

# COUNTY OF PITT, NC

## Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2012

### Board of Commissioners

Beth B. Ward, Chairman  
Jimmy Garris, Vice Chairman  
Mark W. Owens, Jr.  
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Tom Johnson, Sr.  
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Glen Webb  
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David S. Hammond

### County Manager

Scott Elliott



### Leader in the State; Best in the East

This is a publication of Pitt County Financial Services.  
1717 West Fifth Street, Greenville, NC 27834

# County of Pitt

## North Carolina



### Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2012

Prepared By:  
Pitt County Financial Services Department

Duane T. Holder  
Deputy County Manager – Finance Officer



**PITT COUNTY, NORTH CAROLINA**  
**General Purpose Financial Statements and Compliance Reports**  
**For The Year Ended June 30, 2012**

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



October 12, 2012

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

Dear Board Members:

State law requires that a local government have its financial records audited as soon as possible after the close of the fiscal year by an independent, certified public accountant. Law also requires that the local government publish a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP). Pursuant to these requirements, it is our pleasure to present the Board of Commissioners and the citizens of Pitt County with the Comprehensive Annual Financial Report (CAFR) for Pitt County for the fiscal year ended June 30, 2012. This report is published to provide citizens, the Board of Commissioners, staff, and third party readers with information concerning the financial position of the County.

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

## Independent Audit

Martin Starnes & Associates, CPAs, P.A., a firm of independent certified public accountants, audited the financial records of the County and their opinion has been included in this report. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County are free of material misstatement. Their audit was made in accordance with generally accepted auditing standards and, included examining on a test basis, evidence supporting the amounts and disclosures in the basic financial statements as well as assessing the accounting principles used and significant estimates made by management. Their opinion concluded that the accompanying financial statements for the fiscal year ended June 30, 2012 have been prepared in conformity with generally accepted accounting principles and supported the issuance of an unqualified opinion. Issuance of an unqualified opinion means an auditor, upon review of a county's financial statements and accompanying notes, certifies that the



financial statements are reliable and represent the true financial condition of the county.

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

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

In addition to the funds of the County, the combined financial statements include the discrete presentation of two legally separate entities: Pitt County ABC Board and the Pitt County Industrial Development Commission. These entities are component units of the County.

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 in this report.

## **Major Initiatives**

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

**Education.** The promotion of quality 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 the year, renovation and expansion of the Sadie Saulter Elementary School was completed. This project converts an existing school into the center for the District's special populations. Construction was also completed on three new facilities on the campus of Pitt Community College. An academic classroom building, the construction & industrial technology complex, and facility services building were all opened for operations during the past year.

**Long Range Planning.** The County staff and the Board of Commissioners continue to improve the process of developing long range financial and capital improvement plans for the County. To this end, we continue to update our multi-year plan each budget cycle and review it annually as an integral part of the budget process. This plan allows the Board the opportunity to establish priorities and plan for their evolution in an orderly fashion. This plan is 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 County department. This makes staff, elected officials and citizens aware of issues that are facing the County; it also allows for effective planning of implementation. This planning effort has helped improve communications among staff, elected officials and the general public. During Fiscal Year 2011-2012, the County published and utilized a "performance scorecard" brochure to track and communicate the effectiveness and efficiency of County services.

**Infrastructure Enhancement.** While the downturn in the economy has caused a reduction in the number of capital projects embarked upon by the County, there remains a commitment to the enhancement of infrastructure. One major infrastructure investment during the year was the purchase of a new 700 MHZ radio system for utilization by Emergency Management, County Fire, and County Emergency Medical Services (EMS). Purchase of this system not only allows the County to meet new federally-mandated narrowband requirements, but also positions the County to be a leader in the coordination of emergency response capabilities throughout the County and region.

**Fund Balance.** The County, as per Local Government Commission (Department of State Treasurer) guidelines, must maintain, at a minimum, undesignated Fund Balance of 8.33% - an amount equal to one month of General Fund operations. It is the County's stated goal to respect the integrity of Fund Balance and use it sparingly. It is the County's stated desire to maintain a minimum undesignated Fund Balance in the 18-20% range. At June 30, 2012, the County had an undesignated fund balance of 13.69%. While the current undesignated fund balance amount does not achieve the desire to be in the 18-20% range, it does represent a significant increase over the prior year's Fund Balance of 12.04%

The budget adopted for Fiscal Year 2012-2013 continues to reduce reliance on Fund Balance for operational needs. We believe that with continued economic recovery, the County should anticipate sustained increase in Fund Balance at June 30, 2013. Staff will be proactive throughout the 2012-2013 fiscal year in identifying recommended actions the Board can take to ensure continued financial improvement.

**Debt.** The County's Capital Improvement Plan (CIP) and debt policies guide long-term decision-making on facility, equipment and other capital needs. The County strives to confine long-term borrowing to capital improvements to terms of 20-25 years, paying attention to the essentiality of the facility or equipment and the expected useful life of the project. Long-term debt is never used as a source of funding for current operations. The County maintains a sound and stable relationship with all bond rating agencies and lending institutions.

It is the County's goal to achieve the most favorable lending rates possible in order to maximize public resources. During Fiscal Year 2011-2012, the County was able to take advantage of refund opportunities for an existing Certificate of Participation (COP). It is projected that this COP refund will represent a savings of \$1.4 million for the County. Given current market conditions, we will continue to take advantage of refinancing opportunities with the goals of reducing financing rates and minimizing the County's debt levels.

## **Financial Information**

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

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

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

Expenditures are recorded when a liability is incurred, except for accrued vacation benefits. Governmental fund types, such as the County's General Fund, Special Revenue Funds and Capital Project Funds are reported on the modified accrual basis. Proprietary Funds of the County are reported on the accrual basis whereby revenues are recorded when earned and expenses are recorded when incurred. The Board of County Commissioners can only amend the budget since it creates a legal limit on spending authorizations. Once the budget or project ordinance is adopted, budgetary control is maintained to ensure compliance with the budget as adopted or amended. Department or function within each individual fund as deemed appropriate

establishes the level of budgetary control. At the end of the fiscal year, encumbrances are reported as a reservation of fund balance. Unencumbered balances lapse for annually adopted budgets. It is believed that the County's internal accounting controls adequately protect assets and provide reasonable assurance of the proper recording of financial transactions.

## Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting (CAFR) to the County of Pitt for its CAFR for the fiscal year ended June 30, 2011. This was the twenty-second consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is only valid for a period of one year. The County believes that our current CAFR continues to meet the Certificate of Achievement Program's requirements and it will be submitted to GFOA to determine its eligibility for another certificate.

In addition, the County has received the GFOA's Distinguished Budget Presentation Award for its annual budget document for Fiscal Year 2011-2012. This marks the fifteenth consecutive fiscal year the County has received this companion award. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and as a communications tool. The County has submitted the Fiscal Year 2012-2013 budget document to GFOA to determine its eligibility for another Certificate of Achievement.

## Acknowledgements

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

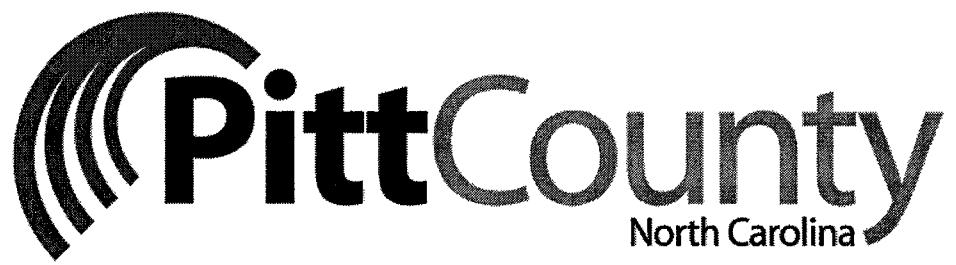
Respectfully submitted,



Duane T. Holder  
Deputy County Manager-Finance Director



D. Scott Elliott  
County Manager



## Community Profile

### AREA INFORMATION



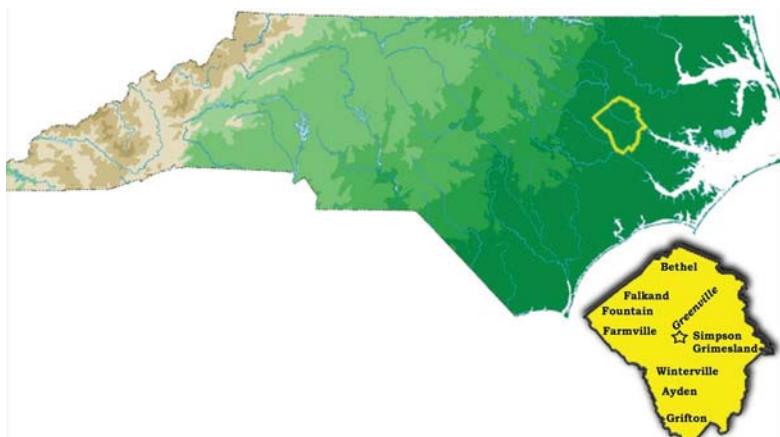
"Some things just naturally rise in the East.. In Pitt County, business opportunities seem to shine brighter."

Pitt County was formed in 1760 and has a land area of approximately 656 square miles. Pitt County's 2011 estimated population is 170,263 based on the North Carolina Office of State Budget and Management's provisional estimate. 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.



## 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 poli-

cies. 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 (\$0.68 per \$100 valuation for fiscal year 2012-13) on the appraised value of all real and tangible personal property within its boundaries.



Pitt County is the leader for retail sales in Eastern North Carolina and ranked in the top 10 of the state's 100 counties for gross collections of sales and use taxes.

## LOCAL ECONOMY

The Pitt County/Greenville area is one of the fastest growing urban centers in the State of North Carolina. It is a leading retail center in eastern North Carolina and ranks as one of only a dozen billion dollar retail markets in NC. The local economy is well diversified with government, wholesale/retail trade and manufacturing each accounting for approximately 25% of total employment. Agriculture is also a strong contributor to the economy; tobacco, corn, soybeans, wheat, peanuts, eggs, livestock, poultry and vegetables are the primary agricultural products. Major employers include: East Carolina University

(education), Vidant Medical Center (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 2012-13 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 dis-

tricts. 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.



With the third largest university in North Carolina, an expanding regional medical center, and a diversified manufacturing sector, Pitt County is growing in unprecedented ways.

### 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 2011-12 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 workplace literacy, and community and economic development. PCC is well-known in the North Carolina Community College System for its specialization in Health Sciences career and college transfer programs.



**"Pitt Community College and East Carolina University are preparing students to compete and succeed in the global economy."**

## **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 de-

grees 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.

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, Weyer-

haeuser, and NACCO Materials Handling Group. Other services utilizing the Airport include air ambulance and air freight companies.

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

The County is served by two public transit systems—one that is operated by the City of Greenville (Greenville Area Transit - GREAT) and one that is operated by the County (Pitt Area Transit System – PATS).

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



“Geographic location and affordability make Greenville—Pitt County a repeat choice for travelers.”



## 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 responsibility for administration of activities as assumed by County government are implemented through the County Board of Health.

The scope of Public Health Department activities falls into six broad categories: (1) control of communicable diseases, including environmental health activities, control of sexually transmitted diseases, tuberculosis

and other childhood diseases in child care settings; (2) specific health care services to assure minimal preventive health services for the indigent, including immunization, family planning, prenatal care, well baby care and specialized services for children with special needs; (3) nutrition education and food supplementation; (4) screening and early detection activities directed at the adult population; (5) support and follow-up services especially for high risk infants and pregnant women; and (6) health education and health promotion activities, including an on-going community diagnosis to identify specific community based health problems and develop appropriate interventions.



**VIDANT MEDICAL CENTER**

Vidant Medical Center is an 861-bed acute care hospital. Located on the western border of Greenville, the hospital facilities were built in 1977. Vidant Medical Center was transferred by Pitt County in 1998 for operation by Pitt County Memorial Hospital, Inc., as a private non-profit corporation and renamed Vidant Medical Center in 2011. Eleven of the twenty members of the Board of Trustees of the Corporation are appointed by the Pitt County Board of Commissioners.

Vidant Medical Center is one of four

academic medical teaching centers in the State and serves as a teaching hospital for the ECU Brody School of Medicine. Vidant Medical Center is a regional health care referral center serving over 1.3 million people in a 29-County area with a multitude of services that include organ transplant; a Level I Trauma Center; air ambulance service; neonatal intensive care; and centers for rehabilitation, diabetes, cancer, and cardiac care.

**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 im-

portant 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.

U.S. News & World Report named Vidant Medical Center one of the best regional hospitals in 2011-12 for its commitment to best-in-class care and best-in-class experience.



## 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 compo-

nent 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.



**“Collaborative partnerships with community agencies are vital to the vision of raising a healthier Pitt County community for citizens of all ages.”**



# 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, 2011

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.



*Linda C. Danison*

President

*Jeffrey P. Evans*

Executive Director

## **PITT COUNTY, NORTH CAROLINA**

### **LIST OF PRINCIPAL OFFICIALS**

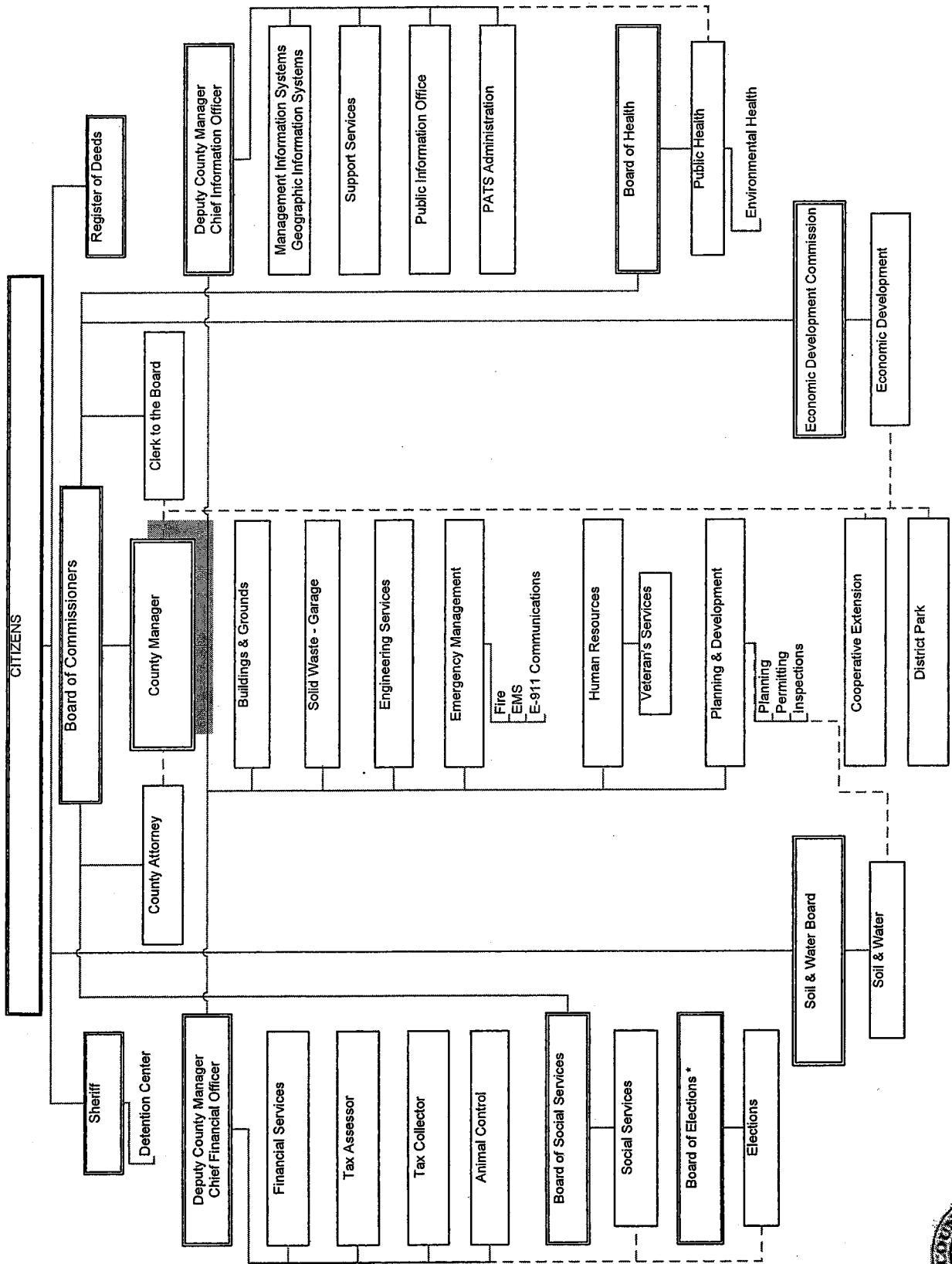
**For Year Ended June 30, 2012**

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

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

#### **COUNTY OFFICIALS**

D. SCOTT ELLIOTT	County Manager
DUANE T. HOLDER	Deputy County Manager – Finance Director
MELONIE T. BRYAN	Deputy County Manager – CFO (retired July 31, 2012)
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

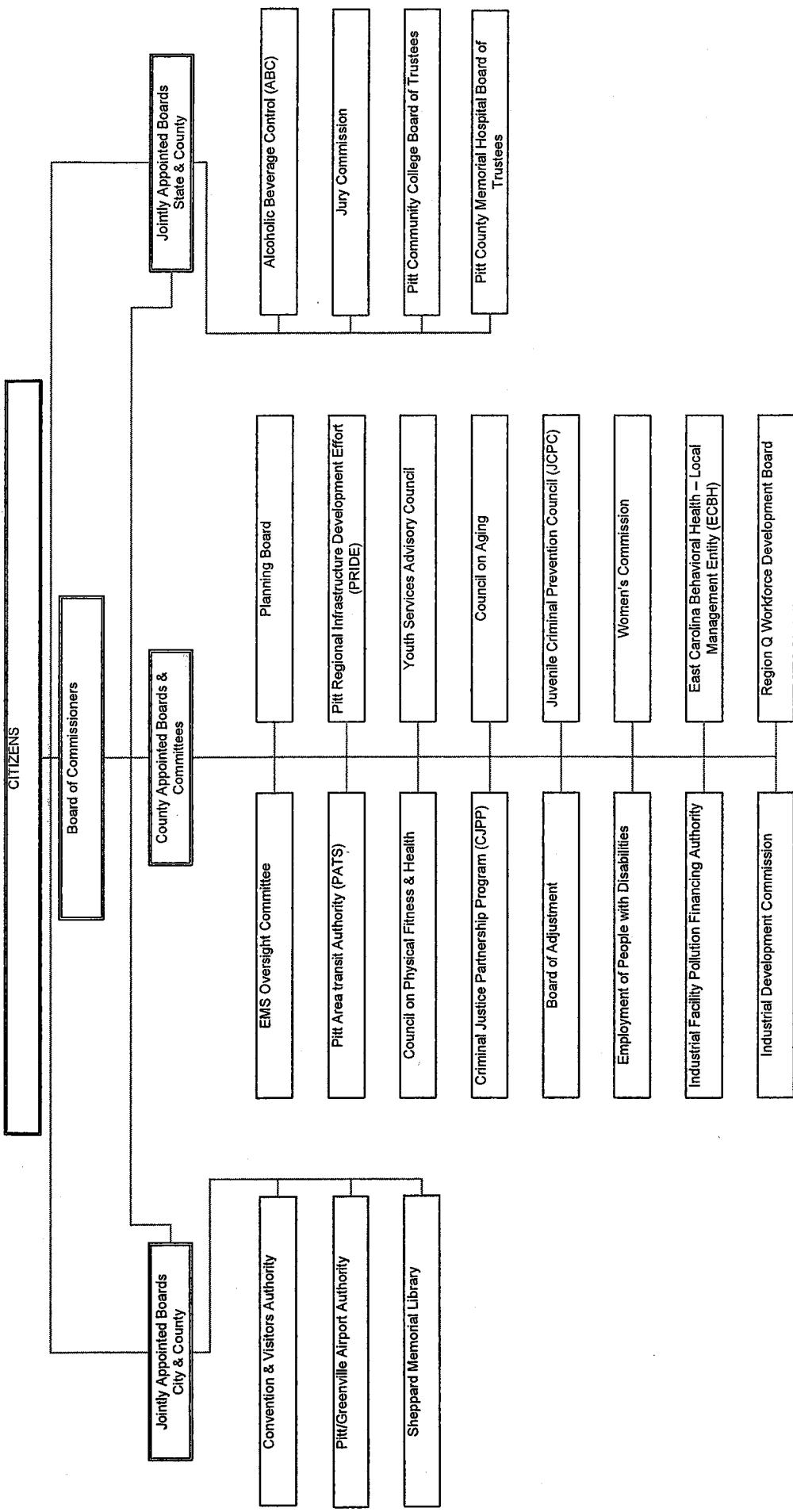


Pitt County Organizational Chart

As of July 2011  
 \* State appointed



## Pitt County Appointed Boards & Committees





# COUNTY OF PITT

## MISSION STATEMENT

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

## VISION

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

## VALUES

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

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

## GOALS FOR FY 2012-13

- 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.

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*"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, 2012, 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 58 percent, 54 percent, and 90 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, 2012, and the respective changes in financial position and cash flows, where applicable thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2012 on our consideration of Pitt County, North Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* 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 any assurance.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Pitt County, North Carolina. The introductory section, combining and individual fund financial statements, budget and actual schedules, supplemental ad valorem tax schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements, budget and actual schedules, and supplemental ad valorem tax schedules 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 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, 2012

## **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, 2012. 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 \$2,588,674.
- As of the close of the current fiscal year, Pitt County's General Fund reported an ending fund balance of \$24,220,336, an increase of \$2,312,961 in comparison with the prior year. This increase is a reflection of the Board's actions to reduce expenditures and work to improve fund balance. Approximately 61% of this total amount, \$14,846,239 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 65.60 cents General Fund and 0.90 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:

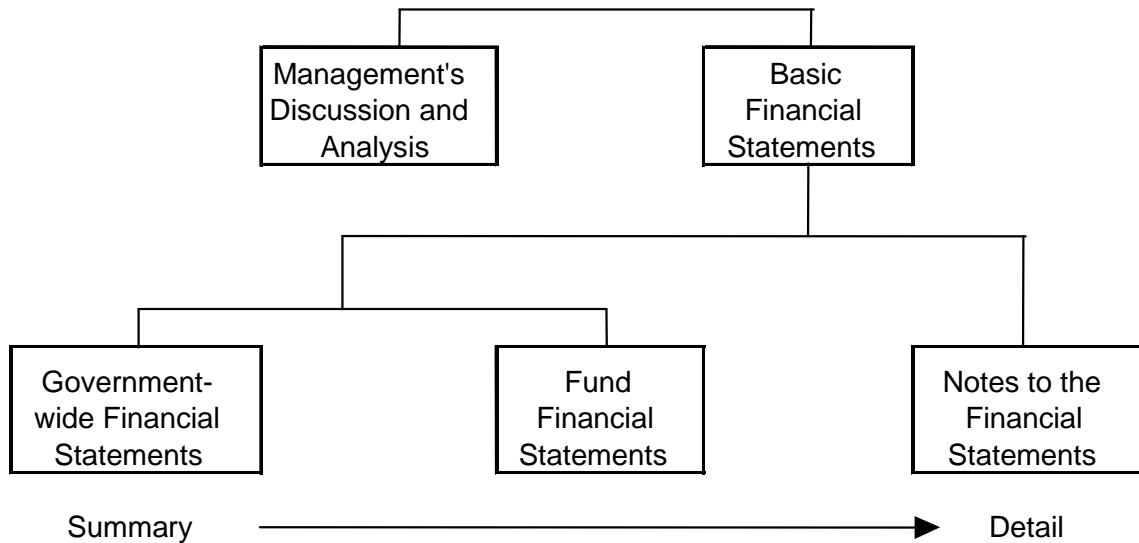
Fitch	AA
Moody's	Aa3
Standard & Poor's	AA-

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

The next statements, Exhibits C through 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 39-41 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 51-91 of this report.

## Government-wide Financial Analysis

We are in the eleventh 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 \$7,934,037 at the close of the most recent fiscal year.

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Current and other assets	\$ 61,935,594	\$ 77,244,981	\$ 3,976,779	\$ 3,262,168	\$ 65,912,373	\$ 80,507,149
Capital assets: nondepreciable	51,180,187	37,795,160	664,329	664,329	51,844,516	38,459,489
Capital assets, net	87,986,369	90,788,865	2,236,762	2,206,538	90,223,131	92,995,403
Total assets	201,102,150	205,829,006	6,877,870	6,133,035	207,980,020	211,962,041
Long-term liabilities outstanding	183,445,339	183,948,286	1,074,414	1,144,353	184,519,753	185,092,639
Other liabilities	15,068,138	15,426,790	458,093	478,559	15,526,231	15,905,349
Total liabilities	198,513,477	199,375,076	1,532,507	1,622,912	200,045,984	200,997,988
Net Assets:						
Invested in capital assets, net of						
related debt	(2,393,761)	3,313,440	2,901,091	2,870,867	507,330	6,184,307
Restricted	10,949,019	15,413,852	-	-	10,949,019	15,413,852
Unrestricted	(5,966,584)	(12,273,362)	2,444,272	1,639,256	(3,522,312)	(10,634,106)
Total net assets	\$ 2,588,674	\$ 6,453,930	\$ 5,345,363	\$ 4,510,123	\$ 7,934,037	\$ 10,964,053

A portion of net assets 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. Over 100% of Pitt County's net assets, represent resources that are subject to external restriction on how they may be used, with \$10,161,236 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**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 22,068,980	\$ 21,631,091	\$ 8,461,544	\$ 8,145,483	\$ 30,530,524	\$ 29,776,574
Operating grants and contributions	25,915,231	30,675,177	755,856	12,248	26,671,087	30,687,425
Capital grants and contributions	1,734,806	1,002,885	-	-	1,734,806	1,002,885
General revenues:						
Property taxes	82,303,935	79,984,365	-	-	82,303,935	79,984,365
Local option sales tax	14,321,819	14,704,181	-	-	14,321,819	14,704,181
Other	11,017,297	10,794,036	89	885	11,017,386	10,794,921
Special items	20,755	(27,417,055)	-	-	20,755	(27,417,055)
Total revenues	<u>157,382,823</u>	<u>131,374,680</u>	<u>9,217,489</u>	<u>8,158,616</u>	<u>166,600,312</u>	<u>139,533,296</u>
<b>Expenses:</b>						
General Government	19,876,656	16,768,759	-	-	19,876,656	16,768,759
Public Safety	43,251,794	32,913,064	-	-	43,251,794	32,913,064
Environmental protection	230,549	245,159	-	-	230,549	245,159
Economic and physical development	9,625,223	6,728,810	-	-	9,625,223	6,728,810
Human services	40,545,062	41,740,952	-	-	40,545,062	41,740,952
Cultural and recreation	618,966	698,384	-	-	618,966	698,384
Education	38,098,594	53,506,480	-	-	38,098,594	53,506,480
Interest on long-term debt	9,001,235	6,967,304	-	-	9,001,235	6,967,304
Landfill	-	-	8,382,249	7,348,253	8,382,249	7,348,253
Total expenses	<u>161,248,079</u>	<u>159,568,912</u>	<u>8,382,249</u>	<u>7,348,253</u>	<u>169,630,328</u>	<u>166,917,165</u>
Increase (decrease) in net assets	(3,865,256)	(28,194,232)	835,240	810,363	(3,030,016)	(27,383,869)
Net assets, July 1	6,453,931	34,648,163	4,510,123	3,699,760	10,964,054	38,347,923
Net assets, June 30	<u>\$ 2,588,675</u>	<u>\$ 6,453,931</u>	<u>\$ 5,345,363</u>	<u>\$ 4,510,123</u>	<u>\$ 7,934,038</u>	<u>\$ 10,964,054</u>

**Governmental activities.** Of total net assets, governmental activities accounted for \$2,588,675 (33 percent). The return of debt-pledged 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 \$835,240. Household Fee revenues collected were higher as compared to the prior fiscal year. The activities related to debris removal (Hurricane Irene) account for the increase in operating grants and offsetting expenditure 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 \$17,264,952, while total fund balance was \$24,220,336. The County currently has an available fund balance of 13.69% of general fund expenditures and transfers to debt service fund, while total fund balance represents 18.53% of that same amount.

As of the end of the current fiscal year, Pitt County's governmental funds reported combined ending fund balances of \$49,424,282 a decrease of \$15,239,707 in comparison with the prior year. The bulk of this increase is directly related to the spend-down of the 2010 Limited Obligation Bonds issued for the construction of three facilities at Pitt Community College.

