u>650,000</u>	<u>224,380</u>	<u>(425,620)</u>	<u>325,758</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010
	Budget	Actual		Actual
Miscellaneous:				
Sale of fixed assets	15,000	90,744	75,744	13,846
Other income	452,176	459,185	7,009	631,462
Total	467,176	549,929	82,753	645,308
Total revenues	104,842,032	101,825,141	(3,016,891)	100,828,281
Expenditures:				
General Government:				
Governing Body:				
Salaries and employee benefits	195,517	188,541	6,976	191,627
Operating expenses	34,748	21,728	13,020	47,264
Total	230,265	210,269	19,996	238,891
County Manager:				
Salaries and employee benefits	426,586	408,182	18,404	407,814
Operating expenses	24,833	25,635	(802)	22,206
Total	451,419	433,817	17,602	430,020
Financial Services:				
Salaries and employee benefits	818,020	793,190	24,830	788,893
Operating expenses	27,782	23,556	4,226	26,239
Total	845,802	816,746	29,056	815,132
Tax Assessor:				
Salaries and employee benefits	1,971,728	1,792,171	179,557	1,784,924
Operating expenses	364,797	272,445	92,352	292,359
Total	2,336,525	2,064,616	271,909	2,077,283
Legal:				
Salaries and employee benefits	833,258	818,152	15,106	817,639
Operating expenses	47,973	33,432	14,541	43,870
Total	881,231	851,584	29,647	861,509
Elections:				
Salaries and employee benefits	410,963	383,218	27,745	404,169
Operating expenses	164,449	156,131	8,318	270,592
Total	575,412	539,349	36,063	674,761

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Register of Deeds:				
Salaries and employee benefits	551,725	539,154	12,571	533,260
Operating expenses	192,835	189,989	2,846	180,076
Total	744,560	729,143	15,417	713,336
Public Information Office:				
Salaries and employee benefits	130,643	127,239	3,404	91,164
Operating expenses	63,949	66,595	(2,646)	66,521
Total	194,592	193,834	758	157,685
Human Resources:				
Salaries and employee benefits	547,386	515,701	31,685	545,686
Operating expenses	35,939	29,583	6,356	34,165
Total	583,325	545,284	38,041	579,851
Print Shop/Mail Room:				
Salaries and employee benefits	130,871	129,260	1,611	125,062
Operating expenses	58,825	50,393	8,432	61,763
Reimbursement from other departments/funds	(50,000)	(50,868)	868	(56,217)
Total	139,696	128,785	10,911	130,608
Management Information Systems:				
Salaries and employee benefits	2,252,685	2,227,335	25,350	2,197,988
Operating expenses	856,789	765,826	90,963	1,016,109
Capital outlay	60,000	47,096	12,904	312,870
Reimbursement from other departments/funds	(1,111,648)	(1,097,572)	(14,076)	(1,105,696)
Total	2,057,826	1,942,685	115,141	2,421,271
Geographical Information Systems:				
Salaries and employee benefits	287,080	284,531	2,549	277,949
Operating expenses	184,700	161,922	22,778	202,475
Capital outlay	50,000	27,429	22,571	50,000
Reimbursement from other departments/funds	(150,000)	(151,446)	1,446	(157,478)
Total	371,780	322,436	49,344	372,946
Buildings and Grounds:				
Salaries and employee benefits	1,216,841	1,078,586	138,255	1,108,538
Operating expenses	1,287,932	1,116,488	171,444	1,210,420
Capital outlay	9,500	-	9,500	10,440
Total	2,514,273	2,195,074	319,199	2,329,398

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Housekeeping:				
Operating expenses	427,000	408,710	18,290	408,356
Total	427,000	408,710	18,290	408,356
General Government Non-Allocated Expenditures:				
Other employee insurance and benefits	147,150	126,520	20,630	120,487
Professional services	115,050	105,604	9,446	110,616
Insurance and bonding	520,000	522,700	(2,700)	510,395
Quasi-external workers' compensation	650,000	650,000	-	495,000
Capital outlay	547,000	548,519	(1,519)	-
Miscellaneous items	203,099	119,637	83,462	182,168
Total	2,182,299	2,072,980	109,319	1,418,666
Total general government	14,536,005	13,455,312	1,080,693	13,629,713
Public Safety:				
Sheriff:				
Salaries and employee benefits	9,768,206	9,701,603	66,603	9,380,700
Operating expenses	1,485,451	1,528,515	(43,064)	1,411,758
Capital outlay	-	-	-	199,876
Total	11,253,657	11,230,118	23,539	10,992,334
Detention Center:				
Salaries and employee benefits	11,033,382	10,283,703	749,679	9,356,623
Operating expenses	2,978,230	2,506,649	471,581	2,558,019
Capital outlay	100,000	93,448	6,552	125,000
Total	14,111,612	12,883,800	1,227,812	12,039,642
Jail Health Services:				
Salaries and benefits	1,646,306	1,646,305	1	1,449,309
Operating expenses	119,200	90,130	29,070	76,383
Total	1,765,506	1,736,435	29,071	1,525,692
Jail Inmate Coordinator:				
Salaries and benefits	51,034	51,016	18	49,940
Total	49,960	49,940	20	48,451
School Security:				
Salaries and benefits	648,693	613,137	35,556	561,631
Operating expenses	18,600	5,230	13,370	10,324
Total	667,293	618,367	48,926	571,955

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010
	Budget	Actual	
Emergency Services:			
Salaries and benefits	473,231	468,103	456,775
Operating expenses	440,010	401,836	407,729
Total	913,241	869,939	864,504
Communications:			
Salaries and benefits	1,072,548	1,044,428	1,004,291
Operating expenses	91,771	60,320	61,439
Capital outlay	-	-	346
Total	1,164,319	1,104,748	1,066,076
Planning E911:			
Salaries and benefits	114,976	117,289	135,510
Operating expenses	8,800	9,402	4,987
Total	123,776	126,691	140,497
Animal and Mosquito Control:			
Salaries and employee benefits	326,006	325,371	347,712
Operating expenses	166,390	147,589	144,337
Total	492,396	472,960	492,049
Inspections:			
Salaries and employee benefits	280,156	282,915	284,950
Operating expenses	30,160	20,129	15,011
Total	310,316	303,044	299,961
Medical Examiner:			
Professional services	121,800	118,540	76,930
Total	95,000	76,930	87,790
Other Public Safety:			
Operating expenses	357,401	297,105	210,452
Total	357,401	297,105	210,452
Transportation:			
Operating expenses	4,500	4,259	5,059
Total	4,500	4,259	5,059
Total public safety	31,336,851	29,817,022	1,519,829
			28,335,091

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010		
	Budget	Actual				
Environmental Protection:						
Other Environmental Protection:						
Contracts/grants	1,000	1,000	-	1,000		
Total	1,000	1,000	-	1,000		
Pitt Soil and Water Conservation:						
Salaries and benefits	241,390	211,146	30,244	234,861		
Operating expenses	26,631	17,733	8,898	16,638		
Total	268,021	228,879	39,142	251,499		
Total environmental protection	269,021	229,879	39,142	252,499		
Economic and Physical Development:						
Planning and Zoning:						
Salaries and employee benefits	688,467	609,540	78,927	675,257		
Operating expenses	74,800	64,961	9,839	89,476		
Total	763,267	674,501	88,766	764,733		
Permitting Center:						
Salaries and benefits	150,286	149,767	519	147,228		
Operating expenses	9,850	8,594	1,256	7,188		
Total	160,136	158,361	1,775	154,416		
Other Economic Development:						
Operating expenses	156,438	91,132	65,306	156,351		
Total	156,438	156,351	87	148,351		
Engineering:						
Salaries and employee benefits	179,992	152,310	27,682	144,839		
Operating expenses	7,322	5,783	1,539	6,651		
Total	187,314	158,093	29,221	151,490		
Cooperative Extension:						
Operating expenses	100,926	96,024	4,902	104,965		
Professional services	250,625	234,481	16,144	230,333		
Total	351,551	330,505	21,046	335,298		

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

		2011	Variance	2010	
		Budget	Actual	Over/Under	Actual
Farmers' Market:					
Salaries and employee benefits		34,856	28,772	6,084	28,814
Professional services		10,650	17,790	(7,140)	8,166
Total		<u>45,506</u>	<u>46,562</u>	<u>(1,056)</u>	<u>36,980</u>
Total economic and physical development		<u>1,664,212</u>	<u>1,459,154</u>	<u>205,058</u>	<u>1,599,268</u>
Human Services:					
Other human services		219,890	219,890	-	224,494
Veterans affairs		118,439	117,581	858	114,500
Total human services		<u>338,329</u>	<u>337,471</u>	<u>858</u>	<u>338,994</u>
Education:					
Pitt County Schools:					
Current		34,639,841	34,639,841	-	34,139,841
Capital outlay		750,000	750,000	-	750,000
Total		<u>35,389,841</u>	<u>35,389,841</u>	<u>-</u>	<u>34,889,841</u>
Pitt Community College:					
Current		4,370,835	4,370,835	-	4,110,835
Capital outlay		75,000	75,000	-	75,000
Total		<u>4,445,835</u>	<u>4,445,835</u>	<u>-</u>	<u>4,185,835</u>
Total education		<u>39,835,676</u>	<u>39,835,676</u>	<u>-</u>	<u>39,075,676</u>
Cultural and Recreational:					
Cultural - contracts/grants		81,072	78,741	2,331	79,891
Libraries - contracts/grants		581,004	575,694	5,310	565,696
Total cultural and recreational		<u>662,076</u>	<u>654,435</u>	<u>7,641</u>	<u>645,587</u>
Debt Service:					
Principal repayments		201,762	204,780	(3,018)	130,402
Interest and fees		24,490	18,344	6,146	8,480
Total debt service		<u>226,252</u>	<u>223,124</u>	<u>3,128</u>	<u>138,882</u>
Total expenditures		<u>88,868,422</u>	<u>86,012,073</u>	<u>2,856,349</u>	<u>84,015,710</u>
Revenues over (under) expenditures		<u>15,973,610</u>	<u>15,813,068</u>	<u>(160,542)</u>	<u>16,812,571</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010
	Budget	Actual		
Other Financing Sources (Uses):				
Intrafund transfers in (out):				
Public Health from General Fund	(4,197,967)	(4,197,967)	-	(4,131,204)
DSS from General Fund	(9,433,295)	(9,433,295)	-	(8,291,418)
Mental Health	(475,000)	(475,000)	-	(560,000)
Total	(14,106,262)	(14,106,262)	-	(12,982,622)
Operating transfers in (out):				
Special revenue funds	(184,663)	(184,663)	-	(96,361)
Debt Service Fund	60,000	60,000	-	-
Debt Service Fund	(5,915,880)	(5,915,880)	-	(7,123,606)
Capital project funds	-	-	-	60,000
Total	(815,000)	(815,000)	-	(800,000)
Other:				
Debt obligation issued	547,000	580,800	33,800	429,401
Appropriated fund balance - General Fund	4,441,195	-	(4,441,195)	-
Total	4,988,195	580,800	(4,407,395)	429,401
Total other financing sources (uses)	(15,973,610)	(20,381,005)	(4,407,395)	(20,513,188)
Net change in fund balance	\$ -	\$ (4,567,937)	\$ (4,567,937)	\$ (3,700,617)

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Restricted intergovernmental revenues:				
Administration	\$ 281,875	\$ 299,776	\$ 17,901	\$ 278,291
Environmental health	111,225	102,101	(9,124)	95,782
Food and lodging	12,876	13,532	656	13,577
Vector control program	-	-	-	2,337
Tuberculosis	37,769	62,810	25,041	54,729
Tuberculosis CDC	39,133	39,133	-	39,133
Adolescent pregnancy grants	6,329	6,334	5	659
Healthy Start	174,115	168,959	(5,156)	159,330
Cardiovascular health	125,000	121,625	(3,375)	202,541
Smart Start	153,740	152,221	(1,519)	143,061
Adult health	8,975	17,997	9,022	3,651
Health promotion	41,337	37,086	(4,251)	41,876
AIDS	67,550	69,552	2,002	56,713
Breast/cervical cancer prevention	38,941	37,466	(1,475)	44,015
Communicable disease	142,356	127,645	(14,711)	132,495
Infant mortality	75,000	75,000	-	50,000
Child health	178,229	215,785	37,556	188,040
Maternal health	600,775	582,485	(18,290)	631,261
Family planning	442,523	464,419	21,896	389,050
Maternity care coordination	364,880	412,180	47,300	324,728
Child services coordination	285,743	334,337	48,594	291,302
WIC administration	109,289	44,718	(64,571)	48,745
WIC nutrition	361,051	278,064	(82,987)	287,066
WIC breastfeeding	37,907	68,517	30,610	57,813
WIC client services	377,180	441,093	63,913	431,389
Immunization action plan	41,620	45,363	3,743	40,970
Mobile dental unit	140,610	148,188	7,578	140,084
Nurse family partnership	514,286	454,895	(59,391)	411,301
Emergency planning - HD	111,647	109,908	(1,739)	108,245
In-home breastfeeding	50,000	46,010	(3,990)	56,828
Public Health special projects	-	-	-	433,482
Bioterrorism team	475,945	437,435	(38,510)	488,105
DHHS Funds	99,613	82,263	(17,350)	59,087
WIC Peer Counseling	30,014	29,684	(330)	6,592
Public Health Ready	72,212	71,677	(535)	108,529
Diabetes Recognition Program	34,900	30,703	(4,197)	593
Total revenues	<u>5,644,645</u>	<u>5,628,961</u>	<u>(15,684)</u>	<u>5,821,400</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - PUBLIC HEALTH DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010
	Budget	Actual		
Expenditures:				
Administration	2,291,642	2,188,368	103,274	2,221,991
Environmental health	1,255,289	1,186,736	68,553	1,237,166
Food and lodging	17,100	11,484	5,616	14,068
Vector Control Program	66,465	65,928	537	68,935
Tuberculosis	95,927	94,385	1,542	88,382
Tuberculosis CDC	68,324	66,981	1,343	70,082
Adolescent pregnancy prevention	6,329	6,323	6	659
Healthy Start	174,115	169,792	4,323	158,170
Cardiovascular health	125,000	120,237	4,763	202,541
Smart Start	153,740	152,370	1,370	147,120
Adult health	27,305	25,679	1,626	23,370
Health promotion	195,358	192,438	2,920	187,975
AIDS	340,290	337,489	2,801	318,555
Breast/cervical cancer prevention	38,941	37,464	1,477	38,388
Communicable disease	480,066	441,760	38,306	446,963
Infant mortality	87,588	80,747	6,841	69,509
Child health	346,293	317,716	28,577	304,757
Maternal health	875,920	783,001	92,919	770,817
Family planning	734,365	668,442	65,923	679,155
Maternity care coordination	320,265	290,679	29,586	295,412
Child services coordination	433,080	413,339	19,741	364,063
WIC administration	109,289	108,086	1,203	101,496
WIC nutrition	362,051	332,496	29,555	352,148
WIC breastfeeding	37,907	14,482	23,425	4,619
WIC client services	376,180	357,027	19,153	351,839
Immunization action plan	42,407	16,565	25,842	39,727
Mobile dental unit	152,215	151,637	578	154,494
ABCD Project Grant	72,212	72,009	203	77,955
March of Dimes outreach	-	-	-	530
Nurse family partnership	514,286	454,331	59,955	411,616
Emergency planning - HD	103,627	100,100	-	101,312
In-home breastfeeding	50,000	46,030	-	56,856
Public Health special projects	-	-	-	292,615
Bioterrorism team	475,945	440,436	35,509	485,346
DHHS funds	99,613	82,215	17,398	59,019
WIC Peer Counseling	30,014	29,684	330	6,592
HIV STD NTT	-	-	-	30,500
Hispanic Peer	46,235	39,869	6,366	43,702
Diabetes Recognition Program	35,900	27,860	8,040	1,631
Total expenditures	10,641,283	9,924,185	709,601	10,280,075

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010	
	Budget	Actual		Actual	Actual
Revenues over (under) expenditures		(4,996,638)	(4,295,224)	701,414	(4,458,675)
Other Financing Sources (Uses):					
Intrafund transfer from General Fund	4,197,967	4,197,967	-	4,131,204	
Appropriated fund balance	798,671	-	(798,671)		-
Total other financing sources (uses)	4,996,638	4,197,967	(798,671)	4,131,204	
Net change in fund balance	\$ -	\$ (97,257)	\$ (97,257)	\$ (327,471)	

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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Unrestricted intergovernmental revenues:				
Fees and grants	\$ 273,500	\$ 302,698	\$ 29,198	\$ 524,470
Restricted intergovernmental revenues:				
Fees and grants	21,883,100	20,389,245	(1,493,855)	22,200,780
Sales and services	314,629	287,771	(26,858)	241,406
Miscellaneous	32,410	60,423	28,013	72,450
Total revenues	<u>22,503,639</u>	<u>21,040,137</u>	<u>(1,463,502)</u>	<u>23,039,106</u>
Expenditures:				
Social services administration	1,427,705	1,409,022	18,683	1,488,660
Other administration expenses	1,252,225	1,226,564	25,661	1,182,972
Regular services administration	5,274,851	5,132,718	142,133	5,058,001
Purchased services	9,279,758	8,536,726	743,032	9,749,378
Public assistance programs	4,932,071	3,738,704	1,193,367	4,202,205
Long-term screening	114,000	91,211	22,789	102,982
General assistance	46,820	32,441	14,379	116,921
Title IV D child support	2,327,250	2,217,063	110,187	2,291,136
Work first	1,456,261	1,393,666	62,595	1,440,990
Daycare	383,146	381,632	1,514	390,237
Income maintenance administration	4,083,951	3,892,648	191,303	3,957,216
Energy programs	1,161,143	1,101,308	59,835	748,076
Purchased services HCCBG	301,798	289,509	12,289	300,404
Homeless prevention	-	-	-	191,427
Total expenditures	<u>32,040,979</u>	<u>29,443,212</u>	<u>2,597,767</u>	<u>31,220,605</u>
Revenues over (under) expenditures	<u>(9,537,340)</u>	<u>(8,403,075)</u>	<u>1,134,265</u>	<u>(8,181,499)</u>
Other Financing Sources (Uses):				
Intrafund transfer in - General Fund	9,433,295	9,433,295	-	8,291,418
Debt obligation issued	34,200	34,200	-	-
Appropriated fund balance	69,845	-	(69,845)	-
Total other financing sources (uses)	<u>9,537,340</u>	<u>9,467,495</u>	<u>(69,845)</u>	<u>8,291,418</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,064,420</u>	<u>\$ 1,064,420</u>	<u>\$ 109,919</u>

PITT COUNTY, NORTH CAROLINA

GENERAL FUND - COURT FACILITY DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Permits and fees:				
Court facility fees	\$ 320,000	\$ 287,178	\$ (32,822)	\$ 296,965
Investment earnings	400	1,371	971	686
Total revenues	<u>320,400</u>	<u>288,549</u>	<u>(31,851)</u>	<u>297,651</u>
Expenditures:				
Public safety:				
Salaries and employee benefits	59,511	59,006	-	57,721
Operating expenses	<u>269,100</u>	<u>254,711</u>	<u>-</u>	<u>274,800</u>
Total expenditures	<u>328,611</u>	<u>313,717</u>	<u>14,894</u>	<u>332,521</u>
Revenues over (under) expenditures	(8,211)	(25,168)	(16,957)	(34,870)
Other Financing Sources (Uses):				
Appropriated fund balance	<u>8,211</u>	<u>-</u>	<u>(8,211)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (25,168)</u>	<u>\$ (25,168)</u>	<u>\$ (34,870)</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010	
	Budget	Actual		Actual	Actual
Revenues:					
Restricted intergovernmental revenues:					
General agency - administration	\$ 120,000	\$ 107,041	\$ (12,959)	\$ 8,644,001	\$ 255,610
Residential contracts	-	-	-	7,560	1,198,093
Adolescent Outreach	-	-	-	208,710	46,062
DD wait list	-	-	-	21,815	30
Adult DD contracts	-	-	-	686	305,081
Child DD contracts	-	-	-	280,217	260,288
MRMI contracts	-	-	-		
Psychological rehabilitation	-	-	-		
Adult MH/SA general	-	-	-		
Child SA contracts	-	-	-		
Adult SA contracts	-	-	-		
Adult MH contracts	-	-	-		
Total revenues	<u>120,000</u>	<u>107,041</u>	<u>(12,959)</u>	<u>11,228,153</u>	
Expenditures:					
Mental Health area director	-	-	-	571,687	
QI regulatory compliance	-	-	-	169,577	
Administrative services	-	-	-	199,811	
General agency	641,000	622,621	18,379	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>641,000</u>	<u>622,621</u>	<u>18,379</u>	<u>11,540,029</u>	
Revenues over (under) expenditures	<u>(521,000)</u>	<u>(515,580)</u>	<u>5,420</u>	<u>(311,876)</u>	
Other Financing Sources (Uses):					
Intrafund transfer in - General Fund	475,000	475,000	-	1,394,588	
Appropriated fund balance	46,000	-	(46,000)	-	
Total other financing sources (uses)	<u>521,000</u>	<u>475,000</u>	<u>(46,000)</u>	<u>1,394,588</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ (40,580)</u>	<u>\$ (40,580)</u>	<u>\$ 1,082,712</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:

- **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.
- **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, 2011

	<i>Schedule C-3</i>	<i>Schedule C-4</i>	<i>Schedule C-5</i>	<i>Schedule C-6</i>
	State/Federal Forfeiture Fund	CDBG Special Revenue Fund	State Grants Fund	Pitt Area Transit System Special Revenue Fund
Assets:				
Cash, cash equivalents, and investments	\$ 168,450	\$ -	\$ -	\$ -
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	315,254
Prepaid items	-	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	66,147	361,218	-
 Total assets	 \$ 168,450	 \$ 66,147	 \$ 361,218	 \$ 315,254
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 14,315	\$ 182,452	\$ 4,545
Due to other funds	-	51,404	174,185	412,439
Deferred revenues	-	-	-	3,714
Total liabilities	-	65,719	356,637	420,698
 Fund Balances:				
Non-spendable - prepaid items	-	-	-	-
Restricted for stabilization of State statute	-	66,147	361,218	315,254
Restricted	-	-	-	-
Assigned	168,450	-	-	-
Unassigned	-	(65,719)	(356,637)	(420,698)
Total fund balances	168,450	428	4,581	(105,444)
 Total liabilities and fund balances	 \$ 168,450	 \$ 66,147	 \$ 361,218	 \$ 315,254

Schedule C-1

Schedule C-7 Schedule C-8 Schedule C-9

Fire Districts Fund	EMS District Fund	E911 Surcharge Fund	Total
\$ 35,200	\$ 1,220,030	\$ 374,040	\$ 1,797,720
4,341	223,506	-	227,847
-	381,316	63,274	759,844
-	93,315	-	93,315
-	-	638,028	638,028
-	-	-	427,365
<u>\$ 39,541</u>	<u>\$ 1,918,167</u>	<u>\$ 1,075,342</u>	<u>\$ 3,944,119</u>
\$ 20,960	\$ 36,121	\$ -	\$ 258,393
-	-	-	638,028
4,341	604,823	57	612,935
<u>25,301</u>	<u>640,944</u>	<u>57</u>	<u>1,509,356</u>
-	93,315	-	93,315
-	381,316	701,302	1,825,237
14,240	802,592	373,983	1,190,815
-	-	-	168,450
-	-	-	(843,054)
<u>14,240</u>	<u>1,277,223</u>	<u>1,075,285</u>	<u>2,434,763</u>
<u>\$ 39,541</u>	<u>\$ 1,918,167</u>	<u>\$ 1,075,342</u>	<u>\$ 3,944,119</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, 2011**

	<i>Schedule C-3</i> State/Federal Forfeiture Fund	<i>Schedule C-4</i> CDBG Special Revenue Fund	<i>Schedule C-5</i> State Grants Fund	<i>Schedule C-6</i> Pitt Area Transit System Special Revenue Fund
Revenues:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	110,753	305,482	2,792,571	1,292,521
Sales and services	-	-	-	84,158
Investment earnings	52	-	-	-
Miscellaneous	-	-	71,008	-
Total revenues	110,805	305,482	2,863,579	1,376,679
Expenditures:				
Current:				
Public safety	31,042	-	-	-
Economic and physical development	-	296,254	2,926,276	1,513,249
Debt service	-	-	-	-
Total expenditures	31,042	296,254	2,926,276	1,513,249
Revenues over (under) expenditures	79,763	9,228	(62,697)	(136,570)
Other Financing Sources (Uses):				
Transfers in	-	-	112,275	52,000
Transfers out	-	-	-	(14,200)
Total other financing sources (uses)	-	-	112,275	37,800
Net change in fund balances	79,763	9,228	49,578	(98,770)
Fund Balances:				
Beginning of year - July 1	88,687	(8,800)	(44,997)	(6,674)
End of year - June 30	\$ 168,450	\$ 428	\$ 4,581	\$ (105,444)