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

	<b>General</b>		<b>Other Governmental Funds</b>		<b>Total Governmental Funds</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Fund Balance	\$ 24,220,336	\$ 21,907,375	\$ 25,203,946	\$ 42,756,613	\$ 49,424,282	\$ 64,663,988

Pitt County will strive to keep expenditure increases to a minimum while maintaining existing service levels. This challenge will continue due to the ongoing recession. Concerted efforts were taken in Fiscal Year 2012 to improve the General Funds Balance and carried forward into Fiscal Year 2013. Other Governmental Funds saw an increase in Fiscal Year 2011 due to the issuance of debt.

Pitt County experienced a slight decrease in property values effective January, 2012. Revaluations are conducted every four years. The adopted Fiscal Year 2012-2013 tax rate was adjusted to revenue neutral due to revaluation at 68.0 cents per \$100 valuation mirroring the rate included within these financial statements.

The reduction in "Other Governmental Funds" fund balance reflects the spend-down of bond proceeds for construction. This is an expected reduction of fund balance as facilities are completed.

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, 2012 of \$5,092,014 as compared to \$8,533,305 at June 30, 2011. 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, 2012 of \$7,693,147 as compared to \$8,542,744 at June 30, 2011. The assets of this fund are to be used for education construction – both the public school system and the local community college. These funds represent the proceeds generated by the ¼ percent local option sales tax implemented in April 2008 after successful passage by voter referendum in November, 2007.

Management also pays particular attention to our Employee Health Insurance Fund (internal service fund) as the County is self-funded and our ability to offer insurance coverage to our staff at a reasonable cost is directly related to the performance of this fund and the actions of our employees when seeking medical care. The County continues to invest considerable effort to educate our staff on this fund's operation to help them understand how they can help preserve this benefit and contain costs. An on-site employee clinic has assisted in containing costs and led to another positive fund balance. This fund had an ending balance at June 30, 2012 of \$2,087,507 as compared to \$2,725,062 at June 30, 2011. Management believes that increasing our efforts will work to contain medical costs.

## **General Fund Budgetary Highlights**

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

The County decreased budgeted revenues by \$283,327 (.2%). In total, the County collected 101.1 percent of the General Fund's final budgeted revenues which was coupled with under-spending in the General Fund of \$3.7 million or approximately 2.9 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 \$5,317,975, an increase of \$572,155 from the prior year. Total net assets at year-end increased to \$8,219,066 from \$7,616,687 for the year ending June 30, 2012. The County's Solid Waste Fund saw revenues at 106.4% of budget, while expenses were at 97.8% of budget resulting in net revenue of \$745,016. 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, 2012 amounts to \$90,223,131 (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 \$51,844,516.

In fiscal year 2012, the County issued \$21,095,000 of Certificates of Participation for a current refunding of \$21,230,000 in Certificates of Participation. This created no new expenditures for the County. Long term debt service savings of \$1,400,000 were realized.

Additional information on Pitt County's capital assets can be found in note 6.A on pages 67-68 of this report.

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

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
Land and improvements	\$ 4,646,500	\$ 9,245,985	\$ 752,722	\$ 752,722	\$ 5,399,222	\$ 9,998,707
Buildings	113,850,683	113,875,496	2,680,236	2,672,936	116,530,919	116,548,432
Furniture and equipment	7,298,443	6,944,927	2,998,434	2,944,415	10,296,877	9,889,342
Vehicles	6,637,191	6,778,896	889,754	884,206	7,526,945	7,663,102
Construction in progress	48,161,360	29,786,575	-	-	48,161,360	29,786,575
Subtotal	180,594,177	166,631,879	7,321,146	7,254,279	187,915,323	173,886,158
Accumulated depreciation	41,427,621	38,047,854	4,420,055	4,383,412	45,847,676	42,431,266
Capital assets, net	<u>\$ 139,166,556</u>	<u>\$ 128,584,025</u>	<u>\$ 2,901,091</u>	<u>\$ 2,870,867</u>	<u>\$ 142,067,647</u>	<u>\$ 131,454,892</u>

**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 \$946,976,729, of which there is \$0 general obligation debt outstanding at June 30, 2012. 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 \$946,976,729. However, a better analysis of debt is brought about by taking all outstanding debt, not just that secured by General Obligation bonds, (\$170,603,699) and subtracting it from the legal debt limit to arrive at the Net Legal Debt Margin of \$776,373,031.

Net debt outstanding decreased \$2,870,448, from the June 30, 2011 balance of \$175,998,856. Additional information on Pitt County's long-term debt can be found in note 7 on pages 69-75 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, 2012 was 10.6 percent. This is slightly higher than the State's June, 2012 unemployment rate of 9.9 percent.
- 2012 revaluation of property reflected slight decreased in the tax base from \$11.5 billion to \$11.3 billion.
- Population of 168,148 (2010 census) – The region experienced an increase of 25.7 percent from 2000 - 2010.
- County serves as hub of eastern North Carolina in healthcare, retail and education sectors.
- Extended period of slow economic recovery.

These issues impact both the FY2012-2013 adopted budget and will carry into FY2013-2014.

## **Budget Highlights for the Fiscal Year 2012-2013**

**Governmental activities.** General government operations will not expand in an effort to improve the fund balance position of the County. The County experienced a slight decrease in base property values in Fiscal Year 2012-2013 due to the 2012 revaluation of the County's tax base. Taxable retail sales have remained fairly stable within the County as the County enjoys regional hub status and the traffic attracted by East Carolina University events and Vidant Medical Center's presence in the County.

Budgeted expenditures in the General Fund decreased by 2.65% in the 2012-2013 adopted budget. The County increased ad valorem taxes to a revenue neutral rate of 68.0 cents while maintaining service levels and preserving the County workforce. The costs for personnel services (employees) are generally the largest single expenditure category and the County strives to maintain the workforce without major expenditure increases.

**Business-type activities.** General operating expenses in these areas are expected to remain in line with the prior year. Therefore, both the commercial and residential rates for solid waste disposal were held constant in Fiscal Year 2012-2013.

## **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, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Commission	Pitt County ABC Board
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 38,037,775	\$ 2,665,165	\$ 40,702,940	\$ 3,726,474	\$ 1,348,805
Taxes receivable, net	2,391,579	-	2,391,579	49,345	-
Accounts receivable, net	1,470,146	1,311,614	2,781,760	-	-
Interest receivable, net	1,508,133	-	1,508,133	-	-
Due from other governments	8,452,781	-	8,452,781	-	-
Inventories	2,511	-	2,511	-	1,621,691
Prepaid items	335,043	-	335,043	2,950	60,013
Cash and investments, restricted	7,909,048	-	7,909,048	-	-
Bond issue costs, net	1,828,578	-	1,828,578	-	-
Total current assets	<u>61,935,594</u>	<u>3,976,779</u>	<u>65,912,373</u>	<u>3,778,769</u>	<u>3,030,509</u>
Capital assets:					
Capital assets, non-depreciable	51,180,187	664,329	51,844,516	-	682,256
Capital assets, net	<u>87,986,369</u>	<u>2,236,762</u>	<u>90,223,131</u>	<u>-</u>	<u>1,601,516</u>
Total capital assets	<u>139,166,556</u>	<u>2,901,091</u>	<u>142,067,647</u>	<u>-</u>	<u>2,283,772</u>
Total assets	<u>201,102,150</u>	<u>6,877,870</u>	<u>207,980,020</u>	<u>3,778,769</u>	<u>5,314,281</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued liabilities	2,652,072	375,093	3,027,165	4,820	680,242
Compensated absences, due in one year	1,600,000	23,000	1,623,000	30,792	79,114
Unearned revenues	797,432	-	797,432	-	731
Long-term debt - due within one year	<u>10,018,634</u>	<u>60,000</u>	<u>10,078,634</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>15,068,138</u>	<u>458,093</u>	<u>15,526,231</u>	<u>35,612</u>	<u>760,087</u>
Non-current liabilities:					
Compensated absences, due in more than one year	1,418,826	34,414	1,453,240	-	-
Due in more than one year	<u>182,026,512</u>	<u>1,040,000</u>	<u>183,066,512</u>	<u>-</u>	<u>76,235</u>
Total non-current liabilities	<u>183,445,338</u>	<u>1,074,414</u>	<u>184,519,752</u>	<u>-</u>	<u>76,235</u>
Total liabilities	<u>198,513,476</u>	<u>1,532,507</u>	<u>200,045,983</u>	<u>35,612</u>	<u>836,322</u>
<b>Net Assets:</b>					
Invested in capital assets,					
net of related debt	(2,393,760)	2,901,091	507,331	-	2,283,772
Restricted for stabilization by State statute	10,161,236	-	10,161,236	-	-
Restricted for general government	130,713	-	130,713	-	810,174
Restricted for Public safety	656,641	-	656,641	-	-
Restricted for Economic Development	428	-	428	-	-
Unrestricted	<u>(5,966,584)</u>	<u>2,444,272</u>	<u>(3,522,312)</u>	<u>3,743,157</u>	<u>1,384,013</u>
Total net assets	<u>\$ 2,588,674</u>	<u>\$ 5,345,363</u>	<u>\$ 7,934,037</u>	<u>\$ 3,743,157</u>	<u>\$ 4,477,959</u>

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

**PITT COUNTY, NORTH CAROLINA**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Functions/Programs:</b>				
<b>Primary Government:</b>				
<b>Governmental Activities:</b>				
General government	\$ 19,876,656	\$ 5,903,519	\$ 3,269	\$ -
Public safety	43,251,794	10,237,128	263,750	37,758
Environmental protection	230,549	50,504	-	96,977
Economic and physical development	9,625,223	183,709	3,764,654	51,725
Human services	40,545,062	5,694,120	21,157,852	-
Education	38,098,594	-	725,706	1,548,346
Cultural and recreation	618,966	-	-	-
Interest on long-term debt	9,001,235	-	-	-
Total governmental activities	<u>161,248,079</u>	<u>22,068,980</u>	<u>25,915,231</u>	<u>1,734,806</u>
<b>Business-Type Activities:</b>				
Solid Waste Fund	8,361,494	8,461,544	755,856	-
Total business-type activities	<u>8,361,494</u>	<u>8,461,544</u>	<u>755,856</u>	<u>-</u>
Total primary government	<u>169,609,573</u>	<u>30,530,524</u>	<u>26,671,087</u>	<u>1,734,806</u>
<b>Component Units:</b>				
Industrial Development Commission	953,161	264,034	61,371	-
ABC Board	11,700,921	11,991,429	-	-
Total component units	<u>12,654,082</u>	<u>12,255,463</u>	<u>61,371</u>	<u>-</u>
<b>General Revenues:</b>				
Taxes				
Ad valorem taxes				
Local option sales tax				
Payment in lieu of taxes and other taxes				
Interest earned on investments				
Total general revenues, excluding transfers				
Transfers				
Total general revenues and transfers				
Change in net assets				
<b>Net Assets:</b>				
Beginning of year - July 1				
End of year - June 30				

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

**Exhibit B**

<b>Net (Expense) Revenue and Changes in Net Assets</b>					
<b>Primary Government</b>			<b>Component Units</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Industrial Development Commission</b>	<b>Pitt County</b>	<b>ABC Board</b>
\$ (13,969,868)	\$ -	\$ (13,969,868)			
(32,713,158)	-	(32,713,158)			
(83,068)	-	(83,068)			
(5,625,135)	-	(5,625,135)			
(13,693,090)	-	(13,693,090)			
(35,824,542)	-	(35,824,542)			
(618,966)	-	(618,966)			
(9,001,235)	-	(9,001,235)			
<u>(111,529,062)</u>	<u>-</u>	<u>(111,529,062)</u>			
	-	855,906	855,906		
	-	855,906	855,906		
	<u>(111,529,062)</u>	<u>855,906</u>	<u>(110,673,156)</u>		
			\$ (627,756)	\$ -	
			<u>-</u>	<u>290,508</u>	
			<u>(627,756)</u>	<u>290,508</u>	
82,303,935	-	82,303,935	1,048,643	-	
14,321,819	-	14,321,819	-	-	
10,876,593	-	10,876,593	-	-	
<u>140,704</u>	<u>89</u>	<u>140,793</u>	<u>-</u>	<u>5,571</u>	
<u>107,643,051</u>	<u>89</u>	<u>107,643,140</u>	<u>1,048,643</u>	<u>5,571</u>	
<u>20,755</u>	<u>(20,755)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>107,663,806</u>	<u>(20,666)</u>	<u>107,643,140</u>	<u>1,048,643</u>	<u>5,571</u>	
(3,865,256)	835,240	(3,030,016)	420,887	296,079	
6,453,930	4,510,123	10,964,053	3,322,270	4,181,880	
<u>\$ 2,588,674</u>	<u>\$ 5,345,363</u>	<u>\$ 7,934,037</u>	<u>\$ 3,743,157</u>	<u>\$ 4,477,959</u>	

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

**PITT COUNTY, NORTH CAROLINA****BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2012**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
<b>Assets:</b>				
Cash and cash equivalents	\$ 19,477,506	\$ 10,812,722	\$ 4,351,195	\$ 34,641,423
Taxes receivable, net	2,065,628	-	325,951	2,391,579
Accounts receivable, net	439,068	5,023	950,832	1,394,923
Interest receivable	1,508,133	-	-	1,508,133
Prepaid items	96,021	-	114,571	210,592
Due from other funds	-	-	773,347	773,347
Due from other governments	6,478,460	1,974,321	-	8,452,781
Cash and investments, restricted	-	-	7,909,048	7,909,048
Total assets	<u>\$ 30,064,816</u>	<u>\$ 12,792,066</u>	<u>\$ 14,424,944</u>	<u>\$ 57,281,826</u>

**Liabilities and Fund Balances:****Liabilities:**

Accounts payable	\$ 1,415,122	\$ -	\$ 424,946	\$ 1,840,068
Retainage payable	-	-	87,170	87,170
Due to other funds	-	-	773,347	773,347
Deferred revenues	4,429,358	-	727,601	5,156,959
Total liabilities	<u>5,844,480</u>	<u>-</u>	<u>2,013,064</u>	<u>7,857,544</u>

**Fund Balances:**

Non-spendable - prepaid items	96,021	-	114,571	210,592
Restricted for:				
Stabilization by State statute	6,859,363	1,979,344	1,322,529	10,161,236
General government	130,713	-	-	130,713
Public safety	-	-	2,779,720	2,779,720
Education	-	-	5,470,768	5,470,768
Economic and physical development	-	-	315,629	315,629
Committed	-	10,812,722	1,594,400	12,407,122
Assigned	2,288,000	-	1,789,875	4,077,875
Unassigned	<u>14,846,239</u>	<u>-</u>	<u>(975,612)</u>	<u>13,870,627</u>
Total fund balances	<u>24,220,336</u>	<u>12,792,066</u>	<u>12,411,880</u>	<u>49,424,282</u>
Total liabilities and fund balances	<u>\$ 30,064,816</u>	<u>\$ 12,792,066</u>	<u>\$ 14,424,944</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.	139,166,556
Debt issuance costs, net of accumulated amortization, are not financial resources and, therefore, are not reported in the funds.	1,828,578
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.	(192,539,263)
Premiums related to debt issuance, net of accumulated amortization, are not a current use of resources and, therefore, are not reported in the funds.	(2,524,710)
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.	4,359,527
The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	<u>2,873,703</u>
Net assets of governmental activities, per Exhibit A	<u>\$ 2,588,674</u>

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

## PITT COUNTY, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Debt Service Fund	Other Governmental Funds	Total
<b>Revenues:</b>				
Ad valorem taxes	\$ 78,023,599	\$ -	\$ 4,332,399	\$ 82,355,998
Other taxes and licenses	16,380,346	8,818,066	-	25,198,412
Unrestricted intergovernmental revenues	1,576,494	26,922	51,725	1,655,141
Restricted intergovernmental revenues	26,837,035	1,183,917	4,183,497	32,204,449
Permits and fees	1,753,794	-	-	1,753,794
Sales and services	7,517,447	-	2,999,288	10,516,735
Interest earned on investments	113,424	341	26,868	140,633
Qualified School Construction Bond refund	-	337,507	-	337,507
Miscellaneous	806,267	207,368	802,916	1,816,551
Total revenues	<u>133,008,406</u>	<u>10,574,121</u>	<u>12,396,693</u>	<u>155,979,220</u>
<b>Expenditures:</b>				
Current:				
General government	12,712,923	-	-	12,712,923
Public safety	30,283,773	-	10,897,232	41,181,005
Environmental protection	217,076	-	-	217,076
Economic and physical development	1,719,088	-	7,279,643	8,998,731
Human services	39,276,818	-	-	39,276,818
Education	39,204,523	-	16,146,057	55,350,580
Cultural and recreation	618,966	-	-	618,966
Debt service:				
Principal repayments	296,579	9,514,893	138,256	9,949,728
Interest and fees	18,417	9,768,562	-	9,786,979
Total expenditures	<u>124,348,163</u>	<u>19,283,455</u>	<u>34,461,188</u>	<u>178,092,806</u>
Revenues over (under) expenditures	<u>8,660,243</u>	<u>(8,709,334)</u>	<u>(22,064,495)</u>	<u>(22,113,586)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers to other funds	(6,347,282)	(3,292,500)	(431,124)	(10,070,906)
Transfers from other funds	-	5,421,097	3,658,664	9,079,761
Debt obligation issued	-	21,095,000	5,616,977	26,711,977
Premium on debt obligation issued	-	2,383,047	-	2,383,047
Payments to escrow agent, debt refunding payment	-	(21,230,000)	-	(21,230,000)
Total other financing sources (uses)	<u>(6,347,282)</u>	<u>4,376,644</u>	<u>8,844,517</u>	<u>6,873,879</u>
Net change in fund balances	2,312,961	(4,332,690)	(13,219,978)	(15,239,707)
<b>Fund Balances:</b>				
Beginning of year - July 1	<u>21,907,375</u>	<u>17,124,756</u>	<u>25,631,858</u>	<u>64,663,989</u>
End of year - June 30	<u>\$ 24,220,336</u>	<u>\$ 12,792,066</u>	<u>\$ 12,411,880</u>	<u>\$ 49,424,282</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, 2012

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

Net change in fund balances - total governmental funds (Exhibit D) \$ (15,239,707)

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	(52,052)
Sales and services	(186,599)

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. 356,806

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. 19,756,185

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. (5,131,675)

Depreciation expense allocates the costs of capital assets over their useful lives. It is not reported as an expenditure in the governmental funds statement. (4,041,979)

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. 256,923

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.) 31,179,728

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. (26,711,977)

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. (3,362,345)

Debt issuance costs paid and premiums received from issuance of debt are intangible assets and deferred items, respectively, on the Statement of Net Assets, rather than other financing sources and uses as presented on the governmental funds statement. (455,703)

The net revenue of the internal service funds are reported with governmental activities. (232,861)

Change in net assets of governmental activities, per Exhibit B \$ (3,865,256)

*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, 2012

	Budgeted Amounts			Variance with Final Budget Over/Under	
	Original	Final	Actual		
<b>Revenues:</b>					
Ad valorem taxes	\$ 75,891,191	\$ 75,891,191	\$ 78,023,599	\$ 2,132,408	
Other taxes and licenses	17,499,900	16,199,923	16,380,346	180,423	
Unrestricted intergovernmental revenues	1,606,000	1,606,000	1,576,494	(29,506)	
Restricted intergovernmental revenues	25,734,761	28,001,946	26,837,035	(1,164,911)	
Permits and fees	1,917,500	1,767,500	1,753,794	(13,706)	
Sales and services	5,956,209	7,120,169	7,517,447	397,278	
Interest earned on investments	350,000	206,000	113,424	(92,576)	
Miscellaneous	477,153	801,470	806,267	4,797	
Total revenues	<u>129,432,714</u>	<u>131,594,199</u>	<u>133,008,406</u>	<u>1,414,207</u>	
<b>Expenditures:</b>					
General government	13,336,153	12,874,703	12,712,923	161,780	
Public safety	30,882,294	30,693,980	30,283,773	410,207	
Environmental protection	274,662	227,143	217,076	10,067	
Economic and physical development	1,577,518	1,785,257	1,719,088	66,169	
Human services	40,609,760	42,330,127	39,276,818	3,053,309	
Education	38,890,623	39,204,523	39,204,523	-	
Cultural and recreation	600,370	619,797	618,966	831	
Debt service	315,261	315,261	314,996	265	
Total expenditures	<u>126,486,641</u>	<u>128,050,791</u>	<u>124,348,163</u>	<u>3,702,628</u>	
Revenues over (under) expenditures	<u>2,946,073</u>	<u>3,543,408</u>	<u>8,660,243</u>	<u>5,116,835</u>	
<b>Other Financing Sources (Uses):</b>					
Transfers out	(6,475,834)	(6,348,282)	(6,347,282)	1,000	
Appropriated fund balance	<u>3,529,761</u>	<u>2,804,874</u>	<u>-</u>	<u>(2,804,874)</u>	
Total other financing sources (uses)	<u>(2,946,073)</u>	<u>(3,543,408)</u>	<u>(6,347,282)</u>	<u>(2,803,874)</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>2,312,961</u>	<u>\$ 2,312,961</u>	
<b>Fund Balance:</b>					
Beginning of year - July 1				<u>21,907,375</u>	
End of year - June 30				<u>\$ 24,220,336</u>	

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

## PITT COUNTY, NORTH CAROLINA

STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2012

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Solid Waste Fund</b>	<b>Internal Service Funds</b>
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	\$ 2,665,165	\$ 3,396,352
Receivables, net	1,311,614	75,223
Inventories	-	2,511
Prepaid items	-	124,451
Total current assets	<u>3,976,779</u>	<u>3,598,537</u>
Non-current assets:		
Capital assets, non-depreciable	664,329	-
Capital assets, net	<u>2,236,762</u>	<u>-</u>
Total non-current assets	<u>2,901,091</u>	<u>-</u>
Total assets	<u>6,877,870</u>	<u>3,598,537</u>
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable and accrued liabilities	375,093	724,834
Compensated absences	23,000	-
Current portion of post-closure costs	<u>60,000</u>	<u>-</u>
Total current liabilities	<u>458,093</u>	<u>724,834</u>
Non-current liabilities:		
Non-current portion of compensated absences	34,414	-
Landfill closure/post-closure costs payable	<u>1,040,000</u>	<u>-</u>
Total non-current liabilities	<u>1,074,414</u>	<u>-</u>
Total liabilities	<u>1,532,507</u>	<u>724,834</u>
<b>Net Assets:</b>		
Invested in capital assets	2,901,091	-
Unrestricted	<u>2,444,272</u>	<u>2,873,703</u>
Total net assets	<u>\$ 5,345,363</u>	<u>\$ 2,873,703</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, 2012

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Solid Waste Fund</b>	<b>Internal Service Funds</b>
<b>Operating Revenues:</b>		
Solid waste fees	\$ 7,722,439	\$ -
User charges	-	1,637,653
Interfund services	-	8,856,435
Miscellaneous revenues	739,105	7,830
Total operating revenues	<u>8,461,544</u>	<u>10,501,918</u>
<b>Operating Expenses:</b>		
Salaries and employee benefits	1,141,362	53,867
Supplies and materials	957,321	-
Contract labor and other services	1,323,624	-
Contracted services - waste disposal	4,033,172	-
Depreciation	267,962	-
Reimbursement of hurricane expenses	695,310	-
Equipment maintenance	-	1,016,287
Medical claims costs	-	9,737,740
Claims reimbursement	-	938,845
Total operating expenses	<u>8,418,751</u>	<u>11,746,739</u>
Operating income (loss)	<u>42,793</u>	<u>(1,244,821)</u>
<b>Non-Operating Revenues (Expenses):</b>		
Interest earned on investments	89	60
Intergovernmental grants	755,856	-
Gain/(loss) on sale of capital assets	57,257	-
Total non-operating revenues (expenses)	<u>813,202</u>	<u>60</u>
Income (loss) before contributions and transfers	855,995	(1,244,761)
Transfer in (out)	<u>(20,755)</u>	<u>1,011,900</u>
Change in net assets	835,240	(232,861)
<b>Net Assets:</b>		
Beginning of year - July 1	<u>4,510,123</u>	<u>3,106,564</u>
End of year - June 30	<u>\$ 5,345,363</u>	<u>\$ 2,873,703</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, 2012

	Business-Type Activities	Governmental Activities
	Solid Waste Fund	Internal Service Funds
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 8,141,407	\$ 1,696,563
Cash received from interfund services transactions	-	8,856,435
Cash paid to suppliers	(7,099,893)	(11,702,213)
Cash paid to employees	(1,141,301)	(86,486)
Net cash provided (used) by operating activities	<u>(99,787)</u>	<u>(1,235,701)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Non-capital contributions/grants	755,856	-
Transfers	(20,755)	1,011,900
Net cash provided (used) by non-capital financing activities	<u>735,101</u>	<u>1,011,900</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition and construction of capital assets	(298,186)	-
Proceeds from sale of capital assets	57,257	-
Net cash provided (used) by capital and related financing activities	<u>(240,929)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>		
Investment income received	89	60
Net increase (decrease) in cash and cash equivalents	394,474	(223,741)
<b>Cash and Cash Equivalents:</b>		
Beginning of year - July 1	<u>2,270,691</u>	<u>3,620,093</u>
End of year - June 30	<u>\$ 2,665,165</u>	<u>\$ 3,396,352</u>
<b>Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:</b>		
Operating income (loss)	\$ 42,793	\$ (1,244,821)
Depreciation and amortization	267,962	-
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(320,137)	51,080
(Increase) decrease in prepaid expenses	-	(22,023)
Increase (decrease) in accounts payable and accrued liabilities	(30,405)	(19,937)
Increase (decrease) in closure and post-closure costs payable	<u>(60,000)</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ (99,787)</u>	<u>\$ (1,235,701)</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, 2012**

	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 238,828	\$ 287,401
Total assets	<u>238,828</u>	<u>287,401</u>
<b>Liabilities:</b>		
Deposits held in custody for others	-	260,510
Deferred compensation benefits payable	-	26,891
Total liabilities	<u>-</u>	<u>287,401</u>
<b>Net Assets:</b>		
Held in trust for pension benefits and other purposes	<u>\$ 238,828</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, 2012**

	<b>Pension Trust Fund</b>
<b>Additions:</b>	
Employer contributions	\$ 237,688
Total additions	<u>237,688</u>
<b>Deductions:</b>	
Benefits	<u>233,219</u>
Change in net assets	4,469
<b>Net Assets:</b>	
Beginning of year - July 1	<u>234,359</u>
End of year - June 30	<u>\$ 238,828</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, 2012**

### **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, 2012**

#### **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 nonmajor funds.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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, 2012:

**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.

The County reports the following major enterprise funds for the year ended June 30, 2012:

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

The County reports the following fund types:

**Special Revenue Funds.** Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to specified purposes. The State/Federal Forfeiture Fund, CDBG Special Revenue Fund, CDBG Single Family Rehab Special Revenue Fund, State Grants Fund, Pitt Area Transit System Special Revenue Fund, Fire Districts Fund, Emergency Medical Services District Fund, and Emergency Telephone System 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, Pitt Community College Vernon White Fund, Stokes/Pactolus ARRA Sewer Fund, Chicod Fund, 2007 COPS Education Fund, 2009 LOBS Education Projects Fund, Sadie Saulter Fund, Communication Expansion Fund, Community Schools and Recreation 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, 2012

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

**Fiduciary Funds.** Fiduciary funds are used for assets held in a trustee capacity. 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 Agency Fund, and the fund used to account for tax s 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, 2012**

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, 2012, 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. Also, as of January 1, 1993, State law altered the procedure for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, 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 2011 through February 2012 apply to the fiscal year ended June 30, 2012. 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, 2012**

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

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

#### **E. Assets, Liabilities, and Fund Equity**

##### **Deposits and Investments**

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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

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.

#### **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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

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, using the purchase method, rather than when consumed.

#### **Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (including infrastructure assets purchased prior to implementing GASB 34), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost greater than \$5,000 and an estimated useful life greater than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The County capitalizes buildings and land, purchased or constructed, for the Pitt County Board of Education in all instances where the County retains title to the property. The County transfers title of school property to the Board of Education after all installment debt collateralized by the property has been retired. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or significantly extend the asset's life are not capitalized. The County capitalizes interest costs which are incurred during the construction period of capital assets.

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

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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

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

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

#### **Compensated Absences**

County employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation days up to a maximum of thirty days. All vacation pay is accrued when earned in the government-wide and proprietary fund financial statements. The County uses the first-in, first-out method to value accrued vacation pay and the current amount due.

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

#### **Long-Term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Assets. Debt issuance costs are recognized as other assets and amortized over the life of the debt using the effective interest method.

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

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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

#### **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.

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.

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

### Restricted Fund Balance

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

	<u>General Fund</u>	<u>Debt Service</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
<i>Restricted for Stabilization of State Statute</i> – portion of fund balance that is restricted by State statute [G.S. 159-8(a)].	<u>\$ 6,859,363</u>	<u>\$ 1,979,344</u>	<u>\$ 941,032</u>	<u>\$ 381,497</u>	<u>\$ 10,161,236</u>
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for fire protection expenditures.	\$ -	\$ -	\$ 25,675	\$ -	\$ 25,675
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue source for EMS expenditures.	- -	- -	332,796	- -	332,796
<i>Restricted for Emergency Telephone System</i> – portion of fund balance that is restricted by revenue source for the Emergency System Telephone Fund.	- -	- -	298,170	- -	298,170
<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.	130,713	- -	- -	- -	130,713
<i>Restricted for Economic and Physical Development</i> – portion of fund balance that is restricted by revenue source for rehabilitation project.	- -	- -	428	- -	428
Total restricted net assets (Exhibit A)	130,713	- -	657,069	- -	787,782
<i>Restricted for Education</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for education.	- -	- -	5,470,768	5,470,768	5,470,768
<i>Restricted for Public Safety</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for public safety.	- -	- -	2,123,079	2,123,079	2,123,079
<i>Restricted for Economic and Physical Development</i> – portion of fund balance that is restricted by revenue (unspent debt proceeds) source for sewer projects.	- -	- -	315,201	315,201	315,201
Total restricted fund balances (Exhibit C)	<u>\$ 130,713</u>	<u>\$ -</u>	<u>\$ 657,069</u>	<u>\$ 7,909,048</u>	<u>\$ 8,696,830</u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

### **Committed Fund Balance**

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

	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Total</b>
<i>Committed for Education</i> – portion of fund balance that can only be used for education related debt service or projects.	\$ 10,812,722	\$ 1,581,646	\$ 12,394,368
Committed for Public Safety-portion of fund balance that can only be used for public safety related projects.	- -	1,134	1,134
<i>Committed for General Government</i> – portion of fund balance that can only be used for general government capital needs.	- -	11,620	11,620
<b>Total</b>	<b><u>\$ 10,812,722</u></b>	<b><u>\$ 1,594,400</u></b>	<b><u>\$ 12,407,122</u></b>

### **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:

	<b>General Fund</b>	<b>Special Revenue</b>	<b>Capital Project</b>	<b>Total</b>
<i>Subsequent Year's Expenditures</i> – portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed.	\$ 2,288,000	\$ 300,000	\$ -	\$ 2,588,000
<i>Assigned for Public Safety</i> – State and Federal asset forfeiture fund balance assigned by management for public safety	- -	230,433	- -	230,433
<i>Assigned for Economic Development</i> – portion of fund balance assigned by management for an Industrial Building.	- -	- -	869,643	869,643
<i>Assigned for Education</i> – portion of fund balance assigned by management for education purposes.	- -	- -	389,799	389,799
<b>Total</b>	<b><u>\$ 2,288,000</u></b>	<b><u>\$ 530,433</u></b>	<b><u>\$ 1,259,442</u></b>	<b><u>\$ 4,077,875</u></b>

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

#### **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	\$ 24,220,336
Less:	
Prepaid items	(96,021)
Stabilization by State statute	<u>(6,859,363)</u>
Fund balance available for appropriation	<u>\$ 17,264,952</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, 2012

#### 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, 2012:

	<u>Amount</u>
<b>Special Revenue:</b>	
Pitt Area Transit Fund	\$ 444,238
CDBG Single Family Rehab	7,351
<b>Capital Projects:</b>	
Chicod Fund	222,255

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, 2012

At June 30, 2012, the County's deposits had a carrying amount of \$41,107,551 and a bank balance of \$40,483,531. The County only has deposits in institutions that collateralize under the Pooling Method. Of the bank balance, \$1,657,282 was covered by federal depository insurance and \$38,826,249 was covered by collateral held by authorized escrow agents in the name of the State Treasurer. The County had \$101,315 of cash on hand at year-end.

#### B. Investments

At June 30, 2012, the County's investment balances were as follows:

Investment Type	Fair Value	Less Than 1 Year	2-3 Years	4-7 Years	Than 7 Years
NC Capital Management Trust					
Cash Portfolio	\$ 928,978	\$ 928,978	\$ -	\$ -	\$ -
Term Portfolio	2,000,367	2,000,367	- -	- -	- -
FNMA	2,000,006	- -	2,000,006	- -	- -
Dealers Capital	3,000,000	3,000,000	- -	- -	- -
Total	<u>\$ 7,929,351</u>	<u>\$ 5,929,345</u>	<u>\$ 2,000,006</u>	<u>\$ - -</u>	<u>\$ - -</u>

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

*Credit Risk.* The County limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs); however, the County had no formal policy on managing credit risk. As of June 30, 2012, the County's investments were rated as follows:

	Standard Poor's	Moody's Investor Services
North Carolina Capital Management Trust Cash Portfolio	AAAm	N/A
North Carolina Capital Management Term Portfolio	N/A	N/A
FNMA	AA+	Aaa
Dealers Capital	A-1	F-1

*Concentration of Credit Risk.* The County places no limit on the amount that the County may invest in any one issuer. More than five percent of the County's investments were in Wells Fargo: FNMA, 40 percent and Dealers Capital, 60 percent.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

#### 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	
2009	\$ 2,814,785	\$ 668,512	\$ 3,483,296	
2010	2,784,361	410,693	3,195,054	
2011	2,842,890	163,466	3,006,356	
2012	2,807,167	-	2,807,167	
Total	<u>\$ 11,249,203</u>	<u>\$ 1,242,671</u>	<u>\$ 12,491,873</u>	

#### 5. Accounts Receivable

##### Disaggregate Information

Type of Receivable	Amount (Net of Allowance)		
	Governmental Activities	Business-Type Activities	Total
<b>Accounts Receivable:</b>			
Customer/client billings	\$ 1,470,146	\$ 470,217	\$ 1,940,363
Landfill fees assessed	-	841,397	841,397
Total	<u>\$ 1,470,146</u>	<u>\$ 1,311,614</u>	<u>\$ 2,781,760</u>
<b>Due from Other Governments:</b>			
Sales tax	\$ 5,346,579	-	\$ 5,346,579
Sales tax refund	363,958	-	363,958
Other services and grants	2,742,244	-	2,742,244
Total	<u>\$ 8,452,781</u>	<u>\$ -</u>	<u>\$ 8,452,781</u>

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

#### Allowances for Doubtful Accounts

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

<u>Fund</u>	<u>Allowance</u>
<b>General Fund:</b>	
Property taxes	\$ 3,027,902
Other - Public Health	387,936
Interest	<u>780,394</u>
Total	<u><u>\$ 4,196,232</u></u>
<b>Special Revenue Fund:</b>	
Ambulance services	<u><u>\$ 4,555,627</u></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>June 30, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2012</u>
<b>Non-Depreciable Assets:</b>				
Land	\$ 8,008,585	\$ 73,342	\$ (5,063,100)	\$ 3,018,827
Construction in progress	29,786,575	<u>18,374,785</u>	-	<u>48,161,360</u>
Total non-depreciable capital assets	<u>37,795,160</u>	<u>18,448,127</u>	<u>(5,063,100)</u>	<u>51,180,187</u>
<b>Depreciable Assets:</b>				
Land improvements	1,237,400		-	1,237,400
Buildings	113,875,496	390,273	(66,135)	114,199,634
Furniture and equipment	6,944,927	41,322	(522,947)	6,463,302
Vehicles	6,778,896	<u>876,463</u>	<u>(141,705)</u>	<u>7,513,654</u>
Total depreciable capital assets	<u>128,836,719</u>	<u>1,308,058</u>	<u>(730,787)</u>	<u>129,413,990</u>
<b>Less Accumulated Depreciation:</b>				
Land improvements	936,664	85,812	-	1,022,476
Buildings	27,795,128	2,692,197	(58,088)	30,429,237
Furniture and equipment	4,398,664	576,563	(462,419)	4,512,808
Vehicles	4,917,398	687,407	(141,705)	5,463,100
Total accumulated depreciation	<u>38,047,854</u>	<u>\$ 4,041,979</u>	<u>\$ (662,212)</u>	<u>41,427,621</u>
Depreciable capital assets, net	<u>90,788,865</u>			<u>87,986,369</u>
Governmental capital assets, net	<u><u>\$ 128,584,025</u></u>			<u><u>\$ 139,166,556</u></u>

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

**Governmental Activities:**

General government	\$ 704,100
Public protection	1,696,326
Human services	310,677
Environmental protection	13,473
Education	666,866
Economic/physical development	650,537
Total	<u><u>\$ 4,041,979</u></u>

### B. Proprietary Capital Assets

The capital assets for the Enterprise Fund of the County at June 30, 2012 are as follows:

	<u>Balance</u>			<u>Balance</u>
	<u>June 30, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2012</u>
<b>Non-Depreciable Assets:</b>				
Land and improvements	\$ 664,329	\$ -	\$ -	\$ 664,329
Total non-depreciable capital assets	<u>664,329</u>	<u>-</u>	<u>-</u>	<u>664,329</u>
<b>Depreciable Assets:</b>				
Land improvements	88,393	-	-	88,393
Buildings and improvements	2,672,936	7,300	-	2,680,236
Furniture and equipment	2,944,415	285,338	(231,319)	2,998,434
Vehicles	884,206	5,548	-	889,754
Total depreciable capital assets	<u>6,589,950</u>	<u>298,186</u>	<u>(231,319)</u>	<u>6,656,817</u>
<b>Less Accumulated Depreciation:</b>				
Land improvements	88,393	-	-	88,393
Buildings and improvements	1,196,532	59,144	-	1,255,676
Furniture and equipment	2,515,904	126,999	(231,319)	2,411,584
Vehicles	582,583	81,819	-	664,402
Total accumulated depreciation	<u>4,383,412</u>	<u>\$ 267,962</u>	<u>\$ (231,319)</u>	<u>4,420,055</u>
Depreciable capital assets, net	<u>2,206,538</u>			<u>2,236,762</u>
Proprietary capital assets, net	<u>\$ 2,870,867</u>			<u>\$ 2,901,091</u>

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

The total invested in capital assets, net of related debt, at June 30, 2012 is composed of the following elements:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Capital assets, net of depreciation	<u>\$ 139,166,556</u>	<u>\$ 2,901,091</u>
Long-term debt	195,063,973	1,157,414
Less unspent debt proceeds	(4,761,846)	-
Less debt not tied to capital assets:		
Compensated absences	(3,018,826)	(57,414)
Unfunded LEO pension obligation	(1,092,114)	-
Unfunded OPEB liability	(17,824,625)	-
2007 COPS Capital Project debt, not associated with		
County assets, net of unspent debt proceeds	(11,854,201)	-
2009 COPS Capital Project debt, not associated with		
County assets, net of unspent debt proceeds	(12,584,000)	-
Engineering project debt	(1,460,050)	-
Sewer improvements debt	(907,995)	-
Closure and post-closure costs	-	(1,100,000)
Long-term debt related to capital assets	<u>141,560,316</u>	<u>-</u>
Invested in capital assets, net of related debt	<u>\$ (2,393,760)</u>	<u>\$ 2,901,091</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, 2012

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

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

	Balance June 30, 2011	Additions	Retirements	Balance June 30, 2012	Current Portion
<b>By Type:</b>					
Compensated absences	\$ 3,564,797	\$ 1,559,577	\$ (2,105,548)	\$ 3,018,826	\$ 1,600,000
Unfunded LEO	902,949	308,007	(118,842)	1,092,114	-
Unfunded OPEB	14,462,280	4,845,885	(1,483,540)	17,824,625	-
Certificates of participation	105,330,000	21,095,000	(27,565,000)	98,860,000	6,030,000
Limited obligation bonds	59,835,000	-	(2,385,000)	57,450,000	2,330,000
Qualified school construction bonds	5,952,500	-	(350,147)	5,602,353	350,147
Notes payable	3,953,949	5,616,977	(879,581)	8,691,345	1,308,487
Unamortized bond premium	927,407	2,383,047	(785,744)	2,524,710	-
<b>Total</b>	<b><u>\$ 194,928,882</u></b>	<b><u>\$ 35,808,493</u></b>	<b><u>\$ (35,673,402)</u></b>	<b><u>\$ 195,063,973</u></b>	<b><u>\$ 11,618,634</u></b>

#### **By Purpose:**

Schools	\$ 112,162,353
Pitt Community College	26,045,000
General government	1,587,362
Public safety	22,818,069
Economic and physical development	988,574
Human services	357,340
Court house	6,645,000
Compensated absences	3,018,826
Unfunded LEO	1,092,114
Unfunded OPEB	17,824,625
Unamortized bond premium	2,524,710
<b>Total</b>	<b><u>\$ 195,063,973</u></b>

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, 2012

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

By Type:	<u>Balance</u>	<u>June 30, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u>	<u>June 30, 2012</u>	<u>Current Portion</u>
Compensated absences	\$ 57,353	\$ 23,533	\$ (23,472)	\$ 57,414	\$ 23,000		
Closure and post-closure	<u>1,220,000</u>	<u>-</u>	<u>(120,000)</u>	<u>1,100,000</u>	<u>60,000</u>		
Total	<u>\$ 1,277,353</u>	<u>\$ 23,533</u>	<u>\$ (143,472)</u>	<u>\$ 1,157,414</u>	<u>\$ 83,000</u>		

#### B. Certificates of Participation

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

<u>Original Issue</u>			<u>Payment Information</u>		<u>Outstanding</u>		<u>Purpose and Collateral</u>
<u>Amount</u>	<u>Date</u>	<u>Rate</u>	<u>Period</u>	<u>Amount</u>	<u>Balance</u>	<u> </u>	
\$ 42,510,000	October 2004	3.00% - 4.70%		\$ 1,100,000 - 1,095,000	\$ 9,165,000		School projects, advance refund debt; secured by real estate
59,365,000	March 2007	3.50% - 5.00%	Annual	985,000	51,540,000		School projects, advance refund debt; secured by real estate
19,855,000	October 2007	4.44%	Annual	685,000	17,060,000		Construct Detention Center addition; secured by real estate
21,095,000	May 2012	3.00% - 4.70%	Annual	1,100,000 - 1,095,000	21,095,000		Advance refunding of debt; secured by real estate
Total Certificates of Participation					<u>\$ 98,860,000</u>		

The County issued \$21,095,000 of Certificates of Participation for a current refunding of \$21,230,000 in Certificates of Participation. The refunding was taken for the County to be able to take advantage of the favorable current interest rates and to reduce future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$2,383,047. This amount is being netted against the new debt and amortized over five years. The transaction resulted in an economic gain of \$1,410,427 and a reduction of \$1,762,143 in future debt service payments.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	\$ 6,030,000	\$ 5,967,378	\$ 11,997,378
2014	6,490,000	5,830,126	12,320,126
2015	6,585,000	5,500,739	12,085,739
2016	6,710,000	5,152,727	11,862,727
2017	6,735,000	4,765,252	11,500,252
2018-2022	27,560,000	18,521,896	46,081,896
2023-2027	26,605,000	9,524,029	36,129,029
2028-2032	12,145,000	2,322,003	14,467,003
Total	<u>\$ 98,860,000</u>	<u>\$ 57,584,150</u>	<u>\$ 156,444,150</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% \$ 31,460,000

Series 2010, payable in annual principal payments of \$895,000 - \$900,000 with interest payable semi-annually at 2.0% - 4.0% 25,990,000

Total limited obligation bonds \$ 57,450,000

## PITT COUNTY, NORTH CAROLINA

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

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

<b>Year Ending</b>	<b>Debt Service Fund</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
<b>June 30</b>			
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	2,330,000	1,257,019	3,587,019
2018-2022	11,640,000	5,447,988	17,087,988
2023-2027	11,625,000	3,918,457	15,543,457
2028-2032	11,625,000	2,198,675	13,823,675
2033-2037	7,335,000	493,600	7,828,600
2038-2042	3,575,000	91,500	3,666,500
<b>Total</b>	<b>\$ 57,450,000</b>	<b>\$ 18,946,565</b>	<b>\$ 76,396,565</b>

#### **D. Qualified School Construction Bonds**

### **Serviced by Governmental Activities:**

Sadie Sautler Qualified School Construction Bonds, Series 2010,  
payable annually in the amount of \$350,147 with 0.00% interest

\$ 5,602,353

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
2013	\$ 350,147	\$ -	\$ 350,147
2014	350,147	-	350,147
2015	350,147	-	350,147
2016	350,147	-	350,147
2017	350,147	-	350,147
2018-2022	1,750,735	-	1,750,735
2023-2027	1,750,735	-	1,750,735
2028-2031	350,148	-	350,148
Total	\$ 5,602,353	\$ -	\$ 5,602,353

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

#### **E. Notes Payables**

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

<b>Original Issue</b>		<b>Payment Information</b>		<b>Outstanding</b>	
<b>Date</b>	<b>Rate</b>	<b>Period</b>	<b>Amount</b>	<b>Balance</b>	<b>Security</b>
August 1997	6.30%	Quarterly	56,000	112,000	EMS Facility
March 2000	4.25%	Quarterly	17,651	93,819	Global TransPark
July 2005	3.50%	Quarterly	24,484	83,149	Global TransPark
January 2006	3.56%	Quarterly	209,476	1,460,050	Engineering project
June 2010	3.56%	Quarterly	64,908	146,070	Ambulances
November 2009	3.36%	Semi-annual	65,625	128,021	MIS upgrade
May 2010	0.00%	Annual	45,046	811,019	Sewer improvements
August 2010	2.26%	Semi-annual	91,873	357,217	Vehicles
October 2011	2.07%	Semi-annual	550,000	<u>5,500,000</u>	Compactor, Radios, Building
Total				<u>\$ 8,691,345</u>	

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

<b>Year Ending</b>				
	<b>June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2013	\$ 1,308,487	\$ 181,231	\$ 1,489,718	
2014	1,196,992	151,708	1,348,700	
2015	924,444	124,511	1,048,955	
2016	853,730	101,939	955,669	
2017	863,042	81,705	944,747	
2018-2022	3,184,190	174,480	3,358,670	
2023-2027	225,280	-	225,280	
2028-2030	135,180	-	135,180	
Total	<u>\$ 8,691,345</u>	<u>\$ 815,574</u>	<u>\$ 9,506,919</u>	

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

#### **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, 2012, net debt outstanding was \$170,603,698 with no bonded debt. The statutory limit at that date was \$946,976,729 providing a debt margin of \$776,373,031.

#### **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 6.96% and 7.04%, respectively, of annual covered payroll. The contribution requirements of members and of the County are established and may be amended by the North Carolina General Assembly. The County's contributions, including the members' contributions, to LGERS for the years ended June 30, 2012, 2011, and 2010 were \$5,610,674 \$5,325,895, and \$4,559,346, 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.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2012, the Separation Allowance's membership consisted of:

Retirees currently receiving benefits and terminated employees entitled to, but not yet receiving, benefits	15
Active plan members	139
Total	<u>154</u>

A separate report was not issued for the plan.

#### **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 \$118,842, or 1.75% 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, 2010 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, 20110 was 20 years.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

**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	\$ 316,726
Interest on net pension obligation	45,147
Adjustment to annual required contribution	<u>(53,866)</u>
Annual pension costs	308,007
Employer contributions made for fiscal year ended June 30, 2012	<u>118,842</u>
Increase (decrease) in net pension obligation	189,165
Net pension obligation:	
Beginning of year - July 1	<u>902,949</u>
End of year - June 30	<u>\$ 1,092,114</u>

#### Three-Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2010	\$ 243,017	74.2%	\$ 660,418
6/30/2011	315,188	40.2%	902,949
6/30/2012	308,007	38.6%	1,092,114

**Funded Status and Funding Progress.** As of December 31, 2011, the most recent actuarial valuation date, the plan was 7.03% funded. The actuarial accrued liability for benefits was \$3,291,551 and the actuarial value of assets was \$231,240, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,060,311. The covered payroll (annual payroll of active employees covered by the plan) was \$6,796,055, and the ratio of the UAAL to the covered payroll was 45.03 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.

#### 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

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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, 2012 were \$426,803, which consisted of \$331,389 from the County and \$95,414 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, 2012 was \$2,334,582, which consisted of \$1,777,255 from the County and \$557,327 from the employees.

#### E. Supplemental Pension Fund

**Plan Description.** Pitt County also contributes to the Register of Deeds' Supplemental Pension Fund (Fund), a non-contributory, 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.

**Funding Policy.** On a monthly basis, the County remits to the Department of State Treasurer an amount equal to one 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, 2012, the County's required and actual contributions were \$12,040.

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

#### **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. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump-sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to 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. The contributions to the Death Trust Plan cannot be separated between the post-employment benefit amount and the other benefit amount. The County considers these contributions to be immaterial.

#### **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.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Retirees can purchase coverage for their dependents at the County's group rates until the retiree reaches age sixty-five. Currently, 159 retirees are eligible for post-retirement health benefits. For the year ended June 30, 2012, the County made payments for post-retirement health benefit premiums of \$984,452. 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, 2011, the date of the latest actuarial valuation:

	General Employees	Law Enforcement Officers
Retirees and dependents receiving benefits	159	N/A
Terminated plan members entitled to, but not yet receiving, benefits	-	-
Active plan members	774	131
Total	933	131

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

The current annual required contribution (ARC) rate is 10.40% of annual covered payroll. For the current year, the County contributed \$984,452 to the plan, consisting of \$984,452 from the County and no contribution from employees. The current year contribution is 2.40% 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.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

**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	\$ 4,267,394
<i>Valuation discount rate</i>	4.00%
Interest on net OPEB obligation	578,491
<i>Amortization factor</i>	28.9774
Adjustments to annual required contribution	<u>499,088</u>
Annual OPEB cost (expense)	<u>4,346,797</u>
Contributions made	<u>984,452</u>
Increase (decrease) in net OPEB obligation	3,362,345
Net OPEB obligation:	
Beginning of year - July 1	14,462,280
End of year - June 30	<u><u>\$ 17,824,625</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2010-2012 were as follows:

<b>Year Ended June 30</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
2010	\$ 4,445,978	17.8%	\$ 11,011,812
2011	4,466,037	22.7%	14,462,280
2012	4,346,797	22.6%	17,824,625

**Fund Status and Funding Progress.** As of December 31, 2011, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$45,382,920, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$45,382,920. The covered payroll (annual payroll of active employees covered by the Plan) was \$41,042,634, and the ratio of UAAL to the covered payroll was 110.58 percent.

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

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, 2011 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 9.50 to 5.00 percent annually. Both rates included a 3.00 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, 201111 was 30 years.

#### **12. Closure and Post-Closure Care Costs - Landfill**

Federal and State laws and regulations require the County to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$1,100,000 reported as landfill post-closure care liability at June 30, 2012 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 2012. 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.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

#### **13. Deferred/Unearned Revenues**

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

	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Total</b>
Prepaid taxes not yet earned	\$ 169,503	\$ -	\$ 169,503
Taxes receivable, net	2,065,629	325,951	2,391,580
Accounts receivable, net	133,898	401,650	535,548
Interest receivable, net	1,432,446	-	1,432,446
Health Department unearned grants	509,991	-	509,991
Other unearned revenues	<u>117,891</u>	-	<u>117,891</u>
<b>Total</b>	<b><u>\$ 4,429,358</u></b>	<b><u>\$ 727,601</u></b>	<b><u>\$ 5,156,959</u></b>

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

	<b>Governmental Activities</b>
Prepaid taxes	\$ 169,503
Unearned public health fees and grants	509,991
Other unearned revenues	<u>117,938</u>
<b>Total</b>	<b><u>\$ 797,432</u></b>

#### **14. Accounts Payable and Interfund Balances**

##### **Disaggregate Information**

<b>Type of Payable</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Trade payables	\$ 1,736,428	\$ 375,093	\$ 2,111,521
Accrued expenses	174,891	-	174,891
Retainage payable	87,179	-	87,179
Internal service trade payables	4,666	-	4,666
IBNR estimate (incurred, but not reported)	648,908	-	648,908
<b>Total</b>	<b><u>\$ 2,652,072</u></b>	<b><u>\$ 375,093</u></b>	<b><u>\$ 3,027,165</u></b>

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

#### **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.

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.

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

For the Hospitalization Fund, a total of \$8,814,331 in claims and changes in estimates were incurred for benefits during fiscal year 2012. Changes in the Fund's claims liability amounts in fiscal 2002-2012 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
2012	647,109	8,816,130	(8,814,331)	648,908

#### 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, 2012.

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

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

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, 2012, the portion of the trust available to be loaned exclusively to Pitt County was \$2,365,675.

#### **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 \$4,300,381 to the Community College for operating purposes and \$75,000 for capital outlay during the fiscal year ended June 30, 2012. In addition, the County made debt service payments of \$900,000 for principal and \$805,594 for interest during the fiscal year on limited obligation bonds issued for Community College capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2012. Complete financial statements for the community college may be obtained from the Community College's administrative offices, P.O. Drawer 7007, Greenville, North Carolina 27835.

The County also participates in a joint venture to operate the Sheppard Memorial Library (Library) with the 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, 2012. The County appropriated \$543,683 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the City of Greenville offices at 201 W. 5<sup>th</sup> Street, Greenville, North Carolina 27834.

## **PITT COUNTY, NORTH CAROLINA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012**

#### **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, 2012 was:

	<b>Percentage of Sales</b>	<b>Percentage of Receivables</b>
Major customer 1	14%	80%
Major customer 2	9%	51%

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

At June 30, 2012, 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, 2012, 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.

#### **21. Summary Disclosure of Significant Commitments**

The County had commitments, as shown below, for construction contracts outstanding at June 30, 2012. The projects are accounted for in the capital projects funds and are mainly funded by debt proceeds.

<b>Project</b>	<b>Balance of Contract</b>
Chicod School Project	\$ 87,170
Total	\$ 87,170

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

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

#### 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.

	<b>Federal</b>	<b>State</b>
Energy Assistance	\$ 391,686	-
Temporary Assistance to Needy Families (TANF)	1,180,883	108,053
Aid to Families with Dependent Children	(894)	(245)
Special Assistance to Adults	-	1,240,610
Adoption Subsidy Title IV-E	384,756	102,970
State Foster Home	-	-
Adoption Subsidy - State	-	117,670
IV-B Adoption Subsidy	-	190,550
Medicaid	131,726,006	75,775,742
Women, Infants, and Children	5,102,175	-
Food Stamp Program	95,071,177	-
Total	<u>\$ 233,855,789</u>	<u>\$ 77,535,350</u>

#### 23. Component Unit Transactions

In fiscal year 2012, the County and its component units reported transactions between the entities as follows:

<b>Pitt County</b>	<b>Amount</b>	<b>Purpose</b>
<b>Unrestricted Intergovernmental Revenues:</b>		
From Pitt County ABC Board	\$ 1,100,000	Profit distribution
<b>Debt Service:</b>		
From Pitt County Industrial Development Commission	26,922	IDC debt service

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

#### 24. Interfund Balances and Transfers

In fiscal year 2012, the County made the following transfers within its fund structure. Transfers to the Debt Service Fund were made to fund required debt payments; transfers to other funds represent the local contribution by the County to fund certain activities and projects.