Schedule C-2

Schedule C-7 *Schedule C-8* *Schedule C-9*

Fire Districts Fund	EMS District Fund	E911 Surcharge Fund	Total
\$ 1,609,625	\$ 2,484,425	\$ -	\$ 4,094,050
-	-	-	4,501,327
-	2,701,349	759,286	3,544,793
-	7,092	266	7,410
-	-	-	71,008
<u>1,609,625</u>	<u>5,192,866</u>	<u>759,552</u>	<u>12,218,588</u>
1,723,619	4,586,139	793,059	7,133,859
-	-	-	4,735,779
-	140,362	-	140,362
<u>1,723,619</u>	<u>4,726,501</u>	<u>793,059</u>	<u>12,010,000</u>
<u>(113,994)</u>	<u>466,365</u>	<u>(33,507)</u>	<u>208,588</u>
-	-	20,388	184,663
-	-	-	(14,200)
-	-	20,388	170,463
<u>(113,994)</u>	<u>466,365</u>	<u>(13,119)</u>	<u>379,051</u>
<u>128,234</u>	<u>810,858</u>	<u>1,088,404</u>	<u>2,055,712</u>
<u>\$ 14,240</u>	<u>\$ 1,277,223</u>	<u>\$ 1,075,285</u>	<u>\$ 2,434,763</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, 2011

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

	2011		Variance Over/Under	2010	
	Budget	Actual		Actual	Actual
Revenues:					
Restricted intergovernmental revenues:					
State/federal excise tax	\$ 100,695	\$ 110,753	\$ 10,058	\$ 69,769	
Investment earnings	-	52	52	490	
Total revenues	<u>100,695</u>	<u>110,805</u>	<u>10,110</u>	<u>70,259</u>	
Expenditures:					
Public safety	188,892	31,042	157,850	304,269	
Total expenditures	<u>188,892</u>	<u>31,042</u>	<u>157,850</u>	<u>304,269</u>	
Revenues over (under) expenditures	(88,197)	79,763	167,960	(234,010)	
Other Financing Sources (Uses):					
Appropriated fund balance	88,197	-	(88,197)	-	
Net change in fund balance	<u>\$ -</u>	<u>79,763</u>	<u>\$ 79,763</u>	<u>\$ (234,010)</u>	
Fund Balance:					
Beginning of year - July 1			<u>88,687</u>		
End of year - June 30			<u>\$ 168,450</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, 2011

	<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Restricted intergovernmental revenues:				
Federal grants	\$ 1,400,000	\$ 927,929	\$ 305,482	\$ 1,233,411
Total revenues	<u>1,400,000</u>	<u>898,100</u>	<u>29,829</u>	<u>927,929</u>
Expenditures:				
CDBG other	403,500	39,061	296,249	335,310
CDBG 2005-2006	600,000	501,207	-	501,207
CDBG 2007-2008	400,000	399,961	5	399,966
Total expenditures	<u>1,403,500</u>	<u>940,229</u>	<u>296,254</u>	<u>1,236,483</u>
Revenues over (under) expenditures	(3,500)	(12,300)	9,228	(3,072)
Other Financing Sources (Uses):				
Transfers in	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (8,800)</u>	<u>\$ 9,228</u>	<u>\$ 428</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, 2011

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

	2011		Variance	2010
	Budget	Actual	Over/Under	Actual
Revenues:				
Restricted intergovernmental revenues:				
State grants	\$ 36,810,476	\$ 2,792,571	\$ (34,017,905)	\$ 2,554,202
Miscellaneous	<u>109,844</u>	<u>71,008</u>	<u>(38,836)</u>	<u>78,841</u>
Total revenues	<u>36,920,320</u>	<u>2,863,579</u>	<u>(34,056,741)</u>	<u>2,633,043</u>
Expenditures:				
Economic and physical development:				
Salaries and benefits	1,066,958	520,565	546,393	389,947
Operating expenses	<u>35,872,463</u>	<u>2,405,711</u>	<u>33,466,752</u>	<u>2,403,128</u>
Total expenditures	<u>36,939,421</u>	<u>2,926,276</u>	<u>34,013,145</u>	<u>2,793,075</u>
Revenues over (under) expenditures	<u>(19,101)</u>	<u>(62,697)</u>	<u>(43,596)</u>	<u>(160,032)</u>
Other Financing Sources (Uses):				
Transfers in	66,094	112,275	46,181	64,733
Appropriated fund balance	<u>(46,993)</u>	<u>-</u>	<u>46,993</u>	<u>-</u>
Total other financing sources (uses)	<u>19,101</u>	<u>112,275</u>	<u>93,174</u>	<u>64,733</u>
Net change in fund balance	\$ <u>-</u>	<u>49,578</u>	<u>\$ 49,578</u>	<u>\$ (95,299)</u>
Fund Balance:				
Beginning of year - July 1			<u>(44,997)</u>	
End of year - June 30			\$ <u>4,581</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010	
	Budget	Actual		Actual	Actual
Revenues:					
Restricted intergovernmental revenues	\$ 1,394,882	\$ 1,292,521	\$ (102,361)	\$ 985,723	
Sales and services	81,500	84,158	2,658	80,189	
Total revenues	<u>1,476,382</u>	<u>1,376,679</u>	<u>(99,703)</u>	<u>1,065,912</u>	
Expenditures:					
Economic and physical development:					
DOT Administrative Grant	1,514,182	1,513,249	933	1,032,839	
Total expenditures	<u>1,514,182</u>	<u>1,513,249</u>	<u>933</u>	<u>1,032,839</u>	
Revenues over (under) expenditures	<u>(37,800)</u>	<u>(136,570)</u>	<u>(98,770)</u>	<u>33,073</u>	
Other Financing Sources (Uses):					
Transfers in	52,000	52,000	-	31,628	
Transfers out	(14,200)	(14,200)	-	(11,160)	
Total other financing sources (uses)	<u>37,800</u>	<u>37,800</u>	<u>-</u>	<u>20,468</u>	
Net change in fund balance	\$ <u>-</u>	<u>(98,770)</u>	<u>\$ (98,770)</u>	<u>\$ 53,541</u>	
Fund Balance:					
Beginning of year - July 1			<u>(6,674)</u>		
End of year - June 30			<u>\$ (105,444)</u>		

PITT COUNTY, NORTH CAROLINA

FIRE DISTRICTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

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

	2011		2010	
	Budget	Actual	Variance Over/Under	Actual
Revenues:				
Ad valorem taxes	\$ 1,629,209	\$ 1,609,625	\$ (19,584)	\$ 1,623,721
Total revenues	<u>1,629,209</u>	<u>1,609,625</u>	<u>(19,584)</u>	<u>1,623,721</u>
Expenditures:				
Public safety	1,745,879	1,723,619	22,260	1,608,826
Total expenditures	<u>1,745,879</u>	<u>1,723,619</u>	<u>22,260</u>	<u>1,608,826</u>
Revenues over (under) expenditures	(116,670)	(113,994)	2,676	14,895
Other Financing Sources (Uses)				
Appropriated fund balance	<u>116,670</u>	<u>-</u>	<u>(116,670)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>(113,994)</u>	<u>\$ (113,994)</u>	<u>\$ 14,895</u>
Fund Balance:				
Beginning of year - July 1		128,234		
End of year - June 30		<u>\$ 14,240</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010**

	2011		Variance Over/Under	2010	
	Budget	Actual		Actual	Actual
Revenues:					
Ad valorem taxes	\$ 2,464,133	\$ 2,484,425	\$ 20,292	\$ 2,495,648	
Investment income	-	7,092	7,092	-	
Transport fees	2,287,532	2,701,349	413,817	2,388,656	
Total revenues	<u>4,751,665</u>	<u>5,192,866</u>	<u>441,201</u>	<u>4,884,304</u>	
Expenditures:					
Public safety	4,713,965	4,586,139	127,826	4,556,241	
Debt service	<u>140,370</u>	<u>140,362</u>	<u>8</u>	<u>144,212</u>	
Total expenditures	<u>4,854,335</u>	<u>4,726,501</u>	<u>127,834</u>	<u>4,700,453</u>	
Revenues over (under) expenditures	(102,670)	466,365	569,035	183,851	
Other Financing Sources (Uses):					
Contingency	<u>102,670</u>	-	(102,670)	-	
Net change in fund balance	\$ <u> -</u>	466,365	\$ <u>466,365</u>	\$ <u>183,851</u>	
Fund Balance:					
Beginning of year - July 1		810,858			
End of year - June 30		<u>\$ 1,277,223</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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance Over/Under	2010	
	Budget	Actual		Actual	Actual
Revenues:					
Sales and services - wireless fees	\$ 824,288	\$ 759,286	\$ (65,002)	\$ 759,286	
Investment earnings	1,000	266	(734)	1,331	
Total revenues	<u>825,288</u>	<u>759,552</u>	<u>(65,736)</u>	<u>760,617</u>	
Expenditures:					
Public safety:					
E911 operations	894,288	793,059	101,229	453,355	
Total expenditures	<u>894,288</u>	<u>793,059</u>	<u>101,229</u>	<u>453,355</u>	
Revenues over (under) expenditures	<u>(69,000)</u>	<u>(33,507)</u>	<u>35,493</u>	<u>307,262</u>	
Other Financing Sources (Uses):					
Transfers in (out)	20,388	20,388	-	-	
Contingency	48,612	-	(48,612)	-	
Total other financing sources (uses)	<u>69,000</u>	<u>20,388</u>	<u>(48,612)</u>	<u>-</u>	
Net change in fund balance	<u>\$ -</u>	<u>(13,119)</u>	<u>\$ (13,119)</u>	<u>\$ 307,262</u>	
Fund Balance:					
Beginning of year - July 1			1,088,404		
End of year - June 30			<u>\$ 1,075,285</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.
- **Stokes/Pactolus ARRA Sewer Capital Project** – Established to account for Federal funds used in the construction of sewer to Stokes and Pactolus schools.
- **Chicod Sewer Capital Project** – Established to account for the local and grant funds being used for improvements on the Chicod School campus.
- **2007 COPS Education Capital Project** – Established to account for funds used in the construction of a new elementary school and four school additions.
- **2009 LOBS Education Projects** – Established to account for bond proceeds used in the construction/renovation at several local public school facilities.
- **Sadie Saulter Capital Project** - Established to account for proceeds of Qualified School Construction Bonds (QSCBs) which are funding work on this school campus.
- **Community Schools and Recreation Capital Project** – Accounts for funds appropriated to construct the Community Schools and Recreation Facility on County Home Road.
- **ECTC Building Capital Project** – Accounts for funds appropriated to construct a new facility on a community college campus.
- **School Improvement Projects** – Established to account for funds appropriated from local funds on a pay as you go basis over a period of five years to renovate and construct new school facilities.
- **Industrial Development Building Projects** – Established to account for building projects by the Development Commission.
- **Pitt Community College (PCC) 2010 Capital Project** – Established to account for funds used in construction of three new facilities on the community college campus. (Schedule D-15 Major Fund).