Fund Type	Fund Name	Transfers		Purpose
		From	To	
General	General	\$ 6,347,282	\$ -	
Special Revenue	Pitt Area Transit System	-	48,848	Local match/contribution
Special Revenue	Emergency Telephone System	-	1,239	Return of disallowed cost
Special Revenue	State Grants	-	36,515	Local contribution/match
Debt Service	Debt Service	-	5,275,480	Annual debt service requirement
Internal Service	Retiree Health Insurance	-	985,200	Local contribution
Total		<u>\$ 6,347,282</u>	<u>\$ 6,347,282</u>	
Debt Service	School Capital Reserve	\$ 3,292,500	\$ -	
Capital Project	Chicod Sewer	-	2,510,000	Local contribution
Capital Project	School Improvement	-	782,500	Local contribution
Total		<u>\$ 3,292,500</u>	<u>\$ 3,292,500</u>	
Debt Service	School Capital Reserve	\$ 6,174,689	\$ -	
Debt Service	County Capital Reserve	4,872,841	-	
Debt Service	Debt Service	-	11,047,530	Debt service local and school projects
Total		<u>\$ 11,047,530</u>	<u>\$ 11,047,530</u>	

# PITT COUNTY, NORTH CAROLINA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

<u>Fund Type</u>	<u>Fund Name</u>	<u>Transfers</u>		<u>Purpose</u>
		<u>From</u>	<u>To</u>	
Enterprise	Solid Waste	\$ 20,755	\$ -	
Debt Service	Debt Service	- -	8,255	Debt service - projects
Internal Service	Workers' Compensation	- -	12,500	Local contribution
Total		<u><u>\$ 20,755</u></u>	<u><u>\$ 20,755</u></u>	
Capital Project	2007 Education Projects	\$ 46,980	\$ -	
Debt Service	School Capital Reserve	- -	46,980	Local contribution for debt service
Total		<u><u>\$ 46,980</u></u>	<u><u>\$ 46,980</u></u>	
Capital Project	Detention Center	\$ 90,382	\$ -	
Debt Service	Debt Service	- -	90,382	Debt service - project
Total		<u><u>\$ 90,382</u></u>	<u><u>\$ 90,382</u></u>	
Internal Service	Active Employee Medical Insurance	\$ 650,000	\$ -	
Internal Service	Retiree Medical Insurance	- -	400,000	Transfer of excess assets
Internal Service	Workers' Compensation	- -	250,000	Transfer of excess assets
Total		<u><u>\$ 650,000</u></u>	<u><u>\$ 650,000</u></u>	
Special Revenue	Pitt Transit	\$ 14,200	\$ -	
Internal Service	Workers' Compensation	- -	14,200	Local contribution
Total		<u><u>\$ 14,200</u></u>	<u><u>\$ 14,200</u></u>	
Capital Project	Pitt Community College Building	\$ 279,562	\$ -	
Capital Project	PCC Vernon White	- -	279,562	Close project
Total		<u><u>\$ 279,562</u></u>	<u><u>\$ 279,562</u></u>	

## PITT COUNTY, NORTH CAROLINA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012

Interfund loans are summarized as follows:

<u>Fund Name</u>	<u>Due To</u>	<u>Due From</u>	<u>Purpose</u>
<b>Capital Project:</b>			
Industrial Development Building	\$ 186,615	\$ -	
Chicod Sewer	-	131,956	Short-term loan in anticipation of debt issue
Stokes/Pactolus ARRA Sewer	-	54,659	Short-term loan in anticipation of final grant reimbursement
Total	<u>\$ 186,615</u>	<u>\$ 186,615</u>	
<b>Special Revenue:</b>			
Emergency Telephone System Fund	\$ 586,732	\$ -	Short-term loan in anticipation of grant reimbursement
CDBG Single Family Rehab	-	63,471	Short-term loan in anticipation of grant reimbursement
State Grants Fund	-	79,156	Short-term loan in anticipation of grant reimbursement
Pitt Area Transit System	-	444,095	Short-term loan to fund program
Total	<u>\$ 586,732</u>	<u>\$ 586,722</u>	



## **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  
FOR THE YEAR ENDED JUNE 30, 2012**

**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Accrued					UAAL as a Percentage Covered Payroll (B - A) / C
	Actuarial Value of Assets A	Liability (AAL) -Projected Unit Credit B		Unfunded AAL (UAAL) B - A	Funded Ratio A / B	
12/31/2011	\$ 231,240	\$ 3,291,551	\$ 3,060,311	7.03%	\$ 6,796,055	45.03%
12/31/2010	266,527	3,055,533	2,789,006	8.72%	7,121,139	39.17%
12/31/2009	256,317	3,136,604	2,895,337	8.17%	6,635,702	43.63%
12/31/2008	242,933	2,353,496	2,110,563	10.32%	5,996,468	35.20%
12/31/2007	249,168	2,027,477	1,778,309	12.29%	5,555,672	32.01%
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 (ARC)		Amount Contributed By Employer	Percentage of ARC Contributed
2012	\$ 316,726	\$ 118,842	37.52%	
2011	316,726	162,764	51.39%	
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	12/31/2011
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay closed
Remaining amortization period	19 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, 2012

#### Schedule of Funding Progress

Actuarial Valuation Date	Actuarial						UAAL as a Percentage	
	Actuarial		Accrued		Unfunded AAL (UAAL) B - A	Funded Ratio A / B		
	Value of Assets A	Liability (AAL) - Projected Unit Credit B	AAL (UAAL) B - A	Covered Payroll C				
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%		
12/31/2011	-	45,382,920	45,382,920	0.00%	41,042,634	110.58%		

#### 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%
2012	4,267,394	984,452	23.07%

#### 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	12/31/2011
Actuarial cost method	Projected unit credit
Amortization method	Level percent of pay open
Remaining amortization period	30 years
Asset valuation method	Market value of assets
Actuarial assumptions:	
Investment rate of return *	4.00%
Medical cost trend rate	
Pre-Medicare	9.50%-5.000%
Post-Medicare	7.00%-5.00%
Year of Ultimate trend rate	2018

\* Includes inflation at 3.00%

## **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, 2012.**



## PITT COUNTY, NORTH CAROLINA

SCHEDULE OF AD VALOREM TAXES RECEIVABLE  
JUNE 30, 2012

Fiscal Year	Uncollected Balance June 30, 2011	Additions	Collections and Credits	Uncollected Balance June 30, 2012
2011-2012	\$ -	\$ 76,668,547	\$ 74,447,693	\$ 2,220,854
2010-2011	2,643,693	-	1,937,932	705,761
2009-2010	695,940	-	302,265	393,675
2008-2009	404,129	-	95,762	308,367
2007-2008	233,202	-	49,235	183,967
2006-2007	214,022	-	20,750	193,272
2005-2006	172,947	-	11,721	161,226
2004-2005	148,961	-	9,000	139,961
2003-2004	171,771	-	7,397	164,374
2002-2003	181,223	-	181,223	-
Total	<u>\$ 4,865,888</u>	<u>\$ 76,668,547</u>	<u>\$ 77,062,978</u>	<u>\$ 4,471,457</u>
Registered motor vehicle tax for year ended June 30, 2012				622,073
Less: Allowance for uncollectible ad valorem taxes receivable				<u>(3,027,902)</u>
Total				<u>\$ 2,065,628</u>
<b>Reconciling with Revenues:</b>				
Taxes - ad valorem				\$ 78,023,599
Reconciling items:				
Interest and cost				(541,612)
Discounts allowed				851,415
Refunds				15,470
Amounts written off for tax years per Statute of Limitations				181,223
Miscellaneous tax adjustments				<u>(1,467,117)</u>
Total collections and credits				<u>\$ 77,062,978</u>

## PITT COUNTY, NORTH CAROLINA

ANALYSIS OF CURRENT TAX LEVY  
COUNTY-WIDE LEVY  
FOR THE YEAR ENDED JUNE 30, 2012

	County-Wide				<b>Total Levy</b>
	<b>Property Valuation</b>	<b>Rate</b>	<b>Amount of Levy</b>	<b>Property Excluding Registered Motor Vehicles</b>	
				<b>Registered Motor Vehicles</b>	
<b>Original Levy:</b>					
Property taxed at current year's rate	\$ 11,837,633,835	\$ 0.6650	\$ 78,720,265	\$ 71,775,414	\$ 6,944,851
<b>Discoveries:</b>					
Current year taxes	1,901,662	0.6650	1,264,605	1,264,605	-
<b>Abatements</b>					
	(2,326,389)		(1,547,049)	(1,431,000)	(116,049)
Total property valuation	<u>\$ 11,837,209,108</u>				
<b>Net Levy</b>			78,437,821	71,609,019	6,828,802
Less: Tax rate attributed to Industrial Development Commission	0.0100		(1,769,274)	(1,769,274)	-
Net levy to County			76,668,547	69,839,745	6,828,802
Less: Uncollected taxes at June 30, 2012			(2,220,854)	(1,214,487)	(1,006,367)
<b>Current Year's Taxes Collected</b>		<u>\$ 74,447,693</u>	<u>\$ 68,625,258</u>	<u>\$ 5,822,435</u>	
<b>Percent Current Year Collected</b>		<u>97.10%</u>	<u>98.26%</u>	<u>85.26%</u>	
<b>Prior Year Collection Percentage</b>		<u>97.11%</u>	<u>96.83%</u>	N/A	

**PITT COUNTY, NORTH CAROLINA****ANALYSIS OF CURRENT TAX LEVY  
SECONDARY MARKET DISCLOSURES  
FOR THE YEAR ENDED JUNE 30, 2012****Secondary Market Disclosures**

Assessed Valuation:

Assessment ratio (1) 99.29%

Real Property	\$ 9,554,186,028
Personal Property	2,091,154,625
Public Service Companies (2)	<hr/> 104,488,137
Total Assessed Valuation	<hr/> <u>\$11,749,828,790</u>

Tax rate per \$100 0.6650

Levy (includes discoveries, releases and abatements) (3) \$ 78,136,361

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, 2012:

Fire Protection/Rescue Districts \$ 4,017,975

(1) Percentage of appraised value has been established by State statute.

(2) Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

(3) The levy includes penalties.

**PITT COUNTY, NORTH CAROLINA****TEN LARGEST TAXPAYERS  
FOR THE YEAR ENDED JUNE 30, 2012**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
DSM Dyneema LLC	Manufacturer	\$ 251,195,207	2.12%
DSM Pharmaceuticals Inc	Manufacturer	194,531,483	1.64%
Carolina Telephone	Communications	54,425,412	0.46%
Asmo Greenville of NC	Manufacturer	52,427,361	0.44%
Attends Healthcare Products, Inc	Manufacturer	49,028,757	0.41%
Weyerhaeuser NR Company	Manufacturer	47,836,270	0.40%
Marelda Greenville Mall LLC	Mall	39,833,585	0.34%
Copper Beech Townhome Communities Thirty Spe LLC	Apartments	34,605,790	0.29%
PL Greenville LP	Apartments	29,073,633	0.25%
North Campus Crossing LLC	Apartments	23,978,251	0.20%

**PITT COUNTY, NORTH CAROLINA****COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2012**

	<i>Schedule C-1</i>	<i>Schedule D-1</i>	
	Special Revenue Funds	Capital Projects Fund	<b>Total</b>
<b>Assets:</b>			
Cash, cash equivalents and investments	\$ 1,217,232	\$ 3,133,963	\$ 4,351,195
Taxes receivable, net	325,951	-	325,951
Accounts receivable, net	755,950	194,882	950,832
Prepaid items	114,571	-	114,571
Cash and investments, restricted	-	7,909,048	7,909,048
Due from other funds	586,732	186,615	773,347
 Total assets	 \$ 3,000,436	 \$ 11,424,508	 \$ 14,424,944
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 141,696	\$ 283,250	\$ 424,946
Retainage payable	-	87,170	87,170
Due to other funds	586,732	186,615	773,347
Deferred revenues	727,601	-	727,601
Total liabilities	1,456,029	557,035	2,013,064
 <b>Fund Balances:</b>			
Non-spendable - prepaid items	114,571	-	114,571
Restricted for stabilization of State statute	941,032	381,497	1,322,529
Restricted	657,069	7,909,048	8,566,117
Committed	-	1,594,400	1,594,400
Assigned	530,433	1,259,442	1,789,875
Unassigned	(698,698)	(276,914)	(975,612)
Total fund balances	1,544,407	10,867,473	12,411,880
 Total liabilities and fund balances	 \$ 3,000,436	 \$ 11,424,508	 \$ 14,424,944

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	<i>Schedule C-2</i>	<i>Schedule D-2</i>	
	Special Revenue Funds	Capital Projects Fund	<i>Total</i>
<b>Revenues:</b>			
Ad valorem taxes	\$ 4,332,399	\$ -	\$ 4,332,399
Unrestricted intergovernmental revenues	-	51,725	51,725
Restricted intergovernmental revenues	4,086,520	96,977	4,183,497
Sales and services	2,999,288	-	2,999,288
Investment earnings	18,493	8,375	26,868
Miscellaneous	75,945	726,971	802,916
Total revenues	<u>11,512,645</u>	<u>884,048</u>	<u>12,396,693</u>
<b>Expenditures:</b>			
Current:			
Public safety	7,834,378	3,062,854	10,897,232
Economic and physical development	4,502,769	2,776,874	7,279,643
Education	-	16,146,057	16,146,057
Debt service:			
Principal repayments	138,256	-	138,256
Total expenditures	<u>12,475,403</u>	<u>21,985,785</u>	<u>34,461,188</u>
Revenues over (under) expenditures	<u>(962,758)</u>	<u>(21,101,737)</u>	<u>(22,064,495)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	86,602	3,572,062	3,658,664
Transfers out	(14,200)	(416,924)	(431,124)
Debt obligation issued	-	5,616,977	5,616,977
Total other financing sources (uses)	<u>72,402</u>	<u>8,772,115</u>	<u>8,844,517</u>
Net change in fund balances	<u>(890,356)</u>	<u>(12,329,622)</u>	<u>(13,219,978)</u>
<b>Fund Balances:</b>			
Beginning of year - July 1	<u>2,434,763</u>	<u>23,197,095</u>	<u>25,631,858</u>
End of year - June 30	<u>\$ 1,544,407</u>	<u>\$ 10,867,473</u>	<u>\$ 12,411,880</u>

## PITT COUNTY, NORTH CAROLINA

**DEBT SERVICE FUND - COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2012**

	<i>Schedule A-8</i>	<i>Schedule A-9</i>	<i>Schedule A-10</i>		
	<b>Debt Service Fund</b>	<b>School Capital Reserve Fund</b>	<b>County Capital Reserve Fund</b>	<b>Eliminations</b>	<b>Total</b>
<b>Revenues:</b>					
Other taxes and licenses	\$ -	\$ 4,795,001	\$ 4,023,065	\$ -	\$ 8,818,066
Unrestricted intergovernmental revenues	26,922	-	-	-	26,922
Restricted intergovernmental revenues	-	1,183,917	-	-	1,183,917
Investment earnings	162	-	179	-	341
Miscellaneous	207,368	-	-	-	207,368
Qualified School Construction Bond refund	337,507	-	-	-	337,507
Total revenues	<u>571,959</u>	<u>5,978,918</u>	<u>4,023,244</u>	<u>-</u>	<u>10,574,121</u>
<b>Expenditures:</b>					
Current:					
Debt service:					
Principal repayments	9,508,816	-	-	-	9,508,816
Interest and fees	9,774,639	-	-	-	9,774,639
Total expenditures	<u>19,283,455</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,283,455</u>
Revenues over (under) expenditures	<u>(18,711,496)</u>	<u>5,978,918</u>	<u>4,023,244</u>	<u>-</u>	<u>(8,709,334)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	16,421,647	46,980	-	(11,047,530)	5,421,097
Transfers out	-	(9,467,189)	(4,872,841)	11,047,530	(3,292,500)
Debt obligation issued	21,095,000	-	-	-	21,095,000
Premium on debt obligation issued	2,383,047	-	-	-	2,383,047
Payments to escrow agent, debt refunding payment	(21,230,000)	-	-	-	(21,230,000)
Total other financing sources (uses)	<u>18,669,694</u>	<u>(9,420,209)</u>	<u>(4,872,841)</u>	<u>-</u>	<u>4,376,644</u>
Net change in fund balances	(41,802)	(3,441,291)	(849,597)	-	(4,332,690)
<b>Fund Balances:</b>					
Beginning of year - July 1	<u>48,707</u>	<u>8,533,305</u>	<u>8,542,744</u>	<u>-</u>	<u>17,124,756</u>
End of year - June 30	<u>\$ 6,905</u>	<u>\$ 5,092,014</u>	<u>\$ 7,693,147</u>	<u>\$ -</u>	<u>\$ 12,792,066</u>

## PITT COUNTY, NORTH CAROLINA

**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Unrestricted intergovernmental revenues:			
Pitt Industrial Development Commission	\$ 26,922	\$ 26,922	\$ -
Miscellaneous	207,367	207,368	1
Qualified School Construction Bond refund	337,507	337,507	-
Interest earned on investments	-	162	162
Total revenues	<u>571,796</u>	<u>571,959</u>	<u>163</u>
<b>Expenditures:</b>			
Debt service:			
Principal payments - loans	9,411,912	9,508,816	(96,904)
Interest and fees - loans	9,866,157	9,774,639	91,518
Total expenditures	<u>19,278,069</u>	<u>19,283,455</u>	<u>(5,386)</u>
Revenues over (under) expenditures	<u>(18,706,273)</u>	<u>(18,711,496)</u>	<u>(5,223)</u>
<b>Other Financing Sources (Uses):</b>			
Transfer in - General Fund	5,275,480	5,275,480	-
Transfer in - special revenue funds	11,047,530	11,047,530	-
Transfer in - capital project funds	90,382	90,382	-
Transfer in - Solid waste	8,255	8,255	-
Debt obligation issued	21,095,000	21,095,000	-
Premium on debt obligation issued	2,371,626	2,383,047	11,421
Payments to escrow agent, debt refunding payment	(21,230,000)	(21,230,000)	-
Appropriated fund balance	48,000	-	(48,000)
Total other financing sources (uses)	<u>18,706,273</u>	<u>18,669,694</u>	<u>(36,579)</u>
Net change in fund balance	<u>\$ -</u>	<u>(41,802)</u>	<u>\$ (41,802)</u>
<b>Fund Balance:</b>			
Beginning of year - July 1			48,707
End of year - June 30		<u>\$ 6,905</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, 2012**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Other taxes and licenses	\$ 4,500,000	\$ 4,795,001	\$ 295,001
Restricted intergovernmental revenues	-	1,183,917	1,183,917
Total revenues	<u>4,500,000</u>	<u>5,978,918</u>	<u>1,478,918</u>
Revenues over (under) expenditures	<u>4,500,000</u>	<u>5,978,918</u>	<u>1,478,918</u>
<b>Other Financing Sources (Uses):</b>			
Transfer out - Debt Service Fund	(6,174,689)	(6,174,689)	-
Transfer out - other funds	(3,292,500)	(3,292,500)	-
Transfers in	46,980	46,980	-
Appropriated fund balance	<u>4,920,209</u>	<u>-</u>	<u>(4,920,209)</u>
Total other financing sources (uses)	<u>(4,500,000)</u>	<u>(9,420,209)</u>	<u>(4,920,209)</u>
Net change in fund balance	<u>\$ -</u>	<u>(3,441,291)</u>	<u>\$ (3,441,291)</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>8,533,305</u>	
End of year - June 30		<u>\$ 5,092,014</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, 2012**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Revenues:</b>			
Local option sales tax - Article 46	\$ 3,900,000	\$ 4,023,065	\$ 123,065
Investment earnings	2,500	179	(2,321)
Total revenues	<u>3,902,500</u>	<u>4,023,244</u>	<u>120,744</u>
Revenues over expenditures	<u>3,902,500</u>	<u>4,023,244</u>	<u>120,744</u>
<b>Other Financing Sources (Uses):</b>			
Transfer out	(4,872,841)	(4,872,841)	-
Contingency	970,341	-	(970,341)
Total other financing sources (uses)	<u>(3,902,500)</u>	<u>(4,872,841)</u>	<u>(970,341)</u>
Net change in fund balance	<u>\$ -</u>	<u>(849,597)</u>	<u>\$ (849,597)</u>
<b>Fund Balance:</b>			
Beginning of year - July 1		<u>8,542,744</u>	
End of year - June 30		<u>\$ 7,693,147</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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 75,491,191	\$ 77,481,987	\$ 1,990,796	\$ 74,284,192
Penalties and interest	400,000	541,612	141,612	448,888
Total	<u>75,891,191</u>	<u>78,023,599</u>	<u>2,132,408</u>	<u>74,733,080</u>
<b>Other Taxes and Licenses:</b>				
Occupancy tax	20,500	25,288	4,788	22,093
Local option sales taxes	14,275,023	14,321,819	46,796	14,704,181
Payment in lieu of taxes	1,685,000	1,768,140	83,140	1,683,183
Privilege licenses	9,000	9,892	892	10,564
Marriage licenses	29,000	26,055	(2,945)	25,267
Gross receipts tax	181,400	229,152	47,752	210,094
Total	<u>16,199,923</u>	<u>16,380,346</u>	<u>180,423</u>	<u>16,655,382</u>
<b>Unrestricted Intergovernmental Revenues:</b>				
Alcohol, beer, and wine tax	230,000	259,093	29,093	226,416
Pitt County ABC Board	1,100,000	1,100,000	-	1,150,000
Social Services fees and grants	276,000	217,401	(58,599)	302,698
Total	<u>1,606,000</u>	<u>1,576,494</u>	<u>(29,506)</u>	<u>1,679,114</u>
<b>Restricted Intergovernmental Revenues:</b>				
Public Health fees and grants	5,449,292	5,627,559	178,267	5,628,961
Social Services fees and grants	21,700,845	20,403,815	(1,297,030)	20,389,245
Mental Health fees and grants	130,000	130,121	121	107,041
Jail fees	403,250	332,648	(70,602)	344,231
Automation E&P - Register of Deeds	50,000	79,142	29,142	71,405
Federal and State grants	268,559	263,750	(4,809)	56,387
Total	<u>28,001,946</u>	<u>26,837,035</u>	<u>(1,164,911)</u>	<u>26,597,270</u>
<b>Permits and Fees:</b>				
Building permits and inspection fees	378,100	307,267	(70,833)	370,390
Register of Deeds	652,000	660,260	8,260	628,394
Excise stamps	350,000	414,253	64,253	361,997
Rabies control fees	25,000	22,963	(2,037)	29,616
Animal fees	77,400	87,660	10,260	81,796
Court facility fees	285,000	261,391	(23,609)	287,178
Total	<u>1,767,500</u>	<u>1,753,794</u>	<u>(13,706)</u>	<u>1,759,371</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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Sales and Services:</b>				
Rents, concessions, and fees	4,173,279	4,640,027	466,748	4,805,565
State and federal prison inmate reimbursement	2,946,890	2,877,420	(69,470)	1,823,944
Total	7,120,169	7,517,447	397,278	6,629,509
<b>Investment Earnings</b>	<b>206,000</b>	<b>113,424</b>	<b>(92,576)</b>	<b>225,751</b>
<b>Miscellaneous:</b>				
Sale of capital assets	30,000	11,943	(18,057)	90,744
Other income	771,470	794,324	22,854	519,608
Total	801,470	806,267	4,797	610,352
Total revenues	131,594,199	133,008,406	1,414,207	128,889,829
<b>Expenditures:</b>				
<b>General Government:</b>				
Governing board, County Manager, legal, Public Information Officer	1,276,105	1,247,108	28,997	1,689,504
Finance, Tax Assessor, Tax Collector	3,061,018	3,043,499	17,519	2,881,362
Elections	648,296	613,412	34,884	539,349
Register of Deeds	721,825	711,089	10,736	729,143
Human resources	566,581	563,594	2,987	545,284
Print shop/mailroom, management information system, geographic information system	2,340,359	2,335,707	4,652	2,393,906
Buildings and grounds and housekeeping	2,554,201	2,553,735	466	2,603,784
Non-departmental - general administration	1,706,318	1,644,779	61,539	2,072,980
Total	12,874,703	12,712,923	161,780	13,455,312
<b>Public Safety:</b>				
Sheriff's Department, school security, other public safety	12,500,994	12,245,757	255,237	12,145,590
Detention Center, jail inmate services, jail health services	14,874,873	14,798,550	76,323	14,671,251
Emergency services	929,586	878,431	51,155	869,939
Communications	1,149,057	1,118,518	30,539	1,104,748
Planning E911	129,150	127,471	1,679	126,691
Animal and mosquito control	449,619	454,010	(4,391)	472,960
Inspections	277,701	273,355	4,346	303,044
Medical examiner	93,500	106,070	(12,570)	118,540
Transportation	4,500	4,669	(169)	4,259
Court facility	285,000	276,942	8,058	313,717
Total	30,693,980	30,283,773	410,207	30,130,739

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Environmental Protection:</b>				
Other environmental protection	1,000	11	989	1,000
Soil and water conservation	226,143	217,065	9,078	228,879
Total	227,143	217,076	10,067	229,879
<b>Economic and Physical Development:</b>				
Planning and zoning	646,279	637,734	8,545	674,501
Permitting center	123,068	126,644	(3,576)	158,361
Other economic development	174,000	173,913	87	91,132
Engineering	174,744	127,873	46,871	158,093
Cooperative extension	288,266	299,447	(11,181)	330,505
Farmers' Market	62,931	42,159	20,772	46,562
Natural disasters	315,969	311,318	4,651	-
Total	1,785,257	1,719,088	66,169	1,459,154
<b>Human Services:</b>				
Other human services	212,093	212,093	-	219,890
Veterans affairs	122,455	122,441	14	117,581
Total	334,548	334,534	14	337,471
<b>Public Health:</b>				
Administration	2,537,755	2,381,811	155,944	2,188,368
Services and programs	7,537,011	7,123,672	413,339	7,735,817
Total	10,074,766	9,505,483	569,283	9,924,185
<b>Social Services:</b>				
Administration	11,678,939	11,510,927	168,012	11,660,952
Services and programs	8,137,005	8,235,122	(98,117)	8,627,937
Public assistance	8,918,437	6,857,114	2,061,323	6,937,260
Child support	2,563,932	2,215,380	348,552	2,217,063
Total	31,298,313	28,818,543	2,479,770	29,443,212
<b>Mental Health:</b>				
Services and programs	622,500	618,258	4,242	622,621
Total	622,500	618,258	4,242	622,621
Total human services	42,330,127	39,276,818	3,053,309	40,327,489

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2012  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance Over/Under</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>		
<b>Education:</b>				
Pitt County schools	34,829,142	34,829,142	-	35,389,841
Pitt Community College	4,375,381	4,375,381	-	4,445,835
Total	39,204,523	39,204,523	-	39,835,676
<b>Cultural and Recreation</b>				
	619,797	618,966	831	654,435
<b>Debt Service</b>				
	315,261	314,996	265	223,124
Total expenditures	128,050,791	124,348,163	3,702,628	126,315,808
Revenues over (under) expenditures	3,543,408	8,660,243	5,116,835	2,574,021
<b>Other Financing Sources (Uses):</b>				
Transfers in (out):				
Special revenue funds	(86,602)	(86,602)	-	(184,663)
Special revenue funds	-	-	-	60,000
Debt Service Fund	(5,275,480)	(5,275,480)	-	(5,915,880)
Capital project funds	(985,200)	(985,200)	-	(815,000)
Intrafund transfers	(1,000)	-	1,000	-
Debt obligation issued	-	-	-	615,000
Appropriated fund balance	2,804,874	-	(2,804,874)	-
Total other financing sources (uses)	(3,543,408)	(6,347,282)	(2,803,874)	(6,240,543)
Net change in fund balance	\$ -	2,312,961	\$ 2,312,961	(3,666,522)
<b>Fund Balance:</b>				
Beginning of year - July 1		21,907,375		25,573,897
End of year - June 30		\$ 24,220,336		\$ 21,907,375

**PITT COUNTY, NORTH CAROLINA**

**GENERAL FUND - COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL DEPARTMENTS  
FOR THE YEAR ENDED JUNE 30, 2012**

	<i>Schedule B-3</i> General Services Department	<i>Schedule B-4</i> Public Health Department	<i>Schedule B-5</i> Social Services Department
<b>Revenues:</b>			
Ad valorem taxes	\$ 78,023,599	\$ -	\$ -
Other taxes and licenses	16,380,346	-	-
Unrestricted intergovernmental revenues	1,359,093	-	217,401
Restricted intergovernmental revenues	675,540	5,627,559	20,403,815
Permits and fees	1,492,403	-	-
Sales and services	7,197,016	-	320,431
Investment earnings	112,177	-	-
Miscellaneous	720,183	-	86,084
<b>Total revenues</b>	<b>105,960,357</b>	<b>5,627,559</b>	<b>21,027,731</b>
<b>Expenditures:</b>			
General government	12,712,923	-	-
Public safety	30,006,831	-	-
Environmental protection	217,076	-	-
Economic and physical development	1,719,088	-	-
Human services	334,534	9,505,483	28,818,543
Education	39,204,523	-	-
Cultural and recreational	618,966	-	-
Debt service	314,996	-	-
<b>Total expenditures</b>	<b>85,128,937</b>	<b>9,505,483</b>	<b>28,818,543</b>
Revenues over (under) expenditures	20,831,420	(3,877,924)	(7,790,812)
<b>Other Financing Sources (Uses):</b>			
Intrafund transfers in (out)	(13,398,379)	4,109,474	8,821,405
Transfers in (out):			
Out to special revenue funds	(86,602)	-	-
Out to Debt Service Fund	(5,275,480)	-	-
Out to Capital Project Fund	(985,200)	-	-
<b>Total other financing sources (uses)</b>	<b>(19,745,661)</b>	<b>4,109,474</b>	<b>8,821,405</b>
Net change in fund balances	1,085,759	231,550	1,030,593
<b>Fund Balances:</b>			
Beginning of year - July 1	16,704,489	821,029	4,333,817
End of year - June 30	<b>\$ 17,790,248</b>	<b>\$ 1,052,579</b>	<b>\$ 5,364,410</b>

**Schedule B-2**

<i>Schedule B-6</i>	<i>Schedule B-7</i>	
<b>Court Facility Department</b>	<b>Mental Health Department</b>	<b>Combined Total</b>
\$ -	\$ -	\$ 78,023,599
-	-	16,380,346
-	-	1,576,494
-	130,121	26,837,035
261,391	-	1,753,794
-	-	7,517,447
1,247	-	113,424
-	-	806,267
<u>262,638</u>	<u>130,121</u>	<u>133,008,406</u>
-	-	12,712,923
276,942	-	30,283,773
-	-	217,076
-	-	1,719,088
-	618,258	39,276,818
-	-	39,204,523
-	-	618,966
-	-	314,996
<u>276,942</u>	<u>618,258</u>	<u>124,348,163</u>
(14,304)	(488,137)	8,660,243
-	467,500	-
-	-	(86,602)
-	-	(5,275,480)
-	-	(985,200)
-	467,500	(6,347,282)
(14,304)	(20,637)	2,312,961
20,433	27,607	21,907,375
\$ 6,129	\$ 6,970	\$ 24,220,336

**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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
<b>Ad Valorem Taxes:</b>				
Taxes	\$ 75,491,191	\$ 77,481,987	\$ 1,990,796	\$ 74,284,192
Penalties and interest	400,000	541,612	141,612	448,888
Total	<u>75,891,191</u>	<u>78,023,599</u>	<u>2,132,408</u>	<u>74,733,080</u>
<b>Other Taxes and Licenses:</b>				
Occupancy tax	20,500	25,288	4,788	22,093
Local options sales tax	14,275,023	14,321,819	46,796	14,704,181
Payment in lieu of tax	1,685,000	1,768,140	83,140	1,683,183
Privilege licenses	9,000	9,892	892	10,564
Marriage licenses	29,000	26,055	(2,945)	25,267
Gross receipts tax	181,400	229,152	47,752	210,094
Total	<u>16,199,923</u>	<u>16,380,346</u>	<u>180,423</u>	<u>16,655,382</u>
<b>Unrestricted Intergovernmental Revenues:</b>				
Alcohol, beer, and wine tax	230,000	259,093	29,093	226,416
Pitt County ABC Board	1,100,000	1,100,000	-	1,150,000
Total	<u>1,330,000</u>	<u>1,359,093</u>	<u>29,093</u>	<u>1,376,416</u>
<b>Restricted Intergovernmental Revenues:</b>				
Emergency management				
Jail fees	403,250	332,648	(70,602)	344,231
Automation E&P - Register of Deeds	50,000	79,142	29,142	71,405
Federal and State grants	268,559	263,750	(4,809)	56,387
Total	<u>721,809</u>	<u>675,540</u>	<u>(46,269)</u>	<u>472,023</u>
<b>Permits and Fees:</b>				
Building permits and inspection fees	378,100	307,267	(70,833)	370,390
Register of Deeds	652,000	660,260	8,260	628,394
Excise stamps	350,000	414,253	64,253	361,997
Rabies control fees	25,000	22,963	(2,037)	29,616
Animal fees	77,400	87,660	10,260	81,796
Total	<u>1,482,500</u>	<u>1,492,403</u>	<u>9,903</u>	<u>1,472,193</u>
<b>Sales and Services:</b>				
Rents, concessions, and fees	3,836,487	4,319,596	483,109	4,517,794
Federal and State prison inmate reimbursement	2,946,890	2,877,420	(69,470)	1,823,944
Total	<u>6,783,377</u>	<u>7,197,016</u>	<u>413,639</u>	<u>6,341,738</u>
<b>Investment Earnings</b>	<u>206,000</u>	<u>112,177</u>	<u>(93,823)</u>	<u>224,380</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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance Over/Under</b>	<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
<b>Miscellaneous:</b>					
Sale of fixed assets	30,000	11,943	(18,057)	90,744	
Other income	712,160	708,240	(3,920)	459,185	
Total	742,160	720,183	(21,977)	549,929	
Total revenues	103,356,960	105,960,357	2,603,397	101,825,141	
<b>Expenditures:</b>					
<b>General Government:</b>					
<b>Governing Body:</b>					
Salaries and employee benefits	184,865	175,622	9,243	188,541	
Operating expenses	22,800	23,004	(204)	21,728	
Total	207,665	198,626	9,039	210,269	
<b>County Manager:</b>					
Salaries and employee benefits	429,188	419,701	9,487	408,182	
Operating expenses	22,326	21,876	450	25,635	
Total	451,514	441,577	9,937	433,817	
<b>Financial Services:</b>					
Salaries and employee benefits	757,955	755,116	2,839	793,190	
Operating expenses	21,348	19,989	1,359	23,556	
Total	779,303	775,105	4,198	816,746	
<b>Tax Assessor:</b>					
Salaries and employee benefits	1,932,429	1,907,518	24,911	1,792,171	
Operating expenses	349,286	360,876	(11,590)	272,445	
Total	2,281,715	2,268,394	13,321	2,064,616	
<b>Legal:</b>					
Salaries and employee benefits	427,661	426,701	960	818,152	
Operating expenses	12,628	12,554	74	33,432	
Total	440,289	439,255	1,034	851,584	
<b>Elections:</b>					
Salaries and employee benefits	426,442	424,610	1,832	383,218	
Operating expenses	221,854	188,802	33,052	156,131	
Total	648,296	613,412	34,884	539,349	

**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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Register of Deeds:</b>				
Salaries and employee benefits	545,115	540,211	4,904	539,154
Operating expenses	176,710	170,878	5,832	189,989
Total	721,825	711,089	10,736	729,143
<b>Public Information Office:</b>				
Salaries and employee benefits	127,231	125,720	1,511	127,239
Operating expenses	49,406	41,930	7,476	66,595
Total	176,637	167,650	8,987	193,834
<b>Human Resources:</b>				
Salaries and employee benefits	557,572	555,148	2,424	515,701
Operating expenses	9,009	8,446	563	29,583
Total	566,581	563,594	2,987	545,284
<b>Print Shop/Mail Room:</b>				
Salaries and employee benefits	126,507	126,551	(44)	129,260
Operating expenses	48,700	37,220	11,480	50,393
Reimbursement from other departments/funds	(52,000)	(38,640)	(13,360)	(50,868)
Total	123,207	125,131	(1,924)	128,785
<b>Management Information Systems:</b>				
Salaries and employee benefits	2,333,347	2,322,167	11,180	2,227,335
Operating expenses	753,100	751,420	1,680	765,826
Capital outlay	-	-	-	47,096
Reimbursement from other departments/funds	(1,122,298)	(1,109,728)	(12,570)	(1,097,572)
Total	1,964,149	1,963,859	290	1,942,685
<b>Geographical Information Systems:</b>				
Salaries and employee benefits	242,153	231,218	10,935	284,531
Operating expenses	150,850	150,891	(41)	161,922
Capital outlay	10,000	5,838	4,162	27,429
Reimbursement from other departments/funds	(150,000)	(141,230)	(8,770)	(151,446)
Total	253,003	246,717	6,286	322,436
<b>Buildings and Grounds:</b>				
Salaries and employee benefits	1,033,476	1,020,523	12,953	1,078,586
Operating expenses	1,159,225	1,189,047	(29,822)	1,116,488
Total	2,192,701	2,209,570	(16,869)	2,195,074

**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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Housekeeping:</b>				
Operating expenses	361,500	344,165	17,335	408,710
Total	361,500	344,165	17,335	408,710
<b>General Government Non-Allocated Expenditures:</b>				
Other employee insurance and benefits	184,850	176,794	8,056	126,520
Professional services	149,250	127,847	21,403	105,604
Insurance and bonding	530,000	519,605	10,395	522,700
Quasi-external workers' compensation	650,000	650,000	-	650,000
Capital outlay	-	-	-	548,519
Miscellaneous items	192,218	170,533	21,685	119,637
Total	1,706,318	1,644,779	61,539	2,072,980
Total general government	12,874,703	12,712,923	161,780	13,455,312
<b>Public Safety:</b>				
<b>Sheriff:</b>				
Salaries and employee benefits	10,118,011	9,967,638	150,373	9,701,603
Operating expenses	1,413,136	1,432,892	(19,756)	1,528,515
Capital outlay	4	-	4	-
Total	11,531,151	11,400,530	130,621	11,230,118
<b>Detention Center:</b>				
Salaries and employee benefits	10,723,650	10,700,572	23,078	10,283,703
Operating expenses	2,379,152	2,360,461	18,691	2,506,649
Capital outlay	-	-	-	93,448
Total	13,102,802	13,061,033	41,769	12,883,800
<b>Jail Health Services:</b>				
Salaries and benefits	1,603,948	1,606,254	(2,306)	1,646,305
Operating expenses	114,200	77,359	36,841	90,130
Total	1,718,148	1,683,613	34,535	1,736,435
<b>Jail Inmate Coordinator:</b>				
Salaries and benefits	53,923	53,904	19	51,016
<b>School Security:</b>				
Salaries and benefits	569,584	536,910	32,674	613,137
Operating expenses	67,728	62,995	4,733	5,230
Total	637,312	599,905	37,407	618,367

**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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Emergency Services:</b>				
Salaries and benefits	493,653	483,311	10,342	468,103
Operating expenses	435,933	395,120	40,813	401,836
Total	929,586	878,431	51,155	869,939
<b>Communications:</b>				
Salaries and benefits	1,084,173	1,064,300	19,873	1,044,428
Operating expenses	64,884	54,218	10,666	60,320
Total	1,149,057	1,118,518	30,539	1,104,748
<b>Planning E911:</b>				
Salaries and benefits	123,300	122,518	782	117,289
Operating expenses	5,850	4,953	897	9,402
Total	129,150	127,471	1,679	126,691
<b>Animal and Mosquito Control:</b>				
Salaries and employee benefits	320,733	321,588	(855)	325,371
Operating expenses	128,886	132,422	(3,536)	147,589
Total	449,619	454,010	(4,391)	472,960
<b>Inspections:</b>				
Salaries and employee benefits	255,021	253,636	1,385	282,915
Operating expenses	22,680	19,719	2,961	20,129
Total	277,701	273,355	4,346	303,044
<b>Medical Examiner:</b>				
Professional services	93,500	106,070	(12,570)	118,540
<b>Other Public Safety:</b>				
Operating expenses	332,531	245,322	87,209	297,105
Total	332,531	245,322	87,209	297,105
<b>Transportation:</b>				
Operating expenses	4,500	4,669	(169)	4,259
Total	4,500	4,669	(169)	4,259
Total public safety	30,408,980	30,006,831	402,149	29,817,022
<b>Environmental Protection:</b>				
<b>Other Environmental Protection:</b>				
Contracts/grants	1,000	11	989	1,000

**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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>	<b>Actual</b>
<b>Pitt Soil and Water Conservation:</b>				
Salaries and benefits	200,831	198,700	2,131	211,146
Operating expenses	25,312	18,365	6,947	17,733
Total	226,143	217,065	9,078	228,879
Total environmental protection	227,143	217,076	10,067	229,879
<b>Economic and Physical Development:</b>				
<b>Planning and Zoning:</b>				
Salaries and employee benefits	605,979	601,697	4,282	609,540
Operating expenses	40,300	36,037	4,263	64,961
Total	646,279	637,734	8,545	674,501
<b>Permitting Center:</b>				
Salaries and benefits	115,918	119,291	(3,373)	149,767
Operating expenses	7,150	7,353	(203)	8,594
Total	123,068	126,644	(3,576)	158,361
<b>Other Economic Development:</b>				
Operating expenses	174,000	173,913	87	91,132
Total	174,000	173,913	87	91,132
<b>Engineering:</b>				
Salaries and employee benefits	167,956	122,749	45,207	152,310
Operating expenses	6,788	5,124	1,664	5,783
Total	174,744	127,873	46,871	158,093
<b>Cooperative Extension:</b>				
Operating expenses	96,860	94,136	2,724	96,024
Professional services	191,406	205,311	(13,905)	234,481
Total	288,266	299,447	(11,181)	330,505
<b>Farmers' Market:</b>				
Salaries and employee benefits	36,061	31,201	4,860	28,772
Professional services	26,870	10,958	15,912	17,790
Total	62,931	42,159	20,772	46,562
<b>Natural Disasters:</b>				
Operating expenses	315,969	311,318	4,651	-
Total economic and physical development	1,785,257	1,719,088	66,169	1,459,154

**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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance Over/Under</b>	<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
<b>Human Services:</b>					
Other human services	212,093	212,093	-	219,890	
Veterans affairs	122,455	122,441	14	117,581	
Total human services	334,548	334,534	14	337,471	
<b>Education:</b>					
<b>Pitt County Schools:</b>					
Current	34,454,142	34,454,142	-	34,639,841	
Capital outlay	375,000	375,000	-	750,000	
Total	34,829,142	34,829,142	-	35,389,841	
<b>Pitt Community College:</b>					
Current	4,300,381	4,300,381	-	4,370,835	
Capital outlay	75,000	75,000	-	75,000	
Total	4,375,381	4,375,381	-	4,445,835	
Total education	39,204,523	39,204,523	-	39,835,676	
<b>Cultural and Recreational:</b>					
Cultural - contracts/grants	59,052	58,221	831	78,741	
Libraries - contracts/grants	560,745	560,745	-	575,694	
Total cultural and recreational	619,797	618,966	831	654,435	
<b>Debt Service:</b>					
Principal repayments	292,762	296,579	(3,817)	204,780	
Interest and fees	22,499	18,417	4,082	18,344	
Total debt service	315,261	314,996	265	223,124	
Total expenditures	85,770,212	85,128,937	641,275	86,012,073	
Revenues over (under) expenditures	17,586,748	20,831,420	3,244,672	15,813,068	
<b>Other Financing Sources (Uses):</b>					
Intrafund transfers in (out):					
Public Health from General Fund	(4,109,474)	(4,109,474)	-	(4,197,967)	
DSS from General Fund	(8,821,405)	(8,821,405)	-	(9,433,295)	
Mental Health	(467,500)	(467,500)	-	(475,000)	
Total	(13,398,379)	(13,398,379)	-	(14,106,262)	

**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, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance Over/Under</b>	<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
Operating transfers in (out):					
Special revenue funds	(86,602)	(86,602)	-	(184,663)	
Special revenue funds	-	-	-	60,000	
Debt Service Fund	(5,275,480)	(5,275,480)	-	(5,915,880)	
Capital project funds	(985,200)	(985,200)	-	(815,000)	
Total	(6,347,282)	(6,347,282)	-	(6,855,543)	
<b>Other:</b>					
Debt obligation issued	-	-	-	580,800	
Appropriated fund balance - General Fund	2,158,913	-	(2,158,913)	-	
Total	2,158,913	-	(2,158,913)	580,800	
Total other financing sources (uses)	(17,586,748)	(19,745,661)	(2,158,913)	(20,381,005)	
Net change in fund balance	\$ -	\$ 1,085,759	\$ 1,085,759	\$ (4,567,937)	

## 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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance</b>	<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>		<b>Actual</b>
<b>Revenues:</b>					
Restricted intergovernmental revenues:					
Administration	\$ 427,188	\$ 347,056	\$ (80,132)	\$ 299,776	
Environmental health	113,800	100,157	(13,643)	102,101	
Food and lodging	13,532	12,818	(714)	13,532	
Vector control program	34,205	34,206	1	-	
Tuberculosis	45,386	54,983	9,597	62,810	
Tuberculosis CDC	39,133	39,133	-	39,133	
Adolescent pregnancy grants	5,379	5,744	365	6,334	
Healthy Start	165,573	163,736	(1,837)	168,959	
Carolina Access II	125,000	113,304	(11,696)	121,625	
Cardiovascular health	156,826	153,203	(3,623)	152,221	
Adult health	3,875	4,547	672	17,997	
Health promotion	33,761	32,533	(1,228)	37,086	
AIDS	55,000	56,201	1,201	69,552	
Breast/cervical cancer prevention	39,822	38,712	(1,110)	37,466	
Communicable disease	174,304	201,919	27,615	127,645	
Infant mortality	75,000	79,900	4,900	75,000	
Child health	213,220	339,162	125,942	215,785	
Maternal health	595,025	714,408	119,383	582,485	
Family planning	462,029	555,902	93,873	464,419	
Maternity care coordination	238,420	362,636	124,216	412,180	
Child services coordination	468,893	375,335	(93,558)	334,337	
WIC administration	113,257	41,603	(71,654)	44,718	
WIC nutrition	375,775	319,495	(56,280)	278,064	
WIC breastfeeding	6,200	51,956	45,756	68,517	
WIC client services	382,602	458,220	75,618	441,093	
Immunization action plan	40,970	49,934	8,964	45,363	
Mobile dental unit	133,060	133,192	132	148,188	
In-Home breastfeeding	50,000	46,574	(3,426)	46,010	
Nurse family partnership	532,571	467,179	(65,392)	454,895	
Emergency planning - HD	111,647	72,760	(38,887)	109,908	
Bioterrorism team	19,939	20,795	856	437,435	
DHHS Funds	72,213	65,825	(6,388)	82,263	
WIC Peer Counseling	41,439	26,481	(14,958)	29,684	
Public Health Ready	37,144	36,982	(162)	71,677	
Diabetes Recognition Program	47,104	50,968	3,864	30,703	
Total revenues	5,449,292	5,627,559	178,267	5,628,961	

## 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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012		Variance Over/Under	2011
	Budget	Actual		
<b>Expenditures:</b>				
Administration	2,537,755	2,381,811	155,944	2,188,368
Environmental health	1,193,752	1,120,822	72,930	1,186,736
Food and lodging	10,247	9,086	1,161	11,484
Vector Control Program	104,162	93,611	10,551	65,928
Tuberculosis	94,856	93,493	1,363	94,385
Tuberculosis CDC	65,943	64,375	1,568	66,981
Adolescent pregnancy prevention	5,379	2,698	2,681	6,323
Healthy Start	165,573	165,407	166	169,792
Cardiovascular health	125,000	113,191	11,809	120,237
Smart Start	156,826	154,272	2,554	152,370
Adult health	28,156	27,019	1,137	25,679
Health promotion	152,176	147,166	5,010	192,438
AIDS	59,000	56,249	2,751	337,489
Breast/cervical cancer prevention	39,607	27,673	11,934	37,464
Communicable disease	837,797	821,947	15,850	441,760
Infant mortality	84,800	84,475	325	80,747
Child health	314,685	308,475	6,210	317,716
Maternal health	705,015	689,981	15,034	783,001
Family planning	621,158	591,131	30,027	668,442
Maternity care coordination	241,304	212,246	29,058	290,679
Child services coordination	530,477	524,849	5,628	413,339
WIC administration	113,257	112,668	589	108,086
WIC nutrition	379,175	370,793	8,382	332,496
WIC breastfeeding	6,200	3,529	2,671	14,482
WIC client services	379,202	366,015	13,187	357,027
Immunization action plan	40,970	40,094	876	16,565
Mobile dental unit	147,598	134,153	13,445	151,637
ABCD Project Grant	37,144	37,143	1	72,009
Nurse family partnership	532,571	468,080	64,491	454,331
Emergency planning - HD	110,327	62,109	-	100,100
In-home breastfeeding	50,000	46,574	-	46,030
Bioterrorism team	19,939	19,939	-	440,436
DHHS funds	72,213	65,627	6,586	82,215
WIC peer counseling	41,439	26,527	14,912	29,684
Hispanic Peer	23,959	14,430	9,529	39,869
Diabetes Recognition Program	47,104	47,825	(721)	27,860
Total expenditures	10,074,766	9,505,483	517,639	9,924,185

## 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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance Over/Under</b>	<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
Revenues over (under) expenditures	<u>(4,625,474)</u>	<u>(3,877,924)</u>	<u>747,550</u>	<u>(4,295,224)</u>	
<b>Other Financing Sources (Uses):</b>					
Intrafund transfer from General Fund	4,108,474	4,109,474	1,000	4,197,967	
Appropriated fund balance	517,000	-	(517,000)	-	
Total other financing sources (uses)	<u>4,625,474</u>	<u>4,109,474</u>	<u>(516,000)</u>	<u>4,197,967</u>	
Net change in fund balance	\$ -	\$ 231,550	\$ 231,550	\$ (97,257)	

## 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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012		Variance Over/Under	2011 Actual
	Budget	Actual		
<b>Revenues:</b>				
Unrestricted intergovernmental revenues:				
Fees and grants	\$ 276,000	\$ 217,401	\$ (58,599)	\$ 302,698
Restricted intergovernmental revenues:	21,700,845	20,403,815	(1,297,030)	20,389,245
Sales and services	336,792	320,431	(16,361)	287,771
Miscellaneous	59,310	86,084	26,774	60,423
Total revenues	<u>22,372,947</u>	<u>21,027,731</u>	<u>(1,345,216)</u>	<u>21,040,137</u>
<b>Expenditures:</b>				
Social services administration	1,381,352	1,306,582	74,770	1,409,022
Other administration expenses	1,107,000	1,047,299	59,701	1,226,564
Regular services administration	5,391,790	5,373,709	18,081	5,132,718
Purchased services	8,023,005	8,151,591	(128,586)	8,536,726
Public assistance programs	4,585,014	3,523,636	1,061,378	3,738,704
Long-term screening	114,000	83,531	30,469	91,211
General assistance	43,969	20,309	23,660	32,441
Title IV D child support	2,563,932	2,215,380	348,552	2,217,063
Work first	1,405,773	1,292,499	113,274	1,393,666
Daycare	402,266	400,587	1,679	381,632
Income maintenance administration	3,798,797	3,783,337	15,460	3,892,648
Energy programs	2,179,617	1,288,319	891,298	1,101,308
Purchased services HCCBG	301,798	331,764	(29,966)	289,509
Total expenditures	<u>31,298,313</u>	<u>28,818,543</u>	<u>2,479,770</u>	<u>29,443,212</u>
Revenues over (under) expenditures	<u>(8,925,366)</u>	<u>(7,790,812)</u>	<u>1,134,554</u>	<u>(8,403,075)</u>
<b>Other Financing Sources (Uses):</b>				
Intrafund transfer in - General Fund	8,821,405	8,821,405	-	9,433,295
Debt obligation issued	-	-	-	34,200
Appropriated fund balance	103,961	-	(103,961)	-
Total other financing sources (uses)	<u>8,925,366</u>	<u>8,821,405</u>	<u>(103,961)</u>	<u>9,467,495</u>
Net change in fund balance	\$ -	\$ 1,030,593	\$ 1,030,593	\$ 1,064,420

## 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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012		Variance Over/Under	2011	
	Budget	Actual		Actual	Actual
<b>Revenues:</b>					
Permits and fees:					
Court facility fees	\$ 285,000	\$ 261,391	\$ (23,609)	\$ 287,178	
Investment earnings	-	1,247	1,247	1,371	
Total revenues	<u>285,000</u>	<u>262,638</u>	<u>(22,362)</u>	<u>288,549</u>	
<b>Expenditures:</b>					
Public safety:					
Salaries and employee benefits	61,944	61,863	-	59,006	
Operating expenses	<u>223,056</u>	<u>215,079</u>	<u>-</u>	<u>254,711</u>	
Total expenditures	<u>285,000</u>	<u>276,942</u>	<u>8,058</u>	<u>313,717</u>	
Net change in fund balance	\$ -	\$ (14,304)	\$ (14,304)	\$ (25,168)	

## 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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012		Variance Over/Under	2011	
	Budget	Actual		Actual	Actual
<b>Revenues:</b>					
Restricted intergovernmental revenues:					
General agency - administration	\$ 130,000	\$ 130,121	\$ 121	\$ 107,041	
Total revenues	<u>130,000</u>	<u>130,121</u>	<u>121</u>	<u>107,041</u>	
<b>Expenditures:</b>					
General agency	622,500	618,258	4,242	622,621	
Total expenditures	<u>622,500</u>	<u>618,258</u>	<u>4,242</u>	<u>622,621</u>	
Revenues over (under) expenditures	(492,500)	(488,137)	4,363	(515,580)	
<b>Other Financing Sources (Uses):</b>					
Intrafund transfer in - General Fund	467,500	467,500	-	475,000	
Appropriated fund balance	25,000	-	(25,000)	-	
Total other financing sources (uses)	<u>492,500</u>	<u>467,500</u>	<u>(25,000)</u>	<u>475,000</u>	
Net change in fund balance	\$ -	\$ (20,637)	\$ (20,637)	\$ (40,580)	



## SPECIAL REVENUE FUNDS

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

The following comprise the County's Special Revenue Funds:

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

**PITT COUNTY, NORTH CAROLINA**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2012**

	<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	CDBG Single Family Rehab Special Revenue Fund	State Grants Fund
<b>Assets:</b>				
Cash, cash equivalents, and investments	\$ 235,308	\$ 428	\$ -	\$ -
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	56,298	258,208
Prepaid items	-	-	-	-
Due from other funds	-	-	-	-
 Total assets	 <u>\$ 235,308</u>	 <u>\$ 428</u>	 <u>\$ 56,298</u>	 <u>\$ 258,208</u>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 4,875	\$ -	\$ 168	\$ 108,599
Due to other funds	-	-	63,481	79,156
Deferred revenues	-	-	-	-
 Total liabilities	 <u>4,875</u>	 <u>-</u>	 <u>63,649</u>	 <u>187,755</u>
<b>Fund Balances:</b>				
Non-spendable - prepaid items	-	-	-	-
Restricted for stabilization of State statute	-	-	56,298	258,208
Restricted	-	428	-	-
Assigned	230,433	-	-	-
Unassigned	-	-	(63,649)	(187,755)
 Total fund balances	 <u>230,433</u>	 <u>428</u>	 <u>(7,351)</u>	 <u>70,453</u>
 Total liabilities and fund balances	 <u>\$ 235,308</u>	 <u>\$ 428</u>	 <u>\$ 56,298</u>	 <u>\$ 258,208</u>

**Schedule C-1**

<i>Schedule C-7</i> Pitt Area Transit System Special Revenue Fund	<i>Schedule C-8</i> Fire Districts Fund	<i>Schedule C-9</i> EMS District Fund	<i>Schedule C-10</i> Emergency Telephone System Fund	<b>Total</b>
\$ -	\$ 43,419	\$ 633,877	\$ 304,200	\$ 1,217,232
-	129,592	196,359	-	325,951
27,101	-	377,548	36,795	755,950
-	-	114,571	-	114,571
-	-	586,732	-	586,732
<b>\$ 27,101</b>	<b>\$ 173,011</b>	<b>\$ 1,909,087</b>	<b>\$ 340,995</b>	<b>\$ 3,000,436</b>
\$ 3,199	\$ 17,744	\$ 1,081	\$ 6,030	\$ 141,696
444,095	-	-	-	586,732
24,045	129,592	573,907	57	727,601
<b>471,339</b>	<b>147,336</b>	<b>574,988</b>	<b>6,087</b>	<b>1,456,029</b>
-	-	114,571	-	114,571
3,056	-	586,732	36,738	941,032
-	25,675	332,796	298,170	657,069
-	-	300,000	-	530,433
(447,294)	-	-	-	(698,698)
<b>(444,238)</b>	<b>25,675</b>	<b>1,334,099</b>	<b>334,908</b>	<b>1,544,407</b>
<b>\$ 27,101</b>	<b>\$ 173,011</b>	<b>\$ 1,909,087</b>	<b>\$ 340,995</b>	<b>\$ 3,000,436</b>