PITT COUNTY, NORTH CAROLINA

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2011

	<i>Schedule D-3</i> Pitt Community College Building Capital Project Fund	<i>Schedule D-4</i> Detention Center Capital Project Fund	<i>Schedule D-5</i> Pitt Community (Bowen Farm) Capital Project Fund	<i>Schedule D-6</i> Stokes/Pactolus ARRA Sewer Capital Project Fund	<i>Schedule D-7</i> Chicod Sewer Capital Project Fund	<i>Schedule D-8</i> 2007 COPS Education Projects Capital Project Fund
Assets:						
Cash, cash equivalents, and investments	\$ 279,562	\$ 90,390	\$ 16,081	\$ -	\$ -	\$ 46,980
Cash and investments, restricted	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	-	280,972	-	-	-
Due from other governments	-	-	-	-	3,811	-
Total assets	\$ 279,562	\$ 90,390	\$ 297,053	\$ -	\$ 3,811	\$ 46,980
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	54,717	226,255	-
Retainage payable	-	-	-	-	6,089	-
Total liabilities	-	-	-	54,717	232,344	-
Fund Balances:						
Restricted for stabilization of State statute	-	-	280,972	-	3,811	-
Restricted	279,562	-	-	-	-	-
Committed	-	90,390	16,081	-	-	46,980
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	(54,717)	(232,344)	-
Total fund balances	279,562	90,390	297,053	(54,717)	(228,533)	46,980
Total liabilities and fund balances	\$ 279,562	\$ 90,390	\$ 297,053	\$ -	\$ 3,811	\$ 46,980

Schedule D-1

<i>Schedule D-9</i>	<i>Schedule D-10</i>	<i>Schedule D-11</i>	<i>Schedule D-12</i>	<i>Schedule D-13</i>	<i>Schedule D-14</i>	
2009 LOBS Education Projects Capital Project Fund	Sadie Saulter Capital Project Fund	Community Schools and Recreation Capital Project Fund	ECTC Building Capital Project Fund	School Improvement Capital Project Fund	Industrial Development Building Fund	<i>Total</i>
\$ -	\$ -	\$ 1,942	\$ 211,782	\$ 173,259	\$ 1,007,158	\$ 1,827,154
5,010,993	2,739,842	-	-	-	-	7,750,835
-	-	-	-	-	50,000	50,000
-	-	-	-	-	-	280,972
-	-	15,713	-	-	-	19,524
<u>\$ 5,010,993</u>	<u>\$ 2,739,842</u>	<u>\$ 17,655</u>	<u>\$ 211,782</u>	<u>\$ 173,259</u>	<u>\$ 1,057,158</u>	<u>\$ 9,928,485</u>
 \$ -	 \$ -	 \$ 2,100	 \$ -	 \$ -	 \$ -	 \$ 2,100
 788,715	 150,989	 -	 -	 -	 -	 280,972
<u>788,715</u>	<u>150,989</u>	<u>2,100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>945,793</u>
 4,222,278	 2,588,853	 -	 15,713	 -	 50,000	 350,496
 -	 -	 -	 -	 -	 -	 7,090,693
 -	 -	 -	 211,782	 -	 -	 365,233
 -	 -	 -	 -	 173,259	 1,007,158	 1,180,417
 -	 -	 (158)	 -	 -	 -	 (287,219)
<u>4,222,278</u>	<u>2,588,853</u>	<u>15,555</u>	<u>211,782</u>	<u>173,259</u>	<u>1,057,158</u>	<u>8,699,620</u>
 \$ 5,010,993	 \$ 2,739,842	 \$ 17,655	 \$ 211,782	 \$ 173,259	 \$ 1,057,158	 \$ 9,928,485

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	<i>Schedule D-3</i> Pitt Community College Building Capital Project Fund	<i>Schedule D-4</i> Detention Center Capital Project Fund	<i>Schedule D-5</i> Pitt Community College (Bowen Farm) Capital Project Fund	<i>Schedule D-6</i> Stokes/Pactolus ARRA Sewer Capital Project Fund	<i>Schedule D-7</i> Chicod Sewer Capital Project Fund	<i>Schedule D-8</i> 2007 COPS Education Projects Capital Project Fund
Revenues:						
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted intergovernmental revenues	-	-	-	-	-	-
Restricted intergovernmental revenues	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Sales tax refund	-	2,177	-	126,903	-	-
Total revenues	-	2,177	-	126,903	-	-
Expenditures:						
Economic and physical development	-	-	-	193,953	259,338	-
Education	-	-	100,737	-	-	-
Cultural and recreation	-	-	-	-	-	-
Total expenditures	-	-	100,737	193,953	259,338	-
Revenues over (under) expenditures	-	2,177	(100,737)	(67,050)	(259,338)	-
Other Financing Sources (Uses):						
Transfers in	-	-	-	-	30,805	-
Debt obligation issued	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	30,805	-
Net change in fund balances	-	2,177	(100,737)	(67,050)	(228,533)	-
Fund Balances:						
Beginning of year - July 1	279,562	88,213	397,790	12,333	-	46,980
End of year - June 30	\$ 279,562	\$ 90,390	\$ 297,053	\$ (54,717)	\$ (228,533)	\$ 46,980

Schedule D-2

Schedule D-9	Schedule D-10	Schedule D-11	Schedule D-12	Schedule D-13	Schedule D-14
2009 LOBS Education Projects Capital Project Fund	Sadie Saulter Capital Project Fund	Community Schools and Recreation Capital Project Fund	ECTC Building Capital Project Fund	School Improvement Capital Project Fund	Industrial Development Building Fund
Total					
\$ 12,988	\$ 3,292	\$ -	\$ -	\$ -	\$ 250
-	-	-	200,000	-	-
-	-	21,974	-	-	-
-	-	-	-	-	400,000
<u>336,777</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>465,857</u>
<u>349,765</u>	<u>3,292</u>	<u>21,974</u>	<u>200,000</u>	<u>-</u>	<u>400,250</u>
					<u>1,104,361</u>
-	-	-	-	-	-
14,799,746	3,366,939	-	-	1,085,775	-
-	-	43,949	-	-	-
<u>14,799,746</u>	<u>3,366,939</u>	<u>43,949</u>	<u>-</u>	<u>1,085,775</u>	<u>-</u>
					<u>19,850,437</u>
<u>(14,449,981)</u>	<u>(3,363,647)</u>	<u>(21,975)</u>	<u>200,000</u>	<u>(1,085,775)</u>	<u>400,250</u>
					<u>(18,746,076)</u>
-	-	-	-	1,150,000	-
-	5,952,500	-	-	-	-
-	5,952,500	-	-	1,150,000	-
					<u>7,133,305</u>
<u>(14,449,981)</u>	<u>2,588,853</u>	<u>(21,975)</u>	<u>200,000</u>	<u>64,225</u>	<u>400,250</u>
					<u>(11,612,771)</u>
<u>18,672,259</u>	<u>-</u>	<u>37,530</u>	<u>11,782</u>	<u>109,034</u>	<u>656,908</u>
\$ 4,222,278	\$ 2,588,853	\$ 15,555	\$ 211,782	\$ 173,259	\$ 1,057,158
					<u>\$ 8,699,620</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, 2011

	Actual		
	Project Authorization	Prior Years	Current Year
			Total To Date
Revenues:			
Investment earnings	\$ 469,617	\$ 521,699	\$ 521,699
Easement proceeds	31,383	31,205	31,205
Total revenues	<u>501,000</u>	<u>552,904</u>	<u>552,904</u>
Expenditures:			
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	<u>11,016,690</u>	<u>10,989,795</u>	<u>10,989,795</u>
Revenues over (under) expenditures	<u>(10,515,690)</u>	<u>(10,436,891)</u>	<u>(10,436,891)</u>
Other Financing Sources (Uses):			
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)	<u>10,515,690</u>	<u>10,716,453</u>	<u>10,716,453</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 279,562</u>	<u>\$ 279,562</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

DETENTION CENTER CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Investment earnings	\$ -	\$ 443,165	\$ -	\$ 443,165
Local contribution	465,000	460,000	-	460,000
Sales tax refund	450,000	315,177	2,177	317,354
Total revenues	<u>915,000</u>	<u>1,218,342</u>	<u>2,177</u>	<u>1,220,519</u>
Expenditures:				
Capital outlay:				
General construction	19,085,000	18,827,700	-	18,827,700
Professional fees	2,000,000	1,748,555	-	1,748,555
Debt issuance costs	500,000	418,365	-	418,365
Total expenditures	<u>21,585,000</u>	<u>20,994,620</u>	<u>-</u>	<u>20,994,620</u>
Revenues over (under) expenditures	<u>(20,670,000)</u>	<u>(19,776,278)</u>	<u>2,177</u>	<u>(19,774,101)</u>
Other Financing Sources (Uses):				
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)	<u>20,670,000</u>	<u>19,864,491</u>	<u>-</u>	<u>19,864,491</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 88,213</u>	<u>\$ 2,177</u>	<u>\$ 90,390</u>

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, 2011

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Actual</u> <u>Total To Date</u>
Revenues:				
Investment earnings	\$ 469,617	\$ -	\$ -	\$ -
Miscellaneous	31,205	-	-	-
Total revenues	<u>500,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital outlay:				
General construction	16,104,579	4,664,602	100,737	4,765,339
Total expenditures	<u>16,104,579</u>	<u>4,664,602</u>	<u>100,737</u>	<u>4,765,339</u>
Revenues over (under) expenditures	<u>(15,603,757)</u>	<u>(4,664,602)</u>	<u>(100,737)</u>	<u>(4,765,339)</u>
Other Financing Sources (Uses):				
Debt obligation issued	10,591,950	-	-	-
Premium received from issuance of debt	178	-	-	-
Transfers in (out)	5,212,391	5,062,392	-	5,062,392
Contingency	(200,762)	-	-	-
Total other financing sources (uses)	<u>15,603,757</u>	<u>5,062,392</u>	<u>-</u>	<u>5,062,392</u>
Net change in fund balance	\$ -	\$ 397,790	\$ (100,737)	\$ 297,053

Note:

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

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

PITT COUNTY, NORTH CAROLINA

STOKES/PACTOLUS ARRA SEWER CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Restricted intergovernmental	\$ 901,132	\$ 769,744	\$ -	\$ 769,744
Sales tax refund	-	-	126,903	126,903
Total revenues	<u>901,132</u>	<u>769,744</u>	<u>126,903</u>	<u>896,647</u>
Expenditures:				
Capital outlay:				
General construction	1,802,264	1,527,155	193,953	1,721,108
Total expenditures	<u>1,802,264</u>	<u>1,527,155</u>	<u>193,953</u>	<u>1,721,108</u>
Revenues over (under) expenditures	(901,132)	(757,411)	(67,050)	(824,461)
Other Financing Sources (Uses):				
Debt obligation issued	<u>901,132</u>	<u>769,744</u>	<u>-</u>	<u>769,744</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 12,333</u>	<u>\$ (67,050)</u>	<u>\$ (54,717)</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

CHICOD SEWER CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

			Actual		
	Project Authorization	Prior Years	Current Year	Total To Date	
Revenues:					
Restricted intergovernmental	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Capital outlay:					
General construction	4,261,844	-	259,338	259,338	259,338
Issuance fees	<u>80,805</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,342,649</u>	<u>-</u>	<u>259,338</u>	<u>259,338</u>	<u>259,338</u>
Revenues over (under) expenditures	<u>(3,842,649)</u>	<u>-</u>	<u>(259,338)</u>	<u>(259,338)</u>	<u>(259,338)</u>
Other Financing Sources (Uses):					
Debt obligation issued	3,960,244	-	-	-	-
Transfers in	<u>30,805</u>	<u>-</u>	<u>30,805</u>	<u>30,805</u>	<u>30,805</u>
Contingency	<u>(148,400)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>3,842,649</u>	<u>-</u>	<u>30,805</u>	<u>30,805</u>	<u>30,805</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (228,533)</u>	<u>\$ (228,533)</u>	<u>\$ (228,533)</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, 2011

	Actual			
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Sales tax refund	\$ 496,757	\$ 496,759	\$ -	\$ 496,759
Investment income	1,112,802	1,115,914	-	1,115,914
Total revenues	<u>1,609,559</u>	<u>1,612,673</u>	<u>-</u>	<u>1,612,673</u>
Expenditures:				
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	1,766,144	-	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	3,435,220	-	3,435,220
Issuance fees	<u>955,000</u>	<u>910,578</u>	<u>-</u>	<u>910,578</u>
Total expenditures	<u>32,579,066</u>	<u>32,547,441</u>	<u>-</u>	<u>32,547,441</u>
Revenues over (under) expenditures	<u>(30,969,507)</u>	<u>(30,934,768)</u>	<u>-</u>	<u>(30,934,768)</u>
Other Financing Sources (Uses):				
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	<u>(12,241)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>30,969,507</u>	<u>30,981,748</u>	<u>-</u>	<u>30,981,748</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 46,980</u>	<u>\$ -</u>	<u>\$ 46,980</u>

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

2009 LOBS EDUCATION PROJECTS CAPITAL PROJECT FUND
SCHEDEULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Sales tax refund	\$ -	\$ -	\$ 336,777	\$ 336,777
Investment income	- -	17,520	12,988	30,508
Total revenues	- -	17,520	349,765	367,285
Expenditures:				
Capital outlay:				
New K-5 Elementary School	13,120,532	4,825,383	6,016,396	10,841,779
DH Conley	8,157,539	3,327,064	4,743,625	8,070,689
Eastern Elementary	9,819,549	5,784,113	2,974,018	8,758,131
Farmville Central High School	3,093,619	1,884,501	1,065,707	2,950,208
Issuance fees	720,000	716,763	- -	716,763
Total expenditures	34,911,239	16,537,824	14,799,746	31,337,570
Revenues over (under) expenditures	(34,911,239)	(16,520,304)	(14,449,981)	(30,970,285)
Other Financing Sources (Uses):				
Debt obligation issued	35,145,000	35,145,000	- -	35,145,000
Premiums received from issuance of debt	47,563	47,563	- -	47,563
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	\$ (14,449,981)	\$ 4,222,278

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.