**PITT COUNTY, NORTH CAROLINA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012**

	<i>Schedule C-3</i> State/Federal Forfeiture Fund	<i>Schedule C-4</i> CDBG Special Revenue Fund	<i>Schedule C-5</i> CDBG Single Family Rehab Special Revenue Fund	<i>Schedule C-6</i> State Grants Fund
<b>Revenues:</b>				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Restricted intergovernmental revenues	112,486	64,444	56,298	3,225,294
Sales and services	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	75,945
<b>Total revenues</b>	<b>112,486</b>	<b>64,444</b>	<b>56,298</b>	<b>3,301,239</b>
<b>Expenditures:</b>				
Current:				
Public safety	50,503	-	-	-
Economic and physical development	-	64,444	63,649	3,271,882
Debt service	-	-	-	-
<b>Total expenditures</b>	<b>50,503</b>	<b>64,444</b>	<b>63,649</b>	<b>3,271,882</b>
Revenues over (under) expenditures	61,983	-	(7,351)	29,357
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	36,515
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,515</b>
Net change in fund balances	61,983	-	(7,351)	65,872
<b>Fund Balances:</b>				
Beginning of year - July 1	168,450	428	-	4,581
End of year - June 30	<b>\$ 230,433</b>	<b>\$ 428</b>	<b>\$ (7,351)</b>	<b>\$ 70,453</b>

**Schedule C-2**

<b>Schedule C-7</b> <b>Pitt Area</b> <b>Transit System</b> <b>Special Revenue</b> <b>Fund</b>	<b>Schedule C-8</b> <b>Fire</b> <b>Districts</b> <b>Fund</b>	<b>Schedule C-9</b> <b>EMS</b> <b>District</b> <b>Fund</b>	<b>Schedule C-10</b> <b>Emergency</b> <b>Telephone</b> <b>System</b> <b>Fund</b>	<b>Total</b>
\$ -	\$ 1,741,550	\$ 2,590,849	\$ -	\$ 4,332,399
627,998	-	-	-	4,086,520
101,354	-	2,456,399	441,535	2,999,288
-	-	18,473	20	18,493
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,945</u>
<u>729,352</u>	<u>1,741,550</u>	<u>5,065,721</u>	<u>441,555</u>	<u>11,512,645</u>
-	1,730,115	4,870,589	1,183,171	7,834,378
1,102,794	-	-	-	4,502,769
<u>-</u>	<u>-</u>	<u>138,256</u>	<u>-</u>	<u>138,256</u>
<u>1,102,794</u>	<u>1,730,115</u>	<u>5,008,845</u>	<u>1,183,171</u>	<u>12,475,403</u>
<u>(373,442)</u>	<u>11,435</u>	<u>56,876</u>	<u>(741,616)</u>	<u>(962,758)</u>
48,848	-	-	1,239	86,602
(14,200)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,200)</u>
<u>34,648</u>	<u>-</u>	<u>-</u>	<u>1,239</u>	<u>72,402</u>
<u>(338,794)</u>	<u>11,435</u>	<u>56,876</u>	<u>(740,377)</u>	<u>(890,356)</u>
<u>(105,444)</u>	<u>14,240</u>	<u>1,277,223</u>	<u>1,075,285</u>	<u>2,434,763</u>
<u>\$ (444,238)</u>	<u>\$ 25,675</u>	<u>\$ 1,334,099</u>	<u>\$ 334,908</u>	<u>\$ 1,544,407</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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance Over/Under</b>	<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
<b>Revenues:</b>					
Restricted intergovernmental revenues:					
Federal asset seizure funds	\$ 36,892	\$ 37,758	\$ 866	\$ -	
State/federal excise tax	73,043	74,728	1,685	52	
Total revenues	<u>109,935</u>	<u>112,486</u>	<u>2,551</u>	<u>52</u>	
<b>Expenditures:</b>					
Public safety	306,839	50,503	256,336	31,042	
Total expenditures	<u>306,839</u>	<u>50,503</u>	<u>256,336</u>	<u>31,042</u>	
Revenues over (under) expenditures	(196,904)	61,983	258,887	(30,990)	
<b>Other Financing Sources (Uses):</b>					
Transfer in (out)	196,904	-	(196,904)	-	
Total other financing sources (uses)	<u>196,904</u>	<u>-</u>	<u>(196,904)</u>	<u>-</u>	
Net change in fund balance	\$ -	61,983	\$ 61,983	\$ (30,990)	
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>168,450</u>		
End of year - June 30			<u>\$ 230,433</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, 2012**

	<b>Actual</b>			
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
CDBG 2005-2006	\$ 600,000	\$ 501,207	\$ -	\$ 501,207
CDBG 2007-2008	400,000	399,996	-	399,996
CDBG 2009-2010	400,000	332,208	64,444	396,652
Total revenues	<u>1,400,000</u>	<u>1,233,411</u>	<u>64,444</u>	<u>1,297,855</u>
<b>Expenditures:</b>				
CDBG 2005-2006	600,000	501,207	-	501,207
CDBG 2007-2008	400,000	399,966	-	399,966
CDBG 2009-2010	400,000	335,310	64,444	399,754
CDBG 2011-2012	3,500	-	-	-
Total expenditures	<u>1,403,500</u>	<u>1,236,483</u>	<u>64,444</u>	<u>1,300,927</u>
Revenues over (under) expenditures	(3,500)	(3,072)	-	(3,072)
<b>Other Financing Sources (Uses):</b>				
Transfers in	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>3,500</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 428</u>	<u>\$ -</u>	<u>\$ 428</u>

## PITT COUNTY, NORTH CAROLINA

**CDBG SINGLE FAMILY REHAB**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Project Authorization</b>	<b>Actual</b>		
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
Federal grants	\$ 160,000	\$ -	\$ 56,298	\$ 56,298
Total revenues	<u>160,000</u>	<u>-</u>	<u>56,298</u>	<u>56,298</u>
<b>Expenditures:</b>				
Single Family Rehab	<u>160,000</u>	<u>-</u>	<u>63,649</u>	<u>63,649</u>
Total expenditures	<u>160,000</u>	<u>-</u>	<u>63,649</u>	<u>63,649</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,351)</u>	<u>\$ (7,351)</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, 2012

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

	2012		2011	
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental revenues:				
State grants	\$ 35,902,241	\$ 3,225,294	\$ (32,676,947)	\$ 2,792,571
Miscellaneous	158,482	75,945	(82,537)	71,008
Total revenues	<u>36,060,723</u>	<u>3,301,239</u>	<u>(32,759,484)</u>	<u>2,863,579</u>
<b>Expenditures:</b>				
Economic and physical development:				
Salaries and benefits	1,009,003	674,698	334,305	520,565
Operating expenses	35,073,574	2,597,184	32,476,390	2,405,711
Total expenditures	<u>36,082,577</u>	<u>3,271,882</u>	<u>32,810,695</u>	<u>2,926,276</u>
Revenues over (under) expenditures	<u>(21,854)</u>	<u>29,357</u>	<u>51,211</u>	<u>(62,697)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	21,854	36,515	14,661	112,275
Appropriated fund balance	-	-	-	-
Total other financing sources (uses)	<u>21,854</u>	<u>36,515</u>	<u>14,661</u>	<u>112,275</u>
Net change in fund balance	\$ <u>-</u>	<u>65,872</u>	<u>\$ 65,872</u>	<u>\$ 49,578</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>4,581</u>	
End of year - June 30			<u>\$ 70,453</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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012		2011	
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Restricted intergovernmental revenues	\$ 1,188,642	\$ 627,998	\$ (560,644)	\$ 1,292,521
Sales and services	97,000	101,354	4,354	84,158
Total revenues	<u>1,285,642</u>	<u>729,352</u>	<u>(556,290)</u>	<u>1,376,679</u>
<b>Expenditures:</b>				
Economic and physical development:				
DOT Administrative Grant	1,320,290	1,102,794	217,496	1,513,249
Total expenditures	<u>1,320,290</u>	<u>1,102,794</u>	<u>217,496</u>	<u>1,513,249</u>
Revenues over (under) expenditures	<u>(34,648)</u>	<u>(373,442)</u>	<u>(338,794)</u>	<u>(136,570)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in	48,848	48,848	-	52,000
Transfers out	(14,200)	(14,200)	-	(14,200)
Total other financing sources (uses)	<u>34,648</u>	<u>34,648</u>	<u>-</u>	<u>37,800</u>
Net change in fund balance	<u>\$ -</u>	<u>(338,794)</u>	<u>\$ (338,794)</u>	<u>\$ (98,770)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>(105,444)</u>	
End of year - June 30			<u>\$ (444,238)</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, 2012

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

	2012		Variance Over/Under	2011	
	Budget	Actual		Actual	Actual
<b>Revenues:</b>					
Ad valorem taxes	\$ 1,739,438	\$ 1,741,550	\$ 2,112	\$ 1,609,625	
Total revenues	<u>1,739,438</u>	<u>1,741,550</u>	<u>2,112</u>	<u>1,609,625</u>	
<b>Expenditures:</b>					
Public safety	1,739,438	1,730,115	9,323	1,723,619	
Total expenditures	<u>1,739,438</u>	<u>1,730,115</u>	<u>9,323</u>	<u>1,723,619</u>	
Net change in fund balance	\$ <u>      -</u>	11,435	\$ <u>      11,435</u>	\$ <u>(113,994)</u>	
<b>Fund Balance:</b>					
Beginning of year - July 1			14,240		
End of year - June 30			\$ <u>25,675</u>		

## PITT COUNTY, NORTH CAROLINA

## EMS DISTRICT FUND

**SCHEDE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2012  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012		Variance Over/Under	2011	
	Budget	Actual		Actual	Actual
<b>Revenues:</b>					
Ad valorem taxes	\$ 2,468,447	\$ 2,590,849	\$ 122,402	\$ 2,484,425	
Investment income	-	18,473	18,473	7,092	
Transport fees	2,450,000	2,456,399	6,399	2,701,349	
Total revenues	<u>4,918,447</u>	<u>5,065,721</u>	<u>147,274</u>	<u>5,192,866</u>	
<b>Expenditures:</b>					
Public safety	4,991,677	4,870,589	121,088	4,586,139	
Debt service	<u>138,270</u>	<u>138,256</u>	<u>14</u>	<u>123,420</u>	
Total expenditures	<u>5,129,947</u>	<u>5,008,845</u>	<u>121,102</u>	<u>4,709,559</u>	
Revenues over (under) expenditures	(211,500)	56,876	268,376	483,307	
<b>Other Financing Sources (Uses):</b>					
Appropriated fund balance	<u>211,500</u>	<u>-</u>	<u>(211,500)</u>	<u>-</u>	
Net change in fund balance	<u>\$ -</u>	<u>56,876</u>	<u>\$ 56,876</u>	<u>\$ 483,307</u>	
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>1,277,223</u>		
End of year - June 30			<u>\$ 1,334,099</u>		

## PITT COUNTY, NORTH CAROLINA

**EMERGENCY TELEPHONE SYSTEM FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	2012		2011	
	Budget	Actual	Variance Over/Under	Actual
<b>Revenues:</b>				
Sales and services - wireless fees	\$ 996,550	\$ 441,535	\$ (555,015)	\$ 759,286
Investment earnings	200	20	(180)	266
Total revenues	<u>996,750</u>	<u>441,555</u>	<u>(555,195)</u>	<u>759,552</u>
<b>Expenditures:</b>				
Public safety:				
E911 operations	1,296,808	-		793,059
Implementation functions	-	169,421		-
Telephone	-	94,714		-
Furniture	-	9,948		-
Software maintenance	-	94,169		-
Hardware maintenance	-	18,911		-
Training	-	-		-
Capital outlay	-	240,993		-
S.L. 2010-158 expenditures	-	555,015		-
Wireless operations	-	-		-
Total expenditures	<u>1,296,808</u>	<u>1,183,171</u>	<u>113,637</u>	<u>793,059</u>
Revenues over (under) expenditures	<u>(300,058)</u>	<u>(741,616)</u>	<u>(441,558)</u>	<u>(33,507)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in (out)	1,239	1,239	-	20,388
Appropriated fund balance	298,819	-	(298,819)	-
Total other financing sources (uses)	<u>300,058</u>	<u>1,239</u>	<u>(298,819)</u>	<u>20,388</u>
Net change in fund balance	<u>\$ -</u>	<u>(740,377)</u>	<u>\$ (740,377)</u>	<u>\$ (13,119)</u>
<b>Fund Balance:</b>				
Beginning of year - July 1			<u>1,075,285</u>	
End of year - June 30			<u>\$ 334,908</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.
- **Pitt Community College (PCC) 2010 Capital Project** – Established to account for bond proceeds issued in 2010 to build three new facilities on the college campus.
- **Pitt Community College (PCC) Vernon White Capital Project** – Established to account for work done to the Vernon White facility.
- **Stokes/Pactolus ARRA Sewer Capital Project** – Established to account for Federal funds used in the construction of sewer to Stokes and Pactolus schools.
- **Chicod 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 Sautler Capital Project** - Established to account for proceeds of Qualified School Construction Bonds (QSCBs) which are funding work on this school campus.
- **Communication Expansion Project Fund** – Established to account for proceeds of bank loan for upgrading county-wide communications system to P25 compliance per FCC mandate.
- **Community 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 COUNTY, NORTH CAROLINA**

**COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECT FUNDS**  
**JUNE 30, 2012**

	<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> Pitt Community College 2010 Capital Project Fund	<i>Schedule D-7</i> PCC Vernon White Capital Project Fund	<i>Schedule D-8</i> Stokes/Pactolus ARRA Sewer Capital Project Fund	<i>Schedule D-9</i> Chicod Capital Project Fund
<b>Assets:</b>							
Cash, cash equivalents, and investments	\$ -	\$ -	\$ 297,053	\$ 402,297	\$ 154,728	\$ -	\$ -
Cash and investments, restricted	-	-	-	2,053,054	-	-	-
Accounts receivable	-	-	-	-	-	193,954	-
Due from other funds	-	-	-	-	-	-	-
Total assets	\$ -	\$ -	\$ 297,053	\$ 2,455,351	\$ 154,728	\$ 193,954	\$ -
<b>Liabilities and Fund Balances:</b>							
<b>Liabilities:</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ 198,892	\$ -	\$ -	\$ 3,129
Due to other funds	-	-	-	-	-	54,659	131,956
Retainage payable	-	-	-	-	-	-	87,170
Total liabilities	\$ -	\$ -	\$ -	\$ 198,892	\$ -	\$ 54,659	\$ 222,255
<b>Fund Balances:</b>							
Restricted for stabilization of State statute	-	-	-	-	-	193,954	-
Restricted	-	-	-	2,053,054	-	-	-
Committed	-	-	297,053	203,405	154,728	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(54,659)	(222,255)
Total fund balances	\$ -	\$ -	\$ 297,053	\$ 2,256,459	\$ 154,728	\$ 139,295	\$ (222,255)
Total liabilities and fund balances	\$ -	\$ -	\$ 297,053	\$ 2,455,351	\$ 154,728	\$ 193,954	\$ -

**Schedule D-1**

<b>Schedule D-10</b>	<b>Schedule D-11</b>	<b>Schedule D-12</b>	<b>Schedule D-13</b>	<b>Schedule D-14</b>	<b>Schedule D-15</b>	<b>Schedule D-16</b>	<b>Schedule D-17</b>	
<b>2007 COPS Education Projects Capital Project Fund</b>	<b>2009 LOBS Education Projects Capital Project Fund</b>	<b>Sadie Saulter Capital Project Fund</b>	<b>Communication Expansion Capital Project Fund</b>	<b>Community Schools and Recreation Capital Project Fund</b>	<b>ECTC Building Capital Project Fund</b>	<b>School Improvement Capital Project Fund</b>	<b>Industrial Development Building Fund</b>	<b>Total</b>
\$ - \$ 845,260	\$ 65,645	\$ 1,143	\$ 18,120	\$ 11,620	\$ 468,454	\$ 869,643	\$ 3,133,963	
- 3,147,202	271,646	2,437,146	-	-	-	-	7,909,048	
- -	-	-	-	-	-	928	194,882	
- -	-	-	-	-	-	186,615	186,615	
<b>\$ - \$ 3,992,462</b>	<b>\$ 337,291</b>	<b>\$ 2,438,289</b>	<b>\$ 18,120</b>	<b>\$ 11,620</b>	<b>\$ 468,454</b>	<b>\$ 1,057,186</b>	<b>\$ 11,424,508</b>	
\$ - \$ -	\$ - \$ -	\$ 9	\$ 2,565	\$ -	\$ 78,655	\$ -	\$ 283,250	
- -	- -	-	-	-	-	-	186,615	
- -	- -	-	-	-	-	-	87,170	
- -	- -	9	2,565	-	78,655	-	557,035	
- -	- -	-	-	-	-	-	187,543	
- 3,147,202	271,646	2,437,146	-	-	-	-	381,497	
- 845,260	65,645	1,134	15,555	11,620	-	-	7,909,048	
- -	- -	-	-	-	389,799	869,643	1,594,400	
- -	- -	-	-	-	-	1,259,442	(276,914)	
- -	3,992,462	337,291	2,438,280	15,555	11,620	389,799	1,057,186	10,867,473
<b>\$ - \$ 3,992,462</b>	<b>\$ 337,291</b>	<b>\$ 2,438,289</b>	<b>\$ 18,120</b>	<b>\$ 11,620</b>	<b>\$ 468,454</b>	<b>\$ 1,057,186</b>	<b>\$ 11,424,508</b>	

**PITT COUNTY, NORTH CAROLINA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012**

	<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> Pitt Community College 2010 Capital Project Fund	<i>Schedule D-7</i> PCC Vernon White Capital Project Fund	<i>Schedule D-8</i> Stokes/Pactolus ARRA Sewer Capital Project Fund	<i>Schedule D-9</i> Chicod Capital Project Fund
<b>Revenues:</b>							
Investment earnings	\$ -	\$ (8)	\$ -	\$ 4,299	\$ -	\$ -	\$ -
Unrestricted intergovernmental revenues	-	-	-	-	-	-	-
Restricted intergovernmental revenues	-	-	-	-	-	96,977	-
Sales tax refund	-	-	-	188,243	-	58	1,265
Total revenues	-	(8)	-	192,542	-	97,035	1,265
<b>Expenditures:</b>							
Public safety	-	-	-	-	-	-	-
Economic and physical development	-	-	-	-	-	-	2,504,987
Education	-	-	-	12,433,557	124,834	-	-
Total expenditures	-	-	-	12,433,557	124,834	-	2,504,987
Revenues over (under) expenditures	-	(8)	-	(12,241,015)	(124,834)	97,035	(2,503,722)
<b>Other Financing Sources (Uses):</b>							
Transfers in	-	-	-	-	279,562	-	2,510,000
Transfers out	(279,562)	(90,382)	-	-	-	-	-
Debt obligation issued	-	-	-	-	-	96,977	-
Total other financing sources (uses)	(279,562)	(90,382)	-	-	279,562	96,977	2,510,000
Net change in fund balances	(279,562)	(90,390)	-	(12,241,015)	154,728	194,012	6,278
<b>Fund Balances:</b>							
Beginning of year - July 1	279,562	90,390	297,053	14,497,474	-	(54,717)	(228,533)
End of year - June 30	\$ -	\$ 297,053	\$ 2,256,459	\$ 154,728	\$ 139,295	\$ (222,255)	\$ -

**Schedule D-2**

<b>Schedule D-10</b>	<b>Schedule D-11</b>	<b>Schedule D-12</b>	<b>Schedule D-13</b>	<b>Schedule D-14</b>	<b>Schedule D-15</b>	<b>Schedule D-16</b>	<b>Schedule D-17</b>	
2007 COPS Education Projects Capital Project Fund	2009 LOBS Education Projects Capital Project Fund	Sadie Saulter Capital Project Fund	Communication Expansion 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
\$ - \$ 1,928	\$ 995	\$ 1,134	\$ -	\$ -	\$ -	\$ -	\$ 27	\$ 8,375
- - -	- - -	- - -	- - -	- - -	51,725	- - -	- - -	51,725
- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	96,977
- - 476,047	- - 61,358	- - -	- - -	- - -	- - -	- - -	- - -	726,971
- - 477,975	- - 62,353	- - 1,134	- - -	- - 51,725	- - -	- - -	27	884,048
- - -	- - -	- - 3,062,854	- - -	- - -	- - -	- - -	- - -	3,062,854
- - -	- - -	- - -	- - -	- - 271,887	- - -	- - -	- - -	2,776,874
- - 707,791	- - 2,313,915	- - -	- - -	- - -	- - 565,960	- - -	- - -	16,146,057
- - 707,791	- - 2,313,915	- - 3,062,854	- - -	- - 271,887	- - 565,960	- - -	- - -	21,985,785
- - -	(229,816)	(2,251,562)	(3,061,720)	- - -	(220,162)	(565,960)	27	(21,101,737)
- - (46,980)	- - -	- - -	- - -	- - -	- - -	782,500	- - -	3,572,062
- - (46,980)	- - -	- - -	- - -	- - -	- - -	- - -	- - -	(416,924)
- - (46,980)	- - -	- - 5,500,000	- - -	- - 20,000	- - -	- - -	- - -	5,616,977
- - (46,980)	- - -	- - 5,500,000	- - -	- - 20,000	- - 782,500	- - -	- - -	8,772,115
(46,980)	(229,816)	(2,251,562)	2,438,280	- - -	(200,162)	216,540	27	(12,329,622)
46,980	4,222,278	2,588,853	- - -	15,555	211,782	173,259	1,057,159	23,197,095
\$ - \$ 3,992,462	\$ 337,291	\$ 2,438,280	\$ 15,555	\$ 11,620	\$ 389,799	\$ 1,057,186	\$ 10,867,473	

**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, 2012**

	<b>Project Authorization</b>	<b>Actual</b>		
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Investment earnings	\$ 469,617	\$ 521,699	\$ -	\$ 521,699
Easement proceeds	31,205	31,205	-	31,205
Total revenues	<u>500,822</u>	<u>552,904</u>	<u>-</u>	<u>552,904</u>
<b>Expenditures:</b>				
Capital outlay:				
Bond issue costs	-	127,049	-	127,049
Modular units	-	44,978	-	44,978
Interest expense	-	166,454	-	166,454
Land	-	2,069,645	-	2,069,645
General construction	<u>16,025,779</u>	<u>8,581,669</u>	<u>-</u>	<u>8,581,669</u>
Total expenditures	<u>16,025,779</u>	<u>10,989,795</u>	<u>-</u>	<u>10,989,795</u>
Revenues over (under) expenditures	<u>(15,524,957)</u>	<u>(10,436,891)</u>	<u>-</u>	<u>(10,436,891)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	10,591,950	10,591,951	-	10,591,951
Premium received from issuance of debt	178	-	-	-
Transfers in	5,212,391	124,502	-	124,502
Transfers out	(279,562)	-	(279,562)	(279,562)
Total other financing sources (uses)	<u>15,524,957</u>	<u>10,716,453</u>	<u>(279,562)</u>	<u>10,436,891</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 279,562</u>	<u>\$ (279,562)</u>	<u>\$ -</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, 2012**

	<b>Project Authorization</b>	<b>Actual</b>		
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Investment earnings	\$ -	\$ 443,165	\$ (8)	\$ 443,157
Local contribution	465,000	460,000	-	460,000
Sales tax refund	450,000	317,354	-	317,354
Total revenues	<u>915,000</u>	<u>1,220,519</u>	<u>(8)</u>	<u>1,220,511</u>
<b>Expenditures:</b>				
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	449,618	418,365	-	418,365
Total expenditures	<u>21,534,618</u>	<u>20,994,620</u>	<u>-</u>	<u>20,994,620</u>
Revenues over (under) expenditures	<u>(20,619,618)</u>	<u>(19,774,101)</u>	<u>(8)</u>	<u>(19,774,109)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	20,885,000	19,855,000	-	19,855,000
Premiums received from issuance of debt	-	381,491	-	381,491
Transfers out	(465,382)	(372,000)	(90,382)	(462,382)
Transfers in	200,000	-	-	-
Total other financing sources (uses)	<u>20,619,618</u>	<u>19,864,491</u>	<u>(90,382)</u>	<u>19,774,109</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 90,390</u>	<u>\$ (90,390)</u>	<u>\$ -</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, 2012**

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

**Note:**

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

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

## PITT COUNTY, NORTH CAROLINA

**PITT COMMUNITY COLLEGE (PCC) CAPITAL PROJECT FUND - 2010 PROJECT  
CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES AND EXPENDITURES -  
BUDGET AND ACTUAL  
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Actual</b>			
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Sales tax refund	\$ -	\$ -	\$ 188,243	\$ 188,243
Investment earnings	<u>-</u>	<u>10,863</u>	<u>4,299</u>	<u>15,162</u>
Total revenues	<u>-</u>	<u>10,863</u>	<u>192,542</u>	<u>203,405</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	<u>22,436,990</u>	<u>7,950,379</u>	<u>12,433,557</u>	<u>20,383,936</u>
Total expenditures	<u>22,436,990</u>	<u>7,950,379</u>	<u>12,433,557</u>	<u>20,383,936</u>
Revenues over (under) expenditures	<u>(22,436,990)</u>	<u>(7,939,516)</u>	<u>(12,241,015)</u>	<u>(20,180,531)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	<u>22,112,573</u>	<u>22,112,573</u>	<u>-</u>	<u>22,112,573</u>
Premium received from issuance of debt	<u>324,417</u>	<u>324,417</u>	<u>-</u>	<u>324,417</u>
Total other financing sources (uses)	<u>22,436,990</u>	<u>22,436,990</u>	<u>-</u>	<u>22,436,990</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 14,497,474</u>	<u>\$ (12,241,015)</u>	<u>\$ 2,256,459</u>

## Note:

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

**PITT COUNTY, NORTH CAROLINA**

**VERNON WHITE CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Project Authorization</b>	<b>Actual</b>		
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Expenditures:</b>				
Capital outlay:				
General construction	\$ 806,437	\$ -	\$ 124,834	\$ 124,834
Total expenditures	<u>806,437</u>	<u>-</u>	<u>124,834</u>	<u>124,834</u>
Revenues over (under) expenditures	<u>(806,437)</u>	<u>-</u>	<u>(124,834)</u>	<u>(124,834)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	526,875	-	-	-
Transfers in (out)	<u>279,562</u>	<u>-</u>	<u>279,562</u>	<u>279,562</u>
Total other financing sources (uses)	<u>806,437</u>	<u>-</u>	<u>279,562</u>	<u>279,562</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 154,728</u>	<u>\$ 154,728</u>

Note:

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

## 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, 2012**

	<b>Project Authorization</b>	<b>Actual</b>		
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Restricted intergovernmental	\$ 901,132	\$ 769,744	\$ 96,977	\$ 866,721
Sales tax refund	-	126,903	58	126,961
Total revenues	<u>901,132</u>	<u>896,647</u>	<u>97,035</u>	<u>993,682</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	1,802,264	1,721,108	-	1,721,108
Total expenditures	<u>1,802,264</u>	<u>1,721,108</u>	<u>-</u>	<u>1,721,108</u>
Revenues over (under) expenditures	(901,132)	(824,461)	97,035	(727,426)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	901,132	769,744	96,977	866,721
Net change in fund balance	\$ -	\$ (54,717)	\$ 194,012	\$ 139,295

## 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 CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

			Actual		
	Project Authorization	Prior Years	Current Year	Total To Date	
<b>Revenues:</b>					
Restricted intergovernmental	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Sales tax refund	-	-	1,265	1,265	1,265
Miscellaneous	512,440	-	-	-	-
Total revenues	1,012,440	-	1,265	1,265	1,265
<b>Expenditures:</b>					
Capital outlay:					
General construction	4,903,269	259,338	2,465,527	2,724,865	
Issuance fees	39,460	-	39,460	39,460	
Total expenditures	4,942,729	259,338	2,504,987	2,764,325	
Revenues over (under) expenditures	(3,930,289)	(259,338)	(2,503,722)	(2,763,060)	
<b>Other Financing Sources (Uses):</b>					
Debt obligation issued	1,973,000	-	-	-	-
Transfers in	2,540,805	30,805	2,510,000	2,540,805	
Contingency	(583,516)	-	-	-	-
Total other financing sources (uses)	3,930,289	30,805	2,510,000	2,540,805	
Net change in fund balance	\$ -	\$ (228,533)	\$ 6,278	\$ (222,255)	

## 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, 2012**

	<b>Actual</b>			
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
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>	-	1,612,673
<b>Expenditures:</b>				
Capital outlay:				
Ayden Elementary	4,080,000	4,010,762	-	4,010,762
Ridgewood Elementary	15,163,066	14,892,903	-	14,892,903
North Pitt	4,230,000	4,006,127	-	4,006,127
Farmville Middle School	1,955,000	1,766,144	-	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	955,000	910,578	-	910,578
Total expenditures	<u>32,579,066</u>	<u>32,547,441</u>	-	32,547,441
Revenues over (under) expenditures	<u>(30,969,507)</u>	<u>(30,934,768)</u>	-	<u>(30,934,768)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	29,117,808	29,117,808	-	29,117,808
Premiums received from issuance of debt	1,863,940	1,863,940	-	1,863,940
Transfer out	(46,980)	-	(46,980)	(46,980)
Contingency	34,739	-	-	-
Total other financing sources (uses)	<u>30,969,507</u>	<u>30,981,748</u>	<u>(46,980)</u>	<u>30,934,768</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 46,980</u>	<u>\$ (46,980)</u>	<u>\$ -</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**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

				<b>Actual</b>
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Sales tax refund	\$ -	\$ 336,777	\$ 476,047	\$ 812,824
Investment income	- -	30,508	1,928	32,436
Total revenues	- -	367,285	477,975	845,260
<b>Expenditures:</b>				
Capital outlay:				
New K-5 Elementary School	13,120,532	10,841,779	290,074	11,131,853
DH Conley	8,157,539	8,070,689	157,230	8,227,919
Eastern Elementary	9,819,549	8,758,131	257,623	9,015,754
Farmville Central High School	3,093,619	2,950,208	2,864	2,953,072
Issuance fees	720,000	716,763	-	716,763
Total expenditures	<u>34,911,239</u>	<u>31,337,570</u>	<u>707,791</u>	<u>32,045,361</u>
Revenues over (under) expenditures	<u>(34,911,239)</u>	<u>(30,970,285)</u>	<u>(229,816)</u>	<u>(31,200,101)</u>
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	35,145,000	35,145,000	-	35,145,000
Premiums received from issuance of debt	47,563	47,563	-	47,563
Contingency	(281,324)	-	-	-
Total other financing sources (uses)	<u>34,911,239</u>	<u>35,192,563</u>	<u>-</u>	<u>35,192,563</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 4,222,278</u>	<u>\$ (229,816)</u>	<u>\$ 3,992,462</u>

## 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, 2012**

	<b>Project Authorization</b>	<b>Actual</b>		
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Investment income	\$ -	\$ 3,292	\$ 995	\$ 4,287
Sales tax refund	-	-	61,358	61,358
Total revenues	-	3,292	62,353	65,645
<b>Expenditures:</b>				
Capital outlay:				
General construction	5,836,500	3,315,598	2,313,915	5,629,513
Issuance fees	116,000	51,341	-	51,341
Total expenditures	5,952,500	3,366,939	2,313,915	5,680,854
Revenues over (under) expenditures	(5,952,500)	(3,363,647)	(2,251,562)	(5,615,209)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	5,952,500	5,952,500	-	5,952,500
Net change in fund balance	\$ -	\$ 2,588,853	\$ (2,251,562)	\$ 337,291

## Note:

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

**PITT COUNTY, NORTH CAROLINA**

**COMMUNICATION EXPANSION CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Project Authorization</b>	<b>Actual</b>		
		<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 1,134	\$ 1,134
Total revenues	<u>-</u>	<u>-</u>	<u>1,134</u>	<u>1,134</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	5,500,000	<u>-</u>	3,062,854	3,062,854
Total expenditures	<u>5,500,000</u>	<u>-</u>	<u>3,062,854</u>	<u>3,062,854</u>
Revenues over (under) expenditures	(5,500,000)	-	(3,061,720)	(3,061,720)
<b>Other Financing Sources (Uses):</b>				
Debt obligation issued	<u>5,500,000</u>	<u>-</u>	<u>5,500,000</u>	<u>5,500,000</u>
Net change in fund balance	\$ -	\$ -	\$ 2,438,280	\$ 2,438,280

## 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 AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

	<b>Actual</b>			
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>
<b>Revenues:</b>				
Restricted intergovernmental	\$ 904,000	\$ 902,744	\$ -	\$ 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>1,096,658</u>	<u>-</u>	<u>1,096,658</u>
<b>Expenditures:</b>				
Capital outlay:				
General construction	1,250,000	1,213,062	-	1,213,062
Site development	664,871	688,860	-	688,860
Athletic fields and recreation area	<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>2,481,103</u>	<u>-</u>	<u>2,481,103</u>
Revenues over (under) expenditures	<u>(1,374,653)</u>	<u>(1,384,445)</u>	<u>-</u>	<u>(1,384,445)</u>
<b>Other Financing Sources (Uses):</b>				
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>\$ 15,555</u>	<u>\$ -</u>	<u>\$ 15,555</u>

## Note:

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

## PITT COUNTY, NORTH CAROLINA

**ECTC BUILDING CAPITAL PROJECT FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES -**  
**BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2012**

			<b>Actual</b>		
	<b>Project Authorization</b>	<b>Prior Years</b>	<b>Current Year</b>	<b>Total To Date</b>	
<b>Revenues:</b>					
Sales tax refund	\$ -	\$ 9,053	\$ -	\$ 9,053	
Investment earnings	20,449	20,854	-	20,854	
Miscellaneous revenue	95,743	28,000	-	28,000	
State share revenue	-	1,465	-	1,465	
Other intergovernmental revenues	1,212,659	765,533	51,725	817,258	
Federal and other grants	400,000	800,000	-	800,000	
Total revenues	<u>1,728,851</u>	<u>1,624,905</u>	<u>51,725</u>	<u>1,676,630</u>	
<b>Expenditures:</b>					
Capital outlay:					
General construction	2,432,739	2,087,733	271,887	2,359,620	
Total expenditures	<u>2,432,739</u>	<u>2,087,733</u>	<u>271,887</u>	<u>2,359,620</u>	
Revenues over (under) expenditures	<u>(703,888)</u>	<u>(462,828)</u>	<u>(220,162)</u>	<u>(682,990)</u>	
<b>Other Financing Sources (Uses):</b>					
Debt obligation issued	404,278	375,000	20,000	395,000	
Transfers in (out)	299,610	299,610	-	299,610	
Total other financing sources (uses)	<u>703,888</u>	<u>674,610</u>	<u>20,000</u>	<u>694,610</u>	
Net change in fund balance	<u>\$ -</u>	<u>\$ 211,782</u>	<u>\$ (200,162)</u>	<u>\$ 11,620</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, 2012**

	<b>Annual Budget</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Expenditures:</b>			
Maintenance	\$ 252,500	\$ 169,172	\$ 83,328
Computer equipment	182,518	-	182,518
Electrical	30,000	-	30,000
Roofing	490,739	396,788	93,951
Total expenditures	955,757	565,960	389,797
Revenues over (under) expenditures	(955,757)	(565,960)	389,797
<b>Other Financing Sources (Uses):</b>			
Transfers in (out)	782,500	782,500	-
Appropriated fund balance	173,257	-	(173,257)
Total other financing sources (uses)	955,757	782,500	(173,257)
Net change in fund balance	\$ -	216,540	\$ 216,540
<b>Fund Balance:</b>			
Beginning of year - July 1		173,259	
End of year - June 30		\$ 389,799	

## 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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance Over/Under</b>	<b>2011</b>	
	<b>Budget</b>	<b>Actual</b>		<b>Actual</b>	
<b>Revenues:</b>					
Investment earnings	\$ -	\$ 27	\$ 27	\$ -	
Total revenues	<u>-</u>	<u>27</u>	<u>27</u>	<u>-</u>	
Net change in fund balance	\$ <u>-</u>	27	\$ <u>27</u>	\$ <u>-</u>	
<b>Fund Balance:</b>					
Beginning of year - July 1			<u>1,057,159</u>		
End of year - June 30			<u>\$ 1,057,186</u>		

## **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, 2012**  
**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011**

	<b>2012</b>		<b>Variance</b>	<b>2011</b>
	<b>Budget</b>	<b>Actual</b>	<b>Over/Under</b>	<b>Actual</b>
<b>Revenues:</b>				
Operating revenues:				
User charges	\$ 7,443,746	\$ 7,722,439	\$ 278,693	\$ 7,590,974
Investment earnings	-	89	89	885
Restricted intergovernmental revenues	743,082	755,856	12,774	12,248
Other	531,134	739,105	207,971	554,509
Total operating revenues	<u>8,717,962</u>	<u>9,217,489</u>	<u>499,527</u>	<u>8,158,616</u>
Non-operating revenues:				
Proceeds from sale of capital assets	-	57,257	57,257	2,130
Total revenues	<u>8,717,962</u>	<u>9,274,746</u>	<u>556,784</u>	<u>8,160,746</u>
<b>Expenditures:</b>				
Salaries and employee benefits	1,130,555	1,141,362	-	1,017,384
Supplies and materials	1,071,691	1,017,321	-	905,104
Contract labor and other services	1,293,000	1,323,624	-	1,385,494
Contracted services - waste disposal	4,004,134	4,033,172	-	3,887,807
Hurricane clean up	743,082	695,310	-	-
Capital outlay	283,000	298,186	-	241,246
Principal repayment on long-term debt	150,000	-	-	-
Interest expense	21,745	-	-	10,600
Total expenditures	<u>8,697,207</u>	<u>8,508,975</u>	<u>188,232</u>	<u>7,447,635</u>
Revenues over (under) expenditures	<u>20,755</u>	<u>765,771</u>	<u>745,016</u>	<u>713,111</u>
<b>Other Financing Sources (Uses):</b>				
Transfer to Debt Service Fund	(8,255)	(8,255)	-	-
Transfer to Internal Service Fund	(12,500)	(12,500)	-	-
Transfer to General Fund	-	-	-	(12,186)
Total other financing sources (uses)	<u>(20,755)</u>	<u>(20,755)</u>	<u>-</u>	<u>(12,186)</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ 745,016</u>	<u>\$ 745,016</u>	<u>\$ 700,925</u>
<b>Reconciliation from Modified Accrual Basis to Full Accrual Basis:</b>				
Revenues and other financing sources over (under) expenditures and other financing uses		\$ 745,016		
Reconciling items:				
Capital outlay items capitalized		298,186		
Depreciation		(267,962)		
Change in closure and post-closure costs accrual		60,000		
Change in net assets	<u>\$ 835,240</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, 2012

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
<b>Assets:</b>					
Current assets:					
Cash, cash equivalents, and investments	\$ 111,259	\$ 2,662,612	\$ 528,798	\$ 93,683	\$ 3,396,352
Accounts receivable	1,420	73,803	-	-	75,223
Inventories	2,511	-	-	-	2,511
Prepaid items	-	-	-	124,451	124,451
Total assets	<u>115,190</u>	<u>2,736,415</u>	<u>528,798</u>	<u>218,134</u>	<u>3,598,537</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable and accrued expenses	75,926	648,908	-	-	724,834
Total liabilities	<u>75,926</u>	<u>648,908</u>	<u>-</u>	<u>-</u>	<u>724,834</u>
<b>Net Assets:</b>					
Unrestricted net assets	<u>39,264</u>	<u>2,087,507</u>	<u>528,798</u>	<u>218,134</u>	<u>2,873,703</u>
Total net assets	<u>\$ 39,264</u>	<u>\$ 2,087,507</u>	<u>\$ 528,798</u>	<u>\$ 218,134</u>	<u>\$ 2,873,703</u>

## PITT COUNTY, NORTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET ASSETS - INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012**

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
<b>Operating Revenues:</b>					
User charges	\$ 1,030,542	\$ 607,111	\$ -	\$ -	\$ 1,637,653
Interfund services charges	-	8,206,435	-	650,000	8,856,435
Miscellaneous	-	7,830	-	-	7,830
Total operating revenues	<u>1,030,542</u>	<u>8,821,376</u>	<u>-</u>	<u>650,000</u>	<u>10,501,918</u>
<b>Operating Expenses:</b>					
Salaries and employee benefits	(1,830)	55,697	-	-	53,867
Equipment maintenance	1,016,287	-	-	-	1,016,287
Medical claims costs	-	8,753,288	984,452	-	9,737,740
Claims reimbursement	-	-	-	938,845	938,845
Total operating expenses	<u>1,014,457</u>	<u>8,808,985</u>	<u>984,452</u>	<u>938,845</u>	<u>11,746,739</u>
Operating income (loss)	<u>16,085</u>	<u>12,391</u>	<u>(984,452)</u>	<u>(288,845)</u>	<u>(1,244,821)</u>
<b>Non-Operating Revenues:</b>					
Transfer in (out)	-	(650,000)	1,385,200	276,700	1,011,900
Investment earnings	-	54	-	6	60
Total non-operating revenues	<u>-</u>	<u>(649,946)</u>	<u>1,385,200</u>	<u>276,706</u>	<u>1,011,960</u>
Change in net assets	16,085	(637,555)	400,748	(12,139)	(232,861)
<b>Net Assets:</b>					
Beginning of year - July 1	<u>23,179</u>	<u>2,725,062</u>	<u>128,050</u>	<u>230,273</u>	<u>3,106,564</u>
End of year - June 30	<u>\$ 39,264</u>	<u>\$ 2,087,507</u>	<u>\$ 528,798</u>	<u>\$ 218,134</u>	<u>\$ 2,873,703</u>

## PITT COUNTY, NORTH CAROLINA

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2012

	County Garage Internal Service Fund	Active Employee Medical Insurance Internal Service Fund	Retiree Medical Insurance Internal Service Fund	Workers' Compensation Internal Service Fund	Total
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 1,030,374	\$ 541,139	\$ -	\$ 125,050	\$ 1,696,563
Cash received from interfund services	-	8,206,435	-	650,000	8,856,435
Cash paid to suppliers	(945,598)	(8,807,187)	(984,452)	(964,976)	(11,702,213)
Cash paid to employees	(86,486)	-	-	-	(86,486)
Net cash provided (used) by operating activities	<u>(1,710)</u>	<u>(59,613)</u>	<u>(984,452)</u>	<u>(189,926)</u>	<u>(1,235,701)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Transfer in (out)	-	(650,000)	1,385,200	276,700	1,011,900
<b>Cash Flows from Investing Activities:</b>					
Investment earnings	-	54	-	6	60
Net increase (decrease) in cash and cash equivalents	(1,710)	(709,559)	400,748	86,780	(223,741)
<b>Cash and Cash Equivalents:</b>					
Beginning of year - July 1	<u>112,969</u>	<u>3,372,171</u>	<u>128,050</u>	<u>6,903</u>	<u>3,620,093</u>
End of year - June 30	<u>\$ 111,259</u>	<u>\$ 2,662,612</u>	<u>\$ 528,798</u>	<u>\$ 93,683</u>	<u>\$ 3,396,352</u>
<b>Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:</b>					
Operating income (loss)	\$ 16,085	\$ 12,391	\$ (984,452)	\$ (288,845)	\$ (1,244,821)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(168)	(73,802)	-	125,050	51,080
(Increase) decrease in prepaids	-	-	-	(22,023)	(22,023)
Increase (decrease) in accounts payable and accrued expenses	(17,627)	1,798	-	(4,108)	(19,937)
Net cash provided (used) by operating activities	<u>\$ (1,710)</u>	<u>\$ (59,613)</u>	<u>\$ (984,452)</u>	<u>\$ (189,926)</u>	<u>\$ (1,235,701)</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, 2012**

	<b>Plan</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Operating Revenues:</b>			
User charges	\$ 1,045,066	\$ 1,030,542	\$ (14,524)
Total operating revenues	<u>1,045,066</u>	<u>1,030,542</u>	<u>(14,524)</u>
<b>Operating Expenses:</b>			
Salaries and employee benefits	5,116	(1,830)	6,946
Equipment maintenance	<u>1,051,450</u>	<u>1,016,287</u>	<u>35,163</u>
Total operating expenses	<u>1,056,566</u>	<u>1,014,457</u>	<u>42,109</u>
Operating income (loss)	(11,500)	16,085	27,585
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>11,500</u>	<u>-</u>	<u>(11,500)</u>
Change in net assets	<u>\$ -</u>	<u>\$ 16,085</u>	<u>\$ 16,085</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, 2012**

	<b>Plan</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Operating Revenues:</b>			
User charges	\$ 245,520	\$ 607,111	\$ 361,591
Miscellaneous revenues	6,180	7,830	1,650
Interfund services charges	8,260,524	8,206,435	(54,089)
Total operating revenues	8,512,224	8,821,376	309,152
<b>Operating Expenses:</b>			
Salaries and employee benefits	57,009	55,697	1,312
Medical claims costs	8,517,374	8,753,288	(235,914)
Total operating expenses	8,574,383	8,808,985	(234,602)
Operating income (loss)	(62,159)	12,391	74,550
<b>Non-Operating Revenues:</b>			
Transfer in (out)	(650,000)	(650,000)	-
Investment earnings	1,000	54	(946)
Total non-operating revenues	(649,000)	(649,946)	(946)
<b>Other Financing Sources (Uses):</b>			
Contingency	711,159	-	(711,159)
Change in net assets	\$ -	\$ (637,555)	\$ (637,555)

**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, 2012**

	<b>Plan</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Operating Expenses:</b>			
Medical claims costs	\$ 1,385,200	\$ 984,452	\$ 400,748
Operating income (loss)	(1,385,200)	(984,452)	400,748
<b>Non-Operating Revenues:</b>			
Transfer in (out)	1,385,200	1,385,200	-
Change in net assets	\$ -	\$ 400,748	\$ 400,748

## 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, 2012**

	<b>Plan</b>	<b>Actual</b>	<b>Variance Over/Under</b>
<b>Operating Revenues:</b>			
Interfund services charges	\$ 650,000	\$ 650,000	\$ -
Total operating revenues	<u>650,000</u>	<u>650,000</u>	<u>-</u>
<b>Operating Expenses:</b>			
Claims reimbursement	<u>988,700</u>	<u>938,845</u>	<u>49,855</u>
Operating income (loss)	<u>(338,700)</u>	<u>(288,845)</u>	<u>49,855</u>
<b>Non-Operating Revenues:</b>			
Transfer in	276,700	276,700	-
Investment earnings	<u>-</u>	<u>6</u>	<u>6</u>
Total non-operating revenues	<u>276,700</u>	<u>276,706</u>	<u>6</u>
<b>Other Financing Sources (Uses):</b>			
Appropriated fund balance	<u>62,000</u>	<u>-</u>	<u>(62,000)</u>
Change in net assets	\$ -	\$ (12,139)	\$ (12,139)

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

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

The following 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, 2012

	Social Services, Sheriff, and Mental Health Agency Funds	Tax Collections Held for Municipalities Agency Fund	3% Interest Payable to State Agency Fund	Flexible Benefit Plan Agency Fund	Total
<b>Assets:</b>					
Cash and cash equivalents	\$ 154,101	\$ 97,820	\$ 8,589	\$ 26,891	\$ 287,401
Total assets	<u>\$ 154,101</u>	<u>\$ 97,820</u>	<u>\$ 8,589</u>	<u>\$ 26,891</u>	<u>\$ 287,401</u>
<b>Liabilities:</b>					
Deposits held in custody for others	\$ 154,101	\$ 97,820	\$ 8,589	\$ -	\$ 260,510
Deferred compensation benefits payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,891</u>	<u>26,891</u>
Total liabilities	<u>\$ 154,101</u>	<u>\$ 97,820</u>	<u>\$ 8,589</u>	<u>\$ 26,891</u>	<u>\$ 287,401</u>

## PITT COUNTY, NORTH CAROLINA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**TRUST AND AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Balance</u>			<u>Balance</u>
	<u>July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2012</u>
<b>Social Services, Sheriff, and Other Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	<u>\$ 194,931</u>	<u>\$ 1,386,062</u>	<u>\$ (1,426,892)</u>	<u>\$ 154,101</u>
<b>Liabilities:</b>				
Deposits held in custody for others	<u>\$ 194,931</u>	<u>\$ 1,386,062</u>	<u>\$ (1,426,892)</u>	<u>\$ 154,101</u>
<b>Tax Collections Held for Municipalities Agency Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	<u>\$ 104,891</u>	<u>\$ 35,695,218</u>	<u>\$ (35,702,289)</u>	<u>\$ 97,820</u>
<b>Liabilities:</b>				
Deposits held in custody for others	<u>\$ 104,891</u>	<u>\$ 35,695,218</u>	<u>\$ (35,702,289)</u>	<u>\$ 97,820</u>
<b>3% Interest Payable to State Agency Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	<u>\$ 11,319</u>	<u>\$ 109,452</u>	<u>\$ (112,182)</u>	<u>\$ 8,589</u>
<b>Liabilities:</b>				
Deposits held in custody for others	<u>\$ 11,319</u>	<u>\$ 109,452</u>	<u>\$ (112,182)</u>	<u>\$ 8,589</u>
<b>Flexible Benefit Agency Fund:</b>				
<b>Assets:</b>				
Cash and cash equivalents	<u>\$ 16,660</u>	<u>\$ 178,559</u>	<u>\$ (168,328)</u>	<u>\$ 26,891</u>
<b>Liabilities:</b>				
Deferred compensation benefits payable	<u>\$ 16,660</u>	<u>\$ 178,559</u>	<u>\$ (168,328)</u>	<u>\$ 26,891</u>
<b>Total - All Agency Funds:</b>				
<b>Assets:</b>				
Cash and cash equivalents	<u>\$ 327,801</u>	<u>\$ 37,369,291</u>	<u>\$ (37,409,691)</u>	<u>\$ 287,401</u>
<b>Liabilities:</b>				
Deposits held in custody for others	<u>\$ 311,141</u>	<u>\$ 37,190,732</u>	<u>\$ (37,241,363)</u>	<u>\$ 260,510</u>
Deferred compensation benefits payable	<u>16,660</u>	<u>178,559</u>	<u>(168,328)</u>	<u>26,891</u>
Total liabilities	<u>\$ 327,801</u>	<u>\$ 37,369,291</u>	<u>\$ (37,409,691)</u>	<u>\$ 287,401</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.



Table 1

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

	<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>	<u>2012</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 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	\$ -2,393,761
Restricted	462,677	668,584	470,026	678,647	717,353	200,598	199,051	178,243	15,413,852	10,949,019
Unrestricted	42,005,679	34,792,725	40,825,049	37,971,412	30,517,987	23,707,535	33,161,453	7,602,000	-12,273,362	-5,966,584
Total governmental activities net assets	\$ 58,667,014	\$ 55,085,604	\$ 58,353,380	\$ 48,306,862	\$ 40,287,968	\$ 31,107,865	\$ 40,524,444	\$ 34,648,163	\$ 6,453,950	\$ 2,588,674
Business-type activities										
Invested in capital assets, net of related debt	\$ 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	\$ 2,901,091
Unrestricted	(1,143,357)	(1,259,552)	(1,898,732)	(1,634,988)	(689,280)	(623,834)	191,582	878,331	1,639,256	2,444,272
Total business-type activities	\$ 121,522	\$ 210,131	\$ (175,378)	\$ 183,996	\$ 1,381,329	\$ 1,546,745	\$ 2,481,936	\$ 3,699,760	\$ 4,510,123	\$ 5,345,363
Primary government										
Invested in capital assets, net of related debt	\$ 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	\$ 507,330
Restricted	462,677	668,584	470,026	678,647	717,353	200,598	199,051	178,243	15,413,852	10,949,019
Unrestricted	40,962,322	33,533,173	38,926,317	36,336,424	29,828,707	23,083,701	33,353,035	8,480,331	-10,634,106	-3,522,312
Total primary government net assets	\$ 58,788,536	\$ 55,295,735	\$ 58,178,002	\$ 48,490,858	\$ 41,669,297	\$ 32,654,610	\$ 43,006,380	\$ 38,347,923	\$ 10,964,053	\$ 7,934,037

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

	2003	2004	2005	2006	2007	Fiscal Year 2008	2009	2010	2011	2012
<b>Expenses</b>										
Governmental activities:										
General government	\$ 13,430,499	\$ 12,562,758	\$ 13,501,699	\$ 16,037,941	\$ 15,101,864	\$ 18,117,235	\$ 16,716,822	\$ 16,704,353	\$ 16,768,759	\$ 19,876,656
Public safety	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	43,251,794
Economic & physical development	4,341,765	4,174,365	4,335,915	3,274,182	5,156,590	4,924,122	5,337,923	7,633,411	6,728,810	9,625,223
Environmental protection	446,545	213,262	208,524	4,469	245,464	248,179	259,750	267,785	245,159	230,549
Human Services	51,569,224	54,915,560	58,880,092	67,135,085	54,707,785	48,987,705	46,606,871	44,209,437	41,740,952	40,545,062
Cultural and recreation	589,259	491,338	505,161	457,682	583,843	645,517	608,328	718,401	688,384	618,966
Education	30,462,631	33,489,329	36,679,407	37,016,790	48,738,593	47,639,044	44,078,522	51,034,996	53,506,480	38,098,594
Debt Service	4,628,278	4,205,707	4,566,482	4,976,804	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Interest on long term debt	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>\$ 125,491,374</u>	<u>132,566,136</u>	<u>142,247,857</u>	<u>154,115,311</u>	<u>5,703,750</u>	<u>6,931,700</u>	<u>4,270,139</u>	<u>5,870,905</u>	<u>6,967,304</u>	<u>9,001,235</u>
Business-type activities:										
Solid Waste	6,979,190	6,381,866	7,072,121	6,917,906	6,719,860	7,744,185	6,737,540	6,809,686	7,348,253	8,361,494
Total primary government expenses	<u>\$ 132,470,564</u>	<u>138,948,002</u>	<u>\$ 149,319,978</u>	<u>\$ 161,033,217</u>	<u>\$ 164,422,154</u>	<u>\$ 165,354,967</u>	<u>\$ 159,061,384</u>	<u>\$ 170,872,652</u>	<u>\$ 166,917,165</u>	<u>\$ 169,609,573</u>
<b>Program Revenues</b>										
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	\$ 5,903,519
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	10,237,128
Economic & physical development	265,000	14,064	2,635	3,015	3,245	3,825	115,237	165,475	584,174	183,709
Environmental protection	-	-	137,337	243,384	265,127	192,034	115,497	101,973	73,019	50,504
Human Services	37,938,931	38,900,115	5,177,386	5,127,900	3,134,045	5,661,649	5,927,338	6,698,097	6,323,684	5,694,120
Cultural and recreation	-	-	-	8,945	34,717	23,003	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions:										
General government	14,297	255,485	-	-	-	-	2,426	7,348	20,334	3,269
Public safety	-	37,736	32,200	25,800	25,800	283,037	120,165	100,592	56,387	263,750
Economic & physical development	3,139,347	1,935,588	2,621,715	2,631,177	2,93,962	293,756	2,279,470	5,218,265	4,367,361	3,764,654
Environmental protection	-	-	73,156	91,610	98,086	227,341	-	-	-	-
Human Services	-	-	35,944,964	42,757,967	30,318,848	19,540,492	21,751,026	23,191,163	21,147,178	21,157,852
Cultural and recreation	-	-	-	-	1,130,018	-	789,760	1,183,917	5,083,917	725,706
Capital grants and contributions:										
General government	-	-	-	-	-	-	235,915	268,300	207,368	-
Public safety	9,391	-	64,074	57,358	111,854	98,719	1,293,371	157,578	2,177	37,758
Economic & physical development	-	-	-	-	2,920,434	1,672,867	1,969,407	107,686	307,686	51,725
Environmental protection	-	-	-	-	-	-	0	769,744	126,903	96,977
Education	-	-	-	-	1,462,000	1,821,032	117,996	64,383	358,751	1,548,346
Cultural and recreation	-	-	-	-	37,524	-	-	-	-	-
Social services	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>\$ 60,763</u>	<u>2,709,408</u>	<u>55,120,584</u>	<u>56,579,414</u>	<u>1,273,940</u>	<u>51,347,624</u>	<u>43,727,360</u>	<u>54,195,124</u>	<u>52,504,815</u>	<u>49,719,017</u>