PITT COUNTY, NORTH CAROLINA

SADIE SAULTER CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Actual</u> <u>Total To Date</u>
Revenues:				
Investment income	\$ _____ -	\$ _____ -	\$ 3,292	\$ 3,292
Total revenues	_____ -	_____ -	3,292	3,292
Expenditures:				
Capital outlay:				
General construction	5,836,500	_____ -	3,315,598	3,315,598
Issuance fees	116,000	_____ -	51,341	51,341
Total expenditures	5,952,500	_____ -	3,366,939	3,366,939
Revenues over (under) expenditures	(5,952,500)	_____ -	(3,363,647)	(3,363,647)
Other Financing Sources (Uses):				
Debt obligation issued	5,952,500	_____ -	5,952,500	5,952,500
Net change in fund balance	\$ _____ -	\$ _____ -	\$ 2,588,853	\$ 2,588,853

Note:

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

PITT COUNTY, NORTH CAROLINA

COMMUNITY SCHOOLS AND RECREATION CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES - EXPENDITURES -
 BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	Actual			
	Project Authorization	Prior Years	Current Year	Total To Date
Revenues:				
Restricted intergovernmental	\$ 904,000	\$ 880,770	\$ 21,974	\$ 902,744
Investment earnings	-	9,500	-	9,500
Miscellaneous revenue	<u>211,000</u>	<u>184,414</u>	<u>-</u>	<u>184,414</u>
Total revenues	<u>1,115,000</u>	<u>1,074,684</u>	<u>21,974</u>	<u>1,096,658</u>
Expenditures:				
Capital outlay:				
General construction	1,250,000	1,213,062	-	1,213,062
Site development	664,871	644,911	43,949	688,860
Athletic fields and recreation area	<u>480,000</u>	<u>477,685</u>	<u>-</u>	<u>477,685</u>
Professional fees	<u>94,782</u>	<u>101,496</u>	<u>-</u>	<u>101,496</u>
Total expenditures	<u>2,489,653</u>	<u>2,437,154</u>	<u>43,949</u>	<u>2,481,103</u>
Revenues over (under) expenditures	<u>(1,374,653)</u>	<u>(1,362,470)</u>	<u>(21,975)</u>	<u>(1,384,445)</u>
Other Financing Sources (Uses):				
Transfers in (out)	1,400,000	1,400,000	-	1,400,000
Contingency	<u>(25,347)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>1,374,653</u>	<u>1,400,000</u>	<u>-</u>	<u>1,400,000</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 37,530</u>	<u>\$ (21,975)</u>	<u>\$ 15,555</u>

Note:

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

PITT COUNTY, NORTH CAROLINA

ECTC BUILDING CAPITAL PROJECT FUND
SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011

	<u>Project Authorization</u>	<u>Actual</u>		
		<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
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	1,160,934	565,533	200,000	765,533
Federal and other grants	400,000	800,000	-	800,000
Total revenues	<u>1,677,126</u>	<u>1,424,905</u>	<u>200,000</u>	<u>1,624,905</u>
Expenditures:				
Capital outlay:				
General construction	2,361,014	2,087,733	-	2,087,733
Total expenditures	<u>2,361,014</u>	<u>2,087,733</u>	<u>-</u>	<u>2,087,733</u>
Revenues over (under) expenditures	<u>(683,888)</u>	<u>(662,828)</u>	<u>200,000</u>	<u>(462,828)</u>
Other Financing Sources (Uses):				
Debt obligation issued	384,278	375,000	-	375,000
Transfers in (out)	299,610	299,610	-	299,610
Total other financing sources (uses)	<u>683,888</u>	<u>674,610</u>	<u>-</u>	<u>674,610</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 11,782</u>	<u>\$ 200,000</u>	<u>\$ 211,782</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 BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	Annual Budget	Actual	Variance Over/Under
Expenditures:			
Capital outlay:			
Gymnasium upgrades	\$ 110,000	\$ 110,000	\$ -
Maintenance	540,000	566,515	(26,515)
Computer equipment	96,025	-	96,025
Roofing	500,000	409,260	90,740
Total expenditures	<u>1,246,025</u>	<u>1,085,775</u>	<u>160,250</u>
Revenues over (under) expenditures	<u>(1,246,025)</u>	<u>(1,085,775)</u>	<u>160,250</u>
Other Financing Sources (Uses):			
Transfers in (out)	1,150,000	1,150,000	-
Appropriated fund balance	96,025	-	(96,025)
Total other financing sources (uses)	<u>1,246,025</u>	<u>1,150,000</u>	<u>(96,025)</u>
Net change in fund balance	<u>\$ -</u>	<u>64,225</u>	<u>\$ 64,225</u>
Fund Balance:			
Beginning of year - July 1		109,034	
End of year - June 30		<u>\$ 173,259</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

INDUSTRIAL DEVELOPMENT BUILDING FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

			2011		2010	
			Budget	Actual	Variance Over/Under	Actual
Revenues:						
Investment earnings			\$ -	\$ 250	\$ 250	\$ 1,820
Total revenues			<u>-</u>	<u>250</u>	<u>250</u>	<u>1,820</u>
Expenditures:						
Economic development			<u>-</u>	<u>-</u>	<u>-</u>	400,000
Total expenditures			<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>
Revenues over (under) expenditures				- 250	250	(398,180)
Other Financing Sources (Uses):						
Sale of project assets			<u>-</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Net change in fund balance			<u>\$ -</u>	<u>400,250</u>	<u>\$ 400,250</u>	<u>\$ (398,180)</u>
Fund Balance:						
Beginning of year - July 1					656,908	
End of year - June 30				\$ <u>1,057,158</u>		

PITT COUNTY, NORTH CAROLINA

**PITT COMMUNITY COLLEGE (PCC) CAPITAL PROJECT FUND - 2010 PROJECT
 MAJOR CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES AND EXPENDITURES -
 BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Actual</u>			
	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>
Revenues:				
Investment earnings	\$ -	\$ -	\$ 10,863	\$ 10,863
Total revenues	<u>-</u>	<u>-</u>	<u>10,863</u>	<u>10,863</u>
Expenditures:				
Capital outlay:				
General construction	22,436,990	1,142,934	6,807,445	7,950,379
Total expenditures	<u>22,436,990</u>	<u>1,142,934</u>	<u>6,807,445</u>	<u>7,950,379</u>
Revenues over (under) expenditures	<u>(22,436,990)</u>	<u>(1,142,934)</u>	<u>(6,796,582)</u>	<u>(7,939,516)</u>
Other Financing Sources (Uses):				
Debt obligation issued	22,112,573	-	22,112,573	22,112,573
Premium received from issuance of debt	324,417	-	324,417	324,417
Total other financing sources (uses)	<u>22,436,990</u>	<u>-</u>	<u>22,436,990</u>	<u>22,436,990</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,142,934)</u>	<u>\$ 15,640,408</u>	<u>\$ 14,497,474</u>

Note:

This project was capitalized as a capital asset under the category of 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, 2011
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010

	2011		Variance	2010	
	Budget	Actual	Over/Under		Actual
Revenues:					
Operating revenues:					
User charges	\$ 7,310,798	\$ 7,590,974	\$ 280,176	\$ 7,487,911	
Investment earnings	2,500	885	(1,615)	4,203	
Restricted intergovernmental revenues	11,434	12,248	814	-	
Other	488,400	554,509	66,109	535,396	
Total operating revenues	<u>7,813,132</u>	<u>8,158,616</u>	<u>345,484</u>	<u>8,027,510</u>	
Non-operating revenues:					
Proceeds from sale of capital assets	-	2,130	2,130	-	
Total revenues	<u>7,813,132</u>	<u>8,160,746</u>	<u>347,614</u>	<u>8,027,510</u>	
Expenditures:					
Salaries and employee benefits	1,129,615	1,029,570	-	1,020,167	
Supplies and materials	931,391	905,104	-	701,046	
Contract labor and other services	1,378,200	1,385,494	-	1,303,766	
Contracted services - waste disposal	3,817,126	3,887,807	-	3,722,295	
Capital outlay	325,000	241,246	-	292,287	
Principal repayment on long-term debt	200,000	-	-	200,000	
Interest expense	31,800	10,600	-	21,200	
Total expenditures	<u>7,813,132</u>	<u>7,459,821</u>	<u>353,311</u>	<u>7,260,761</u>	
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 700,925</u>	<u>\$ 700,925</u>	<u>\$ 766,749</u>	
Reconciliation from Modified Accrual Basis to Full Accrual Basis:					
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 700,925			
Reconciling items:					
Capital outlay items capitalized		246,395			
Depreciation		(196,957)			
Change in closure and post-closure costs accrual		<u>60,000</u>			
Change in net assets		<u>\$ 810,363</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, 2011

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
Assets:					
Current assets:					
Cash, cash equivalents, and investments	\$ 112,969	\$ 3,372,171	\$ 128,050	\$ 6,903	\$ 3,620,093
Accounts receivable	1,252	-	-	125,051	126,303
Inventories	2,511	-	-	-	2,511
Prepaid items	-	-	-	102,428	102,428
Total assets	116,732	3,372,171	128,050	234,382	3,851,335
Liabilities:					
Current liabilities:					
Accounts payable and accrued expenses	93,553	647,109	-	4,109	744,771
Total liabilities	93,553	647,109	-	4,109	744,771
Net Assets:					
Unrestricted net assets	23,179	2,725,062	128,050	230,273	3,106,564
Total net assets	\$ 23,179	\$ 2,725,062	\$ 128,050	\$ 230,273	\$ 3,106,564

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN NET ASSETS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
Operating Revenues:					
User charges	\$ 951,543	\$ 576,118	\$ -	\$ -	\$ 1,527,661
Interfund services charges	-	8,106,675	-	662,186	8,768,861
Miscellaneous	-	6,260	-	-	6,260
Total operating revenues	<u>951,543</u>	<u>8,689,053</u>	<u>-</u>	<u>662,186</u>	<u>10,302,782</u>
Operating Expenses:					
Salaries and employee benefits	34,442	-	-	-	34,442
Equipment maintenance	909,773	-	-	-	909,773
Medical claims costs	-	8,022,526	754,969	-	8,777,495
Claims reimbursement	-	-	-	815,787	815,787
Total operating expenses	<u>944,215</u>	<u>8,022,526</u>	<u>754,969</u>	<u>815,787</u>	<u>10,537,497</u>
Operating income (loss)	<u>7,328</u>	<u>666,527</u>	<u>(754,969)</u>	<u>(153,601)</u>	<u>(234,715)</u>
Non-Operating Revenues:					
Transfer in (out)	(60,000)	(250,000)	815,000	264,200	769,200
Investment earnings	-	473	-	87	560
Total non-operating revenues	<u>(60,000)</u>	<u>(249,527)</u>	<u>815,000</u>	<u>264,287</u>	<u>769,760</u>
Change in net assets	<u>(52,672)</u>	<u>417,000</u>	<u>60,031</u>	<u>110,686</u>	<u>535,045</u>
Net Assets:					
Beginning of year - July 1	<u>75,851</u>	<u>2,308,062</u>	<u>68,019</u>	<u>119,587</u>	<u>2,571,519</u>
End of year - June 30	<u>\$ 23,179</u>	<u>\$ 2,725,062</u>	<u>\$ 128,050</u>	<u>\$ 230,273</u>	<u>\$ 3,106,564</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
Cash Flows from Operating Activities:					
Cash received from customers	\$ 951,271	\$ 582,378	\$ -	\$ (125,051)	\$ 1,408,598
Cash received from interfund services	-	8,106,675	-	662,186	8,768,861
Cash paid to suppliers	(821,457)	(7,939,766)	(820,068)	(817,308)	(10,398,599)
Cash paid to employees	(95,612)	-	-	-	(95,612)
Net cash provided (used) by operating activities	<u>34,202</u>	<u>749,287</u>	<u>(820,068)</u>	<u>(280,173)</u>	<u>(316,752)</u>
Cash Flows from Non-Capital Financing Activities:					
Transfer in (out)	(60,000)	(250,000)	815,000	264,200	769,200
Cash Flows from Investing Activities:					
Investment earnings	-	473	-	87	560
Net increase (decrease) in cash and cash equivalents	(25,798)	499,760	(5,068)	(15,886)	453,008
Cash and Cash Equivalents:					
Beginning of year - July 1	<u>138,767</u>	<u>2,872,411</u>	<u>133,118</u>	<u>22,789</u>	<u>3,167,085</u>
End of year - June 30	<u>\$ 112,969</u>	<u>\$ 3,372,171</u>	<u>\$ 128,050</u>	<u>\$ 6,903</u>	<u>\$ 3,620,093</u>
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:					
Operating income (loss)	\$ 7,328	\$ 666,527	\$ (754,969)	\$ (153,601)	\$ (234,715)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(272)	-	-	(125,051)	(125,323)
(Increase) decrease in prepaids	-	-	-	(5,630)	(5,630)
Increase (decrease) in accounts payable and accrued expenses	27,146	82,760	(65,099)	4,109	48,916
Net cash provided (used) by operating activities	<u>\$ 34,202</u>	<u>\$ 749,287</u>	<u>\$ (820,068)</u>	<u>\$ (280,173)</u>	<u>\$ (316,752)</u>

PITT COUNTY, NORTH CAROLINA

**COUNTY GARAGE INTERNAL SERVICE FUND
SCHEDULE OF REVENUES AND EXPENDITURES
PLAN AND ACTUAL (NON-GAAP)
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>Plan</u>	<u>Actual</u>	Variance Over/Under
Operating Revenues:			
User charges	\$ 972,981	\$ 951,543	\$ (21,438)
Total operating revenues	<u>972,981</u>	<u>951,543</u>	<u>(21,438)</u>
Operating Expenses:			
Salaries and employee benefits	33,467	34,442	(975)
Equipment maintenance	<u>939,514</u>	<u>909,773</u>	<u>29,741</u>
Total operating expenses	<u>972,981</u>	<u>944,215</u>	<u>28,766</u>
Operating income (loss)	-	7,328	7,328
Non-Operating Revenues:			
Transfer in (out)	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
Other Financing Sources (Uses):			
Appropriated fund balance	<u>60,000</u>	<u>-</u>	<u>(60,000)</u>
Change in net assets	<u>\$ -</u>	<u>\$ (52,672)</u>	<u>\$ (52,672)</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, 2011

	Plan	Actual	Variance Over/Under
Operating Revenues:			
User charges	\$ 250,800	\$ 576,118	\$ -
Miscellaneous revenues	6,000	6,260	-
Interfund services charges	<u>8,412,876</u>	<u>8,106,675</u>	-
Total operating revenues	<u>8,669,676</u>	<u>8,689,053</u>	<u>19,377</u>
Operating Expenses:			
Medical claims costs	<u>8,685,288</u>	<u>8,022,526</u>	<u>662,762</u>
Total operating expenses	<u>8,685,288</u>	<u>8,022,526</u>	<u>662,762</u>
Operating income (loss)	<u>(15,612)</u>	<u>666,527</u>	<u>682,139</u>
Non-Operating Revenues:			
Transfer in (out)	(250,000)	(250,000)	-
Investment earnings	1,700	473	(1,227)
Total non-operating revenues	<u>(248,300)</u>	<u>(249,527)</u>	<u>(1,227)</u>
Other Financing Sources (Uses):			
Contingency	<u>263,912</u>	<u>-</u>	<u>(263,912)</u>
Change in net assets	<u>\$ -</u>	<u>\$ 417,000</u>	<u>\$ 417,000</u>

PITT COUNTY, NORTH CAROLINA

RETIREE MEDICAL INSURANCE INTERNAL SERVICE FUND
 SCHEDULE OF REVENUES AND EXPENDITURES
 PLAN AND ACTUAL (NON-GAAP)
 FOR THE YEAR ENDED JUNE 30, 2011

	Plan	Actual	Variance Over/Under
Operating Expenses:			
Medical claims costs	\$ 815,000	\$ 754,969	\$ 60,031
Operating income (loss)	(815,000)	(754,969)	60,031
Non-Operating Revenues:			
Transfer in (out)	815,000	815,000	-
Change in net assets	\$ -	\$ 60,031	\$ 60,031

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, 2011

	Plan	Actual	Variance Over/Under
Operating Revenues:			
Interfund services charges	\$ 662,186	\$ 662,186	\$ _____ -
Total operating revenues	<u>662,186</u>	<u>662,186</u>	<u>_____ -</u>
Operating Expenses:			
Claims reimbursement	<u>1,026,386</u>	<u>815,787</u>	<u>210,599</u>
Operating income (loss)	<u>(364,200)</u>	<u>(153,601)</u>	<u>210,599</u>
Non-Operating Revenues:			
Transfer in	264,200	264,200	-
Investment earnings	<u>-</u>	<u>87</u>	<u>87</u>
Total non-operating revenues	<u>264,200</u>	<u>264,287</u>	<u>87</u>
Other Financing Sources (Uses):			
Appropriated fund balance	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
Change in net assets	<u>\$ -</u>	<u>\$ 110,686</u>	<u>\$ 110,686</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. (See Exhibits J & K).

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, 2011

	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
Assets:					
Cash and cash equivalents	\$ 194,931	\$ 104,891	\$ 11,319	\$ 16,660	\$ 327,801
Total assets	<u>\$ 194,931</u>	<u>\$ 104,891</u>	<u>\$ 11,319</u>	<u>\$ 16,660</u>	<u>\$ 327,801</u>
Liabilities:					
Deposits held in custody for others	\$ 194,931	\$ 104,891	\$ 11,319	\$ -	\$ 311,141
Deferred compensation benefits payable	-	-	-	16,660	16,660
Total liabilities	<u>\$ 194,931</u>	<u>\$ 104,891</u>	<u>\$ 11,319</u>	<u>\$ 16,660</u>	<u>\$ 327,801</u>

PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
TRUST AND AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Balance			Balance
	July 1, 2010	Additions	Deductions	June 30, 2011
Social Services, Sheriff, and Other Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 206,680	\$ 1,498,881	\$ (1,510,630)	\$ 194,931
Liabilities:				
Deposits held in custody for others	<u>\$ 206,680</u>	<u>\$ 1,498,881</u>	<u>\$ (1,510,630)</u>	<u>\$ 194,931</u>
Tax Collections Held for Municipalities Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 318,262	\$ 33,484,216	\$ (33,697,587)	\$ 104,891
Liabilities:				
Deposits held in custody for others	<u>\$ 318,262</u>	<u>\$ 33,484,216</u>	<u>\$ (33,697,587)</u>	<u>\$ 104,891</u>
3% Interest Payable to State Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 8,682	\$ 106,528	\$ (103,891)	\$ 11,319
Liabilities:				
Deposits held in custody for others	<u>\$ 8,682</u>	<u>\$ 106,528</u>	<u>\$ (103,891)</u>	<u>\$ 11,319</u>
Flexible Benefit Agency Fund:				
Assets:				
Cash and cash equivalents	\$ 12,575	\$ 162,296	\$ (158,211)	\$ 16,660
Liabilities:				
Deferred compensation benefits payable	<u>\$ 12,575</u>	<u>\$ 162,296</u>	<u>\$ (158,211)</u>	<u>\$ 16,660</u>
Total - All Agency Funds:				
Assets:				
Cash and cash equivalents	\$ 546,199	\$ 35,251,921	\$ (35,470,319)	\$ 327,801
Liabilities:				
Deposits held in custody for others	\$ 533,624	\$ 35,089,625	\$ (35,312,108)	\$ 311,141
Deferred compensation benefits payable	12,575	162,296	(158,211)	16,660
Total liabilities	<u>\$ 546,199</u>	<u>\$ 35,251,921</u>	<u>\$ (35,470,319)</u>	<u>\$ 327,801</u>

III. STATISTICAL SECTION

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

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

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

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



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

Table 1

	<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>	<u>2011</u>
Governmental activities										
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	\$ 7,163,940	\$ 26,867,920	\$ 3,313,440
Restricted	234,224	462,677	668,584	470,026	678,647	717,353	200,588	199,051	178,243	15,413,852
Unrestricted	<u>47,129,909</u>	<u>42,005,679</u>	<u>34,792,725</u>	<u>40,825,049</u>	<u>37,971,412</u>	<u>30,517,987</u>	<u>23,707,555</u>	<u>33,161,453</u>	<u>7,602,000</u>	<u>-12,273,362</u>
Total governmental activities net assets	<u>\$ 62,954,789</u>	<u>\$ 58,667,014</u>	<u>\$ 55,085,604</u>	<u>\$ 58,353,380</u>	<u>\$ 48,306,862</u>	<u>\$ 40,287,968</u>	<u>\$ 31,107,865</u>	<u>\$ 40,524,444</u>	<u>\$ 34,648,163</u>	<u>\$ 6,453,930</u>
Business-type activities										
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	\$ 2,870,867
Unrestricted	<u>(1,060,439)</u>	<u>(1,143,357)</u>	<u>(1,259,552)</u>	<u>(1,898,732)</u>	<u>(1,634,988)</u>	<u>(689,280)</u>	<u>(623,834)</u>	<u>19,582</u>	<u>878,331</u>	<u>1,639,256</u>
Total business-type activities	<u>\$ 182,724</u>	<u>\$ 121,522</u>	<u>\$ 210,131</u>	<u>\$ (175,378)</u>	<u>\$ 183,996</u>	<u>\$ 1,381,329</u>	<u>\$ 1,546,745</u>	<u>\$ 2,481,936</u>	<u>\$ 3,699,760</u>	<u>\$ 4,510,123</u>
Primary government										
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	\$ 6,184,307
Restricted	234,224	462,677	668,584	470,026	678,647	717,353	200,588	199,051	178,243	15,413,852
Unrestricted	<u>46,069,470</u>	<u>40,862,322</u>	<u>33,533,173</u>	<u>38,926,317</u>	<u>36,336,424</u>	<u>29,828,707</u>	<u>23,083,701</u>	<u>33,353,035</u>	<u>8,480,331</u>	<u>-10,634,106</u>
Total primary government net assets	<u>\$ 63,137,523</u>	<u>\$ 58,788,536</u>	<u>\$ 55,295,735</u>	<u>\$ 58,178,002</u>	<u>\$ 48,490,858</u>	<u>\$ 41,669,297</u>	<u>\$ 32,654,610</u>	<u>\$ 43,006,380</u>	<u>\$ 38,347,923</u>	<u>\$ 10,964,053</u>

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.

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

Table 2

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses										
Governmental activities:										
General government	\$ 10,140,976	\$ 13,430,499	\$ 12,562,758	\$ 13,501,659	\$ 16,037,941	\$ 15,101,864	\$ 18,117,235	\$ 16,704,353	\$ 16,704,822	\$ 16,704,353
Public safety	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	32,913,064
Economic & physical development	1,127,975	4,341,765	4,174,385	4,335,915	3,274,182	5,156,590	4,924,122	5,337,923	7,633,471	6,728,810
Environmental protection	225,021	446,545	213,282	208,524	4,469	245,464	248,179	259,750	26,7785	245,159
Human Services	56,812,353	51,569,224	54,915,550	58,880,992	67,135,085	54,707,785	48,987,705	46,606,871	44,209,437	41,740,952
Cultural and recreation	583,205	589,259	49,838	505,161	457,682	583,843	645,517	605,328	718,401	698,384
Education	25,981,099	30,462,651	33,489,829	36,678,407	37,016,790	48,738,593	47,639,044	44,078,522	51,034,996	53,506,480
Debt Service	9,751,237	4,628,278	4,205,707	4,556,482	4,976,804	-	-	-	-	-
Capital Outlay	21,377,256	-	-	-	-	-	-	-	-	-
Interest on long term debt	<u>143,018,757</u>	<u>125,491,374</u>	<u>132,566,136</u>	<u>142,247,857</u>	<u>154,115,311</u>	<u>57,033,750</u>	<u>6,931,700</u>	<u>4,270,139</u>	<u>5,870,905</u>	<u>6,967,304</u>
Total governmental activities	<u>143,018,757</u>	<u>125,491,374</u>	<u>132,566,136</u>	<u>142,247,857</u>	<u>154,115,311</u>	<u>57,033,750</u>	<u>6,931,700</u>	<u>4,270,139</u>	<u>5,870,905</u>	<u>6,967,304</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	7,348,253
Total primary government expenses	\$ 143,018,757	\$ 132,470,564	\$ 138,948,002	\$ 149,319,978	\$ 161,033,217	\$ 164,422,154	\$ 165,354,967	\$ 159,061,384	\$ 170,872,652	\$ 166,917,165
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 7,919,703	\$ 6,715,636	\$ 4,590,236	\$ 4,185,463	\$ 3,889,222	\$ 4,140,725	\$ 4,622,467	\$ 5,838,490	\$ 5,308,955	\$ 5,308,955
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	9,341,259	9,341,259
Economic & physical development	265,000	14,064	2,635	3,015	3,245	3,825	115,237	165,475	584,174	584,174
Environmental protection	-	-	137,937	243,384	265,127	192,034	115,497	101,973	73,019	73,019
Human Services	37,938,931	38,900,115	5,177,386	5,127,900	3,134,045	5,661,949	5,927,338	6,698,097	6,323,684	6,323,684
Cultural and recreation	-	-	-	8,945	34,717	23,003	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
General government	14,297	255,485	-	-	25,800	283,037	120,165	7,348	100,592	20,334
Public safety	-	37,736	32,200	263,177	293,982	788,756	2,279,470	5,218,265	56,387	56,387
Economic & physical development	3,139,347	1,935,588	2,621,715	91,610	98,086	227,341	-	-	4,367,361	4,367,361
Environmental protection	-	-	73,156	42,737,967	30,318,848	19,540,492	21,751,026	23,191,163	21,147,178	21,147,178
Human Services	-	-	-	-	-	789,760	7,033,741	1,183,917	-	5,083,917
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions:										
General government	9,391	-	64,074	57,358	111,854	98,719	-	235,915	268,300	207,368
Public safety	-	-	-	-	2,920,434	1,672,867	1,293,371	157,578	2,177	2,177
Economic & physical development	-	-	-	-	-	-	1,969,407	107,686	307,686	307,686
Environmental protection	-	-	-	-	-	-	0	769,744	126,903	126,903
Human Services	-	-	-	-	-	-	117,986	64,383	358,751	358,751
Cultural and recreation	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-	-	-
Total governmental activities program rev	<u>606,763</u>	<u>2,709,408</u>	<u>331,781</u>	<u>1,273,940</u>	<u>56,579,414</u>	<u>62,460,085</u>	<u>51,347,624</u>	<u>43,727,360</u>	<u>54,195,124</u>	<u>53,309,153</u>