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

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Business-type activities:</b>										
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	8,461,544
Capital grants and contributions - Solid Waste	742,205	194,705	-	7,277,190	-	-	5,783	-	12,248	755,856
Total business-type activities program revenues	7,012,579	6,470,369	6,686,238	7,277,190	7,916,793	7,851,102	7,670,006	8,023,307	8,157,731	9,217,400
<b>Net (Expense)/Revenue</b>	<b>\$ 60,708,028</b>	<b>\$ 61,590,953</b>	<b>\$ 63,265,652</b>	<b>\$ 69,737,275</b>	<b>\$ 59,264,417</b>	<b>\$ 51,578,462</b>	<b>\$ 61,865,130</b>	<b>\$ 60,528,122</b>	<b>\$ 61,466,884</b>	<b>\$ 58,936,417</b>
Governmental activities:										
Business-type activities	\$ (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)	\$ (111,529,062)
Total primary government program revenues	\$ (61,511)	\$ 88,503	\$ (385,883)	\$ 359,284	\$ 1,196,933	\$ 136,917	\$ 932,466	\$ 1,213,621	\$ 809,478	\$ 855,906
<b>Total primary government net (expense)/revenue</b>	<b>\$ (71,857,436)</b>	<b>\$ (77,357,049)</b>	<b>\$ (86,054,326)</b>	<b>\$ (91,295,942)</b>	<b>\$ (105,157,737)</b>	<b>\$ (113,776,505)</b>	<b>\$ (97,196,254)</b>	<b>\$ (110,344,530)</b>	<b>\$ (105,450,281)</b>	<b>\$ (110,673,156)</b>
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Property taxes	\$ 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	\$ 82,303,935
Local option sales tax	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	14,321,819
Payment in lieu of taxes and other taxes	-	-	-	1,674,982	1,683,750	1,752,849	12,164,104	11,109,775	10,655,050	10,876,593
Interest earned on investments	763,470	806,846	1,510,066	2,054,907	2,647,891	3,164,210	1,126,732	362,113	138,986	140,704
Loss on disposal of capital assets	(51,032)	-	-	(12,566,106)	-	-	-	-	(27,417,055)	-
Total governmental activities:	<b>\$ 67,508,140</b>	<b>\$ 73,864,142</b>	<b>\$ 88,936,168</b>	<b>\$ 81,608,677</b>	<b>\$ 98,335,737</b>	<b>\$ 104,733,318</b>	<b>\$ 108,970,290</b>	<b>\$ 104,256,869</b>	<b>\$ 78,065,527</b>	<b>\$ 107,643,051</b>
Business-type activities:										
Investment earnings	-	-	-	-	-	-	28,499	3,191	4,203	885
Miscellaneous	309	106	371	90	-	-	-	-	-	-
Transfers	-	-	-	-	400	400	28,499	3,191	4,203	885
Total business-type activities	<b>309</b>	<b>106</b>	<b>371</b>	<b>90</b>	<b>-</b>	<b>400</b>	<b>28,499</b>	<b>3,191</b>	<b>4,203</b>	<b>885</b>
Total primary government	<b>\$ 67,508,449</b>	<b>\$ 73,864,248</b>	<b>\$ 88,936,539</b>	<b>\$ 81,608,767</b>	<b>\$ 98,336,137</b>	<b>\$ 104,761,817</b>	<b>\$ 108,973,481</b>	<b>\$ 104,261,072</b>	<b>\$ 78,066,412</b>	<b>\$ 107,643,140</b>
<b>Change in Net Assets</b>										
Governmental activities	\$ (4,287,785)	\$ (3,581,410)	\$ 3,267,725	\$ (10,046,549)	\$ (8,018,933)	\$ (9,180,104)	\$ 10,841,570	\$ (7,301,282)	\$ (28,194,232)	\$ (3,886,011)
Business-type activities	(61,202)	88,609	(385,512)	359,374	1,197,333	165,416	935,657	1,217,824	810,363	855,995
Total primary government	<b>\$ (4,348,987)</b>	<b>\$ (3,492,801)</b>	<b>\$ 2,882,213</b>	<b>\$ (9,687,175)</b>	<b>\$ (6,821,600)</b>	<b>\$ (9,014,688)</b>	<b>\$ 11,777,227</b>	<b>\$ (6,083,458)</b>	<b>\$ (27,383,869)</b>	<b>\$ (3,030,016)</b>

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

Table 3

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Fund</b>										
Reserved for:										
State statute	\$ 7,198,049	\$ 8,121,763	\$ 10,630,636	\$ 10,148,617	\$ 7,890,551	\$ 7,276,450	\$ 5,723,696	\$ 5,315,377	\$ 166,883	\$ 108,552
Prepaid Items	68,904	72,871	75,128	189,070	169,571	125,818	29,941	209,058	160,058	199,051
Future wireline E-911/Public Safety expenditures	-	-	-	-	-	233,586	190,924	200,598	178,243	116,670
For Register of Deeds	151,431	254,354	155,028	-	-	-	-	-	-	11,567
Public Safety - Winterville Rural Fire Department										
Public Safety - Ayden Fire Department										
For Mental Health										
Total reserved	7,418,384	8,448,988	10,860,792	10,571,273	10,522,315	450,000	6,240,357	5,948,798	0	0
Unreserved										
Designated for subsequent year's expenditures	10,793,300	4,668,853	5,800,011	4,968,202	7,038,044	5,486,442	6,753,916	5,342,211	127,233	96,021
Designated for Potential TSR Refund (M)	850,000	-	-	-	-	-	-	-	5,930,673	6,859,363
Undesignated	22,987,774	20,005,649	16,631,302	18,075,910	17,805,686	17,387,066	16,593,431	19,625,099	249,769	130,713
Nonspendable - prepaid items									0	0
Restricted by Stabilization of State Statute									4,215,000	2,288,000
Restricted									11,384,700	14,846,239
Committed										
Assigned										
Unassigned										
Total General Fund	\$ 42,049,458	\$ 33,123,490	\$ 33,292,105	\$ 33,615,385	\$ 35,366,045	\$ 31,218,315	\$ 29,567,704	\$ 30,916,108	\$ 21,907,375	\$ 24,220,336
<b>All Other Governmental Funds</b>										
Reserved for:										
State statute	\$ 1,636,585	\$ 824,916	\$ 582,561	\$ 1,211,152	\$ 1,465,594	\$ 2,520,470	\$ 2,361,080	\$ 1,786,089	\$ 73,575	\$ 80,544
Prepaid Items	31,055	31,485	46,538	31,228	445,061	528,429	106,705	-	-	-
Wireless 911 Operations	311,246	414,230	314,998	44,061	-	-	-	-	-	-
Winterville Rural Fire Dept										
Total reserved	1,979,786	1,270,631	944,097	1,711,645	2,089,756	2,731,989	2,519,607	1,937,647	0	0
Unreserved										
Undesignated/(deficit)										
Special revenue Funds	821,069	-	-	24,958	251,477	1,312,430	1,904,621	2,041,415		
Debt Service Fund	27,658	24,227	64,521	83,212	42,022	(8,068)	64,415	41,635		
Capital Project Funds	3,641,422	14,427,087	4,814,295	1,567,175	-	1,746,264	1,847,095	(159,711)		
All other special revenue funds										
Designated for capital projects										
Nonspendable - prepaid items									93,315	114,571
Restricted by Stabilization of State Statute									7,661,279	3,301,873
Restricted									23,074,203	8,566,117
Committed									11,623,127	12,407,122
Assigned									1,434,962	1,789,875
Unassigned									(1,130,273)	(975,612)
Total all other governmental funds	\$ 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	\$ 25,203,946

**Pitt County  
Changes in fund Balances, Governmental Funds  
Last Ten Fiscal Years**

Table 4

Fiscal Years											
Revenues		2004		2005		2006		2007		2008	
Taxes:											
Property	\$ 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	\$ 82,355,988	
Sales	12,776,890	17,689,675	21,238,192	21,401,409	22,071,132	23,072,981	22,632,862	22,643,570	10,930,853	10,817,910	
Other	6,708,635	6,695,093	7,401,449	7,541,028	8,319,157	9,418,193	10,308,337	104,186,361			
Total taxes	<u>65,374,036</u>	<u>74,789,253</u>	<u>87,471,320</u>	<u>92,073,102</u>	<u>96,003,777</u>	<u>102,352,774</u>	<u>107,787,765</u>	<u>103,908,337</u>	<u>107,554,410</u>		
Intergovernmental											
Sales & Services / Permits & Fees	42,666,245	44,968,727	44,645,599	50,615,252	41,059,040	31,479,203	38,563,757	36,282,989		33,859,590	
Interest	8,547,689	8,870,143	9,390,266	9,575,595	10,891,673	10,966,768	11,309,491	11,274,744		12,270,529	
Miscellaneous	628,145	649,682	1,346,644	1,883,383	2,432,376	3,142,597	3,591,591	262,393		140,633	
Total Revenues	<u>2,251,069</u>	<u>759,786</u>	<u>1,124,314</u>	<u>2,021,470</u>	<u>1,592,836</u>	<u>1,259,163</u>	<u>2,903,009</u>	<u>2,868,190</u>	<u>1,754,585</u>	<u>2,154,058</u>	
	<u>119,467,194</u>	<u>130,037,591</u>	<u>143,978,143</u>	<u>156,169,002</u>	<u>151,779,702</u>	<u>149,190,505</u>	<u>161,700,119</u>	<u>154,693,851</u>	<u>156,328,300</u>	<u>155,979,220</u>	
Expenditures											
General Government	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	12,712,923	
Public Safety	19,609,050	22,413,203	23,090,104	24,828,006	26,791,432	28,796,663	32,049,357	35,958,562	37,264,598	41,181,005	
Environmental Protection	418,229	213,282	211,435	219,636	246,652	231,415	242,986	252,499	229,879	217,076	
Economic Development	1,209,016	3,928,385	4,100,580	4,283,373	4,916,623	4,667,773	5,080,345	7,416,836	6,648,224	8,998,731	
Human Services (Health, DSS, Mental Health)	54,516,121	54,489,313	58,852,913	66,949,101	54,364,801	48,668,953	45,042,960	42,612,499	40,327,489	39,276,818	
Culture and Recreation	58,929,259	491,838	505,161	536,972	583,843	645,517	608,328	718,401	698,384	618,986	
Capital Outlay	28,293,249	30,222,455	31,385,448	32,948,342	34,993,965	58,175,353	38,077,316	58,320,263	65,996,318	55,350,580	
Debt Service:											
Principal	4,741,619	2,669,908	8,911,587	11,677,400	13,792,689	13,964,836	-	-	-	-	
Interest	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	9,949,728	
Total Expenditures	<u>4,628,278</u>	<u>4,205,707</u>	<u>4,407,418</u>	<u>5,000,322</u>	<u>4,647,862</u>	<u>5,906,402</u>	<u>4,380,526</u>	<u>6,181,091</u>	<u>7,052,042</u>	<u>9,786,978</u>	
	<u>130,292,288</u>	<u>137,768,560</u>	<u>143,834,242</u>	<u>167,097,200</u>	<u>159,518,749</u>	<u>162,921,770</u>	<u>163,543,582</u>	<u>174,318,159</u>	<u>181,060,736</u>	<u>178,092,806</u>	
Excess of revenues over (under) expenditures											
	<u>(10,825,054)</u>	<u>(7,730,959)</u>	<u>143,901</u>	<u>(10,928,198)</u>	<u>(7,739,047)</u>	<u>(33,731,265)</u>	<u>(1,843,463)</u>	<u>(19,624,308)</u>	<u>(24,732,436)</u>	<u>(22,113,586)</u>	
Other Financing Sources (Uses)											
Transfers in	(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)	(10,070,906)	
Transfers out	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	9,079,761	
Bonds issued	-	8,060,000	150,000	-	-	19,855,000	-	-	-	-	
Refunding bonds issued	-	-	(11,675,000)	3,422,002	1,863,940	-	-	-	(5,040,000)	(21,230,000)	
Payment to escrow agent, debt refunding pmt	-	-	-	-	(28,995,000)	(1,252,192)	-	-	-	-	
Payment to escrow agent, advance interest pmt	-	-	-	-	-	-	-	-	-	-	
Proceeds from capital lease	-	-	-	-	-	-	-	-	-	-	
Advance payments from debt refunding	-	-	-	-	-	-	-	-	-	-	
Debt Obligation issued	-	-	-	-	-	-	-	-	-	-	
Appropriated Fund Balances	-	-	-	-	-	-	-	-	-	-	
Premium on issued debt	-	-	-	-	-	381,491	-	47,563		2,383,047	
Total other financing sources (uses)	<u>610,000</u>	<u>8,057,000</u>	<u>432,125</u>	<u>3,422,002</u>	<u>30,981,748</u>	<u>20,236,491</u>	<u>348,000</u>	<u>35,580,548</u>	<u>28,185,290</u>	<u>6,873,879</u>	
Net change in fund balances											
	<u>\$ (10,215,094)</u>	<u>\$ 326,041</u>	<u>\$ 576,026</u>	<u>\$ (7,506,196)</u>	<u>\$ 23,242,701</u>	<u>\$ (13,494,774)</u>	<u>\$ (1,495,463)</u>	<u>\$ 15,966,240</u>	<u>\$ 3,452,854</u>	<u>\$ (15,239,707)</u>	

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

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						
2003	4,735,604,553	-	-	-	88,706,936	6,610,280,819	0.6800	7,606,653,922	86.9%
2004	4,966,254,102	-	-	-	84,043,983	6,974,759,976	0.7000	7,753,603,202	90.0%
2005	6,435,605,771	-	-	-	100,466,296	8,449,852,523	0.7000	8,543,787,515	98.9%
2006	6,716,994,823	-	-	-	106,987,984	8,892,218,859	0.7000	9,412,272,973	94.5%
2007	7,084,226,847	-	-	-	105,553,248	9,188,592,608	0.7100	9,439,255,440	97.3%
2008	7,450,655,025	-	-	-	108,434,679	10,127,180,260	0.6850	10,427,180,260	97.1%
2009	9,099,185,257	-	-	-	109,424,469	11,796,580,272	0.6850	11,914,546,075	99.0%
2010	9,346,427,845	-	-	-	109,460,104	11,926,550,262	0.6850	12,045,815,765	99.0%
2011	9,652,528,904	-	-	-	105,153,588	11,803,078,510	0.6650	11,921,109,295	99.0%
2012	9,554,186,028	-	-	-	104,488,137	11,749,828,790	0.6650	11,867,327,078	99.0%

Source: Annual County Report of Valuation and Property Tax Levies

Table 5

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

Table 6

	2003	2004	2005	2006	Year Taxes Are Payable		2009	2010	2011	2012
					2007	2008				
Pitt County - Total	\$ 0.6800	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7150	\$ 0.66650	\$ 0.66650	\$ 0.66650	\$ 0.6800
General Fund	0.6650	0.6650	0.6650	0.6650	0.6850	0.7000	0.6516	0.6540	0.6550	0.6730
Industrial Development	0.0150	0.0150	0.0150	0.0150	0.0150	0.0150	0.0134	0.0110	0.0100	0.0070
County Capital Reserve	0.0000	0.0200	0.0200	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
<u>Municipality Rates:</u>										
Town of Ayden	0.5500	0.5500	0.5200	0.5200	0.5000	0.5000	0.5000	0.5000	0.5000	0.5400
Town of Bethel	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.5900	0.6600
Town of Falkland	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500
Town of Farmville	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900	0.4900
Town of Fountain	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
City of Greenville	0.6150	0.6150	0.5600	0.5600	0.5600	0.5600	0.5200	0.5200	0.5200	0.5200
Town of Griffon	0.5700	0.5700	0.5500	0.5500	0.5500	0.5500	0.5500	0.6000	0.6000	0.6000
Town of Grimesland	0.4500	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	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4500	0.4750
<u>Fire Districts:</u>										
Ayden Fire District	0.0400	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0375	0.0300	0.0475
Bell Arthur Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Belvoir Fire District	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0189
Bethel Fire District	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0675
Black Jack Fire District	0.0300	0.0300	0.0300	0.0300	0.0450	0.0540	0.0540	0.0540	0.0540	0.0640
Clarks Neck Fire District	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0450	0.0450	0.0450	0.0450
Eastern Pines Fire District	0.0250	0.0250	0.0350	0.0350	0.0350	0.0500	0.0500	0.0500	0.0500	0.0500
Falkland Fire District	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Farmville Fire District	0.0400	0.0400	0.0360	0.0360	0.0360	0.0360	0.0360	0.0360	0.0365	0.0389
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	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0750	0.0800	0.0800
Griffon Fire District	0.0450	0.0475	0.0475	0.0499	0.0499	0.0499	0.0499	0.0499	0.0499	0.0599
Grimesland Fire District	0.0400	0.0400	0.0400	0.0450	0.0450	0.0650	0.0650	0.0650	0.0650	0.0700
Pactolus Fire District	0.0465	0.0465	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425	0.0425
Red Oak Fire District	0.0400	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700
Sharp Point Fire District	0.0000	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600
Simpson Fire District	0.0000	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0650
Station House Fire District	0.0175	0.0175	0.0175	0.0175	0.0190	0.0190	0.0190	0.0190	0.0215	0.0250
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	0.0440
EWS District	0.0300	0.0400	0.0400	0.0400	0.0400	0.0400	0.0440	0.0440	0.0440	0.0460

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

Source: Pitt County Tax Assessor

Table 7

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

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

Source: Pitt County Tax Assessor

Pitt County  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Table 8

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Collected within the Fiscal Year of the Levy						Total Amount Collected	Total Percentage Collected		
		Total Amount Collected		Percentage of Original Levy		Percentage of Adjusted Levy					
		Adjusted Levy	Total	Original Levy	Adjusted Levy	Prior Years	Prior Years				
2003	43,757,070	300,283	44,057,353	41,821,376	95.58%	94.92%	2,201,880	44,023,256	100.61%		
2004	46,472,963	75,893	46,548,856	44,508,879	95.77%	95.62%	2,142,142	46,651,021	100.38%		
2005	57,727,485	(1,458,773)	56,268,712	54,237,137	93.95%	96.39%	2,017,033	56,254,170	97.45%		
2006	60,295,684	698,616	60,994,300	58,743,657	97.43%	96.31%	2,516,958	61,260,615	101.60%		
2007	62,756,579	1,580,524	64,337,103	60,454,677	96.33%	93.97%	2,661,557	63,116,234	100.57%		
2008	70,118,338	713,268	70,831,606	67,321,263	96.01%	95.04%	1,838,681	69,159,944	98.63%		
2009	77,210,700	(68,103)	77,142,597	73,335,531	94.98%	95.06%	2,116,311	75,451,842	97.72%		
2010	76,839,094	67,981	76,907,075	73,447,355	95.59%	95.50%	2,202,767	75,650,122	98.45%		
2011	77,149,471	(1,265,750)	75,883,721	72,098,919	93.45%	95.01%	2,341,016	74,439,935	96.49%		
2012	78,720,265	(282,444)	78,437,821	74,447,693	94.57%	94.91%	2,615,285	77,062,978	97.89%		

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

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

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

Table 9

Fiscal Year	Governmental Activities						Business-type Activities						Total Government	Primary Government	Per Capita	Percentage of Personal Income				
	General Obligation Bonds			Revenue Bonds			General Obligation Bonds			Revenue Bonds										
	General Obligation Bonds	Revenue Bonds	Capital Leases	General Obligation Bonds	Revenue Bonds	Installment Loans	General Obligation Bonds	Revenue Bonds	Installment Loans	General Obligation Bonds	Revenue Bonds	Installment Loans								
1999	23,240,000	0	51,174,740	0	2,400,000	0	0	0	0	0	0	0	76,814,740	601	2.80%					
2000	20,750,000	0	44,447,270	0	2,200,000	0	0	0	0	0	0	0	67,437,270	514	2.15%					
2001	18,325,000	0	70,517,862	0	2,000,000	0	0	0	0	0	0	0	90,842,862	679	2.83%					
2002	15,850,000	0	76,540,545	0	1,800,000	0	0	0	0	0	0	0	94,190,545	698	2.88%					
2003	13,385,000	0	73,846,925	0	1,600,000	0	0	0	0	0	0	0	88,831,925	644	2.50%					
2004	10,885,000	0	77,871,430	0	1,400,000	0	0	0	0	0	0	0	90,156,430	649	2.42%					
2005	8,310,000	0	97,806,640	0	1,200,000	0	0	0	0	0	0	0	107,316,640	758	2.69%					
2006	6,655,000	0	95,993,458	0	1,000,000	0	0	0	0	0	0	0	103,648,458	698	2.40%					
2007	3,295,000	0	120,611,096	0	800,000	0	0	0	0	0	0	0	124,706,096	852	2.75%					
2008	2,340,000	0	135,328,440	0	600,000	0	0	0	0	0	0	0	138,268,440	910	2.77%					
2009	1,080,000	0	128,511,253	0	400,000	0	0	0	0	0	0	0	129,991,253	835	2.47%					
2010	0	0	155,281,052	0	200,000	0	0	0	0	0	0	0	155,481,052	980	2.88%					
2011	0	0	175,071,449	0	0	0	0	0	0	0	0	0	175,071,449	1,034	N/A					
2012	0	0	170,603,698	0	0	0	0	0	0	0	0	0	170,603,698	1,002	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							
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	0.03%	0.0125%	10			
2010	200,000	-	200,000	N/A	0.0017%	1			
2011	0	-	-	N/A	0.0000%	0			
2012	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									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Assessed Value of Property	\$ 6,610,281	\$ 6,974,760	\$ 8,449,853	\$ 8,892,219	\$ 9,188,593	\$ 10,127,180	\$ 11,796,580	\$ 11,926,650	\$ 11,803,079	\$ 11,837,209
Debt Limit, 8% of Assessed Value (Statutory Limitation)	528,822	557,981	675,988	711,378	735,087	810,174	943,726	954,124	944,246	946,977
Amount of Debt Applicable to Limit										
Gross debt	88,832	90,156	107,317	103,648	124,706	138,268	129,991	155,481	175,071	170,604
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)	1,600	1,400	1,200	1,000	800	600	400	200	0	0
Revenue bonds	0	0	0	0	0	0	0	0	0	0
Total net debt applicable to limit	87,232	88,756	106,117	102,648	123,906	137,668	129,591	155,281	175,071	170,604
Legal Debt Margin	\$ 441,591	\$ 469,224	\$ 569,872	\$ 608,729	\$ 611,181	\$ 672,506	\$ 814,135	\$ 798,843	\$ 769,175	\$ 776,373
Total net debt applicable to the limit as a percentage of debt limit	16.50%	15.91%	15.70%	14.43%	16.86%	16.99%	13.73%	16.27%	18.54%	18.02%

Source: Annual audited financial reports of this entity.

Pitt County  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2012

Table 12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
CITY OF GREENVILLE	\$ 16,585,000	100.00%	\$ 16,585,000
TOWN OF AYDEN	\$ 0	100.00%	\$ 0
TOWN OF BETHEL	\$ 1,224,000	100.00%	\$ 1,224,000
TOWN OF FARMVILLE	\$ 0	100.00%	\$ 0
TOWN OF FOUNTAIN	\$ 95,500	100.00%	\$ 95,500
TOWN OF GRIMESLAND	\$ 253,500	100.00%	\$ 253,500
TOWN OF WINTERVILLE	\$ 955,500	100.00%	\$ 955,500
CONTENTNEA METROPOLITAN SEWAGE DISTRICT (1)	\$ 125,000	0.00%	\$ 0
			General Obligation Debt 0
			Certificates of Participation 98,860,000
			Limited Obligation Bonds 57,450,000
			Notes Payable 8,691,345
			Qualified School Construction Bonds 5,602,353
Total direct debt			\$ 170,603,698
Total overlapping debt:			\$ 19,113,500
Total direct and overlapping debt:			\$ <u>189,717,198</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**

<u>Year</u>	<u>Population(1)</u>	<u>Personal Income (2) (thousands of dollars)</u>	<u>Per Capita Personal Income (2)</u>	<u>Public School Enrollment(3)</u>	<u>Unemployment Rate(4)</u>
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	5,400,169	32,001	22,886	10.1%
2011	169,378	*	*	23,240	10.8%
2012	170,263	*	*	23,300	*

\* 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.

**Table 14**

Pitt County Principal Employers Current Year and Ten Years Ago	2011-2012 (1)			2001-2002 (1)			
	Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Vidant Medical Center	6,483	1		8.62%	4,150		6.37%
East Carolina University	5,386	2		7.17%	4,176		6.41%
Pitt County Public Schools	2,754	3		3.66%	3,200		4.91%
DSM	1,500	4		2.00%	1,300		1.99%
The Roberts Company	1,100	5		1.46%	260		0.40%
NACCO Material Handling Group	1,000	6		1.33%	1,100		1.69%
County of Pitt	914	7		1.22%	925		1.42%
Pitt Community College	953	8		1.27%	650		1.00%
Alliance One International	825	9		1.10%	550		0.84%
City of Greenville	764	10		1.02%	675		1.04%

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	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government	135.75	139.50	139.50	141.50	142.50	142.00	144.00	143.50	138.00	128.60
Public safety	285.75	295.35	299.35	312.25	321.50	326.56	372.00	399.75	426.50	383.50
Social services	217.00	221.00	219.00	223.00	225.00	227.00	232.00	234.00	229.00	233.30
Economic and physical dev	16.10	18.60	18.60	19.60	18.60	18.60	19.10	21.35	20.35	39.35
Environmental protection	22.25	22.25	21.25	21.25	21.00	21.50	21.50	21.75	21.75	22.25
Health	119.60	116.90	117.70	119.50	124.60	129.10	131.90	137.90	138.90	130.55
Mental Health	197.65	199.80	191.40	54.75	21.25	0.00	0.00	0.00	0.00	0.00
Veteran's Services	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00
Total	995.10	1014.40	1007.80	892.85	876.45	866.76	922.50	960.25	976.50	939.55

Source: County Financial Services Department

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

Pitt County  
Operating Indicators by Function  
Last Ten Fiscal Years

Table 16

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental Activities:</b>										
<b>General Government</b>										
Number of registered voters	83,544	94,613	92,753	96,244	90,676	96,416	102,049	103,700	104,079	106,801
Number of marriage licenses issued	1,064	1,006	1,163	1,146	1,039	1,222	1,131	1,098	1,123	1,158
<b>Public Safety</b>										
Number of 911 dispatch/calls	19,526	11,313	11,400	12,230	32,000	35,843	36,695	36,630	85,584	83,657
Number of law violations	18,500	19,577	19,388	19,388	26,427	26,505	26,212	28,181	29,578	32,077
<b>Environmental Protection</b>										
Number of Soil & Water customers served	1,332	692	1,587	2,109	N/A	822	958	801	750	568
<b>Economic and Physical Development</b>										
Number of commercial permits issued	155	145	134	145	107	61	32	65	29	21
Number of residential permits issued	1,699	2,639	1,656	2,122	1,671	1,299	508	570	115	107
<b>Human Services</b>										
Households that received assistance with energy bills	2,528	2,320	2,519	2,380	2,721	2,880	3,848	4,211	4,338	3,755
Medicaid clients receiving transportation assistance	986	1,254	2,199	2,320	2,386	2,242	2,272	2,309	3,851	1,599
Number of child support collection cases	8,550	8,290	8,198	7,692	7,660	9,679	7,944	8,087	7,462	7,539
Average number of Public Health WIC cases	4,362	4,432	4,257	4,505	4,525	4,598	4,811	4,881	4,785	4,887
Restaurant/Lodging inspections, consults & permitting activities	4,402	3,747	5,156	5,891	7,500	8,929	10,801	9,592	8,567	8,591
<b>Culture and Recreation</b>										
Total circulation for library system	394,125	389,620	409,184	409,184	452,011	460,478	460,478	486,559	475,126	507,522
<b>Education</b>										
Public school student enrollment K-12	20,691	21,229	21,582	22,030	22,498	22,994	23,235	22,886	23,122	23,218
<b>Business-type Activities:</b>										
<b>Solid Waste &amp; Recycling</b>										
Tons of garbage processed	130,000	131,000	138,000	133,100	134,500	135,530	126,000	140,000	152,556	205,708
Tons of recycled material	35,000	35,000	35,506	35,150	35,700	36,000	36,000	36,000	54,872	75,908

Pitt County  
Capital Asset Statistics by Function  
Last Ten Fiscal Years

Table 17

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Governmental Activities:</b>										
<b>General Government</b>										
Buildings	5	5	5	5	5	5	5	15	15	15
Vehicles	31	31	31	35	35	30	30	42	49	55
<b>Public Safety</b>										
Buildings	3	3	3	3	3	3	3	4	4	4
Vehicles	177	177	178	181	181	175	183	193	201	210
<b>Environmental Protection</b>										
Buildings	0	0	0	0	0	0	0	1	1	1
Vehicles	3	3	3	3	3	7	7	7	6	6
<b>Economic and Physical Development</b>										
Buildings	0	0	0	0	0	0	0	3	3	3
Vehicles	7	7	7	7	7	7	11	12	7	8
<b>Human Services</b>										
Buildings	5	5	5	5	5	5	5	3	3	3
Vehicles	72	72	72	71	71	73	67	72	70	69
<b>Culture and Recreation</b>										
Buildings	0	0	0	1	1	1	1	1	1	1
Vehicles	0	0	0	0	0	0	0	0	0	0
<b>Education</b>										
Buildings	5	5	6	7	7	8	8	8	5	5
Vehicles	0	0	0	0	0	0	0	0	0	0
<b>Business-type Activities:</b>										
<b>Solid Waste &amp; Recycling</b>										
Buildings	2	2	2	2	2	2	2	4	5	5
Vehicles	14	14	14	14	14	16	16	14	19	20

Source: Records within the Pitt County Financial Services Department.