	2002	2003	2004	2005	2006	Fiscal Year 2007	2008	2009	2010	2011
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	8,145,483	8,157,731
Capital grants and contributions - Solid Waste	742,205	194,705	6,686,238	7,277,190	7,916,793	7,851,102	7,670,006	8,023,307	8,145,483	8,157,731
Total business-type activities program rev	-	7,012,579	6,470,389	6,265,652	69,737,275	59,264,417	51,578,462	61,865,130	60,528,122	61,466,884
Total primary government program rev	\$ -	\$ 60,708,028	\$ 61,590,953	\$ 63,265,652	\$ 69,737,275	\$ 59,264,417	\$ 51,578,462	\$ 61,865,130	\$ 60,528,122	\$ 61,466,884
Net (Expense)/Revenue										
Governmental activities	\$ (143,018,757)	\$ (71,795,925)	\$ (77,445,552)	\$ (85,668,443)	\$ (91,655,226)	\$ (106,354,670)	\$ (113,913,422)	\$ (98,128,720)	\$ (111,558,151)	\$ (106,259,759)
Business-type activities	-	(61,511)	88,503	(385,883)	359,284	1,196,933	136,917	932,466	1,213,621	809,478
Total primary government net (expenses)	\$ (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)	\$ (105,450,281)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes	\$ 42,801,929	\$ 46,507,395	\$ 49,795,001	\$ 60,786,461	\$ 64,079,131	\$ 65,841,771	\$ 70,155,690	\$ 77,862,674	\$ 78,618,324	\$ 79,984,365
Local option sales tax	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	14,704,181
Payment in lieu of taxes and other tax	45,751,672	-	-	-	1,614,982	1,683,750	1,752,849	12,164,104	11,109,775	10,655,050
Interest earned on investments	5,638,779	763,470	806,846	1,510,066	2,054,907	2,647,891	3,164,210	1,126,732	362,113	138,986
Loss on disposal of capital assets	-	(51,092)	-	-	(12,566,106)	-	-	-	-	(27,417,055)
Total governmental activities:	\$ 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	78,065,527
¹ Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	28,499	3,191	4,203
Miscellaneous	-	309	106	371	90	-	-	-	-	-
Transfers	-	309	106	371	90	400	400	28,499	3,191	4,203
Total business-type activities	0	67,508,449	\$ 73,864,248	\$ 88,936,539	\$ 81,608,767	\$ 98,336,137	\$ 104,761,817	\$ 108,973,481	\$ 104,261,072	\$ 78,066,412
Total primary government	\$ (46,833,905)	\$ (4,287,785)	\$ (3,581,410)	\$ 3,267,725	\$ (10,046,549)	\$ (8,018,933)	\$ (9,180,104)	\$ 10,341,570	\$ (7,301,282)	\$ (28,194,232)
Change in Net Assets										
Governmental activities	\$ (46,833,905)	\$ (4,287,785)	\$ (3,581,410)	\$ (385,512)	\$ 359,374	\$ 1,197,333	\$ 165,416	\$ 935,657	\$ 1,217,824	\$ 810,363
Business-type activities	-	(61,202)	88,609	-	-	-	-	-	-	-
Total primary government	\$ (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)	\$ (27,383,869)

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

Table 3

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved for:										
State Statute	\$ 6,926,392	\$ 7,198,049	\$ 8,121,763	\$ 10,630,636	\$ 10,148,617	\$ 7,890,551	\$ 7,276,450	\$ 5,723,896	\$ 5,315,377	\$ 5,315,377
Prepaid Items	180,478	68,904	72,871	75,128	189,070	169,571	125,818	108,552	166,883	166,883
Future wireless E-911/Public Safety expenditures	-	-	-	-	-	-	291,941	209,058	160,058	160,058
For Register of Deeds	46,295	151,431	254,354	155,028	233,586	190,924	200,588	199,051	178,243	178,243
Public Safety - Winterville Rural Fire Department	-	-	-	-	-	-	-	-	116,670	116,670
Public Safety - Ayden Fire Department	-	-	-	-	-	-	-	-	11,567	11,567
Total reserved	7,153,165	7,418,384	8,448,988	10,866,792	10,571,273	2,271,269	450,000	8,344,807	6,240,357	5,948,798
Unreserved	-	-	-	-	-	-	-	-	-	0
Designated for subsequent year's expenditures	9,078,614	10,793,300	4,668,853	5,800,011	4,968,202	7,038,044	5,486,442	6,753,916	5,342,211	5,342,211
Designated for Potential TSR Refund (MH)	615,000	850,000	-	-	-	-	-	-	-	-
Undesignated	31,160,613	22,987,774	20,005,649	16,631,302	18,075,910	17,805,686	17,387,066	16,593,431	19,625,059	19,625,059
Nonspendable - prepaid items										
Restricted by Stabilization of State Statute										
Restricted										
Committed										
Assigned										0
Unassigned										4,215,000
Total General Fund	\$ 48,007,392	\$ 42,049,458	\$ 33,123,490	\$ 33,292,105	\$ 33,615,385	\$ 35,366,045	\$ 31,218,315	\$ 29,587,704	\$ 30,916,108	\$ 21,907,375
All Other Governmental Funds										
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	\$ 80,544	\$ 1,786,089
Prepaid Items	-	31,955	31,485	46,538	31,228	23,760	106,705	-	-	73,575
Wireless 911 Operations	187,929	311,246	414,230	314,988	445,061	528,429	-	-	-	-
Winterville Rural Fire Dept	-	-	-	-	24,204	73,973	104,814	-	-	-
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	0
Undesignated/(deficit)										
Special revenue Funds	3,585,806	821,069	-	-	24,958	251,477	1,312,430	1,904,621	2,041,415	2,041,415
Debt Service Fund	12,100	27,656	24,227	64,521	83,212	42,022	(8,068)	64,415	41,635	41,635
Capital Project Funds	6,915,540	3,641,422	14,427,087	4,814,295	1,567,175	-	1,746,254	1,847,095	(159,711)	(159,711)
All other special revenue funds	-	-	-	-	-	-	-	-	-	-
Designated for capital projects	-	-	-	-	-	-	9,749,419	9,331,452	-	-
Nonspendable - prepaid items										
Restricted by Stabilization of State Statute										
Restricted										
Committed										
Assigned										
Unassigned										(1,130,723)
Total all other governmental funds	\$ 10,727,095	\$ 6,469,935	\$ 15,721,945	\$ 5,822,913	\$ 3,386,990	\$ 24,879,070	\$ 15,532,034	\$ 15,667,190	\$ 3,860,986	\$ 42,756,613

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

Table 4

FISCAL YEARS											
		2002		2003		2004		2005		2006	
Revenues											
Taxes:											
Property	\$ 42,801,929	\$ 45,888,511	\$ 50,404,485	\$ 60,831,679	\$ 64,024,879	\$ 66,158,617	\$ 70,960,636	\$ 77,740,541	\$ 78,631,905	\$ 78,827,130	
13,160,287	12,776,890	17,689,675	19,815,192	21,232,409	22,034,132	27,072,981	25,129,031	22,632,862	14,428,378		
6,667,930	6,708,635	6,695,093	6,815,814	7,401,449	7,541,028	8,319,157	4,919,193	2,643,570	10,930,853		
Total taxes	62,630,146	65,374,036	74,789,253	87,471,320	92,073,102	96,003,777	102,352,774	107,787,755	103,908,337	104,186,361	
Intergovernmental											
Sales & Services / Permits & Fees	45,731,672	42,666,245	44,968,727	44,645,599	50,615,252	41,059,040	31,479,203	38,583,757	36,282,989	38,191,288	
Interest	7,631,251	8,547,699	8,870,143	9,390,266	9,575,565	10,691,673	10,956,768	11,309,491	11,274,744	11,933,673	
Miscellaneous	2,087,938	628,145	649,682	1,346,644	1,883,583	2,432,376	3,142,597	359,591	262,393	1,754,585	
Total Revenues	120,435,649	119,467,194	130,037,591	143,978,143	156,169,002	151,779,702	149,190,506	161,70,119	154,653,851	156,328,300	
Expenditures											
General Government	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	13,455,312	
Public Safety	17,019,635	19,609,050	22,413,203	23,090,104	24,828,006	26,179,432	28,796,663	32,049,357	35,958,562	37,264,598	
Environmental Protection	225,021	418,229	213,262	211,435	219,636	246,652	231,415	242,986	252,499	229,879	
Economic Development	1,127,975	1,209,016	4,100,580	4,263,373	4,916,623	4,667,773	5,030,345	7,416,836	6,648,224		
Human Services (Health, DSS, Mental Health)	56,812,353	54,516,121	54,489,313	58,852,113	66,949,101	54,364,801	48,668,953	45,042,980	42,612,499	40,327,489	
Culture and Recreation	583,205	589,259	491,838	505,161	536,972	583,843	645,517	608,328	718,401	698,384	
Education	25,981,099	28,293,249	30,222,455	31,385,448	32,948,342	34,993,965	58,517,353	38,077,316	58,320,263	65,996,318	
Capital Outlay	21,377,256	3,992,017	4,741,619	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	9,388,490	
Interest	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	7,052,042	
Total Expenditures	143,018,757	130,292,288	137,768,550	143,834,242	167,097,200	159,518,749	182,921,770	163,543,582	174,318,159	181,060,736	
Excess of revenues over (under) expenditures	(22,533,108)	(10,825,094)	(7,730,959)	143,901	(10,928,198)	(7,739,047)	(33,731,265)	(1,843,463)	(19,624,308)	(24,732,436)	
Other Financing Sources (Uses)											
Transfers in	(15,174,352)	(13,285,380)	(16,616,406)	(13,940,284)	(13,634,787)	(13,617,578)	(16,532,170)	(17,167,904)	(16,667,575)	(8,110,548)	
Transfers out	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	7,341,348	
Bonds issued	8,425,000	-	8,060,000	150,000	-	-	19,855,000	-	-	(5,040,000)	
Refunding bonds issued	(4,352,844)	610,000	-	(11,675,000)	3,422,002	-	(28,985,000)	-	-		
Payment to refunding escrow agent	-	-	-	-	-	(1,252,192)	-	-	-		
Payment to escrow agent, debt refunding pmt	-	-	-	-	-	-	-	-	-		
Proceeds to escrow agent, advance interest pmt	-	-	-	-	-	-	-	-	-		
Advance payments from debt refunding	-	-	-	-	-	-	-	-	-		
Debt Obligation issued	-	-	-	-	-	-	-	-	-		
Apropriated Fund Balances	-	-	-	-	-	-	-	-	-		
Premium on issued debt	-	-	-	-	-	-	-	-	-		
Total other financing sources (uses)	8,272,156	610,000	8,057,000	432,125	3,422,002	30,981,748	20,236,491	348,000	35,580,548	28,185,290	
Net change in fund balances	\$ (14,310,952)	\$ (10,215,094)	\$ 326,041	\$ 576,026	\$ (7,506,196)	\$ 23,242,701	(13,494,744)	\$ (1,495,463)	\$ 15,956,240	\$ 3,452,854	

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

Table 5

Fiscal Year	Real Property			Personal Property	Public Service Companies	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a % of Actual Value
	Residential Property	Commercial Property	Industrial Property						
2002	4,448,947,386	-	-	-	1,800,472,859	95,260,352	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	6,974,751,976	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	7,450,655,025	-	-	-	2,568,090,556	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	-	-	-	2,470,682,313	109,460,104	11,926,555,262	0.6650	12,045,815,765 99.0%
2011	9,652,528,904	-	-	-	2,045,396,018	105,153,588	11,803,078,510	0.6650	11,921,109,295 99.0%

¹ 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

Pitt County	Year Taxes Are Payable									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Municipality Rates:										
Town of Ayden	0.5000	0.5500	0.5500	0.5200	0.5200	0.5000	0.5000	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	0.4900	0.4900	0.4900
Town of Fountain	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
City of Greenville	0.6150	0.6150	0.6150	0.5600	0.5600	0.5600	0.5200	0.5200	0.5200	0.5200
Town of Griffion	0.5700	0.5700	0.5700	0.5500	0.5500	0.5500	0.5500	0.5500	0.6000	0.6000
Town of Grimesland	0.3900	0.4500	0.4500	0.4500	0.4500	0.4500	0.4800	0.4800	0.4800	0.4800
Village of Simpson	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500
Town of Winterville	0.4000	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500
Fire Districts:										
Ayden Fire District	0.0400	0.0400	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0380	0.0425
Bell Arthur Fire District	0.0375	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Black Jack Fire District	0.0250	0.0300	0.0300	0.0300	0.0300	0.0450	0.0540	0.0540	0.0540	0.0540
Clarks Neck Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.4500	0.4500	0.4500	0.4500
Eastern Pines Fire District	0.0250	0.0250	0.0250	0.0250	0.0350	0.0350	0.0500	0.0500	0.0500	0.0500
Falkland Fire District	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Farmville Fire District	0.0400	0.0400	0.0400	0.0360	0.0360	0.0360	0.0360	0.0360	0.0360	0.0365
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	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0800
Griffion Fire District	0.0450	0.0450	0.0475	0.0475	0.0499	0.0499	0.0499	0.0499	0.0499	0.0499
Grimesland Fire District	0.0400	0.0400	0.0400	0.0450	0.0550	0.0550	0.0650	0.0650	0.0650	0.0700
Pactious Fire District	0.0465	0.0465	0.0465	0.0425	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	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	0.0175	0.0175	0.0175	0.0175	0.0190	0.0190	0.0190	0.0200	0.0215
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	0.0440

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

Source: Pitt County Tax Assessor

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

Table 7

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

Source: Pitt County Tax Assessor

Pitt County
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 8

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Collected within the Fiscal Year of the Levy			Collections for Prior Years	Total Amount Collected	Total Percentage Collected			
			Total Levy	Total Amount Collected	Percentage of Original Levy						
			Adjusted Levy								
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			
2011	77,149,471	(1,265,750)	75,883,721	72,098,919	93.45%	95.01%	2,341,016	74,439,935			

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

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

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

Table 9

Fiscal Year	Governmental Activities				Business-type Activities				Percentage of Personal Income	
	General Obligation Bonds		Revenue Bonds		Capital Leases		General Obligation Bonds			
	General Obligation Bonds	Revenue Bonds	Installment Loans	Capital Leases	Revenue Bonds	Installment Loans	Primary Government	Per Capita		
2002	15,850,000	0	76,540,545	0	1,800,000	0	0	94,190,545	2.88%	
2003	13,385,000	0	73,846,925	0	1,600,000	0	0	88,831,925	2.50%	
2004	10,885,000	0	77,871,430	0	1,400,000	0	0	90,156,430	2.42%	
2005	8,310,000	0	97,806,640	0	1,200,000	0	0	107,316,640	2.69%	
2006	6,655,000	0	95,993,458	0	1,000,000	0	0	103,648,458	2.40%	
2007	3,295,000	0	120,611,096	0	800,000	0	0	124,706,096	2.75%	
2008	2,340,000	0	135,328,440	0	600,000	0	0	138,268,440	2.77%	
2009	1,080,000	0	128,511,253	0	400,000	0	0	129,991,253	N/A	
2010	0	0	155,281,052	0	200,000	0	0	155,481,052	N/A	
2011	0	0	175,071,449	0	0	0	0	175,071,449	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)			
	Less: Amounts Restricted to Repaying Principal								
	General Obligation Bonds	Total							
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	0.06%	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			
2011	0	-	-	N/A	0.0000%	0			

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

- (1) See Schedule 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- (2) See schedule 5 for property value data.

Source: Audited financial reports of this entity.

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

Table 11

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed Value of Property	\$ 6,344,681	\$ 6,610,281	\$ 6,974,760	\$ 8,449,853	\$ 8,892,219	\$ 9,188,583	\$ 10,127,180	\$ 11,796,580	\$ 11,926,550	\$ 11,803,079
Debt Limit, 8% of Assessed Value (Statutory Limitation)	507,574	528,822	557,981	675,988	711,378	735,087	810,174	943,726	954,124	944,246
Amount of Debt Applicable to Limit										
Gross debt	94,191	88,832	90,156	107,317	103,648	124,706	138,268	129,991	155,481	175,071
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)	1,800	1,600	1,400	1,200	1,000	800	600	400	200	0
Revenue bonds	0	0	0	0	0	0	0	0	0	0
Total net debt applicable to limit	92,391	87,232	88,756	106,117	102,648	123,906	137,668	129,591	155,281	175,071
Legal Debt Margin	\$ 415,184	\$ 441,591	\$ 469,224	\$ 569,872	\$ 608,729	\$ 611,181	\$ 672,506	\$ 814,135	\$ 798,843	\$ 769,175
Total net debt applicable to the limit as a percentage of debt limit	18.20%	16.50%	15.91%	15.70%	14.43%	16.86%	16.99%	13.73%	16.27%	18.54%

Source: Annual audited financial reports of this entity.

Pitt County
Direct and Overlapping Governmental Activities Debt
As of June 30, 2011

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	\$ 17,950,000	100.00%	\$ 17,950,000
TOWN OF AYDEN	\$ 0	100.00%	\$ 0
TOWN OF BETHEL	\$ 1,242,000	100.00%	\$ 1,242,000
TOWN OF FARMVILLE	\$ 0	100.00%	\$ 0
TOWN OF FOUNTAIN	\$ 114,500	100.00%	\$ 114,500
TOWN OF GRIMESLAND	\$ 257,500	100.00%	\$ 257,500
TOWN OF WINTERVILLE	\$ 975,500	100.00%	\$ 975,500
CONTENTNEA METROPOLITAN SEWAGE DISTRICT (1)	\$ 169,000	0.00%	\$ 0
Total direct debt			155,281,052
Total overlapping debt			<u>20,539,500</u>
Total direct and overlapping debt			<u>\$ 175,820,552</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.
 (2) Overlapping is defined as debt that if financed via a tax levied on the same asset - in this case, real and personal property base value subject to taxation by each municipal unit.

Source: Local Government Commission

Pitt County
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 13

Year	Population(1)	Personal Income (2) (thousands of dollars)	Per Capita Personal Income (2)	Public School Enrollment(3)	Unemployment Rate(4)
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	5,263,078	33,089	23,235	10.3%
2010	158,575	*	*	22,886	10.1%
2011	169,378	*	*	*	*
				23,240	

* 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	2010-2011 (1)		2000-2001 (1)		Percentage of Total County Employment
	Employees	Rank	Employees	Rank	
Pitt County Memorial Hospital	7,868	1	10,75%	4,150	6.32%
East Carolina University	5,455	2	7.45%	4,070	6.20%
Pitt County Public Schools	3,111	3	4.25%	2,343	3.57%
DSM	1,200	4	1.64%	1,400	2.13%
NACCO Material Handling Group	1,000	5	1.37%	1,100	1.67%
County of Pitt	968	6	1.32%	973	1.48%
Pitt Community College	861	7	1.18%	772	1.18%
Alliance One International	850	8	1.16%	550	0.84%
City of Greenville	743	9	1.02%	595	0.91%
The Roberts Company	525	10	0.72%	200	0.30%

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

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

Table 15

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	131.75	135.75	139.50	139.50	141.50	142.50	142.00	144.00	143.50	138.00
Public safety	268.25	285.75	295.35	299.35	312.25	321.50	326.56	372.00	399.75	426.50
Social services	217.00	217.00	221.00	219.00	223.00	225.00	227.00	232.00	234.00	229.00
Economic and physical dev	16.60	16.10	18.60	18.60	19.60	18.60	18.60	19.10	21.35	20.35
Environmental protection	22.25	22.25	22.25	21.25	21.25	21.25	21.00	21.50	21.75	21.75
Health	126.60	119.60	116.90	117.70	119.50	124.60	129.10	131.90	137.90	138.90
Mental Health	203.50	197.65	199.80	191.40	54.75	21.25	0.00	0.00	0.00	0.00
Veteran's Services	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Total	986.95	995.10	1014.40	1007.80	892.85	876.45	866.76	922.50	960.25	976.50

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).

	Fiscal Year						2010	2011
	2002	2003	2004	2005	2006	2007		
Governmental Activities:								
General Government								
Number of registered voters	82,243	83,544	94,613	92,753	96,244	90,676	96,416	102,049
Number of marriage licenses issued	1,037	1,064	1,006	1,163	1,146	1,039	1,222	1,131
Public Safety								
Number of 911 dispatch/calls	26,481	19,526	11,313	11,400	12,230	32,000	35,843	36,695
Number of law violations	12,669	18,500	19,577	19,388	19,388	26,427	26,505	26,212
Environmental Protection								
Number of Soil & Water customers served	568	1,332	692	1,587	2,109	N/A	822	958
Economic and Physical Development								
Number of commercial permits issued	157	155	145	134	145	107	61	32
Number of residential permits issued	1,893	1,699	2,639	1,656	2,122	1,671	1,299	508
Human Services								
Households that received assistance with energy bills	N/A	2,528	2,320	2,519	2,380	2,721	2,880	3,848
Medicaid clients receiving transportation assistance	N/A	986	1,254	2,199	2,320	2,396	2,242	2,272
Number of child support collection cases	N/A	8,550	8,290	8,198	7,692	7,660	9,679	7,944
Average number of Public Health WIC cases	N/A	4,362	4,432	4,257	4,505	4,525	4,598	4,811
Restaurant/Lodging inspections, consults & permitting activities	N/A	4,402	3,747	5,156	5,891	7,500	8,929	10,801
Culture and Recreation								
Total circulation for library system	409,942	394,125	389,620	409,184	409,184	452,011	460,478	486,559
Education								
Public school student enrollment K-12	20,292	20,691	21,229	21,582	22,030	22,498	22,994	23,235
Business-type Activities:								
Solid Waste & Recycling								
Tons of garbage processed	N/A	130,000	131,000	138,000	133,100	134,500	135,530	126,000
Tons of recycled material	N/A	35,000	35,000	35,506	35,150	35,700	36,000	36,000

Pitt County
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 17

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities:										
General Government										
Buildings	5	5	5	5	5	5	5	5	5	5
Vehicles	N/A	31	31	31	35	35	30	30	42	49
Public Safety										
Buildings	3	3	3	3	3	3	3	3	4	4
Vehicles	N/A	177	177	178	181	181	175	183	193	201
Environmental Protection										
Buildings	0	0	0	0	0	0	0	0	1	1
Vehicles	N/A	3	3	3	3	3	7	7	7	6
Economic and Physical Development										
Buildings	0	0	0	0	0	0	0	0	3	3
Vehicles	N/A	7	7	7	7	7	11	12	7	8
Human Services										
Buildings	5	5	5	5	5	5	5	5	3	3
Vehicles	N/A	72	72	72	71	71	67	72	70	70
Culture and Recreation										
Buildings	0	0	0	0	1	1	1	1	1	1
Vehicles	0	0	0	0	0	0	0	0	0	0
Education										
Buildings	3	5	5	6	7	7	8	8	8	5
Vehicles	0	0	0	0	0	0	0	0	0	0
Business-type Activities:										
Solid Waste & Recycling										
Buildings	2	2	2	2	2	2	2	2	4	5
Vehicles	N/A	14	14	14	14	14	16	16	14	19

Source: Records within the Pitt County Financial Services Department.